



Empress Royalty Corp.

Annual Information Form
For The Year Ended December 31, 2023
(Expressed in US dollars)

Dated as of September 4, 2024

TABLE OF CONTENTS

ARTICLE 1 EXPLANATORY NOTES AND CAUTIONARY STATEMENTS

Section 1.1	Explanatory Notes	1
Section 1.2	About Forward-Looking Information.....	1
Section 1.3	Technical and Third-Party Information.....	2

ARTICLE 2 CORPORATE STRUCTURE

Section 2.1	Name, Address, and Incorporation.....	4
Section 2.2	Intercorporate Relationships.....	4

ARTICLE 3 GENERAL DEVELOPMENT OF THE BUSINESS

Section 3.1	General	4
Section 3.2	History from date of incorporation to date of AIF.....	5

ARTICLE 4 DESCRIPTION OF THE BUSINESS

Section 4.1	General	8
Section 4.2	Risk Factors	10
Section 4.3	Material Investments.....	31

ARTICLE 5 DIVIDENDS

Section 5.1	Dividends	74
-------------	-----------------	----

ARTICLE 6 DESCRIPTION OF SHARE CAPITAL

Section 6.1	Common Shares.....	74
-------------	--------------------	----

ARTICLE 7 MARKET FOR SECURITIES

Section 7.1	Trading Price and Volume.....	74
-------------	-------------------------------	----

ARTICLE 8 ESCROW SECURITIES, SECURITIES SUBJECT TO RESTRICTIONS ON TRANSFER, AND PRIOR SALES

Section 8.1	Escrowed Securities and Securities Subject to Restriction on Transfer	75
Section 8.2	Prior Sales	75

**ARTICLE 9
DIRECTORS AND OFFICERS**

Section 9.1	Name, Occupation and Security Holding.....	76
Section 9.2	Corporate Cease Trade Orders	77
Section 9.3	Bankruptcies	78
Section 9.4	Penalties/Sanctions	78
Section 9.5	Conflicts of Interest	78
Section 9.6	Audit Committee	78

**ARTICLE 10
LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

Section 10.1	Legal Proceedings	81
--------------	-------------------------	----

**ARTICLE 11
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Section 11.1	Interest of Management and Others in Material Transactions.....	81
--------------	---	----

**ARTICLE 12
TRANSFER AGENT AND REGISTRAR**

Section 12.1	Transfer Agent and Registrar	82
--------------	------------------------------------	----

**ARTICLE 13
MATERIAL CONTRACTS**

Section 13.1	Material Contracts.....	82
--------------	-------------------------	----

**ARTICLE 14
EXPERTS**

Section 14.1	Names of Experts.....	83
Section 14.2	Interest of Experts	83

**ARTICLE 15
ADDITIONAL INFORMATION**

Section 15.1	Additional Information	84
--------------	------------------------------	----

ADDENDA

SCHEDULE "A" Audit and Risk Committee Charter

ANNUAL INFORMATION FORM

ARTICLE 1 EXPLANATORY NOTES AND CAUTIONARY STATEMENTS

Section 1.1 Explanatory Notes

The information in this annual information form ("**AIF**"), unless otherwise indicated is given as of December 31, 2023. More current information may be available on our public website www.empressroyalty.com or on our SEDAR+ profile at www.sedarplus.ca.

Unless otherwise noted or the context otherwise indicates, references to the "**Company**" or "**Empress**" mean Empress Royalty Corp. References to Empress Holding means Empress Royalty Holding Corp., the Company's wholly owned subsidiary.

For reporting purposes, Empress presents its financial statements in U.S. dollars and its annual financial statements are prepared in conformity with International Financial Reporting Standards ("**IFRS**") as adopted by the International Accounting Standards Board. Unless otherwise indicated, references in this AIF to "**\$**" refer to United States dollars and references to "**C\$**" refer to Canadian dollars.

Section 1.2 About Forward-Looking Information

This AIF and the documents incorporated into this AIF by reference, contain "**forward-looking statements**" within the meaning of applicable U.S. securities laws and "**forward-looking information**" within the meaning of the applicable Canadian securities legislation (forward-looking information and forward-looking statements being collectively herein after referred to as "**forward-looking statements**"). Forward-looking statements and information can generally be identified by the use of terms such as "may", "will", "should", "expect", "intend", "estimate", "continue", "believe", "plans", "anticipate" or similar terms.

Forward-looking information and statements include, but are not limited to, statements with respect to the activities, events or developments that Empress expects or anticipates will or may occur in the future, including those regarding future growth and ability to create new streams or royalties, the development and focus of the Company, its acquisition strategy, the plans and expectations of the operators of the projects underlying its interests, including the proposed advancement and expansion of such projects; the results of exploration, development and production activities of the operators of such projects; and the Company's expectations regarding future revenues.

Forward-looking information and statements are based on the then current expectations, beliefs, assumptions, estimates and forecasts about Empress's business and the industry and markets in which it operates. Forward-looking information and statements are made based upon numerous assumptions and although the assumptions made by the Company in providing forward-looking information and statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate. Forward-looking information and statements also involve known and unknown risks and uncertainties and other factors, which may cause actual results, performances and achievements of Empress to differ materially from any projections of results, performances and achievements of Empress including, without limitation, any inability of the operators of the properties underlying the Company's royalty and stream interests to execute proposed plans for such properties or to achieve planned development and production estimates and goals, risks related to the operators of the



projects in which the Company holds interests, including the successful continuation of operations at such projects by those operators, risks related to exploration, development, permitting, infrastructure, operating or technical difficulties on any such projects, risks related to international operations, government relations and environmental regulation, uncertainty relating to the availability and costs of financing needed in the future and the Company's ability to carry out its growth plans as well as the impact of potential infectious disease outbreaks and other related risks and uncertainties. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information and statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information and statements. Disclosure relating to properties in which Empress holds royalty or other interests is based on information publicly disclosed by the owners or operators of such properties. The Company generally has limited or no access to the properties underlying its interests and is largely dependent on the disclosure of the operators of its interests and other publicly available information. The Company generally has limited or no ability to verify such information. Although the Company does not have any knowledge that such information may not be accurate, there can be no assurance that such third-party information is complete or accurate. In addition, certain information publicly reported by operators may relate to a larger property than the area covered by the Company's interest, which often may only apply to a portion of the overall project area or applicable mineral resources or reserves.

Cautionary Note Regarding Mineral Reserve and Mineral Resource Estimates

The AIF has been prepared in accordance with the requirements of Canadian securities laws. Unless otherwise indicated, all Mineral Resource and Mineral Reserve estimates included in this AIF have been prepared by the owners or operators of the relevant properties (as and to the extent indicated by them) in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining and Metallurgy Classification System.

Section 1.3 Technical and Third-Party Information

Except where otherwise stated, the disclosure herein related to the properties underlying the Company's royalty, stream and other interests is based on information publicly disclosed by the owner and operators of such properties. Specifically, as a royalty and stream holder, the Company has limited, if any, access to properties included in its asset portfolio. Additionally, the Company may from time to time receive operating information from the owners and operators of the properties, which the Company is not permitted to disclose to the public. The Company is dependent on the operators of the properties and their qualified persons to provide information to the Company or on publicly available information to prepare disclosure pertaining to properties and operations on the properties on which the Company hold interests and generally will have limited or no ability to independently verify such information. Although the Company does not currently have any knowledge that such information may not be accurate, there can be no assurance that such third-party information is complete and accurate.



Some information publicly reported by operators may relate to a larger property than the area covered by Empress's royalty interests. Empress' royalty interests often cover less than 100% and sometimes only a portion of the publicly reported Mineral Reserves and Mineral Resources.

Except where otherwise noted, the disclosure in this AIF relating to Mineral Reserve and Mineral Resource statements for individual properties is made as at December 31, 2023. In addition, numerical information presented in this AIF which has been derived from information publicly disclosed by owners or operators may have been rounded by Empress and, therefore, there may be some inconsistencies between the significant digits presented in this AIF and the information publicly disclosed by owners and operators of mineral properties. Empress considers its stream interests in the Sierra Antapite Mine, the Tahuehueto Mine, and the Galaxy Mine and royalty interest in the Manica Mine to be its only material mining investment projects (the "**Material Projects**") for the purposes of NI 43-101.

Information contained in this AIF with respect to each of the Material Projects has been prepared in accordance with the exemption set forth in section 9.2 of NI 43-101, unless otherwise noted.

The disclosure contained in this AIF of a scientific or technical nature for the Sierra Antapite Mine is based on a technical report entitled "NI 43-101 Technical Report Sierra Antapite" dated August 26, 2022, with an effective date of July 31, 2022 (the "**Sierra Antapite Technical Report**"). The Sierra Antapite Technical Report was prepared in accordance with NI 43-101 and is available on the Company's profile at www.sedarplus.ca.

The disclosure contained in this AIF of a scientific or technical nature for the Tahuehueto Gold Mine is based on the technical report entitled NI 43-101 Preliminary Feasibility Study dated April 25, 2022, with an effective date of February 23, 2022 (the "**Tahuehueto Technical Report**") prepared by Resource Development Associates Inc. filed by Altaley Mining Corporation ("**Altaley**"), predecessor to Luca Mining Corporation ("**Luca**") with the British Columbia and Alberta Securities Commissions and which is available under Luca's profile at www.sedarplus.ca.

The disclosure contained in this AIF of a scientific or technical nature for the Manica Gold Mine is based on a technical report entitled "NI 43-101 Technical Report on the Fair Bride Gold Project, Mozambique" dated February 22, 2021, with an effective date of February 1, 2021 (the "**Fair Bride Technical Report**"). The Fair Bride Technical Report was prepared in accordance with NI 43-101 and is available on the Company's profile at www.sedarplus.ca.

The disclosure contained in this AIF of a scientific or technical nature for the Galaxy Gold Mine is based on a technical report entitled "NI 43-101 Technical Report on the Galaxy Gold Mine, South Africa" dated July 3, 2020, with an effective date of June 29, 2020 (the "**Galaxy Technical Report**"). The Galaxy Technical Report was prepared in accordance with NI 43-101 and is available on the Company's profile at www.sedarplus.ca.

The scientific and technical information contained in this document relating to the Company's royalty, stream and other interests has been reviewed by Richard Mazur, P.Geo, a Qualified Person as defined under National Instrument 43-101.



ARTICLE 2 CORPORATE STRUCTURE

Section 2.1 Name, Address, and Incorporation

Empress Royalty Corp. ("**Empress**") was incorporated on March 2, 2020, under the Business Corporations Act (British Columbia) (the "**BCBCA**"). The Company commenced trading on the TSX Venture Exchange ("**TSX-V**") on December 29, 2020, under the symbol EMPR. The Company's registered and records office is located at Suite 1700, 666 Burrard Street, Vancouver, BC, Canada, V6C 2X8, and the corporate head office is located at Suite 3123, 595 Burrard Street, Vancouver, BC, Canada V7X 1J1.

At Empress' Annual General and Special Meeting of its shareholders held on June 26, 2024, the shareholders of Empress approved an amendment to the Company's articles to include advance notice provisions. A copy of the amended articles is available under Empress' profile at www.sedarplus.ca. There have been no other amendments to its articles or other constating documents since its incorporation.

Empress began trading as Tier 2 investment issuer on the TSX Venture Exchange under the symbol "EMPR" on December 29, 2020. On February 19, 2021, the Company commenced trading on the OTCQB Venture Market in the United States under the symbol EMPYF. On January 11, 2023, the Company upgraded to the OTCQX Venture Market in the United States under the same symbol EMPYF.

Section 2.2 Intercorporate Relationships

Empress Royalty Holding Corp. ("**Empress Holding**") was incorporated under the BCBCA on November 15, 2021, and is a wholly owned subsidiary of Empress. In December 2021, the Company assigned all of its royalty and stream interests to Empress Holding. Empress Holding is the Company's only subsidiary.

ARTICLE 3 GENERAL DEVELOPMENT OF THE BUSINESS

Section 3.1 General

Narrative Description of Empress' Business

Empress is an investment company focused on creating gold and silver metal purchase agreements ("**Streams**"), net smelter return ("**NSR**") royalties, gross value return royalties, net profit interests, gross proceeds royalties, and acquiring non-operating interests in mining projects that provide the right to the holder of a percentage of the gross revenue from metals produced from the project or a percentage of the gross revenue from metals produced from the project after deducting specified costs, respectively.

Empress intends to focus the majority of its resources on originating precious metals royalties or streams with small to mid-tier producing or development stage mining companies, where immediate or near-term revenue can be generated. In very limited cases, Empress may acquire existing streams or royalties, or invest in new grass roots royalties. Empress' target investment size is \$5,000,000 to \$25,000,000 and it is continuing to expand its portfolio with globally diversified assets with aligned investment criteria. The Empress management team and strategic advisors have a global reach and have identified multiple investment



opportunities. To finance the execution of such royalty and streaming investments, Empress may undertake one or more financings through debt financing, equity financing or other means. As the Company grows its portfolio and revenue stream, it expects to fund future investments through cash flow generated from existing streams and royalties.

Section 3.2 Three Year History

2021

Bought Deal Financing

In March 2021, the Company closed a bought deal public offering. The offering was co-led by Red Cloud Securities Inc. and Canaccord Genuity Corp., acting as co-lead underwriters and joint bookrunners, on behalf of a syndicate of underwriters including Mackie Research Capital Corporation. Pursuant to the Offering, the Company issued a total of 31,505,000 units of the Company at a price of C\$0.50 per unit for gross proceeds of C\$15,752,500, which included the partial exercise of the over-allotment option granted by the Company to the underwriters. Each unit consisted of one common share in the capital of the Company and one-half of one common share purchase warrant. Each warrant entitled the holder to purchase one common share at a price of C\$0.75 until the March 25, 2023 expiry date. In connection with the offering, the underwriters received a cash commission of C\$996,975 and were issued 854,550 broker warrants. Each broker warrant was exercisable to acquire one common share at an exercise price of C\$0.50 until the March 25, 2023 expiry date. No warrants or broker warrants were exercised prior to the expiry dates.

In addition to the Offering, the Company closed a non-brokered private placement by the issue of an additional 1.3 million units of the Company for gross proceeds of C\$650,000. The private placement units have the same terms as the Units sold in the Offering.

Manica Royalty Agreement

In April 2021, the Company entered into a royalty agreement with Endor (Mauritius) Limited ("Endor") and Mutapa Mining & Processing LDA ("MMP"), a private corporation, in respect of its Manica hard rock gold project, located in Mozambique. The Company paid \$2,000,000 for a 2.25% royalty interest.

Addition to the Board of Directors

In April 2021 Natascha Kiernan joined the board of directors of the Company.

Tahuehueto Silver Stream Agreement

In April 2021, the Company entered into a stream agreement with Luca, in respect of its Tahuehueto silver project located in Mexico. The Company agreed to purchase an amount of silver equal to 100% of the payable silver production in return for upfront cash consideration of \$5,000,000 plus an additional amount for each ounce delivered equal to 20% of the prevailing market price until 1,250,000 ounces have been delivered. Thereafter, the amount of payable silver will drop, to 20% on the same terms for a maximum



of 10 years from the date of initial production. The cash consideration was paid in two tranches of \$2,000,000 and \$3,000,000 respectively in April 2021 and July 2021.

Sierra Antapite Gold Stream Agreement

In July 2021, the Company entered into a stream agreement with Sierra Sun Group, a private corporation, in respect of its Sierra Antapite gold mine located in Peru. The Company agreed to purchase an amount of gold equal to 2.25% of the payable gold production in return for upfront cash consideration of \$5,000,000 plus an additional amount for each ounce delivered equal to 20% of the prevailing market price. Subsequently, in both October 2021 and December 2021, the Company agreed to purchase an additional 1.125% in exchange for upfront cash of \$2,500,000 each time. As such, the Company will receive a total of 4.5% of payable gold production until 11,000 ounces have been delivered, thereafter dropping to 1% for the life of mine.

Nebari Accordion Facility

On December 22, 2021, the Company entered into a credit agreement (the "**Nebari Facility**") with Nebari Natural Resources Credit Fund I, LP ("**Nebari**"), an arm's length party, pursuant to which the Company was provided with a \$15,000,000 senior secured credit facility. The Company received \$4,500,000 upon closing of the Nebari Facility. An original issue discount (the "**OID**") of 6% was applicable to all loans made under the Nebari Facility resulting in the Initial Loan being \$4,787,234. The Nebari Facility was refinanced in December 2023, as further described below under 2023 ("**New Nebari Credit Facility**").

Pursuant to the terms of the Nebari Facility, the Company issued Nebari 7,500,000 warrants exercisable into common shares of the Company at an exercise price of C\$0.27 until December 23, 2023. All warrants issued in connection with the Nebari Facility were cancelled in accordance with the terms of the New Nebari Credit Facility.

2022

Additional Investment in Manica

In January 2022, the Company increased its royalty on the Manica Project by amending the Manica Royalty Agreement by investing an additional \$1,000,000 resulting in a total royalty of 3.375% until 95,000 oz of gold have been sold, and thereafter the total royalty percentage shall reduce to 1.125% and shall continue into perpetuity.

Change in Management

In May 2022 the Company appointed Janet Meiklejohn as Chief Financial Officer of the Company.

Private Placement

On September 29, 2022, the Company closed the first tranche of a private placement for \$1M. The second tranche was closed on October 25, 2022, for additional \$1M. The total private placement was for \$2M or



C\$2.6M. The Company issued 8,666,666 units of the Company under the private placement at a price of C\$0.30 per unit. Each unit consisted of one common share of the Company and one common share purchase warrant entitling the holder thereof to purchase one common share of the Company for C\$0.60 for a period of five years. The shares issued upon closing and the shares issuable upon the exercise of the warrants were subject to a four-month restricted resale period from the date of closing, respectively being January 30th, 2023, and February 26th, 2023. The warrants are subject to an acceleration clause.

2023

Additions to Management Team

In June 2023 Xavier Wenzel, CPA, CA joined the Company as Interim Chief Financial Officer of the Company, replacing Janet Meiklejohn, and Michelle Borthwick joined as Corporate Secretary

Amendment to Manica Royalty Agreement

On July 2023, the Company amended the Manica Royalty Agreement (the “**Manica Amendment**”) to reflect the Manica royalty payor, MMP, successfully obtaining its own gold export license which allowed the Company and MMP to significantly simplify the royalty payment and monthly reporting mechanics. The royalty payable to the Company under the amended royalty agreement remains unchanged.

Galaxy Mine Stream Agreement

On November 27, 2023 the Company signed a stream agreement (the “**Galaxy Stream**”) with Galaxy Gold Reefs (pty) Ltd. (“**Galaxy**”), a subsidiary of Golconda Gold Ltd., a publicly traded company, in respect of its Galaxy Mine in South Africa. The Company agreed to purchase an amount of gold equal to 3.5% of the payable gold production on the initial 8,000 oz of payable gold, thereafter the percentage will reduce to 2% of the payable gold production until the earlier of a total of 20,000 oz have been delivered to the Company or 20 years from the date of first delivery. As consideration the Company agreed to pay cash of \$5,000,000 plus an additional amount for each ounce delivered equal to 20% of the gold spot price.

The Company closed the transaction subsequent to December 31, 2023 (see 2024 updates below). The Galaxy Stream was funded by the Company’s New Nebari Credit Facility as described below. In accordance with the terms of the New Nebari Credit Facility, the Company issued 5,000,000 common share purchase warrants (the “**Bonus Warrants**”) to Nebari in connection with the Galaxy Stream. Each Bonus Warrant is exercisable at \$0.31 and is exercisable into one common share of the Company for a period of three years from the drawdown date.

New Nebari Credit Facility

On December 5, 2023, the Company entered into a \$28,500,000 Accordion Credit Facility (the “**New Nebari Credit Facility**”) with Nebari Gold Fund 1, LP and Nebari Natural Resources Credit Fund II, LP (collectively, “**Nebari**”), an arm’s length party. The New Nebari Credit Facility replaced the \$15,000,000 Nebari Facility. The New Nebari Credit Facility bears interest at a rate of 7.5% per annum plus 3-month Term SOFR (3.5% floor). An arrangement fee of 2.0% of each draw made under the New Nebari Credit



Facility is payable on closing, together with reimbursement of Nebari's costs for each draw made. In addition, an original issue discount (the "OID") of 4.25% is applicable to all loans made under the New Nebari Credit Facility. The New Nebari Credit Facility is secured against the existing investment assets of the Company. The Initial Loan has a term of three years, and any addition draws under the accordion Feature will have a term of three years from that date of drawdown.

On December 5, 2023 the Company's made an initial drawdown of \$3,443,983 upon closing of the Credit Facility. These funds were used to repay the balance outstanding on the existing Nebari Facility of \$2,943,983 and provide \$500,000 for working capital. The OID, which is applicable to all loans made under the New Nebari Credit Facility, resulted in the Initial Loan being \$4,596,849.

2024

Funding of the Galaxy Stream

On February 27, 2024 the Company closed and fully funded the Galaxy Stream, its fourth revenue generating asset, as more fully described under the Galaxy Mine Stream Agreement above.

Second Amendment to the Tahuehueto Silver Stream Agreement with Luca Mining Inc.

On August 13, 2024 the Company reached an agreement with Luca Mining Inc. ("**Luca**") to amend (the "**Second Amendment**") the metal purchase and sale agreement entered into between Empress, Luca and certain of their affiliates on April 14, 2021 and subsequently amended on May 1, 2023 (together, the "**Agreement**"). The Second Amendment introduces a revised payment schedule to reflect that payments due from Luca to the Company were deferred during the commissioning of the Tahuehueto mine. Regular silver ounce deliveries as provided for under the Agreement were deemed to have recommenced effective July 1, 2024.

ARTICLE 4 DESCRIPTION OF THE BUSINESS

Section 4.1 General

Empress is an investment company focused on creating gold and silver metal purchase agreements ("**Streams**"), net smelter return ("**NSR**") royalties, gross value return royalties, net profit interests, gross proceeds royalties, and acquiring non-operating interests in mining projects that provide the right to the holder of a percentage of the gross revenue from metals produced from the project or a percentage of the gross revenue from metals produced from the project after deducting specified costs, respectively.

Empress intends to focus the majority of its resources on investing in the creation of precious metals royalty or streaming opportunities with small to mid-tier producing or development stage mining companies, where immediate or near-term revenue can be generated. In very limited cases, Empress may invest in new grass roots royalties.



Royalty and Stream Portfolio

The following table summarizes the royalty and stream interests that Empress owns indirectly through Empress Holding.

Production

Property	Operator	Location	Stage	Metal	Terms
Sierra Antapite	Sierra Sun Group	Peru	Production	Gold	4.5% Stream
Tahuehueto	Luca Mining Corp.	Mexico	Production	Silver	100% Stream
Manica	Mutapa Mining & Processing	Mozambique	Production	Gold	3.375% NSR
Galaxy	Golconda Gold Ltd.	South Africa	Production	Gold	3.5% Stream

Development

Property	Operator	Location	Stage	Metal	Terms
Pinos	Candelaria Mining Corp.	Mexico	Development	Gold & Silver	1% NSR

Exploration

Property	Operator	Location	Stage	Metal	Terms
Windfall East	Osisko Mining Inc.	Quebec	Exploration	Gold	1% NSR
Destiny	Big Ridge Gold Corp.	Quebec	NI 43-101	Gold	0.5% NSR / 1% NSR
Oxford Lake	Big Ridge Gold Corp.	Manitoba	Exploration	Gold	0.5% NSR / 1% NSR
Coldstream	Goldshore Resources Inc.	Ontario	Exploration	Gold	0.5% NSR / 1% NSR
Fisher	Forum Energy Metals Corp.	Saskatchewan	Exploration	Copper/Zinc	0.5% NSR / 1% NSR
Dog Lake	Big Ridge Gold Corp.	Ontario	Exploration	Gold	1% NSR
Miner Lake	Caprock Mining Corp.	Ontario	Exploration	Gold	0.5% NSR / 1% NSR
Greenoaks	Caprock Mining Corp.	Ontario	Exploration	Gold	0.5% NSR
Mud Lake	Caprock Mining Corp.	Ontario	Exploration	Gold	0.5% NSR / 1% NSR
Empress	Sanatana Resources Inc.	Ontario	Exploration	Gold	1% NSR

Competitive Conditions

Empress competes with other companies that operate in the royalty and streaming market segment to create or acquire royalties and streams. Empress also competes with other companies which provide financing to mining companies. The Company faces significant competition as it seeks to partner with a limited pool of operators of mineral projects that are seeking financing through the creation of new cash



or near cash generating royalties and streams. Empress' current employees and advisors have experience in mining analysis and investments, with a particular understanding of the royalty and stream sector.

Components

Empress expects to continue to create royalties, streams and other rights in the future. Commodity market trends can be cyclical in nature, and a general change in commodity prices would result in changes in revenue received.

Employees

As at the date of this AIF, Empress has four (4) full time employees, and two (2) part-time consultants.

Skill and Knowledge

The Company and its investment advisors have the requisite skill and knowledge to identify and evaluate potential opportunities including: (i) conducting and overseeing due diligence; (ii) identifying, structuring and negotiating transactions for possible investment; (iii) developing and assisting in the execution of business investments; (iv) review cash flow models, valuations of streams/royalties.

Foreign Operations

Empress currently receives or expects to receive royalty and stream payments from mines or operations in Mexico, Mozambique, Peru, and South Africa. Empress may in the future receive payments from mines or operations in other countries. Changes in legislation, regulations or governments in such countries are beyond Empress control and could adversely affect the Company's business. The effect of these factors cannot be predicted with any accuracy by Empress or its management.

Section 4.2 Risk Factors

Investors should carefully consider all of the information in this AIF prior to investing in the securities of Empress. In addition to the other information presented in this AIF, the following risk factors should be given special consideration when evaluating an investment in such security. These risk factors could materially affect Empress' future financial position and operating results and could cause Empress' actual financial position and operating results to differ materially from those described in forward-looking statements relating to Empress. The risk factors described in this AIF are not the only risks that Empress faces. Additional risks or uncertainties that Empress does not have knowledge of or are currently deemed as immaterial, could also materially adversely affect Empress and its business, financial condition and results of operations.

Risk Factors Relating to Empress

Changes in commodity prices will affect revenues generated from the portfolio of royalties and ultimately Empress' profitability



The revenue derived by the Company from its asset portfolio will be significantly affected by changes in the prices of the commodities underlying the Company's royalty and stream interests.

Commodity prices fluctuate on a daily basis and are affected by numerous factors including, but not limited to, levels of supply and demand, industrial investment levels, inflation and the level of interest rates, the strength of the US dollar and geopolitical events. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments.

Material price declines may result in a decrease in revenue or, in the case of severe declines that cause a suspension or termination of production by relevant operators, a complete cessation of revenue from royalties or other interests applicable to one or more relevant commodities. Moreover, the broader commodity market tends to be cyclical, and a general downturn in overall commodity prices could result in a significant decrease in overall revenue. Any such price decline may result in a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of Empress Shares.

Certain of the precious metal products subject to royalty or other interests are, will or may be produced as by-product metals, therefore, production decisions and the economic cut-off applied to the reporting of Mineral Reserves and Mineral Resources, as applicable, will be influenced by changes in the commodity prices of other metals at the mines. Where Empress' interest is in respect of a by-product metal, commodity prices of the by-product metal and the principal metal may diverge such that the interests of owners or operators and Empress may not be aligned.

Empress will have no or limited control over the operation of the properties in respect of which it holds an interest and the operators' failure to perform or decision to cease or suspend operations will affect the revenues of Empress

Empress is not directly involved in the operation of mines. The revenue derived from its asset portfolio will be based on production by third-party property owners and operators. The owners and operators generally will have the power to determine the manner in which the properties are exploited, including decisions to expand, continue or reduce, suspend or discontinue production from a property or parts thereof, decisions about the marketing of products extracted from the property and decisions to advance exploration efforts and conduct development of non-producing properties. The interests of third-party owners and operators and those of Empress (and Empress) on the relevant properties may not always be aligned. As an example, it will usually be in the interest of a royalty and stream holder to advance development and production on properties as rapidly as possible in order to maximize near-term cash flow, while third-party owners and operators may take a more cautious approach to development as they are at risk on the cost of development and operations. Likewise, it may be in the interest of property owners to invest in the development of and emphasize production from projects or areas of a project that are not subject to royalty, stream or other interests. The inability of Empress to control the operations for the properties in respect of which it has a royalty, stream or other interest may result in a material adverse effect on its profitability, results of operations and financial condition and the trading price of its securities. In addition, the owners or operators may take action contrary to Empress' policies or objectives, be unable or unwilling to fulfill their obligations under their contracts, have difficulty obtaining



or be unable to obtain the financing necessary to advance projects or experience financial, operational or other difficulties, including insolvency, which could limit the owner or operator's ability to perform its obligations under arrangements with Empress.

At any time, any of the operators of the properties in respect of which Empress holds a royalty, stream or other interest or their successors may decide to suspend or discontinue operations. Empress may not be entitled to any material compensation if any of the properties in respect of which it holds a royalty or other interest shuts down or discontinues their operations on a temporary or permanent basis.

The Sierra Antapite Stream, the Tahuehueto Stream, the Galaxy Stream and the Manica Royalty are material investments. Other assets and properties may become significant to Empress from time to time and any adverse development related to any such assets will affect the revenue derived from such assets.

As new assets are acquired or move into production, the materiality of each of Empress' assets will be reconsidered. Any adverse development affecting the development or operation of, production from or recoverability of Mineral Reserves from the properties which are subject to the Sierra Antapite Stream, the Tahuehueto Stream, the Galaxy Stream and the Manica Royalty or any other significant property in the asset portfolio from time to time, such as, but not limited to, unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, pit wall failures, tailings dam failures, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage, adverse legal decisions, permitting delays, or the inability to hire suitable personnel and engineering contractors or secure supply agreements on commercially suitable terms, may have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities. Any adverse decision made by the owners and operators, including for example, alterations to development or mine plans or production schedules, may impact the timing and amount of revenue that Empress receives and may have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Some of the properties in respect of which the Company has an interest may never achieve commercial production

Some of the projects or properties in respect of which the Company has a royalty or stream interest are in the construction or development stage. There can be no assurance that construction or development will be completed on a timely basis or at all.

To the extent that any of the owners or operators of properties in respect of which the Company holds a royalty or stream interest default under their credit and other financing documents, this could delay or inhibit operations at the relevant properties, which could have a material adverse effect on the Company's business, financial condition, results of operations and the trading price of its securities.

Sale of assets in respect of which Empress holds an interest may result in a new operator and any failure of such operator to perform could affect the revenues of Empress



The owners or operators of any projects or mines in respect of which Empress holds an interest may from time to time undertake transactions, including the sale or transfer of the projects or mines or of the operator itself, over which Empress will have little or no control. If such transactions are completed it may result in a new operator controlling the project or mine, who may or may not operate the project or mine in a similar manner to the current operator, which may positively or negatively impact Empress. If any such transaction is announced, there is no certainty that such transaction will be completed, or completed as announced, and any consequences of such non-completion on Empress may be difficult or impossible to predict.

Empress holds royalties in, or may acquire royalties or other interests in, mineral properties that are speculative and there can be no guarantee that mineable deposits will be discovered, developed or mined

Exploration for metals and minerals is a speculative venture necessarily involving substantial risk. There is no certainty that the expenditures made by the operator of any given project will result in discoveries of commercial quantities of minerals on lands where Empress holds royalties, streams or other interests.

If mineable deposits are discovered, substantial expenditures are required to establish Mineral Reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that resources will be discovered in sufficient quantities to justify commercial operations or that the funding required for development can be obtained on terms acceptable to the operator or at all. Although, in respect of these properties, Empress intends to hold only royalties, streams or other interests and not be responsible for these expenditures, the operator may not be in a financial position to obtain the necessary funding to advance the project, thereby resulting in the Company not earning revenues from the royalty and/or stream interest it holds in such properties.

Royalty holders have limited access to data and disclosure regarding the operation of properties, in respect of which it holds interests, which limit the ability to assess and predict the performance of royalties, streams or other interests

As a holder of royalties, streams and other interests, Empress will generally have limited access to data on the operations or to the actual properties themselves. Accordingly, Empress must rely on the accuracy and timeliness of the public disclosure and other information it receives from the owners and operators of the properties in respect of which it holds royalties, streams and other interests. Empress will use such information, including production estimates, in its analyses, forecasts and assessments relating to its own business. If such information contains material inaccuracies or omissions, Empress' ability to assess and accurately forecast performance or achieve its stated objectives may be materially impaired. In addition, some royalties, streams or other interests may be subject to confidentiality arrangements which govern the disclosure of information with regard to the royalties, streams or other interests and, as such, Empress may not be in a position to publicly disclose such information with respect to certain royalties, streams or other interests. The limited access to data and disclosure regarding the operations of the properties in respect of which Empress holds, or will hold, an interest may restrict its ability to enhance its performance



which may result in a material adverse effect on its profitability, results of operations and financial condition and the trading price of its securities.

Empress relies, and Empress will rely, on the 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, and certain of such information is included in this AIF. 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, Empress 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 Empress contains material inaccuracies or omissions, Empress' 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 Empress.

Although Empress attempts (and Empress will attempt) to secure contractual rights when it creates new royalty, stream or other interests, such as audit or access rights, that will permit it to monitor operators' compliance with their obligations, there can be no assurance that such rights will always be sufficient to ensure such compliance or to affect operations in ways that would be beneficial to Empress.

Empress will depend on its operators for the calculation of certain payments, and it may not be possible to detect errors in payment calculations

Payments and deliveries to Empress, for royalties, streams and other interests are calculated by the operators of the relevant properties based on reported production. Each operator's calculations are subject to and dependent upon the adequacy and accuracy of its production and accounting functions, and errors may occur from time to time in the calculations made by an operator. Certain contracts for royalties, streams or other interests require the operators to provide production and operating information that may, depending on the completeness and accuracy of such information, enable the detection of errors in such calculations. Empress does not, and Empress may not, however, have the contractual right to receive production information for all of its royalties, streams and other interests. As a result, Empress' ability to detect payment errors in respect of royalties, streams or other interests through its monitoring program of its interests and its associated internal controls and procedures is limited, and the possibility exists that Empress will need to make retroactive revenue adjustments in respect of royalties, streams or other interests. Some of Empress' contracts for royalties, streams and other interests provide the right to audit the operational calculations and production data for the associated payments and deliveries in respect of such royalties, streams and other interests; however, such audits may occur at some point following Empress' recognition of the revenue in respect of the royalties, streams or other interests and may require Empress' to adjust its revenue in later periods.

Global financial conditions may destabilize

Global financial conditions could suddenly and rapidly destabilize in response to future events, as government authorities may have limited resources to respond to future crises. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability, changes to



energy prices or sovereign defaults. Any sudden or rapid destabilization of global economic conditions could negatively impact Empress' ability, or the ability of the owners or operators of the properties in respect of which it holds royalties or other interests, to obtain equity or debt financing or make other suitable arrangements to finance their projects. In the event of increased levels of volatility or a rapid destabilization of global economic conditions, Empress' profitability, results of operations and financial condition and the trading price of its securities could be adversely affected.

The Company is exposed to counterparty and liquidity risk, and any delay or failure of counterparties to make payments will affect the revenues of the Company

The Company is exposed to various counterparty risks including, but not limited to (i) the Company's royalty counterparties; (ii) other companies that have payables owing to the Company; (iii) the Company's insurance providers; and (iv) the Company's lenders. The Company is also exposed to liquidity risks in meeting its operating expenditure requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability of the Company to obtain loans or other credit facilities or obtain equity financing in the future or to obtain them on terms favourable to the Company.

Royalties, streams and other interests may not be honoured by operators of a project

Royalties, streams and other interests in respect of natural resource properties are largely contractual in nature. Parties to contracts do not always honour contractual terms and contracts themselves may be subject to interpretation or technical defects. To the extent grantors of royalties, streams and other interests do not abide by their contractual obligations, Empress will be forced to take legal action to enforce its contractual rights. Such legal action may be time-consuming and costly and there is no guarantee of success. Any pending proceedings or actions or any decisions determined adversely to Empress, may have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Empress is, and Empress will be, dependent on the payment or delivery by the owners and operators of the properties in respect of which it has a royalty or other interest, and any delay in or failure of such payments will affect the revenues generated by the asset portfolio

Empress is, and Empress will be, dependent to a large extent upon the financial viability of owners and operators of the relevant properties in respect of which it holds royalties and/or streams. Payments and deliveries from production generally flow through the operator and there is a risk of delay and additional expense in receiving such payments or deliveries. Payments and deliveries may be delayed by restrictions imposed by lenders, delays in the sale or delivery of products, the ability or willingness of smelters and refiners to process mine products, delays in the connection of wells to a gathering system, blowouts or other accidents, recovery by the operators of expenses incurred in the operation of the properties, the establishment by the operators of reserves for such expenses or the insolvency of the operator. Empress' rights to payment or delivery for royalties, streams and other interests must, in some cases, be enforced by contract without the protection of the ability to liquidate a property. This inhibits the ability to collect outstanding payments or deliveries in respect of such royalties, streams or other interests upon a default. Additionally, some contracts may provide limited recourse in particular circumstances which may further



inhibit the ability to recover or obtain equitable relief in the event of a default under such contracts. In the event of a bankruptcy of an operator or owner, it is possible that an operator may claim that Empress should be treated as an unsecured creditor and, therefore, have a limited prospect for full recovery of revenue; there is also a possibility that a creditor or the owner or operator may claim that the royalty contract should be terminated in the insolvency proceeding. Alternatively, in order to preserve its interest in a royalty or other interest in the context of an insolvency or similar proceeding, Empress may be required to make additional investments in, or provide funding to, owners or operators, which would increase its exposure to the relevant interest and counterparty risk. Failure to receive payments or deliveries from the owners and operators of the relevant properties or termination of Empress' rights may result in a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Not all of the Company's royalties and streams are secured and the Company's security interests, if any, may be subordinated and difficult to enforce

Although certain of the Company's royalties and streams are secured, certain of the Company's royalty and stream interests are unsecured. In a default, liquidation or realization situation, any unsecured royalty and stream interests of the Company will be satisfied pro rata with all other unsecured claims after all secured claims, property claims and prior ranking claims are satisfied in full. Absent a security interest, the Company's likely potential recourse against a defaulting property owner or mining operator would be for breach of the applicable contract which would result in damages and unsecured claims for which the likelihood of recovery is remote and time-consuming. In the event that a mining operator or property owner has insufficient funds to pay its liabilities and obligations as they become due, it is possible that other liabilities and obligations will be satisfied prior to those owing to the Company. Even valid security interests which are or may be held by the Company could be (i) subordinated to other indebtedness; (ii) unenforceable; (iii) difficult to enforce; or (iv) subject to attack by other creditors or stakeholders. Further, in insolvency proceedings, any security or other interest held by the Company will likely be further subordinated by court-ordered charges or other court-ordered relief, including for interim financing.

Empress is, and Empress will be, exposed to foreign exchange risk

Certain of Empress' activities and offices are located in Canada and the costs associated with these activities are largely denominated in Canadian dollars. However, Empress' royalties, streams and other interests are denominated in United States and dollars and, as a result, are subject to foreign currency fluctuations and inflationary pressures, which may have a material adverse effect on Empress' profitability, results of operations and financial condition. There can be no assurance that the steps taken by management to address variations in foreign exchange rates will eliminate all adverse effects and Empress may suffer losses due to adverse foreign currency rate fluctuations.

Operators of mines may not be able to replace depleted Mineral Reserves and Mineral Resources, which would reduce revenue from royalties, streams and other interests

Any revenue generated from Empress' royalties and streams will principally be based on the exploitation of Mineral Reserves on assets underlying its royalties, streams or other interests. Mineral Reserves are continually being depleted through extraction and the long-term viability of Empress' asset portfolio



depends on the replacement of Mineral Reserves through new producing assets and increases in Mineral Reserves on existing producing assets. As a mine matures, it can expect overall declines in production over the years unless operators are able to replace Mineral Reserves that are mined through mine expansion or successful new exploration. Exploration for minerals is a speculative venture necessarily involving substantial risk. There is no certainty that the expenditures made by the operator of any given project will result in discoveries of commercial quantities of minerals on properties underlying the asset portfolio or that discoveries will be located on properties covered by the relevant royalty or other interest. Even in those cases where a significant mineral deposit is identified and covered by the royalty or other interest, there is no guarantee that the deposit can be economically extracted. Substantial expenditures are required to establish Mineral Reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit covered by the royalty or other interest, no assurance can be given that new Mineral Reserves will be identified to replace or increase the amount of Mineral Reserves currently in the asset portfolio. This includes Mineral Resources, as the resources that have been discovered have not been subjected to sufficient analysis to justify commercial operations or the allocation of funds required for development. The inability by operators to add additional Mineral Reserves or to replace existing Mineral Reserves through either the development of existing Mineral Resources or the acquisition of new mineral producing assets, in each case covered by a royalty or other interest, may result in a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

The properties underlying royalty and other interests are subject to exploration, development and mining risks

Empress seeks to create royalty and other interests in mineral properties from companies that have near term development or producing mines but may also invest in exploration or development projects. Royalties are non-operating interests in mining projects that provide the right to revenue or production from the project after deducting specified costs, if any. Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. The long-term profitability of Empress' operations will be in part directly related to the cost and ultimate success of the operating mines in which Empress has a royalty or other interest, which may be affected by a number of factors beyond Empress' control.

Operating a producing mine involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which Empress has a direct or indirect interest are and will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral resources, any of which could result in work stoppages, damage to property, and possible environmental damage.

Hazards such as unusual or unexpected geological formations and other conditions such as formation pressures, fire, power outages, flooding, explorations, cave-ins, landslides and other natural or human-caused disasters and the inability to obtain suitable machinery, equipment or labour are involved in mineral exploration, development and operation. Operating companies which operate on properties on which Empress has an interest, or in which Empress may acquire an interest, may become subject to



liability for pollution, cave-ins or hazards against which they cannot insure or against which they may elect not to insure. The payment of such liabilities may have a material, adverse effect on the financial position of such operating companies, and in turn, may have a material adverse effect on the financial position of Empress.

In addition, labour disruptions are a hazard to mineral exploration, development and operation. There is always a risk that strikes or other types of conflict with unions or employees may occur at any one of the properties on which Empress may hold a royalty or other interest. Although it is uncertain whether labour disruptions will be used to advocate labour, political or social goals in the future, labour disruptions could have a material adverse effect on the results of operations of the mineral properties in which Empress may hold an interest.

Royalties are based on mine life and in some instances a drop in metal prices or a change in metallurgy may result in a project being shut down with a material, adverse effect on that company's financial position, and in turn, may have a material adverse effect on the financial position of Empress.

The registration of royalty or other interests may not protect interests therein

The right to record or register royalties, streaming arrangements or other interests in various registries or mining recorders offices may not necessarily provide any protection to the royalty or interest holder. Accordingly, the royalty or interest holder may be subject to risk from third parties. While Empress seeks to confirm the existence, validity, enforceability, terms and geographic extent of its royalty interests, there can be no assurance that disputes or other problems concerning these and other matters will not arise. Confirming these matters is complex and is subject to the application of the laws of each jurisdiction to the particular circumstances of each parcel of mining property and to the documents reflecting the stream or royalty interests. Similarly, royalty interests in many jurisdictions are contractual in nature, rather than interests in land, and therefore may be subject to change of control, bankruptcy or insolvency of operators, and Empress' royalty interests could be materially restricted, reduced or set aside through judicial or administrative proceedings. Empress may often not have the protection of security interests, or its security interests may be found to be unenforceable, that could increase its recovery in such situations. In addition, Empress will be subject to the risk that its counterparties under royalty arrangements do not have or lose valid title to the mineral property.

The Company may enter into acquisitions or other royalty or streaming transactions from time to time, which may be material, may involve the issuance of the Company's securities or may involve the incurrence of indebtedness and will be subject to transaction-specific risks

The Company regularly reviews opportunities to create or acquire existing royalties or streams, to create new royalty, streaming or other arrangements through the financing of mining projects, financing of new acquisitions or to acquire companies that hold royalties or streams in respect of mineral properties. At any given time, the Company may have various types of transactions and acquisition opportunities in various stages of active review, including submissions of indications of interest and participation in discussions or negotiations in respect of such transactions. This process also involves the engagement of consultants and advisors to assist in analyzing particular opportunities. Any such acquisition or transaction could be material to the Company and may involve the issuance of Common Shares or other securities by



the Company or the incurrence of indebtedness to fund any such acquisition. In addition, any such transaction may have other transaction-specific risks associated with it, including risks related to the completion of the transaction, the project operators or the jurisdictions in which assets may be acquired or underlying properties located. Additionally, the Company may consider opportunities to restructure its royalty arrangements where it believes such a restructuring may provide a long-term benefit to the Company, even if such restructuring may reduce near-term revenues or result in the Company incurring transaction-related costs.

Royalty acquisitions contemplated by Empress may require third party consents or approvals

Empress may enter into agreements to acquire royalty or other interests that require the consent or approval of third parties (including governments or regulatory bodies) in order to complete the contemplated acquisition. There can be no assurance that such third parties, which may include shareholders of the entity disposing of the royalty interests, regulatory bodies or entities with an interest in the applicable property or others, will provide the required approval or consent in a timely manner or at all and without conditions unacceptable to Empress. Failure to complete royalty acquisitions may result in a material adverse effect on Empress' profitability, results of operation and financial condition.

Empress may in future acquire royalties or other interests that are subject to buy-back or buy-down rights in favor of the counterparties that could adversely affect the revenues generated from the asset portfolio

Buy-back or buy-down rights (if granted in future by Empress) exercised by an operator may permanently eliminate or reduce Empress' interest or entitlement under the relevant royalty or other interest. The exercise of any buy-back or buy-down rights may result in a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Empress may fail to acquire additional interests or select appropriate acquisitions

As part of Empress' business strategy, it expects to seek to purchase royalties, streams or other interests from third party natural resource companies and others. In pursuit of such opportunities, Empress may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions or integrate the acquired businesses or their personnel into Empress. There can be no assurance that Empress will complete any acquisition or business arrangement that it pursues on favourable terms or at all, or that any acquisitions or business arrangements completed will ultimately benefit Empress.

Increased competition for royalties, streams and other interests could adversely affect Empress' ability to acquire additional royalties, streams and other interests in mineral properties

Many companies are engaged in the search for and the acquisition of mineral interests, including royalties, streams and other interests, and there is a limited supply of desirable mineral interests. The mineral exploration and mining businesses are competitive in all phases. Many companies are engaged in the acquisition of mineral interests, including large, established companies with substantial financial resources, operational capabilities and long earnings records. Empress may be at a competitive



disadvantage in creating or acquiring those interests, whether by way of royalty or other form of investment, as competitors may have greater financial resources and technical staffs. There can be no assurance that Empress will be able to compete successfully against other companies in creating or acquiring new royalties, streams or other interests. In addition, Empress may be unable to acquire royalties, streams or other interests at acceptable valuations which may result in a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

There can be no assurance that Empress will be able to obtain adequate financing in the future or that the terms of such financing will be favourable

There can be no assurance that Empress will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could impede Empress' could result in delay or postponement of further business activities which may result in a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Empress may experience difficulty attracting and retaining qualified management and technical personnel to efficiently operate its business

Empress is dependent upon the continued availability and commitment of its key management personnel, whose contributions to immediate and future operations of Empress are of significant importance. The loss of any such key management personnel could negatively affect business operations. From time to time, Empress may also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. In addition, Empress frequently retains third party specialized technical personnel to assess and execute on opportunities. These individuals may have conflicts of interest or scheduling conflicts, which may delay or inhibit Empress' ability to employ such individuals' expertise. The number of persons skilled in the acquisition, exploration and development of royalties, streams and interests in natural resource properties is limited and competition for such persons is intense. Recruiting and retaining qualified personnel is critical to Empress' success and there can be no assurance that Empress will be able to recruit and retain such personnel. If Empress is not successful in recruiting and retaining qualified personnel, Empress' ability to execute its business model and growth strategy could be affected, which could have a material adverse impact on its profitability, results of operations and financial condition and the trading price of its securities.

Certain of Empress' proposed directors serve in similar positions with other public companies, which could put them in a conflict position from time to time

Certain of the directors and officers of Empress also serve as directors or officers of, or have significant shareholdings in, other companies involved in natural resource exploration, development and production and, to the extent that such other companies may engage in transactions or participate in the same ventures in which Empress participates, or in transactions or ventures in which Empress may seek to participate, the directors and officers of Empress may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Such conflicts of the directors and officers



may result in a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Changes in or in the interpretation of tax legislation or accounting rules could affect the profitability of Empress

Changes to, or differing interpretation of, taxation laws or regulations in any of Canada or any of the countries in which Empress' assets or relevant contracting parties or underlying properties are located could result in some or all of Empress' profits being subject to additional taxation. No assurance can be given that new taxation rules or accounting policies will not be enacted or that existing rules will not be applied in a manner which could result in Empress' profits being subject to additional taxation or which could otherwise have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities. In addition, the introduction of new tax rules or accounting policies, or changes to, or differing interpretations of, or application of, existing tax rules or accounting policies could make royalties or other interests held by Empress less attractive to counterparties. Such changes could adversely affect Empress' ability to acquire new assets or make future investments.

The Company may be unable to repay its indebtedness and comply with its obligations under a credit facility

The Company entered into the Facility Agreement to be used primarily to fund the creation of royalties and streams. These investments resulted in significant drawings under the Facility Agreement and the Company would be required to use a portion of its cash flow to service principal and interest on the debt thereunder, which will limit the cash flow available for other business opportunities. The Company's ability to make scheduled payments of the principal of, to pay interest on, or to refinance indebtedness will depend on its future performance, which is subject to economic, financial, competitive and other factors beyond its control. The Company may not generate future cash flow that is sufficient to service debt and make necessary capital expenditures. If the Company is unable to generate such cash flow, it may be required to adopt one or more alternatives, such as reducing or eliminating dividends, if any, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. The Company's ability to refinance indebtedness will depend on the capital markets and its financial condition at such time. The Company may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on its debt obligations.

The terms of the Facility Agreement require the Company to satisfy various affirmative and negative covenants. These covenants may limit, among other things, the Company's ability to incur further indebtedness, create certain liens on assets or engage in certain types of transactions. These covenants could also limit the ability of the Company to amend its royalty or stream contracts without the consent of the lenders. There can be no assurances that, in the future, the Company will not be limited in its ability to respond to changes in its business or competitive activities or be restricted in its ability to engage in mergers, acquisitions or dispositions of assets. Furthermore, a failure to comply with these covenants, could likely result in an event of default under such credit facilities and would allow the lenders to accelerate the debt, which could materially and adversely affect the Company's business, financial condition, results of operations and the trading price of its securities.



Empress' operations will depend on information systems that may be vulnerable to cyber security threats

The Company's operations depend, in part, on its IT systems, networks, equipment and software and the security of these systems. The Company depends on various IT systems to process and record financial and technical data, administer its contracts with its counterparties and communicate with employees and third parties. These IT systems, and those of its third-party service providers and vendors and the counterparties under its contracts for royalties may be vulnerable to an increasing number of continually evolving cyber security risks. Unauthorized third parties may be able to penetrate network security and misappropriate or compromise confidential information, create system disruptions or cause shutdowns. Any such breach or compromise may go undetected for an extended period of time.

A significant breach of the Company's IT systems or data security or misuse of data, particularly if such breach or misuse goes undetected for an extended period of time, could result in significant costs, loss of revenue, fines or lawsuits and damage to reputation. The costs to eliminate or alleviate cyber or other security problems, including bugs, viruses, worms, malware and other security vulnerabilities, could be significant, and the Company's efforts to address these problems may not be successful. The significance of any cyber-security breach is difficult to quantify but may in certain circumstances be material and could have a material adverse effect on the Company's financial condition, results of operations and the trading price of its securities.

The market price of Empress Shares may be volatile, which could result in substantial losses for holders of Empress Shares

The market price of Empress Shares could be subject to significant fluctuations. In addition, securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions and the risk factors described in this AIF could subject the market price of Empress Shares to wide price fluctuations regardless of Empress's operating performance.

The ability of Empress to pay dividends will be dependent on the financial condition of Empress

The declaration, timing, amount and payment of dividends are at the discretion of the Board and will depend upon Empress' future earnings, cash flows, acquisition capital requirements and financial condition, and other relevant factors. There can be no assurance that Empress will declare a dividend on a quarterly, annual, or other basis. See *Section 5: Dividends and Other Distributions*.

The Company may have to raise additional capital through the issuance of additional equity, which could result in dilution to shareholders

The issuance of additional Common Shares or of securities convertible into or exchangeable or exercisable for Common Shares may have a dilutive effect on the interests of shareholders. The number of Common Shares that the Company is authorized to issue is unlimited. The Company may, in its sole discretion, subject to applicable law and the rules of the TSX-V, issue additional Common Shares from time to time



(including pursuant to any equity-based compensation plans that may be introduced in the future), and the equity interest in the Company of the holders of its Common Shares may be diluted thereby.

The Company may require new capital to continue to grow its business and there are no assurances that capital will be available when needed, if at all. It is likely that, at least to some extent, such additional capital will be raised through the issuance of additional equity, which could result in substantial dilution to shareholders.

The CRA's recent focus on foreign income earned by Canadian companies may result in adverse tax consequences for Empress

There has been a recent focus by the CRA on income earned by foreign subsidiaries of Canadian companies. Empress does not currently have any foreign subsidiaries but may in the future. Although management believes that Empress will be in full compliance with Canadian tax law, there can be no assurance that Empress' structure may not be challenged in future. In the event the CRA successfully challenges Empress' structure, this could potentially result in additional federal and provincial taxes and penalties, which may have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Our business may be subject to disruptions as a result of health epidemics and other infectious diseases.

A local, regional, national or international outbreak of a contagious disease such as COVID-19, or the fear of a potential outbreak, could, significantly impact the global economy and commodity and financial markets, causing extreme volatility in financial markets and in commodity prices (including gold), a slowdown in economic activity, and the prospect of an extended global recession. The international response to such an outbreak or potential outbreak could include significant restrictions on travel, temporary business closures, quarantines and a general reduction in economic activity, globally, and the operation and development of mining projects may be impacted. If the operation or development of any property in which Empress may hold a royalty, stream or other interest from time to time is suspended or the development is delayed for precautionary purposes or as governments declare states of emergency or other actions are taken in an effort to combat the spread of a contagious disease, it may have a material adverse impact on Empress' profitability, results of operations, financial condition and the trading price of Empress' securities.

Risks Related to Mines and Mining Operations

Empress is indirectly exposed to many of the same risk factors as the owners and operators of properties in respect of which it holds a royalty or other interest

To the extent that they relate to the production of minerals from, or the continued operation of, the properties in respect of which Empress holds a royalty or interest, Empress will be subject to the risk factors applicable to the owners and operators of such mines or projects.

Production at mines and projects in respect of which Empress holds royalty or other interests is dependent on operators' employees



Production from the properties in respect of which Empress holds an interest depends on the efforts of operators' employees. There is competition for geologists and persons with mining expertise. The ability of the owners and operators of such properties to hire and retain geologists and persons with mining expertise is key to those operations. Further, relations with employees may be affected by changes in the scheme of labour relations that may be introduced by the relevant governmental authorities in the jurisdictions in which those operations are conducted. Changes in such legislation or otherwise in the relationships of the owners and operators of such properties with their employees may result in strikes, lockouts or other work stoppages, any of which could have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities. If these factors cause the owners and operators of such properties to decide to cease production at one or more of the properties, such decision could have a material adverse effect on the business and financial condition of Empress.

Mineral Reserves and Mineral Resources are estimates based on interpretation and assumptions and actual production may differ from amounts identified in such estimates

The Mineral Reserves and Mineral Resources on properties underlying royalties, streams or other interests are estimates only, and no assurance can be given that the estimated Mineral Reserves and Mineral Resources are accurate or that the indicated level of minerals will be produced. Mineral Reserve and Mineral Resource estimates are prepared by the operators of the properties underlying the applicable royalty or other interest. Empress does not, and Empress will not, participate in the preparation or verification of such estimates (or the reports in which they are presented) and Empress has not independently assessed or verified the accuracy of such estimates. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralization or formations may be different from those predicted. Further, it may take many years from the initial phase of drilling before production is possible and during that time the economic feasibility of exploiting a discovery may change.

Market price fluctuations of the applicable commodity, as well as increased production and capital costs or reduced recovery rates, may render Mineral Reserves on properties underlying royalties, streams or other interests unprofitable to develop at a particular site or sites for periods of time or may render Mineral Reserves containing relatively lower grade mineralization uneconomic. Moreover, short-term operating factors relating to Mineral Reserves, such as the need for the orderly development of ore bodies or the processing of new or different ore grades, may cause Mineral Reserves to be reduced or not extracted. Estimated Mineral Reserves may have to be recalculated based on actual production experience. The economic viability of a mineral deposit may also be impacted by other attributes of a particular deposit, such as size, grade and proximity to infrastructure, governmental regulations and policy relating to price, taxes, royalties, streams, land tenure, land use permitting, the import and export of minerals and environmental protection and by political and economic stability. While these risks will exist for all of Empress' assets, they are heightened in the case of interests in properties which are not yet at production.

Mineral Resource estimates in particular must be considered with caution. Mineral Resource estimates for properties that have not commenced production are based, in many instances, on limited and widely spaced drill hole or other limited information, which is not necessarily indicative of the conditions between



and around drill holes. Such Mineral Resource estimates may require revision as more drilling or other exploration information becomes available or as actual production experience is gained. Further, Mineral Resources may not have demonstrated economic viability and may never be extracted by the operator of a property. It should not be assumed that any part or all of the Mineral Resources on properties underlying Empress' royalties, streams or other interests constitute or will be converted into Mineral Reserves.

Any of the foregoing factors may require operators to reduce their Mineral Reserves and Mineral Resources, which may result in a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Production forecasts may not prove to be accurate

Empress prepares, and Empress expects to prepare, estimates and forecasts of future attributable production from the properties in respect of which it holds royalties, streams and other interests and relies on public disclosure and other information it receives from the owners, operators and independent experts of such properties to prepare such estimates. Such information is necessarily imprecise because it depends upon the judgment of the individuals who operate such properties as well as those who review and assess the geological and engineering information. These production estimates and forecasts are based on existing mine plans and other assumptions with respect to such properties which change from time to time, and over which Empress has, and Empress will have, no control, including the availability, accessibility, sufficiency and quality of ore, the costs of production, the operators' ability to sustain and increase production levels, the sufficiency of infrastructure, the performance of personnel and equipment, the availability of materials and equipment including reagents and fuel, the ability to maintain and obtain mining interests and permits and compliance with existing and future laws and regulations. Any such information is forward-looking and no assurance can be given that such production estimates and forecasts will be achieved. Actual attributable production may vary from Empress' estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; actual ore mined being less amenable than expected to mining or treatment; lower than expected mill feed grades; lower than anticipated pillar recovery; short-term operating factors relating to the Mineral Reserves, such as the need for sequential development of orebodies and the processing of new or different ore grades; delays in the commencement of production and ramp up at new mines; revisions to mine plans; unusual or unexpected orebody formations; risks and hazards associated with the properties in respect of which Empress holds royalties, streams and other interests, including but not limited to cave-ins, rock falls, rock bursts, pit wall failures, seismic activity, weather related complications, fires or flooding or as a result of other operational problems such as production drilling or material removal challenges, power failures or a failure of a key production component such as a hoist, an autoclave, a filter press or a grinding mill; and unexpected labour shortages, strikes, local community opposition or blockades. Occurrences of this nature and other accidents, adverse conditions or operational problems in future years may result in Empress' failure to realize the benefits of its production forecasts anticipated from time to time. If Empress' production forecasts prove to be incorrect, it may result in a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

The exploration and development of Mineral Resource properties is inherently risky and subject to factors that are beyond the control of a royalty interest holder



Companies engaged in mining activities are subject to all of the hazards and risks inherent in exploring for and developing natural resource projects. These risks and uncertainties include, but are not limited to, environmental hazards, industrial accidents, labour disputes, increases in the cost of labour, social unrest, changes in the regulatory environment, permitting and title risks, impact of non-compliance with laws and regulations, fires, explosions, blowouts, cratering, encountering unusual or unexpected geological formations or other geological or grade problems, unanticipated metallurgical characteristics or less than expected mineral recovery, encountering unanticipated ground or water conditions, cave-ins, pit wall failures, flooding, rock bursts, tailings dam failures, periodic interruptions due to inclement or hazardous weather conditions, earthquakes, seismic activity, other natural disasters or unfavorable operating conditions and losses. Should any of these risks or hazards affect exploration or development activities over which Empress holds a royalty or other interest, it may (i) result in an environmental release or environmental pollution and liability to the operator; (ii) cause the cost of development or production to increase to a point where it would no longer be economic to produce the metal from the Mineral Resources or expected Mineral Reserves of the underlying properties, (iii) result in a write down or write-off of the carrying value of one or more mineral projects, (iv) cause delays or stoppage of mining or processing, (v) result in the destruction of properties, processing facilities or third-party facilities necessary for operations, (vi) cause personal injury or death and related legal liability, (vii) result in regulatory fines and penalties or the revocation or suspension of licenses; (viii) result in the loss of insurance coverage or (ix) result in the loss of social license to operate. The occurrence of any of above-mentioned risks or hazards could result in an interruption or suspension of operation of the properties underlying Empress' royalty or other interests.

Defects in title to properties underlying Empress' royalty or other interests may result in a loss of entitlement by the operator and a loss of Empress' interest

A defect in the chain of title to any of the properties underlying one of Empress' royalties, streams or other interests or necessary for the anticipated development or operation of a particular project to which a royalty, stream or other interest relates may arise to defeat or impair the claim of the operator to a property which could in turn result in a loss of Empress' interest in respect of that property. In addition, claims by third parties or aboriginal groups in Canada and elsewhere may impact on the operator's ability to conduct activities on a property to the detriment of Empress' royalties, streams or other interests. To the extent an owner or operator does not have title to the property, it may be required to cease operations or transfer operational control to another party. Many royalties, streams or other interests are contractual, rather than an interest in land, with the risk that an assignment or bankruptcy or insolvency proceedings by an owner will result in the loss of any effective royalty or other interest in a particular property. Further, even in those jurisdictions where there is a right to record or register royalties, streams or other interests held by Empress in land registries or mining recorders offices, such registrations may not necessarily provide any protection to Empress. As a result, known title defects, as well as unforeseen and unknown title defects may impact operations at a project in respect of which Empress has a royalty or other interest.

Future litigation affecting the properties in respect of which Empress holds a royalty, stream or other interests could have an adverse effect on Empress



Potential litigation may arise on a property on which Empress holds a royalty or other interest (for example, litigation between joint venture partners or between operators and original property owners or neighbouring property owners). As a holder of such interests, Empress will not generally have any influence on the litigation and will not generally have access to data. Any such litigation that results in the cessation or reduction of production from a property (whether temporary or permanent) or the expropriation or loss of rights to a property could have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Moreover, the courts in some of the jurisdictions in which the Company has a royalty may offer less certainty as to the judicial outcome of legal proceedings or a more protracted judicial process than is the case in more established economies. Accordingly, there can be no assurance that contracts, joint ventures, licenses, license applications or other legal arrangements will not be adversely affected by the actions of government authorities and the effectiveness of and enforcement of such arrangements in these jurisdictions. Moreover, the commitment of local businesses, government officials and agencies and the judicial system in these jurisdictions to abide by legal requirements and negotiated agreements may be more uncertain and may be susceptible to revision or cancellation, and legal redress may be uncertain or delayed.

Defects or disputes relating to Empress' royalties, streams or other interests could have an adverse effect on Empress

Defects in or disputes relating to the royalty, stream, or other interests Empress holds or acquires may prevent it from realizing the anticipated benefits from these interests. Material changes could also occur that may adversely affect management's estimate of the carrying value of Empress' royalty, stream and other interests and could result in impairment charges. While Empress seeks, and Empress will seek to confirm the existence, validity, enforceability, terms and geographic extent of the royalty and other interests it acquires, there can be no assurance that disputes or other problems concerning these and other matters or other problems will not arise. Confirming these matters is complex and is subject to the application of the laws of each jurisdiction to the particular circumstances of each parcel of mineral property and to the documents reflecting the royalty or other interest. The discovery of any defects in, or any disputes in respect of, Empress' royalty and other interests, could have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

The operations in respect of which Empress may hold a royalty or other interest require various property rights, permits and licenses to be held by the operator in order to conduct current and future operations, and delays or a failure to obtain or maintain such property rights, permits and licenses, or a failure to comply with the terms of any of such property rights, permits and licenses could result in interruption or closure of operations or exploration on the properties

Exploration, development and operation of mining properties are subject to laws and regulations governing health and worker safety, employment standards, environmental matters, mine development, project development, mineral production, permitting and maintenance of title, exports, taxes, labour standards, reclamation obligations, heritage, historic and archaeological matters and other matters. The owners and operators of the properties in respect of which Empress holds, or will hold, a royalty or other interest require licenses and permits from various governmental authorities in order to conduct their



operations. Future changes in such laws and regulations or in such licenses and permits could have a material adverse impact on the revenue. Such licenses and permits are subject to change in various circumstances and are required to be kept in good standing through a variety of means, including cash payments and satisfaction of conditions of issue. Such licenses and permits are subject to expiration, relinquishment and/or termination without notice to, control of or recourse by Empress. There can be no guarantee that the owners or operators of those properties in respect of which Empress holds or will hold a royalty or other interest, will be able to obtain or maintain all necessary licenses and permits in good standing that may be required to explore, develop and operate the properties, commence construction or operation of mining facilities, or maintain operations that economically justify the cost. Any failure to comply with applicable laws and regulations, permits and licenses, or to maintain permits and licenses in good standing, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or in fines, penalties or other liabilities accruing to the owner or operator of the project. Any such occurrence could substantially decrease production or cause the termination of operations on the property and have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

The Company will be exposed to risks related to the construction, development and/or expansion in relation to the mines, projects and properties in respect of which it holds a royalty or stream

Many of the projects or properties in respect of which the Company holds an interest are in the construction or development stage, and such projects are subject to numerous risks, including, but not limited to delays in obtaining equipment, materials and services essential to the construction and development of such projects in a timely manner, currency exchange rates, labour shortages, cost escalations and fluctuations in metal prices. There can be no assurance that the owners or operators of such projects will have the financial, technical and operational resources to complete construction, development and/or expansion of such projects in accordance with current expectations or at all.

The operations on the properties underlying royalty or other interests are subject to environmental and endangered species laws and regulations that may increase the costs of doing business and may restrict operations, which could reduce Empress' revenues

All phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of government laws and regulations, including laws and regulations relating to the protection of endangered and threatened species. Compliance with such laws and regulations can require significant expenditures and a breach may result in the imposition of fines and penalties, which may be material. In addition, such laws and regulations can constrain or prohibit the exploration and development of new projects or the development or expansion of existing projects. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, increases in land use restrictions, larger fines and liability and potentially increased capital expenditures and operating costs. Any breach of environmental legislation by owners or operators of properties underlying Empress' asset portfolio could have a material impact on the viability of the relevant property and impair the revenue derived from the owned property or applicable royalty or other interest, which could have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.



Additional costs may be incurred by mineral property operators as a result of international climate change initiatives and may affect the availability of resources and cause business disruptions, which could reduce Empress' revenues

Empress acknowledges climate change as an international and community concern. Empress supports and endorses various initiatives for voluntary actions consistent with international initiatives on climate change.

In addition to voluntary actions, governments are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, Empress expects this may result in increased costs at some of the properties underlying its royalties, streams or other interests, which could have a material impact on the viability of the properties and impair the revenue derived from the applicable royalty or other interest, which could have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Certain operators are subject to risks relating to foreign jurisdictions and developing economies, which could negatively impact Empress

Certain of Empress' royalty or other interests relate to properties outside of Canada, including Mexico, Peru, Mozambique and South Africa. In addition, future investments may expose Empress to new jurisdictions. The ownership, development and operation of properties, mines and projects in foreign jurisdictions by their owners are subject to the risks normally associated with conducting business in foreign jurisdictions. These risks include, depending on the country, nationalization and expropriation, social unrest and political instability, less developed legal and regulatory systems, uncertainties in perfecting mineral titles, trade barriers, exchange controls and material changes in taxation. These risks may, among other things, limit or disrupt the ownership, development or operation of properties, mines or projects in respect of which Empress holds, or will hold, royalty or other interests, restrict the movement of funds, or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation. If any of these events were to occur, this may result in a write down or write-off of the carrying value of one or more of Empress' assets, which could have a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities. In addition, in the event of a dispute arising from foreign operations, Empress may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. Empress applies, and Empress will apply, various methods, where practicable, to identify, assess and, where possible, mitigate these risks prior to entering into contracts for royalty or other interests. Such methods generally include: conducting due diligence on the political, social, legal and regulatory systems and on the ownership, title and regulatory compliance of the properties subject to the royalty or other interest, engaging experienced local counsel and other advisors in the applicable jurisdiction; negotiating where possible so that the applicable contract contains appropriate protections, representations, warranties and, in each case as Empress deems necessary or appropriate in the circumstances, all applied on a risk-adjusted basis. There can be no assurance, however, that Empress will be able to identify or mitigate all risks relating to holding royalties,



streams and other interests in respect of properties, mines and projects located in foreign jurisdictions, and the occurrence of any of the factors and uncertainties described above could have a material adverse effect on Empress' profitability, results of operation and financial condition and the trading price of its securities.

Changes in government regulation could inhibit exploration, construction and development on, or production from, the mineral properties underlying royalties or other interests

The properties on which Empress holds, and Empress will hold, a royalty or other interest are and may in future be located in multiple legal jurisdictions and political systems. There can be no assurance that future political and economic conditions in such countries will not result in the adoption of different policies or attitudes respecting the development and ownership of resources. Changes in applicable laws, regulations, or in their enforcement or regulatory interpretation could result in adverse changes to mineral development or operations. Any such changes in policy or attitudes may result in changes in laws affecting ownership of assets, land tenure and resource concessions, licensing fees, taxation, royalties, price controls, exchange rates, export controls, environmental protection, labour relations, foreign investment, nationalization, expropriation, repatriation of income and return of capital, which may affect both the ability to undertake exploration, construction and development on, or production from, the properties in respect of which Empress holds a royalty or other interest or the payments under such royalties or other interests. In certain areas where Empress' royalty interests are currently located, and in areas where Empress may hold a royalty or other interest, the regulatory environment is in a state of continuing change, and new laws, regulations and requirements may be retroactive in their effect and implementation. Any changes in governmental laws, regulations, economic conditions or shifts in political attitudes or stability are beyond the control of a royalty holder and the owners and operators of the underlying properties and such changes may result in a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Adequate infrastructure may not be available to develop properties underlying a royalty or other interest which could inhibit operations at such properties

Mining, processing, development, and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect or inhibit the operations at the properties in respect of which Empress holds a royalty or other interest, which may result in a material adverse effect on Empress' profitability, results of operations and financial condition and the trading price of its securities.

Mineral properties underlying royalty or other interests may be subject to risks related to indigenous peoples which could inhibit operations at such properties

Various international, national, state and provincial laws, codes, resolutions, conventions, guidelines, treaties and other principles and considerations relate to the rights of indigenous peoples. Empress holds, and Empress will hold, royalties and other interests in respect of operations located in some areas presently or previously inhabited or used by indigenous peoples. Many of these impose obligations on



government to respect the rights of indigenous people. Some mandate consultation with indigenous people regarding actions which may affect indigenous people, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national requirements, principles and considerations pertaining to indigenous people continue to evolve and be defined. The properties in respect of which Empress currently holds or Empress in the future may hold an interest are subject to the risk that one or more groups of indigenous people may oppose operation or new development. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the operator's activities. Opposition by indigenous people to such activities may require modification of or preclude operation or development of projects or may require the entering into of agreements with indigenous people. Claims and protests of indigenous peoples may disrupt or delay activities of the operators of assets in respect of which Empress holds a royalty or other interest which may result in a material adverse effect on Empress profitability, results of operations and financial condition and the trading price of its securities.

Section 4.3 Material Investments

As at the date of this AIF, Empress considers the interests it holds in the Sierra Antapite Mine, the Tahuehueto Mine, the Manica Mine, and the Galaxy Mine to be the only material mineral projects in which it holds royalty or stream interests.

Sierra Antapite Mine

A technical report was prepared for the Company pursuant to NI 43-101 entitled "Mineral Resource Estimation December 2021- Review July 2022, NI 43-101 Technical Report, Sierra Antapite Mine, Huaytara-Ica-Peru" dated August 26, 2022 with an effective date of July 31, 2022 and authored by Mr. Jorge Hinojosa, BSc (Geology Engineering), MAusIMM (CP) of Gemin Mining Project Specialists (the "**Sierra Antapite Technical Report**").

The information contained in this AIF derived from the Sierra Antapite Technical Report is subject to certain assumptions, qualifications and procedures described therein. Reference should be made to the full text of the Sierra Antapite Technical Report. The Sierra Antapite Technical Report is not and shall not be deemed to be incorporated by reference into this AIF. The Sierra Antapite Technical Report, and consequently the disclosure below, is prepared as of a certain point in time and Empress is not in a position to determine whether any information with respect to those properties that may be material subsequent to the date of the applicable Sierra Antapite Technical Report exists.

No qualified person has verified the data disclosed in the Sierra Antapite Technical Report on Empress' behalf, including sampling, analytical, and test data underlying the information or opinions contained in the Sierra Antapite Technical Report. As Empress is not the operator of the Sierra Antapite property, it does not have access to the data underlying the Sierra Antapite Technical Report and it is unable to perform such verification.

Terms and abbreviations used in the following summaries that are not otherwise defined therein shall have the meaning(s) ascribed thereto in the Sierra Antapite Technical Report. Figures or charts referred to the Sierra Antapite Technical Report but not reproduced herein may be viewed in the Sierra Antapite



Technical Report. Table references are to tables in the Sierra Antapite Technical Report, certain of which are reproduced in this AIF. The Sierra Antapite Technical Report should be read in the context of qualifying statements, procedures and accompanying discussion with the complete Sierra Antapite Technical Report and the summaries below are qualified in their entirety by the same.

1) Property description, Location and Access

The Antapite mining district is located on the west flank of the Western Cordillera, in the southern part of the Huaytará province, department of Huancavelica, Peru, South America, with altitudes that range from 3,000 to 4,000 m.a.s.l. **(Figure 4.2)** Antapite is accessible from the city of Ica (km 307 of the Southern Pan-American Highway) and is 130 kms from the town of Los Aquijes.

Figure 4.2: Location map





Sierra Antapite S.A.C. is the owner of 54 mining properties totaling 39,518.48 hectares. The mining properties that cover the mineral resources and the metallurgical plant and infrastructure are titled concessions in the name of Sierra Antapite S.A.C. To maintain the validity of the concessions, a payment of US\$3.00 per hectare is made annually and after six years, a fee must be paid if the concession is not in production or if minimum investments in exploration and/or or construction have not been made.

Sierra Antapite S.A.C. owns 100% of the mining properties, which are not subject to any royalties, although there is a stream with Empress. Sierra Antapite S.A.C. has the necessary permits in place for the exploration and exploitation of mineral resources and has no current environmental liabilities. There are no known risks related to entry permits to the reported resource area.

The area of the mine has a long history of mining activity, in particular the Sierra Antapite mine, having had mining operations since 2001. The mining unit has access from Lima, camps, medical outposts and aid components, and a working concentrator plant, tailings deposit and waste rock dumps.

(2) History

The first survey work on Antapite was carried out in 1994 by Buenaventura Ingenieros S.A. (BISA). In 1995 Inversiones Mineras del Sur S.A. through an agreement with Cía. of Minas Buenaventura S.A.A. ("**Buenaventura**") began exploration with tunnels in the Antapite and Zorro Rojo Veins. During 1995 to 2000, intense exploratory activity was carried out, focused primarily on drilling of structures in the surroundings of Zorro Rojo and Antapite. Buenaventura explored around the Sierra Antapite mine and the prospective areas within the mining property until 2013, when it decided to discontinue operations of the Sierra Antapite mine.

During the production phase, from 2001 to 2012, the mine processed 1,622,627 tms with 14.21 gpt gold, equivalent to 718,321 oz gold. In December 2016, the Antapite project was acquired by Sierra Antapite S.A.C., which restarted operation of the underground mine in 2017.

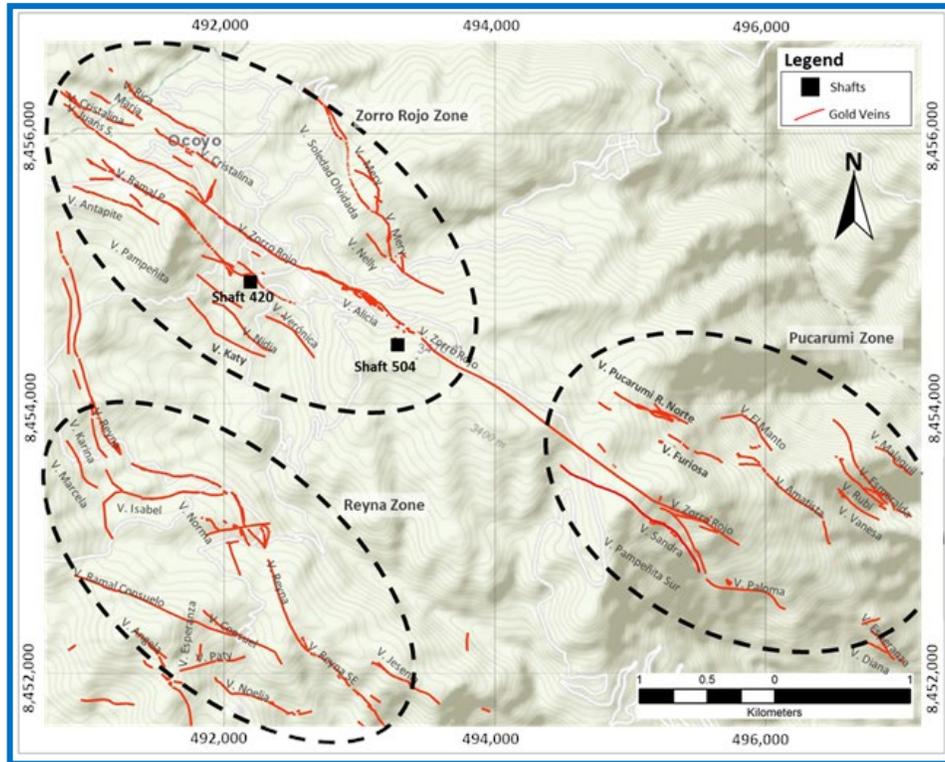
(3) Geological Setting, Mineralization and Deposit Types

Structurally, the Antapite project area is controlled by two important regional systems. The first, trending along the Andes, is shown as a N 50°-60°W trending structural corridor, with evidence of sinistral movements and rockfall to the southeast. The Choclanca – Ocoyo fault, directly related with the main vein Zorro Rojo, stands out in this system. The second system trends across the Andes and is represented by the Runahuañuscca and Yaurilla faults in the NW area of the district. These two systems mark out the area of highest concentration of volcanic centres and they would be controlling the mineralization in tensile fractures of the veins Carmencita, Isabel and Verónica – Cecilia – Lucia, amongst others.

The mineralization is exhibited as low-sulphidation epithermal gold-silver veins. **Figure 7.4** shows the different recognised veins, showing a main system trending NW-SE, grouping them in operational sectors.



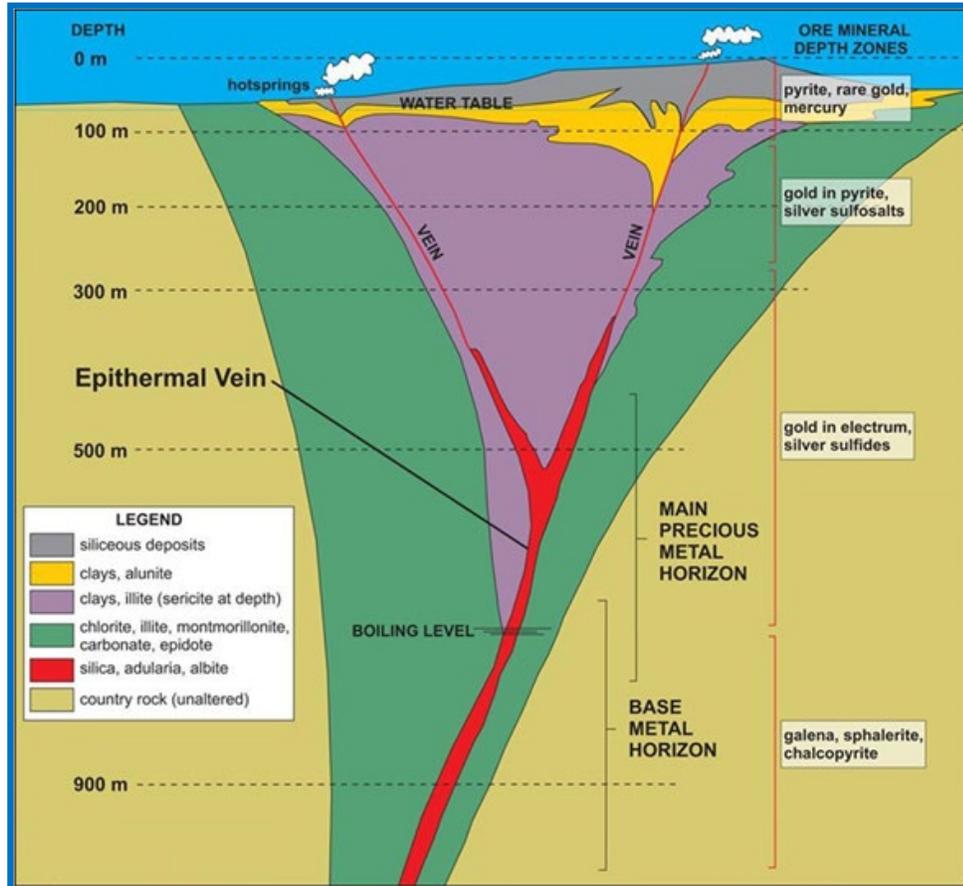
Figure 7.4: Mineralization – recognised veins – operational sectors



The mineralization of the veins of the Antapite mine is fracture filling. Its origin is low-sulphidation hydrothermal with quartz, adularia, sericite and pyrite; the mineralization is auriferous with secondary silver. The gold is found in its native state or as electrum and it is related to late paragenesis of quartz associated with several sulphides, mainly pyrite with traces of sphalerite, galena, chalcopyrite, and bits of sulfosalts like tetrahedrite and bournonite. **Figure 8.1** shows the characteristics of the mineralization and alteration.



Figure 8.1: Genetic model of low-sulphidation epithermal deposits (modified from Camprubi & Albison, 2006)



The Antapite mine is emplaced in calc-alkaline volcanic to volcanoclastic rocks, of Eocene to Upper Miocene age; it includes lavas, domes and Machucancha volcanic breccias; lavas, breccias, Tayaorco lahars and tuffs, Sanquiccacca, Piedra Redonda, Antapite and Mamahuanga; intruded by stocks and dikes of dioritic to andesitic composition. It is towards the south of the Huaytará-Tantará gold belt, Huancevelica.

Structurally, the mine is controlled by several lineaments, emphasising the NW – SE Andean trending structural system, with sinistral displacement with a normal component, pre and post mineralization. These lineaments are represented by a system of faulting and parallel veins, of which the Zorro Rojo vein is the most representative, which has approximately 2km of outcrop exposure and has been recognised with mine workings for about 3km. On a regional scale, there is a second system which trends cross-cutting the Andes (trans-Andean), NE – SW, such as the Runahuañusca and Yaurilla faults with dextral movement and normal slip. Finally, there is a third system trending E-W with exposure to the NW of Antapite.



The mineralized shoots are generally controlled by the changes in direction of the structures like the Zorro Rojo, Pampeñita and Antapite veins, and in the intersection with offshoots, like in the Reyna vein and its offshoots.

The hydrothermal alteration of the wall rock is characteristic of low-sulphidation systems (quartz, sericite, adularia), which go from a zone of silicification, defined by white quartz, chalcedonic to opaline quartz and silicified rock with a phyllic alteration mineralogical assemblage (sericite-quartz-adularia-calcite), to argillic to intermediate argillic alteration, with pyrophyllite-kaolinite-quartz present with illite around the edges. Finally, it goes to propylitic, which is defined by the presence of chlorite-illite-smectite-albite-calcite and little epidote and magnetite.

(4) Exploration

The first exploration works of Antapite were carried out in 1994 by Buenaventura Ingenieros S.A. (BISA). In 1995, Inversiones Mineras del Sur S.A., through an agreement with the company Minas Buenaventura S.A.A., began explorations with tunnels in the Antapite and Zorro Rojo veins, as well as starting exploration works in the Cerro Antapite. The development of galleries allowed the behaviour of the mineralization to be recognised and the mineral reserves that justified the opening of a new mining units to be produced, consequently with the necessary studies regarding the infrastructure of the plant and tailings dam and other components. In 1999, exploration works were carried out over the areas adjacent to the main veins by BISA, in which the areas of Accocancha and Carmencita were defined; additionally, a geochemical interpretation study of runoff sediments of the Antapite area was conducted.

In the year 2000, the geological study of the project area was continued and finished, and geological mapping at a scale of 1/2000 began in the areas known as Cerro Antapite, Carmencita and Accocancha and other areas further north of the latter, under the charge of an exploration team of the Minas Buenaventura S.A.A. company. In 2001, the geological study on a 1/10,000 scale of the area that covers the Antapite project was completed, by Dr. C. Angeles, Dr. D. Noble and Eng. Walter Amaya, under the charge of the Minas Buenaventura S.A.A. company.

In 2001, the production and treatment of minerals began with an annual total of 54,593 MT. All of this mineral was mined mainly from the veins Zorro Rojo, Antapite and Pampeñita 1.

During 2003, an exploration programme was also developed in the Antaco area where trenches were made on the veins Malaquita, Amatista, Furiosa, Vanesa, Esmeralda, Rubí, Paloma, Mariana and the SE extension of the Zorro Rojo vein in the Ocoyo area, with the Amatista vein being the most important vein; where exploration began with underground workings and some Au reserves could be measured.

In July 2008, exploration began again in the Soledad Olvidada vein with the 460 NW gallery on the level 3240. In September of the same year, a 1.0 to 2.0m structure was cut with values of 8.0 to 9.0 g/t gold where the mineral that is added to the reserves was measured. In November 2008, the mining of minerals from this vein began, and, at the same time, exploration continued in the levels 3240, 3190, 3130 and 3070 until June 2011. The mineral from this vein practically provided all the production of the unit in 2009, 2010 and part of 2011.



In May 2010, exploration of the Pucarumi vein began again. This exploration consisted of geological maps, trenches, and diamond drillings with positive results. In June 2011, exploration with mine working began on the level 3020 until February 2012, when the Ocobamba community stopped all work in this area.

In March 2011, a structure newly known as Alicia was cut with diamond drilling. The drilling reported 12.28 g/t gold with a width of 1.69m on the level 3285. That same month, exploration began with mine workings on the levels 3285 and 3240, measuring the volume of mineral, with which exploration began in June 2011 and it came to an end in December of the same year.

In February 2012, the Ocobamba community stopped the development and production workings in the Pucarumi area where 70% of the reserves and more than 90% of grade were concentrated. As a result of this standstill, in August 2012 operations in the processing plant were stopped, but it was decided that exploration would be driven with drilling and drift.

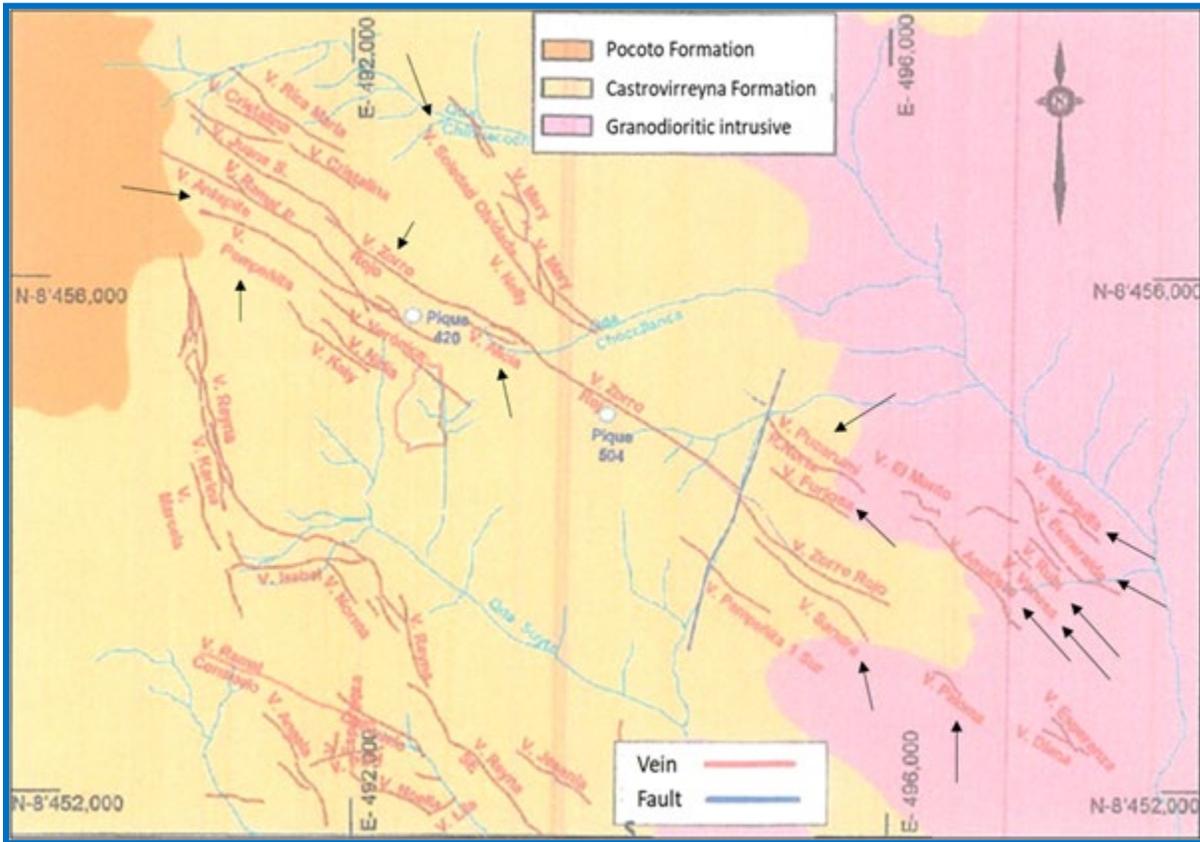
In 2013, the Sandra vein was discovered with diamond drillings and its exploration began with galleries and chimney shafts. On October 29th, 2013, diamond drilling exploration was stopped due to the communities not granting permission.

In March 2014, exploration with mine workings in the Pucarumi area was stopped because the Ocobamba community did not grant permission.



Figure 9.1 shows the location of the veins mentioned in the exploration activities above, showing that the exploration covered all the veins in the area surrounding the mine.

Figure 9.1: Antapite Mine Exploration – Veins mentioned in the text



During 2019, a geophysical study campaign was carried out using the method known as Ground Penetrating Radar ("GPR"). It involves 20 profiles with a total of 18,082 metres. The results show pseudo-conductivity anomalies that would correspond to the prolongation of the NW-SE striking structures, towards the NW, in an extension of more than 2 kilometers.

(5) Drilling

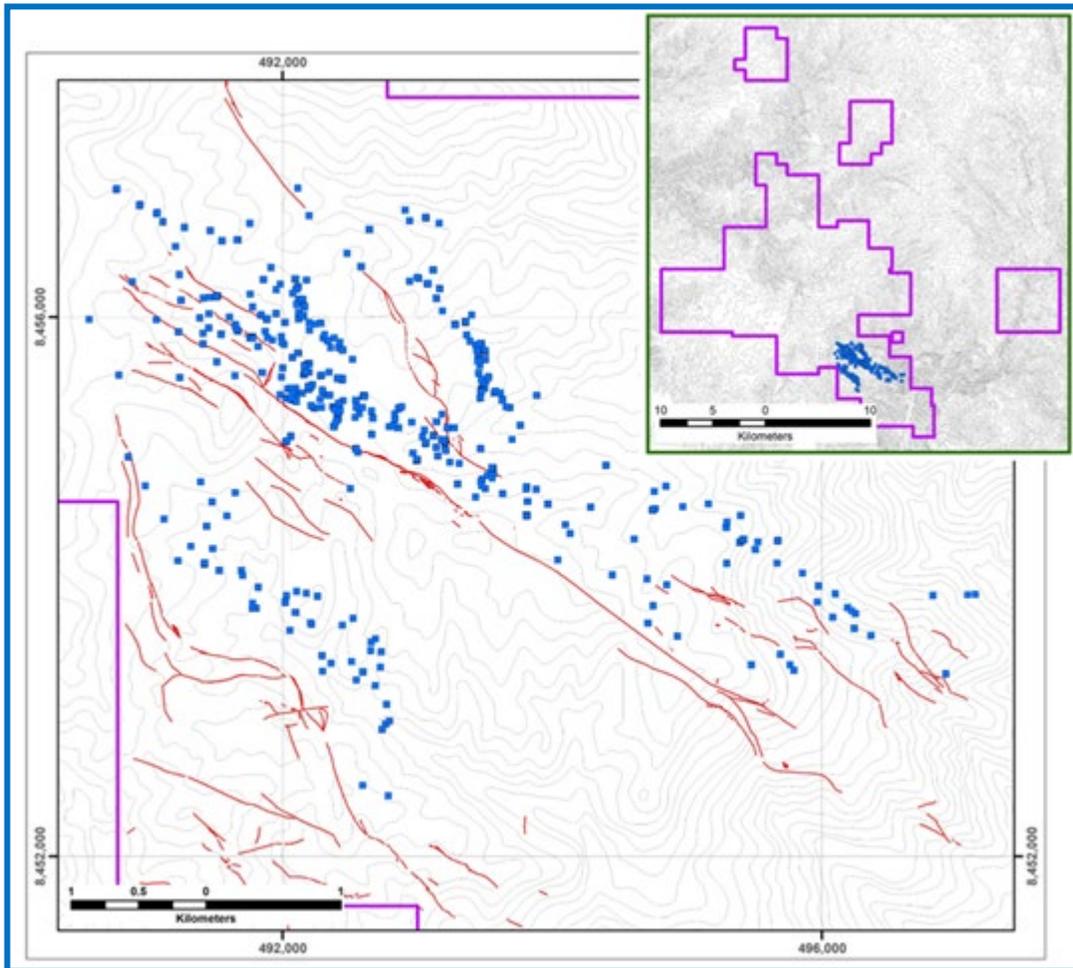
Buenaventura carried out a systematic exploration program. There is knowledge of the metres drilled year by year, from 2000 to 2007, reaching a total of 131,289.35 metres. There is no earlier data. However, there is a database of 908 boreholes with 213,983.57 metres, drilled exclusively in the mine area, and the entire recognized and mined trend up to 2012, shown in **Figure 10.1**.



Sierra Antapite has had two drilling operations:

- 2017: 8 boreholes with 450.35 metres. Drilling operation conducted from the surface to verify the existence of gold contents in the backfill. The results show gold grade in the backfill and mineralized intercepts were cut in the walls of the backfill. This operation validated the gold mineralization in the backfill.
- 2019: 9 boreholes with 1,483.03 m of drilling towards the extensions of the Katy and Antapite veins. These boreholes were used to mark out the area of mineralization at depth in the Katy vein (3 boreholes showed contents between 0.13 and 1.02 gpt Au). In the Antapite vein, mineralization was confirmed towards favourable sectors (intercepts of contents of 3.14 to 4.22 gpt Au). In Zorro Rojo vein an interval of 4.12 gpt Au is cut.
- For 2023, there is scheduled drilling of 64 boreholes with 3,200 metres, a programme of short boreholes that will be used to determine the continuity and to delineate the mineralization of the previously mined veins.

Figure 10.1: Drilling in Antapite Mine – Collar Locations



(6) Mineral Resource and Mineral Reserve Estimates

Table 14.2 shows the results of the review of the Resource Estimation of December 2021 in the Antapite, Zorro Rojo, Zorro Rojo Norte, and Gabriela veins (Figure 14.4), carried out according to the standard procedure for mineral resource estimation and using the geostatistical method.

During the review of the July 2022 model, the veins were interpreted considered a minimum grade of 1.2 gpt gold, based on having interpretation solids that are found below what would eventually be the cut off of reserves. The reinterpretation of the mineralization with a lower cut off means the shoots that were not previously considered are considered, obtaining solids with more consistent grades and of lower variability and that, outside of the veins, there are not high values that were not entered by default.



Table 14.2: Antapite – Zorro Rojo – Zorro Rojo Norte – Gabriela Veins – Long-Term Mineral Resource Statement December 2021 – Review July 2022 – Geostatistical Method

Vein	Category	DMT	Au g/t	ozAu
Antapite	Measured	72,811	3.94	9,231
	Indicated	54,928	3.47	6,124
	Meas + Ind	127,739	3.74	15,355
	Inferred	51,065	3.80	6,244
Zorro Rojo	Measured	53,043	3.86	6,591
	Indicated	35,666	3.96	4,543
	Meas + Ind	88,709	3.90	11,134
	Inferred	29,099	2.46	2,305
Zorro Rojo Norte	Measured	19,407	3.69	2,302
	Indicated	13,332	3.34	1,432
	Meas + Ind	32,739	3.55	3,734
	Inferred	2,971	3.37	322
Gabriela	Measured	3,785	3.97	483
	Indicated	968	5.28	164
	Meas + Ind	4,753	4.24	648
	Inferred	124	3.99	16
All veins	Measured	149,046	3.88	18,607
	Indicated	104,894	3.64	12,263
	Meas + Ind	253,940	3.78	30,870
	Inferred	83,259	3.32	8,888

Regarding the veins evaluated:

- The main structure is the Antapite vein due to its extension of approximately 1.5km, trending N58W, with a dip of 71 SW, in the far S-E it changes strike direction, from NW to WE.
- The Zorro Rojo vein has an extension of approximately 1km, average strike of N58W, dip of 75 SW.
- The Zorro Rojo Norte vein and Gabriela vein, both have been modelled as one singular structure, the first with strike of N60W, dip of 75 SW, the second with strike N1E, dip of 70 W. The part where the strike direction of the Zorro Rojo Norte vein changes abruptly is known as vein Gabriela until it contacts the Zorro Rojo vein.

Tahuehueto Mine

The information presented in this AIF about the Tahuehueto Project has been extracted or derived from the Tahuehueto Technical Report, which was filed by Luca Mining Corporation ("Luca" formerly "Altaley") with the British Columbia and Alberta Securities Commissions, and which is available under Luca's profile at www.sedarplus.ca.



Section 9.2(1) of NI 43-101 states that an issuer whose interest in a mineral project is only a royalty or similar interest is not required to file a technical report to support disclosure in a document under subsection 4.2 of NI 43-101 (which includes an annual information form): (1) if (a) the operator or owner of the mineral project is (i) a reporting issuer in a jurisdiction of Canada, or (ii) a producing issuer whose securities trade on a specified exchange and that discloses mineral resources and mineral reserves under an acceptable foreign code; and (b) the issuer identifies in its document under subsection 4.2 (1) the source of the scientific and technical information; and (c) the operator or owner of the mineral project has disclosed the scientific and technical information that is material to the issuer. This exemption is available to Empress in respect of the information derived from the Tahuehueto Technical Report.

The information contained in this AIF derived from the Tahuehueto Technical Report is subject to certain assumptions, qualifications and procedures described therein. Reference should be made to the full text of the Tahuehueto Technical Report. The Tahuehueto Technical Report is not and shall not be deemed to be incorporated by reference into this AIF. The Tahuehueto Technical Report, and consequently the disclosure below, is prepared as of a certain point in time and Empress is not in a position to determine whether any information with respect to those properties that may be material subsequent to the date of the applicable Tahuehueto Technical Report exists. Therefore, in addition to the Tahuehueto Technical Report, readers should review public disclosures available on SEDAR made by Luca, which is available under its issuer profile on SEDAR at www.sedarplus.ca.

No qualified person has verified the data disclosed in the Tahuehueto Technical Report on Empress' behalf, including sampling, analytical, and test data underlying the information or opinions contained in the Tahuehueto Technical Report. As Empress is not the operator of the Tahuehueto property, it does not have access to the data underlying the Tahuehueto Technical Report and it is unable to perform such verification.

Terms and abbreviations used in the following summaries that are not otherwise defined therein shall have the meaning(s) ascribed thereto in the Tahuehueto Technical Report. Figures or charts referred to the Tahuehueto Technical Report but not reproduced herein may be viewed in the Tahuehueto Technical Report. Table references are to tables in the Tahuehueto Technical Report, certain of which are reproduced in this AIF. The Tahuehueto Technical Report should be read in the context of qualifying statements, procedures and accompanying discussion with the complete Tahuehueto Technical Report and the summaries below are qualified in their entirety by same.

(1) Project Description, Location and Access

The Tahuehueto Mine is located in the northwest portion of the state of Durango (Figure 4-1), about 250 km northwest of Durango, the state capital, and 160 km northeast of the city of Culiacan, Sinaloa. The Project is located about 25 km north of the Topia polymetallic-silver mine, 40 km northwest of the La Cienega gold, silver, base metal mine, 85 km southwest of the Guanacevi silver district, 280 km southeast of the Palmarejo silver and gold mine, and 150 km northwest of the San Dimas mining district, most notable for the Tayoltita silver and gold mine.

The project is approximately centered on UTM coordinates (WGS 84 Zone 13 for México) 337366 m E and 2812659 m N (106°37'1 longitude west and 25°25'19 latitude north).

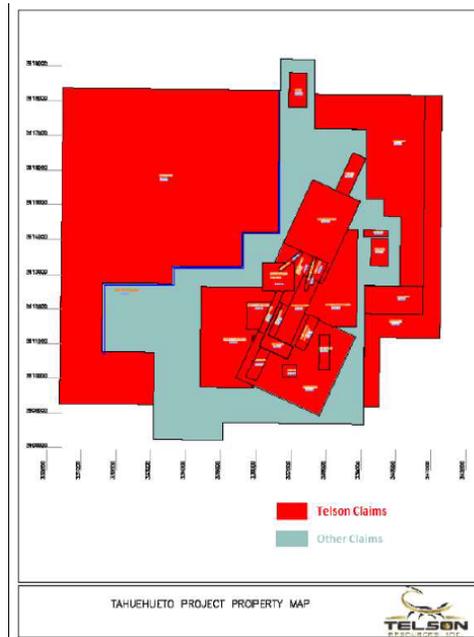


Figure 4-1. Location of the Tahuehueto Project



The Tahuehueto property consists of 28 mining concessions that total 7,492.7889 ha. The concessions are shown in Figure 4-2. The concessions are located in five non continuous blocks, shown in Figure 4-2. Some of them are subject to royalties of 1.6% of the NSR.

Figure 4-2. Tahuehueto Project Property Map



All 28 mining concessions are owned by Real de la Bufa S.A. de C.V. ("Real"), a Mexican subsidiary of the Company, and at present, all taxes owing to the Bureau of Mines of México are paid.

On April 26, 2016, Real de la Bufa renewed and extended a temporary land use agreement (the "Agreement") with the Comunidad La Bufa (hereinafter "Comunidad"), holders of certain surface rights at Tahuehueto. The renewed Agreement allows the Company to explore, develop and produce minerals within an area of 2,062 ha over a period of 30 years beginning on the date of the Agreement and may be extended upon request by Real. This 30-year Agreement is obligatory to Comunidad, not for Real. Real will pay to Comunidad a fee of US \$46,540.00 or the equivalent amount in Mexican Pesos for each 365-day period as compensation for the temporary land use for mining exploration and exploitation. Payments will be due yearly on the anniversary date of the Agreement and will be subject to annual increase of 5% on the value of the preceding year's payment.

The Surface Rights Agreement allows Real unrestricted access to explore, develop and mine metals within the area covered under the agreement and other areas are open to negotiate any agreement for further exploration.

Access to the Project by land is by paved Mexican Highway 45 from the city of Durango 53 km to the turnoff to Santiago Papasquiario, then west on paved Mexican Highway 23 for 122 km through Santiago Papasquiario and on to Tepehuanes. From Tepehuanes, an unnumbered paved road runs west through El Tarahumar.

The pavement ends approximately 65 km after Tepehuanes, and access is then by 120 km of unimproved dirt road to the project. The approximately 175 km trip by road from Tepehuanes to Tahuehueto takes about 5 to 6 hours of driving.



There is also access via fixed-wing aircraft from either Culiacan or Durango. A serviceable gravel airstrip is located 20 km by road north of Tahuehueto at El Purgatorio. This airstrip is maintained by Altaley and is suitable for single-engine aircraft.

Narrow gravel roads in steep terrain provide access to various locations within the project limits.

The nearest sizeable community to the project area is Tepehuanes, which is located approximately 175 km by road east of the property and has a population of approximately 15,000. A 34.5 kv power line and telephone service extends as far as Tepehuanes; diesel generators presently supply power to the project site.

Topia, also serviced with a power grid is located about 25 km southeast of the Project by air, is the nearest community of any size, with a population of about 1,200.

The terrain at the Project is very steep to precipitous in places. Elevations range from about 600 m in river valleys in the southern part of the property to over 2,500 m on high-level plateaus in the northern part of the property. El Creston, the most important of the mineralized zones identified to date, is located along a northeast-trending ridge that spans an elevation range of 1,400 to 1,800 m.

The region is drained by the Rio las Vueltas, which flows continuously all year from east to west and is located south of the camp at an elevation of 600 to 625 m. There is one major drainage basin in the Tahuehueto project area that feeds the Rio las Vueltas. Most streams in the area are seasonal.

(2) History

Historic exploration has been focused along a series of exposed veins, silicified zones and color anomalies that are common within the Tahuehueto project area. The information in this subsection is taken from Brown (1998b, 2004) unless otherwise referenced. Gold and silver vein mineralization was discovered in the Tahuehueto area in the nineteenth century by Spanish explorers. The veins were examined and found to contain good gold and silver values hosted in sulfides, which at that time could not be processed.

The first recorded exploration was in 1904 (Cavey, 1994) when an English company began development on the Veta 20-93 (El Creston) at the Sacramento de la Plata mine. The actual starting date of the limited production is not recorded.

Compañía Minera Sacramento de la Plata, a predecessor company of Real de la Bufa, was founded in 1966 and developed over 700 m of underground workings on the El Rey and El Creston structures in 1971. A 50 tpd plant was constructed to process the mined material and was operated in the 1970s. Concentrates from the mill were flown to Santiago Papasquiario and then driven to the smelter at Torreón. Total production from Tahuehueto appears to have been limited. ASARCO sampled El Creston and other veins in the region. Tadmex, S.A. de C.V. developed Level 16 of the El Creston vein (Pedroza Cano, 1991). RDA has no detailed information on these programs.

Castle Minerals Inc. of Vancouver ("**Castle**"; subsequently changed to Castle Rock Exploration Corp.) optioned Tahuehueto from Sacramento in 1994. At that point, the property consisted of 17 concessions



totaling 1,261 ha. Prior to the time that Castle acquired the property there were at least 15 documented mineralized zones. Castle dropped their option within two years without having drilled any holes.

(3) Geological Setting, Mineralization and Deposit Types

The Tahuehueto project lies near the western edge of the Sierra Madre Occidental, a 1,200 km long north-northwest-trending volcanic plateau that is 200 to 300 km in width. This mountainous plateau separates the southward extension of the Basin and Range Province of the southwestern United States into two parts; Sedlock et al. (1993) suggested calling these two areas of extension the eastern and western Mexican Basin and Range provinces. Tahuehueto is near the boundary between the Sierra Madre Occidental and western Mexican Basin and Range Province.

Mineralization at Tahuehueto occurs as polymetallic epithermal veins with multiple mineralizing events overprinted on one another in the same vein structure. The primary host rock is andesite of the lower volcanic series, but in at least one case, the hydrothermal system penetrated felsic ignimbrite of the upper volcanic series. Breccias are an integral part of the Tahuehueto hydrothermal system and display several genetic styles.

The uppermost portions of the mineralized structures are oxidized. In the oxide zone, mineralization consists of malachite, azurite, chalcocite, covellite, limonite, and hematite. Malachite overprints tetrahedrite, and chalcocite and covellite form coatings on sphalerite. The depth of the oxide-sulfide interface varies considerably but is generally less than 100 m and less than 5% of the mineralization discovered to date is considered oxidized.

Sulfide mineralization lies below the oxidized zone and consists of sphalerite, galena, chalcopyrite, tennantite, tetrahedrite, and probably electrum. Gangue minerals are quartz, pyrite, chlorite, sericite, and calcite. Locally a light green phyllosilicate mineral interpreted to be celadonite forms as gangue and is closely associated with high-grade gold and silver mineralization.

(4) Exploration

Luca entered into a "Promise to Contract" agreement in 1996, after Castle dropped their interest in Tahuehueto, whereby the owners of a majority of the outstanding shares of Sacramento agreed to enter into a Share Purchase Agreement. This agreement was executed in March 1997.

Luca conducted both surface and underground sampling in 1997 to verify historic mineral inventory estimates and to evaluate the potential for a much larger, lower grade open pit deposit (Brown, 1998b, 2004).

Luca geologists created a relational database to store and manipulate all of the sample location, description and analytical data. All the previous surveyed underground workings were digitized, and all the sample data has been plotted, level by level at El Creston, on sample number, gold, silver, copper, lead, and zinc maps. Luca geologists mapped the underground workings at El Creston, but Luca either in a reconnaissance or property scale manner did no geological mapping.



Luca resumed exploration at Tahuehueto in the spring of 2004 (Soho, 2004). Initial focus was to prove continuity between the two existing highly mineralized El Creston and Cinco de Mayo zones and thereby demonstrate the potential for a large-scale gold deposit (Soho, 2004b).

Subsequent exploration has included continued exploration along the mineralized corridor between Cinco de Mayo and Santiago, while testing some of the additional mineralized zones on the property.

A geophysical survey was implemented in 2004 to prove continuity between the known mineralized zones at El Creston and Cinco de Mayo, followed by a drilling program to test El Creston, Cinco de Mayo, and any anomalies generated from the geophysical study. SJ Geophysics Ltd. conducted the geophysical survey that included resistivity and IP measurements taken on approximately 18.5 km of grid.

(5) Drilling

A substantial amount of drilling has been completed on the Tahuehueto project by Luca in 2004 through 2008, and in 2011, for a total of 252 holes and 48,260.22 m drilled. Of the Luca holes, 215 were cored drill holes, and 37 were reverse circulation (RC) holes, with the cored drill holes representing 85% of the total footage. Of the Luca core drilling three quarters is HQ size and one quarter is NQ size. The bulk of the drilling took place during successive campaigns in a four-year period from December 2004 to August 2008. Footage completed during this time comprises 98% of the footage drilled by Luca. No drilling has taken place on the property since Luca completed four holes in 2011.

The only drilling known to have taken place prior to Luca's involvement was conducted by Mexican Government organization Consejo de Recursos Minerales, (now known as SGM) in the early 1980s. SGM drilled 2,451.27 m in 28 surface and underground drill holes. Luca has not been able to obtain drill logs, collar locations, or results from this drilling.

Table 10-1. Summary of Drilling by Year, Operator and Type

Year	No. of Holes	Length (m)	Drill Hole Names	Group	Type	Group No. of Holes	Group Length (m)
1980s	15	2,026.87	Unknown	SGM	Core	28	2,451.27
	13	424.40			UG		
2004	1	70.10	RC-001	Altaley	RC	37	3,668.26
2005	36	3,598.16	RC-002 to RC-034*		Core		
	36	4,953.88	DDH05-001 to DDH05-036				
2006	32	7,575.35	DDH06-037 to DDH06-064†			215	44,591.96
2007	74	16,219.63	DDH07-065 to DDH07-138				
2008	69	14,864.75	DDH08-139 to DDH08-207				
2011	4	978.35	DDH11-208 to DDH11-211				
Total	280	50,711.49		Altaley Total		252	48,260.22

Including holes RC-006A, RC-008A and RC-028A. † Including holes DDH06-037A, DDH06-042A, DDH06-049A and DDH06-051A.

The drill hole database used for the Tahuehueto Mineral Resource estimation is summarized in Table 10-3 and Table 10-4. Figure 10-3 shows a plan map of the Tahuehueto project area with the surface projection



of the drill holes. In addition to the drill hole information, the project database includes assays for a total of 1,788 underground samples, including 88 from the Cinco de Mayo workings, 450 from El Rey, and 1,250 from El Creston. Table 10-5 lists the drillholes that were not sampled or assayed in the Tahuehueto database.

Table 10-4 Summary of Drilling Database used for Resource Estimation

Item	Value
Number of Holes	252
Total Length (m)	48,260
Average Length (m)	192
Meters Sampled & Assayed	21,839
Drill hole Samples with Assays	19,109
Core Holes with Downhole Surveys	189
RC Holes with Downhole Surveys	0

(6) Mineral Resource and Mineral Reserve Estimates

The global mineral resource estimate was prepared based on a resource model constructed using Vulcan Geomodeller® scientific software. The Tahuehueto mineral resource was estimated using Inverse Distance Weighting (IDW) interpolation techniques.

Tahuehueto hosts a polymetallic assemblage of mineralization. Mineralization contains anomalous quantities of gold (Au), silver (Ag), copper (Cu), lead (Pb) and zinc (Zn). These metals are present in large continuous vein systems which have been identified throughout the Property. Three-dimensional vein models were used as the sources for the volumetric determinations of the resource model. Metals contained within each model block were estimated using Inverse Distance Cubed (ID3) interpolation methods.

Mineral Resources for the Project were determined based on a statistical analysis of data from 215 diamond drillholes totaling 44,857m, 37 reverse circulation drillholes totaling 3,668m and 1,812 underground channel samples totaling 3,644m. A three-dimensional geology model combining veins and stratigraphic units was used to constrain the Mineral Resource Estimate. Two resource models were built to encompass the seven areas of El Creston, El Perdido, El Catorce, Cinco de Mayo, El Rey, Santiago and Texcalama. The resource models use block sizes ranging from 1.5 x 1.5 x 1.5 meters to 3 x 3 x 3 meters depending on geologic continuity and geometry. Resource classification into measured, indicated, and inferred categories was based on the number of drillholes, distances to nearest drillholes and visually.

Mineral resources for the Tahuehueto Project are reported at an AuEq grade of 1.35 g/t. Table 14-7 lists the current Mineral Resource Estimate by classification and mineralized inventory for the Project. Gold equivalency was estimated using metal selling prices of US\$1,650/Oz Au, US\$21.02/Oz Ag, US\$0.91/Lb Pb, US\$1.15/Lb Zn and US\$3.70/Lb Cu.



Table 14-7 Tahuehueto Project Measured, Indicated, and Inferred Mineral Resource Estimate

Classification	kTonnes	Ag Grade (gpt)	Cont Ag kOz	Au Grade (gpt)	Cont Au kOz	Cu Grade (%)	Cont Cu klbs	Pb Grade (%)	Cont Pb klbs	Zn Grade (%)	Cont Zn klbs
Total Measured	3,875	48.54	6,047	2.42	302	0.27	23,215	1.11	94,967	2.01	171,481
Total Indicated	2,385	44.43	3,407	1.60	123	0.25	13,379	0.55	28,905	1.94	101,883
Total Measured and Indicated	6,260	46.97	9,454	2.11	425	0.27	36,594	0.90	123,872	1.98	273,364
Total Inferred	918	28.46	840	1.02	30	0.15	3,077	1.16	23,571	1.96	39,755

Mineral resources are inclusive of mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. These mineral resource estimates include inferred mineral resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied.

Manica Mine

A technical report was prepared for the Company pursuant to NI 43-101 entitled "NI 43-101 Technical Report on the Fair Bride Gold Project, Mozambique" dated February 22, 2021 with an effective date of February 1, 2021 and authored by Mr. Uwe Engelmann, BSc (Zoo.& Bot.), BSc Hons (Geol.), Pr.Sci.Nat., MGSSA of Minxcon (Pty) Ltd. (the "**Fair Bride Technical Report**").

The information contained in this AIF derived from the Fair Bride Technical Report is subject to certain assumptions, qualifications and procedures described therein. Reference should be made to the full text of the Fair Bride Technical Report. The Fair Bride Technical Report is not and shall not be deemed to be incorporated by reference into this AIF. The Fair Bride Technical Report, and consequently the disclosure below, is prepared as of a certain point in time and Empress is not in a position to determine whether any information with respect to those properties that may be material subsequent to the date of the applicable Fair Bride Technical Report exists.

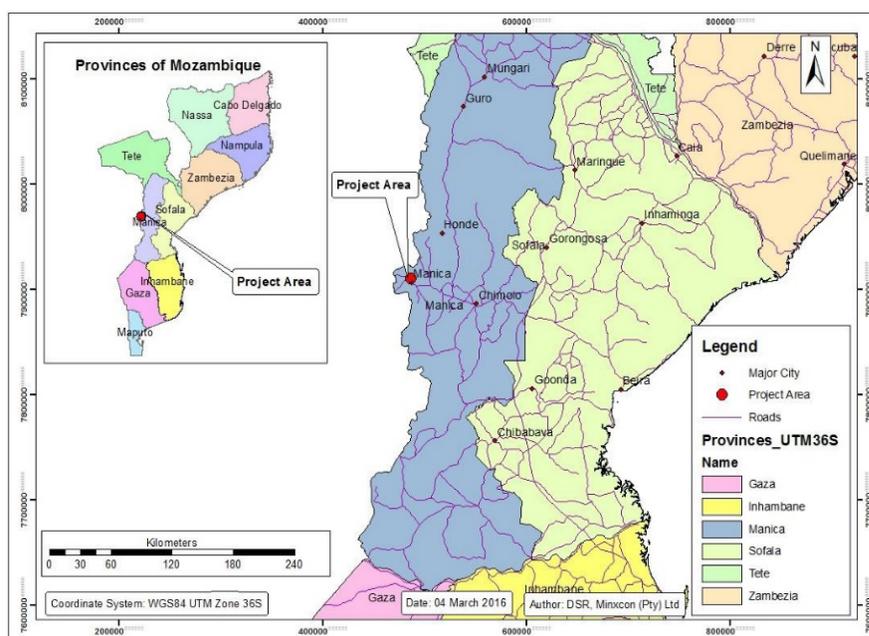
No qualified person has verified the data disclosed in the Fair Bride Technical Report on Empress' behalf, including sampling, analytical, and test data underlying the information or opinions contained in the Fair Bride Technical Report. As Empress is not the operator of the Fair Bride property, it does not have access to the data underlying the Fair Bride Technical Report and it is unable to perform such verification.

Terms and abbreviations used in the following summaries that are not otherwise defined therein shall have the meaning(s) ascribed thereto in the Fair Bride Technical Report. Figures or charts referred to the Fair Bride Technical Report but not reproduced herein may be viewed in the Fair Bride Technical Report. Table references are to tables in the Fair Bride Technical Report, certain of which are reproduced in this AIF. The Fair Bride Technical Report should be read in the context of qualifying statements, procedures and accompanying discussion with the complete Fair Bride Technical Report and the summaries below are qualified in their entirety by same.



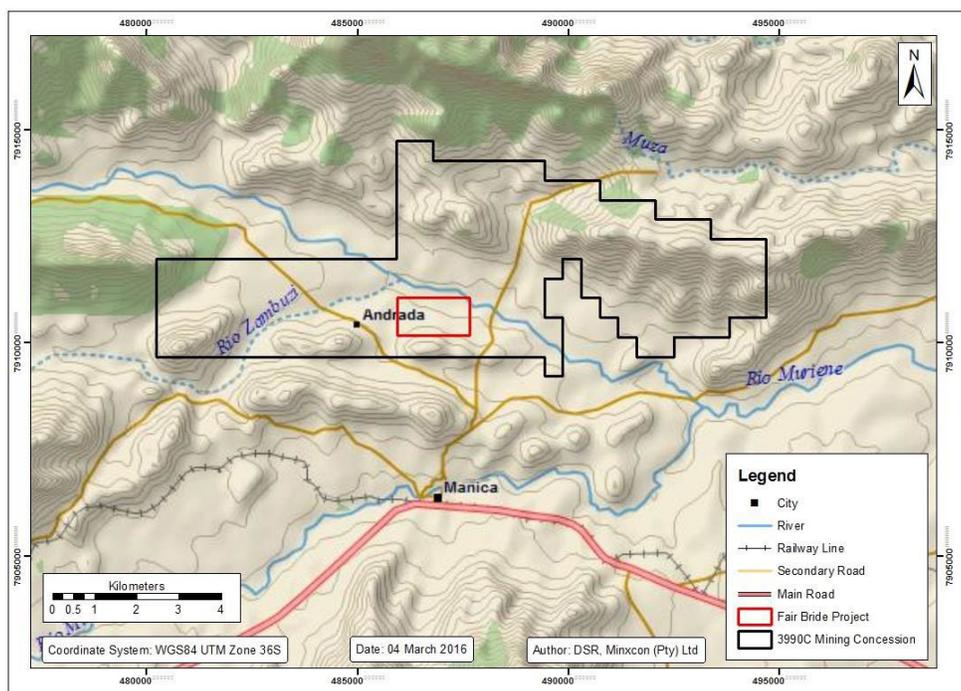
(1) Property description, Location and Access

The Fair Bride prospect (the "**Manica Project**") is located in the western extremity of the Manica Province in Mozambique. The Manica Project is accessible by dirt road from Manica city. Manica can be reached by tar road from Johannesburg via Beitbridge, Mutare (approximately 1,239 km) or from Harare in Zimbabwe via Mutare (approximately 409 km). Air services link major regional centres of Johannesburg, Maputo, Harare and Chimoio (located 70 km from the Manica Project Area).



Regional Location of the Project Area

February 2021

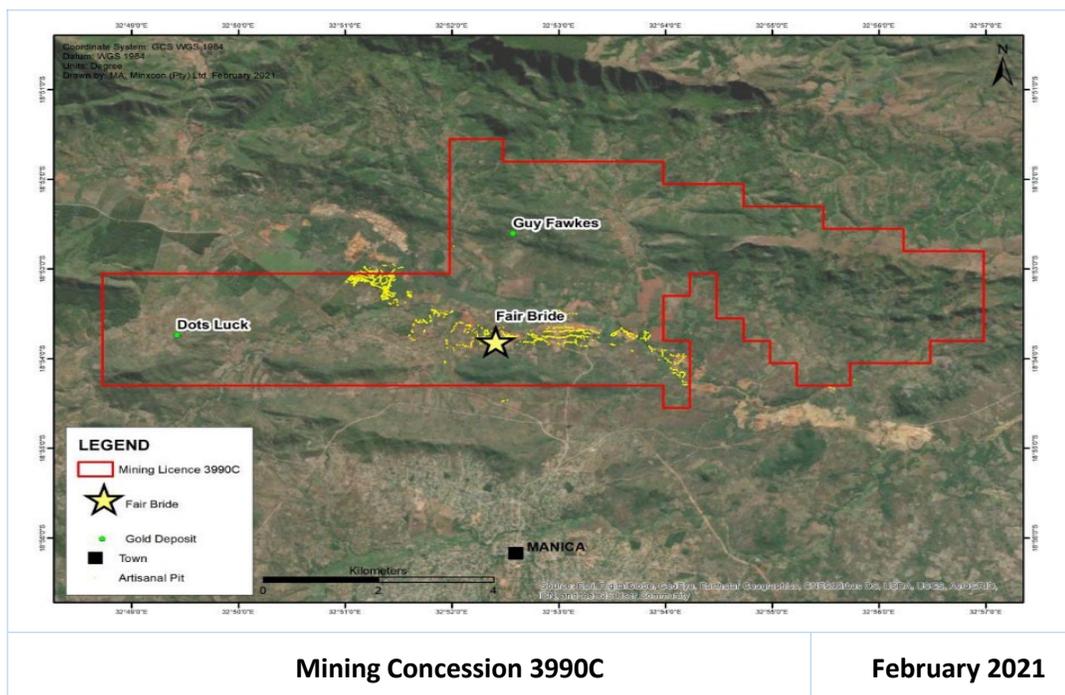


Location of the Fair Bride Project

February 2021

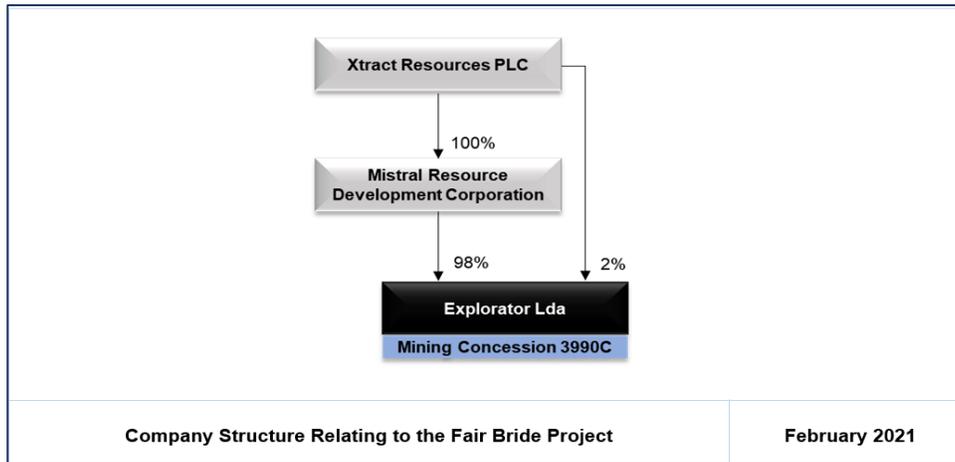
The Mining Law, No. 20/2014 of 18 August 2014 ("the **Mining Law**"), establishes the legal framework for mining activities in Mozambique. Licences are issued and regulated by the Ministry of Mineral Resources and Energy.

The Manica Project Area occurs within the boundaries of Mining Concession 3990C, which is held by Explorator, Lda ("**Explorator**") for gold and is valid to 3 March 2036. The licence area encompasses a total of 4,360 ha and the Fair Bride prospect covers approximately 1,530 ha of the concession. Explorator is authorised to use and improve the land surface.



Per Mozambique Constitution, no land is privately owned, and all land ownership lies with the State. The right to use land can be granted through a *Direito do Uso e Aproveitamento da Terra* ("DUAT") process. The right to use and improve the land surface was authorised to the title holder (Explorator) in terms of the Land Regulation (Decree No. 66 of 1998) on 10 March 2020 until expiry of 3990C under reference number 239/MTA/DINAT-DCIT/411/2020.

The Mining Concession is held by Explorator, which in turn is a majority-held subsidiary of Mistral Resource Development Corporation (98%), with the balance held directly by Xtract Resources PLC. Mistral Resource Development Corporation is a wholly-owned subsidiary of Xtract Resources PLC. The company structure as it relates to the licence area is illustrated below. Empress has provided a portion of capital funding to the Manica Project via streaming and is not defined as a shareholder or lender.



To the knowledge of Minxcon, at the date of their report, there are currently no applicable royalties or payments associated with the Manica Project.

A payment of 0.2% of USD5 million (the quoted investment value for 3990C including Fair Bride, Dot's Luck and Guy Fawkes) was made for the issuing of the Environmental License in relation to future mining. In Mozambique, submission of the DUAT is a condition for the issuance of the Environmental License, which will only be required for development and mining operations. The Environmental License under reference number 11/2020 was issued to Explorator on 20 May 2020 and is valid until 20 May 2025.

A water use license number 005/2016 was issued by the Ministry of Public Works and Housing to Explorator under license number 005/2016 on 20 October 2016 and is valid until 20 October 2021 for the 3990C concession area. This license allows for pumping of 135,000 m3 per month of water from the Revue River. This license is aimed at mine development and has no bearing on the Mineral Resources of the Manica Project.

Minxcon is not aware of any significant factors or risks prevalent to the Manica Project that may affect the Mineral Resources and potential operations.

(2) History

Manica is an historical gold mining area. Prehistoric mining and exploration activities started during the time of the Monomotapa Empire, after which it was continued by the Portuguese and other Europeans from the 1800s to about the 1970s.

Documented historical exploration activities on the Fair Bride prospect took place since 1964. The Brigada de Formento Mineiro ("**BFM**") first explored the area in 1964 where they conducted geological mapping of the Manica Project Area, followed by Lonrho in 1987, and then by Explorator.

Explorator was wholly owned by Pan African Resources Limited ("**PAR**") until 17 January 2012 when it was wholly purchased by Australian Listed Company Auroch Minerals NL ("**Auroch**"). Explorator was subsequently purchased by Xtract in 2015.



The following table summarizes prior ownership and ownership changes:

Company	Year
Unknown	1900 - 1950
Brigada de Formento Mineiro (BFM)	1964
Lonrho	1986
	1989
Pan African Resources PLC	2001 - 2013
Auroch Minerals NL	2013 - 2015
Xtract Resources PLC	2015 - Current

From 2001 to 2011, Pan African Resources ("**PAF**") conducted extensive exploration activities which included: detailed geological mapping of the project area, a magnetic field intensity ("**TMI**") survey and a gradient array induced polarisation ("**IP**") survey, drilling of 79 reverse circulation ("**RC**") drillholes and 100 diamond drillholes. Auroch Minerals subsequently drilled 9 RC drillholes and 11 diamond drillholes from 2013 to 2015, prior to the acquisition of the property by Xtract. Auroch also completed a definitive feasibility study ("**DFS**"). In 2017, Minxcon completed a definitive feasibility study (DFS) on the Manica Project.

The below table summarizes historical exploration activities which were completed on the Fair Bride area. Further to these formally documented activities, a number of artisanal workings are active on the site along the alluvial system. It is unknown how far back their presence dates.

Historical Exploration Activities on Fair Bride

Company	Year	Mapping	Geochemistry	Geophysics	Sampling		RC Drilling		Diamond Drilling		
					Type	m	No. Drillholes	m	No. Drillholes	m	
Unknown	1900 - 1950										
BFM	1964	Mapping									
Lonrho	1986				Pitting						
	1989				Pitting						
PAF	2001	Mapping	Au								
	2002				10 Trenches	2,817	33	2,010			
	2003		As	IP and TMI			6	474			
	2004						7	699	8	1,312	
	2005			IP			12	1,149			
	2006	Detailed Mapping							7	1,004	
	2007						3	164	60	10,699	
	2008										
	2009							18	2,118	25	6,835
	2010										
Auroch Minerals	2013 - 2015			VTEM and Airborne TMI			9	578	11	1,704	
Total							88	7,192	111	21,554	



Historical exploration included surface mapping, soil geochemical surveys, trenching and geophysical surveys. These all contributed to the target generation for the exploration drilling. This drilling included diamond drilling and reverse circulation (or RC) drilling. A total of 113 RC drillholes totaling 9,265.97 m were completed on the Fair Bride prospect. RC drillholes were drilled using a 120 mm bit using a face sampling hammer. 116 diamond drillholes, totalling 22,396.82 m, were completed on the Fair Bride prospect. All diamond drillholes drilled prior to 2013 were drilled using HQ sized bits (63.50 mm) within the weathered zone while the NQ sized bits (47.60 mm) were used to drill in more competent material (fresh rock). Those drillholes drilled in 2012 and 2013 were drilled using PQ (85 mm) sized bits before casing off to HQ sized bits. During the various drilling campaigns, quality assurance and quality control measures were implemented, resulting in a reliable database.

(3) Geological Setting, Mineralization and Deposit Types

The Project Area is located within the Archaean Odzi-Mutare-Manica Greenstone Belt which occurs on the eastern side of the Zimbabwe Craton, which formed the northern portion of the larger Kalahari Craton. The Greenstone Belt is predominately composed of a strong east-west trend and locally folded ultramafic/mafic volcanics and serpentinites alongside metasediments. The eastern extension of the Odzi-Mutare-Manica Greenstone Belt is known as the Manica Greenstone Belt. There is a change in the general strike of the greenstone belt which is likely to be representative of shearing.

The Macequece Formation (in which the Fair Bride orebody occurs) and Vengo Formations are the most important lithologies within the Manica area of the greenstone belt. Ultramafic/mafic metavolcanics with intercalations of banded iron formation (or BIFs), serpentinite and metachert are the main constituent of the lowermost Macequece Formation. These rocks have been significantly altered by the regional retrograde metamorphism becoming rich in talc, chlorite amphibole and tremolite. The Vengo Formation, which is interpreted to be a younger, shallow water sedimentary unit comprised of metamorphosed shales, dolomitic limestones, siliceous volcanics, and quartzites, lies unconformably over the Macequece Formation. The grade of metamorphism in the Odzi-Mutare-Manica Greenstone Belt ranges from lower amphibolite facies to lower greenschist facies in the east around Manica and has significantly altered these rocks.

There are three east-west trending synforms that have been identified, plunging 20° to 25° to the east within the major OMM Greenstone Belt synform. Tight isoclinal antiforms, in some places, have been truncated by thrust faults separated the synforms. Deformation is principally associated with the Mutare-Masvingo-Sandawana strike slip shear zone that extends 500 km from Eastern Mozambique to Southern Zimbabwe. Large (> 10 km) regional east-northeast structures that vary in trend locally have been formed as a result of shearing.

Two adjacent regional shears which hosted the gold mineralisation within the Fair Bride project area are located on the margins of one of the Odzi-Mutare-Manica Greenstone Belt synforms. The Fair Bride project is located on the southern flanks of the syncline and strikes east-west.

The Project Area is situated on the southern part of the Mining Concession 3990C alongside a 7 km extension of the BIF horizon.



Exploration activities conducted on Fair Bride suggested that gold occurrence or mineralisation is closely associated with arsenopyrite and has been primarily intersected within the sedimentary units, BIF, greywackes and phyllites. Gold mineralisation is usually controlled by quartz sulphide veins which occurs as lenses along the shear zone.

Mineralisation is oxidised to a depth of about 50 m to 60 m below the surface. Minerals such as magnetite, hematite, limonite, hornblende, carbonate, sericite, albite and auriferous pyrite, arsenopyrite and pyrrhotite as well as native gold are the main constituent of the host rocks. The host rocks lithologies contain orebodies which vary in thickness from 2 m to 30 m, are sub-vertical and with strike lengths of several hundred metres.

(4) Exploration

Drillhole collar positions were surveyed by a qualified surveyor. Downhole surveys were carried out on 14 diamond drillholes. All drillholes drilled post 2011 were surveyed by a qualified surveyor using a DGPS to centimetre accuracy. Collar positions of drillholes were randomly checked in the field by a geologist using a global positioning system ("GPS"), and historical drillholes were re-surveyed by a qualified surveyor to warrant centimetre accuracy in 2007. Prior to 2007 no downhole surveys were completed, and post 2007 downhole survey was carried out by the Geosearch South Africa (Pty) Ltd on drillholes ANDD037 and ANDD039 using Reflex gyro downhole tool and all those drilled since June 2013 were surveyed by WeatherfordWireline Services, Tete, using a downhole gyro.

I. Gold In Soil Geochemical Survey

In 2001, bulk leach extractable gold in soil geochemical survey was completed on the southern portion of Mining Concession 3990C by Explorator Lda. This survey covered an area of 9.9 km by 1.5 km. The survey was completed using a 50 m X 100 m soil sampling grid. The 500 g samples were analysed by a bottle-roll in cyanide solution with an atomic absorption spectrometer ("AAS") finish with a 3 ppb detection limit. The laboratory that analysed the samples is unknown to Minxcon.

II. Arsenic In Soil Geochemical Survey

In 2003 to 2004, an initial orientation arsenic (As)-in-soil geochemical survey was conducted in the vicinity of the Fair Bride workings to ascertain the validity of the method. Soil samples were collected from a depth of 40 cm on a 10 m X 50 m grid along a limited strike length and along lines of 350 m. Samples collected were prepared and sent for analyses to Antech Laboratories in Kwekwe, Zimbabwe (SANAS accredited laboratory No. T0194). The sample analysis was carried out by total mixed acid digestion of 5 g and finished using an AAS finish. The method was shown to be valid and the survey area was extended for 1.2 km east of Fair Bride. A 20 m X 100 m grid was used along 840 m lines.

III. Trenching

The strategy used for compositing and assaying trench samples was adopted from RC sampling, however the gold grade assays for trench samples were generally lower than the RC chip samples and diamond drill core samples. It was concluded that the lower gold grade assay might have been due to shallow dispersion processes in the supergene. It was decided to exclude the trench assay data



due to mixing of samples and poor performance to the certified reference material ("CRM") and other reference material.

A total of twelve trenches totalling 3,357.50 m were dug to a 5 m depth and samples were collected as continuous 1 m channel samples from between 4 m and 5 m depths.

In 2013, Airborne Geotech (Prikhodko, 2013) completed a VTEM survey and a magnetometer survey (TMI) on their Mining Concession 3990C and the results were interpreted by Spectral Geophysics (Blignault, 2013).

(5) Drilling

A total of 113 RC drillholes totalling 9,265.97 m were completed on the Fair Bride prospect. RC drillholes were drilled using a 120 mm bit using a face sampling hammer.

A total of 116 diamond drillholes totalling some 22,396.82 m was completed on the Fair Bride prospect. All diamond drillholes drilled prior to 2013 were drilled using HQ sized bits (63.50 mm) within the weathered zone while the NQ sized bits (47.60 mm) were used to drill in more competent material (fresh rock). Those drillholes drilled in 2012 and 2013 were drilled using PQ (85 mm) sized bits before casing off to HQ sized bits.

The Fair Bride mineralised shear zone strikes east-west and is dipping approximately 75°. All drillholes were inclined with a -50° to -60° dip and oriented in a north-south direction so as to minimise any bias between drilling orientation and mineralisation structure. All the intersections are reported as apparent (downhole) widths.

Sample recoveries for both RC chip samples and diamond drill samples were recorded. RC chip sample recoveries were measured by weighing each 1 m sample and recording the sample mass recovered. Scatter plots of assay gold grade vs recorded sample per metre and histograms of the recorded sample per metre mass did not indicate any systematic bias of these data sets.

Standard logging techniques were used for recording diamond drill core recoveries where the recovered core was measured and compared to the depth block inserted by the drilling contractor during drilling. Diamond drill core recoveries were reasonably good with a mean of 88 % and a median of 99%.

(6) Mineral Resource and Mineral Reserve Estimates

A total of 94 diamond drillholes and 43 RC holes were utilised in the Mineral Resource estimation. Ordinary kriging was used for the estimation methodology. Only samples falling within the ore boundary wireframe were used for the estimation, and a capping regime was used where sample values exceeding 20 g/t over a 1 m composite were capped at 20 g/t (99th percentile). Soft boundaries were included to estimate the oxide zone where data points were included from the transitional zone to inform the oxide zone. A variogram range of 198 m in the long range and 149 m in the short range was used. The variogram



was also constrained in the Y range to 11 m to prevent overestimation across the width of the mineralised zone. The final block estimate utilises a 5 m X 5 m X 5 m block size with sub cell splitting.

The Mineral Resource was classified into Measured, Indicated and Inferred categories as defined in NI 43-101 and Canadian Institute of Mining Definition Standards, based on the kriging efficiency, number of samples and search radii. The resultant primary gold Mineral Resource estimation for Fair Bride for 2016 and now restated in 2021, for the combined open pit and underground, for Fair Bride is shown in the table to follow.

The Mineral Resource is based on a total resource stated at a cut-off of 0.5 g/t. The Mineral Resources are further subdivided into a Surface Mineable Mineral Resource and an Underground Mineable Mineral Resource. Two cut-offs were used for this classification. The results provided below appropriately reflect the Qualified Person's view of the Fair Bride orebody.

Total Mineral Resource for Fair Bride at 0.5 g/t Cut-off as at 1 February 2021

Mineral Resource Category	Tonnes	Gold Grade	Gold Content	
	Mt	g/t	kg	koz
Measured	9.764	1.86	18,163	584.0
Indicated	4.239	1.59	6,757	217.2
Total M&I	14.003	1.78	24,920	801.2
Inferred	12.930	1.65	21,313	685.2

Notes:

1. Mineral Resources are declared at indicated cut-offs.
2. No Geological losses are accounted for.
3. A gold price of USD1,650/oz was used for the cut-offs.
4. Mineral Resources are inclusive of Mineral Reserves (no Mineral Reserves declared).
5. Mineral Resources are reported as 100% attributable.

Open Cut Mineral Resource at 0.5 g/t Cut-off and Final Depth of 280 m Below Surface as at 1 February 2021

Mineral Resource Category	Tonnes	Gold Grade	Gold Content	
	Mt	g/t	kg	koz
Measured	9.750	1.86	18,130	582.9
Indicated	3.310	1.62	5,368	172.6
Total M&I	13.060	1.80	23,498	755.5
Inferred	0.894	1.17	1,049	33.7

Notes:

1. Mineral Resources are declared at indicated cut-offs.
2. No geological losses are accounted for.
3. A gold price of USD1,650/oz was used for the cut-offs.
4. Mineral Resources are inclusive of Mineral Reserves (no Mineral Reserves declared).
5. Mineral Resources are reported as 100% attributable.



Underground Mineral Resource at 1.5 g/t Cut-off and Depth from 280 m Below Surface as at 1 February 2021

Mineral Resource Category	Tonnes	Gold Grade	Gold Content	
	Mt	g/t	kg	koz
Measured	0.005	4.40	24	0.8
Indicated	0.307	2.61	801	25.8
Total M&I	0.312	2.64	825	26.5
Inferred	5.350	2.59	13,874	446.1

Notes:

1. Mineral Resources are declared at indicated cut-offs.
2. No geological losses are accounted for.
3. A gold price of USD1,650/oz was used for the cut-offs.
4. Mineral Resources are inclusive of Mineral Reserves (no Mineral Reserves declared).
5. Mineral Resources are reported as 100% attributable.

Galaxy Mine

A technical report was prepared for the Galaxy Gold Reefs (Pty) Ltd. pursuant to NI 43-101 entitled "NI 43-101 Technical Report on the Galaxy Gold Mine, South Africa" dated July 3, 2020 with an effective date of June 29, 2020 and authored by Mr. Uwe Engelmann, BSc (Zoo.& Bot.), BSc Hons (Geol.), Pr.Sci.Nat., MGSSA of Minxcon (Pty) Ltd. (the "**Galaxy Technical Report**").

The information contained in this AIF derived from the Galaxy Technical Report is subject to certain assumptions, qualifications and procedures described therein. Reference should be made to the full text of the Galaxy Technical Report. The Galaxy Technical Report is not and shall not be deemed to be incorporated by reference into this AIF. The Galaxy Technical Report, and consequently the disclosure below, is prepared as of a certain point in time and Empress is not in a position to determine whether any information with respect to those properties that may be material subsequent to the date of the applicable Galaxy Technical Report exists.

No qualified person has verified the data disclosed in the Galaxy Technical Report on Empress' behalf, including sampling, analytical, and test data underlying the information or opinions contained in the Galaxy Technical Report. As Empress is not the operator of the Galaxy mine, it does not have access to the data underlying the Galaxy Technical Report and it is unable to perform such verification.

Terms and abbreviations used in the following summaries that are not otherwise defined therein shall have the meaning(s) ascribed thereto in the Galaxy Technical Report. Figures or charts referred to the Galaxy Technical Report but not reproduced herein may be viewed in the Galaxy Technical Report. Table references are to tables in the Galaxy Technical Report, certain of which are reproduced in this AIF. The Galaxy Technical Report should be read in the context of qualifying statements, procedures and accompanying discussion with the complete Galaxy Technical Report and the summaries below are qualified in their entirety by same.

(1) Property description, Location and Access

The historically-established Galaxy Gold Mine is located approximately 8 km west of the town of Barberton and 45 km west of the provincial capital of Nelspruit (Mbombela), in the Mpumalanga



Province of South Africa. The Mine comprises several east-west trending gold orebodies and tailings storage facilities (“TSFs”) from historical workings. The Agnes Mine and Princeton Mine are the primary mining areas. The Alpine Mine and the Pioneer Mine are historical underground workings and constitute future mining targets. Current site activities include low volume development and TSF retreatment.

Modification of the on-site processing plant to produce and sell a high grade concentrate rather than producing bullion from a biological oxidation (“BIOX[®]”) plant as before has warranted a significant re-strategizing of the operations.

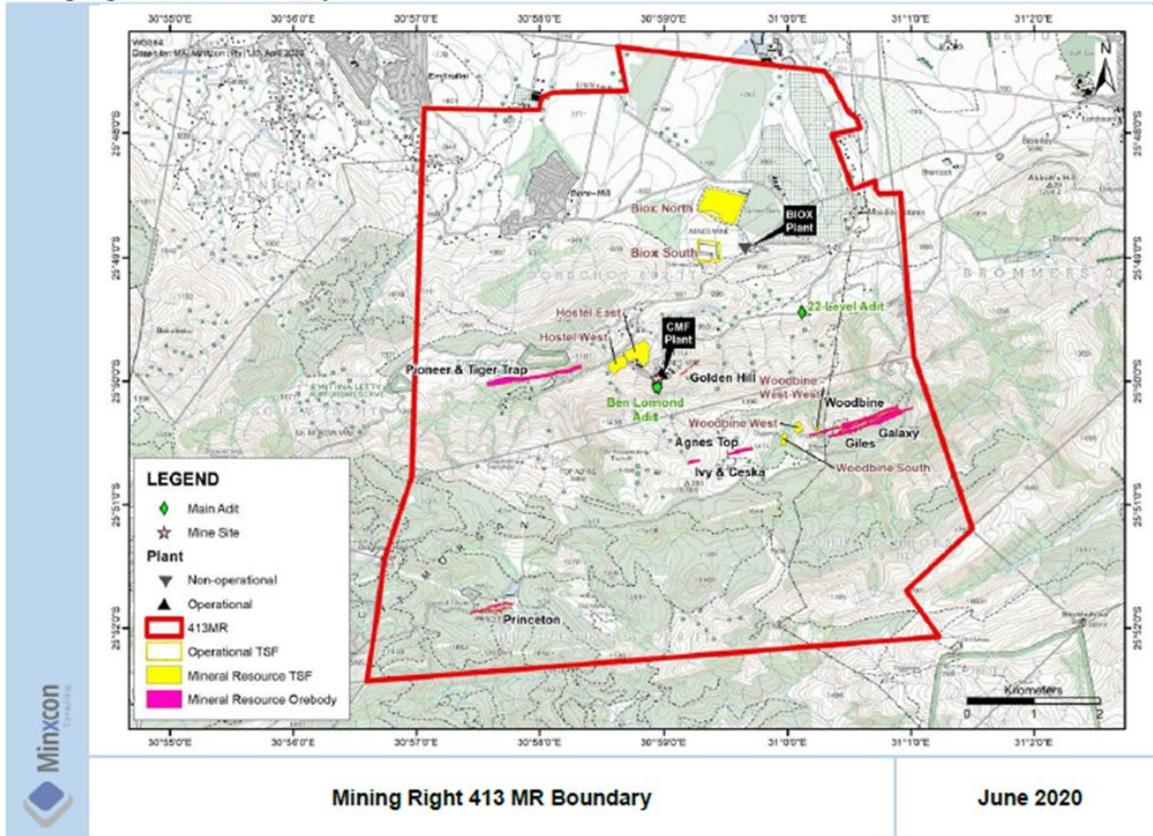
The project areas that form the subject of this Report (the “Project Areas”) are listed below and illustrated overleaf.

Galaxy Gold Mine Project Areas

Deposit Type	Name
Underground	Princeton Galaxy Woodbine Giles Golden Hill Pioneer & Tiger Trap
Open Pit	Agnes Top
Shaft Pillar	Ivy Ceska
TSF	Woodbine (East, North and South) Hostel (East and West) Biox North Alpine Pioneer



Mining Right 413 MR Boundary



The main area of the Galaxy Gold Mine is encompassed within mining right 413 MR, which is valid for gold mining until 4 September 2032. The 413 MR, issued to GGR, encompasses portions of the farm Oorschot 692 JT and the remaining extent of the farm Ameide 717 JT over an area of 5,862.8 ha. Applications for all required environmental permits have been submitted in support of an Environmental Authorization (“EA”) application and are pending decision from authorities.

GGR is currently 90% owned by Galaxy Gold Mining (Pty) Ltd. The remaining 10% shareholding is held equally by Galaxy Gold Empowerment Participation Scheme Trust and Trustees of the Galaxy Gold Community Development Trust. The Broad-Based Socio-Economic Empowerment Charter for the Mining and Minerals Industry of 2010 outlined the requirement for a 26% Black Economic Empowerment (“BEE”) shareholding for the holder of a mining or prospecting right. The effective total BEE shareholding in GGR is currently 25.3%.

Section 5(3) of the Mineral and Petroleum Resources Development Act, No 28 of 2002 (“MPRDA”) allows GGR, as holders of the current mining right, extensive surface use regarding mining operations.



GGR is planning to recommence mining operations as a combination of underground primary hard rock mining and TSF reclamation. Access to the underground workings is through adits including Ben Lomond, 22 Level, Golden Hill and Tiger Trap. In addition to mining infrastructure, the project site includes a BIOX[®] plant which has been mothballed, and a carbon-in-leach (“CIL”) plant that has been replaced by a crusher, milling and flotation (“CMF”) circuit.

Current site activities include low volume development and TSF retreatment. The operation is operating in Phase 1 currently, processing 15 ktpm, and is being used to support the development and opening of the underground operations at Princeton and Galaxy. A second phase is planned whereby production will be expanded to 30 ktpm with Princeton and Galaxy material, and expansion of the plant CMF circuit as well as the commissioning of the new ball mill. A third phase aims to expand production to 50 ktpm with expansion of the flotation circuit.

(2) History

The Agnes deposits were discovered by Auguste Robert in 1882 in the Moodies, Saddleback and Sheba faults and the Agnes Mine was established in 1908 initially as surface prospects. The Mine since developed as an underground operation down to 28 Level at 852 m depth. Currently, over 75 historical adits exist within the mining area (Koch, 2013). Owing largely to poor metallurgical recovery processes, the Mine became unprofitable and was placed on care and maintenance in 2007. Underground mining recommenced in September 2009.

The following table summarizes the prior ownership, historical exploration and development of the Galaxy Gold Mine.



Year	Event
1882	Discovery of the Pioneer Reef in the Barberton Greenstone Belt.
1882-1884	Gold rush in the Moodies Hills leading to a number of prospects opened up, including Woodbine, Giles, Ivy, Snowden, Highlands and Lester.
1884	The Moodies Gold Mining Syndicate formed a number of larger companies to operate various workings.
1889	Gold mining commences at Princeton and Alpine sections.
1908	Agnes Mine was started by Mr A.J. Knuckey.
1908-1915	Consolidation of prospects into the Agnes Gold Mining Company.
1951	The Agnes Mine was taken over by Anglovaal's ETC subsequent to the extension of the Ben Lomond Adit.
1999	ETC declared final closure of the Agnes Mine.
1999	Agnes Mine and surrounding mineral rights were acquired by Cluff Mining (UK) (Pty) Ltd, where after all assets were transferred over to Cluff Mining (SA) (Pty) Ltd.
2002	Metallon Gold (Pty) Ltd purchased Cluff Mining (SA) (Pty) Ltd. Cluff Mining (SA) (Pty) Ltd renamed to APM. An expansion and redevelopment programme was implemented.
2007	Agnes Mine ceased operations and was placed on care and maintenance. APM was placed into liquidation.
2008	Agnes Mine was acquired by Tyax Trading Nelspruit (Pty) Ltd. Tyax Trading Nelspruit (Pty) Ltd was renamed Agnes Gold Mining (Pty) Ltd.
2009	Agnes Mine de-watered and refurbished with the Concentrator Plant commissioned in September 2009. Construction of a crushing circuit upgrade that included a new mill commenced in September 2009. New mining plan circumventing current access and production bottlenecks and phased introduction of BIOX®. Agnes turnaround strategy included the full commissioning of the BIOX® process together with mechanised decline and haulage development designed to alleviate the access and production throughput constraints and bottlenecks. Underground production resumed September 2009.
2010	Agnes Gold Mining (Pty) Ltd was acquired by Galaxy Gold Mining Limited and renamed Galaxy Gold Reefs (Pty) Ltd.
2011-2012	Tailings retreated through offtake agreement with Mine2Market.
2012-2015	An agreement was signed for Mine2Market to purchase the Mine. A deposit was made and Mine2Market took control as the major shareholder, ultimately defaulting on the agreement by failing to pay the balance of the money. The mine was sold again to an Australian entity, who started mining around the shaft pillar area on 17 Level using long hole stoping. The transaction ultimately fell through.
2015	GGR acquired by Galane through acquisition of Galaxy Gold Mining Limited
2015-2017	Low volume development taking place on Giles 17 Level and tailings retreatment.
2017-2019	Mine on care and maintenance. Concentrate testwork conducted, plant construction planning, mine planning for 30 ktpm concentrate plan.
2018	Galaxy Gold Mining Limited becomes Galaxy Gold Mining (Pty) Ltd.
April 2019 onwards	Princeton underground decline and reef drive development below 17 Level. Galaxy underground development in waste at 22 Level to access Galaxy Orebody. Existing CMF plant upgrade to 30 ktpm capacity. Processing of TSFs and low volume Princeton development ore.



In 2011, Deswik independently estimated the Mineral Resources for the Galaxy Gold Mine. Later in 2011, Minxcon completed an independent CPR in 2011 for the Mine in accordance with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (2007) (“2011 CPR”). The 2011 CPR Mineral Resources were based on the Deswik estimations. In 2015, GGR commissioned an update of the 2011 CPR from Minxcon by way of the 2015 Report, for which the Mineral Resources were reviewed and depleted for mining.

The 2015 Mineral Resources under the 2015 Report were signed off by QP Mr Uwe Engelmann. The estimate was declared in accordance with NI 43-101 and the Mineral Resource categories are stated in line with sections 1.2 and 1.3 of NI 43-101. The Mineral Resources as at 31 August 2015 are presented in Table 7.

Key assumptions, parameters and methods used to prepare the historical estimates are disclosed in the 2015 Report which has been publicly filed. The cut-off grade for the underground orebodies was 1.85 g/t, while the cut-off for the TSFs was 0.30 g/t and open pit (Agnes Top) was 1.00 g/t.

Table 7: Historical Galaxy Gold Mine Mineral Resources as at 31 August 2015

Orebody	Cut-off Au	SG	Measured Mineral Resource			Indicated Mineral Resource			Measured & Indicated Sub-total			Inferred Mineral Resource		
			Tonnes	Grade Au	Content	Tonnes	Grade Au	Content	Tonnes	Grade Au	Content	Tonnes	Grade Au	Content
	g/t	t/m ³	t	g/t	Oz	t	g/t	Oz	t	g/t	Oz	t	g/t	Oz
Underground														
Galaxy Surface to Dyke**	1.85	2.73	-	-	-	-	-	-	-	-	-	291,000	3.19	29,845
Galaxy 17 Level Up	1.85	2.73	85,268	3.03	8,307	63,105	4.35	8,822	148,373	3.59	17,128	47,326	2.02	3,067
Galaxy Gap 17-24 Level**	1.85	2.73	-	-	-	-	-	-	-	-	-	1,047,000	3.09	104,015
Galaxy 24 Level Down	1.85	2.73	797,728	3.02	7,511	27,711	3.10	29,694	1,095,439	3.04	107,205	165,373	2.17	11,529
Total Galaxy	1.85	2.73	882,995	3.02	85,818	360,816	3.32	38,516	1,243,812	3.11	124,334	1,550,699	2.98	148,456
Woodbine W & E Surface - 22 Level*	1.85	2.73	-	-	-	110,501	4.61	16,392	110,501	4.61	16,392	306,432	2.95	29,025
Woodbine 24 Level Down	1.85	2.73	312,978	3.81	38,345	191,334	3.37	20,734	504,312	3.64	59,079	715,203	3.54	81,296
Total Woodbine	1.85	2.73	312,978	3.81	38,345	301,836	3.83	37,126	614,813	3.82	75,471	1,021,635	3.36	110,321
Giles Surface - 23 Level*	1.85	2.73	-	-	-	263,614	4.15	35,155	263,614	4.15	35,155	232,274	3.98	29,712
Giles 23 Level Down	1.85	2.73	378,844	4.11	50,050	255,811	3.48	28,651	634,665	3.86	78,701	1,035,631	3.83	127,562
Total Giles	1.85	2.73	378,844	4.11	50,050	519,425	3.82	63,806	898,268	3.94	113,856	1,267,906	3.86	157,273
Golden Hill	1.85	3.03	301,309	3.02	29,223	372,277	3.25	38,852	673,586	3.14	68,075	99,381	5.42	17,313
Agnes Top	1.00	2.80	-	-	-	561	2.07	37	561	2.07	37	870,632	1.75	49,016
Princeton 6/PS7	1.85	3.08	-	-	-	678,578	4.09	89,238	678,578	4.09	89,238	332,834	4.26	45,612
Princeton PSS	1.85	3.08	-	-	-	328,440	6.53	68,961	328,440	6.53	68,961	765,259	7.25	178,300
Princeton PS19	1.85	3.08	-	-	-	87,844	4.72	13,324	87,844	4.72	13,324	151,396	4.64	22,572
Total Princeton	1.85	3.08	-	-	-	1,094,862	4.87	171,522	1,094,862	4.87	171,522	1,249,489	6.14	246,484
Pioneer & Tiger-Trap	1.85	2.73	-	-	-	-	-	-	-	-	-	1,234,540	1.96	77,647
Ivy Shaft Pillar*	1.85	2.78	-	-	-	-	-	-	-	-	-	47,125	10.18	15,427
Ivy to Agnes 3-11 Level*	1.85	2.78	-	-	-	-	-	-	-	-	-	45,498	5.71	8,349
Ceska Shaft Pillar*	1.85	2.78	-	-	-	-	-	-	-	-	-	113,534	9.59	34,987
Surface														
Woodbine South Dump	0.30	1.12	-	-	-	35,754	1.57	1,803	35,754	1.57	1,803	83,024	1.66	4,425
Woodbine West Dump	0.30	1.17	-	-	-	19,377	0.61	381	19,377	0.61	381	72,540	0.64	1,495
Woodbine W.West Dump	0.30	1.17	-	-	-	13,136	0.50	209	13,136	0.50	209	25,057	0.51	410
Hostel East Dump	0.30	1.41	-	-	-	958,401	0.76	23,562	958,401	0.76	23,562	164,506	0.68	3,581
Hostel West Dump	0.30	1.41	-	-	-	484,996	0.86	13,367	484,996	0.86	13,367	107,961	0.85	2,947
Biox North Dump	0.30	1.38	-	-	-	189,340	1.66	10,080	189,340	1.66	10,080	141,993	1.77	8,069
Grand Total			1,876,126	3.37	203,435	4,350,781	2.85	399,261	6,226,907	3.01	602,696	8,095,521	3.40	886,199

Notes:

- * Manual Mineral Resource estimate from block plans.
- ** Mineral Resources estimated from adjacent modelled areas for grade distribution; Orebody volume estimated from digital wireframe.
- 2015 Mineral Resource estimation were carried out by Mr P Obermeyer of Minxcon (BSc Hons (Geol.), Pr.Sci.Nat.) under supervision of and verified by Mr U Engelmann, as QP of the Report.
- The Inferred Mineral Resources have a large degree of uncertainty as to their existence and whether they can be mined economically or legally.
- Only Mineral Resources lying within the legal boundaries are reported.
- Mineral Resources are inclusive of Mineral Reserves.
- Mineral Resources are declared at cut-offs shown in the table above.
- All figures are in metric tonnes.
- 1 kg = 32.15076 oz.

The historical Mineral Resources are presented for complete understanding to the reader of the current work undertaken. Table 8 provides an overview of the reliance on the 2015 estimates in the current Mineral Resource work undertaken and presented in Item 14. For the 2020 Mineral Resources, the Princeton Orebody lenses have been remodelled and re-estimated based on a new geological model due



to additional historical information being captured by GGR geologists, which sees the definition of the Princeton PS12. For the Galaxy Orebody, Mineral Resources have been re-estimated. 2015 Mineral Resources for a number of the TSFs have been depleted, while others have been treated as current Mineral Resources, including Agnes Top. The majority of remaining orebodies have been restated directly from the 2015 Mineral Resource estimates by adjusting the cut-off grades.

Table 8: Utilisation of Historical Mineral Resources in Current Mineral Resource Estimation

Orebody	2020 Mineral Resource Utilisation
Galaxy Surface to Dyke*	2015 Mineral Resources no change
Galaxy 17 Level Up	Mineral Resources re-estimated
Galaxy Gap 17-24 Level	
Galaxy 24 Level Down	
Woodbine W & E Surface - 22 Level*	2015 Mineral Resources adjusted to 1.4 g/t cut-off
Woodbine 24 Level Down	2015 Mineral Resources reviewed and classification revised
Giles Surface - 23 Level*	2015 Mineral Resources adjusted to 1.4 g/t cut-off
Giles 23 Level Down	2015 Mineral Resources reviewed and classification revised
Princeton PS5	Mineral Resources remodelled based on capture of additional historical data and Mineral Resources re-estimated
Princeton PS12	
Princeton PS19	
Golden Hill	2015 Mineral Resources adjusted to 1.4 g/t cut-off
Agnes Top	2015 Mineral Resources no change
Pioneer & Tiger-Trap	2015 Mineral Resources adjusted to 1.4 g/t cut-off
Ivy Shaft Pillar*	
Ivy to Agnes 3-11 Level*	
Ceska Shaft Pillar*	
Woodbine South Dump	2015 Mineral Resources depleted
Woodbine West Dump	
Woodbine W. West Dump	2015 Mineral Resources no change
Hostel East Dump	
Hostel West Dump	2015 Mineral Resources depleted
Biox North Dump	2015 Mineral Resources no change

Note: *Manual Mineral Resource (block listing)

Historical Mineral Reserves Estimates

Mineral Reserves for Galaxy, Princeton, Woodbine and Giles, and Hostel West TSF were estimated independently by Minxcon in 2015 and signed off by Qualified Person Mr Daan van Heerden. The estimate was declared in accordance with NI 43-101 and the Mineral Reserve categories were stated in line with sections 1.2 and 1.3. The combined total Mineral Reserves as at 31 August 2015 are presented in Table 9. of NI 43-101. Key assumptions, parameters and methods used to prepare the historical estimates are disclosed in the 2015 Report.



Table 9: Historical Galaxy Gold Mine Mineral Reserves as at 31 August 2015

Orebody	Pay Limit Au g/t	SG t/m ³	Probable Mineral Reserves		
			Tonnes t	Grade Au g/t	Content Au Oz
Underground					
Galaxy	2.43	2.73	117,887	3.29	12,470
Princeton	2.50	2.73	627,875	4.59	92,567
Woodbine and Giles Manual	2.82	2.73	248,803	3.80	30,400
Woodbine and Giles CAD	2.82	2.73	343,856	2.78	30,701
Surface					
Hostel West Dump	0.86	1.41	118,902	0.90	3,447
Total Mineral Reserve			1,457,322	3.62	169,586

Notes:

1. Tonnages refer to tonnes delivered to the metallurgical plant.
2. All figures are in metric tonnes.
3. 1 kg = 32.15076 oz.
4. Different Dilution, Recovery and Mine call factor applied to each orebody and TSF.
5. Pay Limits calculated: USD/oz. = 1,130 and Exchange rate of ZAR:USD 11.70.

The 2015 Mineral Reserves are provided here for completeness. The mining strategy for the Mine has been revised; as such, these historic estimates are no longer relevant and should not be viewed as a representation of the current potential Mineral Reserves.

Historical Production

Historical gold production for the Mine is reported at 1.2 Moz (24hgold.com). For the period 1983 to 2001, production totaled about 351,590 oz gold for the sections Woodbine/Giles, Princeton, Pioneer and Golden Hill (Table 10).

Table 10: Historical Production for the Period 1983 to 2001

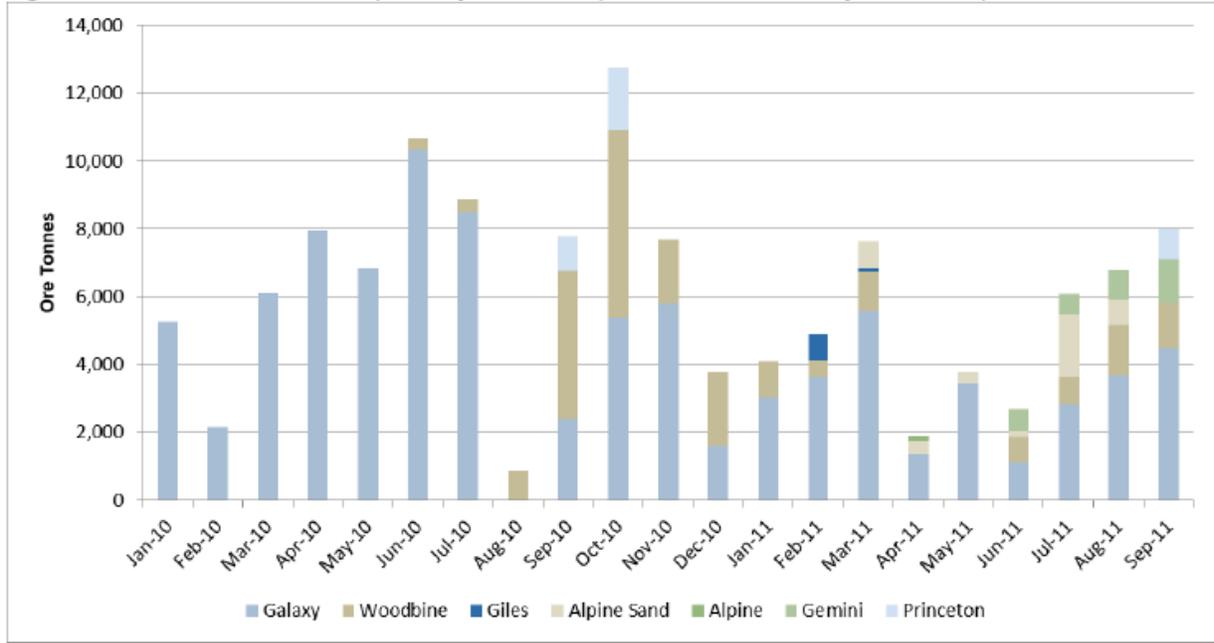
Section	Tonnes	Grade	Contained Gold	
	t	g/t	Au g	Au oz
Woodbine/Giles	1,379,156	4.13	5,698,287	201,001
Princeton	925,644	4.35	4,022,451	141,888
Pioneer	27,801	7.32	203,434	7176
Golden Hill	15,282	2.83	43,216	1524
TOTAL	2,347,883		9,967,388	351,590

Source: Cluff Mining (2001)

The historical production figures for the Galaxy Gold Mine over the period January 2010 to September 2011 are detailed in Figure 9. This production history only dates back to January 2010 when Galaxy Gold Mine started production.



Figure 9: Historical Production of Galaxy Gold Mine for the Period January 2010 to September 2011



Historically, the Mine produced gold from a south plant utilizing crushing, milling, flotation, elution and smelting, and a BIOX® north plant, the latter which was commissioned in 2012. From 2015 to 2017, doré was produced from the CIL plant only and only low volume development of Giles 17 Level and TSF retreatment took place. Mining strategy was focused on the Giles 17 Level and Agnes sections and sluicing of Hostel West and the three Woodbine TSFs to ramp up production to 25 ktpm.

The Mine was placed on care and maintenance from 2017 to 2019 during which time metallurgical testwork, plant construction planning and mine planning was completed for a 30 ktpm concentrate producing operation.

(3) Geological Setting, Mineralization and Deposit Types

The Project Area is located within the Archaean Barberton Greenstone Belt (the “BGB”), which comprises metasedimentary and mafic to ultramafic units with later granitoid intrusions throughout. It is host to a number of economic gold deposits typical of global Archaean lode gold mineralization.

The volcanic and sedimentary units have been complexly folded, forming a broad synclinal structure with three litho-stratigraphic units comprising the Barberton Supergroup. The oldest unit is the largely volcanic Onverwacht Group. The Onverwacht Group is overlain by banded iron formation (“BIF”) representing metamorphosed sandstone, siltstone and mudstone sediments of the Fig Tree Group. This in turn is overlain by the younger arenaceous sediments of the Moodies Group.

Mineralization is structurally controlled and associated with all three the above lithological groups along shear zones, thrusts and fractures, but is predominantly associated with the base of the Fig Tree



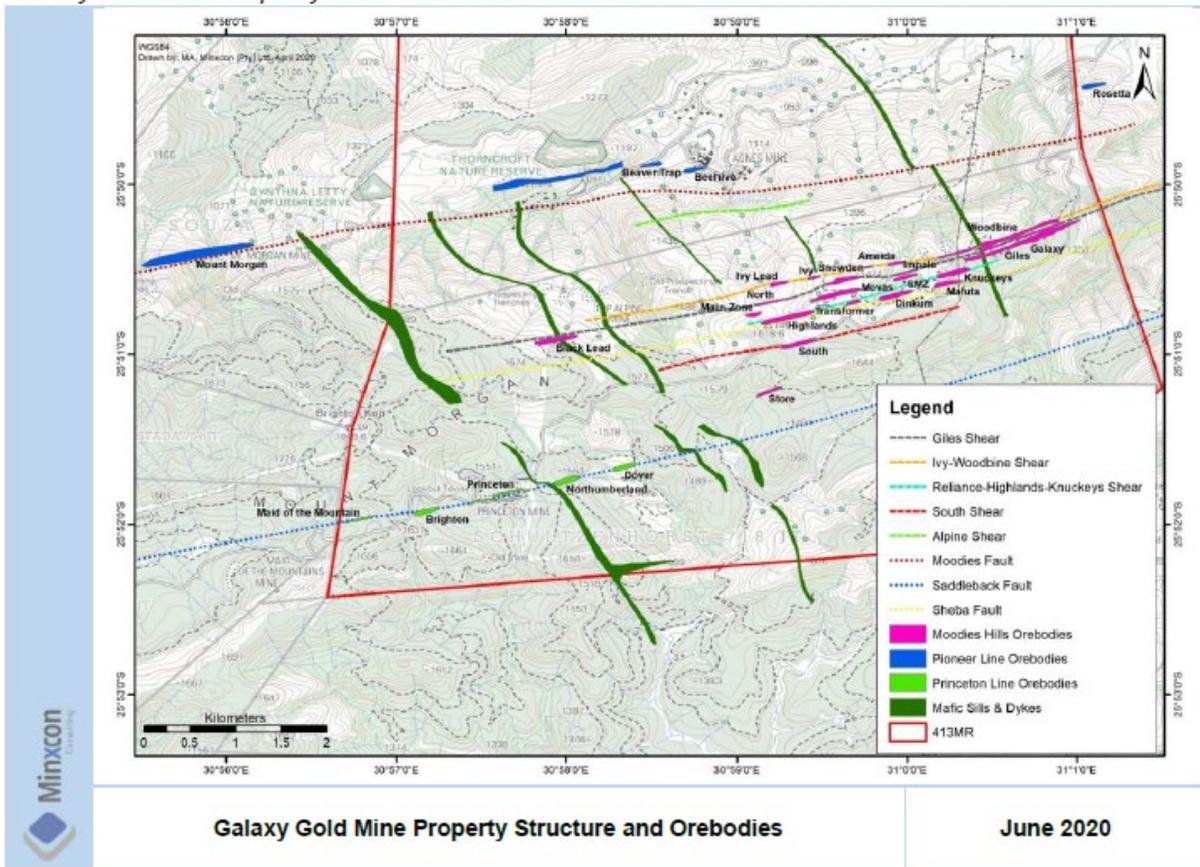
sediments and specifically with the BIF, cherts, greywackes, shales and quartzites. It may also often be found in contact with the altered ultramafic schists.

The Galaxy Gold Mine overlaps a number of structurally separate stratigraphic units of the BGB. The regional strike of the lithologies in the Project Area is generally in an east to northeast direction, with dips varying between 60°S and 85°S. The area is traversed by a number of pre-Transvaal age diabase dykes trending in a north-westerly direction, which have not as yet been shown to have any major effect on the auriferous structures in the area.

The orebodies at Galaxy Gold Mine are orientated along structural lines that are namely, from north to south, the Pioneer Line (Pioneer, Tiger Trap, Beaver Trap, Beehive, the BIF-type Golden Hill, Mount Morgan, Rosetta orebodies), Moodies Hills (or Agnes) Line (Galaxy, Woodbine, Giles, SMZ type and Alpine), Princeton Line (New Brighton, Princeton, Cumberland, Northumberland, Dover) and Alpine Line.

The plan orientation of the orebodies is illustrated in the figure overleaf.

Galaxy Gold Mine Property Structure and Orebodies





(4) Exploration

Galaxy Gold Mine is a historical mine. Historical exploration of the orebodies has included diamond drilling (“DD”), reverse circulation (“RC”) drilling and auger drilling, as well as trenching and underground sampling. No further exploration work has been carried out since 2011.

In 2011, a structural analysis identified the structural controls of mineralization in the area. Exploration targets were generated based on the vergence of D2 and D3 structures, and it is these targets that should become the main focus for future exploration. Planned future exploration activities by Galaxy include geophysical surveys focused on these structural targets.

(5) Drilling

During the historical exploration of the Galaxy Gold Mine orebodies, DD and RC drilling, trenching, underground sampling and auger drilling were undertaken. Other than drilling, the only data utilized for Mineral Resource estimation consisted of underground chip sampling and surface trenches. In both cases, these were treated as drillholes for the purposes of Mineral Resource estimation.

Drilling is currently on hold and all data is historical in nature. All available and verifiable data was utilized for the purposes of Mineral Resource estimation. The dataset as compiled by Deswik in 2011 has been updated with additional historical drilling and chip sampling data at Princeton. Previously, the data for the mined-out area between the upper and lower Princeton Orebody lenses was not available; the addition of this to the Princeton database adds significantly to the geological information in defining the wireframes and the estimation database.

As part of the Mineral Resource update, Minxcon has reviewed the dataset and is satisfied that it can be utilized for Mineral Resource estimation.

All drilling has occurred historically prior to 2011, the majority of which was likely undertaken by Anglovaal’s ETC and Cluff. Minxcon has not been provided with the drilling procedures utilized. Both ETC and Cluff were reputable and would have implemented industry best practices when undertaking drilling.

Although a database with the historical information is available, such information does not include detail of when the drilling campaigns were undertaken and by whom. It is assumed that drilling data predates 2010, after which drilling and logging procedures and protocols were updated and implemented by GGR. Table 15 summarizes the available volume and type of drilling data that was used for the geological modelling and gold estimation for the various orebodies listed in the Mineral Resource statement. In addition to the chip samples over Princeton, additional drilling information was captured and including in the estimation database.



Table 15: Summary of Drilling Data Used for Estimation

Orebody	DD Drillholes	RC Drillholes	Auger Drillholes	Ave. Data Spacing
	No.	No.	No.	m
Underground				
Agnes Top	2	25	-	20
Golden Hill	61	-	-	25 - 50
Princeton	463	-	-	30 - 100
Galaxy	217	-	-	10 - 150
Woodbine	83	-	-	30 - 150
Giles	82	-	-	30 - 150
Pioneer-Tiger Trap	30	-	-	100 - 250
Surface				
Hostel East Dump	-	-	27	40
Hostel West Dump	-	-	12	40
Biox North Dump	-	-	44	25
Woodbine Dumps	-	-	30	15 - 50

Auger drilling was utilized for the evaluation of the surface dump material only.

Early sampling within the Giles and Woodbine sections would have been underground channel sampling using hammer and chisel to cut grooves perpendicular to the mineralized lodes. In September 2009, underground sampling was undertaken. The underground sampling processes were audited in 2010 by industry-recognized consultant geologist P. Camden-Smith of Camden Geoserve and deemed to be acceptable in terms of marking off from a survey peg, having the correct equipment (*i.e.* hammer-sharpened chisel-good sample pan, tape, notebook, etc.), chipping a representative sample in half meter sections and the recording, logging and tagging of the samples across the Giles and Woodbine orebodies. Camden Geoserve noted that samples were taken perpendicular to the dip of the orebody within the footwall – reef – hanging wall of the mineralized zones. It is evident from the Camden Geoserve CPR that underground diamond saws were used in the past. Minxcon was unable to review the underground sampling procedures.

Table 16 summarizes the available volume and type of data (other than drilling) that was used for the geological modelling and gold estimation for the various orebodies.

Table 16: Summary of Sample Data Used for Estimation

Orebody	No. of Underground Samples
Golden Hill	0
Princeton	1,577
Galaxy	12
Woodbine*	2,339
Giles*	2,982
Pioneer-Tiger Trap	0
Alpine Pioneer Dump	0
Hostel East Dump	0
Hostel West Dump	0
Biox North Dump	0
Woodbine Dumps	0

Note: Only electronically captured underground sampling. Additional samples have informed the block listing but are not presented here.



The chip sampling was generally undertaken on 4 m x 4 m grid at 0.5 m sample intervals. Further details are provided in Item 11 (a). It is assumed that industry best practices were employed.

Most of the drillholes drilled by both Cluff and ETC were located in surveyed excavations, resulting in good collar accuracy. It has been reported by Robertson (2001) that most of the drillholes drilled by ETC and the longer holes drilled by Cluff have been surveyed using the downhole survey instrument. Most survey logs, drillhole logs and assay recordings are available for inspection at the Agnes Mine.

Owing to the inherent historical nature of most of the assays, no standards or blanks were inserted into the sample stream. However, the samples were taken to Super Laboratory Services (Pty) Ltd (“SLS”) in Barberton, based on Agnes Gold Mine Premises (Barberton facility not SANAS accredited) for a 100 g fire assay. SLS utilized standard laboratory QAQC methods with internal laboratory standards and blanks being inserted into the assay stream.

The Mine’s sample collection, preparation, analysis and capture techniques were viewed in 2011 to be in line with industry standards. In 2010, SRK audited the QAQC process run by the then Agnes Mine through SLS and noted the non-use of blanks and the non-availability of standards reference material by the operation. Other than that, their findings on the round robins carried out between SLS which is utilized for the projects, and Performance Laboratories (Pty) Ltd (“Performance”) in Barberton which is SANAS accredited (SANAS Number: T0565), showed good correlation. Performance was utilized for umpire testing by SRK in order to assess the repeatability of the assay results received from SLS.

Minxcon thus relies upon these previous findings as no subsequent drilling activity has taken place. SRK (2010) compared original and repeat assays of 266 duplicate samples that were re-assayed at Performance and concluded that the analyses differed by approximately 2% with a high correlation coefficient of 0,998. This showed the datasets having very similar statistics and indicating good repeatability. Likewise, a total of 1,213 samples were sent to both Performance and SLS by SRK. The mean of the analysis differed by only 3% and a high correlation coefficient of 0,933 exhibited good repeatability.

Owing to the lack of historical QAQC data over the Princeton model it was decided that the model would be classified as Indicated Mineral Resources and not Measured Mineral Resources. As the bulk of the Measured is over chips samples for which no QAQC is available or recorded. The Indicated Mineral Resource classification accurately reflects the relative confidence in the results due to the good repeatability of results.

(6) Mineral Resource and Mineral Reserve Estimates

Mineral Resources

Mineral Resources for the Mine were previously declared as at 31 August 2015, and have been reviewed and updated for the purposes of this Report.

The Princeton Orebody has been remodelled due to newly captured historical data that was made available. This enabled the delineation of lenses PS5, PS19 and a new middling PS12. In addition, the



previous upper and lower orebodies have been linked to constitute one continuous model. Thickness and grade continuity can be correlated from the upper to the lower models. An Indicated Mineral Resource and Inferred Mineral Resource can be declared at Princeton, with a significant increase in reported tonnage with a slight decrease in grade. This is due to the new interpretation of the geological models, and significant addition of tonnage linking the upper and lower orebodies at Princeton.

The Galaxy Orebody has been re-estimated to populate the existing manually estimated gap area. As a result of improved variogram ranges and improved sub-celling, additional areas have also been estimated for the 24 Level and 17 Level domains.

The Giles and Woodbine orebodies have been reviewed in detail. All estimation performed in 2015 is of sufficient quality to enable reporting of Measured Mineral Resources, Indicated Mineral Resources and Inferred Mineral Resources. The input parameters and resulting estimate compare well with the data and can be reproduced. Mineral Resource categories have been optimized to increase connectivity between them. In addition, the classification has been adjusted where less than two drillholes were utilized to define a Measured Mineral Resource.

The Hostel West, Woodbine West and Woodbine South TSFs have been updated to account for mining activity that occurred since the 2015 Report. It is noted that for the Mineral Resource tabulations, the TSFs are referred to as “dumps”.

The revised Mineral Resources reported are shown in the table to follow.



Mineral Resources for Galaxy Gold Mine as at 29 June 2020

Orebody	SG	Mineral Resource Category												
		Measured			Indicated			M & I Sub-total			Inferred			
		Tonnes	Gold Grade	Gold Content	Tonnes	Gold Grade	Gold Content	Tonnes	Gold Grade	Gold Content	Tonnes	Gold Grade	Gold Content	
t/m3	t	g/t	oz	t	g/t	oz	t	g/t	oz	t	g/t	oz		
Galaxy Surface to Dyke**	2.73	-	-	-	-	-	-	-	-	-	-	291,000	3.19	29,845
Galaxy 17 Level Up	2.73	302,233	3.01	29,248	79,825	2.86	7,335	382,058	2.98	36,583	258,111	2.78	23,045	
Galaxy Gap 17-24 Level	2.73	-	-	-	-	-	-	-	-	-	-	1,311,320	2.84	119,825
Galaxy 24 Level Down	2.73	1,867,951	2.67	160,413	750,215	2.37	57,245	2,618,166	2.59	217,657	522,609	2.61	43,908	
Total Galaxy	2.73	2,170,183	2.72	189,661	830,040	2.42	64,580	3,000,224	2.64	254,241	2,383,040	2.83	216,623	
Woodbine W & E Surface - 22 Level*	2.73	-	-	-	110,501	4.61	16,392	110,501	4.61	16,392	306,432	2.95	29,025	
Woodbine 24 Level Down	2.73	344,856	3.57	39,580	277,372	3.04	27,099	622,228	3.33	66,679	768,832	3.34	82,660	
Total Woodbine	2.73	344,856	3.57	39,580	387,873	3.49	43,491	732,729	3.53	83,070	1,075,264	3.23	111,686	
Giles Surface - 23 Level*	2.73	-	-	-	263,558	4.15	35,149	263,558	4.15	35,149	271,260	3.65	31,820	
Giles 23 Level Down	2.73	283,142	4.59	41,827	369,151	3.30	39,213	652,293	3.86	81,040	840,979	3.80	102,676	
Total Giles	2.73	283,142	4.59	41,827	632,708	3.66	74,363	915,850	3.95	116,189	1,112,239	3.76	134,496	
Princeton PS5	3.08	-	-	-	1,927,049	3.67	227,143	1,927,049	3.67	227,143	3,141,476	3.25	328,444	
Princeton PS12	3.08	-	-	-	56,781	3.30	6,027	56,781	3.30	6,027	135,747	2.50	10,922	
Princeton PS19	3.08	-	-	-	1,689,283	2.82	153,218	1,689,283	2.82	153,218	1,187,869	4.29	163,709	
Total Princeton	3.08	-	-	-	3,673,113	3.27	386,388	3,673,113	3.27	386,388	4,465,092	3.50	503,074	
Golden Hill	3.03	410,393	2.66	35,054	564,454	2.71	49,181	974,847	2.69	84,235	217,179	3.36	23,429	
Agnes Top	2.80	-	-	-	561	2.07	37	561	2.07	37	870,632	1.75	49,016	
Pioneer & Tiger-Trap	2.73	-	-	-	-	-	-	-	-	-	5,949,307	1.55	296,823	
Ivy Shaft Pillar*	2.78	-	-	-	-	-	-	-	-	-	47,125	10.18	15,427	
Ivy to Agnes 3-11 Level*	2.78	-	-	-	-	-	-	-	-	-	45,498	5.71	8,349	
Ceska Shaft Pillar*	2.78	-	-	-	-	-	-	-	-	-	113,534	9.58	34,987	
Woodbine South Dump	1.12	-	-	-	13,129	1.55	656	13,129	1.55	656	19,217	1.47	906	
Woodbine West Dump	1.17	-	-	-	714	0.72	16	714	0.72	16	5,749	0.69	127	
Woodbine W.West Dump	1.17	-	-	-	13,136	0.50	209	13,136	0.50	209	25,057	0.51	410	
Hostel East Dump	1.41	-	-	-	958,401	0.76	23,562	958,401	0.76	23,562	164,506	0.68	3,581	
Hostel West Dump	1.41	-	-	-	430,880	0.88	12,220	430,880	0.88	12,220	98,985	0.87	2,763	
Biox North Dump	1.38	-	-	-	189,340	1.66	10,080	189,340	1.66	10,080	141,993	1.77	8,069	
Grand Total		3,208,575	2.97	306,122	7,694,349	2.69	664,783	10,902,925	2.77	970,904	16,734,418	2.62	1,409,764	

Notes:

- * Manual Mineral Resource estimate from block plans.
- ** Mineral Resources estimated from adjacent modelled areas for grade distribution; Orebody volume estimated from digital wireframe.
- Cut-off applied for Surface TSFs: 0.3 g/t.
- Cut-off applied for Underground Operations: 1.4 g/t.
- Cut-off applied for Open Pit (Agnes Top): 1.0 g/t.
- No geological losses have been applied.
- Commodity price utilised: USD1,600/oz.
- Mineral Resources are stated inclusive of Mineral Reserves.
- Mineral Resources are reported as total Mineral Resources and are not attributed.
- All orebodies are depleted for current mining.

The 2020 Mineral Resource estimate of Princeton Orebody has defined an Indicated Mineral Resource and Inferred Mineral Resource, with a significant change from what is reported in the 2015 Report due to large changes in the extents of the geological model and data utilised in the previous estimation. In addition to the Princeton Orebody changes, the Galaxy Orebody was also re-estimated for use in the PEA. The reestimation has also resulted in an increase in the Mineral Resource (including Inferred Mineral Resources) and appropriate cut-off grades, of approximately 407 koz and 118 koz, respectively for Princeton and Galaxy. The Mineral Resources for remainder of the orebodies have not changed apart from minor category reclassification, depletions and application of a lower cut-off grade. Recent depletions have been applied to the Giles Orebody and the Hostel West, Woodbine South and Woodbine West TSFs. The overall increase in Mineral Resources from 2015 to 2020, based on a 1.85 g/t cut-off grade for 2015 and 1.4 g/t cut-off grade for 2020, is from 602 koz to 971 koz for the Measured Mineral Resources and Indicated Mineral Resources, and from 886 koz to 1.4 Moz for the Inferred Mineral Resources. At a cut-off grade of 1.85 g/t, the Measured Mineral Resources and Indicated Mineral Resources grade remained virtually unchanged at 3.00 g/t, and decreased for the Inferred Mineral Resources by 3% to 3.31 g/t. The lower grade for the 2020 Mineral Resources is therefore due to the lower cut-off grade because of a higher gold price.



Mineral Reserves

The project strategy has been revised by modifying the processing plant to produce a high grade concentrate instead of utilizing a BIOX[®] plant process as planned before. As such, management has decided to take a “step backwards”, rendering the previously declared Mineral Reserves no longer relevant. This has had a material impact on the mine plan in order to produce the correct blend of ore from the various orebodies to meet the concentrate specifications. The revised mine plan includes a significant amount of Inferred Mineral Resources and as a result the entire project moves back to a PEA stage, and no Mineral Reserves are declared.

ARTICLE 5 DIVIDENDS

Section 5.1 Dividends

Empress has not paid dividends since incorporation. The declaration, timing, amount and payment of dividends are at the discretion of the Board and will depend upon Empress' future earnings, cash flows, acquisition capital requirements and financial condition, and other relevant factors. There can be no assurance that Empress will declare a dividend on a quarterly, annual or other basis.

ARTICLE 6 DESCRIPTION OF SHARE CAPITAL

Section 6.1 Common Shares

The Company is authorized to issue an unlimited number of Shares without par value. As at the date of this AIF, 118,580,418 Shares, were issued and outstanding.

Holders of Shares are entitled to one vote per Share at all meetings of shareholders, and to receive dividends as and when declared by the directors and to receive a pro rata share of the assets of Empress available for distribution to holders of Shares in the event of liquidation, dissolution or winding-up of Empress.

ARTICLE 7 MARKET FOR SECURITIES

Section 7.1 Trading Price and Volume

The Company's Shares were listed and posted for trading on the TSXV under the symbol "EMPR" at the commencement of trading on December 29, 2020. The table below sets forth the high and low prices and the volumes for the Shares traded for twelve months through the TSXV from January 1, 2023, to the date of this AIF.



	High	Low	Volume
January 2023	\$0.415	\$0.320	1,215,258
February 2023	\$0.345	\$0.325	917,444
March 2023	\$0.350	\$0.350	2,073,535
April 2023	\$0.390	\$0.280	3,009,068
May 2023	\$0.360	\$0.300	2,959,482
June 2023	\$0.340	\$0.290	959,674
July 2023	\$0.315	\$0.285	1,063,646
August 2023	\$0.320	\$0.295	567,891
September 2023	\$0.310	\$0.255	1,561,098
October 2023	\$0.295	\$0.260	688,396
November 2023	\$0.315	\$0.255	1,917,755
December 2023	\$0.315	\$0.290	1,144,574
January 2024	\$0.305	\$0.280	483,802
February 2024	\$0.310	\$0.270	767,357
March 2024	\$0.400	\$0.320	1,208,401
April 2024	\$0.395	\$0.325	2,413,966
May 2024	\$0.355	\$0.330	3,332,491
June 2024	\$0.385	\$0.335	2,188,896
July 2024	\$0.380	\$0.335	1,671,213
August 2024	\$0.45	\$0.34	1,657,026

ARTICLE 8

ESCROW SECURITIES, SECURITIES SUBJECT TO RESTRICTIONS ON TRANSFER, AND PRIOR SALES

Section 8.1 Escrowed Securities and Securities Subject to Restriction on Transfer

All securities issued pursuant to private placements are subject to the regulatory four (4) month hold period.

As of the date of this AIF, to the knowledge of the Company, there are no securities of the Company that are held in escrow or are subject to contractual restrictions on transfer.

Section 8.2 Prior Sales

During the financial year ended December 31, 2023, and up until the date of this AIF, the Company issued the following securities that are outstanding but not listed or quoted on a market place:



Date of Issue	Number of Securities	Security	Issue/Exercise Price per Security (\$)
June 26, 2023	1,150,000	Stock Options	\$0.35
June 26, 2023	1,500,000	Restricted Share Units	N/A
June 26, 2023	1,750,000	Deferred Share Units	N/A
December 8, 2023	3,104,153	Warrants ⁽¹⁾	\$0.31
January 15, 2024	500,000	Stock Options	\$0.35
February 26, 2024	5,000,000	Warrants ⁽¹⁾	\$0.31
May 1, 2024	200,000	Stock Options	\$0.35

Notes:

- (1) Issued to Nebari Gold Fund I, LP in connection with the terms of the New Nebari Credit Facility

ARTICLE 9 DIRECTORS AND OFFICERS

Section 9.1 Name, Occupation and Security Holding

The following table sets out the name, jurisdiction of residence of our directors and executive officers as well as their positions with the Company and principal occupation for the previous five years, and the number and percentage of the Shares owned, directly or indirectly, or over which control or direction is exercised, by each of our directors and executive officers. All officers and employees are required to sign standard confidentiality and non-disclosure agreements with the Company.

Name, Current Position, and Province and Country of Residence	Position Held Since	Principal Occupation(s) During Past Five Years	Shares Beneficially Owned or Controlled	Total Ownership on an Undiluted Basis
David Rhodes ⁽²⁾⁽³⁾ Executive Chairman and Director Loule, Portugal	July 7, 2020	Managing Director of Endeavour Financial AG.	5,342,700 ⁽⁶⁾	4.50%
Alexandra Woodyer Sherron ⁽²⁾⁽⁴⁾⁽⁵⁾ Chief Executive Officer, President and Director British Columbia, Canada	March 2, 2020	Chief Executive Officer and President and of the Company. Former President of Empress Resources Corp. Alexandra has over 20 years' experience in the mining industry and with public companies.	2,000,000	1.69%



Name, Current Position, and Province and Country of Residence	Position Held Since	Principal Occupation(s) During Past Five Years	Shares Beneficially Owned or Controlled	Total Ownership on an Undiluted Basis
Jeremy Bond ⁽¹⁾⁽²⁾⁽³⁾ Director Sydney, Australia	July 7, 2020	Chief Investment Officer of Terra Capital Natural Resource Fund Pty Ltd. since 2010.	14,508,461 ⁽⁷⁾	12.23%
Paul Mainwaring ⁽¹⁾⁽³⁾ Director London, England	July 7, 2020	Associate Director at Endeavour Financial for the past 14 years.	294,744	Less than 1%
George Wesley Roberts ⁽⁴⁾⁽⁵⁾ Director Ontario, Canada	July 7, 2020	Professional engineer, Technical Committee co-chair Sigma Lithium Resources, Mining Consultant to multiple Canadian-based First Nations.	200,000	Less than 1%
Natascha Kiernan ⁽¹⁾⁽⁴⁾⁽⁵⁾ Director British Columbia, Canada	April 19, 2021	Lawyer, independent director and strategic consultant. Natascha is the founder and is currently the principal of Bellevue Strategic Advisory, a business consultancy practice.	Nil-	N/A-
Xavier Wenzel Chief Financial Officer British Columbia, Canada	June 30, 2023	Chief Financial Officer of the Company. Previously CFO for Ely Gold Royalties Inc, Guanajuato Silver Corporation as well as other exploration stage companies.	Nil-	N/A-

Notes to Table:

- (1) A member of the Audit Committee.
- (2) A member of the Investment Committee.
- (3) A member of the Compensation Committee
- (4) A member of the Corporate Governance and Nomination Committee
- (5) A member of the Environmental, Sustainability and Governance Committee
- (6) David Rhodes, Executive Chairman and Director of the Company, controls Endeavour Financial Limited, a UK company, which holds 5,217,700 Shares through its wholly-owned subsidiary Endeavour Financial AG.
- (7) 14,383,461 Shares are owned by Terra Capital Natural Resources Fund Pty Ltd. and controlled by Jeremy Bond and 125,000 shares are owned by Terra Capital Management Pty Ltd..

The Directors of the Company are elected at each annual general meeting, unless appointed in the interim in accordance with the Company's Articles, and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles, or until such director's earlier death, resignation or removal.

Section 9.2 Corporate Cease Trade Orders

To the best of management's knowledge, no director or executive officer of the Company is or has been within 10 years before the date of this AIF, a director, CEO or CFO of any company that: (i) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied that person or company access to any exemption under securities legislation for a period of more than 30 consecutive days, or (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive



days, 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 of director, CEO or CFO.

Section 9.3 Bankruptcies

To the best of management's knowledge, no director, executive officer or shareholder holding a sufficient number of shares to materially affect control of the Company: (i) is or has been within the 10 years before the date of this AIF, a director or executive officer of any company 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; or (ii) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Section 9.4 Penalties/Sanctions

To the best of management's knowledge, no director, executive officer or shareholder holding a sufficient number of shares to materially affect control of the Company, has been subject to (a) 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 (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Section 9.5 Conflicts of Interest

In the event conflicts arise at a meeting of the Board, a director who has such a conflict will declare the conflict and abstain from voting. In appropriate cases, the Company will establish a special committee of independent non-executive directors (drawn from the majority of its members who must at all times be "independent" within the meaning of NI 52-110) to review a matter in which one or more directors or management may have a conflict.

To the best of the Company's knowledge there are no known existing or potential conflicts of interest between the Company and any director or officer of the Company, except that certain of the directors of the Company serve as directors and officers of other public and private companies and it is therefore possible that a conflict may arise between their duties as a director or officer of the Company and their duties as a director or officer of such other companies. Where such conflicts arise, they will be addressed as indicated above.

Section 9.6 Audit Committee

The Company formed an Audit and Risk Committee (the "**Audit Committee**") on August 26, 2020. In the year ended December 31, 2022, the Audit Committee was composed of Jeremy Bond, Paul Mainwaring and Natascha Kiernan, each of whom is financially literate as such term is defined in NI 52-110. Paul



Mainwaring and Natascha Kiernan are considered independent. Jeremy Bond, who represents Terra Capital, a greater than 10% shareholder of the Company, is not considered independent.

A description of the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member may be found above under the heading "**Executive Officers and Directors**".

The Audit Committee is responsible for reviewing the Company's financial reporting procedures, internal controls and the performance of the financial management and external auditors of the Company. The Audit Committee will also review the annual audited financial statements and make recommendations to the Board. The Company is relying on the exemption set out in section 6.1 of NI 52-110. A copy of the Audit Committee's charter is attached as Schedule "A".

(a) Audit Committee Oversight

- (i) Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Company's Board.

(b) Pre-Approval Policies and Procedures

- (i) The Audit Committee will have authority and responsibility for pre-approval of all non-audit services to be provided to the Company or its subsidiary entities by the external auditors or the external auditors of the Company's subsidiary entities, unless such pre-approval is otherwise appropriately delegated or if appropriate specific policies and procedures for the engagement of non-audit services have been adopted by the Audit Committee.

Composition of the Audit Committee

The following sets out the education and experience of each audit committee member that is relevant to the performance of his responsibilities as an audit committee member and that provides each member with: (i) an understanding of the accounting principles used by the Company to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting:

(a) *Paul Mainwaring, Director*

Paul Mainwaring, the Chair of the Audit Committee, has over 20 years' experience in corporate finance and in the last 17 years, whilst at Endeavour Financial, has focused on financings in the



natural resources sector. He is currently Associate Director of Endeavour Financial. Mr. Mainwaring has extensive experience in cash flow modelling, financial analysis, valuation, debt advisory, deal structuring and the negotiation, documentation and execution of mining finance transactions and re-financings. Prior to joining Endeavour Financial in 2006, he worked for PricewaterhouseCoopers in their Valuation & Strategy department and was involved in valuation assignments and corporate transactions across a range of sectors and also previously worked as a chemical engineer in the petrochemical and pharmaceutical industries. CFA qualified. Mr. Mainwaring is considered a financial expert.

(b) *Natascha Kiernan, Director*

Natascha Kiernan is a lawyer, strategic consultant and public company director. She holds a JD from Columbia University and has almost 20 years of experience specializing in transactions involving mining and other natural resources. Natascha has held senior positions with several prominent international law firms, including the New York and London offices of Skadden, Arps, Slate, Meagher & Flom, and was listed as a "Top 40 under 40" rising legal star by the Financial News. She brings extensive legal experience in mining, as well as corporate governance expertise. Natascha has served or currently serves on the audit committees of several public companies and a Crown corporation. She has extensive experience in structuring and negotiating complex financing arrangements and in reviewing financial statements.

(c) *Jeremy Bond, Director*

Jeremy Bond is the Chief Investment Officer and founder of Terra Capital the holder of 14,508,461 shares (12.23%) of the Company at the date of this AIF. Terra Capital is a specialist investment manager with a proven track record of performance, a focus on risk management and with a management team that is strongly aligned with investors. Mr. Bond previously worked at UK Hedge Fund RAB Special Situations Fund at RAB Capital Plc. Prior to joining RAB, Mr. Bond was an Associate at Azure Capital, a boutique investment bank based out of Perth, WA. He worked on numerous merger and acquisitions, as well as being involved in a number of capital raisings in the small cap sector. Mr. Bond has experience in financial matters and is financially literate.

Reliance on Certain Exemptions

Under section 6.1 of NI 52-110, the Company is exempt from the requirements that a majority of its audit committee be "independent" as defined in section 1.4 of NI 52-110. For "venture issuers," the National Instrument prescribes that a majority of the members of an audit committee must not be executive officers, employees or control persons of the venture issuer or of an affiliate of the venture issuer. The Company satisfies this requirement.

Audit Committee Oversight

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



Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter of the Company as disclosed under the heading entitled "External Auditors".

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing and/or reviewing the Company's annual and interim financial statements for the subject year. "Non-Audit fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees billed to the Company by its auditor for the 12 months ended December 31, 2023 and the 12 months ended December 31, 2022, by category, are as follows, stated in Canadian dollars:

Financial Year Ended	Audit Fees	Non-Audit Fees	Tax Fees	All Other Fees
December 31, 2023	C\$128,750	Nil	Nil	\$4,500
December 31, 2022	C\$117,000	Nil	Nil	Nil

ARTICLE 10 LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Section 10.1 Legal Proceedings

The Company is subject from time to time to legal proceedings and claims, either asserted or unasserted, that arise in the ordinary course of business. While the outcome of these proceedings and claims cannot be predicted with certainty, the Company's management does not believe that the outcome of any of these legal matters will have a material adverse effect on its consolidated financial position, results of operations or cash flows.

ARTICLE 11 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Section 11.1 Interest of Management and Others in Material Transactions

Since the Company's incorporation, no director, executive officer, or shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Shares, or any known associates or affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Company other than the Endeavour Cayman Agreement.



Endeavour Cayman Agreement

Empress is party to a services agreement dated October 1, 2022, (the "**Endeavour Cayman Agreement**"), with Endeavour Financial Ltd. (Cayman), a company incorporated under the laws of Cayman Islands ("**Endeavour Cayman**"). Endeavour Cayman is a financial advisor providing services to businesses in the natural resources sector. Empress director David Rhodes owns a minority interest in Endeavour Cayman and is one of its five directors. Pursuant to the Endeavour Cayman Agreement, the Company will pay Endeavour Cayman a success fee at the time of closing a Debt or Corporate Transaction(s) of 2% of the Transaction Value.

The Endeavour Cayman Agreement has an initial term of two years. It is subject to automatic renewals for additional one-year periods unless one of the parties gives the other three months' notice prior to the commencement of any such extended term.

Transaction Value is defined as:

- For Debt Transactions, the principal amount provided or committed to be provided to the Company and/or its subsidiaries, which shall include any amounts provided as part of an accordion facility and the refinancing or assumption of any existing debt.
- For Corporate Transactions, the cash value of any consideration paid (including, without limitation, cash, securities and property), plus the amount of debt assumed (including short term debt, current portions of long-term debt and capital lease obligations).

ARTICLE 12 TRANSFER AGENT AND REGISTRAR

Section 12.1 Transfer Agent and Registrar

The transfer agent and registrar for the Shares is Computershare Investor Services Inc. in Vancouver, British Columbia. The register of transfers of the Shares is located at Computershare's office in Vancouver, British Columbia.

ARTICLE 13 MATERIAL CONTRACTS

Section 13.1 Material Contracts

Other than in the ordinary course of business, the Company entered into the following material contracts within the financial year ended December 31, 2023, or since such time or before such time, which are still in effect:

- (a) the Endeavour Cayman Agreement;
- (b) the Manica Royalty Agreement together with the Manica Amendment



- (c) the Sierra Antapite Gold Stream Agreement;
- (d) the Tahuehueto Silver Stream Agreement and related First and Second Amendment;
- (e) the New Nebari Credit Facility agreement; and
- (f) The Galaxy Stream agreement.

ARTICLE 14

EXPERTS

Section 14.1 Names of Experts

Davidson & Company, LLP, the Company's independent auditors, have audited the Company's financial statements for the year ended December 31, 2023. As of the date hereof, Davidson & Company, LLP has confirmed they are independent with respect to the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants British Columbia.

Richard Mazur, P.Geo, a Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects, has read and approved all technical and scientific disclosure contained in this AIF. Mr. Mazur is a former Director and current consultant of the Company.

To the knowledge of Empress, Mr. Mazur holds 0.14% of the outstanding Shares of Empress as of the date hereof. Mr. Mazur has not and will not receive any direct or indirect interest in any securities of Empress as a result of the review and approval of the technical and scientific disclosure included in this AIF.

Additionally, Mr. Uwe Engelmann, BSc (Zoo.& Bot.), BSc Hons (Geol.), Pr.Sci.Nat., MGSSA of Minxcon (Pty) Ltd., is also a "qualified person" as defined in NI-43-101 and authored the Fair Bride Technical Report. As of the date hereof, Mr. Engelmann held nil securities in the Company. Mr. Engelmann has not received any direct or indirect interest in the Company's property and did not receive any direct or indirect interest in any of the Company's securities or the securities of any associate or affiliate of the Company in connection with his review of the scientific and technical information in the Fair Bride Technical Report.

Section 14.2 Interest of Experts

To the best of the Company's knowledge, none of the foregoing experts held any registered or beneficial interest, direct or indirect, in any securities or other property of the Company or any of its associates or affiliates and no securities or other property of the Company or any of its associates or affiliates were subsequently received or are to be received by such experts.



ARTICLE 15 ADDITIONAL INFORMATION

Section 15.1 Additional Information

Additional information relating to the Company may be found on SEDAR+ at www.sedarplus.ca. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, is contained in the Company's Information Circular dated May 22, 2024, and may be found on SEDAR+ at www.sedarplus.ca. Additional financial information is provided in the Company's financial statements and MD&A for the twelve-month period December 31, 2023, available on SEDAR+ at www.sedarplus.ca.

SCHEDULE "A"
Audit and Risk Committee Charter



EMPRESS ROYALTY CORP.
(the “Company”)

AUDIT AND RISK COMMITTEE CHARTER

MANDATE

The purposes of the Audit and Risk Committee are to assist the Board of Directors:

1. in its oversight of the Company’s accounting and financial reporting principles and policies and internal audit controls and procedures;
2. in its oversight of the integrity, transparency and quality of the Company’s financial statements and the independent audit thereof;
3. in selecting, evaluating and, where deemed appropriate, replacing the external auditors;
4. in evaluating the qualification, independence and performance of the external auditors;
5. in its oversight of the Company’s risk identification, assessment and management program; and
6. in the Company’s compliance with legal and regulatory requirements in respect of the above.

The function of the Audit and Risk Committee is to provide independent and objective oversight. The Company’s management team is responsible for the preparation, presentation and integrity of the Company’s financial statements. Management is responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations.

The external auditors are responsible for planning and carrying out a proper audit of the Company’s annual financial statements and other procedures. In fulfilling their responsibilities hereunder, it is recognized that members of the Audit and Risk Committee are not full-time employees of the Company and are not, and do not represent themselves to be, accountants or auditors by profession or experts in the fields of accounting or auditing including in respect of auditor independence. As such, it is not the duty or responsibility of the Audit and Risk Committee or its members to conduct “field work” or other types of auditing or accounting reviews or procedures or to set auditor independence standards, and each member of the Audit and Risk Committee shall be entitled to rely on (i) the integrity of those persons and organizations within and external to the Company from which it receives information, (ii) the accuracy of

EMPRESS ROYALTY CORP.
Audit and Risk Committee Charter

the financial and other information provided to the Audit and Risk Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board of Directors) and (iii) representations made by management as to non-audit services provided by the auditors to the Company.

The external auditors are ultimately accountable to the Board of Directors and the Audit and Risk Committee as representatives of shareholders. The Audit and Risk Committee is directly responsible (subject to the Board of Directors' approval) for the appointment, compensation, retention (including termination), scope and oversight of the work of the external auditors engaged by the Company (including for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services or other work of the Company), and is also directly responsible for the resolution of any disagreements between management and any such firm regarding financial reporting.

The external auditors shall submit, at least annually, to the Company and the Audit and Risk Committee:

1. as representatives of the shareholders of the Company, a formal written statement delineating all relationships between the external auditors and the Company ("Statement as to Independence");
2. a formal written statement of the fees billed in compliance with the disclosure requirements of Form 52-110F1 of National Instrument 52-110; and
3. a report describing: the Company's internal quality-control procedures; any material issues raised by the most recent internal quality control review, or peer review, of the Company, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the Company, and any steps taken to deal with any such issues.

COMPOSITION

The Audit and Risk Committee shall be comprised of three directors, the majority of whom are independent directors as defined under applicable legislation and stock exchange rules and guidelines and are appointed (and may be replaced) by the Board of Directors on the recommendation of the Governance and Nomination Committee. Determination as to whether a particular director satisfies the requirements for membership on the Audit and Risk Committee shall be made by the Board of Directors.

All members of the Audit and Risk Committee shall be financially literate within the meaning of National Instrument 52-110 – *Audit Committees* ("NI 52-110") and any other securities legislation and stock exchange rules applicable to the Company, and as confirmed by the Board of Directors using its business judgement (including but not limited to be able to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's

EMPRESS ROYALTY CORP.
Audit and Risk Committee Charter

financial statements), and at least one member of the Audit and Risk Committee shall have accounting or related financial expertise or sophistication as such qualifications are interpreted by the Board of Directors in light of applicable laws and stock exchange rules, including the requirement to have at least one “audit committee financial expert” as defined. The latter criteria may be satisfied by past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual’s financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer of an entity with financial oversight responsibilities, as well as other requirements under applicable laws and stock exchange rules.

MEMBERSHIP, MEETINGS AND QUORUM

The Audit and Risk Committee shall meet at least four times annually or more frequently if circumstances dictate, to discuss with management the annual audited financial statements and quarterly financial statements, and all other related matters. The Audit and Risk Committee may request any officer or employee of the Company or the Company’s external counsel or external auditors to attend a meeting of the Audit and Risk Committee or to meet with any members of, or consultants to, the Audit and Risk Committee.

Proceedings and meetings of the Audit and Risk Committee are governed by the provisions of By-laws relating to the regulation of the meetings and proceedings of the Board of Directors as they are applicable and not inconsistent with this Charter and the other provisions adopted by the Board of Directors in regard to committee composition and organization.

The quorum at any meeting of the Audit and Risk Committee is a majority of members in office. All members of the Audit and Risk Committee should strive to be at all meetings.

DUTIES AND POWERS

To carry out its purposes, the Audit and Risk Committee shall have unrestricted access to information and shall have the following duties and powers:

1. With respect to the external auditor,
 - a. to review and assess, at least annually, the performance of the external auditors, and recommend to the Board of Directors the nomination of the external auditors for appointment by the shareholders, or if required, the revocation of appointment of the external auditors;
 - b. to review and approve the fees charged by the external auditors for audit services;

EMPRESS ROYALTY CORP.
Audit and Risk Committee Charter

- c. to review and pre-approve all services, including non-audit services, to be provided by the Company's external auditors to the Company or to its subsidiaries, and associated fees and to ensure that such services will not have an impact on the auditor's independence, in accordance with procedures established by the Audit and Risk Committee. The Audit and Risk Committee may delegate such authority to one or more of its members, which member(s) shall report thereon to the Audit and Risk Committee;
 - d. to ensure that the external auditors prepare and deliver annually a Statement as to Independence (it being understood that the external auditors are responsible for the accuracy and completeness of such statement), to discuss with the external auditors any relationships or services disclosed in the Statement as to Independence that may impact the objectivity and independence of the Company's external auditors and to recommend that the Board of Directors take appropriate action in response to the Statement as to Independence to satisfy itself of the external auditors' independence; and
 - e. to instruct the external auditors that the external auditors are ultimately accountable to the Audit and Risk Committee and the Board of Directors, as representatives of the shareholders;
2. With respect to financial reporting principles and policies and internal controls,
- a. to advise management that they are expected to provide to the Audit and Risk Committee a timely analysis of significant financial reporting issues and practices;
 - b. to ensure that the external auditors prepare and deliver as applicable a detailed report covering 1) critical accounting policies and practices to be used; 2) material alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the external auditors; 3) other material written communications between the external auditors and management such as any management letter or schedule of unadjusted differences; and 4) such other aspects as may be required by the Audit and Risk Committee or legal or regulatory requirements;
 - c. to understand the scope of the annual audit of the design and operation of the Company's internal control over financial reporting and the related auditor's report;
 - d. to consider, review and discuss any reports or communications (and management's responses thereto) submitted to the Audit and Risk Committee by the external auditors, including reports and communications related to:
 - significant finding, deficiencies and recommendations noted following the annual audit of the design and operation of internal controls over financial reporting;

- consideration of fraud in the audit of the financial statements;
 - detection of illegal acts;
 - the external auditors' responsibilities under generally accepted auditing standards;
 - significant accounting policies;
 - management judgements and accounting estimates;
 - adjustments arising from the audit;
 - the responsibility of the external auditors for other information in documents containing audited financial statements;
 - disagreements with management;
 - consultation by management with other accountants;
 - major issues discussed with management prior to retention of the external auditors;
 - difficulties encountered with management in performing the audit;
 - the external auditors judgements about the quality of the entity's accounting principles; and
 - reviews of interim financial information conducted by the external auditors.
- e. to meet with management and external auditors:
- to discuss the scope, planning and staffing of the annual audit and to review and approve the audit plan;
 - to discuss the audited financial statements, including the accompanying management's discussion and analysis;
 - to discuss the unaudited interim quarterly financial statements, including the accompanying management's discussion and analysis;
 - to discuss the appropriateness and quality of the Company's accounting principles as applied in its financial reporting;

EMPRESS ROYALTY CORP.
Audit and Risk Committee Charter

- to discuss any significant matters arising from any audit or report or communication referred to in item 2 (iii) above, whether raised by management or the external auditors, relating to the Company's financial statements;
- to resolve disagreements between management and the external auditors regarding financial reporting;
- to review the form of opinion the external auditors propose to render to the Board of Directors and shareholders;
- to discuss significant changes to the Company's auditing and accounting principles, policies, controls, procedures and practices proposed or contemplated by the external auditors or management, and the financial impact thereof;
- to review any non-routine correspondence with regulators or governmental agencies and any employee complaints or published reports that raise material issues regarding the Company's financial statements or accounting policies;
- to review, evaluate and monitor the Company's risk management program including the revenue protection program. This function should include:
 - risk assessment;
 - quantification of exposure;
 - risk mitigation measures; and
 - risk reporting;
- to review the adequacy of the resources of the finance and accounting group, along with its development and succession plans;
- to monitor and review communications received in accordance with the Company's Internal Whistle Blowing Policy;
- following completion of the annual audit and quarterly reviews, review separately with each of management and the independent auditor any significant changes to planned procedures, any difficulties encountered during the course of the audit and reviews, including any restrictions on the scope of the work or access to required information and the cooperation that the independent auditor received during the course of the audit and review;

EMPRESS ROYALTY CORP.
Audit and Risk Committee Charter

- to discuss with the Chief Financial Officer any matters related to the financial affairs of the Company;
 - to discuss with the Company's management any significant legal matters that may have a material effect on the financial statements, the Company's compliance policies, including material notices to or inquiries received from governmental agencies;
 - to periodically review with management the need for an internal audit function; and
 - to review and discuss with the Company's Chief Executive Officer and Chief Financial Officer the procedure with respect to the certification of the Company's financial statements pursuant to National Instrument 52-109 *Certification of Disclosure in Issuer's Annual and Interim Filings* and any other applicable law or stock exchange rule.
3. With respect to reporting and recommendations,
- a. to prepare/review any report or other financial disclosures to be included in the Company's annual information form and management information circular;
 - b. to review and recommend to the Board of Directors for approval, the interim and audited annual financial statements of the Company, management's discussion and analysis of the financial conditions and results of operations (MD&A) and the press releases related to those financial statements;
 - c. to review and recommend to the Board of Directors for approval, the annual report, management's assessment on internal controls and any other like annual disclosure filings to be made by the Company under the requirements of securities laws or stock exchange rules applicable to the Company;
 - d. to review and reassess the adequacy of the procedures in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in paragraph 3(ii) above;
 - e. to prepare Audit and Risk Committee report(s) as required by applicable regulators; and
 - f. to report its activities to the Board of Directors on a regular basis and to make such recommendations with respect to the above and other matters as the Audit and Risk Committee may deem necessary or appropriate.
4. to review, discuss with management, and approve all related party transactions;

5. to review quarterly expenses of the Chief Executive Officer;
6. to establish and reassess the adequacy of the procedures for the receipt, retention and treatment of any complaint received by the Company regarding accounting, internal accounting controls or auditing matters, including procedures for the confidential anonymous submissions by employees of concerns regarding questionable accounting or auditing matters in accordance with applicable laws and regulations; and
7. to set clear hiring policies regarding partners, employees and former partners and employees of the present and, as the case may be, former external auditor of the Company.

RESOURCES AND AUTHORITY

The Audit and Risk Committee shall have the resources and authority appropriate to discharge its responsibilities, as it shall determine, including the authority to engage external auditors for special audits, reviews and other procedures and to retain special counsel and other experts or consultants. The Audit and Risk Committee shall have the sole authority (subject to the Board of Directors' approval) to determine the terms of engagement and the extent of funding necessary (and to be provided by the Company) for payment of (a) compensation to the Company's external auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, (b) any compensation to any advisors retained to advise the Audit and Risk Committee and (c) ordinary administrative expenses of the Audit and Risk Committee that are necessary or appropriate in carrying out its duties.

ANNUAL EVALUATION

At least annually, the Audit and Risk Committee shall, in a manner it determines to be appropriate review and assess the adequacy of its Charter and recommend to the Board of Directors any improvements to this Charter that the Audit and Risk Committee determines to be appropriate.