

FORM 2B
LISTING APPLICATION



HILO MINING LTD.

Application for the listing of the common shares of Hilo Mining Ltd. on the TSX Venture Exchange

April 26, 2022

No securities regulatory authority or the TSX Venture Exchange has expressed an opinion about the securities which are the subject of this application.

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ITEM 2A: GLOSSARY

Unless otherwise indicated or the context otherwise indicates, the following definitions are used in this Listing Application. Capitalized terms not otherwise defined herein will have the meanings ascribed thereto in the policies of the TSX Venture Exchange (the "TSXV") and applicable securities laws. In the event of a conflict between a term defined in this glossary and a term defined in the policies of the TSXV, the definition of the TSXV will govern. Words importing the singular number only include the plural and vice versa, and words importing any gender include all genders.

"**Arrangement**" has the meaning given to it under the heading "*Item 5 – Description of the Business – The Arrangement*".

"**Arrangement Agreement**" has the meaning given to it under the heading "*Item 5 – Description of the Business – Three-year History – The Arrangement*".

"**Asset Purchase Agreement**" has the meaning given to it under the heading "*Item 5 – Description of the Business – Three-year History – Asset Purchase Agreement*".

"**Audit Committee**" has the meaning given to it under the heading "*Item 19 – Audit Committees and Corporate Governance – Audit Committee*".

"**Awards**" means equity compensation awards of Hilo granted pursuant to the Plan.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Board**" means the board of directors of Hilo, as constituted from time to time.

"**Champ Option Agreement**" has the meaning given to it under the heading "*Item 5 – Three-year History – Asset Purchase Agreement*".

"**Champ Project**" means the Champ exploration property located in the Nelson Mining Division of British Columbia, near Castlegar, British Columbia.

"**Champ Technical Report**" means the "Technical Report on the Champ Property, British Columbia NTS82F04, - 117° 36' Longitude and 49°14' Latitude" with an effective date of March 10, 2021, as further described under the heading "*Item 5 – Description of the Business – Champ Project*".

"**Common Shares**" means the common shares without par value in the capital of Hilo.

"**Effective Date**" means November 12, 2021, being the date that the Arrangement became effective.

"**Escrowed Securities**" has the meaning given to it under the heading "*Item 14 – Escrowed Securities and Securities Subject to Restriction on Transfer*".

"**Exchange Bulletin**" means the final exchange bulletin of the TSXV accepting the listing of the Common Shares.

"**Final Order**" means the final order of the British Columbia Supreme Court approving the Arrangement.

"**Golden**" means Golden Independence Mining Corp., a TSXV-listed company existing under the BCBCA.

"**Golden Shares**" means the common shares in the capital of Golden as constituted from time to time.

"**Golden Shareholders**" means the holders of Golden Shares.

"**Hilo**" or the "**Company**" means Hilo Mining Ltd.

"**Listing Application**" means this Form 2B Listing Application.

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

"**NI 52-110**" means National Instrument 52-110 *Audit Committees*.

"**NI 58-101**" means National Instrument 58-101 *Disclosure of Corporate Governance Practices*.

"**NP 58-201**" means National Policy 58-201 *Corporate Governance Guidelines*.

"**Options**" means stock options of Hilo granted pursuant to the Plan.

"**Phase I Work Program**" means the Phase I work program for the Champ Project, as described in the Champ Technical Report.

"**Plan**" means the fixed 10% stock option plan of Hilo.

"**Plan of Arrangement**" has the meaning given to it under the heading "*Item 5 – Description of the Business – The Arrangement*".

"**Private Placement**" has the meaning given to it under the heading "*Item 5 – Description of the Business – Three-year History – The Private Placement*".

"**Shareholders**" means the holders of Common Shares.

"**TSX**" means the Toronto Stock Exchange.

"**TSXV**" has the meaning given to it under the heading "*Item 2A – Glossary*".

ITEM 2B: NOTICE TO READERS

This Listing Application contains certain forward-looking statements within the meaning of Canadian securities laws. These statements relate to future events or future performance and reflect management's expectations regarding the growth, results of operations, performance and business prospects and opportunities of Hilo.

All statements other than statements of historical fact are forward-looking statements. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target" or the negative of these terms or other comparable terminology. These statements are only predictions. In addition, this Listing Application may contain forward-looking statements attributed to third party industry sources.

Forward-looking statements are necessarily based on estimates and assumptions made by management in light of management's experience and perception of historical trends, current conditions and expected future developments, as well as factors that management believe are appropriate. Forward-looking statements in this Listing Application include, but are not limited to: expectations regarding the benefits of the Arrangement; expectations regarding the proceeds of the Private Placement; expectations regarding Hilo's total available funds at the time of listing on the TSXV and anticipated uses thereof; Hilo's anticipated capital structure, directors, officers and insiders; Hilo's anticipated future growth, results of operations, performance and business prospects and opportunities; the business objectives and related milestones of Hilo's; the proposed timetable for the Phase I Work Program; expectations regarding future dividends and distributions; expectations regarding entering into of material contracts and investor relations agreements; expectations regarding escrow restrictions imposed on Hilo's securities; expectations regarding principal securityholders of Hilo and the identity and shareholdings thereof; expectations regarding compensation of directors, officers and employees of Hilo; and expectations regarding corporate governance and committees of the Board; and expectations regarding reliance on a waiver from the sponsorship requirements of the TSXV.

These forward-looking statements are based on the beliefs of the management of Hilo as well as on assumptions which management believes to be reasonable, based on information currently available at the time such statements were made. However, there can be no assurance that forward-looking statements will prove to be accurate. Such assumptions and beliefs include, among other things: the ability of Hilo to realize the benefits of the Arrangement; the discretion of management of Hilo and the Board to use the proceeds of the Private Placement and total available funds upon listing on the TSXV other than as disclosed herein; the ability of Hilo to complete the Phase I Work Program on the timeline and budget disclosed herein; the ability of Hilo to execute its business plan successfully or as disclosed herein, such that the future growth, results of operations, performance and business prospects and opportunities of Hilo will be as anticipated; the ability of Hilo to maintain existing strategic partnerships and attract new partners; the ability for Hilo to obtain financing on acceptable terms; the ability for Hilo to retain skilled management and employees; and the ability for Hilo to develop and commercialize the Champ Project.

Although management of Hilo believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Hilo cannot guarantee future results, levels of activity, performance, or achievements. Some of the risks and other factors, some of which are beyond the control of Hilo, which could cause results to differ materially from those expressed in the forward-looking statements contained in this Listing Application include, but are not limited to: Hilo may not be able to realize the benefits of the Arrangement; the Board or management of Hilo may decide that the proceeds of the Private Placement and total available funds upon listing on the TSXV be used for purposes different than disclosed herein; there may be unexpected delays in the timeline for the Phase I Work Program; there may be unanticipated costs associated with the Phase I Work Program; Hilo may not be able to execute its business plan successfully such that the future growth, results of operations, performance and business prospects and opportunities of Hilo may not be as currently anticipated; Hilo may not be able to obtain future financing sufficient to fund its operations on terms acceptable to Hilo or at all; Hilo may not be able to retain or hire necessary management and personnel; and the impacts of the COVID-19 pandemic on the business and operations of Hilo.

This list is not exhaustive of the factors that may affect any of the forward-looking statements regarding Hilo. Forward-looking statements are statements about the future and are inherently uncertain. Actual events or results could differ materially from those projected in the forward-looking statements including as a result of the matters set out in this Listing Application generally and certain economic and business factors, some of which may be beyond the control of Hilo. Some of the important risks and uncertainties that could affect forward-looking statements are described under the heading "*Item 21 – Risk Factors*". Hilo does not intend, and does not assume any obligation, to update any of the forward-looking statements after the date of this Listing Application so as to conform such statements to actual results or to changes in the expectations of Hilo, other than as required by applicable securities laws. For all these reasons, readers should not place undue reliance on the forward-looking statements contained herein, as Hilo's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect Hilo's business, or if Hilo's estimates or assumptions prove inaccurate. The forward-looking statements contained in this Listing Application are expressly qualified by this cautionary statement.

Reporting Currency

Unless otherwise indicated, all references to "\$" or "dollars" in this Listing Application refer to Canadian dollars. Hilo's financial statements incorporated herein are reported in Canadian dollars and are prepared in accordance with International Financial Reporting Standards

Information Contained in this Listing Application

The information contained in this Listing Application is given as at April 26, 2022, except where otherwise noted.

No person has been authorized to give any information or to make any representation in connection with the Arrangement, the Private Placement or other matters described herein other than those contained in this Listing Application and, if given or made, any such information or representation should be considered not to have been authorized by Hilo and should not be relied upon.

The information concerning each party contained in this Listing Application has been provided by management of that party. Although the parties have no specific knowledge that would indicate that any of such information regarding the other party is untrue or incomplete, the parties assume no responsibility for the accuracy or completeness of information or the failure by the other party to disclose events which may have occurred or may affect the completeness or accuracy of such information which are unknown to that party.

This Listing Application does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any Person in any jurisdiction.

Information contained in this Listing Application should not be construed as legal, tax or financial advice and readers are urged to consult their own professional advisers in connection therewith.

All financial information in this Listing Application has been prepared in accordance with IFRS, unless otherwise noted. The financial year end of Hilo is May 31.

Neither the Company's independent auditors, Manning Elliott LLP, nor any other independent accountant, has compiled, examined, or performed any procedures with respect to the Company's estimated consolidated working capital disclosed herein, nor have they expressed any opinion or any other form of assurance on such information, and assume no responsibility for, and disclaim any association with, such financial information.

ITEM 3: SUMMARY

The following is a summary of the principal features of this Listing Application and should be read together with the more detailed information and financial data and statements contained elsewhere in this Listing Application. This summary is qualified in its entirety by the more detailed information appearing or referred to elsewhere herein. Unless otherwise indicated, all currency amounts are stated in Canadian dollars. Capitalized terms used in this summary are defined in "*Item 2A – Glossary*."

Business of Hilo

Hilo was incorporated on February 2, 2021. Pursuant to an Asset Purchase Agreement dated September 21, 2021 between Hilo and Golden (the "**Asset Purchase Agreement**"), Hilo acquired 100% of the Champ Project in exchange for the issuance of 1,499,999 Common Shares at a deemed price of \$0.15 per share. The Champ Project is considered Hilo's material property. Upon listing on the TSXV, Hilo intends to focus on further exploration and development of the Champ Project.

The Champ Project consists of five non-surveyed contiguous mineral claims in the Nelson Mining Division of British Columbia, Canada and is described in detail under the heading "*Item 5 – Description of the Business – Champ Project*".

Listing of Securities

Hilo is seeking to list the Common Shares on the TSXV. Hilo is authorized to issue an unlimited number of Common Shares. As of the date hereof, Hilo has 7,272,363 Common Shares issued and outstanding, which are held by Golden Shareholders, subscribers in the Private Placement and insiders of Hilo. See "*Item 9 – Disclosure of Outstanding Security Data on a Fully Diluted Basis*" and "*Item 10 – Description of Securities to be Listed*".

The Arrangement

Hilo was incorporated by Golden for the purposes of completing the Arrangement. On April 22, 2021, Hilo and Golden entered into an arrangement agreement (the "**Arrangement Agreement**"), pursuant to which, among other things, Golden distributed 1,000,000 of the 1,500,000 Common Shares held by it to Golden Shareholders (the "**Arrangement**") on a pro rata basis (approximately 0.016 Common Shares per Golden Share held) on November 12, 2021. As at the date hereof, Golden Shareholders hold approximately 14% of the issued and outstanding Common Shares. The Golden Shareholders of record as at April 9, 2021 approved the Arrangement at Golden's Annual General and Special Meeting of Shareholders held on June 1, 2021. Golden obtained the Final Order with respect to the

Arrangement from the Supreme Court of British Columbia on June 22, 2021. The Effective Date of the Arrangement was November 12, 2021.

Pursuant to the plan of arrangement giving effect to the Arrangement (the "**Plan of Arrangement**"), Golden Shareholders of record as at the date prior to the Effective Date received, for each Golden Share held on the date prior to the Effective Date, one replacement Golden Share and approximately 0.016 of a Common Share, and as a result, hold shares in both Golden and Hilo. Holders of stock options and restricted share units of Golden did not receive equivalent securities in Hilo as a result of the Arrangement. The Arrangement did not affect the creditors of either Hilo or Golden.

Effective October 18, 2021, Golden transferred the remaining 500,000 Common Shares held by it to Gino DeMichele, an insider of Hilo, in consideration for the payment of \$50,000 (the "**Share Transfer**"). Following the Share Transfer, Golden no longer held any Common Shares.

See "*Item 5 – Description of the Business – Three-year History – The Arrangement*".

Private Placement

On November 17, 2021 and December 17, 2021, Hilo completed the Private Placement. Pursuant to the Private Placement, Hilo issued 5,772,363 Common Shares at a price of \$0.15 per Common Share for gross proceeds of \$865,854.45. After deducting finder's fees paid in connection with the Private Placement, the net proceeds of the Private Placement were \$857,349.

Following listing on the TSXV, Hilo expects to have the following total available funds:

Estimated Consolidated Working Capital as at March 31, 2022	\$586,208
Costs associated with the listing on TSX Venture Exchange	\$30,000
Estimated Total Available Funds	\$556,608

Following listing on the TSXV, Hilo expects to use the total available funds for the following principal purposes:

Purpose	
Phase I Work Program for Champ Project	\$213,950
Estimated General and Administrative costs for the 12 month period subsequent to listing on the TSX Venture Exchange	\$196,000
Unallocated working capital	\$146,658
TOTAL:	\$556,608

Risk Factors

There are risks associated with the businesses of Hilo, including but not limited to: (i) the need for additional capital by Hilo, through financings and the risk that such funds may not be raised; (ii) the speculative nature of exploration and the stages of the properties or assets of Hilo; (iii) the effect of changes in commodity prices; (iv) reliance on management; (v) the potential for conflicts of interest; and (vi) other risks associated with Hilo as described in "Item 21 – Risk Factors" of this Listing Application.

Financial Information

Select Financial Information from Audited Financial Statements

The following selected financial information and management's discussion and analysis is derived from, and should be read in conjunction with, the audited consolidated financial statements of Hilo from incorporation on February 2, 2021 to May 31, 2021 and the notes thereto and the management's discussion and analysis for the same period, attached hereto as Appendix "B" as well as the disclosure contained throughout this Listing Application.

	From incorporation on February 2, 2021 to May 31, 2021
Operating expenses	\$(0)
Comprehensive income for the period	\$0
Total Assets	\$1
Total Liabilities	\$0

Select Financial Information from Unaudited Interim Financial Statements

The following selected unaudited financial information is derived from, and should be read in conjunction with, the unaudited interim financial statements of Hilo for the six month period ended November 30, 2021 and the notes thereto and the management's discussion and analysis for the same period, attached hereto as Appendix "C", as well as the disclosure contained throughout this Listing Application.

	For the period ended November 30, 2021
Operating expenses	\$123,768
Comprehensive income for the period	\$123,768
Total Assets	\$1,099,489
Total Liabilities	\$129,676

ITEM 4: CORPORATE STRUCTURE

Name, Address and Incorporation

Hilo was incorporated as "Hilo Mining Ltd." on February 2, 2021 under the BCBCA as a wholly-owned subsidiary of Golden. Its head office is located at 503-905 West Pender Street Vancouver, British Columbia V6C 1L6 and its registered office is located at Suite 2500, 666 Burrard Street, Vancouver, British Columbia V6C 2X8. Hilo is a reporting issuer in British Columbia, Alberta and Ontario. No material amendments to the articles or other constating documents of Hilo have been made since the date of incorporation.

Intercorporate Relationships

Prior to completion of the Arrangement, Hilo was a wholly-owned subsidiary of Golden. Following the Arrangement, Hilo ceased to be a wholly-owned subsidiary of Golden and Golden no longer owns any Common Shares. As at the date hereof, Hilo has no subsidiaries.

ITEM 5: DESCRIPTION OF THE BUSINESS

General

From incorporation until the date of the Arrangement, Hilo had no active business. The Champ Project is considered Hilo's material property. Following listing on the TSXV, Hilo intends to focus on further exploration and development of the Champ Project. The Champ Project is described in detail under the heading "*Item 5 – Description of the Business – Champ Project*".

Specialized Skill and Knowledge

All aspects of Hilo's business activities require specialized skills and knowledge. Such skills and knowledge include the fields of geology, mining, metallurgy, engineering, environment issues, permitting, social issues, and accounting. Competition in the resource mining industry has made it more difficult to locate and retain competent employees in such fields.

Competitive Conditions

Competition in the mineral exploration industry is intense. Hilo competes with other mining companies in its principal markets and geographic area, many of which have greater financial resources and technical facilities for the acquisition and development of mineral concessions, claims, leases and other interests, as well as for the recruitment and retention of qualified employees and consultants.

Business Cycles

The mining business is subject to mineral price and investment climate cycles. The marketability of minerals is also affected by worldwide economic and demand cycles. In recent years, the significant demand for minerals in some countries has driven increased commodity prices. It is difficult to assess if the current commodity prices are long-term trends, and there is uncertainty as to the recovery, or otherwise, of the world economy. If the global conditions weaken and commodity prices decline as a consequence, a continuing period of lower prices could significantly affect the economic potential of the Champ Project.

Economic Dependence

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

Employees

As at the date of this Listing Statement, Hilo had no employees and three consultants.

Bankruptcy and Similar Procedures

There have been no bankruptcy, receivership or similar proceedings against Hilo, or any voluntary bankruptcy, receivership or similar proceedings by Hilo, within the three most recently completed financial years or completed during or proposed for the current financial year.

Reorganizations

Other than the completion of the Arrangement pursuant to the Arrangement Agreement, there have been no material reorganizations of Hilo within the three most recently completed financial years nor any material reorganizations of Hilo proposed for the current financial year.

Three-year History

Champ Option Agreement and Asset Purchase Agreement

On August 24, 2017, Golden entered into an option agreement (the "**Champ Option Agreement**") with Barrie Field-Dyte whereby Golden had the option to acquire a 100% interest in two of the claims comprising the Champ Project in exchange for \$10,000 and 300,000 Golden Shares. The consideration was paid following the listing of Golden. The remaining claims comprising the Champ Project were independently staked by Golden.

In connection with the Arrangement and pursuant to the Asset Purchase Agreement, Hilo acquired a 100% undivided legal and beneficial interest in the Champ Property from Golden for an aggregate purchase price equal to the fair market value of the Champ Property as determined between the parties. The purchase price was satisfied by Hilo issuing to Golden 1,499,999 Common Shares (the "**Consideration Shares**") at a deemed price of \$0.15 per Consideration Share in connection with the Arrangement.

The Champ Property is subject to a 2% net smelter return royalty in respect of all products produced from the Champ Property. One percent can be purchased by the Company for \$1,000,000 within the first five years of commercial production.

The Arrangement

Hilo was incorporated by Golden for the purposes of completing the Arrangement. On April 22, 2021, Hilo and Golden entered into the Arrangement Agreement, pursuant to which, among other things, Golden distributed 1,000,000 of the 1,500,000 Common Shares held by it to Golden Shareholders on a pro rata basis (approximately 0.016 Common Shares per Golden Share held) on November 12, 2021. As at the date hereof, Golden Shareholders hold approximately 14% of the issued and outstanding Common Shares. The Golden Shareholders of record as at April 9, 2021 approved the Arrangement at Golden's Annual General and Special Meeting of Shareholders held on June 1, 2021. Golden obtained the Final Order with respect to the Arrangement from the Supreme Court of British Columbia on June 22, 2021. The Effective Date of the Arrangement was November 12, 2021.

Effective October 18, 2021, Golden completed the Share Transfer. Following the Share Transfer, Golden no longer held any Common Shares.

The purpose of the Arrangement and the related transactions was to reorganize Golden into two separate publicly-traded companies: (i) Golden, which will be an exploration company focused on the advanced-stage Independence Gold Property located in the Battle Mountain-Cortez Trend, Nevada; and (ii) Hilo, which will be an exploration company focused on the Champ Project.

The Private Placement

On November 17, 2021 and December 17, 2021, Hilo completed the Private Placement. Pursuant to the Private Placement, Hilo issued 5,772,363 Common Shares at a price of \$0.15 per Common Share for gross proceeds of \$865,854.45, including 1,333,333 Common Shares issued to an insider of Hilo. After deducting finder's fees, the net proceeds of the Private Placement were \$857,349. See "Item 6 – *Financings*" for further information regarding the Private Placement.

Other than the listing of the Common Shares on the TSXV, Hilo does not expect any material changes to its business to occur in the current financial year.

Champ Project

The Champ Project is considered Hilo's material property. The most recent technical report on the Champ Project filed in accordance with NI 43-101 is the technical report prepared by Derrick Strickland, P. Geo, dated effective as of March 10, 2021, entitled "Technical Report on the Champ Property, British Columbia NTS82F04, -117° 36' Longitude and 49°14' Latitude" (the "**Champ Technical Report**").

The summary set out below (with the exception of the heading "*Proposed Timetable for Phase I Work Program*") regarding the Champ Project (also referred to as the "**Property**" in this section) is based on, without material modification or revision, the disclosure in the Champ Technical Report, which has been incorporated by reference into this Listing Application. The Champ Technical Report is available for review under Hilo's SEDAR profile at www.sedar.com. The following summary does not purport to be a complete summary of the Champ Technical Report. The Champ Technical Report contains more detailed information and qualifications than as set out below and readers are encouraged to review the Champ Technical Report in its entirety. The following summary is subject to all of the assumptions, information and qualifications set forth therein.

Champ Project

The Champ Project is the subject of the Champ Technical Report. Set out below is a summary from the Champ Technical Report. The scientific and technical information in this summary relating to the Project is a direct extract from, and based on the assumptions, qualifications and procedures set out in the Technical Report. The following summary does not purport to be a complete summary of the Technical Report. References to the "Champ Property" contained in the following summary are references to the "Champ Project" as that term is defined in this Circular.

Property Description, Location and Access

The Champ Property claim group consists of five non-surveyed contiguous mineral claims totalling 1369.61 hectares located on NTS maps 82F04 centered at Latitude 49° 14' 30" Longitude -117° 36' 53". The claims are located within the Nelson Mining Division of British Columbia. The Mineral claims are shown in Figures 1 and 2, and the claim details are illustrated in the following table:

Table 2: Property Claim Information

Title Number	Claim Name	Issue Date	Good To Date	Area (ha)
1051500	CHAMP	2017/APR/20	2025/APR/25	42.18
1053425	CHAMP 2	2017/JUL/26	2025/APR/25	527.30
1056187	CHAMP 3	2017/NOV/09	2025/APR/25	63.27
1056188	CHAMP 4	2017/NOV/09	2025/APR/25	421.91
1064005	CHAMP-5	2018/OCT/23	2025/APR/25	314.95

MTO website indicates that Golden Independence Mining Corp. the current registered 100% owner of all Champ mineral claims above.

The author undertook a search of the tenure data on the British Columbia government's MTO website which confirms the geospatial locations of the claim boundaries and the Champ Property ownership as of January 13, 2021.

In British Columbia, the owner of a mineral claim acquires the right to the minerals that were available at the time of claim location and as defined in the Mineral Tenure Act of British Columbia. Surface rights and placer rights are not included. Claims are valid for one year and the anniversary date is the annual occurrence of the date of record (the staking completion date of the claim). The current mineral claims are on crown land and no further surface permission is required by the mineral tenure holder to access mineral claims.

To maintain a claim in good standing the claim holder must, on or before the anniversary date of the claim, pay the prescribed recording fee and either: (a) record the exploration and development work carried out on that claim during the current anniversary year; or (b) pay cash in lieu of work. The amount of work required in years one and two is \$5 per hectare per year, years three and four is \$10 per hectare, years five and six is \$15 per hectare, and \$20 per hectare for each subsequent year. Only work and associated costs for the current anniversary year of the mineral claim may be applied toward that claim unit. If the value of work performed in any year exceeds the required minimum, the value of the excess work can be applied, in full year multiples, to cover work requirements for that claim for additional years (subject to the regulations). A report detailing work done and expenditures must be filed with, and approved by, the British Columbia Ministry of Energy and Mines.

The Company and author are unaware of any significant factors or risks, besides what is not noted in the technical report, which may affect access, title, or the right or ability to perform work on the Champ Property.

The Champ Property is located approximately 10 km by paved highway from the town of Castlegar, located to the west. Castlegar hosts a range of light industrial services and accommodation options and can be accessed by regularly scheduled flights from Vancouver and Calgary.

The Crowsnest Highway (Hwy 3) provides excellent access to the Champ Property, and bisects the claims from east to west. An extensive network of good quality gravel logging roads provides vehicular access throughout the Champ Property. In some areas, tracks are overgrown though access may be quickly restored with relatively minor maintenance work. Logging has been conducted in many areas on the Champ Property by several companies as recently as 2007.

Average temperatures range from -10°C in winter to +35°C in the summer months and Hwy 3 is open year-round. Weather conditions through the spring and summer months vary from clear, sunny, and warm to overcast and rainy. Fall is characterized by clear, crisp days with increasing cloud cover bringing rain and snow with the onset of winter. Average precipitation is in the order of 4.0 m of snow and 500 mm of rain.

Elevations at the Champ Property range from 700 m to 942 m above sea level. Most of the terrain is characterized by low ridges and hills, with small swamps in local depressions. The southern and western portions of the Champ Property comprise the greatest elevation. Extensive logging in the area has left a patchwork of clear cuts across the Champ Property. Elsewhere, the Champ Property is forested with spruce, pine, fir, and larch.

Approximately a third of the claim area is within areas of logging re-growth with the remainder covered by a mixture of coniferous and deciduous trees. Rock exposures are plentiful along the many logging access roads but less common in the forested area, generally restricted to high standing ridges.

History

The surrounding area has had considerable exploration since the late 1890s, with development of many past producing mines in the Rossland area, 25 km to the southeast, and the Nelson area, 20 km to the east.

Recorded assessment work on the Property area is listed below in Table 3. Considerable prospecting, recorded in these reports, has led to the discovery of several styles of unrecognized gold mineralization, first by Gustafson (1984) and then by Tom Kennedy on several of the claims that comprise the Property, including the Champ claim (T. Kennedy, 2005, 2007, 2008). Kootenay Gold Inc. conducted a small geochemical soil program on part of the Champ claim in 2008 resulting in the recognition of several northwest-trending, moderately high gold anomalies in the southwest corner of the grid (C. Kennedy, 2008).

Table 3: Recorded Assessment Report

Aris Report No.	Operator	Author	Year	Work and Results on the Current Champ Property
12372	A&E Gustafson	E. Gustafson	1984	12 Samples sent for Assay on 3.40 oz./t Au 0.099 oz./t Au
27811	Kootenay Gold	Author	2005	Prospecting
29211	T, Kennedy	Kennedy	2007	64 soil Samples on three lines @ 25 m stations. Gold as high as 316.9 ppb, Arsenic up to 49.3 ppm
29440	T, Kennedy	T. Kennedy	2007	Prospecting
30533	Kootenay Gold	C Kennedy	2008	6 soils anomalies of > 25 ppb Au, 3 soils anomalies >1 ppm Au
30118	T, Kennedy	T. Kennedy	2008	19 rock samples, one rock sample - 5157 ppb Au
31027	Kootenay Gold	T. Hoy	2009	Geological Mapping

Geological Setting, Mineralization and Deposit Types

Regional Geology

The Champ Property is located in the Rossland-Nelson map area which is within the Omineca belt. Rocks of the North American terrane include the Middle Proterozoic Windermere Supergroup and overlying Lower Cambrian Quartzite Range and Reno formations located in the southeast corner of the map area. To the west, these are structurally overlain by the north-trending Kootenay terrane consisting mainly of the Lower Paleozoic Lardeau Group and Active and Laib formations. The Slide Mountain terrane is represented in the map-area by Upper Paleozoic rocks of the Milfor Group. Early Jurassic Rossland and Ymir group rocks of Quesnellia comprise the thickest stratigraphic package, forming a broad northeast-trending belt in the central portion of the map area. Much of the map area is cut by the Middle to Late Jurassic Nelson and related intrusions, including the important Rossland monzonite.

The Rossland-Nelson map area is within the Omineca belt, a zone of variably deformed and metamorphosed Proterozoic to Tertiary rocks along the boundary between accreted terranes and ancestral North America. The Omineca belt developed in the Jurassic through Early Cretaceous time as Quesnellia was thrust over marginal North American and Kootenay terrane rocks and subsequently displaced eastward by folding and thrust faulting (Price, 1981; 1986). This Mesozoic compressional deformation was followed by extensional tectonics in Eocene time (Parrish, 1995). Plutonic rocks within the Omineca belt are common, and represent magmatism associated with both compressional and extensional tectonics.

The tectonic boundary between Quesnellia and North American rocks is commonly marked by mafic volcanic rocks and associated ultramafics of the oceanic Slide Mountain terrane. South of Nelson, this boundary is defined by the

Waneta and Tillicum fault systems. The contact is locally obscured or cut by either Middle Jurassic Nelson batholithic rocks or Late Cretaceous intrusions.

The Rosslund Group includes clastic rocks of the Archibald Formation and correlative Ymir Group, dominantly volcanic rocks of the Elise Formation and dominantly fine-grained clastic rocks of the overlying Hall Formation (Frebold and Little, 1962; Little, 1982).

The Archibald Formation comprises a succession of interbedded siltstones, sandstones, and argillites with prominent sections of interbedded conglomerate. Its total exposed thickness varies from a few tens of metres of conglomerate near Patterson to more than 2,550 metres of finer grained clastic rocks near Gilliam Creek. Its contact with the overlying Elise Formation varies from abrupt to locally gradational.

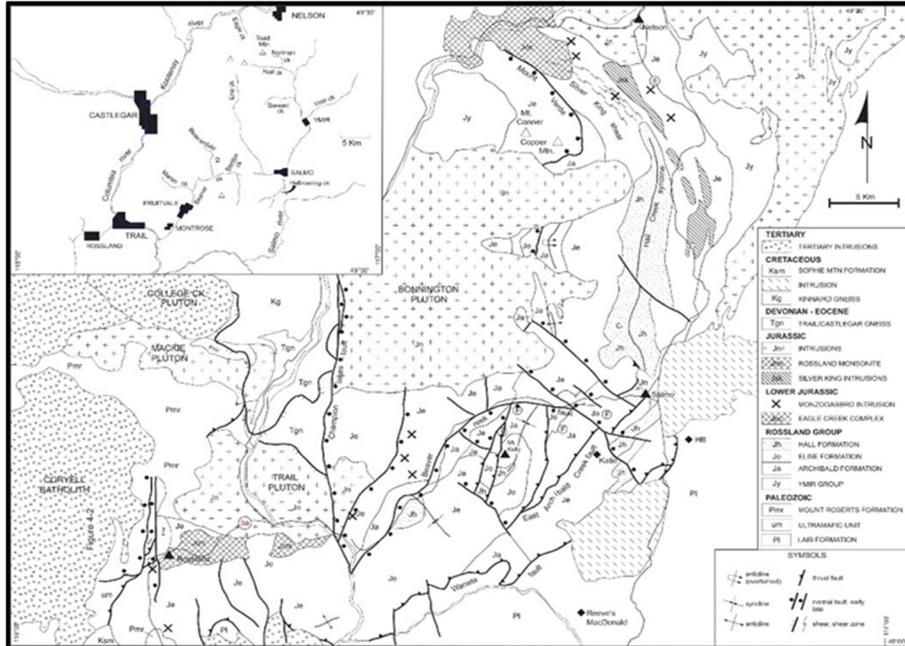
The Elise Formation is mainly in sharp to gradational conformable contact with underlying sedimentary rocks of the Archibald Formation (Höy and Dunne, 1997). However, on the slopes of OK Mountain, west of the town of Rosslund, it rests unconformably on the Mount Roberts Formation. In eastern exposures it is overlain conformably by sedimentary rocks of the Hall Formation, whereas in the Rosslund area the Hall Formation is missing and conglomerates of the Early Cretaceous Mount Sophie Formation unconformably overlie Elise volcanic rocks (Little, 1982; Höy and Andrew, 1991).

Plutonic rocks are extensive throughout the Nelson-Rosslund area. These include mafic sills and stocks interpreted to be Early Jurassic in age and related to Elise arc magmatism; numerous Middle Jurassic batholiths and stocks, including the Silver King plutonic suite and the Nelson batholith; and a number of Late Cretaceous stocks that cut Mesozoic fabrics in the eastern part of the area. Cenozoic plutonic rocks are more abundant in western exposures and many are related to Eocene extension.

A variety of mineral deposits are spatially associated with these intrusive rocks. Deposit types include copper- gold porphyry mineralization within small Early Jurassic stocks and dikes, copper-gold vein mineralization along the margins of the Rosslund monzonite, many occurrences of gold and copper skarns, porphyries associated with Nelson age intrusions, lead-zinc-silver veins of the Ymir camp along the margin of the Nelson batholith, and tungsten and gold skarns related to the Late Cretaceous intrusions. Mineralization that can be clearly related to Cenozoic plutonism is more difficult to document, although the unusual Velvet deposit may have formed during intrusion of the Eocene Coryell batholith.

A tectonic model for deposition of the Rosslund Group in southeastern British Columbia and subsequent tectonic history has been presented in Höy and Dunne (1997). The Rosslund Group, built on deformed and possibly imbricated Permian arc-derived clastic rocks, ophiolitic assemblages and associated sediments, and thin(?) continental crustal rocks, is the youngest and most eastern of the volcanic arc units of Quesnellia. It is interpreted to have been deposited along the western margin of North America, thrust eastward in late Early Jurassic through Middle Jurassic time, and carried eastward with telescoping of the miogeoclinal prism through Paleocene time.

Figure 3: Regional Geology



Modified after Hoy and Dunne 2001 The star is the Champ Property location

Property Geology

The Champ Property is within the Nelson 1:250,000 map area (Little, 1960; 1982). There has been little more recent geological mapping in the immediate area, although to the south (Höy and Andrew, 1989) and east (Höy et al, 2004) both regional and detailed mapping has been done as part of a large study of the Rossland Group (Höy and Dunne, 2001).

The Champ Property area is within the immediate hanging wall of the east-dipping Slocan Lake-Champion Lake fault, a regional extensional fault that extends for more than a hundred kilometres from just north of the United States border to at least the north end of Slocan Lake. The fault is part of a number of generally north-trending low-angle faults that represent a period of regional extension in the southern Canadian cordillera in Eocene time (Parrish, 1984; Parrish et al., 1988). Considerable work by Beaudoin et al (1992a, 1992b) indicates that silver-lead-zinc mineralization in the historical Slocan silver camp, also located in the hanging wall of the Slocan Lake fault, is Eocene in age and related to the fault.

The Champ Property is located 25 km northeast of the Rossland gold-copper camp, which produced nearly 3 million ounces of gold from Middle Jurassic age massive pyrrhotite-chalcopyrite veins (Fyles, 1984; Höy and Dunne, 2001) and is approximately 20 km southwest of the Nelson camp, characterized by a number of past producing, mainly lead zinc-silver veins in Middle Jurassic intrusions and Early Jurassic metasediments and metavolcanics of the Rossland Group. A considerable part of the Property is underlain by granitic rocks interpreted by Little (1960; 1982) to be part of the Middle Jurassic Bonnington pluton.

In 2009, a geology map was created by Hoy which covers a select part of the current claim group (Figure 4). The Champion Lake fault is exposed in road cuts west of the Property and its surface trace is inferred to project just south of the Property. As noted above, it is a north-trending normal fault related to regional extension in Eocene time.

The Champ Property is underlain by several phases of dominantly "granitic" rock that intrude mainly metavolcanics of the Early Jurassic Rossland Group. The ages of these intrusive rocks are not known with certainty, nor are their relative ages. They were collectively included in the Middle Jurassic Nelson plutonic suite by Little (1960) and this

correlation is preserved in this report. The following descriptions of these intrusive rocks are based on visual field observations as samples have not been analyzed or thin sectioned. Three distinctive intrusive units are differentiated: A large mass of "granodiorite" (mJb) appears to be intruded by small subcircular stock of finer grained "diorite" (mJn1) and, farther south, a massive "granite" (mJn2).

Granodiorite (mJb).

A considerable part of the Property is underlain by a massive, relatively fresh "granodiorite", referred to as the Bonnington pluton. It is typically medium to coarse grained and pale grey in colour (Plate 1). It comprises mainly white plagioclase, minor potassic feldspar, and variable amounts of quartz. Mafic minerals, hornblende, and less abundant biotite typically comprise up to 20 percent of the rock. These are usually fresh, though locally hornblende is altered to a green (chloritic) colour. Little (1960) reports accessory apatite, magnetite, and titanite in the Bonnington pluton, and hand specimens are commonly slightly magnetic.

Most of this intrusive unit is massive and non-foliated. Structures in it are not common, though locally, particularly near contacts with the younger(?) diorite intrusions, breccias (described in more detail below) are mineralized. As well, several generally north-trending dykes and faults cut this unit.

Diorite / granodiorite (mJn)

A small subcircular intrusion, approximately 400 x 500 metres in size, straddles Highway 3 in the central part of the Property (Figure 4). Due to its finer grain size and contact zone features, it is interpreted to be younger than the granodiorite mJb. Diagnostic features, such as dykes of this unit cutting mJn1 were not observed.

Based on Hoy's 2009 field observations, the intrusion is interpreted to have a diorite to granodiorite composition. It is typically medium to fine grained, rarely porphyritic, and comprising mainly white feldspar (plagioclase?), variable quartz content, and minor to trace pink feldspar (orthoclase?). Hornblende ranges up to 30%. Noted accessory minerals include trace magnetite and occasionally minor disseminated pyrite.

The intrusion is commonly cut by a variety of dykes and locally by quartz veining, breccia zones and low to relatively high angle faults. As noted below, these fault zones and associated silicification may be associated with both sulphide and gold mineralization. Xenoliths of country rock are locally common.

Several breccia zones, interpreted to be intrusive breccias, occur within this (mJn) unit. As some of these have a matrix of mJn and clasts of mJb, this unit is tentatively interpreted to be younger than, and intrusive into, the "Bonnington" pluton.

Contact zone (mJn-c)

An irregular zone of mixed intrusive rocks occurs along the northeast and southwest side of the granodiorite of mJn. It is interpreted (mainly due to work of T. Kennedy, 2005) to extend several hundred metres west of the mJn diorite (Figure 4). It typically comprises a mixture of fine to medium grained granodiorite and diorite cut by numerous dykes and fault/breccia zones.

Granite (mJg)

An elongate, east-west trending intrusion is exposed immediately south of the diorite of mJn (Figure 4). It intrudes Rossland Group rocks in the south, and is in contact with Bonnington plutonic rocks to the east and an irregular contact zone of intrusion mJn to the north. It is well exposed in numerous prominent road outcrops along Highway 3.

The unit comprises mainly medium grained quartz, orthoclase and plagioclase with variable but typically minor biotite and hornblende. It is classified as granite, ranging in composition to quartz monzonite.

A number of northwest trending dykes cut this intrusion. As well, north to northwest trending fault shear planes and gouge are common, locally associated with brecciation and quartz-sulphide veining. As in unit mJn, country rock xenoliths and brecciation are common near the granite contacts.

Rossland Group

Metasedimentary host rocks are exposed as a number of small, isolated bodies in the southern part of the map area (Figure 4). Based solely on lithologies, these are interpreted to be part of the Early Jurassic Rossland Group. The Rossland Group has been subdivided into three Formations. The basal Archibald Formation comprises mainly coarse clastic metasediments. It is overlain by mafic volcanic rocks of the Elise Formation, and overlying coarse to fine metasediments of the Hall Formation. Exposures in the Champ area include thin-bedded, fine grained, commonly rusty-weathering argillaceous siltstone and argillite (IJr), and volcanic breccias, minor amphibolites and some fine-grained metasedimentary rock (IJe). These are cut by numerous dykes, and a considerable part of area mapped as Rossland Group comprised dyke material.

Mineralization and Structure

Mineralization on the Property and on immediately adjacent claims that comprise the Property, display several styles of mineralization, including narrow massive sulphide veins carrying gold values and minor though variable copper, lead, or zinc, and elevated arsenic content. These commonly occur in metasedimentary or metavolcanic rocks located mainly southeast of the Property (e.g., Dirty Jack showing). A second style of mineralization includes quartz veining and stockwork zones with gold values commonly occurring in granitic or more mafic intrusive rocks. These are often associated with north to northwest-trending, steeply dipping structures and locally have evidence of relatively high-level emplacement, such as breccia textures, cavities, and druse quartz. Hence, it is significant that the textures and styles of mineralization in the two main mineral occurrence types reflect significantly different structural levels of development.

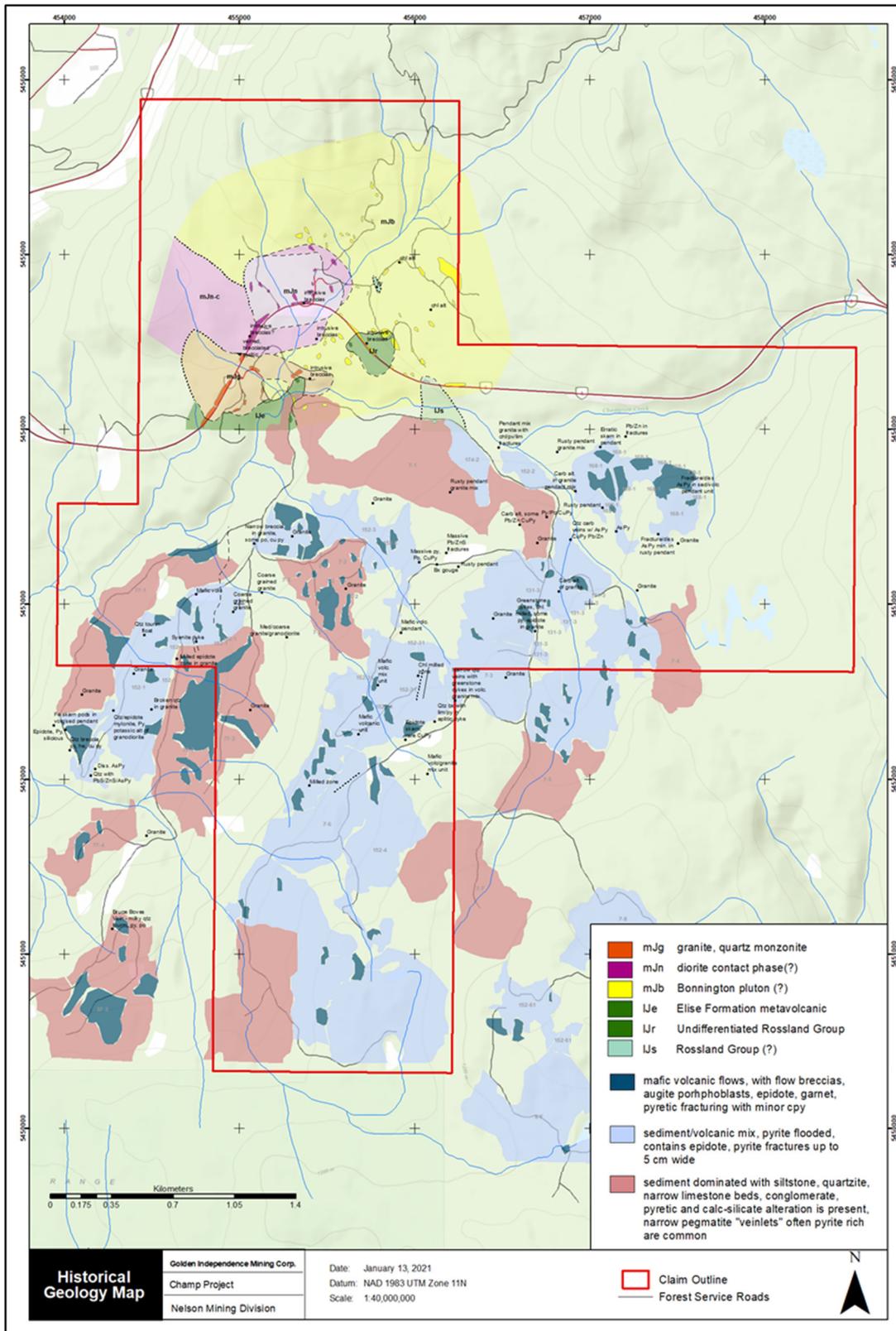
The mineralization on the Property consists mainly of quartz veining, typically associated with northerly trending structures, and comprising quartz with variable but generally minor arsenopyrite, galena, sphalerite, and/or chalcopyrite. These north-trending structural zones are commonly associated with late dykes of variable composition and probable Eocene age. Veins within these zones are generally discontinuous and may locally form stockwork zones that extend several tens of metres in length (Kennedy, 2005). Veins of more massive sulphides are less common, occurring within the central diorite/granodiorite unit or in immediate host rocks. They also appear to be structurally controlled and are comprised of quartz with more massive pyrite and arsenopyrite.

Intrusive breccias(?)

Several zones of brecciation that appear to be associated with magma intrusion are also noted on the Property. Their location is shown in Figure 4. They occur preferentially within the central diorite / granodiorite stock or the granitic stock to the south. An intrusive breccia, exposed on the road cut at station H54 is associated with a shallow dipping, mafic (Tertiary?) dyke approximately 2 metres wide. The dyke grades into a marginal zone characterized by subrounded clasts of both units mJn and mJb in a matrix of the mafic dyke. A similar breccia, also associated with a late mafic dyke, occurs nearly 500 metres to the southwest (Station H58). Several hundred metres to the south (Station H95,) a breccia occurs near the contact of the diorite (mJn) and host? granodiorite (mJb). Subrounded clasts of both these units occur within a dark fine-grained matrix, either recrystallized country rock (Rossland Group?) or possibly a mafic Tertiary dyke. Although these breccia bodies are commonly associated with Tertiary dykes, it is suggested that the dykes followed pre-existing magmatic breccias developed in the carapace of the diorite (mJn) intrusion. They are commonly shallow dipping, in contrast to the more steeply dipping Tertiary structures, and at least one has an older "granitic" matrix. Mineralization, mainly quartz-carbonate veining with minor sulphides, that is locally associated with these breccias, probably developed during later Tertiary faulting and dyke emplacement, rather than during initial pluton intrusion.

[Figure 4 follows on next page]

Figure 4: Known Geology



MINFILE Showings Located on the Property

There are two Minfile Showings on the Champ Property: Champ and Dirty Jack (see Figure 5).

Champ Showing

At the Champ showing, mineralization includes quartz veining and stockwork zones with gold values that commonly occur in granitic or more mafic intrusive rocks. These are often associated with north- to northwest-trending, steeply dipping structures, and locally have evidence of relatively high-level emplacement, such as breccia textures, cavities, and druse quartz. Veins consist of quartz with variable but generally minor arsenopyrite, galena, sphalerite and/or chalcopyrite. Hand samples of vein material have returned values up to 3353 ppb Au (Hoy 2009).

At the Champ showing, a small decline shaft excavation, also described as a pit, is located on a southeast facing forested slope, with scattered granodiorite outcrops throughout the area. Granodiorite is exposed near the pit. A dump fan of waste material of approximately 6m² is dominantly coarse-grained granodiorite with sporadic quartz-pyrite gossanous waste rock (19% pyrite with trace sphalerite and chalcopyrite). A sample of this material (440772) returned 0.143 g/t Au and 4.4 g/t Ag. The entrance to the decline shaft is 2m by 2m, driven down dip on two veins, with one tracing the decline ramp and one semi-parallel to the ceiling. Veins are subparallel, converging in a southwest direction, and with a general northwest striking direction.

Dirty Jack Showing

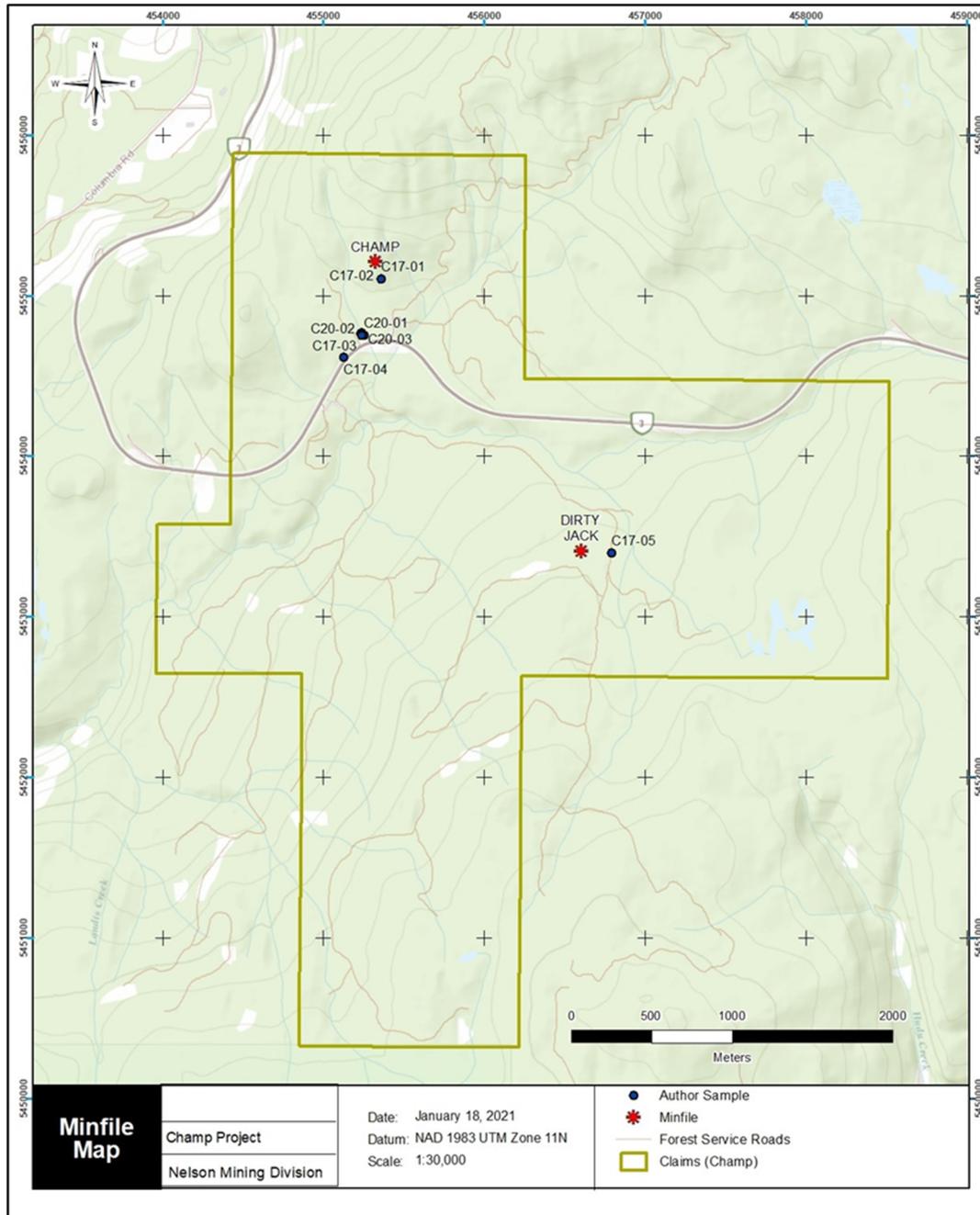
At the Dirty Jack showing, mineralization occurs as massive sulphide fractures and disseminations associated with carbonate slips and hairline fractures occurring in variably calc-silicate-altered rocks with weak sericitic alteration halos. Massive sulphides are composed of pyrrhotite, pyrite, sphalerite, chalcopyrite, and carry gold values with minor though variable, copper, lead, or zinc, and an elevated arsenic content. In 2007 a rock geochemical survey was conducted which returned up to 5157 ppb Au (sample CH07-23; Kennedy, 2008).

The Borrow zone is comprised of quartz carbonate veins with sericite, carbonate alteration, and pyrite cutting the granite and a schisty pendant unit. A greenstone dike is also present. Milky/vuggy quartz veins are up to 0.18 metres wide and contain iron carbonate, pyrite, arsenopyrite, galena, sphalerite, and chalcopyrite.

The Arsenopyrite Hill zone consists of quartz carbonate veinlets with limonite, pyrite, arsenopyrite, halos of silicification, pyrite, and arsenopyrite flooding of the wallrock. Veins are hosted within the sediment dominated pendant. There are some massive sulphide fractures and replacements with rare galena and sphalerite. Pegmatite veinlets with black tourmaline and pods of pyrrhotite and pyrite with rare arsenopyrite are also present.

[Figure 5 follows on next page]

Figure 5: Minfile Showings and Author Samples.



The following deposit models are applicable to the Rossland-Nelson Area:

1. Porphyry Cu (Mo-Au) Model:
2. Rossland Gold Copper Vein Model and
3. Gold Bearing Skarns.

Porphyry Cu (Mo-Au) Model

Porphyry Cu (Mo-Au) deposits are probably the most well understood class of magmatic-hydrothermal ore deposits. One of the fundamental tenets of the modern porphyry Cu (Mo-Au) model is that ore fluids are relatively oxidized, with abundant primary magnetite, hematite, and anhydrite in equilibrium with hypogene Cu-Fe sulphide minerals (chalcopyrite, bornite) and the association of porphyry Cu deposits with oxidized I-type or magnetite-series granitoids. The Porphyry Cu (Mo-Au) model has been proposed for the Red Mountain area and may be applicable to the Champ Property area.

Rosslund Gold Copper Vein Model

The Rosslund Gold-Copper Veins are an example of a vein-type mineralization model. A vein-type deposit is a fairly well-defined zone of mineralization, usually inclined and discordant, and is typically narrow compared to its length and depth. Most vein deposits occur in fault or fissure openings or in shear zones within country rock. A vein deposit is sometimes referred to as a (metalliferous) lode deposit. A great many valuable ore minerals, such as native gold or silver, or metal sulphides, are deposited along with gangue minerals, mainly quartz and/or calcite, in a vein structure.

As hot (hydrothermal) fluids rise towards the surface from cooling intrusive rocks (magma charged with water, various acids, and metals in small concentrations) through fractures, faults, brecciated rocks, porous layers, and other channels they cool or react chemically with the country rock. Some metal-bearing fluids create ore deposits, particularly if the fluids are directed through a structure where the temperature, pressure, and other chemical conditions are favourable for the precipitation and deposition of ore (metallic) minerals. Moving metal-bearing fluids can also react with the rocks they are passing through to produce an alteration zone with distinctive, new mineralogy.

The origin of copper-gold-silver veins at the Velvet Mine is not well understood. These veins may have formed along structures related to Middle Jurassic thrust faults marginal to ophiolitic crustal and/or mantle lithologies.

It is possible that the veins are related to extension during emplacement of the Middle Eocene Coryell intrusions. Their dominant north-south orientation is parallel to Coryell dikes. Furthermore, the pervasive alteration of the Coryell rocks adjacent to ultramafic rocks that host the veins suggests a syn to post-Coryell age. However, it is possible that this alteration is simply a contact altered phase of the Coryell, unrelated to mineralization (Höy, P.E. Dunne, 2001).

Gold Bearing Skarns

Gold-dominant mineralization genetically associated with a skarn is often intimately associated with bismuth (Bi) or Au-tellurides, and commonly occurs as minute blebs (<40 microns) that lie within or on sulphide grains. The vast majority of Au skarns are hosted by calcareous rocks (calcic subtype). The much rarer magnesian subtype is hosted by dolomites or Mg-rich volcanics. On the basis of gangue mineralogy, the calcic Au skarns can be separated into either pyroxene-rich, garnet-rich, or epidote-rich types; these contrasting mineral assemblages reflect differences in the host rock lithologies as well as the oxidation and sulphidation conditions in which the skarns developed.

Most Au skarns form in orogenic belts at convergent plate margins. They tend to be associated with syn to late island arc intrusions emplaced into calcareous sequences in arc or back-arc environments (Ray G.E., 1997).

Exploration

Golden Independence Mining Corp. undertook exploration programs on the property from September 18 to October 11, 2017, October 24 to November 7, 2018, and August 27 to September 3, 2020. The programs consisted of the collection of 1,239 soil samples on three separate grids, the collection of 89 rock samples, and geological mapping. (Figure 6 to Figure 10)

2017 Exploration Program

A total of 663 soil and 14 rock samples were taken on the Champ Property during the 2017 programme.

Soil Geochemistry: North Grid

Gold in soil identifies several elevated values with 3 samples ranging from 41-92 ppb Au, and another grouping of 2 samples ranging from 71-104 ppb Au. Gold shows a correlation with silver in soils. The bedrock locations of these anomalies have not been sampled and requires follow-up exploration. A 50ppb gold in soil anomaly coincides with rock chip sample 257625 which returned 357 ppb Au and 12.7 ppm Ag. Two soil samples ranging from 11-61 ppb Au are located 150 meters southwest of rock sample 257625 and are considered to be a priority target. (Figure 6)

Elevated silver values in soil samples reflect areas of anomalous silver present in rock chip samples, particularly samples 257630: 711 ppb Au, 14.3 ppm Ag and 257625: 357 ppb Au and 12.7 ppm Ag, with a nearby soil sample returning a value of 3.1 ppm Ag. These two Ag soil anomalies as well as 2 other Ag soil anomalies are located 100 and 250 meters north of Highway 3 and are considered important targets for follow-up exploration based on the positive correlation with elevated Ag in soil and Au & Ag in rock chip samples (Figure 7).

Soil Geochemistry: South Grid

Gold: In the south grid, elevated gold in soil with values ranging from 53-60 ppb has a moderate correlation with copper and a minor correlation with zinc, silver, and arsenic. The south grid has potential for polymetallic Cu-Zn-Ag-Au mineralization as evidenced by gold present in rock samples 257632, 257633, and 257635 which returned 52-171 ppb Au respectively (Figure 6, Figure 10).

Rock Samples

Three rock samples from the roadcut range in value from 52-171 ppb Au, 3.2-3.9 ppm Ag, 464-848 ppm Cu, and 810-4360 ppm Zn. The close proximity of anomalous soil samples containing elevated silver, copper, and zinc to the rock sample locations suggest this zone is a high priority target for polymetallic mineralization (Figure 10).

2018 Exploration Program

Golden Independence Mining Corp. conducted an exploration program on the Champ Property from October 22 to November 08, 2018. In total, 576 soil samples and 35 rock samples were taken on the property during the 2018 program (Figure 6 to Figure 10).

The north grid was extended to the east, two lines were added to the South grid -- one on the northern margin and one on the southern margin, and three 1,000-metre grid lines were surveyed on South grid 2. The new road-cut showing was trenched, mapped and sampled, as were new areas uncovered by recent logging activity.

All known historic rock sample locations were investigated and re-sampled as warranted. Additionally, newly logged areas were investigated. A total of 35 rock samples were taken on the property during the 2018 programme (Figure 10).

Sampling in 2017 returned anomalous gold up to 0.711 g/ton within sericitized pyrrhotite-pyrite mineralization. In 2018 this area was hand-trenched and mapped in section.

Southern Claim Mapping Summary

Mapping and prospecting were conducted over an area of 850m x 450m in the southern portion of the claim block where detailed geology was lacking. Additionally, attempts were made to locate historic anomalous gold samples taken by Tom Kennedy in 1984. These attempts were mostly unsuccessful due to mechanical disturbance from recent logging operations.

Two regional rock units were encountered: Late Jurassic plutonic rocks intruding into Early Jurassic metavolcanic rocks, both of which are occasionally cross-cut by younger dyke formations. Granite is the dominant lithology in this area, underscoring and uplifting roof pendants of the Elise Formation volcanics. These small remnants of the Elise are

likely thin units, as suggested by pervasive fracture textures that are healed with aplite and other felsic emplacements which include quartz lensing and veinlets, with occasional sulphide content.

Sampling throughout the area of mapping generally resulted in the observance of areas of quartz veining, most often as narrow stockworks with minor gossan and trace pyrite. Surrounding propylitic alteration zones composed of epidote-chloritized groundmass with weakly mineralized fracture fillings were also of interest and sampled. Eight samples, 440751 and 440765-440771, were taken here but produced low assays with nil or trace Au and Ag concentrations, along with weakly anomalous Cu, Pb, and Zn. Despite these results, further exploration could be warranted given the alteration and veining characteristics observed that may be indicative of a potential mineralizing structure or structures.

Soil Sample Results

North Grid

Gold in soils identified several elevated values (6 samples ranging from 31-100 ppb Au, and shows a correlation with silver in soils. Not all of the bedrock in these areas has been sampled and requires follow-up exploration in order to determine the cause of the anomalies. A 100 ppb Au in soil taken at 54700N-55900E coincides with rock chip sample 440782 that contains 52 ppb Au, 269 ppm Cu, and 97 ppm Zn. Several anomalous samples are located in the northeastern section of the grid, (55100N-56025E - 31ppm Au) and require follow-up geological sampling (Figure 6).

Elevated silver values in soil samples reflect areas that were rock chip sampled previously and are located 50 meters north of Highway 3 in the creek valley (sample 257630 outcrop containing 711 ppb Au, 14.3 ppm Ag). Additionally, rock chip sample 257625 (angular float) contains 357 ppb Au and 12.7 ppm Ag, with the nearby soil sample returning a value of 3.1 ppm Ag. These two Ag soil anomalies as well as 2 other Ag soil anomalies located 100 and 250 meters north of Highway 3 are considered important targets for follow-up exploration based on the positive correlation with elevated Ag in soil and Au & Ag in rock chip samples. A spot high of 1.7 ppm Ag was returned from sample location 55050N, 55800E which requires follow-up field inspection (Figure 7).

A weakly elevated copper in soil zone of 4 samples ranging from 57-96 ppm Cu is located near rock chip sample 257625 (angular float) that contains 357 ppb Au and 12.7 ppm Ag. Other elevated values of Cu in soil (2 samples ranging from 107-199 ppm Cu, and 8 samples ranging from 48-111 ppm Cu) are located 200 meters southeast and 100 meters east of rock chip sample 257625. Sample 54700N-56025E returned 140 ppm Cu and is located at the northern extension of the grid area (Figure 8).

Several spot highs are noted on the 2018 grid extension ranging from 75 ppm to 189 ppm at the northern end of the grid. Additional sampling in this area is warranted. In some instances, increased copper values appear to be associated with gold and silver therefore, the copper in soil anomalous zones are important areas for additional exploration.

Weakly anomalous Zn in soil values correlate with Cu on the 2017 grid, but the highest Zn in soil values occur as clusters that are independent of Au, Ag, and Cu. The strongest Zn values align with a series of 1-5 meter wide intermediate to mafic composition dykes and sills, and similar to the elevated As in soil values are considered to be low priority target for exploration. The 2018 extension grid shows several elevated zinc anomalies ranging from 210 ppm to 351 ppm Zn which require field investigation (Figure 9).

South Grid

In the south grid, gold in soil does not correlate with Zn-Ag-As in soil, but elevated Au in soil values (ranging from 53-60 ppb Au) have a weak correlation with Cu in soil in the west portion of the grid. The south grid has potential for polymetallic Cu-Zn-Ag-Au mineralization, but Cu-Zn-Ag appear to be better pathfinder elements for follow-up targets as opposed to Au, which may be due to trace amounts of gold present in rock samples 257632, 257633, and 257635 (52-171 ppb Au). The 2018 extension lines present a continuation of low-level gold in soil anomalies with sample 53150N-56675 returning 30 ppb Au, 53150N-56900E returning 18 ppb Au, and 53150N-56025E returning 26 ppb Au. A spot high of 19 ppb Au was returned at sample site 53750N-56975E.

A total of 4 elevated 2017 silver in soil values ranging from 1.0-1.4 ppm Ag are clustered within 100-125 meters east, south, and west of angular float rock chip samples 257632, 257633, and 257635 located along a logging roadcut near the center of the south grid. The 3 rock samples from the roadcut range in value from 52-171 ppb Au, 3.2-3.9 ppm Ag, 464-848 ppm Cu, and 810-4360 ppm Zn. The close proximity of anomalous Ag in soil (as well as Cu-Zn-As) to the rocks sampled in the roadcut suggest this zone is a high priority target for polymetallic mineralization. Silver in samples from the 2018 extension lines were generally low.

South 2 Grid

On the South 2 grid, three samples returned 48 ppm – 195 ppm Au respectively. Location 51400N, 56000E returned 195 ppb gold. 51500N, 56500E returned 48 ppb Au, and 51600N, 55175E returned 53 ppb Au. The gold anomalies on this grid appear to be scattered which may be a result of overburden and recent logging activities.

Silver results in soil geochemistry appear to be fairly low with one sample at location at 51600N, 55450E returning 5.4 ppm Ag.

Copper values on the South 2 grid are low with one sample located at 51600N, 55450 returning 120 ppm Cu. This sample coincides with the anomalous Ag sample taken at the same location. Follow-up sampling is required to determine the extent of this anomaly.

Zinc values on this grid are generally low returning between 127 ppm and 158 ppm Zn at sporadic locations throughout the grid. This may be due to disturbance caused by recent logging activities.

2020 Exploration Program

Golden Independence Mining Corp. undertook an exploration program from August 24 to September 3 2020 and collected a total of 40 rock samples. Golden Independence Mining Corp. hired Tim Henneberry P.Geol. a director, Chief Executive Officer, and shareholder of company to undertake the 2020 exploration program. Sample 297958 returned 0.932 ppm Au, and sample 297970 a 0.60 m sample returned 0.384 ppm Au (Figure 10).

[Figure 6 follows on next page]

Figure 6: Gold in Soils

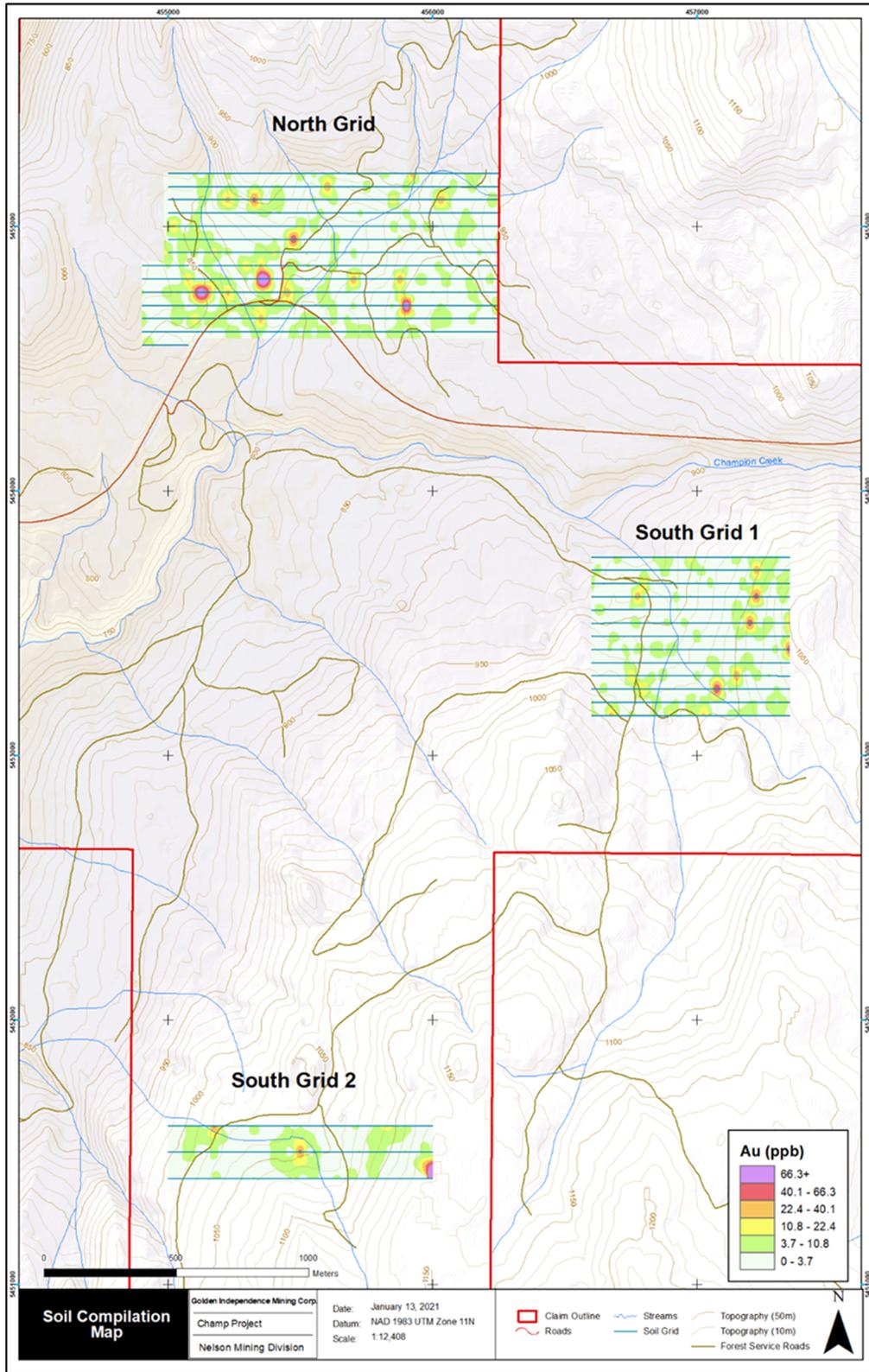


Figure 7: Silver in Soils

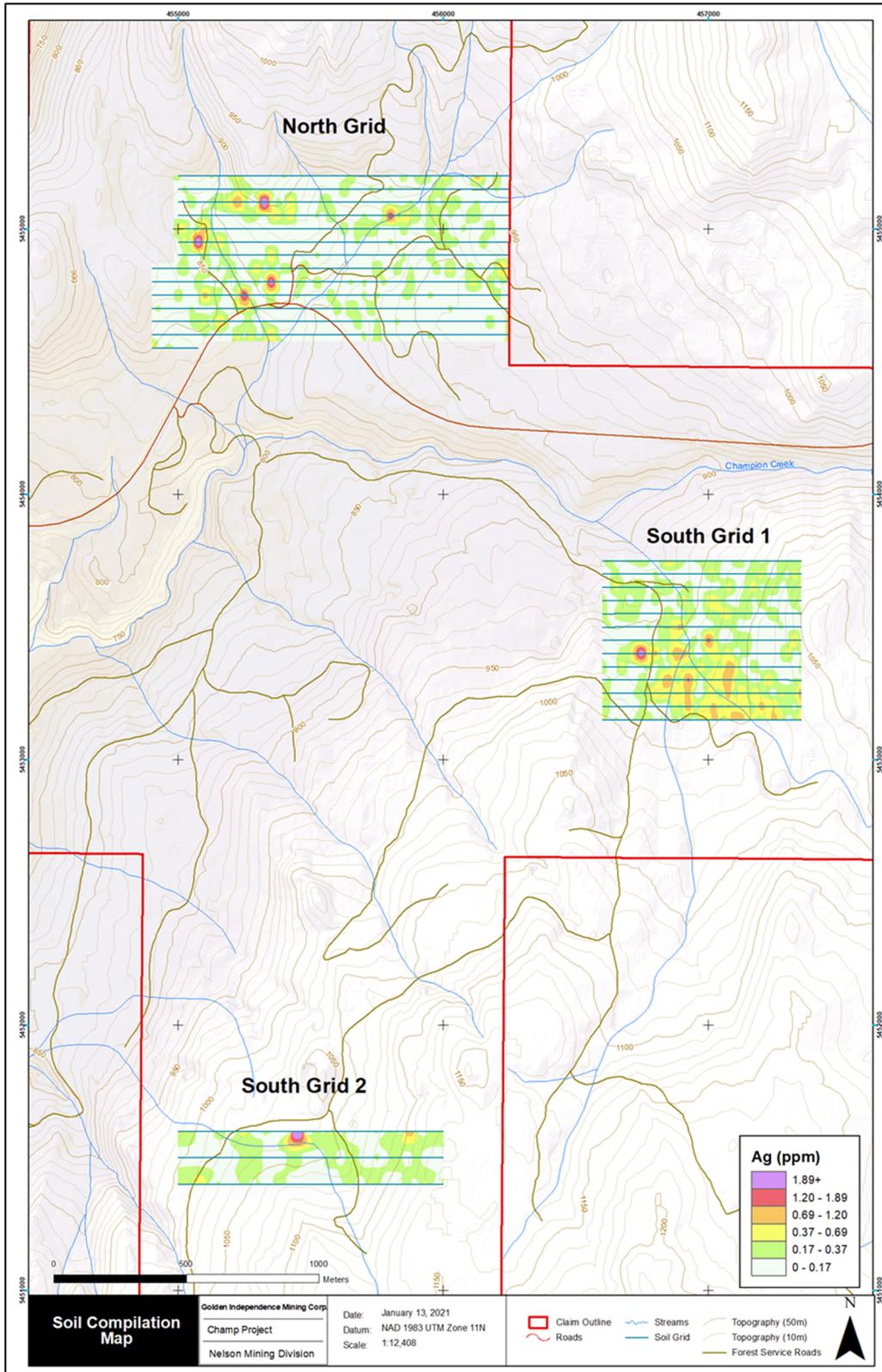


Figure 8: Copper in Soils

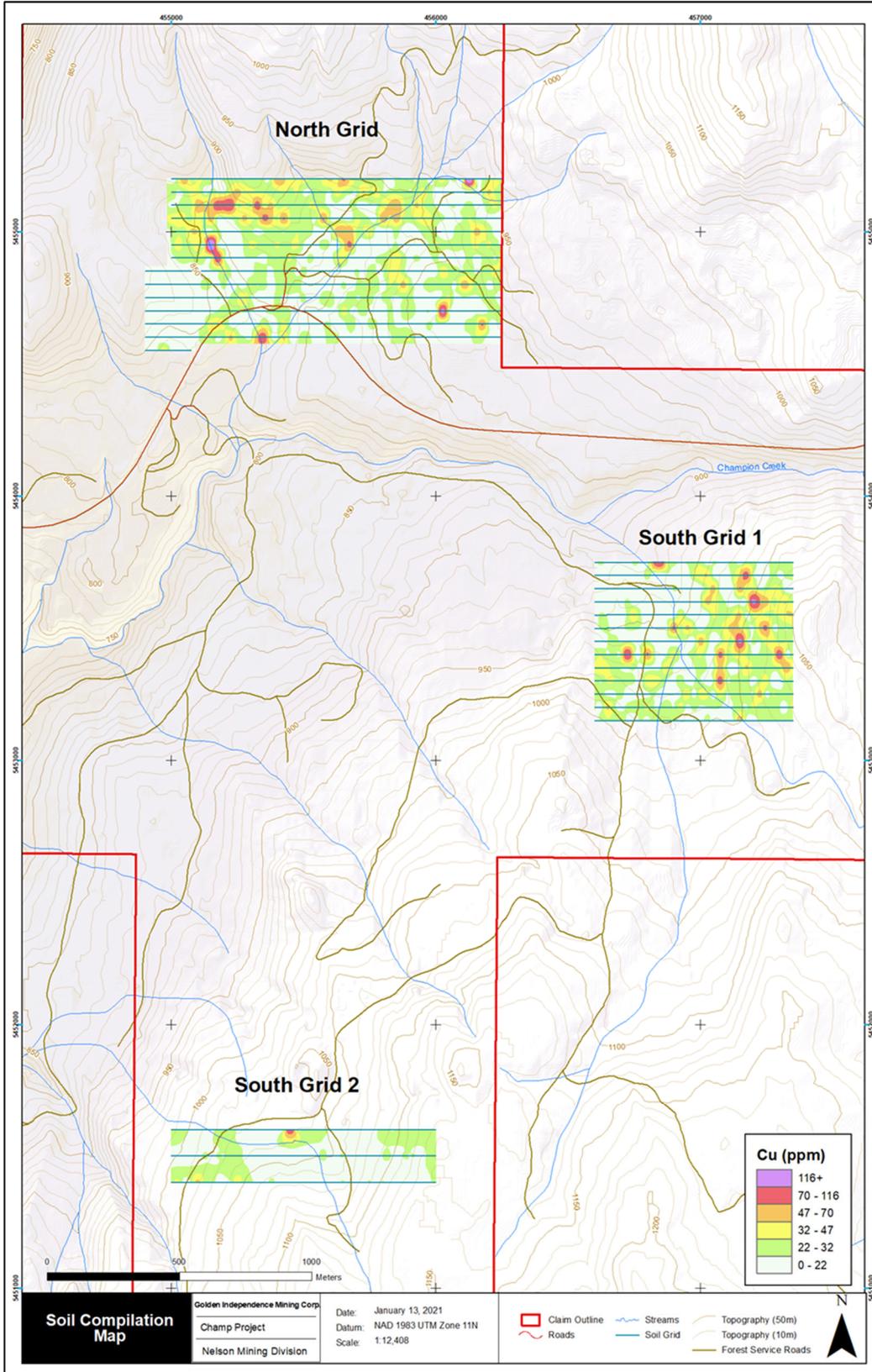


Figure 9: Zinc in Soils

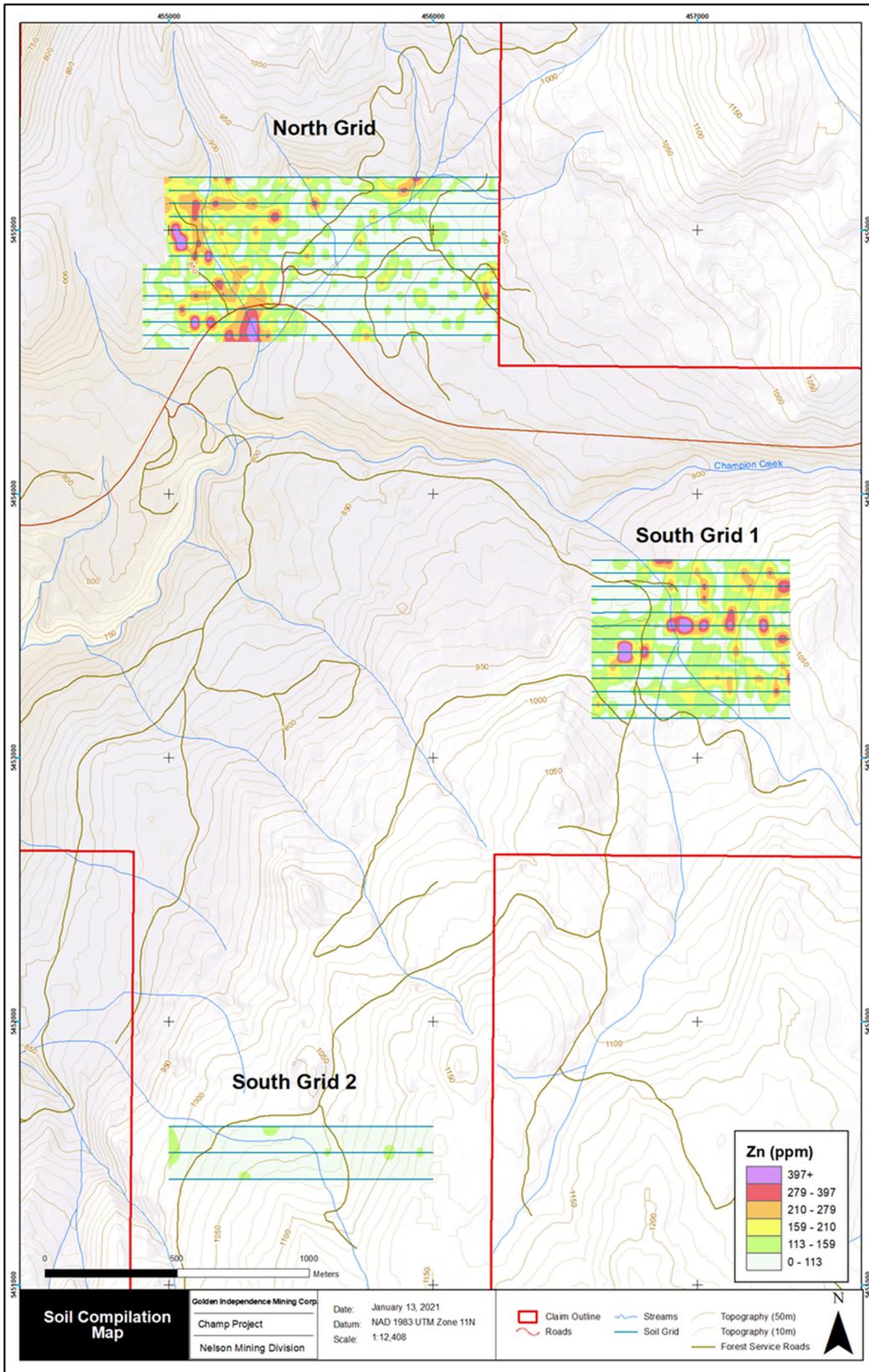
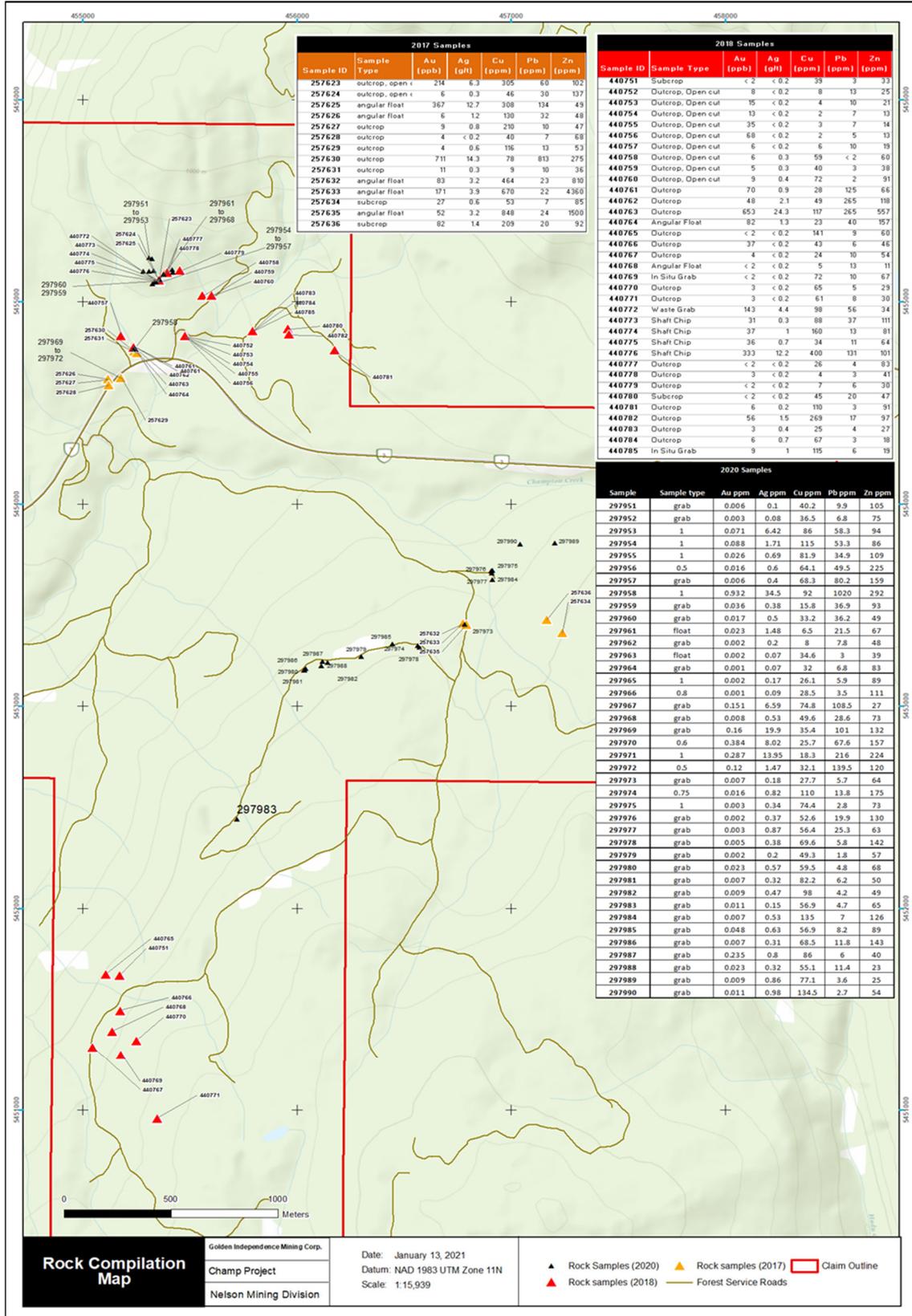


Figure 10: Summary Rock Sample Map



Drilling

Golden Independence Mining Corp. has not performed drilling on the Champ Property.

Sampling, Analysis and Data Verification

2017 and 2018 Procedures

The Golden Independence Mining Corp. 2017 and 2018 soil and rock sampling programs were carried out of the town of Nelson, BC located north of the Champ Property. Access to the Champ Property was gained via four-wheel drive truck and ATV. The crew consisted of a crew of two field personnel, one experienced geologist, and one junior geologist.

Sample information was collected at each site and recorded. A sample description was completed for each sample in the field, with categories such as sample number, location, sample type, color, depth, texture, etc. In addition, the local site environment was described and the regional setting. Photographs were taken of each sample and the surrounding area. Data was transferred from the field sheets to a master excel spreadsheet. All sampling was performed according to industry standards.

A total of 1,239 soil samples were taken on the Champ Property during the 2017 and 2018 programme. Soil samples were taken along the 50 m grid lines every 25 metres from the B Horizon from a consistent depth of 35 cm with a shovel and spoon. The soil was placed in standard Kraft soil sample bags and labeled with the last five digits of their relative NAD 83 grid location, example – 54900N 54600E.

The grid lines were located by GPS then compassed and chained for accuracy.

The soil samples were dried and placed in marked poly bags which were then zap-strapped, placed in marked rice bags, double zap-strapped, and shipped directly via courier to Activation Laboratories in Kamloops, BC (ISO/IEC 17025 Accredited by the Standards Council of Canada)

Rock samples were placed in marked poly bags which were then zap-strapped, placed in marked rice bags, double zap-strapped, and shipped directly via courier to Activation Laboratories in Kamloops, BC. (ISO/IEC 17025 Accredited by the Standards Council of Canada)

All the soil and the rock samples underwent a 36 element ICP OES 30g, and a fire assay with AA finish for gold at Activation Laboratories in Kamloops, BC.

A witness sample of each rock sample has been retained as is available for viewing. All rock sample data has been recorded in an excel spread sheet and is available for viewing.

A Q/QC program was not undertaken for the 2017 and 2018 exploration programs. The author cannot comment on the quality control measures that may or may not have been taken by other companies during previous sampling programs that are discussed in the history section of this report. The author does not see any reason to question the quality, accuracy, and security of the historical data. At this early prospective stage of the project, quality control was not undertaken by Golden Independence Mining Corp. Activation Laboratories in Kamloops is an accredited laboratory and has its own Quality Control and Quality Assurance protocols for sample preparation and assaying. The author is of the opinion that the QA/QC use by the laboratory is sufficient for the size of the project.

2020 Procedures

The sample results correlate with the earlier sampling programs with seven of the 40 samples returning gold values in excess of 100 ppb Au with a maximum value of 932 ppb. Two standards manufactured by WCM Minerals of Burnaby; B.C. were inserted into the sample stream. Standard WCM PM 461 has a range of 805 to 853 ppb Au. The two ALS analyses returned values of 778 and 788 ppb Au, marginally below the range. This is likely a function of fluxing at the lab, where the matrix of the Champ samples and the standard are significantly different.

At the end of the field day, all rock samples were brought back to town. They were put in sequence and placed seven to eight in a rice bag. One standard, sealed in a Ziploc bag, was also placed in two of the rice bags. The bag was then zip strapped and stored in the project manager's motel room. Since these were preliminary surveys no sample splitting or reduction was necessary. The samples were delivered by the field manager directly to ALS Canada Ltd. In North Vancouver, British Columbia an ISO/IEC 17025:2005 certified facility. ALS Minerals is independent of Golden Independence Mining Corp.

All samples are logged in the tracking system, weighed and dried. Silt and soil samples are first dried at 60°C and then dry-sieved using a 180-micron (Tyler 80 mesh) screen. Rock samples are finely crushed to better than 70 % passing a 2 mm (Tyler 9 mesh, US Std. No.10) screen after which a split of up to 250 g is taken and pulverized to better than 85 % passing a 75 micron (Tyler 200 mesh, US Std. No. 200) screen. A 30gm sub-sample of the pulverized rock sample pulp is leached with 90ml or 180ml of 2-2-2 HCl-HNO₃-H₂O solution at 95°C for one hour, followed by dilution to 300ml or 600ml and 42 element ICP-MS in package AuME-TL43.

There was no bias in the sampling program completed by Golden Independence Mining Corp. during the Champ Property exploration programs. The author is satisfied with the adequacy of sample preparation, security, and analytical procedures employed on 2017-2020 Champ exploration programs.

At the current stage of exploration, the geological controls and true widths of mineralized zones are not known and the occurrence of any significantly higher-grade intervals within lower grade intersections has not been determined.

Data Verification

The author is satisfied with adequacy of sample preparation, security, and the analytical procedures used during the collection of samples of the Golden Independence Mining Corp. sampling program on the Champ Property. The author is of the opinion that the description of sampling methods and details of location, number, type, nature, and spacing or density of samples collected, and the size of the area covered are all adequate for the current stage of exploration on the Champ Property.

There was no bias in the sampling program completed on the Champ Property.

The author examined the Champ Property on October 4, 2017 during which time he examined several locations and collected five rock samples on the Champ Property. During the site visit the author also determine the overall geological setting. The author reviewed the sample notes and assays results for the 2017 program and is satisfied that they meet current industry standards. The author's site visit was for the NI43-101 for the initial public offering of the company.

In 2017 the author took samples from five locations and these were delivered to Activation Laboratories Ltd. in Kamloops, British Columbia. Activation Laboratories is an ISO/IEC 17025 Accredited by the Standards Council of Canada. All samples underwent assay package 1E3 which includes 36 element ICP-OES analysis and Gold Fire Assay ICP-OES code 1A2-ICP. Activation Laboratories Ltd is independent of Golden Independence Mining Corp. and the Author.

On January 11, 2021 the author visited the Champ property for the second time. The author took samples at three locations and these were delivered to ALS Minerals in North Vancouver, British Columbia British Columbia. ALS Minerals is an, ISO/IEC 17025:2005 certified facility. by the Standards Council of Canada. All samples underwent assay package ME-MS41 which includes 41 element Ultra Trace Aqua Regia ICP-MS analysis and Gold Fire Assay code Au-AA25 . ALS Minerals is independent of Golden Independence Mining Corp and the Author.

Table 4: Author Collected 2017-2021 Samples and Select Assays

Sample No.	Year Taken	Easting	Northing	Original Sample No.	Au ppb	Ag ppm	Cu ppm	Au ppb	Ag ppm	Cu ppm
C20-01	2021	455249	5454757	297969, 440764	160	19.9	35.4	70	0.75	12.1
C20-02	2021	455236	5454771	297958, 257630	932	34.5	92	670	41.3	38
C20-03	2021	455232	5454764	297972	120	1.47	32.1	130	0.77	33.9
C17-01	2017	455355	5455109	257623	214	6.3	305	1060	15.3	321
C17-02	2017	455356	5455106					53	2.2	43
C17-03	2017	455235	5454755	257631	4	0.6	116	273	11.5	27
C17-04	2017	455124	5454618	257629	11	0.3	9	4	0.6	119
C17-05	2017	456790	5453401	257623	214	6.3	305	955	4.1	891
					Original Assays			Authors Assays		

The samples collected by the author in 2017, C17-01 and C17-05 both have elevated gold of 1,060 and 955 ppb respectively. These gold values are sufficiently higher than the ones taken by Golden Independence Mining Corp. The samples collected by the author in 2021 generally appear to repeated samples taken by the company.

The author randomly reviewed and compared fifty assays results from the 2017 and 2018 electronic data against the assay certificates provided. The author did not detect any discrepancies.

Mineral Processing and Metallurgical Testing

This is an early-stage exploration project and to date no metallurgical testing has been undertaken.

Exploration, Development and Production

In the qualified person's opinion, the character of the Champ Property is sufficient to merit the following work program:

Further exploration is recommended at the Champ property concentrating on the three anomalous zones. Four programs of rock geochemistry have identified three anomalous zones requiring follow-up. Previous soil geochemistry surveys did not define any distinct anomalous zones therefore, ground geophysics is required to test the anomalous zones. Five – 2.5-kilometre IP lines at 200 metre spacings are recommended for Champ / Road Cut area, and ten – 2.5 kilometre IP lines at 200 metre spacings are recommended for the Dirty Jack and associated showings at an estimated cost of \$213,950.

Table 5: Proposed Budget

Item	Unit	Rate	Number of Units	Total (\$)
Line Cutting	Days	\$2,300	25	\$ 57,500
IP Geophysical Survey	Day	\$5,500	20	\$110,000
Accommodation and Meals	days	\$150	130	\$ 19,500
Reports	Lump Sum	\$7,500	1	\$ 7,500
		Subtotal		\$194,500
Contingency (10%)				\$ 19,450
TOTAL (CANADIAN DOLLARS)				\$213,950

Proposed Timetable for Phase I Work Program

The work program recommended by the Champ Technical Report is Induced Polarization ("IP") geophysics. Currently, in British Columbia IP requires a permit through the Notice of Work application process. The Company will initiate the permitting process within 30 days date of the TSXV Listing which may or may not qualify for an expedited review. The timeframe for the permit may be anywhere from 60 to 180 days in a non-expedited situation and may be 30 days in an expedited situation.

The program is weather dependent and the Company is tentatively looking to commence the the Phase 1 Work Program in May or June 2022, depending on the rate of snow melt from the winter accumulation. The timeframe to complete the Phase 1 Work Program is expected to be 15 to 30 days, with a report from the geophysical contractor expected 30 to 45 days after completion of the program.

ITEM 6: FINANCINGS

On November 17, 2021 and December 17, 2021, Hilo completed the Private Placement for gross proceeds of \$865,854.45 and, after deducting finder's fees, net proceeds of \$857,349.

In connection with the Private Placement, Hilo issued an aggregate of 47,299 warrants (the "**Finder's Warrants**") to Haywood Securities Inc. Each Finder's Warrant is exercisable at a price of \$0.30 for a period of two years from the date of issuance. Hilo intends to use the net proceeds of the Private Placement to complete the Phase 1 Work Program, for general administrative expenses and for working capital.

The pricing of the Private Placement at \$0.15 per Common Share was determined by management of Hilo, and approved by the Board, based on the estimated net asset value of Hilo and certain inherent uncertainties and risk factors associated with an investment in Hilo, including, but not limited to: (i) environmental liabilities of historical operations on the Champ Project and potential required remediation measures; (ii) uncertainty in ongoing market conditions and underlying commodity prices could have a material effect on the valuation of Hilo upon listing on the TSXV; and (iii) the market price of Common Shares is currently unknown as there is currently no market for Common Shares.

Total Available Funds

Following listing on the TSXV, Hilo expects to have the following total available funds:

Estimated Consolidated Working Capital as at March 31, 2022,	\$586,208
Costs associated with the listing on TSX Venture Exchange	\$30,000
Estimated Total Available Funds	\$556,608

Following listing on the TSXV, Hilo expects to use the total available funds for the following principal purposes:

Purpose	
Phase I Work Program for Champ Project	\$213,950
Estimated General and Administrative costs for the 12 month period subsequent to listing on the TSX Venture Exchange	\$196,000
Unallocated working capital	\$146,658
TOTAL:	\$556,608

ITEM 7: DIVIDENDS AND OTHER DISTRIBUTIONS

Hilo has not declared any cash dividends or distributions on its Common Shares since incorporation. Hilo does not anticipate paying any dividends or making any distributions in the short-term. Any decision to pay dividends or make distributions on the Common Shares in the future will be made by the Board in its discretion based on earnings, financial requirements, business objectives and opportunities and such other factors and conditions as it may consider relevant at such time. Hilo does not currently have, and does not expect to adopt in the near-term, a dividend or distribution policy or any restrictions that could prevent Hilo from paying dividends or making distributions.

ITEM 8: MANAGEMENT'S DISCUSSION AND ANALYSIS

Included as Appendix "B" to this Listing Application is Hilo's management's discussion and analysis for the period from incorporation on February 2, 2021 to May 31, 2021 and attached as Appendix "C" to this Listing Application is Hilo's management's discussion and analysis for the period from May 31, 2021 to November 30, 2021.

Included as Appendix "D" to this Listing Application is Golden's management discussion and analysis for its carve out financial statements for the year ended November 30, 2020 and the interim period ended August 31, 2021.

ITEM 9: DISCLOSURE OF OUTSTANDING SECURITY DATA ON FULLY DILUTED BASIS

As at the date hereof, Hilo has 7,272,363 Common Shares issued and outstanding, which are held by Golden Shareholders, subscribers in the Private Placement and insiders of Hilo.

In addition, Hilo has 550,000 Options outstanding exercisable at \$0.15 until January 31, 2027 and an aggregate of 47,299 Finder's Warrants exercisable at \$0.30. 600 of the Finder's Warrants expire on December 17, 2023 and the remaining 46,699 Finder's Warrants expire on November 17, 2023.

ITEM 10: DESCRIPTION OF SECURITIES TO BE LISTED

Hilo is authorized to issue an unlimited number of Common Shares. The holders of Common Shares are entitled to one vote per share at all meetings of Shareholders. The Common Shares are also entitled to dividends, if and when declared by the Board, and to the distribution of the residual assets of Hilo in the event of the liquidation, dissolution or winding-up of Hilo. The Common Shares have no restrictions on transfer other than as described under the heading "*Item 14 – Escrowed Securities and Securities Subject to Restriction on Transfer*".

ITEM 11: CONSOLIDATED CAPITALIZATION

Other than as set forth in the table below, there have been no material changes in the share or loan capital of Hilo, on a consolidated basis, since November 30, 2021.

	Outstanding as at November 30, 2021	Amount Authorized	Outstanding as at the date of this Listing Statement
Share Capital			
Common Shares	7,262,363	Unlimited	7,272,363
Options	Nil	727,236	550,000
Finder's Warrants	46,699	Unlimited	47,299
Total Fully Diluted Issued and	7,309,062		7,869,662

Outstanding Common Shares			
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ITEM 12: STOCK OPTION PLAN

The Board approved and adopted the Plan, the terms of which are summarized below. The Plan was established to attract and retain employees, consultants, officers or directors to Hilo and to motivate them to advance the interests of Hilo by affording them with the opportunity to acquire an equity interest in Hilo. The Plan is a 10% "fixed plan" for Options.

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan attached as Appendix "E" to this Listing Application. Capitalized terms used herein and not otherwise shall have the meanings given to them in the Plan.

The Plan provides for the following terms and restrictions of Option grants:

- (a) Directors, Officers, Employees and Consultants of Hilo or any of its subsidiaries are eligible to receive grants of Options under the Plan.
- (b) The maximum number of Common Shares reserved for issuance under the Plan for Options is 727,236.
- (c) The maximum number of Common Shares reserved for issuance under the Plan, together with all Common Shares reserved for issuance under any previously established stock option plans or grants of the Company, shall not exceed in the aggregate 10% of the total number of Common Shares issued and outstanding, on a fixed basis, as at the date of implementation of the Plan (being 727,236 Common Shares).
- (d) The aggregate number of Options granted to any one person (and companies wholly owned by that person) in a 12-month period must not exceed 5% of the issued Common Shares, calculated on the date an Option is granted to the person (unless Hilo has obtained the requisite disinterested Shareholder approval).
- (e) The aggregate number of Options granted to any one Consultant in a 12-month period must not exceed 2% of the issued Common Shares, calculated at the date an Option is granted to the Consultant (as defined in the Plan).
- (f) The aggregate number of Options granted to all persons retained to provide investor relations activities must not exceed 2% of the issued Common Shares in any 12-month period, calculated at the date an Option is granted to any such person.
- (g) Major terms of the Plan in regards to exercise price, expiry, vesting, assignment, and cessation are as follows:
 - (i) The exercise price per Common Share for an Option shall not be less than the market price on the TSXV on the date preceding the grant;
 - (ii) Every Option granted pursuant to this Plan shall have a term not exceeding, and shall therefore expire no later than, ten years after the date of grant;
 - (iii) Pursuant to the policies of the TSXV, the Board shall determine the manner in which an Option shall vest and become exercisable except that Options granted to persons performing Investor Relations Activities will vest in stages over at least 12 months with no more than ¼ of the Options vesting in any three month period.
 - (iv) The Company may not grant Options:

- i. to any one person in any 12 month period which could, when exercised, result in the issuance of shares exceeding 5% of the issued and outstanding common shares;
 - ii. to any one Consultant in any 12 month period which could, when exercised, result in the issuance of common shares exceeding 2% of the issued and outstanding common shares;
 - iii. in any 12 month period, to persons employed or engaged by the Company to perform Investor Relations Activities which could, when exercised, result in the issuance of common shares exceeding 2% of the issued and outstanding common shares; and
 - iv. to Insiders, any point in time or within a 12 month period, of a number of Options exceeding 10% of the issued and outstanding common shares unless Disinterested Shareholder Approval is obtained.
- (v) No Option granted under the Plan or any right thereunder or in respect thereof shall be transferable or assignable otherwise than by will or pursuant to the laws of succession except that, if permitted by the rules and policies of the TSXV, an optionee shall have the right to assign any Option granted to him hereunder to a trust, RRSP, RESP or similar legal entity established by such optionee.
- (vi) If an Officer, Employee or Consultant is terminated for cause, each Option held by such optionee shall terminate and shall therefore cease to be exercisable upon such termination for cause.
- (vii) If a Director, Officer, Employee or Consultant dies prior to the expiry of his Option, the Option shall terminate 12 months from the date of death.
- (viii) If a Director, Officer, Employee or Consultant to be an eligible person under the Plan for any reason whatsoever (other than for termination for cause or death) each Option held by such party will cease to be exercisable within the lesser of 90 days after the termination date or the expiry date of the Option. Notwithstanding the foregoing, in the event the holder is engaged primarily to perform Investor Relations Activities, the termination date shall be 30 days after the termination date.
- (ix) In the event of a change of control, all Options that are not vested shall vest immediately and automatically without further action by the Board, subject to any restrictions imposed by the TSXV pursuant to its policies stated herein or otherwise at the time of vesting. Options granted to investor relations providers are not eligible for accelerated vesting without prior TSXV approval.

As at the date hereof, 550,000 Options are outstanding, which were granted on February 1, 2022, have an exercise price of \$0.15 per Common Share and a term of five years.

ITEM 13: PRIOR SALES

The following table sets out the number of Common Shares, Options and Finder's Warrants issued by the Company since incorporation.

Date of Issuance	Type and Number of Security	Price Per Common Share/ Exercise Price of Option or Finder's Warrant	Reason for Issuance
February 2, 2021	1 Common Share	\$0.10	Issued to Golden on incorporation

September 21, 2021	1,499,999 Common Shares	\$0.15	Issued to Golden as payment for the Champ Property
November 17, 2021	5,762,363 Common Shares	\$0.15	Issued to Subscribers in the Private Placement
November 17, 2021	46,699 Finder's Warrants	\$0.30	Issued to Haywood Securities Inc. for acting as Finder
December 17, 2021	10,000 Common Shares	\$0.15	Issued to Subscribers in the Private Placement
December 17, 2021	600 Finder's Warrants	\$0.30	Issued to Haywood Securities Inc. for acting as Finder
February 1, 2022	550,000 Options	\$0.15	Issued to the directors, officers and consultants pursuant to the Plan

The Common Shares are not currently traded or quoted on a Canadian or foreign marketplace.

ITEM 14: ESCROWED SECURITIES AND SECURITIES SUBJECT TO RESTRICTION ON TRANSFER

To the knowledge of Hilo, the following securities of Hilo are subject to escrow as of the date hereof:

Designation of Class	Number of Securities held in escrow or that are subject to contractual restrictions on transfer	Percentage of Class ⁽¹⁾
Common Shares	2,318,617 ⁽²⁾	32%

Notes:

- (1) Calculated on an undiluted basis based on 7,272,363 Common Shares issued and outstanding.
- (2) Denotes 1,833,333 Common Shares beneficially held by Gino DeMichele DeMichele through A2 Capital Management Inc., 464,554 Common Shares held by Jeremy Poirier, 7,973 Common Shares held by R. Timothy Henneberry through Mammoth Geological Ltd. and 12,757 Common Shares held by Christos Doulis.

The aggregate of 2,631, 441 Common Shares set out in the table above (the "**Escrowed Shares**") have been deposited in escrow with Endeavour Trust Corporation pursuant to a 18-month Value Security Escrow Agreement and will be released as follows: 25% of the Escrowed Shares released upon the date of issuance of the Exchange Bulletin and an additional 25% of the Escrowed Shares released every 6 months thereafter, until all Escrowed Shares have been released (i.e., 18 months following the date of the Exchange Bulletin).

There are no Common Shares subject to contractual restrictions on transfer other than those that are Escrowed Securities. All of the Common Shares issued pursuant to the Private Placement were subject to a statutory hold period of four months and one day pursuant to applicable securities laws.

ITEM 15: PRINCIPAL SECURITYHOLDERS

The following table sets out information regarding the persons or companies who beneficially own, or control or direct, directly or indirectly, 10% or more of the issued and outstanding Common Shares:

Name	Number of Common Shares	Percentage of Outstanding Common Shares
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Gino DeMichele ⁽¹⁾	1,833,333	25% ⁽²⁾
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Notes:

- (1) These Common Shares are owned beneficially by Mr. DeMichele through A2 Capital Management Inc.
(2) 23% on a fully-diluted basis.

ITEM 16: DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holdings

Set out below is information regarding the name, residence, position, occupation and Common Share holdings of each director and executive officer of Hilo.

Name, Residence and Position	Principal occupation during preceding 5 years	Date Appointed as Director	Number of Common Shares beneficially owned, directed or controlled, directly or indirectly
Jeremy Poirier ⁽¹⁾ British Columbia, Canada <i>Chief Executive Officer and Director</i>	Interim Chief Executive Officer and Director, Golden Independence Mining Corp., January 2022 to to present; President, Chief Executive Officer, and Director, Bearing Lithium Corp., from August 2016 to October 2019; President, Nico Consulting from 2004 to present; Director, Alexandra Capital Corp. from August 2017 to present.	June 10, 2021 ⁽²⁾	464,554
Gino DeMichele Alberta, Canada <i>Chairman and Director</i>	CEO of A2 Capital Management Inc. from 2013 to present, a private merchant bank; former CEO and President of Newton Energy Corporation from October 2017 to September 2020; former President, CEO and a director of Vogogo Inc. from April 2016 to September 2019, a risk management and payment services company listed on the TSXV; and former investment advisor with Macquarie Private Wealth from October 2009 to July 2013.	November 12, 2021 ⁽²⁾	1,833,333
Lachlan McLeod British Columbia, Canada <i>CFO and Corporate Secretary</i>	Senior Consultant, Fehr & Associates, 2018 to present; Senior Accountant, KPMG, 2015 to 2018	N/A	Nil
R. Timothy Henneberry ⁽¹⁾ British Columbia, Canada <i>Director</i>	Director of Mind Medicine (MindMed) Inc. from February 2013 to July 2017; director of Quadro Resources Ltd. from November 2013 to January 2018; director of Arcwest Exploration Inc. from June 2013 to September 2018; interim CEO of Arcwest Exploration Inc. from June 2017 to September 2018; director and CEP of Pike	February 2, 2021 ⁽²⁾	7,973

Name, Residence and Position	Principal occupation during preceding 5 years	Date Appointed as Director	Number of Common Shares beneficially owned, directed or controlled, directly or indirectly
	Mountain Minerals Inc. (now Carebook Technologies Inc.) from July 2018 to October 2020; director of Raindrop Ventures Corp. from November 2019 to December 2020; director of Silver Sands Resources Corp. since January 2018; director of iMetal Resources Inc. since November 2020; director of Golden since July 2020 and interim CEO of Golden July 2020 to November 2020.		
Christos Doulis ⁽¹⁾ Ontario, Canada <i>Director</i>	CEO of Golden Independence Mining Corp., November 2020 to January 2022; CEO of Canstar Resources from July 2018 to November 2019; CEO of Buchans Wiley Exploration from February 2018 to July 2018; director, Investment Banking at HC Wainwright from July 2017 to January 2018.	April 22, 2021 ⁽²⁾	12,757

Notes:

- (1) Member of the Audit Committee.
- (2) A director's term expires at the next annual general meeting of the Shareholders.

As a group, all of the directors and officers of the Company beneficially own, direct or control, directly or indirectly, an aggregate of 2,318,617 Common Shares.

Management Biographies

Jeremy Poirier, Chief Executive Officer: [Age 36] Jeremy Poirier has over 17 years of experience in capital markets. Mr. Poirier serves as President of Nico Consulting, a management and consulting services company, through which he assists his clients with their IPO, RTO, fundamental transactions, and other various go public strategies. He has served as a member on a number of boards and has held officer positions at several public and private companies in the mining sector. Mr. Poirier is an independent contractor of Hilo and it is anticipated he will devote approximately 30% of his working time to Hilo. Mr. Poirier has not entered into a non-competition or non-disclosure agreement with Hilo.

Gino DeMichele, Chairman: [Age 52] Mr. DeMichele currently serves as the President and Chief Executive Officer of A2 Capital Management Inc., a private merchant banking and trading operation active since 2006. Prior to this, Mr. DeMichele was Vice President and Senior Investment Advisor at various Canadian brokerage firm's from 1994 to 2013. He has been engaged in global and domestic financial markets since 1990 and brings 30 years of corporate finance, public-private equity and merger-and acquisition expertise. Mr. DeMichele is an independent contractor of Hilo and it is anticipated he will devote approximately 30% of his working time to Hilo. Mr. DeMichele has not entered into a non-competition or non-disclosure agreement with Hilo.

Lachlan McLeod, Chief Financial Officer: [Age 35] Mr. Lachlan McLeod, a Chartered Professional Accountant, holds a Bachelor's Degree in Science with an Economics major and a Business minor from the University of Victoria. He has 6 years of experience focusing on financial reporting under IFRS, governance for public companies, and technical accounting issues, including work as an auditor at KPMG. Mr. McLeod currently works as a Senior Consultant at Fehr

& Associates CPA, which provides external consulting and accounting services. Mr. McLeod is an independent contractor of Hilo and it is anticipated he will devote approximately 20% of his working time to Hilo. Mr. McLeod has not entered into a non-competition or non-disclosure agreement with Hilo.

R. Timothy Henneberry, Independent Director. [Age 63] Mr. Henneberry, a Dalhousie University graduate, is a Professional Geoscientist registered in British Columbia with over 42 years of experience in domestic and international exploration and production for base and precious metals and industrial minerals. It is anticipated that Mr. Henneberry he will devote approximately 10% of his working time to Hilo. Mr. Henneberry has not entered into a non-competition or non-disclosure agreement with Hilo.

Christos Doulis, Independent Director. [Age 50] Mr. Doulis has over 25 years of experience in the metals and mining space having held senior positions in mining equity research, investment banking and in industry. He was an award-winning research analyst at Stonecap Securities and PI Financial from 2010 to 2015. Prior to that Mr. Doulis was a partner at Gryphon Partners, a boutique advisory services firm focused on the mining industry that was acquired by Standard and Chartered Bank, as well as VP Investment Banking (Mining) at TD Securities. Prior to his tenure as Chief Executive Officer at Golden Independence Mining Corp., Mr. Doulis served as the Chief Executive Officer for several exploration companies focused on Western Newfoundland. Mr. Doulis holds a Bachelor of Arts in economics from Queen's University and is a CFA charter holder. It is anticipated that Mr. Doulis he will devote approximately 10% of his working time to Hilo. Mr. Doulis has not entered into a non-competition or non-disclosure agreement with Hilo.

Reporting Issuer Experience

The following table sets out each director and executive officer's experience as a director or officer of any other reporting issuer (or equivalent) in the five year period preceding the date hereof:

Name	Name and Jurisdiction of Reporting Issuer	Name of Trading Market	Position	From	To
Jeremy Poirier	Golden Independence Mining Corp., <i>British Columbia</i>	CSE	Interim CEO, Director	January 2022	Present
	Bearing Lithium Corp., <i>British Columbia</i>	TSXV	Director, CEO	August 2016	October 2019
	J4 Ventures Inc., <i>British Columbia</i>	TSXV	CEO, Director and Promoter	March 2021	Present
	BioVaxys Technology Corp. (formerly Lions Bay Mining Corp.), <i>British Columbia</i>	CSE	President, CEO and Director	April 2018	February 2021
	Plymouth Rock Technologies Inc. (formerly Alexandra Capital Corp.), <i>British Columbia</i>	CSE	Director	December 2017	October 2019
Gino DeMichele	GR Silver Mining Ltd., <i>British Columbia</i>	TSXV	Director	March 2014	Present

	Newton Energy Corporation (now Field Trip Health Ltd.), <i>Alberta</i>	TSXV	President, CEO and Director	October 2017	September 2020
	Vogogo Inc. (now Greenhawk Resources Inc.), <i>Alberta</i>	TSXV	President, CEO and Director	April 2016	September 2019
	A2 Acquisition Corp. (now Medicenna Therapeutics Corp.), <i>Alberta</i>	TSXV	Director, CEO, CFO and Corporate Secretary	May 2015	March 2017
R. Timothy Henneberry	iMetal Resources Inc., <i>Alberta</i>	TSXV	Director	November 2020	Present
	Golden Independence Mining Corp., <i>British Columbia</i>	CSE	President, CEO and Director	July 2020	Present
	Silver Sands Resources Corp., <i>British Columbia</i>	CSE	Director	January 2018	Present
	J4 Ventures Inc., <i>British Columbia</i>	TSXV	Director	March 2021	Present
	Treviso Capital Corp, <i>British Columbia</i>	TSXV	Director	April 2021	Present
	Pike Mountain Minerals Inc. (now Carebook Technologies Inc.), <i>Canada</i>	CSE	Director	July 2018	October 2020
	Sojourn Exploration Inc. (now Arcwest Exploration Inc.), <i>British Columbia</i>	TSXV	Director, Interim CEO	June 2013	September 2018
	Quadro Resources Ltd., <i>British Columbia</i>	TSXV	Director	November 2013	January 2018
	Mind Medicine (MindMed) Inc. (formerly Broadway Gold Mining Ltd.), <i>British Columbia</i>	TSXV	Director	February 2013	July 2017
Lachlan McLeod	BioVaxys Technology Corp., <i>British Columbia</i>	CSE	CFO and Corporate Secretary	July 2020	Present
Christos Doulis	Golden Independence	CSE	CEO and Director	November 2020	January 2022

	Mining Corp., <i>British Columbia</i>				
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Cease Trade Orders, Bankruptcies, Penalties and Sanctions

No director or executive officer of Hilo is, as at the date of this Listing Application, or has been, within 10 years before the date of this Listing Application, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including Hilo) that:

- (a) was subject to an order that was issued while the director or executive officer was acting the capacity as director, CEO or CFO; or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

No director or executive officer of Hilo, or to the knowledge of Hilo, a Shareholder holding a sufficient number of Common Shares to materially affect control of Hilo:

- (a) is, as at the date of this Listing Application, or has been within the 10 years before the date of this Listing Application, a director or executive officer of any company (including Hilo) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or 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;
- (b) has, within 10 years before the date of this Listing Application, 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 or executive officer;
- (c) 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
- (d) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Conflicts of Interest

To the knowledge of Hilo, no director or officer of Hilo has any existing or potential material conflict of interest with Hilo. While certain directors and officers of Hilo are employees of Golden, Hilo does not expect such relationships to give rise to any material conflicts of interest with Hilo.

ITEM 17: EXECUTIVE COMPENSATION

Hilo was not a reporting issuer at any time during the most recently completed financial year ended May 31, 2021 but became a reporting issuer in the Provinces of British Columbia, Alberta and Ontario as a result of the Arrangement on November 12, 2021. Hilo and has not yet fully implemented a compensation program. Hilo anticipates that it will adopt a compensation program that reflects its stage of development, the main elements of which are expected to be comprised of base salary, grants of Options and annual cash incentives. This section sets out, to the extent currently know and determined, all significant elements of the compensation to be awarded to, earned by, paid to, or payable to directors and officers of Hilo once the Common Shares are listed on the Exchange. Such details regarding compensation of directors and officers is based on Hilo's current expectations and once the Common Shares are listed

on the Exchange, may be different than as disclosed herein. The Board annually reviews and approves compensation paid to Hilo's directors and officers.

Compensation Objectives

Hilo's compensation objectives include the following:

- attracting and retaining highly-qualified individuals;
- creating among directors, officers, consultants and employees of the Company a corporate environment which will align their interests with those of the Shareholders; and
- ensuring competitive compensation that is also affordable for Hilo.

The compensation program is designed to provide competitive levels of compensation. Hilo recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, Hilo's directors and officers may receive compensation that comprises three components:

- salary, wages or contractor payments;
- Option grants; and
- bonuses.

The objectives and reasons for this system of compensation are to allow Hilo to remain competitive compared to its peers in attracting experienced personnel.

The salaries are set on the basis of a review and comparison of salaries paid to executives at similar companies, which process is based on objective, identifiable measures.

Grants of Options are designed to reward directors and officers for success on a similar basis as the Shareholders, although the level of reward provided by a particular Option grant is dependent upon the volatile stock market. This process is based on subjective decisions.

Any bonuses paid will be allocated on an individual basis and are based on review by the Board of the work planned during the year and the work achieved during the year, including work related to mineral exploration, administration, financing, shareholder relations and overall performance. The bonuses are paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments. This process will be based on objective identifiable measures.

Hilo does not use a peer group to determine compensation.

As a junior mineral exploration company, Hilo remains at risk of losing qualified personnel to companies with greater financial resources and it attempts to mitigate this risk wherever possible through appropriate written contracts.

Summary Compensation Table

The following table sets for all direct and indirect compensation (other than compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by Hilo and any subsidiary thereof to each director and officer of Hilo since incorporation until May 31, 2021, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and in-direct pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided for services provided and for services to be provided, directly or indirectly, to Hilo or any subsidiary thereof:

Name and position	Financial Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Jeremy Poirier ⁽¹⁾ CEO and Director	2021 ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil
Lachlan McLeod ⁽³⁾ CFO and Corporate Secretary	2021 ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil
Christos Doulis ⁽⁴⁾ Director	2021 ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil
Gino DeMichele ⁽⁵⁾ Chairman and Director	2021 ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil
R. Timothy Henneberry ⁽⁶⁾ Director	2021 ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil
Joshua Kierce ⁽⁷⁾ Former CFO	2021 ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil

- (1) Mr. Poirier was appointed as CEO and Director effective June 10, 2021. Mr. Poirier's compensation will be \$5,000 per month, which will be accrued until the Company is satisfied that it has sufficient working capital to pay such amount.
- (2) The period beginning on the date of Hilo's incorporation (February 2, 2021) and ending on May 31, 2021.
- (3) Mr. McLeod was appointed as CFO and Corporate Secretary effective October 5, 2021. Mr. McLeod's compensation will be \$1,500 per month plus an additional \$125 per hour.
- (4) Mr. Doulis was appointed as a Director effective April 22, 2021.
- (5) Mr. DeMichele was appointed as a Director effective November 12, 2021 and as Chairman effective December 20, 2021. Mr. DeMichele's compensation will be \$5,000 per month, which will be accrued until the Company is satisfied that it has sufficient working capital to pay such amount.
- (6) Mr. Henneberry was appointed as a Director effective February 2, 2021.
- (7) Mr. Kierce resigned as CFO effective October 5, 2021.

Compensation Securities Table

As at May 31, 2021, there were no compensation securities outstanding.

Below are the details of the compensation securities outstanding as at the date of this Listing Statement.

Name and position	Type of compensation security	Number of compensation securities	Date of issue or grant	Issue, conversion or exercise price (\$)	Expiry date
Jeremy Poirier CEO and Director	Options	100,000	February 1, 2022	\$0.15	February 1, 2027
Lachlan McLeod ^c CFO and Corporate Secretary	Options	30,000	February 1, 2022	\$0.15	February 1, 2027
Gino DeMichele Chairman and Director	Options	300,000	February 1, 2022	\$0.15	February 1, 2027
R. Timothy Henneberry Director	Options	60,000	February 1, 2022	\$0.15	February 1, 2027
Christos Doulis Director	Options	60,000	February 1, 2022	\$0.15	February 1, 2027

Aggregate Options Exercised and Option Values

No Options have been exercised since the date of Hilo's incorporation on February 2, 2021.

Option-Based Awards

The Plan is used to attract, retain and incentivize qualified and experienced personnel. The Plan is an important part of Hilo's long-term incentive strategy for its directors and officers, as well as for other persons eligible to receive grants of Awards thereunder, permitting them to participate in any appreciation of the market value of the Common Shares over a stated period of time. The Plan is designed to foster a proprietary interest in stock ownership, and to reinforce a commitment to Hilo's long-term growth, performance and success as well as increasing shareholder value. See "*Item 12 – Share Compensation Plan*".

The Board reviews the grant of Options to directors and officers from time to time, based on various factors such as the officer's level of responsibility and role and importance in Hilo achieving its corporate goals, objectives and prospects. Previous grants of Options are taken into account when considering new grants of Options to officers.

Hilo has no equity compensation plans other than the Plan.

Aggregate Options Exercised and Option Values

No Options have been exercised since the date of Hilo's incorporation on February 2, 2021. The only Options that have been granted to directors and officers of Hilo since Hilo's incorporation are further described under "*Item 12 – Share Compensation Plan*".

Pension Plan Benefits

Hilo does not have a pension plan that provides for payments or benefits to its directors and officers at, following, or in connection with retirement.

Defined Benefit or Actuarial Plans

Hilo has no defined benefit or actuarial plans.

Use of Financial Instruments

Hilo does not have a policy that would prohibit a director or officer from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the officers or director. However, management is not aware of any officers or director purchasing such an instrument.

Termination and Change of Control Benefits

There are no provisions in any contract, agreement, plan or arrangement, that provides for payments to an officer, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control in Hilo or a change in the officer's responsibilities.

ITEM 18: INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Hilo is not aware of any individuals who are either current or former executive officers, directors or employees of Hilo and who have indebtedness outstanding as at the date hereof (whether entered into in connection with the purchase of securities of Hilo or otherwise) that is owing to (i) Hilo, or (ii) another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Hilo.

Except for (i) indebtedness that has been entirely repaid on or before the date of this Listing Application, and (ii) "routine indebtedness" (as defined in Form 51-102F5 to National Instrument 51-102 – *Continuous Disclosure Obligations*), Hilo is not aware of any individuals who are, or who at any time during the most recently completed financial year were, a director or executive officer of Hilo, or an associate of any of those directors or executive officers, who are, or have been at any time since incorporation of Hilo, indebted to Hilo, or whose indebtedness to another entity is, or at any time since incorporation of Hilo has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Hilo.

ITEM 19: AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

The audit committee of the Board (the "**Audit Committee**") will be principally responsible for:

- (a) recommending to the Board the external auditor to be nominated for election by the Shareholders at each annual general meeting of Shareholders and negotiating the compensation of such external auditor;
- (b) overseeing the work of the external auditor;
- (c) reviewing Hilo's annual and interim financial statements, management discussion and analysis and press releases regarding earnings before they are reviewed and approved by the Board and publicly disseminated by Hilo; and
- (d) reviewing Hilo's financial reporting procedures and internal controls to ensure adequate procedures are in place for Hilo's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph.

Audit Committee Charter

The Board has adopted a charter (the "**Audit Committee Charter**") for the Audit Committee, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The complete Audit Committee Charter is attached as Appendix "F" to this Listing Application.

Composition of the Audit Committee

The Audit Committee is comprised of Jeremy Poirier, R. Timothy Henneberry and Christos Doulis, with Jeremy Poirier acting as chairperson. A majority of the members of the Audit Committee are independent directors in accordance with the requirements of NI 52-110. The following table sets out the names of the members of the Audit Committee and whether they will be "independent" are and "financially literate". Upon the appointment of an additional independent director to the Board, such director will become a member of the Audit Committee.

Name of Member	Independent ⁽¹⁾	Financially Literate ⁽²⁾
R. Timothy Henneberry	Yes	Yes
Christos Doulis	Yes	Yes
Jeremy Poirier	No	Yes

Notes:

- (1) To be considered independent, a member of the Audit Committee must not have any direct or indirect "material relationship" with Hilo as defined under applicable securities laws. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Jeremy Poirier is not "independent" by virtue of being the CEO of Hilo.
- (2) To be considered financially literate, a member of the Audit Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Hilo's financial statements.

Relevant Education and Experience

All members of the Audit Committee are experienced business people with a background and experience in financial matters; each has a broad understanding of the accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavor. In addition, each member of the Audit Committee has knowledge of the role of an audit committee in the realm of reporting companies. Following are the biographies of members of the Audit Committees:

- R. Timothy Henneberry: Mr. Henneberry has over 20 years of public company experience and has held a number of senior management and director positions. He has strong board governance experience and has served on various board committees and audit committees over his career.
- Jeremy Poirier: Jeremy Poirier has over 17 years of experience in capital markets. Mr. Poirier serves as President of Nico Consulting, a management and consulting services company, through which he assists his clients with their IPO, RTO, fundamental transactions, and other various go public strategies. He has served as a member on a number of boards and has held officer positions at several public and private companies including serving on the audit committee of Pure Energy Minerals Limited. Mr. Poirier also is the President and Chief Executive Officer of Hilo and has experience in similar roles with other listed issuers.
- Christos Doulis: Mr. Doulis has over 25 years of experience in the metals and mining space, having held senior positions in mining equity research, investment banking and in industry. He was an award-winning research analyst at Stonecap Securities and PI Financial from 2010 to 2015. Prior to that, Mr. Doulis was a partner at Gryphon Partners, a boutique advisory services firm focused on the mining industry that was acquired by Standard and Chartered Bank, as well as VP Investment Banking (Mining) at TD Securities. Mr. Doulis holds a Bachelor of Arts in economics from Queen's University and is a CFA charter holder

Complaints

The Audit Committee will establish a "Whistleblower Policy" which will outline procedures for the confidential, anonymous submission by employees regarding Hilo's accounting, auditing and financial reporting obligations, without fear of retaliation of any kind. If an applicable individual has any concerns about accounting, audit, internal controls or financial reporting matters which they consider to be questionable, incorrect, misleading or fraudulent, the applicable individual is urged to come forward with any such information, complaints or concerns, without regard to the position of the person or persons responsible for the subject matter of the relevant complaint or concern.

External Auditor Service Fees

The following table discloses the fees billed to Hilo by its external auditor during the period from incorporation on February 2, 2021 to May 31, 2021.

Financial Year Ending	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾
May 31, 2021	\$5,000	Nil	Nil	Nil

Notes:

- (1) The aggregate fees billed by the Company's auditor for audit fees.
- (2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit Fees" column.
- (3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice, and tax planning.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

Reliance on Certain Exemptions

As Hilo will be listed on the TSXV, it will be a "venture issuer" and may avail itself of exemptions from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110, which require the independence of each member of an audit committee, subject to limited exceptions and the disclosure of audit committee information in an annual information form, respectively. It is expected that Hilo will rely on the exemption in Part 3 because not all the members of its Audit Committee will be independent, and it is expected that it also will rely on exemption in Part 5 of NI 52-110 because, as a venture issuer, it is not required to file an annual information form.

Corporate Governance

Canadian securities regulatory policy as reflected in NI 58-101 requires that venture issuers like Hilo must disclose on an annual basis their approach to corporate governance. NP 58-201 provides regulatory staff guidance on preferred governance practices, although the guidelines are not prescriptive, other than for audit committees. Hilo's approach to corporate governance in the context of NI 58-101 and NP 58-201 as well as its compliance with the mandatory rules relating to audit committees is set out below.

Board of Directors

The Board will have responsibility for the stewardship of Hilo including responsibility for strategic planning, identification of the principal risks of Hilo's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of Hilo's internal control and management information systems.

The Board will set long-term goals and objectives for Hilo and will formulate the plans and strategies necessary to achieve those objectives and to supervise senior management in their implementation. The Board may delegate the responsibility for managing the day-to-day affairs of Hilo to senior management but will retain a supervisory role in respect of, and ultimate responsibility for, all matters relating to Hilo and its business. The Board is responsible for protecting Shareholders' interests and ensuring that the incentives of the Shareholders and of management are aligned.

The Board is currently comprised of four directors, being Jeremy Poirier, R. Timothy Henneberry, Gino DeMichele and Christos Doulis. Except for Jeremy Poirier and Gino DeMichele, the Board considers the majority of the directors to be "independent" in that they will be independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of Hilo. Mr. Poier and Mr. DeMichele are not considered to be independent, due to their roles as the CEO and Chairman of Hilo, respectively.

The Board facilitates its exercise of independent supervision over management by the composition of the Board.

Directorships

As set out below, certain of the current directors of Hilo are also directors of other reporting issuers:

Director	Other Issuer
Jeremy Poirier	J4 Ventures Inc. Golden Independence Mining Corp.
Gino DeMichele	GR Silver Mining Ltd.
R. Timothy Henneberry	Golden Independence Mining Corp. iMetal Resources Inc. Silver Sands Resources Corp.

Orientation and Continuing Education

Hilo has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with Hilo by meeting with the other directors, officers and employees and by reviewing Hilo's corporate records and corporate governance policies. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board. The Board will continue to look at outside sources to strengthen their skills. The Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance, and to attend related industry seminars.

Ethical Business Conduct

The Board will adopt a Code of Business Ethics and Conduct (the "**Code**") applicable to all of its directors, officers and employees, including the CEO, the CFO and other persons performing financial reporting functions. The Code will be used to communicate to directors, officers and employees standards for business conduct in the use of Hilo's resources and assets, and to identify and clarify proper conduct in areas of potential conflict of interest. The Code will be designed to deter wrongdoing and promote (a) honest and ethical conduct; (b) compliance with laws, rules and regulations; (c) prompt internal reporting of Code violations; and (d) accountability for adherence to the Code. Violations from standards established in the Code, and specifically under "Whistleblower" situations, will be reported to the chairperson of Audit Committee and will be able to be reported anonymously.

The Board must also comply with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

Hilo does not intend to establish a nominating committee. The Board as a whole will be responsible for filling vacancies on the Board and recommending potential nominees for directors, and will use an informal consultative process. The Board will analyse the needs of the Board when vacancies arise and identify and propose new nominees who have the necessary competencies and characteristics to meet those needs. In order to foster an objective nomination process, the independent members of the Board will be encouraged to recommend nominees for the Board.

Compensation

The Board annually reviews and approves compensation paid to Hilo's directors and CEO. The process of determining compensation is described in detail under the heading "*Item 17 – Executive Compensation – Compensation Objectives*".

Assessments

The Board has not yet adopted any formal procedures for regularly assessing the effectiveness of the Board, its committees or individual directors with respect to their effectiveness and contributions. Nevertheless, their effectiveness is subjectively measured on an ongoing basis by each director based on their assessment of the performance of the Board, its committees or the individual directors compared to their expectation of performance. In doing so, the contributions of an individual director are informally monitored by the other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

ITEM 20: AGENT, SPONSOR OR ADVISOR

Hilo has not retained, and does not anticipate to retain, any agent, sponsor or advisor in connection with this Listing Application or the Private Placement.

Hilo is requesting an exemption from the sponsorship requirements under Policy 2.2 – Sponsorship and Sponsorship Requirements of the TSXV of the TSXV's Corporate Finance Manual ("**Policy 2.2**"). Under Section 3.4(a)(i) of Policy 2.2, an exemption from the sponsorship requirement may be available where, among other things: (a) the issuer is not a Foreign Issuer (as defined in the TSXV Corporate Finance Manual); (b) the management of the issuer meets a high standard such that the directors and senior officers of the issuer collectively possess appropriate experience, qualifications and history whereby each member or proposed member of the board is suitable both on an individual basis and in relation to other members of the Board; and (c) the issuer is any category of Mining or Oil and Gas Issuer category that satisfies at least the Tier 2 Initial Listing Requirements and has a current Geological Report for each of the issuer's Qualifying and Principal Properties (as defined in the TSXV Corporate Finance Manual), including recommendations for exploration and/or development work.

Such conditions will have been satisfied given that Hilo is not a Foreign Issuer, its directors and officers meet the standards set out in Section 3.4(a)(i)(B) of the TSXV Corporate Finance Manual, Hilo is applying to list on the TSXV as a Tier 2 Mining Issuer and the Champ Technical Report is a current Geological Report for Hilo's Qualifying and Principal Property that includes recommendations for exploration and/or development work. Accordingly, Hilo anticipates that it will be granted an exemption to the sponsorship requirements under Policy 2.2.

ITEM 21: RISK FACTORS

An investment in the securities of Hilo is highly speculative, involves a high degree of risk and should be undertaken only by persons whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prior to investing in such securities, you should carefully consider the risks described below, together with other information included in or incorporated by reference into this Listing Application. If any of the following risks materialize, the business, financial condition, results of operation and future prospects of Hilo will likely be materially and adversely affected. This could cause actual future events to differ materially from those described in forward-looking statements and may cause the trading price of Hilo's securities to decline.

The risks presented below should not be considered exhaustive and may not be all the risks Hilo may face. Management of Hilo believes that factors set out below could cause actual results to be different from expected and historical results. Other sections of this Listing Application include additional factors that could have an effect on the business and financial performance of Hilo's business. New risks may emerge from time to time and management may not be able to predict all of them, or be able to predict how they may cause actual results to be different from those contained in any forward-looking statements. You should not rely upon forward-looking statements as a prediction of future results.

Hilo May Not Realize Anticipated Benefits of the Arrangement

The Arrangement was proposed by Golden and Hilo to strengthen the position of each entity in the mining and exploration industry and to create the opportunity to realize certain benefits. Achieving the benefits of the Arrangement depends in part on the ability of Hilo to effectively capitalize on its scale, to realize the anticipated capital and operating synergies, to profitably sequence the growth prospects of its asset base and to maximize the potential of its improved growth opportunities and capital funding opportunities. A variety of factors, including those risk factors set forth in this Listing Application may adversely affect the ability of Hilo to achieve the anticipated benefits of the Arrangement.

Hilo May Be Unable to Operate as an Independent Entity

Following the Arrangement, the separation of Hilo from the other business of Golden may materially affect Hilo. Hilo may not be able to implement successfully the changes necessary to operate independently. Hilo may incur additional costs relating to operating independently that could materially affect its cash flows and results of operations. Hilo will require Golden to provide Hilo with certain services and facilities on a transitional basis. Hilo may, as a result, be dependent on such services and facilities until it is able to provide or obtain its own.

No History of Operations, Earnings or Dividends

Following completion of the Arrangement, Hilo became an independent public company. The operating history of Golden cannot be regarded as the operating history of Hilo. The ability of Hilo to raise capital, satisfy its obligations and provide a return to its shareholders will be dependent on future performance. It will not be able to rely on the capital resources and cash flows of Golden.

Hilo has not yet commenced operations and therefore has no history of earnings or of a return on investment, and there is no assurance that certain of its royalty or streaming interests or other assets will generate earnings, operate profitably or provide a return on investment in the future. The likelihood of success of Hilo must also be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. Hilo's proposed business strategies incorporate its management's best analysis of potential markets, opportunities and difficulties that it may face. No assurance can be given that the underlying assumptions will be achieved. Hilo has never paid a dividend and, while it currently intends to seek to pay dividends in the future, has no current plans to pay dividends. The future dividend policy of Hilo will be determined by the Board.

Market Price and Listing of Common Shares

Hilo is seeking to have the Common Shares listed and posted for trading on the TSXV. The listing of the Common Shares will be subject to the satisfaction of all of the TSXV's initial listing requirements. If Hilo receives final approval for listing the Common Shares on the TSXV, there is no assurance that it will maintain such listing on the TSXV or a listing on any other exchange or quotation service. There can be no assurance that an active trading market will develop or be sustained for the Common Shares. Shareholders may not be able to resell the Common Shares, which may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares. If an active or liquid market for the Common Shares fails to develop or be sustained, the price at which the Common Shares trade may be adversely affected.

An investment in Hilo's securities is highly speculative, due to the high-risk nature of its business, lack of diversification and the present stage of its development. Shareholders may lose their entire investment. If the Common Shares are publicly traded, the market price of the Common Shares may be affected by many variables not directly related to the corporate performance of Hilo, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments and the breadth of the public market for its shares. The effect of these and other factors on the market price of the Common Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of the Common Shares.

No Revenues or Ongoing Mining Operations

Hilo is a development stage mineral company and has no revenue from operations and no ongoing mining operations of any kind. Hilo has not developed or operated any mines, and has no operating history upon which an evaluation of Hilo's future success or failure can be made. Hilo's ability to achieve and maintain profitable mining operations is dependent upon a number of factors, including its ability to successfully build and operate mines, processing plants, and related infrastructure. Hilo may not successfully establish mining operations or profitably produce metals at its properties. As such, Hilo does not know if it will ever generate revenues. Such conditions, along with other matters set forth in the financial statements and management's discussion and analysis, attached hereto in Appendices "B" and "C" indicate that uncertainty exists that may cast a doubt on Hilo's ability to continue as a going concern.

Mineral Deposits May Not Be Economical

The determination of whether any mineral deposits at the Champ Project are economical is affected by numerous factors beyond the control of Hilo. These factors include: (a) the metallurgy of the mineralization forming the mineral deposit; (b) market fluctuations for metal prices; (c) the proximity and capacity of natural resource markets and processing equipment; and (d) government regulations, governing prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection.

Changes in Market Price of Metals

The potential of the Champ Project to be economically mined is significantly affected by changes in the market price of metals. The market price of metals is volatile and is impacted by numerous factors beyond the control of Hilo, including: (a) expectations with respect to the rate of inflation; (b) the relative strength of the U.S. dollar and certain other currencies; (c) interest rates; (d) global or regional political or economic conditions; (e) supply and demand for jewelry and industrial products containing metals; and (f) sales by central banks, other holders, speculators, and producers of gold and other metals in response to any of the above factors. A decrease in the market price of metals could make it difficult or impossible to finance the exploration or development of the Champ Project or cause Hilo to determine that it is impractical to continue development of the Champ Project, which would have a material adverse effect on the financial condition and results of operations of Hilo. There can be no assurance that the market price of metals will not decrease.

Mining Operations May Not Be Established or Profitable

Hilo has no history of production. The future development of the Champ Project will require additional financing, permits, design, construction, processing plant, and related infrastructure. As a result, Hilo will be subject to all of the risks associated with establishing new mining operations and business enterprises, including: (a) the timing and cost, which will be considerable, of obtaining all necessary permits including environmental, construction, and operating permits; (b) the timing and cost, which will be considerable, of the construction of mining and processing facilities; (c) the availability and costs of skilled labour, power, water, transportation, and mining equipment; (d) the availability and cost of appropriate smelting and/or refining arrangements; (e) the need to obtain necessary environmental and other governmental approvals and permits, and the timing of those approvals and permits; and (f) the availability of funds to finance construction and development activities.

It is common in new mining operations to experience unexpected problems and delays during permitting, construction, development, and mine start-up. In addition, delays in the commencement of mineral production often occur, and once commenced, the production of a mine may not meet expectations or the estimates set forth in feasibility or other studies. Accordingly, there are no assurances that Hilo will successfully establish mining operations or become profitable.

Estimates of Mineralization Figures

The mineralization figures presented in the Champ Technical Report are based upon estimates made by qualified persons. These estimates are imprecise and depend upon interpretation of geologic formations, grade, and metallurgical characteristics and upon statistical inferences drawn from drilling and sampling analysis, any or all of which may prove to be unreliable. Material changes in mineral resources or mineral reserves, grades, stripping ratios, or recovery rates may affect the economic viability of any project. Estimates can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, and work interruptions. There can be no assurance that: (a) the estimates made by qualified persons upon which the mineralization figures presented in the Champ Technical Report are based will be accurate; (b) mineral resource or other mineralization figures will be accurate; or (c) this mineralization could be mined or processed profitably.

Mineralization estimates for the Champ Project may require adjustments or downward revisions based upon further exploration or development work. It is possible that the following may be encountered: unusual or unexpected geologic formations or other geological or grade problems, unanticipated changes in metallurgical characteristics and silver recovery, and unanticipated ground or earth conditions. If mining operations are commenced, the grade of mineralization ultimately mined, if any, may differ from that indicated by drilling results. Estimates of mineral recovery rates used in mineral reserve and mineral resource estimates are uncertain and there can be no assurance that mineral recovery rates in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale.

Hilo's Operations are Subject to Human Error

Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage Hilo's interests, and even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to Hilo. These could include loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort Hilo might undertake and legal claims for errors or mistakes by Hilo personnel.

Operations and Exploration Subject to Governmental Regulations

Hilo's operations and exploration and development activities are subject to extensive laws and regulations governing various matters, including: (a) environmental protection; (b) management and use of toxic substances and explosives; (c) management of natural resources; (d) management of tailings and other wastes; (e) mine construction; (f) exploration, development of mines, production and post-closure reclamation; exports; (g) price controls; (h) taxation and mining royalties; (i) regulations concerning business dealings with indigenous groups; (j) labour standards and occupational health and safety, including mine safety; and (k) historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities, enjoining or curtailing operations, or requiring corrective measures, installation of additional equipment, or remedial actions, any of which could result in Hilo incurring significant expenditures. Hilo may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations, or permitting requirements. It is also possible that future laws and regulations, or a more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of Hilo's operations, if any, and delays in the development of the Champ Project.

Impact of Environmental Laws and Regulations

The Champ Project is subject to regulation by governmental agencies under various environmental laws. These laws address 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. Compliance with environmental laws and regulations may require significant capital outlays on behalf of Hilo and may cause material changes or delays in Hilo's intended activities. There can be no assurance that future changes in environmental regulations will not adversely affect Hilo's business, and it is possible that future changes in these laws or regulations could have a significant adverse impact on some portion of Hilo's business, causing it to re-evaluate those activities at that time.

Mining is Inherently Dangerous

The business of mining is subject to a number of risks and hazards including environmental hazards, industrial accidents, labour disputes, cave-ins, pit wall failures, flooding, fires, rock bursts, explosions, power outages, periodic interruptions due to inclement or hazardous weather conditions, and other acts of God or unfavourable operating conditions. Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, increased production costs, monetary losses, and possible legal liability.

Where considered practical to do so, Hilo will maintain insurance against risks in the operation of its business in amounts which it believes to be reasonable. Such insurance, however, contains exclusions and limitations on coverage. There can be no assurance that such insurance will continue to be available, will be available at economically acceptable premiums, or will be adequate to cover any resulting liability. In some cases, coverage is not available or is considered too expensive relative to the perceived risk. Hilo may suffer a material adverse effect on its business if it incurs losses related to any significant events that are not covered sufficiently or at all by its insurance policies.

Financing Risks

Hilo expects to be substantially dependent upon the equity and debt capital markets or alternative sources of funding to pursue additional investments, including royalty or streaming agreements. There can be no assurance that such financing will be available to Hilo on acceptable terms or at all.

Additional equity or debt financings may significantly dilute positions held by Shareholders, increase Hilo's leverage or require Hilo to grant security over its assets. If Hilo is unable to obtain such financing, it may not be able to develop the Champ Project or execute on its business strategy. If Hilo is unable to obtain financing for business activities, it may determine to allocate income, if any, from other investments to finance business activities.

Discretion in Use of Proceeds

Hilo intends to use the net proceeds of the Private Placement as set forth under "*Item 6 – Financings*". Management of Hilo maintains broad discretion to spend the proceeds in ways that it deems most efficient and may use the net proceeds other than as described and in ways that shareholders may not consider desirable. As a result, Shareholders will be relying on the judgment of management for the application of the net proceeds of the Private Placement. The failure to apply the net proceeds as set forth under "*Item 6 – Financings*" or the failure of Hilo to achieve its stated business objectives set forth in such section, could adversely affect Hilo's business.

Competition

The mining industry is intensely competitive. Hilo will compete with other mining companies, many of which have greater financial resources for the acquisition of mineral claims, permits, and concessions, as well as for the recruitment and retention of qualified employees. Increased competition could adversely affect Hilo's ability to attract necessary capital funding.

Title to Mineral Properties

Establishing title to mineral properties is a very detailed and time-consuming process. Title to the area of mineral properties may be disputed. While Hilo has investigated title to all of its mineral claims and, to the best of its knowledge, title to all of its properties are in good standing, Hilo's mineral properties may be subject to prior unregistered agreements or transfers and title may be affected by such undetected defects. There may be valid challenges to the title of Hilo's properties which, if successful, could impair exploration, development and/or operations. Hilo's mineral properties may be subject to aboriginal land claims, prior unregistered agreements or transfers and title may be affected by undetected defects. Hilo cannot give any assurance that title to its properties will not be challenged.

Potential Conflicts of Interest

Some of the individuals who are or will be Hilo's officers and directors are directors or officers of other resource or mining-related companies, including Golden, and these associations may give rise to conflicts of interest from time to time. As a result of these conflicts of interest, Hilo may miss the opportunity to participate in certain transactions, which may have a material adverse effect on Hilo's financial position.

Attracting and Retaining Qualified Management

Hilo will be dependent on the services of key executives and other highly skilled personnel focused on advancing its corporate objectives, as well as the identification of new opportunities for growth and funding. Due to Hilo's relatively small size, the loss of these individuals or its inability to attract and retain additional highly skilled employees required for its activities may have a material adverse effect on Hilo's business and financial condition.

Hilo does not currently employ any technical or mining experts. In evaluating future investments, it currently expects to use the services of third parties to provide technical and mining expertise and will incur costs from time to time as a result. Hilo may incur costs for such services without ultimately entering into any investment or any such investment, if entered into, ultimately being profitable.

Global Financial Conditions May Be Volatile

Market events and conditions, including the ongoing novel coronavirus pandemic, disruptions in the international credit markets and other financial systems, along with political instability have resulted in commodity prices remaining

volatile. These conditions have also caused a loss of confidence in global credit markets resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers and creating a climate of greater volatility, tighter regulations, less liquidity, widening credit spreads, less price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks and investment banks, insurers and other financial institutions caused the broader credit markets to be volatile and interest rates to remain at historical lows. These events are illustrative of the effect that events beyond Hilo's control may have on commodity prices, demand for metals, including gold and silver, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect Hilo's business. Global financial conditions have always been subject to volatility. Access to public financing has been negatively impacted by sovereign debt concerns in Europe and emerging markets, as well as concerns over global growth rates and conditions. These and other factors may impact the ability of Hilo to obtain equity or debt financing in the future and, if obtained, the favourability of the terms of such financing to Hilo. Increased levels of volatility and market turmoil can adversely impact Hilo's operations and the price of the Common Shares.

COVID-19

Hilo's business, operations and financial condition could be materially adversely affected by the outbreak of pandemics or other health crises, such as the outbreak of COVID-19 that was designated as a pandemic by the World Health Organization on March 11, 2020. The international response to the spread of COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility, and a general reduction in consumer activity. Such public health crises can result in operating, supply chain and project development delays and disruptions, global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and labour shortages, and travel and shipping disruption and shutdowns, including as a result of government regulation and prevention measures, or a fear of any of the foregoing, all of which could affect commodity prices, interest rates, credit risk and inflation. In addition, the current COVID-19 pandemic, and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Hilo's operations, and the operations of suppliers, contractors and service providers.

Hilo may experience business interruptions, including suspended (whether government mandated or otherwise) or reduced operations relating to COVID-19 and other such events outside of Hilo's control, which could have a material adverse impact on its business, operations and operating results, financial condition and liquidity.

As at the date hereof, the duration of the business disruptions internationally and related financial impact of COVID-19 cannot be reasonably estimated. It is unknown whether and how Hilo may be affected if the COVID-19 pandemic persists further. Hilo's exposure to such public health crises also includes risks to employee health and safety. Should an employee, contractor, community member or visitor become infected with a serious illness that has the potential to spread rapidly, this could place Hilo's workforce at risk.

Commodity Prices

The price of the Common Shares and Hilo's financial results may be significantly adversely affected by a decline in the price of gold, silver, copper and other mineral commodities. Metal prices fluctuate widely and are affected by numerous factors beyond Hilo's control. The level of interest rates, the rate of inflation, world supply of mineral commodities, global and regional consumption patterns, speculative trading activities, the value of the United States dollar and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems, political systems and political and economic developments. The price of mineral commodities has fluctuated widely in recent years and future serious price declines could cause potential commercial production to be uneconomic. A severe decline in the price of minerals would have a material adverse effect on Hilo.

Indigenous Peoples' Title Claims and Rights to Consultation and Accommodations

Indigenous peoples' title claims and rights to consultation and accommodation may affect Hilo's existing operations as well as development projects and future acquisitions. Governments in many jurisdictions must consult Indigenous peoples with respect to grants of mineral rights and the issuance or amendment of exploration and project

authorizations. Consultation and other rights of Indigenous peoples may require accommodations, including undertakings regarding financial compensation, employment and other matters in impact and benefit agreements. This may affect Hilo's ability to acquire, explore or develop, within a reasonable time frame, mineral titles in these jurisdictions and may affect the timetable and costs of development of mineral properties in these jurisdictions. The risk of unforeseen aboriginal title claims also could affect existing operations as well as exploration and development projects and future acquisitions. These legal requirements may increase Hilo's operating costs and affect its ability to expand its operations or to explore and develop new projects.

Influence of Third Party Stakeholders

The mineral properties in which Hilo holds an interest, or the exploration equipment and road or other means of access which Hilo intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, Hilo's work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for Hilo.

Additional Financings may Result in Dilution

Hilo may require additional funds to further its activities and objectives. To obtain such funds, Hilo may issue additional securities, including Hilo Shares or securities convertible into or exchangeable for Hilo Shares. As a result, Hilo's shareholders could be substantially diluted. In addition, there can be no assurance that Hilo will be able to obtain sufficient financing in the future on terms favourable to Hilo or at all.

Significant Competition for Attractive Mineral Properties

Significant and increasing competition exists for the limited number of mineral acquisition opportunities available. Hilo expects to selectively seek strategic acquisitions in the future, however, there can be no assurance that suitable acquisition opportunities will be identified. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than Hilo, Hilo may be unable to acquire additional attractive mineral properties on terms it considers acceptable. In addition, Hilo's ability to consummate and to integrate effectively any future acquisitions on terms that are favourable to Hilo may be limited by the number of attractive acquisition targets, internal demands on resources, competition from other mining companies and, to the extent necessary, Hilo's ability to obtain financing on satisfactory terms, if at all.

ITEM 22: PROMOTERS

Under applicable Canadian securities laws, Golden may be considered a promoter of Hilo in that it took the initiative in founding Hilo for the purpose of implementing the Arrangement. As at the date hereof, Golden does not hold any Common Shares, as all of the Common Shares held by it were either (i) distributed on a pro rata basis to the Golden Shareholders pursuant to the Arrangement Agreement; or (ii) transferred pursuant to the Share Transfer.

Pursuant to the Arrangement Agreement and the Asset Purchase Agreement, Hilo acquired a 100% undivided legal and beneficial interest in the Champ Property from Golden on September 21, 2021 for an aggregate purchase price equal to the fair market value of the Champ Property as determined between the parties. The purchase price was satisfied by Hilo issuing to Golden the Consideration Shares in connection with the Arrangement. Other than the consideration received pursuant to the Asset Purchase Agreement, Golden did not receive anything of value from Hilo.

Information regarding the costs of the Champ Project can be found in the financial statements which are attached as Appendices "B" and "C" to this Listing Application.

See "*Item 5 – Description of the Business*".

ITEM 23: LEGAL PROCEEDINGS AND REGULATORY ACTIONS

In the ordinary course of business, Hilo may become involved in various legal, administrative, regulatory and other proceedings, actions, claims and inquiries relating to its business.

Hilo is not aware of any existing or pending legal proceedings or regulatory actions material to Hilo to which Hilo is a party or to which any of its property is subject since the beginning of its most recently completed financial year.

Since incorporation, there have not been any penalties or sanctions imposed against Hilo by a court relating to provincial or territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against Hilo, and Hilo has not entered into any settlement agreements before a court relating to provincial or territorial securities legislation or with a securities regulatory authority.

ITEM 24: INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than the Arrangement and the Private Placement, no director, executive officer or person beneficially owning, controlling or directing, indirectly or directly, more than 10% of the Common Shares, nor their respective affiliates or associates, has had any material interest in any transaction within the three years before the date hereof that has materially affected or is reasonably expected to materially affect Hilo. Jeremy Poirier, Christos Doulis and R. Timothy Henneberry participated in the Arrangement on the same basis as all other Golden Shareholders. Gino DeMichele and Jeremy Poirier subscribed for Common Shares in the Private Placement. See "*Item 16 – Directors and Executive Officers – Name, Occupation and Security Holdings*" and "*Item 15 – Principal Securityholders*".

ITEM 25: INVESTOR RELATIONS ARRANGEMENTS

Hilo has not entered into and does not presently intend to enter into, any written or oral agreement or understanding with any person to provide promotional or investor relations services to Hilo.

ITEM 26: AUDITORS, TRANSFER AGENTS AND REGISTRARS

Manning Elliott LLP, Chartered Professional Accountants, at its offices located at 1700 - 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3 are the auditors for Hilo and are independent with respect to Hilo within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The transfer agent and registrar of the Common Shares and the Options is Endeavour Trust Corporation at its offices located at 702 - 777 Hornby Street Vancouver, BC V6Z 1S4.

ITEM 27: MATERIAL CONTRACTS

The only current material contracts entered into or currently anticipated to be entered into by Hilo which can reasonably be regarded as presently material is the Escrow Agreement.

A copy of the Escrow Agreement is available on Hilo's SEDAR profile at www.sedar.com.

ITEM 28: EXPERTS

Manning Elliott LLP, Chartered Professional Accountants, of Vancouver, British Columbia, are the auditors for Hilo and are independent with respect to Hilo within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia. As at the date hereof, the partners and associates of Manning Elliott LLP, as a group, beneficially own, directly or indirectly, less than one percent of the outstanding Common Shares of the Company.

Derrick Strickland, P. Geo., prepared the Champ Technical Report which is referred to in this Listing Application. Mr. Strickland is the "qualified person" for the purposes of NI 43-101 and is independent of Hilo, and has reviewed, verified and approved the technical and scientific disclosure contained in this Listing Application.

Hilo has been informed that there is no registered or beneficial interest, direct or indirect, in any securities or property of Hilo or its affiliates or associates: (a) that was held by Mr. Strickland when the Champ Technical Report was prepared; (b) received by Mr. Strickland after the Champ Technical Report was prepared; or (c) to be received by Mr. Strickland. As at the date of this Listing Application, Mr. Strickland does not own any Common Shares.

ITEM 29: OTHER MATERIAL FACTS

There are no any material facts about the Common Shares that are not disclosed under any other heading of this Listing Application and which are necessary in order for this Listing Application to contain full, true and plain disclosure of all material facts relating to the Common Shares.

ITEM 30: ADDITIONAL INFORMATION – MINING APPLICANTS

The details on the Champ Project required by this Item 30 are contained elsewhere in this Listing Application. In particular, please see: (a) "*Item 6 – Financings*" for details on the nature and extent of the Phase I Work Program expected to be carried out by Hilo using funds available to it upon listing on the TSXV; (b) "*Item 5 – Description of the Business – Champ Project – Proposed Timetable for Phase I Work Program*" for the proposed timetable for the Phase I Work Program (including approximate dates for commencement, completion and releasing of results); and (c) "*Item 5 – Description of the Business – Champ Project – Capital and Operating Costs*" for expected cost breakdown for the Phase I Work Program.

ITEM 31: EXEMPTIONS

No discretionary exemption from a securities regulator or securities regulatory authority has been applied for or received by Hilo within the 12 months preceding the date of this Listing Application.

ITEM 32: FINANCIAL STATEMENT DISCLOSURE FOR ISSUERS

Included as Appendix "B" to this Listing Application are the audited consolidated financial statements of Hilo from incorporation on February 2, 2021 to May 31, 2021 and the notes thereto.

Included as Appendix "C" to this Listing Application are the unaudited interim financial statements of Hilo for the six-month period ended November 30, 2021 and the notes thereto.

Included as Appendix "C" to this Listing Application are the unaudited interim financial statements of Hilo for the six-month period ended November 30, 2021 and the notes thereto.

Included as Appendix "D" to the Listing Application are the audited carve out statements for Golden for the year ended November 30, 2020 and the unaudited carve out statements for Golden for the interim period ended August 31, 2021 and the accompanying management discussions and analysis for such periods.

ITEM 33: SIGNIFICANT ACQUISITIONS

Hilo has not completed any significant acquisitions requiring disclosure under this Item 33.

ITEM 34: CERTIFICATES

34.1 Certificate of Hilo Mining Ltd.

Each of the undersigned hereby certifies that the foregoing constitutes full, true and plain disclosure of all information required to be disclosed under each item of this Listing Application and of any material fact not otherwise required to be disclosed under an item of this Listing Application.

Dated April 26, 2022.

(signed) "Jeremy Poirier"
Jeremy Poirier
Chief Executive Officer and Director

(signed) "Lachlan McLeod"
Lachlan McLeod
Chief Financial Officer and Corporate Secretary

On Behalf of the Board of Directors of Hilo Mining Ltd.

(signed) "R. Timothy Henneberry"
R. Timothy Henneberry
Director

(signed) "Gino DeMichele"
Gino DeMichele
Director

34.2 Certificate of Sponsor

Not applicable.

34.3 Certificate of Promoter

The undersigned hereby certifies that the foregoing constitutes full, true and plain disclosure of all information required to be disclosed under each item of this Listing Application and of any material fact not otherwise required to be disclosed under an item of this Listing Application.

GOLDEN INDEPENDENCE MINING CORP.

(signed) "Jeremy Poirier"
Per: Jeremy Poirier, Director

34.4 Acknowledgement – Personal Information

"**Personal Information**" means any information about an identifiable individual.

Hilo hereby represents and warrants that it has obtained all consents required under applicable law for the collection, use and disclosure by the TSXV of the Personal Information contained in or submitted pursuant to this Listing Application for the purposes described in Appendix "A" to this Listing Application.

Dated April 26, 2022.

(signed) "Jeremy Poirier"
Jeremy Poirier
Chief Executive Officer and Director

APPENDIX A
FORM 2B PERSONAL INFORMATION COLLECTION POLICY

Collection, Use and Disclosure

TSX Venture Exchange Inc. and its affiliates, authorized agents, subsidiaries and divisions, including TSX Venture Exchange and Toronto Stock Exchange, (collectively referred to as the "**Exchange**") collect the information contained in or submitted pursuant to Form 2B (which may include personal, confidential, non-public or other information) and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Applicant,
- to consider the eligibility of the Applicant to list on the Exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Applicant, or its associates or affiliates, including information as to such individuals' involvement with any other reporting issuers
- to detect and prevent fraud, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the capital markets in Canada.

Personal Information the Exchange collects may also be disclosed:

- (a) to securities regulators and regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, and each of their subsidiaries, affiliates, regulators and authorized agents, for the purposes described above, and these agencies and organizations may use the information in their own investigations;
- (b) on the Exchange's website or through printed materials published by or pursuant to the directions of the Exchange for the purposes described above; and
- (c) as otherwise permitted or required by law.

The Exchange may from time to time use third parties to process information or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers for the purposes described above.

Questions

If you have any questions or enquiries regarding the policy outlined above or about our privacy practices, please send a written request to: Chief Privacy Officer, TMX Group, The Exchange Tower, 130 King Street West, Toronto, Ontario, M5X 1J2.

APPENDIX B
AUDITED ANNUAL FINANCIAL STATEMENTS OF HILO MINING LTD. AND
MANAGEMENT DISCUSSION AND ANALYSIS

(attached)

HILO MINING LTD.

FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON FEBURARY 2, 2021 TO MAY 31, 2021

(Expressed in Canadian dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Hilo Mining Ltd.

Opinion

We have audited the financial statements of Hilo Mining Ltd. (the "Company") which comprise the statement of financial position as at May 31, 2021, and the statements of comprehensive loss, changes in equity and cash flows for the period from incorporation on February 2, 2021 to May 31, 2021, and the related notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2021, and its financial performance and its cash flows for the period from incorporation on February 2, 2021 to May 31, 2021 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying Financial Statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
September 20, 2021

HILO MINING LTD.
Statement of Financial Position
As at May 31, 2021
(Expressed in Canadian dollars)

	Note	2021
		\$
ASSETS		
CURRENT		
Cash		1
TOTAL ASSETS		1
LIABILITIES		
CURRENT		
Accounts payable		-
SHAREHOLDER'S EQUITY		
Common shares		1
Deficit		-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1

NATURE OF OPERATIONS (Note 1)

Approved and authorized for issue on behalf of the Board on September 20, 2021:

"Christos Doulis" Director

"Jeremy Poirier" Director

The accompanying notes are an integral part of these financial statements.

HILO MINING CORP.
Statement of Comprehensive Loss
For the period from incorporation on February 2, 2021 to May 31, 2021
(Expressed in Canadian dollars)

	2021
	\$
EXPENSES	-
NET LOSS AND COMPREHENSIVE LOSS	-

The accompanying notes are an integral part of these financial statements.

HILO MINING LTD.
Statement of Changes in Equity
For the period from Incorporation on February 2, 2021 to May 31, 2021
(Expressed in Canadian dollars)

	Common Shares		Contributed Surplus	Deficit	Total
	Number of Shares	Amount			
		\$	\$	\$	\$
Balance, February 2, 2021	-	-	-	-	-
Shares issued on incorporation	1	1	-	-	1
Net loss for the period	-	-	-	-	-
Balance, May 31, 2021	1	1	-	-	1

The accompanying notes are an integral part of these financial statements.

HILO MINING LTD.
Statement of Cash Flows
For the period from incorporation on February 2, 2021 to May 31, 2021
(Expressed in Canadian dollars)

	2021
Cash provided by (used in):	\$
OPERATING ACTIVITY	
Net loss for the period	-
Net changes in non-cash working capital items:	
Accounts payable	-
Net cash used in operating activities	-
FINANCING ACITIVITY	
Shares issued on incorporation	1
Net cash used in financing activities	1
Change in cash	1
Cash, beginning of period	-
Cash, end of period	1

The accompanying notes are an integral part of these financial statements.

HILO MINING LTD.

Notes to the Financial Statements

For the period from Incorporation on February 2, 2021 to May 31, 2021

(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS

Hilo Mining Ltd. (the "Company") was incorporated on February 2, 2021 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 503-905 Pender Street, Vancouver, British Columbia, Canada, V6C 1L6.

The Company's principal business activities include the acquisition and exploration of mineral property assets. On April 22, 2021, the Company entered into an Arrangement Agreement (the "Arrangement") with Golden Independence Mining Corp. ("Golden") whereby the Company will issue 1,499,999 common shares to Golden in exchange for Golden's mining claim representing the Champ exploration property. Under the Arrangement, Golden will distribute 1,000,000 of the common shares to its shareholders and Golden will hold 500,000 common shares of the Company. As at May 31, 2021, the transaction is not complete.

The Company's financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Company will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months. Management recognizes that the Company will need to obtain additional financial resources in order to meet its planned business objectives. There are no assurances that the Company will be able to obtain additional financial resources and/or achieve positive cash flows or profitability. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

The outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Company or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The financial statements were authorized for issue in accordance with a resolution from the Board of Directors on September 20, 2021.

b) Basis of presentation

The financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all years presented in these financial statements.

HILO MINING LTD.

Notes to the Financial Statements

For the period from Incorporation on February 2, 2021 to May 31, 2021

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Financial Instruments

Financial Assets

On initial recognition financial assets are classified as measured at:

- i. Amortized cost;
- ii. Fair value through other comprehensive income ("FVOCI"); and
- iii. Fair value through profit and loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification:

i. Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at amortized cost.

ii. FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at FVOCI.

iii. FVTPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period in which it arises.

The Company's cash is classified at FVTPL.

HILO MINING LTD.

Notes to the Financial Statements

For the period from Incorporation on February 2, 2021 to May 31, 2021

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Financial Instruments (continued)

Financial Liabilities and Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (i) FVTPL; or (ii) amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not classify any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company classifies its accounts payable at amortized cost.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

d) Mineral properties

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as mineral concession taxes, option payments, wages and salaries, surveying, geological consulting and laboratory, field supplies, travel and administration. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they are incurred. Exploration and evaluation properties are not amortized during the exploration and evaluation stage. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'.

e) Impairment of non-financial assets

Non-financial assets, including mineral properties are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down to its recoverable amount. An impairment loss is charged to statements of comprehensive loss.

HILO MINING LTD.

Notes to the Financial Statements

For the period from Incorporation on February 2, 2021 to May 31, 2021

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Impairment of non-financial assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in income or loss.

The recoverable amount is the higher of the fair value less costs of disposal and the value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash generating units" or "CGU's"). These are typically the individual properties or projects.

f) Reclamation provisions

The Company recognizes a provision for statutory, contractual, constructive or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties, plant and equipment. Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired, and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the liability.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset in mine property, plant and equipment. These costs are depreciated on a basis consistent with the depreciation, depletion, and amortization of the underlying assets. The obligation is accreted over time for the change in its present value, with this accretion charge recognized as a finance expense in profit or loss. Additional environment disturbances or changes in reclamation costs will be recognized as additions to the corresponding assets and reclamation provision in the year in which they occur.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur. The Company has no material restoration, reclamation, rehabilitation or environmental obligation as the disturbance to date is minimal.

g) Share-based payments

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

HILO MINING LTD.

Notes to the Financial Statements

For the period from Incorporation on February 2, 2021 to May 31, 2021

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Cash and cash equivalents

Cash and cash equivalents include cash on hand readily convertible into a known amount of cash and can be redeemed at any time without penalties, and amounts held in trust.

i) Share capital

The Company's common shares, and any future offerings of share warrants and options are classified as equity instruments. Incremental costs directly related to the issue of new shares or options are shown in equity as a deduction from the proceeds. For equity offerings of units consisting of a common share and warrant, when both instruments are classified as equity. Warrants that are part of units are accounted for using the residual method, following an allocation of the unit price to the fair value of the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payments.

j) Income taxes

Income taxes comprises both current and deferred tax. Income tax is recognized in the statement of loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the income tax is also recognized in other comprehensive income or directly in equity. Current income taxes are the expected taxes payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to taxes payable in respect of previous years.

The Company accounts for potential future net tax assets which are attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and which are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, no net asset is recognized.

k) Loss per share

Basic loss per share is calculated by dividing the net loss for the period available to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. Basic and diluted loss per share are the same for the periods presented. The Company uses the treasury stock method of calculating fully diluted earnings per share amounts, whereby any proceeds from the exercise of stock options or other dilutive instruments are assumed to be used to purchase common shares at the average market price during the year.

l) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates ("the functional currency"), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange rates prevailing on the statement of financial position date are recognized in the statement of comprehensive loss.

HILO MINING LTD.

Notes to the Financial Statements

For the period from Incorporation on February 2, 2021 to May 31, 2021

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and future years if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting judgements

- i. the determination of categories of financial assets and financial liabilities; and
- ii. the evaluation of the Company's ability to continue as a going concern.

4. ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED

A number of amendments to standards and interpretations applicable to the Company are not yet effective for the period ended May 31 2021 and have not been applied in preparing these financial statements nor does the Company expect these amendments to have a significant effect on its financial statements.

5. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of resource properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

6. FINANCIAL INSTRUMENTS AND FINANCIAL RISK*Fair value*

As at May 31, 2021, the Company's financial instruments consist of cash.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

HILO MINING LTD.

Notes to the Financial Statements

For the period from Incorporation on February 2, 2021 to May 31, 2021

(Expressed in Canadian dollars)

6. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The fair value of cash is based on level 1 inputs. There are no level 2 or level 3 financial instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statement of position as follows:

	Fair Value Measurements Using			May 31, 2021
	Level 1	Level 2	Level 3	
Cash	\$ 1	–	–	\$ 1

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The financial instrument that potentially subjects the Company to concentrations of credit risk consists principally of cash. To minimize the credit risk, the Company places its cash with high quality financial institutions.

Liquidity risk

The Company manages liquidity risk through the management of its capital structure, as outlined in Note 4. The Company monitors its ability to meet its short-term exploration and administrative expenditure requirements by raising additional funds through share issuances when required.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate due to changes in foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk.

7. SHARE CAPITAL

Authorized:

The Company's authorized capital consists of an unlimited number of common shares without par value.

Issued and Outstanding:

As at May 31, 2021, there was 1 issued and outstanding common share.

HILO MINING LTD.

Notes to the Financial Statements

For the period from Incorporation on February 2, 2021 to May 31, 2021

(Expressed in Canadian dollars)

8. RELATED PARTY BALANCES AND TRANSACTIONS

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

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. During the period from incorporation on February 2, 2021 to May 31, 2021, key management personnel compensation was \$Nil.

9. INCOME TAX

In assessing deferred income tax assets, management considers whether it is probable that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment and concluding the deferred tax assets were not realized.

The following table reconciles the amount income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2021
Canadian statutory income tax rate	27%
	\$
Loss for the period before income taxes	-
Expected income tax recovery	-
Change in deferred tax assets not recognized	-
Income taxes recoverable	-

The nature and effect of the Company's deferred tax assets is as follows:

	2021
	\$
Non capital losses carried forward	-
Deferred tax assets not recognized	-
Net deferred tax asset	-

As at May 31, 2021, the Company had non-capital losses carried forward of \$Nil.

MANAGEMENT DISCUSSION AND ANALYSIS

Hilo Mining Ltd.

For the period from Incorporation on February 2, 2021 to May 31, 2021

As of September 20, 2021

This management discussion and analysis ("MD&A") of Hilo Mining Ltd. (the "Company" or "Hilo") provides a review of activities, results of operations and financial condition of the Company for the period from incorporation February 2, 2021 to May 31, 2021 and is performed by management using information available as of September 17, 2021. We have prepared this MD&A with reference to National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The MD&A should be read in conjunction with the Company's audited financial statements for the period from incorporation on February 2, 2021 to May 31, 2021 with the related notes thereto (the "Financial Statements"). All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. The reader will note several references cited in the text, the details of which are provided at the end of the document.

Forward-Looking Statements

Except for statements of historical fact, this MD&A contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar terms, or statements that certain events or conditions "might", "may", "could" or "will" occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. Forward-looking statements in this MD&A include, but are not limited to, statements relating to: resource estimates, and our ability to raise additional capital.

Forward-looking information is based on the opinions and estimates of management at the date the forward-looking statements are made, and is subject to a variety of risks, uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain qualified personnel, competition for drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under Risk Factors. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information, to conform such information to actual results or to changes in our expectations, except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

BUSINESS OVERVIEW

Hilo is a private company incorporated under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 503-905 Pender Street, Vancouver, British Columbia, Canada, V6C 1L6.

The Company's principal business activities include the acquisition and exploration of mineral property assets. On April 22, 2021, the Company entered into an Arrangement Agreement (the "Arrangement") with Golden Independence Mining Corp. ("Golden") whereby the Company will issue 1,499,999 common shares to Golden in exchange for Golden's mining claim representing the Champ exploration property. Under the Arrangement, Golden will distribute 1,000,000 of the common shares to its shareholders and Golden will hold 500,000 common shares of the Company. The distribution of the Company's shares is still in progress as of the date of this MDA.

The Company will need additional funding in the near future through equity financing to acquire new projects and further develop its existing asset. Many factors influence the Company's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the funding of new projects. Management is approaching all identifiable sources of equity capital, but there is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable.

EXPLORATION PROJECT

Champ Property

The Champ precious metals property lies 10 kilometres southwest of Castlegar, British Columbia and consists of 5 claims totaling 1369.6 hectares. Golden Independence Mining Corp. has contracted an Independent Qualified Person to complete an updated National Instrument 43-101 technical report to support the listing of the Company's shares on a Canadian Stock Exchange.

SELECTED ANNUAL INFORMATION

The following table sets forth the selected financial information for Hilo for its only completed financial year ended May 31, 2021. This information has been derived from the Company's audited financial statements for the year, and should be read in conjunction with the financial statements and the notes thereto.

	May 31, 2021
Cash	\$ 1
Total Assets	\$ 1
Accounts payable	-
Total Liabilities	-
Common shares	\$ 1
Deficit	-
Shareholders' Deficit	\$ 1
Total Liabilities and Shareholders' Deficit	\$ 1

**From Incorporation,
February 2, 2021 to
May 31, 2021**

Total revenue	-
Operating expenses	-
Total Comprehensive loss	-
Basic and diluted loss per common share	\$ 0.00

RESULTS OF OPERATIONS AND SELECTED QUARTERLY FINANCIAL DATA

The Company was incorporated on February 2, 2021 and has completed one full quarter of operations.

From incorporation on February 2, 2021 to the year ended May 31, 2021, the Company incurred a net and comprehensive loss of \$nil. The Company did not incur any expenses in the quarter since it is still in the process of distributing the shares to Golden Independence Mining Corp.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes the Company's results from its first completed quarter.

Quarter Ended	Total Revenues	Net Loss	Basic and Diluted loss per common share
May 31, 2021	-	-	\$0.00

OUTSTANDING SHARE DATA

As of September 17, 2021, the Company has issued 1 share of common stock.

LIQUIDITY AND CAPITAL RESOURCES

The Company does not have sufficient working capital to continue operations in the normal course for the foreseeable future and will require additional financing to remain financially solvent.

At September 17, 2021, the Company had cash of \$nil and a working capital deficiency of \$nil. Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. The Company intends to finance its future requirements through equity capital. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast doubt on the Company's ability to continue as a going concern.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances and/or other financing arrangements. While the Company's management has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future.

RELATED PARTY TRANSACTIONS

From incorporation on February 2, 2021 to May 31, 2021, the Company did not incur any related party transactions.

FINANCIAL INSTRUMENTS

The Company's financial instruments consists of cash.

IFRS 13 Fair Value Measurement establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The fair value of the Company's financial instrument approximates their carrying value because of their current nature.

OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

There are at present no transactions outstanding that have been proposed but not approved by either the Company or regulatory authorities.

SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND NEW POLICIES

In applying the Company's accounting policies, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. Actual results may differ from the judgments, estimates and assumptions made by management and will seldom equal the estimated results. Please refer to the Financial Statements for the period from Incorporation on February 2, 2021 to May 31, 2021 for a full list of policies.

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements:

- the determination of categories of financial assets and financial liabilities; and
- the evaluation of the Company's ability to continue as a going concern.

RISK FACTORS

The Company is in the mineral exploration and development business and is exposed to a number of operational, financial, regulatory and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company's business, results of operations, and financial performance in future periods.

Limited Operating History

The Company has not yet commenced operations and therefore has no history of earnings or of a return on investment, and there is no assurance that our asset will generate earnings, operate profitably or provide a return on investment in the future. The likelihood of success of the Company must also be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection

with the establishment of any business. The Company's proposed business strategies incorporate its management's best analysis of potential markets, opportunities and difficulties that it may face. No assurance can be given that the underlying assumptions will be achieved.

Disclosure Controls and Internal Control Financial Reporting

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Canadian Securities Administrators do not require any certification on the effectiveness of these controls at this time.

Government Laws, Regulation & Permitting

Mining and exploration activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its project. There can be no assurance that the Company will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Additional Financings

The Company expects to be substantially dependent upon the equity capital markets to pursue additional investments. There can be no assurance that such financing will be available to the Company on acceptable terms or at all.

Additional equity financings may significantly dilute shareholders. If the Company is not able to obtain such financing, it may not be able to expand its portfolio of assets and may not be able to execute on its business strategy.

There is no assurance that the Company will be successful in raising sufficient funds to meet its obligations or to complete proposed exploration programs or acquisitions. If the Company does not raise the necessary capital to meet its obligations under current contractual obligations, the Company may have to forfeit its interest in properties or prospects earned or assumed under such contracts.

Key Management and Competition

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Commodity Prices

Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The Company will be Reliant on Third Party Reporting

The Company relies, and will rely, on public disclosure and other information regarding the properties in which it has an interest that it receives from the owners, operators and independent experts of such operations. Such information is necessarily imprecise because it depends upon the judgment of the individuals who operate the properties, as well as those who review and assess the geological and engineering information. In addition, the Company must rely on the accuracy and timeliness of the public disclosure and other information it receives from the owners and operators of the properties, and uses such information in its analyses, forecasts and assessments relating to its own business and to prepare its disclosure with respect to its streams and royalties. If the information provided by such third parties to the Company contains material inaccuracies or omissions, the Company's disclosure may be inaccurate and its ability to accurately forecast or achieve its stated objectives may be materially impaired, which may have a material adverse effect on the Company.

APPENDIX C

**UNAUDITED INTERIM FINANCIAL STATEMENTS OF HILO MINING LTD. AND
MANAGEMENT DISCUSSION AND ANALYSIS**

(attached)

HILO MINING LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED NOVEMBER 30, 2021

(Unaudited – Expressed in Canadian dollars)

HILO MINING LTD.
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)

As at	November 30, 2021 (Unaudited)	May 31, 2021 (Audited)
	\$	\$
ASSETS		
CURRENT		
Cash	857,275	1
Amounts receivable	5,983	-
	863,258	1
Exploration and evaluation asset (Note 6)	236,231	-
TOTAL ASSETS	1,099,489	1
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 8)	58,551	-
Due to former parent (Note 8)	71,125	-
	129,676	-
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	854,198	1
Reserves	239,383	-
Deficit	(123,768)	-
	969,813	1
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,099,489	1

NATURE AND CONTINUANCE OF OPERATIONS (Note 1)
SUBSEQUENT EVENTS (Note 9)

Approved and authorized for issue on behalf of the Board on January 31, 2022:

"Christos Doulis" Director

"Jeremy Poirier" Director

The accompanying notes are an integral part of these condensed interim financial statements.

HILO MINING CORP.
Condensed Interim Statements of Loss and Comprehensive Loss
For the three and six months ended November 30, 2021
(Unaudited – Expressed in Canadian dollars)

	Three months ended November 30, 2021	Six months ended November 30, 2021
	\$	\$
EXPENSES		
Consulting fees (Note 8)	62,450	62,450
Filing fees	3,125	3,125
Investor relations	880	880
Management fee (Note 8)	1,195	9,000
Office	74	74
Professional fees (Note 8)	43,239	48,239
NET LOSS AND COMPREHENSIVE LOSS	110,963	123,768
Basic and diluted loss per share	0.10	0.22
Weighted average number of common shares outstanding, basic and diluted	1,119,899	556,890

The accompanying notes are an integral part of these condensed interim financial statements.

HILO MINING LTD.
Condensed Interim Statements of Changes in Shareholders' Equity
For the six months ended November 30, 2021
(Unaudited – Expressed in Canadian dollars)

	Common Shares		Reserves	Deficit	Total
	Number of Shares	Amount			
		\$	\$	\$	\$
Balance, February 2, 2021	-	-	-	-	-
Shares issued on incorporation	1	1	-	-	1
Net loss for the period	-	-	-	-	-
Balance, May 31, 2021	1	1	-	-	1
Shares issued pursuant to the Arrangement	1,499,999	-	236,231	-	236,231
Shares issued for cash, net	5,762,363	854,197	3,152	-	857,349
Net loss for the period	-	-	-	(123,768)	(123,768)
Balance, November 30, 2021	7,262,363	854,197	239,383	(123,768)	969,813

The accompanying notes are an integral part of these condensed interim financial statements.

HILO MINING LTD.
Condensed Interim Statement of Cash Flows
For the six months ended November 30, 2021
(Unaudited – Expressed in Canadian dollars)

	2021
Cash provided by (used in):	\$
OPERATING ACTIVITIES	
Net loss for the period	(123,768)
Net changes in non-cash working capital items:	
Amounts receivable	(5,983)
Accounts payable and accrued liabilities	58,550
Net cash used in operating activities	(71,200)
FINANCING ACTIVITY	
Due to former parent	71,125
Shares issued for cash, net	857,349
Net cash provided by financing activity	928,474
Change in cash	857,274
Cash, beginning of period	1
Cash, end of period	857,275

The accompanying notes are an integral part of these condensed interim financial statements.

HILO MINING LTD.

Notes to the Condensed Interim Financial Statements

For the six months ended November 30, 2021

(Unaudited – Expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Hilo Mining Ltd. (the “Company”) was incorporated on February 2, 2021 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is 503 - 905 Pender Street, Vancouver, British Columbia, Canada, V6C 1L6.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. On April 22, 2021, the Company entered into an arrangement agreement (the “Arrangement”) with Golden Independence Mining Corp. (“Golden”) whereby the Company will issue 1,499,999 common shares to Golden in exchange for Golden’s mining claim representing the Champ exploration property (the “Property”). Under the Arrangement, Golden will distribute 1,000,000 of the common shares to its shareholders and Golden will hold 499,999 common shares of the Company. The Company completed the Arrangement on November 12, 2021.

The Company’s unaudited condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Company will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months. Management recognizes that the Company will need to obtain additional financial resources in order to meet its planned business objectives. There are no assurances that the Company will be able to obtain additional financial resources and/or achieve positive cash flows or profitability. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These unaudited condensed interim financial statements do not give effect to any adjustments that would be necessary should the Company be unable to continue as a going concern, and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these unaudited condensed interim financial statements.

The outbreak of coronavirus, COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Company or its clients, employees, contractors, suppliers and other partners may be unable to conduct regular business activities for an indefinite period of time. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

2. BASIS OF PRESENTATION

a) Statement of compliance

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Company’s audited financial statements for the period from incorporation on February 2, 2021 to May 31, 2021, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board.

These unaudited condensed interim financial statements were authorized for issue in accordance with a resolution from the Board of Directors on January 31, 2022.

HILO MINING LTD.

Notes to the Condensed Interim Financial Statements

For the six months ended November 30, 2021

(Unaudited – Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (continued)

b) Basis of presentation

These unaudited condensed interim financial statements have been prepared on the historical cost basis, with the exception of financial instruments, which are measured at fair value. In addition, these unaudited condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all years presented in these unaudited condensed interim financial statements.

c) Significant accounting estimates and judgments

The preparation of these unaudited condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the unaudited condensed interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These unaudited condensed interim financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the unaudited condensed interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting judgments

- i. The determination of categories of financial assets and financial liabilities; and
- ii. The evaluation of the Company's ability to continue as a going concern.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These unaudited condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited financial statements for the period from incorporation on February 2, 2021 to May 31, 2021.

4. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of resource properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, reserves and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

HILO MINING LTD.

Notes to the Condensed Interim Financial Statements
For the six months ended November 30, 2021
(Unaudited – Expressed in Canadian dollars)

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISK*Fair value*

As at November 30, 2021, the Company's financial instruments consist of cash and accounts payable.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The fair value of cash is based on Level 1 inputs. There are no Level 2 or Level 3 financial instruments.

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's unaudited condensed interim statement of financial position as follows:

Fair Value Measurements Using	Level 1	Level 2	Level 3	November 30, 2021
	\$	\$	\$	\$
Cash	857,275	-	-	857,275
Accounts payable	58,551	-	-	58,551
Due to former parent	71,125	-	-	71,125
	986,951	-	-	986,951

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The financial instrument that potentially subjects the Company to concentrations of credit risk consists principally of cash. To minimize the credit risk, the Company places its cash with high quality financial institutions.

Liquidity risk

The Company manages liquidity risk through the management of its capital structure, as outlined in Note 4. The Company monitors its ability to meet its short-term exploration and administrative expenditure requirements by raising additional funds through share issuances when required.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows will fluctuate due to changes in foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk.

HILO MINING LTD.

Notes to the Condensed Interim Financial Statements
For the six months ended November 30, 2021
(Unaudited – Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSET

Pursuant to an option agreement (the “Agreement”) dated August 24, 2017, Golden was granted an option to acquire a 100% undivided interest in the Property located in the Greenwood Mining District of British Columbia. In accordance with the Agreement, Golden acquired a 100% undivided interest in the Property by issuing a total of 300,000 common shares of Golden and making a payment of \$10,000.

The optionor retains a 2% net smelter return royalty on the Property. Golden has the right to purchase the first 1% of the royalty for \$1,000,000 and the remaining 1% for \$1,000,000 at any time during the five-year period starting from the date of commencement of commercial production.

Prior to the closing of the Arrangement (Note 1), the Company and Golden entered into an Asset Purchase Agreement pursuant to which the Company acquired Golden's interest in the Champ Project in exchange for the issuance of 1,499,999 common shares of the Company. The fair value of the Property was determined to be \$236,231 at the date of the transaction.

7. SHARE CAPITAL

a) Authorized

The Company's authorized capital consists of an unlimited number of common shares without par value.

b) Issued and outstanding

Share capital activities during the six months ended November 30, 2021 are as follows:

- On November 12, 2021, the Company completed the Arrangement (Note 1) and issued 1,499,999 common shares.
- On November 17, 2021, the Company issued 5,762,363 common shares for gross proceeds of \$864,354. The Company incurred cash finder's fees of \$7,005. The Company issued 46,699 brokers' warrants related to the issuance with a fair value of \$3,152.

c) Brokers' warrants

Brokers' warrants transactions and the number of brokers' warrants outstanding are summarized below:

	Number of Warrants	Weighted Average Exercise Price (\$)
Balance, February 2, 2021 and May 31, 2021	-	-
Granted	46,699	0.15
Balance, November 30, 2021	46,699	0.15

Additional information regarding brokers' warrants outstanding as at November 30, 2021 is as follows:

Expiry Date	Exercise Price (\$)	Number of Warrants Issued and Exercisable
November 17, 2023	0.15	46,699
Balance, November 30, 2021		46,699

HILO MINING LTD.

Notes to the Condensed Interim Financial Statements
For the six months ended November 30, 2021
(Unaudited – Expressed in Canadian dollars)

7. SHARE CAPITAL (continued)

c) Brokers' warrants (continued)

The brokers' warrants were valued using the following Black-Scholes option pricing model using the following assumptions:

	2021
Risk-free interest rate	1.00%
Dividend yield	0%
Expected volatility	116.97%
Expected life (years)	2
Forfeiture rate	0%

8. RELATED PARTY BALANCES AND TRANSACTIONS

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

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

During the six months ended November 30, 2021, the Company incurred key management compensation of \$9,000 related to management fees. In addition, the Company expensed professional fees of \$4,828 to a Company that employs the Chief Financial Officer. At November 30, 2021, \$13,828 related to management fees and professional fees remained in accounts payable.

The Company also incurred consulting fees of \$60,000 to Golden Independence Inc., the Company's former parent, for work related to the transaction. At November 30, 2021, the Company had \$71,125 due to the former parent for consulting expenses and other reimbursements related to the Arrangement.

The amounts payable are non-interest-bearing, unsecured, due on demand and have no fixed terms of repayment.

9. SUBSEQUENT EVENTS

Subsequent to November 30, 2021, the Company issued 10,000 common shares in exchange for gross proceeds of \$1,500. In connection with the issuance, the Company granted 600 brokers' warrants.

MANAGEMENT DISCUSSION AND ANALYSIS
Hilo Mining Ltd.
For the six months ended November 30, 2021

As of January 31, 2022

This Management Discussion and Analysis ("MD&A") of Hilo Mining Ltd. (the "Company" or "Hilo") provides a review of activities, results of operations and financial condition of the Company for the six months ended November 30, 2021, and is performed by management using information available as of January 31, 2022. We have prepared this MD&A with reference to National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

The unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The MD&A should be read in conjunction with the Company's unaudited condensed interim financial statements for the six months ended November 30, 2021 (the "Financial Statements") and the MD&A for the period from incorporation on February 2, 2021 to May 31, 2021. All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. The reader will note several references cited in the text, the details of which are provided at the end of the document.

Forward-Looking Statements

Except for statements of historical fact, this MD&A contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar terms, or statements that certain events or conditions "might", "may", "could" or "will" occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. Forward-looking statements in this MD&A include, but are not limited to, statements relating to resource estimates and our ability to raise additional capital.

Forward-looking information is based on the opinions and estimates of management at the date the forward-looking statements are made, and is subject to a variety of risks, uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain qualified personnel, competition for drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under **Risk Factors**. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information, to conform such information to actual results or to changes in our expectations, except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

BUSINESS OVERVIEW

Hilo is a private company incorporated under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 503 - 905 Pender Street, Vancouver, British Columbia, Canada, V6C 1L6.

The Company's principal business activities include the acquisition and exploration of mineral property assets. On April 22, 2021, the Company entered into an arrangement agreement (the "Arrangement") with Golden Independence Mining Corp. ("Golden") whereby the Company will issue 1,499,999 common shares to Golden in exchange for Golden's mining claim representing the Champ exploration property (the "Champ Property"). Under the Arrangement, Golden will distribute 1,000,000 of the common shares to its shareholders and Golden will hold 499,999 common shares of the Company. The Company completed the Arrangement on November 12, 2021.

The Company will need additional funding in the near future through equity financing to acquire new projects and further develop its existing asset. Many factors influence the Company's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the funding of new projects. Management is approaching all identifiable sources of equity capital, but there is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable.

The outbreak of the coronavirus, COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Company or its clients, employees, contractors, suppliers and other partners may be unable to conduct regular business activities for an indefinite period of time. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

EXPLORATION PROJECT

Champ Property

The Champ precious metals property is located 10 kilometres southwest of Castlegar, British Columbia, and consists of 5 claims totaling 1369.6 hectares. Golden has contracted an independent Qualified Person to complete an updated National Instrument 43-101 *Standards of Disclosure for Mineral Projects* technical report to support the listing of the Company's shares on a Canadian stock exchange.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Three Months Ended November 30, 2021

During the three months ended November 30, 2021, the Company had a loss of \$110,963 from operations.

As the Company does not yet generate revenue from its operations, changes in the financial performance and financial condition of the Company are driven solely by changes in the Company's expenses.

Significant items affecting expenses are as follows:

- *Consulting fees* increased by \$62,450 due to fees incurred to the former parent of the Company for setting up Hilo.
- *Filing fees* increased by \$3,125 mainly due to the initial filing fee paid to the TSX Venture Exchange ("TSX-V").
- *Management fees* increased by \$1,195 due to fees paid to the Chief Financial Officer ("CFO") for work performed on the regulatory filings of the Company.

- *Professional fees* increased by \$43,239 mainly due to legal expenses related to the TSX-V application process and the completion of the Arrangement.

Six Months Ended November 30, 2021

During the six months ended November 30, 2021, the Company had a loss of \$123,768 from operations.

As the Company does not yet generate revenue from its operations, changes in the financial performance and financial condition of the Company are driven solely by changes in the Company's expenses.

Significant items affecting expenses are as follows:

- *Consulting fees* increased by \$62,450 due to fees incurred to the former parent of the Company for setting up Hilo.
- *Filing fees* increased by \$3,125 mainly due to the initial filing fee paid to the TSX-V.
- *Management fees* increased by \$9,000 due to fees paid to the CFO for work performed on the regulatory filings of the Company.
- *Professional fees* increased by \$48,239 mainly due to legal expenses related to the TSX-V application process and the completion of the Arrangement.

SUMMARY OF QUARTERLY RESULTS

For the quarter ended		Revenue	Net loss	Net comprehensive loss	Basic and diluted loss per common share
		\$	\$	\$	\$
Q2/22	November 30, 2021	-	(110,963)	-	(0.10)
Q1/22	August 31, 2021	-	(12,805)	-	(12,805)
Q4/21	May 31, 2021	-	-	-	-

The Company has yet to complete eight full quarters as it was incorporated on February 2, 2021.

OUTSTANDING SHARE DATA

The Company's authorized share capital consists of an unlimited number of common shares without par value. As of the date of this MD&A, the Company has:

- 7,272,363 (November 30, 2021 – 7,262,363) common share issued and outstanding
- 47,299 (November 30, 2021 - 46,699) brokers' warrants issued and outstanding
- No stock options issued or outstanding

LIQUIDITY AND CAPITAL RESOURCES

The Company does not have sufficient working capital to continue operations in the normal course for the foreseeable future and will require additional financing to remain financially solvent.

At November 30, 2021, the Company had cash of \$857,275 and a working capital of \$733,582. Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. The Company intends to finance its future requirements through equity capital. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast doubt on the Company's ability to continue as a going concern.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances and/or other financing arrangements. While the Company's management has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future.

RELATED PARTY TRANSACTIONS AND BALANCES

During the six months ended November 30, 2021, the Company had the following related party transactions and balances:

- The Company expensed \$9,000 (2020 - \$nil) in management fees and \$4,828 (2020 - \$nil) in professional fees to a company that employs the CFO. As at November 30, 2021, the Company has included \$13,828 due to a company that employs the CFO for management fees and professional fees in accounts payable.
- The Company expensed \$60,000 (2020 - \$nil) in consulting fees to the former parent of the Company, Golden Independence Inc. As at November 30, 2021, the Company has included \$71,125 due to the former parent in accounts payable related to consulting fees and other reimbursable expenses as part of the Arrangement.

From incorporation on February 2, 2021 to May 31, 2021, the Company did not incur any related party transactions.

FINANCIAL INSTRUMENTS

The Company's financial instruments consists of cash and accounts payable.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The fair values of the Company's financial instruments approximate their carrying values due to their current nature.

OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

At the date of this MD&A, there are no transactions outstanding that have been proposed, but not approved, by either the Company or regulatory authorities.

SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND NEW POLICIES

In applying the Company's accounting policies, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. Actual results may differ from the judgments, estimates and assumptions made by management and will seldom equal the estimated results. Please refer to the Financial Statements for a full list of policies.

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the Financial Statements:

- The determination of categories of financial assets and financial liabilities; and
- The evaluation of the Company's ability to continue as a going concern.

RISK FACTORS

The Company is in the mineral exploration and development business and is exposed to a number of operational, financial, regulatory, and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company's business, results of operations and financial performance in future periods.

Limited Operating History

The Company has not yet commenced operations, and therefore, has no history of earnings or of a return on investment, and there is no assurance that our asset will generate earnings, operate profitably or provide a return on investment in the future. The likelihood of success of the Company must also be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company's proposed business strategies incorporate its management's best analysis of potential markets, opportunities and difficulties that it may face. No assurance can be given that the underlying assumptions will be achieved.

Disclosure Controls and Internal Control Financial Reporting

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and CFO, as appropriate to permit timely decisions regarding public disclosure.

The Company's management is responsible for establishing and maintaining adequate internal controls over financial reporting. Any system of internal controls over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Canadian Securities Administrators do not require any certification on the effectiveness of these controls at this time.

Government Laws, Regulation and Permitting

Mining and exploration activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its project. There can be no assurance that the Company will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Additional Financings

The Company expects to be substantially dependent upon the equity capital markets to pursue additional investments. There can be no assurance that such financing will be available to the Company on acceptable terms or at all.

Additional equity financings may significantly dilute shareholdings of its shareholders. If the Company is not able to obtain such financing, it may not be able to expand its portfolio of assets and may not be able to execute on its business strategy.

There is no assurance that the Company will be successful in raising sufficient funds to meet its obligations or to complete proposed exploration programs or acquisitions. If the Company does not raise the necessary capital to meet its obligations under current contractual obligations, the Company may have to forfeit its interest in properties or prospects earned or assumed under such contracts.

Key Management and Competition

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Commodity Prices

Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The Company will be Reliant on Third-party Reporting

The Company relies, and will rely, on public disclosure and other information regarding the properties in which it has an interest that it receives from the owners, operators and independent experts of such operations. Such information is necessarily imprecise as it depends upon the judgment of the individuals who operate the properties, as well as those who review and assess the geological and engineering information. In addition, the Company must rely on the accuracy and timeliness of the public disclosure and other information it receives from the owners and operators of the properties, and uses such information in its analyses, forecasts and assessments relating to its own business and to prepare its disclosure with

respect to its streams and royalties. If the information provided by such third parties to the Company contains material inaccuracies or omissions, the Company's disclosure may be inaccurate and its ability to accurately forecast or achieve its stated objectives may be materially impaired, which may have a material adverse effect on the Company.

CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of resource properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

EFFECTIVENESS OF DISCLOSURE CONTROLS

The Company has internal controls over financial reporting to provide reasonable assurance as to the reliability of financial reporting and that preparation of financial statements for external purposes are in accordance with IFRS. There is an inability to totally segregate duties due to the small size of the Company, but management believes these weaknesses have been mitigated through management's and directors' involvement.

APPROVAL

The Audit Committee of the Company has approved the disclosure contained in this MD&A.

APPENDIX D

**AUDITED CARVE OUT STATEMENTS OF GOLDEN INDEPENDENCE AND MANAGEMENT
DISCUSSION AND ANALYSIS FOR THE YEAR ENDED NOVEMBER 30, 2020**

**UNAUDITED CARVE OUT STATEMENTS OF GOLDEN INDEPENDENCE AND MANAGEMENT
DISCUSSION AND ANALYSIS AND THE INTERIM PERIOD ENDED AUGUST 31, 2021**

GOLDEN INDEPENDENCE MINING CORP.

CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED NOVEMBER 30, 2020 AND 2019

(Expressed in Canadian dollars)

INDEPENDENT AUDITORS' REPORT

To the Directors of Golden Independence Mining Corp.

Opinion

We have audited the carve-out financial statements of Golden Independence Mining Corp. (the "Entity"), which comprise the carve-out statements of financial position as at November 30, 2020 and 2019, and the carve-out statements of comprehensive loss, changes in deficiency and cash flows for the years ended then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information (together, the "Carve-Out Financial Statements").

In our opinion, the accompanying Carve-Out Financial Statements present fairly, in all material respects, the financial position of the Entity as at November 30, 2020 and 2019 and the results of its performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Carve-out Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audits of the carve-out financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the accompanying Carve-Out Financial Statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Carve-out Financial Statements

Management is responsible for the preparation and fair presentation of the Carve-Out Financial Statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of Carve-Out Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Carve-Out Financial Statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Carve-out Financial Statements

Our objectives are to obtain reasonable assurance about whether the Carve-Out Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these carve-out financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Carve-Out Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Carve-Out Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the carve-out financial statements, including the disclosures, and whether the Carve-Out Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Waseem Javed.

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
April 28, 2021

GOLDEN INDEPENDENCE MINING CORP.
Carve-Out Statements of Financial Position
(Expressed in Canadian dollars)

As at	November 30, 2020	November 30, 2019
ASSETS		
CURRENT		
Cash	\$ 339,972	\$ 478,345
Amounts receivable	5,156	1,427
Prepaid expense	11,524	3,500
	<u>356,652</u>	<u>483,272</u>
Exploration and evaluation assets (Note 5)	219,947	223,127
TOTAL ASSETS	\$ 576,599	\$ 706,399
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 9)	\$ 47,166	\$ 7,398
SHAREHOLDERS' EQUITY		
Contribution from Golden Independence Mining Corp.	1,264,027	1,259,555
Deficit	(734,594)	(560,554)
TOTAL SHAREHOLDERS' EQUITY	<u>529,433</u>	<u>699,001</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 576,599	\$ 706,399

Arrangement Agreement (Note 1)

Nature of Operations (Note 2)

Approved and authorized for issue on behalf of the Board on April 28, 2021:

“ _____ ” Director
“ _____ ” Director

The accompanying notes are an integral part of these carve-out financial statements.

GOLDEN INDEPENDENCE MINING CORP.
Carve-out Statements of Comprehensive Loss
For the years ended November 30, 2020 and 2019
(Expressed in Canadian dollars)

	November 30, 2020	November 30, 2019
EXPENSES		
Consulting fees	\$ 37,245	\$ -
Insurance	1,468	-
Management fees	8,747	42,000
Office and miscellaneous	529	3,022
Professional fees	15,324	58,397
Rent	3,735	26,595
Share-based payments	106,330	-
Transfer agent and filing fees	-	16,217
Travel and promotion	662	21,629
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	\$ 174,040	\$ 167,860

The accompanying notes are an integral part of these carve-out financial statements.

GOLDEN INDEPENDENCE MINING CORP.

Carve-out Statements of Changes in Equity

For the years ended November 30, 2020 and 2019

(Expressed in Canadian dollars)

	Contributions from Golden Independence Mining Corp.	Deficit	Total
Balance, November 30, 2018	\$ 749,140	\$ (392,694)	\$ 356,446
Contributions from Golden Independence Mining Corp.	510,415	-	510,415
Net loss	-	(167,860)	(167,860)
Balance, November 30, 2019	1,259,555	(560,554)	699,001
Contributions from Golden Independence Mining Corp.	4,472	-	4,472
Net loss	-	(174,040)	(174,040)
Balance, November 30, 2020	\$ 1,264,027	\$ (734,594)	\$ 529,433

The accompanying notes are an integral part of these carve-out financial statements.

GOLDEN INDEPENDENCE MINING CORP.

Carve-out Statements of Cash Flows

For the years ended November 30, 2020 and 2019

(Expressed in Canadian dollars)

	November 30, 2020	November 30, 2019
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the year	\$ (174,040)	\$ (167,860)
Items not involving cash:		
Share-based payments	106,330	-
Changes in non-cash working capital balances:		
Amounts receivable	(3,729)	11,671
Accounts payable and accrued liabilities	39,768	(3,951)
Prepaid expenses	(8,024)	-
Cash used in operating activities	(39,695)	(160,140)
INVESTING ACTIVITIES		
Recovery of mineral property exploration costs	3,180	-
FINANCING ACTIVITIES		
Contributions from Golden Independence Mining Corp.	(101,858)	510,415
CHANGE IN CASH	(138,373)	350,275
CASH, BEGINNING OF YEAR	478,345	128,070
CASH, END OF YEAR	\$ 339,972	\$ 478,345
SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

The accompanying notes are an integral part of these carve-out financial statements.

1. ARRANGEMENT AGREEMENT

Subsequent to November 30, 2020, the Board of Directors of Gold Independence Mining Corp. (“Golden”) unanimously approved a statutory arrangement (the “Arrangement”) whereby Golden will acquire 1,499,999 common shares of Hilo Mining Corp (“Hilo”), a newly incorporated private company, of which it will distribute 1,000,000 common shares to its shareholders and hold 500,000 shares.

Prior to distribution, Golden will transfer to Hilo 100% of its interest in its mining claims representing the Champ exploration property located in the Greenwood Mining District of British Columbia.

The purpose of the Arrangement and the related transactions is to reorganize Golden into two separate publicly traded companies: (a) Golden, which will be an exploration company focused on the advanced-stage Independence Gold Property located in Nevada; and (b) Hilo, which will be an exploration company focused on the Champ exploration property near Castlegar, British Columbia (Note 5).

2. NATURE OF OPERATIONS

These carve-out financial statements include Golden’s 100% interest in the Champ exploration property (the “Entity”) and related exploration activities, which, as part of the proposed Arrangement will be transferred to Hilo by Golden.

These carve-out financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Entity will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months. The Entity has experienced losses and negative cash flows from operations since incorporation. As at November 30, 2020, the Entity had not yet generated revenues and had an accumulated deficit of \$734,594. These factors indicate the existence of a material uncertainty that casts significant doubt about the Entity’s ability to continue as a going concern.

The Entity’s ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon the discovery of economically recoverable reserves, the ability of the Entity to obtain necessary financing to complete their development, and future profitable production or proceeds from the disposition of its resource property interests. The timing and availability of additional financing will be determined largely by the performance of the Entity and market conditions and there is no certainty that the Entity will be able to raise funds as they are required in the future.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Entity’s operations have not been drastically affected by the pandemic. Management of the Entity continues to monitor the situation and is following the protocols and rules set in place by the provincial and federal governments.

These carve-out financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these carve-out financial statements, then adjustments would be necessary to reflect these carve-out financial statements on a liquidation basis which could differ from accounting principles applicable to a going concern.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These carve-out financial statements have been prepared applying principles in accordance with International Financial Reporting Standards (“IFRS”) and their interpretations adopted by the International Accounting Standards Board (“IASB”).

The carve-out financial statements were approved by the Board of Directors of Golden on April 28, 2021.

b) Basis of measurement

The carve-out financial statements have been prepared on the historical cost basis, except for financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these carve-out financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all periods presented in these carve-out financial statements.

The purpose of these carve-out financial statements is to provide general purpose historical financial information of the Entity in connection with the Arrangement detailed in Note 1. Therefore, these carve-out financial statements present the historical financial information of Golden that make up the Entity, either fully, or partially, where only specifically identifiable assets and liabilities are included, and allocations of shared income and expenses of Golden that are attributable to the Entity.

The basis of preparation for the carve-out statements of financial position, loss and comprehensive loss, cash flows and changes in equity of the Entity have been applied. The carve-out financial statements have been extracted from historical accounting records of Golden with estimates used, when necessary, for certain allocations as follows:

- The carve-out statements of financial position reflect the assets and liabilities recorded by Golden which have been assigned to the Entity on the basis that they are specifically identifiable and attributable to the Entity;
- The carve-out statement of loss and comprehensive loss included an allocation of Golden’s expenses incurred in each of the periods presented based on the percentage of activity on the carve-out exploration and evaluation assets, compared to the expenditures incurred on all of Golden’s activities and based on specifically identifiable activities attributable to the Entity.
- Income taxes have been calculated as if the Entity had been a separate legal entity and had filed separate tax returns for the period presented.

Management cautions readers of these carve-out financial statements that the Entity’s results do not necessarily reflect what the results of operations, financial position, or cash flows would have been had the Entity been a separate entity. Further, the allocation of income and expense in these carve-out statements of loss and comprehensive loss does not necessarily reflect the nature and level of the Entity’s future income and operating expenses. Golden’s investment in the Entity, presented as equity in these carve-out financial statements, includes the accumulated total loss and comprehensive loss of the Entity.

c) Functional and presentation currency

These carve-out financial statements are presented in Canadian dollars which is the Entity's functional currency.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial Instruments

Financial Assets

On initial recognition financial assets are classified as measured at:

- i. Amortized cost;
- ii. Fair value through other comprehensive income (“FVOCI”); and
- iii. Fair value through profit and loss (“FVTPL”).

Financial assets are not reclassified subsequent to their initial recognition unless The Entity changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, The Entity measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification:

i. Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

The Entity does not have any assets classified at amortized cost.

ii. FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

The Entity does not have any assets classified at FVOCI.

iii. FVTPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period in which it arises.

The Entity’s cash is classified at FVTPL.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial Instruments (continued)

Financial Liabilities and Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (i) FVTPL; or (ii) amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Entity does not classify any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Entity classifies its accounts payable at amortized cost.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

e) Mineral properties

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as mineral concession taxes, option payments, wages and salaries, surveying, geological consulting and laboratory, field supplies, travel and administration. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they are incurred. Exploration and evaluation properties are not amortized during the exploration and evaluation stage. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'.

f) Impairment of non-financial assets

Non-financial assets, including mineral properties are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down to its recoverable amount. An impairment loss is charged to statements of comprehensive loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Impairment of non-financial assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in income or loss.

The recoverable amount is the higher of the fair value less costs of disposal and the value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (“cash generating units” or “CGU”s). These are typically the individual properties or projects.

g) Reclamation provisions

The Entity recognizes a provision for statutory, contractual, constructive or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties, plant and equipment. Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired, and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the liability.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset in mine property, plant and equipment. These costs are depreciated on a basis consistent with the depreciation, depletion, and amortization of the underlying assets. The obligation is accreted over time for the change in its present value, with this accretion charge recognized as a finance expense in profit or loss. Additional environment disturbances or changes in reclamation costs will be recognized as additions to the corresponding assets and reclamation provision in the year in which they occur.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur. The Entity has no material restoration, reclamation, rehabilitation or environmental obligation as the disturbance to date is minimal.

h) Cash and cash equivalents

Cash and cash equivalents include cash on hand readily convertible into a known amount of cash and can be redeemed at any time without penalties, and amounts held in trust.

i) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Entity operates (“the functional currency”), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of comprehensive loss.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and future years if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting judgements

- i. the determination of categories of financial assets and financial liabilities;
- ii. the assessment of impairment of the Entity's exploration and evaluation assets and related determination of the net realizable value and write-down of the exploration and evaluation assets where applicable; and
- iii. the assumptions applied in the preparation of the carve-out financial statements.

5. EXPLORATION AND EVALUATION ASSETS

For the year ended November 30, 2020 Exploration expenditures related to the acquisition and exploration of mineral properties consisted of:

	Champ Property
Acquisition Costs:	
Balance, November 30, 2018	\$ 55,000
Acquisition costs	-
Balance, November 30, 2020 and 2019	55,000
Exploration Costs:	
Balance, November 30, 2019 and 2018	\$ 168,127
Technical consultants	20,372
Exploration credit	(23,552)
Balance, November 30, 2020	164,947
Total, November 30, 2019	\$ 223,127
Total, November 30, 2020	\$ 219,947

Champ Property

Pursuant to an option agreement (the "Agreement") dated August 24, 2017, Golden was granted an option to acquire a 100% undivided interest in the Champ exploration property (the "Property") located in the Greenwood Mining District of British Columbia.

In accordance with the Agreement, Golden acquired a 100% undivided interest in the Property by issuing a total of 300,000 common shares of Golden and making a payment of \$10,000.

The optionor retains a 2% Net Smelter Returns royalty on the Property. Golden has the right to purchase the first 1% of the royalty for \$1,000,000 and the remaining 1% for \$1,000,000 at any time during the five-year period starting from the date of commencement of commercial production.

On January 22, 2021, Golden's Board of Directors approved, in principle, a strategic reorganization of Golden's assets pursuant to which Golden would spin off its Champ precious metal property into a newly incorporation subsidiary, Hilo (the "Spin-Out").

It is proposed that the transaction will be carried out by way of statutory Arrangement pursuant to the Business Corporations Act of British Columbia as explained in Note 1. Under the terms of the Arrangement, shareholders of Golden would exchange their existing common shares of Golden for the same number of new common shares of Golden and receive 1,000,000 common shares of Hilo and Golden would retain 500,000 common shares.

6. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Entity's financial assets include cash and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments. There are no level 2 or level 3 financial instruments.

Fair value

The fair value of the Entity's financial instruments approximates their carrying value as at November 30, 2020 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Entity's financial instruments consist of cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Entity's expenses are denominated in Canadian dollars. The Entity's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Entity does not have any significant foreign currency denominated monetary liabilities. The principal business of the Entity is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. At November 30, 2020, The Entity is not exposed to interest rate risk.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Entity to concentrations of credit risks consist principally of cash. To minimize the credit risk the Entity places these instruments with a high-quality financial institution.

6. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies (continued)

(iv) *Liquidity risk*

In the management of liquidity risk of the Entity, management maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Entity's projects and operations.

7. CONTRIBUTIONS FROM GOLDEN

Golden's investment in the operations of the Entity is presented as contributions from Golden in the carve-out financial statements. Deficit/capital contributions represent the accumulated net losses of the carve-out operation.

Net financing transactions with Golden as presented in the carve-out statements of cash flows represents the net contributions related to the funding of operations between the Entity and Golden.

8. CAPITAL MANAGEMENT

As a separate resource exploration activity, the Entity does not have share capital and its equity is a carve-out amount from Golden's equity.

The Entity's objective when managing capital is to maintain adequate levels of funding to support the acquisition and exploration of mineral properties and maintain the necessary corporate and administrative functions to facilitate these activities. As at November 30, 2020, the Entity had a working capital of \$309,486 (2019 - \$475,874).

The exploration and evaluation assets in which the Entity currently has an interest are in the exploration stage; as such, the Entity is dependent on external financing, primarily equity financing, to fund its activities. There can be no assurance that the Entity will be able to continue to raise capital in this manner. To carry out the planned exploration and fund administrative costs, the Entity will raise additional amounts as needed. The Entity will continue to assess new properties and business opportunities and seek to acquire an interest in additional properties or businesses if it believes there is sufficient geologic and economic potential and if it has adequate financial resources to do so.

The Entity generally invests all capital that is surplus to its immediate operational needs in short-term, highly-liquid financial instruments, such as cashable guaranteed investment certificates, held with a major Canadian financial institution.

There were no changes to the Entity's approach to capital management during the year. The Entity is not subject to externally imposed capital requirements.

9. RELATED PARTY BALANCES AND TRANSACTIONS

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

9. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

The Entity has incurred the following key management personnel cost from related parties:

	Year ended November 30, 2020	Year ended November 30, 2019
Consulting fees	\$ 22,600	\$ –
Management fees	8,747	42,000
Share-based payments	47,470	–
Total	\$ 78,877	\$ 42,000

Key management includes directors and key officers of Golden, including the President, Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

As at November 30, 2020, included in the accounts payable was an amount of \$23,382 (2019 - \$Nil) due to officers of Golden. The amount is non-interest bearing, unsecured, due on demand and has no fixed terms of repayment.

10. INCOME TAXES

The Entity has losses carried forward of approximately \$482,000 (2019 - \$414,000) available to reduce income taxes in future years which expire in 2040.

The Entity has not recognized any deferred income tax assets. The Entity recognizes deferred income tax assets based on the extent to which it is probably that sufficient taxable income will be realized during the carry forward years to utilize all deferred tax assets.

10. INCOME TAXES (continued)

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	Year ended November 30, 2020	Year ended November 30, 2019
Canadian statutory income tax rate	27%	27%
Income tax recovery at statutory rate	\$ (47,000)	\$ (46,000)
Effect of income taxes of:		
Permanent differences and other	29,000	(7,000)
Change in deferred tax assets not recognized	\$ 18,000	\$ 53,000
Deferred income tax recovery	–	–

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	Year ended November 30, 2020	Year ended November 30, 2019
Non-capital loss carry forwards	\$ 130,000	\$ 112,000
Other	5,000	5,000
Deferred tax assets not recognized	\$ (135,000)	\$ (117,000)
	–	–

CARVE-OUT MANAGEMENT DISCUSSION AND ANALYSIS

Golden Independence Mining Corp. For the year ended November 30, 2020

As of April 20, 2022

This Carve-out Management Discussion and Analysis (“MD&A”) of Golden Independence Mining Corp. (“Golden”) provides a review of carved out activities related to Golden’s 100% interest in the Champ exploration property (the “Entity” or the “Champ Property”) and related exploration activities for the year ended November 30, 2020, and is performed by management using information available as of April 20, 2022. We have prepared this MD&A with reference to National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”). The MD&A should be read in conjunction with the Entity’s carve-out financial statements for the years ended November 30, 2020 and 2019 (the “Financial Statements”). All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. The reader will note several references cited in the text, the details of which are provided at the end of the document.

Forward-Looking Statements

Except for statements of historical fact, this MD&A contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar terms, or statements that certain events or conditions “might”, “may”, “could” or “will” occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. Forward-looking statements in this MD&A include, but are not limited to, statements relating to resource estimates and our ability to raise additional capital.

Forward-looking information is based on the opinions and estimates of management at the date the forward-looking statements are made, and is subject to a variety of risks, uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain qualified personnel, competition for drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under **Risk Factors**. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information, to conform such information to actual results or to changes in our expectations, except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

BUSINESS OVERVIEW

On April 22, 2021, Golden entered into an arrangement agreement (the "Arrangement") with Hilo Mining Inc. ("Hilo") whereby Hilo will issue 1,499,999 common shares to Golden in exchange for Golden's mining claim representing the Champ Property. Under the Arrangement, Golden will distribute 1,000,000 of the common shares to its shareholders and Golden will hold 499,999 common shares of Hilo. The Arrangement was completed on November 12, 2021.

The Entity will need additional funding in the near future through equity financing to acquire new projects and further develop its existing asset. Many factors influence the Entity's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Entity's track record. Actual funding requirements may vary from those planned due to a number of factors, including the funding of new projects. Management is approaching all identifiable sources of equity capital, but there is no guarantee that the Entity will be able to secure additional financings in the future at terms that are favourable.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Entity's operations have not been drastically affected by the pandemic. Management of the Entity continues to monitor the situation and is following the protocols and rules set in place by the provincial and federal governments.

EXPLORATION PROJECT

Champ Property

The Champ precious metals property lies 10 kilometres southwest of Castlegar, British Columbia and consists of 5 claims totaling 1369.6 hectares.

Golden explored the Champ Property in 2018 and 2019, undertaking programs of soil sampling, prospecting and limited hand trenching, concentrating largely on two known mineralized occurrences: Dirty Jack and Champ. The Dirty Jack showing consists of massive sulfide fractures and disseminated sulfides in calc-silicate altered rocks. Historic grab sample highlights include 5.157 g/t Au. Soil geochemistry surveys by Golden over the Dirty Jack showing showed parallel northwest trending soil anomalies, suggesting mineralization may continue along strike. The Champ showing is a zone of quartz veining and stock working associated with a granitic to more mafic intrusive rocks. Historic grab sample highlights include 3.353 g/t Au. Soil geochemistry surveys by Golden over the Champ showing, located several spot gold anomalies. Additional showings were located during the 2017 and 2018 programs, with one zone returned a highlight grab sample of 0.653 g/t Au and 24.3 g/t Ag.

Champ Exploration Completed During the year ended November 30, 2020

In August and September, Golden completed rock sampling at the Champ and Dirty Jack showings, as well as other mineralized areas, complimenting earlier work programs, taking 40 rock samples and three soils in total. The sample results correlate with the earlier sampling programs with seven of the 40 samples returning gold values in excess of 100 ppb Au with a maximum value of 932 ppb.

Four rock sampling program have now been completed at Champ:

- 2008 with 15 of 61 samples returning values in excess of 50 ppb Au to a maximum of 5157 ppb;
- 2017 with 7 of 14 samples returning values in excess of 50 ppb Au to a maximum of 711 ppb;
- 2018 with 7 of 35 samples returning values in excess of 50 ppb Au to a maximum of 653 ppb; and
- 2020 with 9 of 40 samples returning values in excess of 50 ppb Au to a maximum of 932 ppb.

Champ Exploration Completed Subsequent to the year ended November 30, 2020

Golden announced plans to spin the Champ Property out into a newly created subsidiary on January 22. Golden contracted an Independent Qualified Person to complete an updated National Instrument 43-101 technical report to incorporate Golden's 2017, 2018 and 2020 work programs to support the listing of the new subsidiary on a Canadian Stock Exchange.

Champ Agreement

Pursuant to an option agreement (the "Agreement") dated August 24, 2017, Golden was granted an option to acquire a 100% undivided interest in the Champ Property.

In accordance with the Agreement, Golden acquired a 100% undivided interest in the Property by issuing a total of 300,000 common shares of Golden and making a payment of \$10,000.

The optionor retains a 2% Net Smelter Returns royalty on the Property. Golden has the right to purchase the first 1% of the royalty for \$1,000,000 and the remaining 1% for \$1,000,000 at any time during the five-year period starting from the date of the commencement of commercial production.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Year Ended November 30, 2020

During the year ended November 30, 2020, the Entity had a loss of \$174,040 from operations, an increase of \$6,180 from \$167,860 during the year ended November 30, 2019.

The most significant increase was due to the issuance of stock options during the year ended November 30, 2020 causing an increase in share-based payments. The majority of other items experienced a decrease in expenses as the proportion of expenses allocated to the Entity were reduced when Golden increased investments in other exploration and evaluation assets.

As the Entity does not yet generate revenue from its operations, changes in the financial performance and financial condition of the Entity are driven solely by changes in the Entity's expenses.

Three Months Ended November 30, 2020

During the three months ended November 30, 2020, the Entity had a loss of \$27,744 from operations.

The most significant increase was due to the issuance of stock options during the three months ended November 30, 2020 causing an increase in share-based payments. The majority of other items experienced a decrease in expenses as the proportion of expenses allocated to the Entity were reduced when Golden increased investments in other exploration and evaluation assets.

As the Entity does not yet generate revenue from its operations, changes in the financial performance and financial condition of the Entity are driven solely by changes in the Entity's expenses.

SUMMARY OF QUARTERLY RESULTS

		Revenue	Net loss	Net comprehensive loss	Basic and diluted loss per common share
	For the quarter ended	\$	\$	\$	\$
Q4/20	November 30, 2020	-	(27,744)	(27,744)	n/a
Q3/20	August 31, 2020	-	(58,747)	(58,747)	n/a

The Entity has presented the summary of quarterly results for quarters that have been reported.

SELECTED ANNUAL INFORMATION

<u>For the year ended</u>	<u>November 30, 2020</u>	<u>November 30, 2019</u>	<u>November 30, 2018</u>
Revenue	\$ -	\$ -	\$ -
Net Loss	(174,040)	(167,860)	(293,406)
Basic and Diluted Loss per Share	n/a	n/a	n/a
Total Assets	576,599	706,399	367,795
Long-Term Debt	-	-	-
Dividends	-	-	-

LIQUIDITY AND CAPITAL RESOURCES

The Entity does not have sufficient working capital to continue operations in the normal course for the foreseeable future and will require additional financing to remain financially solvent.

At November 30, 2020, the Entity had cash of \$339,972 and a working capital of \$309,486. Whether and when the Entity can obtain profitability and positive cash flows from operations is uncertain. The Entity intends to finance its future requirements through equity capital. There is no assurance that the Entity will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast doubt on the Entity's ability to continue as a going concern.

The Entity's ability to continue its operations is dependent on its success in raising equity through share issuances and/or other financing arrangements. While the Entity's management has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future.

RELATED PARTY TRANSACTIONS AND BALANCES

Key management includes directors and key officers of Golden, including the President, Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

The Entity has incurred the following key management personnel cost from related parties:

<u>For the year ended:</u>	<u>November 30, 2020</u>	<u>November 30, 2019</u>
Consulting fees	\$ 22,600	\$ -
Management fees	8,747	42,000
Share-based payments	47,470	-
Total	\$ 78,877	\$ 42,000

As at November 30, 2020, included in the accounts payable was an amount of \$23,382 (2019 - \$nil) due to officers of Golden. The amount is non-interest bearing, unsecured, due on demand and has no fixed terms of repayment.

FINANCIAL INSTRUMENTS

The Entity's financial instruments consists of cash and accounts payable.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The fair values of the Entity's financial instruments approximate their carrying values due to their current nature.

OFF BALANCE SHEET ARRANGEMENTS

The Entity has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

At the date of this MD&A, there are no transactions outstanding that have been proposed, but not approved, by either the Entity or regulatory authorities, except for the Arrangement described above.

SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND NEW POLICIES

In applying the Entity's accounting policies, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. Actual results may differ from the judgments, estimates and assumptions made by management and will seldom equal the estimated results. Please refer to the Financial Statements for a full list of policies.

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the Financial Statements:

- The determination of categories of financial assets and financial liabilities;
- the assessment of impairment of the Entity's exploration and evaluation assets and related determination of the net realizable value and write-down of the exploration and evaluation assets where applicable; and
- the assumptions applied in the preparation of the carve-out financial statements.

RISK FACTORS

The Entity is in the mineral exploration and development business and is exposed to a number of operational, financial, regulatory, and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Entity. Additional risks and uncertainties not presently known by the Entity or which are presently considered immaterial could adversely impact the Entity's business, results of operations and financial performance in future periods.

Limited Operating History

The Entity has not yet commenced operations, and therefore, has no history of earnings or of a return on investment, and there is no assurance that our asset will generate earnings, operate profitably or provide a return on investment in the future. The likelihood of success of the Entity must also be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Entity's proposed business strategies incorporate its management's best analysis of potential markets, opportunities and difficulties that it may face. No assurance can be given that the underlying assumptions will be achieved.

Disclosure Controls and Internal Control Financial Reporting

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the CEO and CFO, as appropriate to permit timely decisions regarding public disclosure.

The Entity's management is responsible for establishing and maintaining adequate internal controls over financial reporting. Any system of internal controls over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Canadian Securities Administrators do not require any certification on the effectiveness of these controls at this time.

Government Laws, Regulation and Permitting

Mining and exploration activities of the Entity are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mines safety, waste disposal, toxic substances, the environment and other matters. The operations of the Entity will require licenses and permits from various governmental authorities to carry out exploration and development at its project. There can be no assurance that the Entity will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Additional Financings

The Entity expects to be substantially dependent upon the equity capital markets to pursue additional investments. There can be no assurance that such financing will be available to the Entity on acceptable terms or at all.

Additional equity financings may significantly dilute shareholdings of its shareholders. If the Entity is not able to obtain such financing, it may not be able to expand its portfolio of assets and may not be able to execute on its business strategy.

There is no assurance that the Entity will be successful in raising sufficient funds to meet its obligations or to complete proposed exploration programs or acquisitions. If the Entity does not raise the necessary capital to meet its obligations under current contractual obligations, the Entity may have to forfeit its interest in properties or prospects earned or assumed under such contracts.

Key Management and Competition

The success of the Entity will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Entity's success.

While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Entity's business, operating results or financial condition.

Commodity Prices

Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Entity. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable.

Conflicts of Interest

The Entity's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Entity may participate, the directors of the Entity may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Entity's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Entity are required to act honestly, in good faith and in the best interests of the Entity. In determining whether the Entity will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Entity may be exposed and its financial position at that time.

The Entity will be Reliant on Third-party Reporting

The Entity relies, and will rely, on public disclosure and other information regarding the properties in which it has an interest that it receives from the owners, operators and independent experts of such operations. Such information is necessarily imprecise as it depends upon the judgment of the individuals who operate the properties, as well as those who review and assess the geological and engineering information. In addition, the Entity must rely on the accuracy and timeliness of the public disclosure and other information it receives from the owners and operators of the properties, and uses such information in its analyses, forecasts and assessments relating to its own business and to prepare its disclosure with respect to its streams and royalties. If the information provided by such third parties to the Entity contains material inaccuracies or omissions, the Entity's disclosure may be inaccurate and its ability to accurately forecast or achieve its stated objectives may be materially impaired, which may have a material adverse effect on the Entity.

CAPITAL MANAGEMENT

The Entity's objectives when managing capital are to safeguard the Entity's ability to continue as a going concern in order to pursue the sourcing and exploration of resource properties. The Entity does not have any externally imposed capital requirements to which it is subject.

The Entity considers the aggregate of its share capital, contributed surplus and deficit as capital. The Entity manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Entity may attempt to issue new shares or dispose of assets or adjust the amount of cash.

EFFECTIVENESS OF DISCLOSURE CONTROLS

The Entity has internal controls over financial reporting to provide reasonable assurance as to the reliability of financial reporting and that preparation of financial statements for external purposes are in accordance with IFRS. There is an inability to totally segregate duties due to the small size of the Entity, but management believes these weaknesses have been mitigated through management's and directors' involvement.

APPROVAL

The Audit Committee of the Entity has approved the disclosure contained in this MD&A.

GOLDEN INDEPENDENCE MINING CORP.

CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED AUGUST 31, 2021

(Unaudited - Expressed in Canadian dollars)

GOLDEN INDEPENDENCE MINING CORP.
Condensed Interim Carve-Out Statements of Financial Position
(Expressed in Canadian dollars)

As at	August 31, 2021 (unaudited)	November 30, 2020 (audited)
ASSETS		
CURRENT		
Cash	\$ 49,272	\$ 339,972
Amounts receivable	3,175	5,156
Prepaid expense	1,667	11,524
	54,114	356,652
Exploration and evaluation assets (Note 5)	236,231	219,947
TOTAL ASSETS	\$ 290,345	\$ 576,599
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 9)	\$ 3,497	\$ 47,166
SHAREHOLDERS' EQUITY		
Contribution from Golden Independence Mining Corp.	1,050,906	1,264,027
Deficit	(764,058)	(734,594)
TOTAL SHAREHOLDERS' EQUITY	286,848	529,433
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 290,345	\$ 576,599

Arrangement Agreement (Note 1)
Nature of Operations (Note 2)

Approved and authorized for issue on behalf of the Board on April 20, 2022:

"R. Timothy Henneberry" Director

The accompanying notes are an integral part of these condensed interim carve-out financial statements.

GOLDEN INDEPENDENCE MINING CORP.

Condensed Interim Carve-out Statements of Comprehensive Loss

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

	Three months ended		Nine months ended	
	August 31, 2021	August 31, 2020	August 31, 2021	August 31, 2020
EXPENSES				
Consulting fees	\$ 635	\$ -	\$ 4,506	\$ -
Management fees	1,937	16,500	5,810	37,500
Office and miscellaneous	188	125	282	1,351
Professional fees	3,006	12,535	5,423	59,419
Rent	96	9,590	434	25,643
Share-based payments	1,502	3,929	12,523	3,929
Travel and promotion	420	16,068	486	18,454
LOSS AND COMPREHENSIVE LOSS	\$ 7,784	\$ 58,747	\$ 29,464	\$ 146,296

The accompanying notes are an integral part of these condensed interim carve-out financial statements.

GOLDEN INDEPENDENCE MINING CORP.

Condensed Interim Carve-out Statements of Changes in Equity

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

	Contributions from Golden Independence Mining Corp.	Deficit	Total
Balance, November 30, 2019	\$ 1,259,555	\$ (560,554)	\$ 699,001
Contributions from Golden Independence Mining Corp.	3,762	-	3,762
Net loss	-	(146,296)	(146,296)
Balance, August 31, 2020	1,263,317	(706,850)	556,467
Balance, November 30, 2020	1,264,027	(734,594)	529,433
Contributions from Golden Independence Mining Corp.	(213,121)	-	(213,121)
Net loss	-	(29,464)	(29,464)
Balance, August 31, 2021	\$ 1,050,906	\$ (764,058)	\$ 286,848

The accompanying notes are an integral part of these condensed interim carve-out financial statements.

GOLDEN INDEPENDENCE MINING CORP.

Condensed Interim Carve-out Statements of Cash Flows
For the nine months ended August 31, 2021 and 2020
(Unaudited - Expressed in Canadian dollars)

	August 31, 2021	August 31, 2020
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss	\$ (29,464)	\$ (146,296)
Items not involving cash:		
Share-based payments	12,523	3,929
Changes in non-cash working capital balances:		
Amounts receivable	1,981	(4,235)
Accounts payable and accrued liabilities	(56,192)	99,158
Prepaid expenses	9,857	-
Cash used in operating activities	(61,295)	(47,444)
INVESTING ACTIVITIES		
Mineral property exploration costs	(16,284)	(77,129)
FINANCING ACTIVITIES		
Contributions from Golden Independence Mining Corp.	(213,121)	3,762
CHANGE IN CASH	(290,700)	(120,811)
CASH, BEGINNING	339,972	478,345
CASH, ENDING	\$ 49,272	\$ 357,534
SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

The accompanying notes are an integral part of these condensed interim carve-out financial statements.

GOLDEN INDEPENDENCE MINING CORP.

Notes to the Condensed Interim Carve-out Financial Statements

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

1. ARRANGEMENT AGREEMENT

On September 21, 2021, Gold Independence Mining Corp. (“Golden”) transferred its 100% interest in its mining claims representing the Champ exploration property located near Castlegar, British Columbia to Hilo Mining Corp. in exchange for 1,499,999 Hilo Shares (the “Arrangement”) in accordance with the statutory agreement which was unanimously approved by the Board of Directors of Golden Independence Mining Corp.

The purpose of the Arrangement and the related transactions is to reorganize Golden into two separate publicly traded companies: (a) Golden, which will be an exploration company focused on the advanced-stage Independence Gold Property located in Nevada; and (b) Hilo, which will be an exploration company focused on the Champ exploration property near Castlegar, British Columbia (Note 5).

2. NATURE OF OPERATIONS

These condensed interim carve-out financial statements include Golden’s 100% interest in the Champ exploration property (the “Entity”) and related exploration activities, which, as part of the proposed Arrangement will be transferred to Hilo by Golden.

These condensed interim carve-out financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Entity will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months. The Entity has experienced losses and negative cash flows from operations since incorporation. As at August 31, 2021, the Entity had not yet generated revenues and had an accumulated deficit of \$764,058. These factors indicate the existence of a material uncertainty that casts significant doubt about the Entity’s ability to continue as a going concern.

The Entity’s ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon the discovery of economically recoverable reserves, the ability of the Entity to obtain necessary financing to complete their development, and future profitable production or proceeds from the disposition of its resource property interests. The timing and availability of additional financing will be determined largely by the performance of the Entity and market conditions and there is no certainty that the Entity will be able to raise funds as they are required in the future.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Entity’s operations have not been drastically affected by the pandemic. Management of the Entity continues to monitor the situation and is following the protocols and rules set in place by the provincial and federal governments.

These condensed interim carve-out financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these carve-out financial statements, then adjustments would be necessary to reflect these condensed interim carve-out financial statements on a liquidation basis which could differ from accounting principles applicable to a going concern.

GOLDEN INDEPENDENCE MINING CORP.

Notes to the Condensed Interim Carve-out Financial Statements

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES**a) Statement of compliance**

These condensed interim carve-out financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting ("IAS34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and Interpretations of the International Financial Reporting Interpretations Committee. They do not include all financial information required for full annual financial statements.

The condensed interim carve-out financial statements were approved by the Board of Directors of Golden on April 20, 2022.

b) Basis of measurement

The condensed interim carve-out financial statements have been prepared on the historical cost basis, except for financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these condensed interim carve-out financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all periods presented in these carve-out financial statements.

The purpose of these condensed interim carve-out financial statements is to provide general purpose historical financial information of the Entity in connection with the Arrangement detailed in Note 1. Therefore, these condensed interim carve-out financial statements present the historical financial information of Golden that make up the Entity, either fully, or partially, where only specifically identifiable assets and liabilities are included, and allocations of shared income and expenses of Golden that are attributable to the Entity.

The basis of preparation for the condensed interim carve-out statements of financial position, loss and comprehensive loss, cash flows and changes in equity of the Entity have been applied. The carve-out financial statements have been extracted from historical accounting records of Golden with estimates used, when necessary, for certain allocations as follows:

- The condensed interim carve-out statements of financial position reflect the assets and liabilities recorded by Golden which have been assigned to the Entity on the basis that they are specifically identifiable and attributable to the Entity;
- The condensed interim carve-out statement of loss and comprehensive loss included an allocation of Golden's expenses incurred in each of the periods presented based on the percentage of activity on the carve-out exploration and evaluation assets, compared to the expenditures incurred on all of Golden's activities and based on specifically identifiable activities attributable to the Entity.

Management cautions readers of these condensed interim carve-out financial statements that the Entity's results do not necessarily reflect what the results of operations, financial position, or cash flows would have been had the Entity been a separate entity. Further, the allocation of income and expense in these carve-out statements of loss and comprehensive loss does not necessarily reflect the nature and level of the Entity's future income and operating expenses. Golden's investment in the Entity, presented as equity in these condensed interim carve-out financial statements, includes the accumulated total loss and comprehensive loss of the Entity.

c) Functional and presentation currency

These condensed interim carve-out financial statements are presented in Canadian dollars which is the Entity's functional currency.

GOLDEN INDEPENDENCE MINING CORP.

Notes to the Condensed Interim Carve-out Financial Statements

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial Instruments

Financial Assets

On initial recognition financial assets are classified as measured at:

- i. Amortized cost;
- ii. Fair value through other comprehensive income ("FVOCI"); and
- iii. Fair value through profit and loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless The Entity changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, The Entity measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification:

i. Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

The Entity does not have any assets classified at amortized cost.

ii. FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

The Entity does not have any assets classified at FVOCI.

iii. FVTPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the condensed interim statements of comprehensive loss in the period in which it arises.

The Entity's cash is classified at FVTPL.

GOLDEN INDEPENDENCE MINING CORP.

Notes to the Condensed Interim Carve-out Financial Statements

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial Instruments (continued)

Financial Liabilities and Equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (i) FVTPL; or (ii) amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Entity does not classify any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Entity classifies its accounts payable at amortized cost.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

e) Mineral properties

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as mineral concession taxes, option payments, wages and salaries, surveying, geological consulting and laboratory, field supplies, travel and administration. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they are incurred. Exploration and evaluation properties are not amortized during the exploration and evaluation stage. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'.

f) Impairment of non-financial assets

Non-financial assets, including mineral properties are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down to its recoverable amount. An impairment loss is charged to the condensed interim carve-out statements of comprehensive loss.

GOLDEN INDEPENDENCE MINING CORP.

Notes to the Condensed Interim Carve-out Financial Statements

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**f) Impairment of non-financial assets (continued)**

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in income or loss.

The recoverable amount is the higher of the fair value less costs of disposal and the value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash generating units" or "CGU"s). These are typically the individual properties or projects.

g) Reclamation provisions

The Entity recognizes a provision for statutory, contractual, constructive or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties, plant and equipment. Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired, and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the liability.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset in mine property, plant and equipment. These costs are depreciated on a basis consistent with the depreciation, depletion, and amortization of the underlying assets. The obligation is accreted over time for the change in its present value, with this accretion charge recognized as a finance expense in profit or loss. Additional environment disturbances or changes in reclamation costs will be recognized as additions to the corresponding assets and reclamation provision in the year in which they occur.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur. The Entity has no material restoration, reclamation, rehabilitation or environmental obligation as the disturbance to date is minimal.

h) Cash and cash equivalents

Cash and cash equivalents include cash on hand readily convertible into a known amount of cash and can be redeemed at any time without penalties, and amounts held in trust.

i) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Entity operates ("the functional currency"), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the condensed interim carve-out statement of financial position date are recognized in the condensed interim carve-out statement of comprehensive loss.

GOLDEN INDEPENDENCE MINING CORP.

Notes to the Condensed Interim Carve-out Financial Statements

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim carve-out financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim carve-out financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These condensed interim carve-out financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed interim carve-out financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and future years if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting judgements

- i. the determination of categories of financial assets and financial liabilities;
- ii. the assessment of impairment of the Entity's exploration and evaluation assets and related determination of the net realizable value and write-down of the exploration and evaluation assets where applicable; and
- iii. the assumptions applied in the preparation of the carve-out financial statements.

GOLDEN INDEPENDENCE MINING CORP.

Notes to the Condensed Interim Carve-out Financial Statements

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS

For the nine months ended August 31, 2021 and the year ended November 30, 2020, expenditures related to the acquisition and exploration of mineral properties consisted of:

	Champ Property
Acquisition Costs:	
Balance, November 30, 2019	\$ 55,000
Acquisition costs	-
Balance, November 30, 2020 and August 31, 2021	55,000
Exploration Costs:	
Balance, November 30, 2019	\$ 168,127
Technical consultants	20,372
Exploration credit	(23,552)
Balance, November 30, 2020	164,947
Technical consultants	16,284
Balance August 31, 2021	181,231
Total, November 30, 2020	\$ 219,947
Total, August 31, 2021	\$ 236,231

Champ Property

Pursuant to an option agreement (the "Agreement") dated August 24, 2017, Golden was granted an option to acquire a 100% undivided interest in the Champ exploration property (the "Property") located in the Greenwood Mining District of British Columbia.

In accordance with the Agreement, Golden acquired a 100% undivided interest in the Property by issuing a total of 300,000 common shares of Golden and making a payment of \$10,000.

The optionor retains a 2% Net Smelter Returns royalty on the Property. Golden has the right to purchase the first 1% of the royalty for \$1,000,000 and the remaining 1% for \$1,000,000 at any time during the five-year period starting from the date of commencement of commercial production.

On January 22, 2021, Golden's Board of Directors approved, in principle, a strategic reorganization of Golden's assets pursuant to which Golden would spin off its Champ precious metal property into a newly incorporated subsidiary, Hilo (the "Spin-Out").

On September 21, 2021, Golden transferred its 100% interest in its mining claims representing the Champ exploration property to Hilo Mining Corp. in exchange for 1,499,999 Hilo Shares in accordance with the statutory agreement which was unanimously approved by the Board of Directors of Golden Independence Mining Corp.

GOLDEN INDEPENDENCE MINING CORP.

Notes to the Condensed Interim Carve-out Financial Statements

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

6. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Entity's financial assets include cash and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments. There are no level 2 or level 3 financial instruments.

Fair value

The fair value of the Entity's financial instruments approximates their carrying value as at August 31, 2021 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Entity's financial instruments consist of cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) Currency risk

The Entity's expenses are denominated in Canadian dollars. The Entity's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Entity does not have any significant foreign currency denominated monetary liabilities. The principal business of the Entity is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. As at August 31, 2021, The Entity is not exposed to interest rate risk.

(iii) Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Entity to concentrations of credit risks consist principally of cash. To minimize the credit risk the Entity places these instruments with a high-quality financial institution.

GOLDEN INDEPENDENCE MINING CORP.

Notes to the Condensed Interim Carve-out Financial Statements

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

6. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies (continued)

(iv) Liquidity risk

In the management of liquidity risk of the Entity, management maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Entity's projects and operations.

7. CONTRIBUTIONS FROM GOLDEN

Golden's investment in the operations of the Entity is presented as contributions from Golden in the condensed interim carve-out financial statements. Deficit/capital contributions represent the accumulated net losses of the carve-out operation.

Net financing transactions with Golden as presented in the condensed interim carve-out statements of cash flows represents the net contributions related to the funding of operations between the Entity and Golden.

8. CAPITAL MANAGEMENT

As a separate resource exploration activity, the Entity does not have share capital and its equity is a carve-out amount from Golden's equity.

The Entity's objective when managing capital is to maintain adequate levels of funding to support the acquisition and exploration of mineral properties and maintain the necessary corporate and administrative functions to facilitate these activities. As at August 31, 2021, the Entity had a working capital of \$50,617 (November 30, 2020 - \$309,486).

The exploration and evaluation assets in which the Entity currently has an interest are in the exploration stage; as such, the Entity is dependent on external financing, primarily equity financing, to fund its activities. There can be no assurance that the Entity will be able to continue to raise capital in this manner. To carry out the planned exploration and fund administrative costs, the Entity will raise additional amounts as needed. The Entity will continue to assess new properties and business opportunities and seek to acquire an interest in additional properties or businesses if it believes there is sufficient geologic and economic potential and if it has adequate financial resources to do so.

The Entity generally invests all capital that is surplus to its immediate operational needs in short-term, highly-liquid financial instruments, such as cashable guaranteed investment certificates, held with a major Canadian financial institution.

There were no changes to the Entity's approach to capital management during the year. The Entity is not subject to externally imposed capital requirements.

9. RELATED PARTY BALANCES AND TRANSACTIONS

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

GOLDEN INDEPENDENCE MINING CORP.

Notes to the Condensed Interim Carve-out Financial Statements

For the nine months ended August 31, 2021 and 2020

(Unaudited - Expressed in Canadian dollars)

9. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

The Entity has incurred the following key management personnel cost from related parties:

For the nine months ended:	August 31, 2021	August 31, 2020
Management fees	\$ 5,810	\$ 37,500
Share-based payments	8,061	3,929
Total	\$ 13,871	\$ 41,429

Key management includes directors and key officers of Golden, including the President, Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

As at August 31, 2021, included in the accounts payable was an amount of \$459 (November 30, 2020 - \$23,382) due to officers of Golden. The amount is non-interest bearing, unsecured, due on demand and has no fixed terms of repayment.

CARVE-OUT MANAGEMENT DISCUSSION AND ANALYSIS

Golden Independence Mining Corp.

For the nine months ended August 31, 2021

As of April 20, 2022

This Carve-out Management Discussion and Analysis (“MD&A”) of Golden Independence Mining Corp. (“Golden”) provides a review of carved out activities related to Golden’s 100% interest in the Champ exploration property (the “Entity” or the “Champ Property”) and related exploration activities for the nine months ended August 31, 2021, and is performed by management using information available as of April 20, 2022. We have prepared this MD&A with reference to National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

The condensed interim carve-out financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”). The MD&A should be read in conjunction with the Entity’s condensed interim carve-out financial statements for the nine months ended August 31, 2021 and the carve-out financial statements for the years ended November 30, 2020 and 2019 (the “Financial Statements”). All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. The reader will note several references cited in the text, the details of which are provided at the end of the document.

Forward-Looking Statements

Except for statements of historical fact, this MD&A contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar terms, or statements that certain events or conditions “might”, “may”, “could” or “will” occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. Forward-looking statements in this MD&A include, but are not limited to, statements relating to resource estimates and our ability to raise additional capital.

Forward-looking information is based on the opinions and estimates of management at the date the forward-looking statements are made, and is subject to a variety of risks, uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain qualified personnel, competition for drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under **Risk Factors**. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information, to conform such information to actual results or to changes in our expectations, except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

BUSINESS OVERVIEW

On April 22, 2021, Golden entered into an arrangement agreement (the "Arrangement") with Hilo Mining Inc. ("Hilo") whereby Hilo will issue 1,499,999 common shares to Golden in exchange for Golden's mining claim representing the Champ Property. Under the Arrangement, Golden will distribute 1,000,000 of the common shares to its shareholders and Golden will hold 499,999 common shares of Hilo. The Arrangement was completed on November 12, 2021.

The Entity will need additional funding in the near future through equity financing to acquire new projects and further develop its existing asset. Many factors influence the Entity's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Entity's track record. Actual funding requirements may vary from those planned due to a number of factors, including the funding of new projects. Management is approaching all identifiable sources of equity capital, but there is no guarantee that the Entity will be able to secure additional financings in the future at terms that are favourable.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Entity's operations have not been drastically affected by the pandemic. Management of the Entity continues to monitor the situation and is following the protocols and rules set in place by the provincial and federal governments.

EXPLORATION PROJECT

Champ Property

The Champ precious metals property lies 10 kilometres southwest of Castlegar, British Columbia and consists of 5 claims totaling 1369.6 hectares.

Golden explored the Champ Property in 2018 and 2019, undertaking programs of soil sampling, prospecting and limited hand trenching, concentrating largely on two known mineralized occurrences: Dirty Jack and Champ. The Dirty Jack showing consists of massive sulfide fractures and disseminated sulfides in calc-silicate altered rocks. Historic grab sample highlights include 5.157 g/t Au. Soil geochemistry surveys by Golden over the Dirty Jack showing showed parallel northwest trending soil anomalies, suggesting mineralization may continue along strike. The Champ showing is a zone of quartz veining and stock working associated with a granitic to more mafic intrusive rocks. Historic grab sample highlights include 3.353 g/t Au. Soil geochemistry surveys by Golden over the Champ showing, located several spot gold anomalies. Additional showings were located during the 2017 and 2018 programs, with one zone returned a highlight grab sample of 0.653 g/t Au and 24.3 g/t Ag.

Champ Exploration Completed During the year ended November 30, 2020

In August and September, Golden completed rock sampling at the Champ and Dirty Jack showings, as well as other mineralized areas, complimenting earlier work programs, taking 40 rock samples and three soils in total. The sample results correlate with the earlier sampling programs with seven of the 40 samples returning gold values in excess of 100 ppb Au with a maximum value of 932 ppb.

Four rock sampling program have now been completed at Champ:

- 2008 with 15 of 61 samples returning values in excess of 50 ppb Au to a maximum of 5157 ppb;
- 2017 with 7 of 14 samples returning values in excess of 50 ppb Au to a maximum of 711 ppb;
- 2018 with 7 of 35 samples returning values in excess of 50 ppb Au to a maximum of 653 ppb; and
- 2020 with 9 of 40 samples returning values in excess of 50 ppb Au to a maximum of 932 ppb.

Golden announced plans to spin the Champ Property out into a newly created subsidiary on January 22. Golden contracted an Independent Qualified Person to complete an updated National Instrument 43-101 technical report to incorporate Golden's 2017, 2018 and 2020 work programs to support the listing of the new subsidiary on a Canadian Stock Exchange.

Champ Agreement

Pursuant to an option agreement (the "Agreement") dated August 24, 2017, Golden was granted an option to acquire a 100% undivided interest in the Champ Property.

In accordance with the Agreement, Golden acquired a 100% undivided interest in the Property by issuing a total of 300,000 common shares of Golden and making a payment of \$10,000.

The optionor retains a 2% Net Smelter Returns royalty on the Property. Golden has the right to purchase the first 1% of the royalty for \$1,000,000 and the remaining 1% for \$1,000,000 at any time during the five-year period starting from the date of the commencement of commercial production.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Nine Months Ended August 31, 2021

During the nine months ended August 31, 2021, the Entity had a loss of \$29,464 from operations, a decrease of \$116,832 from \$146,296 during the nine months ended August 31, 2020.

The significant decrease in expenses attributable to the Entity was because the proportion of expenses allocated to the Entity were reduced when Golden increased investments in other exploration and evaluation assets.

As the Entity does not yet generate revenue from its operations, changes in the financial performance and financial condition of the Entity are driven solely by changes in the Entity's expenses.

Three Months Ended August 31, 2021

During the three months ended August 31, 2021, the Entity had a loss of \$7,784 from operations, a decrease of \$50,963 from \$58,747 for the three months ended August 31, 2020.

The significant decrease in expenses attributable to the Entity was because the proportion of expenses allocated to the Entity were reduced when Golden increased investments in other exploration and evaluation assets.

As the Entity does not yet generate revenue from its operations, changes in the financial performance and financial condition of the Entity are driven solely by changes in the Entity's expenses.

SUMMARY OF QUARTERLY RESULTS

		Revenue	Net loss	Net comprehensive loss	Basic and diluted loss per common share
	For the quarter ended	\$	\$	\$	\$
Q3/21	August 31, 2021	-	(7,784)	(7,784)	n/a
Q4/20	November 30, 2020	-	(27,744)	(27,744)	n/a
Q3/20	August 31, 2020	-	(58,747)	(58,747)	n/a

The Entity has presented the summary of quarterly results for quarters that have been reported.

SELECTED ANNUAL INFORMATION

<u>For the year ended</u>	<u>November 30, 2020</u>	<u>November 30, 2019</u>	<u>November 30, 2018</u>
Revenue	\$ -	\$ -	\$ -
Net Loss	(174,040)	(167,860)	(293,406)
Basic and Diluted Loss per Share	n/a	n/a	n/a
Total Assets	576,599	706,399	367,795
Long-Term Debt	-	-	-
Dividends	-	-	-

LIQUIDITY AND CAPITAL RESOURCES

The Entity does not have sufficient working capital to continue operations in the normal course for the foreseeable future and will require additional financing to remain financially solvent.

At August 31, 2021, the Entity had cash of \$49,272 and a working capital of \$50,617. Whether and when the Entity can obtain profitability and positive cash flows from operations is uncertain. The Entity intends to finance its future requirements through equity capital. There is no assurance that the Entity will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast doubt on the Entity's ability to continue as a going concern.

The Entity's ability to continue its operations is dependent on its success in raising equity through share issuances and/or other financing arrangements. While the Entity's management has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future.

RELATED PARTY TRANSACTIONS AND BALANCES

Key management includes directors and key officers of Golden, including the President, Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

The Entity has incurred the following key management personnel cost from related parties:

<u>For the nine months ended:</u>	<u>August 31, 2021</u>	<u>August 31, 2020</u>
Management fees	\$ 5,810	\$ 37,500
Share-based payments	8,061	3,929
Total	\$ 13,871	\$ 41,429

As at August 31, 2021, included in the accounts payable was an amount of \$459 (November 30, 2020 - \$23,382) due to officers of Golden. The amount is non-interest bearing, unsecured, due on demand and has no fixed terms of repayment.

FINANCIAL INSTRUMENTS

The Entity's financial instruments consists of cash and accounts payable.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The fair values of the Entity's financial instruments approximate their carrying values due to their current nature.

OFF BALANCE SHEET ARRANGEMENTS

The Entity has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

At the date of this MD&A, there are no transactions outstanding that have been proposed, but not approved, by either the Entity or regulatory authorities, except for the Arrangement described above.

SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND NEW POLICIES

In applying the Entity's accounting policies, management makes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. Actual results may differ from the judgments, estimates and assumptions made by management and will seldom equal the estimated results. Please refer to the Financial Statements for a full list of policies.

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the Financial Statements:

- The determination of categories of financial assets and financial liabilities;
- the assessment of impairment of the Entity's exploration and evaluation assets and related determination of the net realizable value and write-down of the exploration and evaluation assets where applicable; and
- the assumptions applied in the preparation of the carve-out financial statements.

RISK FACTORS

The Entity is in the mineral exploration and development business and is exposed to a number of operational, financial, regulatory, and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Entity. Additional risks and uncertainties not presently known by the Entity or which are presently considered immaterial could adversely impact the Entity's business, results of operations and financial performance in future periods.

Limited Operating History

The Entity has not yet commenced operations, and therefore, has no history of earnings or of a return on investment, and there is no assurance that our asset will generate earnings, operate profitably or provide a return on investment in the future. The likelihood of success of the Entity must also be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Entity's proposed business strategies incorporate its management's best analysis of potential markets, opportunities and difficulties that it may face. No assurance can be given that the underlying assumptions will be achieved.

Disclosure Controls and Internal Control Financial Reporting

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the CEO and CFO, as appropriate to permit timely decisions regarding public disclosure.

The Entity's management is responsible for establishing and maintaining adequate internal controls over financial reporting. Any system of internal controls over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Canadian Securities Administrators do not require any certification on the effectiveness of these controls at this time.

Government Laws, Regulation and Permitting

Mining and exploration activities of the Entity are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mines safety, waste disposal, toxic substances, the environment and other matters. The operations of the Entity will require licenses and permits from various governmental authorities to carry out exploration and development at its project. There can be no assurance that the Entity will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Additional Financings

The Entity expects to be substantially dependent upon the equity capital markets to pursue additional investments. There can be no assurance that such financing will be available to the Entity on acceptable terms or at all.

Additional equity financings may significantly dilute shareholdings of its shareholders. If the Entity is not able to obtain such financing, it may not be able to expand its portfolio of assets and may not be able to execute on its business strategy.

There is no assurance that the Entity will be successful in raising sufficient funds to meet its obligations or to complete proposed exploration programs or acquisitions. If the Entity does not raise the necessary capital to meet its obligations under current contractual obligations, the Entity may have to forfeit its interest in properties or prospects earned or assumed under such contracts.

Key Management and Competition

The success of the Entity will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Entity's success.

While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Entity's business, operating results or financial condition.

Commodity Prices

Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Entity. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable.

Conflicts of Interest

The Entity's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Entity may participate, the directors of the Entity may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Entity's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Entity are required to act honestly, in good faith and in the best interests of the Entity. In determining whether the Entity will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Entity may be exposed and its financial position at that time.

The Entity will be Reliant on Third-party Reporting

The Entity relies, and will rely, on public disclosure and other information regarding the properties in which it has an interest that it receives from the owners, operators and independent experts of such operations. Such information is necessarily imprecise as it depends upon the judgment of the individuals who operate the properties, as well as those who review and assess the geological and engineering information. In addition, the Entity must rely on the accuracy and timeliness of the public disclosure and other information it receives from the owners and operators of the properties, and uses such information in its analyses, forecasts and assessments relating to its own business and to prepare its disclosure with respect to its streams and royalties. If the information provided by such third parties to the Entity contains material inaccuracies or omissions, the Entity's disclosure may be inaccurate and its ability to accurately forecast or achieve its stated objectives may be materially impaired, which may have a material adverse effect on the Entity.

CAPITAL MANAGEMENT

The Entity's objectives when managing capital are to safeguard the Entity's ability to continue as a going concern in order to pursue the sourcing and exploration of resource properties. The Entity does not have any externally imposed capital requirements to which it is subject.

The Entity considers the aggregate of its share capital, contributed surplus and deficit as capital. The Entity manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Entity may attempt to issue new shares or dispose of assets or adjust the amount of cash.

EFFECTIVENESS OF DISCLOSURE CONTROLS

The Entity has internal controls over financial reporting to provide reasonable assurance as to the reliability of financial reporting and that preparation of financial statements for external purposes are in accordance with IFRS. There is an inability to totally segregate duties due to the small size of the Entity, but management believes these weaknesses have been mitigated through management's and directors' involvement.

APPROVAL

The Audit Committee of the Entity has approved the disclosure contained in this MD&A.

APPENDIX E
STOCK OPTION PLAN

(attached)

HILO MINING LTD.

FIXED 10% STOCK OPTION PLAN

Dated February 1, 2022

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STOCK OPTION PLAN

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

As used herein, unless anything in the subject matter or context is inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) “**Acquiring Person**” means, any Person who is the beneficial owner of fixed percent (50%) or more of the outstanding Shares of the Company;
- (b) “**Administrator**” means, initially, the secretary of the Company and thereafter shall mean such director or other senior officer or employee of the Company as may be designated as Administrator by the Board from time to time;
- (c) “**affiliate**” has the meaning ascribed to such term in the Exchange Corporate Finance Manual;
- (d) “**associate**” has the meaning ascribed to such term in the Securities Act;
- (e) “**Award Date**” means the date on which the Board grants a particular Option;
- (f) “**Board**” means the board of directors of the Company;
- (g) “**Broker**” has the meaning ascribed to it in paragraph 6.3;
- (h) “**Change of Control Event**” has the meaning ascribed to it in paragraph 4.1;
- (i) “**Company**” means Hilo Mining Ltd.;
- (j) “**Consultant**” means an individual or Consultant Company, other than an Employee or a Director, that:
 - (i) is engaged to provide on an ongoing *bona fide* basis consulting, technical, management or other services to the Company or to an affiliate of the Company, other than services provided in relation to a distribution,
 - (ii) provides the services under a written contract between the Company or the affiliate and the individual or a Consultant Company,
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an affiliate of the Company, and

- (iv) has a relationship with the Company or an affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company;
- (k) “**Consultant Company**” means, for an individual consultant, a company which the individual consultant is an employee or shareholder;
- (l) “**Director**” means a director, officer, Management Company Employee of the Company or an affiliate of the Company to whom Options can be granted in reliance on a prospectus exemption under applicable securities laws;
- (m) “**Discounted Market Price**” has the meaning ascribed to such term in the Exchange Corporate Finance Manual;
- (n) “**Disinterested Shareholder Approval**” means approval by a majority of the votes cast by all the Company’s shareholders at a duly constituted shareholders’ meeting, excluding votes attached to shares of the Company beneficially owned by insiders to whom options may be granted under the Plan and their associates and affiliates;
- (o) “**Early Termination Date**” has the meaning ascribed to it in paragraph 3.5;
- (p) “**Effective Time**” means, in relation to a Change of Control Event, the time at which the Change of Control Event is, or is deemed to have been, completed;
- (q) “**Employee**” means:
 - (i) an individual who is considered an employee of the Company or its subsidiary under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source),
 - (ii) an individual who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work, as an employee of the Company, but for whom income tax deductions are not made at source, or
 - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;
- (r) “**Exchange**” means the TSX Venture Exchange or, if the Shares are no longer listed for trading on the TSX Venture Exchange, such other exchange or quotation system on which the Shares are listed or quoted for trading;

- (s) **“Exchange Corporate Finance Manual”** means the corporate finance manual published by the Exchange, as amended from time to time, or if the Shares are no longer listed for trading on the Exchange, the policies of such other exchange or quotation system on which the Shares are listed or quoted for trading;
- (t) **“Exchanged Share”** means a security that is exchanged for a Share in a Change of Control Event;
- (u) **“Exchanged Share Price”** means the product of the Share to Exchanged Share ratio multiplied by the five day volume weighted average price of the Exchanged Shares on an exchange for the period ending one day prior to the Effective Time of the Change of Control Event, or, in the case of Exchanged Shares that are not listed or quoted for trading, the fair value of those Exchanged Shares, as determined by the Board as of the day immediately preceding the Effective Time of the Change of Control Event;
- (v) **“Exercise Notice”** means the notice respecting the exercise of an Option in the form set out as Schedule “B” hereto, duly executed by the Option Holder;
- (w) **“Exercise Period”** means the period during which a particular Option may be exercised and is the period from and including the Award Date through to and including the Expiry Date, subject to the provisions of the Plan relating to the vesting of Options;
- (x) **“Exercise Price”** means the price at which an Option may be exercised as determined in accordance with paragraph 3.3;
- (y) **“Expiry Date”** means the date determined in accordance with paragraph 3.4 and after which a particular Option cannot be exercised;
- (z) **“In the Money Amount”** means: (a) in the case of a Change of Control Event in which the holders of Shares will receive only cash consideration, the difference between the Exercise Price and the cash consideration paid per Share pursuant to that Change of Control Event; (b) in the case of a Change of Control Event in which the holders of Shares will receive Exchanged Shares, the difference between the Exercise Price and the Exchanged Share Price; or (c) in the case of a Change of Control Event in which the holders of Shares will receive cash consideration and Exchanged Shares, the difference between the Exercise Price and the sum of the cash consideration paid per Share plus the Exchanged Share Price;
- (aa) **“insider”** has the meaning ascribed to such term in the Securities Act;
- (bb) **“Investor Relations Activities”** has the meaning ascribed to such term in the Securities Act;

- (cc) “**Management Company Employee**” means an individual employed by a Person providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person involved in Investor Relations Activities;
- (dd) “**Market Price**” has the meaning ascribed to such term in the Exchange Corporate Finance Manual;
- (ee) “**Material Information**” has the meaning ascribed thereto in the Exchange Corporate Finance Manual;
- (ff) “**Option**” means an option to acquire Shares, awarded to a Director, Employee or Consultant pursuant to the Plan;
- (gg) “**Option Certificate**” means the certificate, substantially in the form set out as Schedule “A” hereto, evidencing an Option;
- (hh) “**Option Holder**” means a Director, Employee or Consultant, or a former Director, Employee or Consultant, who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person;
- (ii) “**Person**” means any individual, firm, partnership, limited partnership, limited liability company or partnership, unlimited liability company, joint stock company, association, trust, trustee, executor, administrator, legal or personal representative, government, governmental body, entity or authority, group, body corporate, corporation, unincorporated organization or association, syndicate, joint venture or any other entity, whether or not having legal personality, and any of the foregoing in any derivative, representative or fiduciary capacity and pronouns have a similar extended meaning;
- (jj) “**Personal Representative**” means:
 - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so, and
 - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the Person entitled by law to act on behalf of such Option Holder;
- (kk) “**Plan**” means this stock option plan;
- (ll) “**promoter**” has the meaning ascribed thereto in the Securities Act;
- (mm) “**Securities Act**” means the Securities Act, R.S.B.C. 1996, c.418, as amended, as at the date hereof;

- (nn) “**Share**” or “**Shares**” means, as the case may be, one or more common shares without par value in the capital of the Company; and
- (oo) “**Subsidiary**” means any corporation which is a subsidiary, as such term is defined in Subsection 1(1) of the Securities Act.

1.2 Choice of Law

The Plan is established under, and the provisions of the Plan are to be interpreted and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

1.3 Headings

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE 2 PURPOSE AND PARTICIPATION

2.1 Purpose

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Directors, Employees and Consultants, to reward such of those Directors, Employees and Consultants as may be awarded Options under the Plan by the Board from time to time for their contributions toward the long term goals of the Company and to enable and encourage such Directors, Employees and Consultants to acquire Shares as long term investments.

2.2 Participation

The Board shall, from time to time, in its sole discretion determine those Directors, Employees and Consultants, if any, to whom Options are to be awarded. If the Board elects to award an Option to a Director, the Board shall, in its sole discretion but subject to paragraph 3.2, determine the number of Shares to be acquired on the exercise of such Option. A Director of the Company to whom an Option may be granted shall not participate in the decision of the Board to grant such Option. If the Board elects to award an Option to an Employee or Consultant, the number of Shares to be acquired on the exercise of such Option shall be determined by the Board in its sole discretion, and in so doing the Board may take into account the following criteria:

- (a) the remuneration paid to the Employee or Consultant as at the Award Date in relation to the total remuneration payable by the Company to all of its Employees and Consultants as at the Award Date;
- (b) the length of time that the Employee or Consultant has been employed or engaged by the Company;
- (c) the quality of work performed by the Employee or Consultant; and

- (d) any other factors which it may deem proper and relevant.

A press release is required at the time of grant for Options granted to Option Holders who are insiders or who are Persons involved in Investor Relations Activities.

2.3 Notification of Award

Following the approval by the Board of the awarding of an Option, the Administrator shall notify the Option Holder in writing of the award and shall enclose with such notice the Option Certificate representing the Option so awarded.

2.4 Copy of Plan

Each Option Holder, concurrently with the notice of the award of the Option, shall be provided with a copy of the Plan, unless a copy has been previously provided to the Option Holder. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

2.5 Limitation

The Plan does not give any Option Holder that is a Director the right to serve or continue to serve as a Director of the Company nor does it give any Option Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company. Participation in the Plan by an Option Holder is voluntary.

ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS

3.1 Board to Allot Shares

The Shares to be issued to Option Holders upon the exercise of Options shall be allotted and authorized for issuance by the Board prior to the exercise thereof.

3.2 Number of Shares

The maximum number of Shares issuable under the Plan is 727,236. Additionally, the Company shall not grant Options:

- (a) to any one Person in any 12 month period which could, when exercised, result in the issuance of Shares exceeding five percent (5%) of the issued and outstanding Shares of the Company unless the Company has obtained the requisite Disinterested Shareholder Approval to the grant;
- (b) to any one Consultant in any 12 month period which could, when exercised, result in the issuance of Shares exceeding 2% of the issued and outstanding Shares of the Company; or

- (c) in any 12 month period, to Persons employed or engaged by the Company to perform Investor Relations Activities which could, when exercised, result in the issuance of Shares exceeding, in aggregate, 2% of the issued and outstanding Shares of the Company.

If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of which Option expired or terminated will again be available for the purposes of the Plan. Exercised Options reduce the number of Options available under this Plan.

Options may not be granted unless and until the Options have been allocated to specific Persons, and then, once allocated, a minimum Exercise Price can be established.

3.3 Exercise Price

The Exercise Price shall be that price per share, as determined by the Board in its sole discretion as of the Award Date, at which an Option Holder may purchase a Share upon the exercise of an Option, and shall be set at a minimum of the closing price of the Company's Shares traded through the facilities of the Exchange on the day preceding the Award Date, or such other price as may be required by the Exchange. Any reduction in the exercise price of an Option or extension to the Expiry Date of an Option held by an Option Holder who is an insider of the Company at the time of the proposed reduction or extension will require Disinterested Shareholder Approval.

3.4 Term of Option

Subject to paragraph 3.5 and Article 4, the Expiry Date of an Option shall be the date so fixed by the Board at the time the particular Option is awarded, provided that such date shall not be later than the tenth anniversary of the Award Date of the Option.

3.5 Termination of Option

An Option Holder may, subject to any vesting provisions applicable to Options hereunder, exercise an Option in whole or in part at any time or from time to time during the Exercise Period provided that, with respect to the exercise of part of an Option, the Board may at any time and from time to time fix a minimum or maximum number of Shares in respect of which an Option Holder may exercise part of any Option held by such Option Holder. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of 5:00 p.m. local time in Vancouver, British Columbia, on the Expiry Date. -Subject to Article 4, the Expiry Date of an Option shall be the earlier of the date so fixed by the Board at the time the Option is awarded and the date established, if applicable, in sub-paragraphs (a) to (c) below (the "**Early Termination Date**"):

(a) Death

In the event that the Option Holder should die while he or she is still a Director (if he or she holds his or her Option as Director) or Employee or Consultant (if he or she holds his or her Option as Employee or Consultant), the Early Termination Date shall be twelve months from the date of death of the Option Holder;

(b) Ceasing to Hold Office

In the event that the Option Holder holds his or her Option as Director of the Company and such Option Holder ceases to be a Director of the Company other than by reason of death, the Early Termination Date of the Option shall be the 90th day following the date the Option Holder ceases to be a Director of the Company unless the Option Holder ceases to be a Director of the Company but continues to be engaged by the Company as an Employee or a Consultant, in which case the Expiry Date shall remain unchanged, or unless the Option Holder ceases to be a Director of the Company as a result of:

- (i) ceasing to meet the qualifications set forth in the *Business Corporations Act* (British Columbia);
- (ii) a resolution having been passed by the shareholders of the Company pursuant to the *Business Corporations Act* (British Columbia) removing the Director as such; or
- (iii) by order of the British Columbia Registrar of Companies, British Columbia Securities Commission, the Exchange or any other regulatory body having jurisdiction to so order,

in which case the Early Termination Date shall be the date the Option Holder ceases to be a Director of the Company;

(c) Ceasing to be an Employee or a Consultant

In the event that the Option Holder holds his or her Option as an Employee or Consultant of the Company and such Option Holder ceases to be an Employee or Consultant of the Company other than by reason of death, the Early Termination Date of the Option shall be the 90th day following the date the Option Holder ceases to be an Employee or Consultant of the Company unless the Option Holder ceases to be an Employee or Consultant of the Company as a result of:

- (i) termination for cause or, in the case of a Consultant, breach of contract; or
- (ii) by order of the British Columbia Registrar of Companies, British Columbia Securities Commission, the Exchange or any other regulatory body having jurisdiction to so order,

in which case the Early Termination Date shall be the date the Option Holder ceases to be an Employee or Consultant of the Company.

Any termination of an Employee's employment with the Company for any reason shall occur on the date the Employee ceases to perform services for the Company without regard to any period of notice or where the Employee continues thereafter to receive any compensatory payments therefrom or is paid salary thereby in lieu of notice of termination of employment.

Notwithstanding the foregoing, the Early Termination Date for Options granted to any Option Holder engaged primarily to provide Investor Relations Activities shall be the 30th day following the date that the Option Holder ceases to be employed in such capacity, unless the Option Holder continues to be engaged by the Company as an Employee or Director, in which case the Early Termination Date shall be determined as set forth above.

3.6 Blackout Period

The Company may from time to time impose trading blackouts during which Directors, Consultants or Employees may not trade in the securities of the Company. If a trading blackout is imposed, subject to the terms of the blackout and the Company's blackout policy, Option Holders may not exercise Options until expiry of the blackout period.

As a result of the foregoing limitation, the term of any Option that would otherwise expire during a blackout period will be extended by no more than ten business days following the expiry of such blackout period, provided that the following requirements are satisfied:

- (a) the blackout period must be formally imposed by the Company pursuant to its internal trading policies. For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any Options will not be automatically extended in any circumstances;
- (b) the blackout period must expire upon the general disclosure of the undisclosed Material Information; and
- (c) the automatic extension of an Option Holder's Options will not be permitted where the Optionee or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company's securities.

3.7 Hold Period and Vesting Requirements

The Company may grant Options without an Exchange hold period provided that the Option is not granted to an insider or promoter of the Company and provided that the Exercise Price of an Option is based on the Market Price and not at a discount to the Market Price.

All Options granted pursuant to the Plan will be subject to such vesting requirements as may be imposed by the Board. The Option Certificate representing any such Option will disclose any vesting conditions. Notwithstanding the foregoing, Options issued to Consultants performing Investor Relations Activities will vest in stages over at least 12 months with no more than 1/4 of the Options vesting in any three month period.

3.8 Assignment of Options

Options may not be assigned or transferred, provided however that the Personal Representative of an Option Holder may, to the extent permitted by paragraph 5.1, exercise the Option within the Exercise Period.

3.9 Adjustments

If, prior to the complete exercise of any Option, the Shares are consolidated, subdivided, converted, exchanged or reclassified or in any way substituted for (collectively the “**Event**”) other shares of the Company, an Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Event in the manner the Board deems appropriate. No fractional Shares shall be issued upon the exercise of any Option and accordingly, if as a result of the Event, an Option Holder would become entitled to a fractional Share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded. Additionally, no lots of Shares in an amount less than 500 Shares shall be issued upon the exercise of the Option unless such amount of Shares represents the balance left to be exercised under the Option.

3.10 Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement

If an Option Holder retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Certificate with respect to the right to purchase Shares which were not vested at the time or which, if vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Option Holder.

ARTICLE 4 CHANGE OF CONTROL

4.1 Change of Control Event

If at any time when an Option granted under this Plan remains unexercised with respect to any Shares and:

- (a) a Person makes an offer to acquire Shares that, regardless of whether the acquisition is completed, would make the Person an Acquiring Person;
- (b) an Acquiring Person makes an offer, regardless of whether the acquisition is completed, to acquire Shares;
- (c) the Company proposes to sell all or substantially all of its assets and undertakings;
- (d) the Company proposes to merge, amalgamate or be absorbed by or into any other corporation (save and except for a Subsidiary) under any circumstances which involve or may involve or require the liquidation of the Company, a distribution

of its assets among its shareholders, or the termination of the corporate existence of the Company;

- (e) the Company proposes an arrangement as a result of which a majority of the outstanding Shares of the Company would be acquired by a third party; or
- (f) any other form of transaction is proposed which the majority of the Board determines is reasonably likely to have similar effect as any of the foregoing

(each a “**Change of Control Event**”), then, in connection with any of the foregoing Change of Control Events, the vesting of all Options and the time for the fulfillment of any conditions or restrictions on such vesting shall be accelerated to a date or time immediately prior to the Effective Time of the Change of Control Event, subject to any required approval of the Exchange, and the Board, in its sole discretion, may authorize and implement any one or more of the following additional courses of action:

- (i) terminating without any payment or other consideration, any Options not exercised or surrendered by the Effective Time of the Change of Control Event;
- (ii) causing the Company to offer to acquire from each Option Holder his or her Options for a cash payment equal to the In the Money Amount, and any Options not so surrendered or exercised by the Effective Time of the Change of Control Event will be deemed to have expired; and
- (iii) exchanging an Option granted under this Plan for an option to acquire, for the same exercise price, that number and type of securities as would be distributed to the Option Holder in respect of the Shares issued to the Option Holder had he or she exercised the Option prior to the Effective Time of the Change of Control Event, provided that any such replacement option must provide that it survives for a period of not less than one year from the Effective Time of the Change of Control Event, regardless of the continuing directorship, officership or employment of the holder.

4.2 Board Discretion

For greater certainty, and notwithstanding anything else to the contrary contained in this Plan, the Board shall have the power, in its sole discretion, in any Change of Control Event which may or has occurred, to make such arrangements as it shall deem appropriate for the exercise of outstanding Options including, without limitation, to modify the terms of this Plan and/or the Options as contemplated above, subject to any required approval of the Exchange. If the Board exercises such power, the Options shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Option Holder at any time or from time to time as determined by the Board prior to or in conjunction with completion of the Change of Control Event.

ARTICLE 5 EXERCISE OF OPTION

5.1 Exercise of Option

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period up to 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date by delivering to the Administrator an Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Option.

5.2 Issue of Share Certificates

As soon as practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares purchased pursuant to the exercise of the Option. If the number of Shares purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall forward a new Option Certificate to the Option Holder concurrently with delivery of the aforesaid share certificate for the balance of Shares available under the Option.

5.3 Condition of Issue

The issue of Shares by the Company pursuant to the exercise of an Option is subject to this Plan and compliance with the laws, rules and regulations of all regulatory bodies applicable to the issuance and distribution of such Shares and to the listing requirements of the Exchange or any stock exchange on which the Shares may be listed. The Option Holder agrees to comply with all such laws, rules and regulations and agrees to furnish to the Company any information, report and/or undertakings required to comply with and to fully co-operate with the Company in complying with such laws, rules and regulations.

ARTICLE 6 ADMINISTRATION

6.1 Administration

The Plan shall be administered by the Administrator on the instructions of the Board. The Board may make, amend and repeal at any time and from time to time such regulations not inconsistent with the Plan as it may deem necessary or advisable for the proper administration and operation of the Plan and such regulations shall form part of the Plan. The Board may delegate to the Administrator or any Director or Employee of the Company such administrative duties and powers as it may see fit.

6.2 Interpretation

The interpretation by the Board of any of the provisions of the Plan and any determination by it pursuant thereto shall be final and conclusive and shall not be subject to any dispute by any Option

Holder. No member of the Board or any Person acting pursuant to authority delegated by it hereunder shall be liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Board and each such Person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

6.3 Withholding

The Option Holder acknowledges that the Company is required to comply with the applicable requirements of all federal, provincial, state or local law, or administrative policies of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to grants hereunder (the “**Withholding Obligations**”).

The Company may require an Option Holder, as a condition to exercise of an Option, to make such arrangements as the Company may require so that the Company can satisfy applicable Withholding Obligations with respect to such exercise, including, without limitation, requiring the Option Holder to: (i) remit the amount of any such Withholding Obligations to the Company in advance; (ii) reimburse the Company for any such Withholding Obligations; (iii) authorize the Company to sell, on behalf of the Option Holder, all of the Shares issuable upon exercise of such Options or such number of Shares as is required to satisfy the Withholding Obligations and to retain such portion of the net proceeds (after payment of applicable commissions and expenses) from such sale the amount required to satisfy any such Withholding Obligations; or (iv) cause a broker who sells Shares acquired by the Option Holder under the Plan on behalf of the Option Holder to withhold from the proceeds realized from such sale the amount required to satisfy any such Withholding Obligations and to remit such amount directly to the Company. The Company undertakes to remit any such amount to the applicable taxation or regulatory authority on account of such Withholding Obligations.

Any Shares of an Option Holder that are sold by the Company, or by a broker engaged by the Company (the “**Broker**”), to fund Withholding Obligations will be sold as soon as practicable in transactions effected on the Exchange or such other stock exchange where the majority of the trading volume and value of the Shares occurs. In effecting the sale of any such Shares, the Company or the Broker will exercise its sole judgement as to the timing and manner of sale and will not be obligated to seek or obtain a minimum price. Neither the Company nor the Broker will be liable for any loss arising out of any sale of such Shares including any loss relating to the manner or timing of such sales, the prices at which the Shares are sold or otherwise. In addition, neither the Company nor the Broker will be liable for any loss arising from a delay in transferring any Shares to an Option Holder. The sale price of Shares sold on behalf of Option Holders will fluctuate with the market price of the Company’s shares and no assurance can be given that any particular price will be received upon any such sale.

ARTICLE 7 AMENDMENT AND TERMINATION

7.1 Prospective Amendment

Subject to applicable regulatory and, if required by any relevant law, rule or regulation applicable to the Plan, to shareholder approval, the Board may from time to time amend the Plan and the terms and conditions of any Option thereafter to be granted and, without limiting the generality of the foregoing, may make such amendment for the purpose of meeting any changes in any relevant law, rule or regulation applicable to the Plan, any Option or the Shares or for any other purpose which may be permitted by all relevant laws, rules and regulations, provided always that any such amendment shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to such amendment. Notwithstanding the foregoing, the Board may, subject to the requirements of the Exchange, amend the terms upon which each Option shall become vested with respect to Shares without further approval of the Exchange, other regulatory bodies having authority over the Company, the Plan or the shareholders.

7.2 Retrospective Amendment

Subject to applicable regulatory and, if required by any relevant law, rule or regulation applicable to the Plan, to shareholder approval, the Board may from time to time retrospectively amend the Plan and, with the consent of the affected Option Holders, retrospectively amend the terms and conditions of any Options which have been previously granted. For greater certainty, the policies of the Exchange currently require that disinterested shareholder approval be obtained for any reduction in the Exercise Price of any Option held by an insider of the Company.

7.3 Termination

The Board may terminate the Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to the date of such termination. Notwithstanding the termination of the Plan, the Company, Options awarded under the Plan, Option Holders and Shares issuable under Options awarded under the Plan shall continue to be governed by the provisions of the Plan.

7.4 Agreement

The Company and every Person to whom an Option is awarded hereunder shall be bound by and subject to the terms and conditions of the Plan.

7.5 No Shareholder Rights

An Option Holder shall not have any rights as a shareholder of the Company with respect to any of the Shares covered by an Option until the Option Holder exercises such Option in accordance with the terms of the Plan and the issuance of the Shares by the Company.

7.6 Record Keeping

The Company shall maintain a register in which shall be recorded the name and address of each Option Holder, the number of Options granted to an Option Holder, the details thereof and the number of Options outstanding.

7.7 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

7.8 Option Holder Status

For stock options granted to Employees, Consultants or Management Company Employees, the Company and the Option Holder are responsible for ensuring and confirming that the Option Holder is a *bona fide* Employee, Consultant or Management Company Employee, as the case may be.

ARTICLE 8 APPROVALS REQUIRED FOR PLAN

8.1 Approvals Required for Plan

Prior to its implementation by the Company, the Plan is subject to approval by the Exchange. The Company will obtain Disinterested Shareholder Approval of Options if the Plan, together with all of the Company's previously established and outstanding stock option plans or grants, could result at any time in the grant to insiders, at any point in time or within a 12 month period, of a number of Options exceeding 10% of the issued shares of the Company.

8.2 Substantive Amendments to Plan

Any substantive amendments to the Plan shall be subject to the Company first obtaining the approvals of:

- (a) the shareholders or disinterested shareholders, as the case may be, of the Company at a general meeting where required by the rules and policies of the Exchange or any stock exchange on which the Shares may be listed for trading; and
- (b) the Exchange or any stock exchange on which the Shares may be listed for trading.

Approved by the directors on February 1, 2022.

HILO MINING LTD.

**SCHEDULE "A"
STOCK OPTION PLAN OPTION CERTIFICATE**

This Certificate is issued pursuant to the Hilo Mining Ltd. (the "Company") Stock Option Plan (the "Plan") and evidences that <@> (the "Option Holder") is the holder of an option (the "Option") to purchase up to <@> common shares (the "Shares") in the capital stock of the Company at a purchase price of \$<@> per Share. Subject to the provisions of the Plan:

- (a) the Award Date of this Option is <@>; and
- (b) the Expiry Date of this Option is <@>.

The right to purchase Shares under the Option will vest in the Holder in <@> increments over the term of the Option as follows:

Dates	Cumulative Number of Shares which may be Purchased

This Option may be exercised in accordance with its terms at any time and from time to time from and including the Award Date through to and including up to 5:00 local time in Vancouver, British Columbia on the Expiry Date, by delivery to the Administrator of the Plan an Exercise Notice, in the form provided in the Plan, together with this Certificate and a certified cheque or bank draft payable to "<@>" in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which the Option is being exercised. If the Option Holder is an employee, consultant or management company employee, the Option Holder confirms that it is a bona fide employee, consultant or management company employee, as the case may be.

This Certificate and the Option evidenced hereby are not assignable, transferable or negotiable and are subject to the detailed terms and conditions contained in the Plan. This Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

The foregoing Option has been awarded this <@> day of <@>, 20<@>.

<@>

Per: _____
Authorized Signatory

SCHEDULE "B"
EXERCISE NOTICE

TO: The Administrator, Stock Option Plan
 <@>
 <@>[address]
 <@>[address]

1. Exercise of Option

The undersigned hereby irrevocably gives notice, pursuant to the Stock Option Plan (the "**Plan**") of <@> (the "**Company**"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

- (a) all of the Shares; or
- (b) _____ of the Shares which are the subject of the option certificate attached hereto.

Calculation of total Exercise Price:

- (a) number of Shares to be acquired on exercise: _____ shares
- (b) times the Exercise Price per Share: \$ _____

Total Exercise Price, as enclosed herewith: \$ _____

The undersigned tenders herewith a cheque or bank draft (circle one) in the amount of \$ _____, payable to "<@>" in an amount equal to the total Exercise Price of the Shares, as calculated above, and directs the Company to issue the share certificate evidencing the Shares in the name of the undersigned to be mailed to the undersigned at the following address:

All capitalized terms, unless otherwise defined in this exercise notice, will have the meaning provided in the Plan.

DATED the _____ day of _____.

Witness

Signature of Option Holder

Name of Witness (Print)

Name of Option Holder (Print)

APPENDIX F

AUDIT COMMITTEE CHARTER OF HILO MINING LTD. (the "Company") AUDIT COMMITTEE CHARTER

The following Audit Committee Charter was adopted by the audit committee of the Board of Directors and the Board of Directors of Hilo Mining Ltd. (the "Company"):

Mandate

The primary function of the audit committee (the "Committee") is to assist the Company's Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
- review and appraise the performance of the Company's external auditors; and
- provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 52-110), then all of the members of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 52-110), then all members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet a least quarterly, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review

- (a) review and update this Audit Committee Charter annually; and
- (b) review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

2. External Auditors

- (a) review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
- (b) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with *Independence Standards Board* Standard 1;
- (c) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- (d) take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- (f) recommend to the Company's Board of Directors the compensation to be paid to the external auditors;
- (g) at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- (i) review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- (j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided,
 - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services, and
 - (iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

3. Financial Reporting Processes

- (a) in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;

- (b) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
- (d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments;
- (e) following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- (g) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) review certification process;
- (j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- (k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

4. Other

- (a) review any related-party transactions;
- (b) engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- (c) to set and pay compensation for any independent counsel and other advisors employed by the Committee.