

CAIRO RESOURCES INC.

FILING STATEMENT

in respect of the Qualifying Transaction involving

BANGLES GOLD PTY. LTD.

All information contained in this Filing Statement with respect to Cairo Resources Inc. ("**Cairo**") was supplied by Cairo for inclusion herein.

All information contained in this Filing Statement with respect to Bangles Gold Pty. Ltd. ("**Bangles**") was supplied by Bangles for inclusion herein.

DATED AS AT AUGUST 30, 2021

*Neither the TSX Venture Exchange Inc. (the "**Exchange**") nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this Filing Statement.*

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GLOSSARY

The following is a glossary of certain general terms used in this Filing Statement, including the summary hereof. Terms and abbreviations used in the financial statements included in, or appended to this Filing Statement are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders. Unless otherwise indicated, all currency references are to Canadian dollars.

“**1933 Act**” means the United States Securities Act of 1933.

“**Acquisition**” means the acquisition by Cairo of all of the outstanding securities of Bangles from the Bangles Shareholders pursuant to the terms of the Share Exchange Agreement.

“**Affiliate**” means a Company that is affiliated with another Company as described below:

A Company is an “Affiliate” of another Company if:

- (a) one of them is the subsidiary of the other; or
- (b) each of them is controlled by the same Person.

A Company is “**controlled**” by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

- (a) a Company controlled by that Person; or
- (b) an Affiliate of that Person or an Affiliate of any Company controlled by that Person.

“**Associate**” when used to indicate a relationship with a person or Company, means:

- (a) an issuer of which the person or Company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;
- (b) any partner of the person or Company;
- (c) any trust or estate in which the person or Company has a substantial beneficial interest or in respect of which a person or Company serves as trustee or in a similar capacity;
- (d) in the case of a person, a relative of that person, including:
 - (i) that person’s spouse or child, or
 - (ii) any relative of the person or of his spouse who has the same residence as that person, but
- (e) where the TSXV determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding Company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D of the TSXV with respect to that Member firm, Member corporation or holding company.

“**AUD**” means Australian Dollars, the lawful currency of Australia.

“**Bangles**” means Bangles Gold Pty. Ltd., a corporation existing under the laws of Australia.

“**Bangles ELs**” and “**Bangles Exploration Licences**” has the meaning ascribed thereto in “Part II – Information Concerning Bangles - General Development of the Business – History.”

“**Bangles Financial Statements**” means the audited annual financial statements of Bangles for the period from incorporation on September 4, 2020 to February 28, 2021, and the audited financial statements of Bangles for the three months ended May 31, 2021, which are attached to this Filing Statement as Schedule C.

“**Bangles MD&A**” means the management’s discussion and analysis of the financial condition and results of operations of Bangles for the period from incorporation on September 4, 2020 to February 28, 2021, and the management’s discussion and analysis of the financial condition and results of operations of Bangles for the three months ended May 31, 2021, which are attached to this Filing Statement as Schedule D.

“**Bangles Shareholders**” means holders of the Bangles Shares.

“**Bangles Shares**” means ordinary shares in the capital of Bangles.

“**BCBCA**” means the *Business Corporations Act* (British Columbia), including the regulations promulgated there under, as amended.

“**Board**” means the board of directors of Cairo or the Resulting Issuer, as the context requires.

“**CAD**” means Canadian Dollars, the lawful currency of Canada.

“**Cairo**” means Cairo Resources Inc., prior to the completion of the Qualifying Transaction.

“**Cairo Financial Statements**” means the audited annual financial statements of Cairo as at and for the year ended February 28, 2021, and the unaudited condensed interim financial statements of Cairo for the three months ended May 31, 2021, which are attached to this Filing Statement as Schedule A.

“**Cairo MD&A**” means the management’s discussion and analysis of the financial condition and results of operations of Cairo for the year ended February 28, 2021, and the management’s discussion and analysis of the financial condition and results of operations of Cairo for the three months ended May 31, 2021, which are attached to this Filing Statement as Schedule B.

“**Cairo Optionee**” means the participants eligible to participate in the Stock Option Plan.

“**Cairo Options**” means the options granted pursuant to the Stock Option Plan, entitling the holders thereof to acquire Common Shares.

“**Cairo Shareholder**” means a holder of common shares in the capital of Cairo.

“**CH**” has the meaning ascribed thereto in “Part II – Information Concerning Bangles - General Development of the Business of Bangles – Project Description, Location, and Access – Indigenous Cultural Heritage and Native Title.”

“**Closing Date**” means the closing date of the Acquisition.

“**Code of Practice**” has the meaning ascribed thereto in “Part II – Information Concerning Bangles - General Development of the Business of Bangles – Project Description, Location, and Access – Environmental Liabilities.”

“**Codes**” has the meaning ascribed thereto in “Part II – Information Concerning Bangles - General Development of the Business of Bangles – Project Description, Location, and Access – Environmental Liabilities.”

“**Common Share**” means a common share in the capital of Cairo or the Resulting Issuer, as the context requires.

“**Company**” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

“**Completion of the Qualifying Transaction**” means the date the Final Exchange Bulletin is issued by the TSXV.

“**Concurrent Financing**” means the non-brokered private placement of Units of Cairo at a price of \$0.28 per Unit for aggregate gross proceeds of \$2,380,000.

“**Concurrent Financing Compensation Warrants**” has the meaning ascribed thereto in “Summary of Filing Statement - The Qualifying Transaction – Concurrent Financing.”

“**Concurrent Financing Finder’s Fee**” has the meaning ascribed thereto in “Summary of Filing Statement - The Qualifying Transaction – Concurrent Financing.”

“**Control Person**” means any person or Company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer, except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

“**CPC**” means a corporation:

- (a) that has been incorporated or organized in a jurisdiction in Canada;
- (b) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and
- (c) in regard to which the Completion of the Qualifying Transaction has not yet occurred.

“**CPC Escrow Agent**” means Odyssey Trust Company, a trust corporation having an office in the City of Vancouver, in the Province of British Columbia in its capacity as escrow agent pursuant to the terms of the CPC Escrow Agreement.

“**CPC Escrow Agreement**” means the escrow agreement dated September 24, 2018 among Cairo, the CPC Escrow Agent, and certain shareholders of Cairo.

“**CPC Policy**” means Policy 2.4 – *Capital Pool Companies* of the TSXV Corporate Finance Manual.

“**Discounted Market Price**” has the meaning ascribed thereto in Policy 1.1 – *Interpretation* of the TSXV Corporate Finance Manual.

“**Environmental Legislation**” means the environmental regulations pursuant to Canadian federal, provincial, and municipal laws and regulations as well as international conventions.

“**Exchange**” or “**TSXV**” means the TSX Venture Exchange.

“**Exploration Licence Application**” has the meaning ascribed thereto in Part II – Information Concerning Bangles - General Development of the Business of Bangles – Interpretations and Conclusions.”

“**Exploration Licence Grant Documents**” has the meaning ascribed thereto in Part II – Information Concerning Bangles - General Development of the Business of Bangles – Property Description, Location, and Access - Mineral Tenure.”

“**Filing Statement**” means this filing statement, together with all schedules attached hereto and including the summary hereof.

“**Final Exchange Bulletin**” means the TSXV bulletin which is issued following completion of the Qualifying Transaction and the submission of all required documentation and that evidences the final TSXV acceptance of the Qualifying Transaction.

“**Geos Mining**” means GM Minerals Consultants Pty. Ltd. DBA Geos Mining.

“**GSNSW**” has the meaning ascribed thereto in Part II – Information Concerning Bangles - General Development of the Business of Bangles – History – Exploration History.”

“**IFRS**” means International Financial Reporting Standards.

“**Insider**” if used in relation to an Issuer, means:

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

“**IPO**” means the initial public offering of Common Shares of Cairo completed on September 2, 2011.

“**Issuer**” means a Company and its subsidiaries which have any of its securities listed for trading on the Exchange and, as the context requires, any applicant Company seeking a listing of its securities on the Exchange.

“**ILUAs**” has the meaning ascribed thereto in “Part II – Information Concerning Bangles - General Development of the Business of Bangles – Project Description, Location, and Access – Indigenous Cultural Heritage and Native Title.”

“**Koonenberry North Project**” means the mineral property interests forming Bangles’ principal asset and project, comprised of the Bangles Exploration Licences, totalling 682km² in northwestern NSW.

“**Letter Agreement**” means the binding letter agreement dated January 26, 2021 between Cairo and Bangles in respect of the Acquisition, which was superseded by the Share Exchange Agreement.

“**Member**” has the meaning ascribed thereto in Policy 1.1 – *Interpretation* of the TSXV Corporate Finance Manual.

“**Name Change**” means the proposed name change of the Resulting Issuer from “Cairo Resources Inc.” to “Gladiator Metals Corp.”

“**NI 43-101**” means National Instrument 43-101 - *Standards of Disclosure for Mineral Properties*.

“**Non-Arm’s Length Qualifying Transaction**” means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction.

“**NSW**” means the State of New South Wales, Australia.

“**NT**” has the meaning ascribed thereto in “Part II – Information Concerning Bangles - General Development of the Business of Bangles – Project Description, Location, and Access – Indigenous Cultural Heritage and Native Title.”

“**Payment Shares**” means the 5,000,000 Common Shares to be issued from treasury to the Bangles Shareholders (or their nominees), *pro rata* in proportion to their holdings of Bangles Shares, at the closing of the Share Exchange Agreement.

“**Person**” means a Company or individual.

“**Policy 2.2**” has the meaning ascribed thereto in “Part V – General Matters - Sponsorship”.

“**Principals**” has the meaning ascribed thereto in Policy 5.4 – *Escrow, Vendor Consideration and Resale Restrictions* of the TSXV Corporate Finance Manual.

“Pro Forma Financial Statements” means the unaudited pro forma statement of financial position for the Resulting Issuer as at May 31, 2021 to give effect to the Qualifying Transaction as if it had taken place as of May 31, 2021, which is attached to this Filing Statement as Schedule E.

“Promoter” means the definition prescribed by applicable Securities Laws.

“QT Escrow Agent” means Odyssey Trust Company, a trust corporation having an office in the City of Vancouver, in the Province of British Columbia in its capacity as escrow agent pursuant to the terms of the QT Escrow Agreement.

“QT Escrow Agreement” means the Exchange Form 5D Escrow Agreement to be entered into in connection with the completion of the Qualifying Transaction among the Resulting Issuer, the QT Escrow Agent and certain Principals of the Resulting Issuer.

“QT Escrow Securities” means the 5,000,000 Resulting Issuer Shares to be subject to escrow under the QT Escrow Agreement, as set out under “Part III – Information Concerning the Resulting Issuer – Escrowed Securities - QT Escrowed Securities.”

“Qualifying Transaction” means a transaction where a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means, and, specifically in the case of Cairo means the Acquisition and related transactions.

“Resulting Issuer” means Cairo (proposed to be renamed “Gladiator Metals Corp.”) following completion of the Acquisition and the issuance of the Final Exchange Bulletin.

“Resulting Issuer Options” means the stock options of the Resulting Issuer exercisable for Resulting Issuer Shares.

“Resulting Issuer Shares” means a common share in the capital of the Resulting Issuer.

“Securities Laws” means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to an Issuer.

“Share Exchange Agreement” means the definitive share exchange agreement dated June 15, 2021, as amended from time to time, between Cairo, Bangles and the Bangles Shareholders in respect of the Acquisition.

“Significant Assets” means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any concurrent transactions, would result in the CPC meeting the initial listing requirements of the TSXV.

“Stock Option Plan” means the stock option plan of Cairo.

“subsidiary” includes, with respect to any person, company, partnership, limited partnership, trust or other entity, any company, partnership, limited partnership, trust or other entity controlled, directly or indirectly, by such person, company, partnership, limited partnership, trust or other entity.

“Tax Act” means *Income Tax Act*, (Canada), as amended.

“Technical Report” means the technical report compiled by Geos Mining titled “Independent Technical Report Koonenberry North Project, NSA Bangles Gold Pty Ltd” dated May 3, 2021 prepared in accordance with NI 43-101.

“Transfer Agent Agreement” means the transfer agent agreement dated June 14, 2021 between Cairo and Odyssey Trust Company.

“Units” means units of securities to be issued by Cairo under the Concurrent Financing, each consisting of one Common Share and one-half of one Warrant.

“Voting Shares” means a security of an Issuer that:

- (a) is not a debt security; and

- (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

“Warrant” means one whole common share purchase warrant entitling the holder to purchase one Common Share at a price of \$0.40 at any time on or before the date that is twenty-four (24) months from the date of issuance.

NOTE REGARDING FORWARD-LOOKING STATEMENTS AND FINANCIAL OUTLOOK INFORMATION

This Filing Statement contains forward-looking statements that relate to Cairo's and Bangles' current expectations and views of future events. The forward-looking statements are contained principally in the sections titled "Summary of Filing Statement" and "Part III – Information Concerning the Resulting Issuer".

In some cases, these forward-looking statements can be identified by words or phrases such as "may", "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues", "plan", "believe", "aim", "seek" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Cairo and Bangles have based these forward-looking statements on their current expectations and projections about future events and financial trends that they believe may affect Cairo, Bangles and the Resulting Issuer's financial condition, results of operations, business strategy and financial needs, as the case may be.

Forward-looking statements relating to Bangles and the Resulting Issuer include, among other things, statements relating to:

- proposed expenditures for exploration work and general administrative expenses;
- capital requirements, needs for additional financing, and the ability to raise additional capital;
- the future price of and future demand for metals;
- government regulation of mining operations, accidents, environmental risks, exploration risks, reclamation and rehabilitation expenses;
- competitive position and its expectations regarding competition; and
- anticipated trends and challenges in Bangles' business and the markets in which it operates.

Forward-looking statements relating to Cairo include, among other things, statements relating to:

- ability to complete a Qualifying Transaction;
- ability to complete the Concurrent Financing; and
- use of proceeds from the Concurrent Financing.

Forward-looking statements are based on certain assumptions and analysis made by Cairo and Bangles in light of their experience and perception of historical trends, current conditions and expected future developments and other factors they believe are appropriate, and are subject to risks and uncertainties. Such assumptions include, among others, those relating to general economic conditions, legislative and regulatory environments where the business of Bangles operates the impact of increasing competition, and the ability to obtain regulatory approvals necessary to the operations of the business. Although Cairo and Bangles believe that the assumptions underlying the forward-looking statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, shareholders should not place undue reliance on these forward-looking statements.

Whether actual results, performance or achievements will conform to Cairo's or Bangles' expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "Part IV – Risk Factors", which include:

Business risks including:

- fluctuating mineral prices;
- inherent risks with exploration and development;
- substantial capital requirements and liquidity;
- reliance on management and dependence on key personnel;
- reliability of historical data compiled by previous parties involved with the Koonenberry North Project;

- development and operating risks;
- competition with other companies with greater financial resources and technical facilities;
- title challenges from aboriginal or indigenous groups, or unknown third parties claiming an interest in the Koonenberry North Project;
- environmental risks and other regulatory requirements;
- climate change risks;
- social and environmental activism;
- industry regulation and health and safety risks;
- uninsurable risks;
- currency fluctuations;
- litigation risks; and
- global economic events arising from the COVID-19 pandemic.

Financial and accounting risks including:

- capital requirements associated with expanded operations;
- estimates or judgments relating to critical accounting policies; and
- tax risks.

Risks related to the Common Shares and the Completion of the Qualifying Transaction including:

- possible volatility of the price of Common Shares;
- no history of payment of cash dividends;
- significant sales of Common Shares;
- tax issues; and
- completion of the Qualifying Transaction being subject to certain conditions precedent.

The above risks, uncertainties, assumptions and other factors could cause Cairo's, Bangles', and the Resulting Issuer's actual results, performance, achievements and experience to differ materially from Cairo's and Bangles' expectations, future results, performances or achievements expressed or implied by the forward-looking statements.

The forward-looking statements made in this Filing Statement relate only to events or information as of the date on which the statements are made in this Filing Statement. Except as required by law, Cairo, Bangles, and the Resulting Issuer undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

An investor should read this Filing Statement with the understanding that Cairo's, Bangles', and the Resulting Issuer's actual future results may be materially different from what is expected.

INFORMATION PERTAINING TO BANGLES

The information contained or referred to in this Filing Statement with respect to Bangles and the industry in which it operates has been provided by the management of Bangles and is the responsibility of Bangles. Management of Cairo has relied upon Bangles for the accuracy of the information provided by Bangles without independent verification.

CURRENCY PRESENTATION

In this Filing Statement, references to “\$” or “dollars” are to the lawful currency of Canada, unless otherwise stated.

SUMMARY OF FILING STATEMENT

The following is a summary of information relating to Cairo, Bangles, and the Resulting Issuer (assuming completion of the Qualifying Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement.

The Companies

Cairo

Cairo was incorporated pursuant to the provisions of the BCBCA on February 8, 2010. The full corporate name of Cairo is “Cairo Resources Inc.”. Cairo is a CPC pursuant to the CPC Policy, and since its incorporation it has not carried on any business or operations other than the identifying and evaluating business opportunities for the purposes of completing a Qualifying Transaction.

See “Part I – Information Concerning Cairo”.

Bangles

Bangles was incorporated as a private company under the laws of Australia on September 4, 2020. The full corporate name of Bangles is “Bangles Gold Pty. Ltd.”. Bangles’ business operations are in Australia and Bangles’ head and registered office is located at 61 Evandale Street, Floreat, WA, Australia 6014.

See “Part II – Information Concerning Bangles”.

The Qualifying Transaction

The following section contains a summary of the Share Exchange Agreement. This summary is qualified in its entirety by the actual terms of the Share Exchange Agreement, which is available on SEDAR at www.sedar.com under Cairo’s profile.

Cairo and Bangles entered into the Letter Agreement in respect of the Acquisition on January 26, 2021. The Letter Agreement was subsequently superseded by the definitive share exchange agreement (the “**Share Exchange Agreement**”) dated June 15, 2021.

Cairo will acquire 1,500,000 ordinary shares in the capital of Bangles (the “**Bangles Shares**”), representing all of the issued and outstanding ordinary shares in the capital of Bangles, from the Bangles Shareholders (the “**Acquisition**”). In consideration for the Bangles Shares, Cairo will:

- the issue from treasury to the Bangles Shareholders (or their nominees), *pro rata* in proportion to their holdings of Bangles Shares at closing, an aggregate of 5,000,000 Common Shares (the “**Payment Shares**”); and
- make a cash payment in the aggregate sum of \$112,500 to the Bangles Shareholders *pro rata* in proportion to their holdings of Bangles Shares at closing.

In connection with the Qualifying Transaction, Cairo and Bangles entered a promissory note dated February 4, 2021 (the “**Promissory Note**”). Under the terms of the Promissory Note, Cairo will advance secured loans of up to \$250,000 to Bangles (the “**Bangles Loan**”), which are non-interest bearing and have a term of one year. In the event that the Share Exchange Agreement is terminated, the Bangles Loan will be due on demand and bear interest at 10%, compounded monthly. The Bangles Loan is secured by the all of the issued and outstanding Bangles Shares. The Bangles Loan will be used by Bangles for working capital purposes. As of the date of this Filing Statement, Cairo has advanced \$225,000 to Bangles under the terms of the Promissory Note.

The Share Exchange Agreement is subject to customary conditions precedent, including, among other things: (i) receipt of approval of the Qualifying Transaction from the shareholders of Bangles; (ii) the Cairo Shares, including the Payment Shares and Finder’s Fee Shares (as herein defined) shall have been conditionally approved for listing on the TSXV; (iii) the Concurrent Financing shall have been completed or if completed in escrow pending closing, then

all conditions necessary to release such escrow shall have been satisfied (other than the completion of the Qualifying Transaction); (iv) Bangles and Cairo shall have complied with all of the terms, covenants and conditions set forth in the Share Exchange Agreement; (v) all regulatory approvals necessary to complete the Qualifying Transaction shall be obtained; and (vi) there shall have been no legislation (whether by statute, regulation, order-in-council, notice of ways and means motion, by-law or otherwise) enacted, introduced or tabled which, in the opinion of Cairo or Bangles, acting reasonably, adversely affects or may adversely affect the Qualifying Transaction.

In connection with the Qualifying Transaction, Cairo has entered into a finder's fee agreement (the "**Finder's Fee Agreement**") with Alex Klenman, an arm's length finder (the "**Finder**"), pursuant to which Cairo has agreed to issue 386,160 Common Shares (the "**Finder's Fee Shares**") to the Finder as a finder's fee.

In connection with the Acquisition, Cairo will change its name to "Gladiator Metals Corp." Upon Completion of the Qualifying Transaction, it is anticipated that the Resulting Issuer will be listed as a Tier 2 Mining Issuer on the TSXV, with Bangles as its primary operating subsidiary.

Concurrent Financing

Prior to the Acquisition, Cairo proposes to undertake a financing by way of a non-brokered private placement of Units at a price of \$0.28 per Unit for gross proceeds of \$2,380,000 (the "**Concurrent Financing**"). Each Unit will consist of one Common Share and one-half of one Warrant, each whole Warrant being exercisable at a price of \$0.40 per Common Share for a period of twenty-four (24) months from the date of issuance.

Cairo may pay a cash finders' fee (the "**Concurrent Financing Finders' Fee**") of up to 6% of the gross proceeds of the Concurrent Financing and issue non-transferable compensation warrants (the "**Concurrent Financing Compensation Warrants**") of up to 6% of the number of Units issued under the Concurrent Financing, in accordance with the policies of the Exchange. Each Concurrent Financing Compensation Warrant, if issued, will entitle the holder thereof to purchase one Common Share of the Resulting Issuer at a price of \$0.28 per Common Share for a period of twenty-four (24) months from the date of issuance.

The net proceeds from the Concurrent Financing are expected to be approximately \$2,237,200 after deducting \$142,800 in Concurrent Financing Finder's Fees (assuming such fees are paid on all Units issued in the Concurrent Financing). The proceeds from the Concurrent Financing will be used to fund Phase 1 of the exploration program on the Koonenberry North Project and for working capital purposes (see "Part III – Information Concerning the Resulting Issuer – Stated Business Objectives").

The Resulting Issuer

The anticipated share capital of the Resulting Issuer upon completion of the Qualifying Transaction and the Concurrent Financing is presented below:

<u>Designation of Security</u>	<u>Amount authorized or to be authorized</u>	<u>Amount outstanding after giving effect to the Qualifying Transaction and the Concurrent Financing⁽¹⁾</u>
Common Shares	Unlimited	19,142,633

Notes:

- (1) Consisting of 5,256,473 Common Shares issued and outstanding prior as of the date of this Filing Statement, 5,000,000 Payment Shares issued pursuant to the Share Exchange Agreement, 8,500,000 Common Shares issued in the Concurrent Financing, and 386,160 Finder's Fees Shares.

The following table states the fully diluted share capital of the Resulting Issuer after giving effect to the Transaction and the Concurrent Financing:

<u>Description of Security</u>	<u>Number of Securities (#) / Percentage of Total⁽¹⁾</u>
Common Shares issued as at the date of this Filing Statement	5,256,473 (21.15%)

<u>Description of Security</u>	<u>Number of Securities (#) / Percentage of Total⁽¹⁾</u>
Common Shares to be issued to the Bangles Shareholders pursuant to the Share Exchange Agreement	5,000,000 (20.12%)
Common Shares to be issued pursuant to the Concurrent Financing	8,500,000 (34.21%)
Common Shares to be issued in payment of the Finder's Fee	386,160 (1.55%)
Common Shares to be reserved for issuance upon exercise of Warrants	4,250,000 (17.10%)
Common Shares to be reserved for issuance upon exercise of Resulting Issuer Options	1,200,000 (4.83%)
Common Shares to be reserved for issuance upon exercise of Concurrent Financing Compensation Warrants ⁽²⁾	255,000 (1.03%)
Total	24,847,633 (100%)

Notes:

- (1) 299,999 of these Common Shares are subject to the CPC Escrow Agreement and 5,000,000 Common Shares will be subject to the QT Escrow Agreement. See "Escrowed Securities".
- (2) Assuming Concurrent Financing Compensation Warrants are issued with respect to all Units issued in the Concurrent Financing.

See "Part III – Information Concerning the Resulting Issuer– Fully Diluted Share Capital".

Interests of any Insider, Promoter or Control Person

The Principals of Cairo currently hold 346,666 Common Shares. No Insider, promoter or Control Person of Cairo and no Associate or Affiliate of the same, has any interest in the Qualifying Transaction other than (i) that which arises from their holdings of Cairo Shares, or (ii) as otherwise disclosed herein.

Arm's Length Transaction

The Qualifying Transaction does not constitute a Non-Arm's Length Qualifying Transaction within the meaning of the CPC Policy, as Bangles is an "arms-length" party to Cairo within the meaning of CPC Policy. Specifically, no officer, director or 10% shareholder of Cairo holds any equity interest in Bangles.

Estimated Available Funds and Principal Purposes

Estimated Available Funds

Upon completion of the Qualifying Transaction, including the net proceeds of the Concurrent Financing, the Resulting Issuer is expected to have approximately \$2,284,796 in available funds

	<u>Funds Available</u>
A Amount to be raised by Concurrent Financing	\$2,380,000
B Concurrent Financing Finders' Fees ⁽¹⁾	(\$142,800)
C Estimated remaining transaction costs ⁽²⁾	(\$141,000)
D Net Proceeds D = A – (B+C)	\$2,096,200
E Working capital as at July 31, 2021	\$188,596
F Available funds: F = D + E	\$2,284,796

Note:

- (1) Assuming Concurrent Financing Finders' Fees are paid on all Units issued in the Concurrent Financing.
- (2) Transaction costs include audit, legal, filing and sponsor fees. Transaction costs of \$10,000 have been paid as of the date hereof.

Principal Purposes of Funds

The following table sets forth the anticipated principal uses of the estimated funds available to the Resulting Issuer upon closing of the Acquisition:

<u>Principal Use of Available Funds</u>	<u>Amount with Concurrent Financing</u>
Cash payment to Bangles Shareholders pursuant to the Share Exchange Agreement	\$112,500
Koonenberry North Project property payments	\$49,000 ⁽¹⁾
Work program for the Koonenberry North Project	\$383,000 ⁽¹⁾
20% contingency work program for the Koonenberry North Project	\$77,000 ⁽¹⁾
General and administrative expenses	\$510,000
Marketing and investor communication	\$100,000
Unallocated working capital	\$1,053,296
Total	\$2,284,796

Note:

(1) Based on an exchange rate of \$1.00 CAD = \$1.0917 AUD as of July 30, 2021.

Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds would be necessary in order for the Resulting Issuer to achieve its objectives as set out in this Filing Statement.

See “Part III – Information Concerning the Resulting Issuer – Estimated Available Funds and Principal Purposes”.

Selected Pro Forma Consolidated Financial Information

The following table sets out certain financial information for Cairo for the three months ended May 31, 2021, and for Bangles for the three months ended May 31, 2021, as well as unaudited pro forma financial information, after giving effect to the Qualifying Transaction and the Concurrent Financing as if such events had occurred on May 31, 2021 for balance sheet purposes.

<u>Pro Forma Statement of Financial Position</u>	<u>Bangles (AUD\$)</u>	<u>Bangles (converted into CAD\$ at AUD\$1.00 to CAD\$0.9342) (CAD\$)</u>	<u>Cairo (CAD\$)</u>	<u>Pro Forma Adjustments (CAD\$)</u>	<u>Pro Forma Consolidated (CAD\$)</u>
Cash and cash equivalents	\$2,400	\$2,242	\$178,985	\$2,380,000	\$2,448,727
Other current assets	\$47,190	\$44,080	\$227,544	(\$225,000)	\$46,624
Non-current assets	\$136,587	\$127,586	-	\$2,183,034	\$2,310,620
Total assets	\$186,177	\$173,908	\$406,529	\$4,225,534	\$4,805,971
Current liabilities	\$28,347	\$26,563	\$23,138	-	\$49,701
Non-current liabilities	\$225,654	\$210,783	-	(\$210,783)	-
Total liabilities	\$254,091	\$237,346	\$23,138	(\$210,783)	\$49,701
Shareholders' equity (deficiency)	(\$67,914)	(\$63,439)	\$383,391	\$4,436,318	\$4,756,270

Market for Securities and Market Price

The Common Shares are currently listed on the NEX Board of the TSXV under the trading symbol “QAI.H”. The closing market price of the Common Shares on the last day on which there was a trade of Common Shares prior to the announcement of the Qualifying Transaction on January 26, 2021 was \$0.31 per share. It is anticipated that the Common Shares will resume trading on the TSXV upon completion of the Qualifying Transaction under the symbol “GLAD”.

The Bangles Common Shares are not listed on any stock exchange and there is currently no public market for the Bangles Common Shares.

Conflicts of Interest

Some of the individuals proposed as directors or officers of the Resulting Issuer upon the Completion of the Qualifying Transaction are also directors, officers and/or Promoters of other reporting and non-reporting issuers. To the knowledge of the directors and officers of Cairo and Bangles, there will not be any conflicts of interest between the Resulting Issuer and any of the individuals proposed as directors or officers upon completion of the Qualifying Transaction, except as set forth in this Filing Statement.

Interests of Experts

Except as disclosed herein, no person or Company whose profession or business gives authority to a statement made by the person or Company and who is named as having prepared or certified a part of this Filing Statement or prepared or certified a report or valuation described or included in this Filing Statement currently holds, directly or indirectly, more than 1% of the Cairo Common Shares or the Bangles Common Shares or holds any property of Cairo, Bangles, or of an Associate or Affiliate of Cairo or Bangles, and no such person is expected to be elected, appointed or employed as director, senior officer or employee of Cairo or Bangles, or of an Associate or Affiliate of the Resulting Issuer and no such person is a Promoter of Cairo or Bangles, or an Associate or Affiliate of Cairo or Bangles.

See “Part V – General Matters - Experts.”

Conditional Listing Approval

The TSXV has conditionally approved the Acquisition as the Qualifying Transaction of Cairo subject to Cairo fulfilling all the requirements of the TSXV.

Summary Risk Factors

The following is a summary of certain risk factors applicable to Cairo, Bangles and the Resulting Issuer. The risks presented in this Filing Statement should not be considered to be exhaustive and may not be all of the risks that the Resulting Issuer and Bangles may face.

Business risks including:

- fluctuating mineral prices;
- inherent risks with exploration and development;
- substantial capital requirements and liquidity;
- reliance on management and dependence on key personnel;
- reliability of historical data compiled by previous parties involved with the Koonenberry North Project;
- development and operating risks;
- competition with other companies with greater financial resources and technical facilities;
- title challenges from aboriginal or indigenous groups, or unknown third parties claiming an interest in the Koonenberry North Project;

- environmental risks and other regulatory requirements;
- climate change risks;
- social and environmental activism;
- industry regulation and health and safety risks;
- uninsurable risks;
- currency fluctuations;
- litigation risks; and
- global economic events arising from the COVID-19 pandemic.

Financial and accounting risks including:

- capital requirements associated with expanded operations;
- estimates or judgments relating to critical accounting policies; and
- tax risks.

Risks related to the Common Shares and the Completion of the Qualifying Transaction including:

- possible volatility of the price of Common Shares;
- no history of payment of cash dividends;
- significant sales of Common Shares;
- tax issues; and
- completion of the Qualifying Transaction being subject to certain conditions precedent.

See “Part IV – Risk Factors”.

PART I – INFORMATION CONCERNING CAIRO

Corporate Structure

Cairo Resources Inc.

Cairo was incorporated pursuant to the provisions of the BCBCA on February 8, 2010. The full corporate name of Cairo is “Cairo Resources Inc.”. The head office of Cairo is located at Suite 1430, 800 West Pender Street, Vancouver, BC V6C 2V6 and the registered and records office of Cairo is located at 1500 – 1055 West Georgia Street, Vancouver, BC V6E 4N7.

General Development Of The Business

History

Cairo is a CPC formed pursuant to the policies of the Exchange. Cairo does not own any assets, other than cash or cash equivalents and its rights under the Share Exchange Agreement. The principal business of Cairo is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and, once identified and evaluated, to negotiate an acquisition or participation subject to acceptance by the Exchange to complete a Qualifying Transaction in accordance with the policies of the Exchange.

Cairo completed its initial public offering on September 2, 2011 and was listed on the TSXV.

On January 14, 2013, Cairo entered into a share exchange agreement (the “**Socialitize Agreement**”) with Socialitize Limited (“**Socialitize**”), a company incorporated under the laws of Gibraltar, and the shareholders of Socialitize (the “**Socialitize Shareholders**”). Pursuant to the Socialitize Agreement, the Socialitize Shareholders agreed to sell, and Cairo agreed to acquire, all of the shares in the capital of Socialitize in exchange for 3,000,000 Common Shares.

At an annual and special meeting of its shareholders held on November 27, 2013, Cairo received majority disinterested shareholder approval to transfer to the TSXV’s NEX Board (the “**NEX**”); and conditional upon listing on the NEX, to cancel 200,000 escrowed Common Shares held by Principals of Cairo.

On May 7, 2014, Cairo announced that it was unable to complete a Qualifying Transaction within its 24-month deadline, including extensions, and that it was required by the TSXV to transfer its listing from the Tier 2 board of the TSXV to the NEX. Upon listing on the NEX, the Company cancelled 200,000 escrowed Common Shares held by the Principals of Cairo.

On June 11, 2014, Cairo announced that it terminated its Qualifying Transaction with Socialitize and that Cairo would continue to pursue other opportunities with a view to completing a Qualifying Transaction.

On October 29, 2014, Cairo consolidated its issued and outstanding common shares on the basis of one new common share for every five then existing common shares.

On February 4, 2015, Cairo completed a non-brokered private placement of 214,807 Common Shares at a price of \$0.15 per Common Share for gross proceeds of \$32,221.

On May 31, 2016, Cairo completed a non-brokered private placement of 666,666 Common Shares at a price of \$0.15 per Common Share for gross proceeds of \$100,000.

On December 22, 2017, Cairo entered into a Letter of Intent with Sino Blockchain Holdings Inc. (“**Sino**”), a private British Columbia corporation, whereby Cairo would acquire all of the outstanding shares of Sino in exchange for Common Shares of Cairo. On February 28, 2018, Cairo announced that it and Sino had mutually agreed to terminate their Letter of Intent.

On November 7, 2018, Cairo completed a non-brokered private placement of 300,000 Common Shares at a price of \$0.27 per Common Share for gross proceeds of \$81,000.

On September 30, 2019, Cairo entered into arm’s length amalgamation agreement in respect of a proposed business combination that would result in the reverse takeover of Cairo by Swarmio Inc. (“Swarmio”). On April 7, 2020, given the prevailing market conditions, Cairo announced it has terminated the Definitive Agreement with Swarmio Inc.

On July 16, 2020, Cairo completed a non-brokered private placement of 3,375,000 Common Shares at \$0.16 per Common Share for gross proceeds of \$540,000. Cairo paid finders’ fee of \$30,300.

On January 26, 2021, trading in the Common Shares was halted in connection with the Qualifying Transaction. Trading remains halted as of the date of this Filing Statement.

Financing Information

In connection with the Qualifying Transaction, Cairo plans to complete the Concurrent Financing by way of a non-brokered private placement of Units at a price of \$0.28 per Unit to raise gross proceeds of \$2,380,000. Each Unit will consist of one Common Share and one-half of one Warrant, each whole Warrant being exercisable at a price of \$0.40 per Common Share for a period of twenty-four (24) months from the date of issuance.

Cairo may pay a cash finders’ fee of up to 6% of the gross proceeds of the Concurrent Financing and issue Concurrent Financing Compensation Warrants of up to 6% of the number of Units issued under the Concurrent Financing, in accordance with the policies of the Exchange. Each Concurrent Financing Compensation Warrant, if issued, will entitle the holder thereof to purchase one Common Share of the Resulting Issuer at a price of \$0.28 per Common Share for a period of twenty-four (24) months from the date of issuance.

The net proceeds from the Concurrent Financing are expected to be approximately \$2,237,200 after deducting \$142,800 in cash finders’ fees. The proceeds from the Concurrent Financing will be used to fund Phase 1 of the exploration program on the Koonenberry North Project and for working capital purposes (see “Part III – Information Concerning the Resulting Issuer – Stated Business Objectives”).

Selected Financial Information

Since incorporation, Cairo has incurred costs in carrying out the IPO, in seeking, evaluating and negotiating potential Qualifying Transactions, and in meeting the disclosure obligations imposed upon it as a reporting issuer listed for trading on the Exchange.

The following tables set forth selected historical financial information for Cairo as at and for the financial years ended February 28, 2021, 2020, and 2019, and for the three months ended May 31, 2021. Such information is derived from Cairo’s financial statements and should be read in conjunction with such financial statements included elsewhere in this Filing Statement including those financial statements attached hereto as Schedule A. The financial statements of Cairo have been prepared in accordance with IFRS and are denominated in Canadian dollars.

	For the Three Months ended May 31, 2021 (unaudited)	For the Financial Year ended February 28, 2021 (audited)	For the Financial Year ended February 29, 2020 (audited)	For the Financial Year ended February 28, 2019 (audited)
Cash	\$178,985	\$313,674	\$19,090	\$45,095
Total Assets	\$406,529	\$439,574	\$20,512	\$45,941
Total Liabilities	\$23,138	\$18,799	\$49,714	\$32,861
Share Capital	\$960,959	\$960,959	\$453,509	\$453,509
Deficit	\$679,472	\$642,088	\$584,615	\$542,333
Total Expenses	\$37,384	\$57,473	\$42,282	\$65,968
Net Loss and Comprehensive Loss	\$37,384	\$57,473	\$42,282	\$65,968

Management's Discussion and Analysis

The MD&A for Cairo for the year ended February 28, 2021, and for the three months ended May 31, 2021, are attached hereto as Schedule B. The Cairo MD&A should be read in conjunction with Cairo's audited financial statements as at and for the year ended February 28, 2021, and Cairo's unaudited condensed interim financial statements for the three months ended May 31, 2021.

Description of the Securities

Cairo is authorized to issue an unlimited number of Common Shares, of which 5,256,473 Common Shares are issued and outstanding as of the date hereof.

The holders of Common Shares are entitled to dividends if, as and when declared by the board of directors of Cairo (the "**Board**"), to one vote per Common Share at meetings of the shareholders of Cairo and, upon liquidation to receive such assets of Cairo as are distributable to the holders of Common Shares. All Common Shares which are to be outstanding after Completion of the Qualifying Transaction will be fully paid and non-assessable. This summary does not purport to be complete and reference is made to the notice of articles and articles of incorporation of Cairo for a complete description of these securities and the full text of their provisions.

Stock Option Plan

Summary of Plan

Pursuant to the Stock Option Plan, a maximum of 10% of the issued and outstanding Common Shares at the time a Cairo Option is granted, less any outstanding stock options previously granted, will be reserved for issuance as Cairo Options and will be granted at the discretion of the Board to Cairo Optionees under the Stock Option Plan. While the Stock Option Plan is in effect, there can never be more than 10% of Common Shares reserved for issuance at any point in time. A maximum of 525,647 Common Shares may be issued under the Stock Option Plan until Completion of the Qualifying Transaction.

Until Cairo completes its Qualifying Transaction and ceases to be a CPC, all Cairo Options granted under the Stock Option Plan will be subject to the terms and conditions of the CPC Policy.

Eligible Optionees

Under the policies of the Exchange, to be eligible for the issuance of a Cairo Option under the Stock Option Plan a Cairo Optionee must either be a director, officer or employee, a consultant, employee or partnership of a company providing management or other services to Cairo or a subsidiary at the time the Cairo Option is granted. Cairo Options may be granted only to an individual or to a non-individual that is wholly owned by individuals eligible for a Cairo Option grant. If the Cairo Option is granted to a non-individual, it must provide the Exchange with an undertaking that it will not permit any transfer of its securities, nor issue further securities, to any individual or other entity as long as the Cairo Option remains in effect, without the consent of the Exchange and Cairo.

Material Terms of the Stock Option Plan

The following is a summary of the material terms of the Stock Option Plan:

- (a) The aggregate maximum number of Cairo Options which may be granted under the Stock Option Plan at any one time is 10% of the number of Common Shares outstanding at the time of grant.
- (b) The term of any Cairo Options granted under the Stock Option Plan will be fixed by the Board at the time such options are granted, provided that Cairo Options will not be permitted to exceed a term of ten years.
- (c) The exercise price of any Cairo Options granted under the Stock Option Plan will be determined by the Board, in its sole discretion, but shall not be less than the closing price of the Common Shares on the day preceding the day on which the directors grant such Cairo Options, less any discount permitted by the TSXV to a minimum of \$0.05 per Common Share.

- (d) No vesting requirements will apply to Cairo Options granted thereunder, save for Cairo Options granted to an employee performing investor relations activities for the Company.
- (e) All Cairo Options will be non-assignable and non-transferable.
- (f) No more than (i) 5% of the issued Common Shares may be granted to any one individual in any 12 month period; and (ii) no more than 2% of the issued Common Shares may be granted to a consultant, or an employee performing investor relations activities, in any 12 month period.
- (g) If the option holder ceases to be a director of the Company (other than by reason of death), then the Cairo Option granted shall expire on no later than the 90th day following the date that the option holder ceases to be a director of the Company, subject to the terms and conditions set out in the Stock Option Plan. If the option holder is engaged in investor relations activities or ceases to be an employee, consultant or management company employee of the Company (other than by reason of death), then the Cairo Option granted shall expire on no later than the 30th day following the date that the option holder ceases to be employed or contracted by the Company, subject to the terms and conditions set out in the Stock Option Plan.
- (h) Disinterested shareholder approval must be obtained for (i) any reduction in the exercise price of an outstanding Cairo Option, if the option holder is an insider; (ii) any grant of Cairo Option to insiders, within a 12 month period, exceeding 10% of the Common Shares; and (iii) any grant of Cairo Option to any one individual, within a 12 month period, exceeding 5% of the issued Common Shares.
- (i) Cairo Options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of the Common Shares.

Stock Options Granted

As of the date of this Filing Statement, there are no Cairo Options outstanding.

Prior Sales

Since the date of incorporation, Cairo has issued Common Shares as follows:

<u>Date Issued</u>	<u>Number of Shares</u>	<u>Issue Price per Share</u>	<u>Aggregate Issue Price</u>	<u>Nature of Consideration</u>
July 5, 2010	500,001 ⁽¹⁾	\$0.05	\$25,000.05	Cash
January 7, 2011	1,500,000 ⁽¹⁾	\$0.05	\$75,000	Cash
September 2, 2011	2,500,000	\$0.10	\$250,000	Cash
On October 29, 2014 the Common Shares consolidated on the basis of one post-consolidation Common Share for every five pre-consolidation Common Shares				
February 4, 2015	214,807	\$0.15	\$32,221	Cash
May 31, 2016	666,666	\$0.15	\$100,000	Cash
November 7, 2018	300,000	\$0.27	\$81,000	Cash
July 16, 2020	3,375,000	\$0.16	\$540,000	Cash

Notes:

- (1) All of these Common Shares were subject to the CPC Escrow Agreement.

Stock Exchange Price

On May 9, 2014, the Common Shares were listed on the NEX Board of the TSXV under the symbol “QAI.H”. On January 26, 2021, trading in the Common Shares was halted in connection with the Qualifying Transaction. Trading remains halted as of the date of this Filing Statement. Upon completion of the Qualifying Transaction, it is anticipated that the Common Shares will be listed on the TSXV under the symbol “GLAD”.

The following table sets out trading information for the Common Shares on the TSXV for the periods indicated:

Period	High (\$)	Low (\$)	Volume
August 1 - 27, 2021 ⁽¹⁾	Trading in Common Shares Halted		
July 2021			
June 2021			
May 2021			
April 2021			
March 2021			
February 2021			
January 26-31, 2021			
January 1- 26,2021	0.37	0.21	2,000
December 2020	0.21	0.21	-
November 2020	0.21	0.21	-
October 2020	0.21	0.21	-
September 2020	0.21	0.21	-
August 2020	0.21	0.21	-
July 2020	0.21	0.21	-
June 2020	0.35	0.21	22,800
May 2020	0.35	0.20	1,500
April 2020	0.30	0.20	1,000
March 2020	0.30	0.30	-
February 2020	0.30	0.30	-

Note:

(1) On January 26, 2021, trading in the Common Shares was halted in connection with the Qualifying Transaction. Trading remains halted as of the date of this Filing Statement.

Arm’s Length Transaction

The Qualifying Transaction does not constitute a Non-Arm’s Length Qualifying Transaction within the meaning of the CPC Policy.

Legal Proceedings

There are no legal proceedings material to Cairo to which Cairo is a party or of which any of its property is the subject matter, and there are no such proceedings known to Cairo to be contemplated.

Auditor, Transfer Agent And Registrar

The auditor of Cairo is Smythe LLP, Chartered Professional Accountants, located at 1700 – 475 Howe Street, Vancouver, British Columbia, Canada, V6C 2B3. Smythe LLP is independent of Cairo, Bangles and the Resulting Issuer in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The transfer agent and registrar for the Common Shares is Odyssey Trust Company located at its principal office in Vancouver.

Material Contracts

Cairo has not entered into any material contracts since its incorporation except as follows:

- the Transfer Agent Agreement;
- the CPC Escrow Agreement;
- the Share Exchange Agreement; and
- the Promissory Note.

The above contracts may be inspected at Cairo's registered office at 1430 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6 during ordinary business hours until the date that is 30 days after the Closing Date.

PART II – INFORMATION CONCERNING BANGLES

Corporate Structure

Name and Incorporation

Bangles was incorporated as a private company under the laws of Australia on September 4, 2020. The full corporate name of Bangles is “Bangles Gold Pty. Ltd.”. Bangles’ business operations are in Australia and Bangles’ head and registered office is located at 61 Evandale Street, Floreat, WA, Australia 6014.

Intercorporate Relationships

Bangles does not have any subsidiaries.

General Development of the Business

History

Bangles is a natural resource corporation with a principal focus on the exploration and development of the Koonenberry North Project. Bangles also seeks to identify, investigate, evaluate and acquire other previous metal properties located in favourable international jurisdictions. In September 2020, Bangles applied to be awarded mineral exploration rights to the exploration licence blocks EL9050, EL9062 and EL9064 (collectively, the “**Bangles ELs**”, or the “**Bangles Exploration Licences**”), with a total area of 682 km² which comprise the Koonenberry North Project. Bangles was granted the exploration licence rights to the Bangles Exploration Licences in February 2021 by the Department of Regional New South Wales - Mining, Exploration and Geoscience.

On September 4, 2020, Bangles issued an aggregate of 100,000 Bangles Shares to its founders. On January 15, 2021, Bangles issued an additional 1,400,000 Bangles Shares to its founders. All of the Bangles Shares were issued for nominal consideration.

On February 4, 2021, Bangles entered into the Promissory Note with Cairo pursuant to which Cairo agreed advance the Bangles Loans for working capital purposes. In the event that the Share Exchange Agreement is terminated, the Bangles Loan will be due on demand and bear interest at 10%, compounded monthly. The Bangles Loan is secured by the all of the issued and outstanding Bangles Shares. As of the date of this Filing Statement, Cairo has advanced \$225,000 to Bangles under the terms of the Promissory Note.

Significant Acquisitions and Dispositions

Bangles has not undertaken any acquisitions or disposals of entities or operations since incorporation.

General Development of the Business of Bangles

Unless otherwise stated, the following disclosure relating to the Koonenberry North Project has been summarized, compiled or extracted from the Technical Report prepared by Murray Hutton, BA (Hons) Geology, MAIG, of Geos Mining, who is a qualified person within the meaning of NI 43-101. The Technical Report has an effective date of May 3, 2021. The disclosure in this Filing Statement has been derived from the Technical Report and has been prepared with the consent of Mr. Hutton. Please see Schedule “F” for a Glossary of Technical Terms used in the Technical Report. The Technical Report has been filed under Cairo’s profile on SEDAR at www.sedar.com.

Property Description, Location and Access

The Koonenberry North Project consists of the Bangles Exploration Licences totalling 682 km² located in the northwestern part of NSW (Figure 1, Table 1). The ELs consist of 229 graticular units (measuring 1 minute of latitude x 1 minute of longitude) and occur within a 200km-long belt extending from latitude 29°18’S / longitude 141°18’E in the northwest to latitude 30°43’S / longitude 142°27’E in the southeast.

Figure 1 - Koonenberry North Project Location

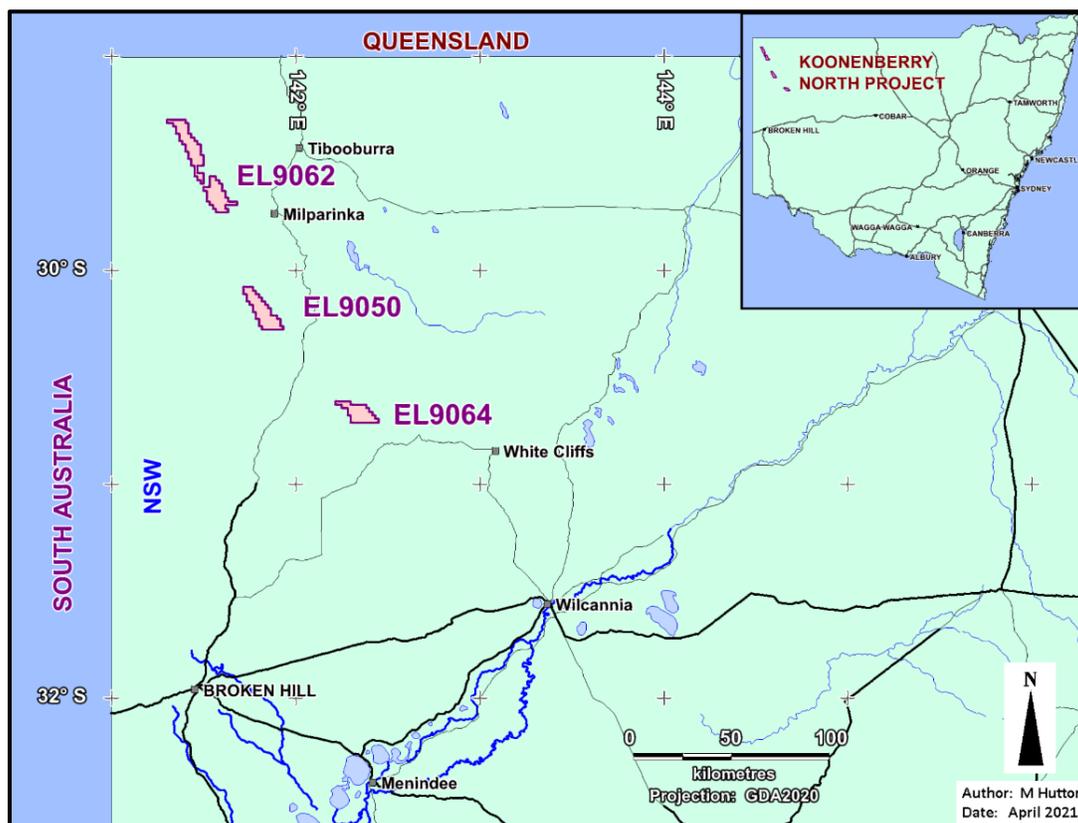


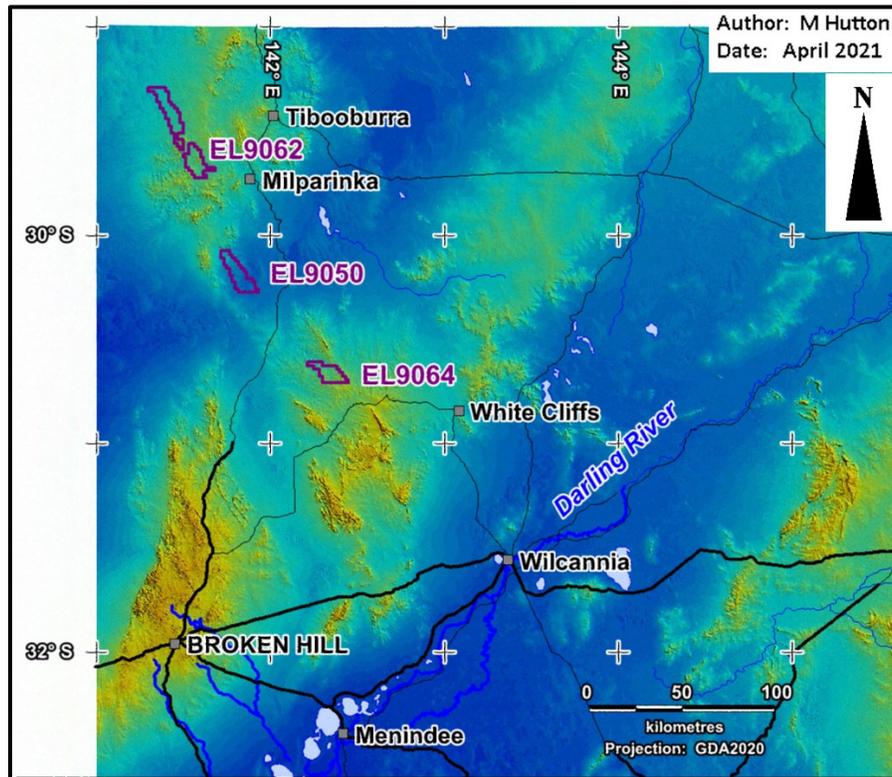
Table 1 - Koonenberry North Project Tenements

EL_ID	Name	Area (graticular units ¹)	Area (sq km)	Grant Date	Expiry Date
EL9050	Koonenberry East	65	193	15/02/2021	15/02/2024
EL9062	Koonenberry Fault	119	356	17/02/2021	17/02/2024
EL9064	Mongrel East	45	133	18/02/2021	18/02/2024
TOTALS		229	682		

The communities of Tibooburra (pop. 134, ~70km by road from EL9062), Milparinka (pop. 77, 30km by road from EL9064, 70km from EL9050), White Cliffs (pop. 103, 100km by road from EL9064), Wilcannia (pop. 1,840, 195km by road from EL9064) and the city of Broken Hill (pop. 17,480, ~200km by road from EL9064) are located in the vicinity of the Koonenberry North Project (Figure 2) (Australian Bureau Statistics, 2020). Access from these localities to the project areas is via sealed and unsealed roads. Access within the project tenements is via numerous farm tracks.

¹ Each graticular unit consists of an area measuring 1 minute of latitude x 1 minute of longitude.

Figure 2 - Western NSW Topographic DTM



Mineral Tenure

Information on the mineral tenements (exploration licences) has been taken from the NSW Government Minview website (Minview, 2021), copies of the Instrument of Grant documents (the “**Exploration Licence Grant Documents**”) for each of the three Bangles ELs and correspondence from Bangles’ tenement managers, Hetherington.

Table 1 gives details of the granting dates and expiry dates for the Bangles ELs. Each tenement is 100% held by Bangles and gives Bangles exclusive rights to explore the areas covered by the Bangles ELs for Group 1² metallic minerals during the term of the licences. The Bangles ELs do not convey any ownership of the land.

The purpose of exploration is to locate areas where mineral resources may be present, to establish the quality and quantity of those resources and to investigate the viability of extracting the resource. The granting of an exploration licence does not give any right to mine, nor does it guarantee that a mining lease will be granted within the exploration licence area.

Exploration licences are issued under the Mining Act 1992. The licence holder may:

- apply for the renewal of an exploration licence; or
- apply for the transfer of an exploration licence to another person.

Renewal applications are to be submitted within the period of two months prior up to midnight on the expiry date of the licence consistent with the Mining Act 1992. Renewal of the exploration licences beyond the current term is not

² Group 1 metallic minerals includes: antimony, arsenic, bismuth, cadmium, cesium, chromite, cobalt, copper, galena, germanium, gold, indium, iron minerals, lead, lithium, manganese, mercury, molybdenite, nickel, niobium, platinum, platinum group minerals, rare earth minerals, rubidium, scandium and its ores, selenium, silver, sulfur, tantalum, tin, tungsten and its ores, vanadium, zinc, zirconia.

guaranteed, but revocation of an exploration licence by the government is rare, unless the holder has failed to uphold its responsibilities under the licence conditions.

The following fees are payable in connection with each exploration licence:

- an annual rental fee; and
- an annual administrative levy.

Overlapping exploration licences for other minerals (such as Group 2 industrial minerals or Group 6 gemstones) may be granted by the government of NSW to other parties. However, as at the date of Technical Report, there are no exploration licences overlapping the Bangles ELs.

Obligations that are required to ensure continuity of exploration licences include completion of approved work programs, payment of annual rents, submission of annual activity reports and geoscientific data, compliance with guidelines for environmental management and rehabilitation of any surface disturbances.

Royalties, Farm-In Rights, Payments and Agreements

Bangles has confirmed that there are no royalties, farm-in rights, payments or agreements related to the Bangles ELs.

Location of Mineralized Zones, Mineral Resources, Mine Workings

The NSW Government Minview database³ records no known metallic mineral occurrences within the Bangles ELs. However, there are indications that quartz vein outcrops within EL9064 have been prospected for gold.

Environmental Liabilities

To the extent known, there are no current environmental liabilities attached to the tenements. However, all exploration must be carried out in accordance with the government of New South Wales' Code of Practice: Environmental Management⁴ (the "**Code of Practice**").

This Code of Practice forms part of a suite of codes that comprise:

- Exploration Code of Practice: Community Consultation;
- Exploration Code of Practice: Environmental Management;
- Exploration Code of Practice: Produced Water Management, Storage and Transfer; and
- Exploration Code of Practice: Rehabilitation.

(collectively, the "**Codes**")

The Codes of Practice outline mandatory requirements for explorers in the exploration of resources. The Codes are intended to provide upfront information to the industry and the community and enables industry to:

- adopt a risk-based, best practice approach to ensure compliance with mandatory requirements related to impacts upon the environment;
- commit to measurable performance;
- monitor performance and take corrective action if these outcomes are not being achieved; and
- keep and maintain relevant records of activities and actions.

³ Accessible at: <https://minview.geoscience.nsw.gov.au/>

⁴ Accessible at: https://www.resourcesregulator.nsw.gov.au/_data/assets/pdf_file/0007/565954/Exploration-Code-of-Practice-Environmental-Management.pdf

Threatened species, populations and ecological communities are protected by the Threatened Species Conservation Act 1995 and Part 7A of the Fisheries Management Act 1994. For exploration activities that require surface disturbance and/or vegetation clearing, all known threatened species, populations, or ecological communities located inside the disturbance area and within approximately 50 metres of the disturbance area should be noted and appropriate measures put in place to prevent harm. This could include demarcation with flagging tape or fencing with adequate curtilage.

Three recorded sightings of endangered or vulnerable species have been noted from the Sharing and Enabling Environmental Data in New South Wales database. Locations of these sightings are shown in Figure 3 and Table 2.

Figure 3 - Koonenberry North Project, Threatened Species Sites

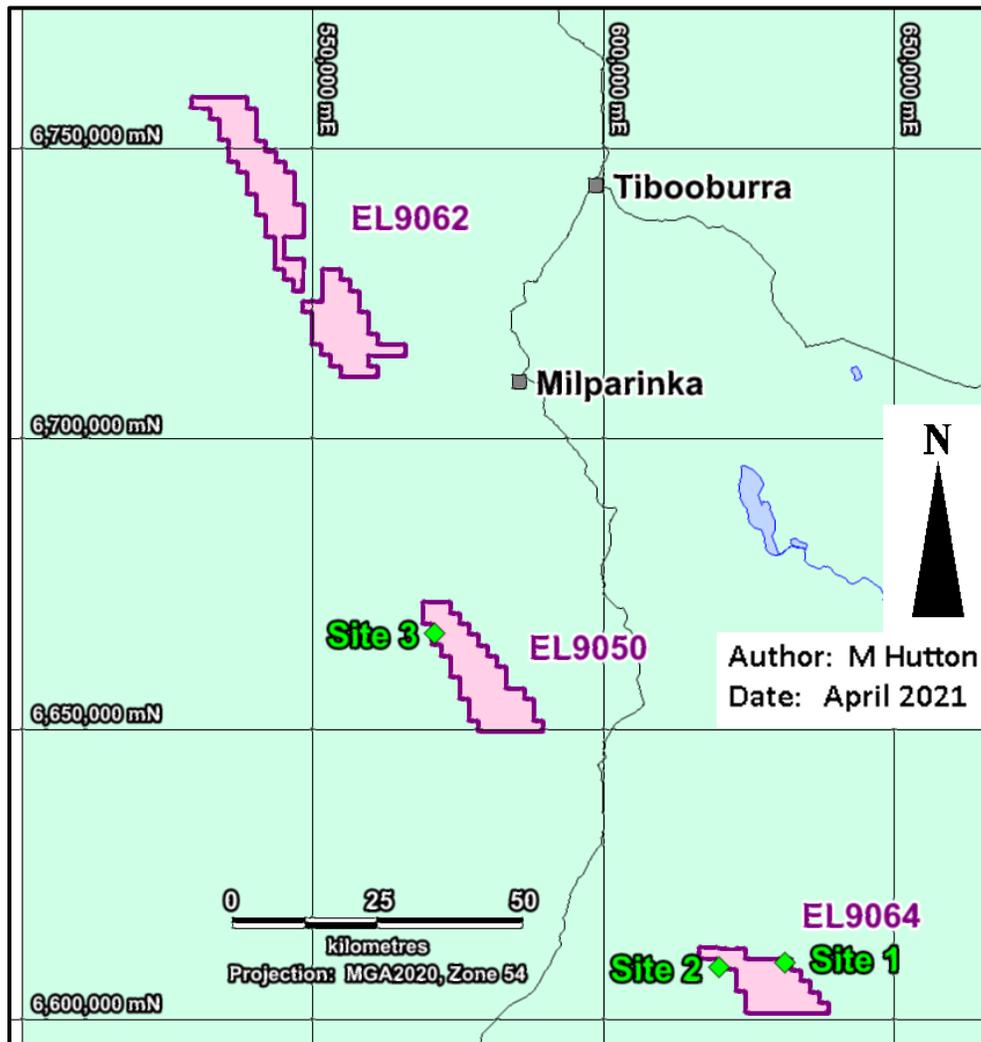


Table 2 - Koonenberry North Project, Threatened Fauna

Site No.	Latitude	Longitude	Category	Species
1	-30.6386	142.3708	Endangered	Australian painted snipe
2	-30.6462	142.2517	Vulnerable	Rufous field wren
3	-30.1309	142.7384	Vulnerable	Little eagle

Indigenous Cultural Heritage and Native Title

There is one Determined Native Title Claim within the Koonenberry North Project tenements by the Wongkumara People (QC2008/003), covering part of EL9062 (Figure 4). An application has been lodged by the Barkandji Malyangapa People (NP2020/001), covering part of EL9064.

Under the Native Title Act, exploration or mining activity invokes the ‘right to negotiate,’ which provides an opportunity for native title parties to negotiate agreements with explorers. These agreements detail the conditions for undertaking the particular future acts, including, in some cases, provision for employment and training, environmental or cultural heritage protection or compensation and payments. If the parties are unable to reach an agreement, a party may apply to the Native Title Tribunal for a determination.

Alternatively, the Native Title Act allows native title groups and other interested parties to voluntarily enter into agreements known as Indigenous Land Use Agreements (“**ILUAs**”). ILUAs can cover both future acts (e.g., exploration or mining activity) and non-future acts (e.g., use and access agreements that regulate co-existing rights). When registered, ILUAs bind all parties and all native title holders to the terms of the agreement.

Aboriginal cultural heritage consists of places, traditions, beliefs, customs, values and objects that represent the living history of past Aboriginal generations and are of important cultural and heritage significance to Aboriginal people. Physical objects could include items such as stone, wood and shell artefacts that were used to make tools, weapons and implements. They could include fish traps, stone arrangements, middens, scarred or carved trees and sites of occupational fringe camps that still exist today.

For an area of land to be declared an ‘Aboriginal Place’, the Minister is required to formally and legally recognise that the place is, or was, of special significance to Aboriginal culture. When a significant place is declared an Aboriginal Place, it is protected under the National Parks and Wildlife Act 1974. Aboriginal objects and places can be on public or private land, and do not change the land tenure.

For exploration in NSW, unless Native Title (“**NT**”) has been extinguished, the exploration licence holder will usually apply for a S31 ‘Right to Negotiate’ process, whereby an agreement is reached with the NT claimant as to how exploration can proceed. This will include a Cultural Heritage (“**CH**”) agreement that will detail whether CH surveys need to be carried out prior to any surface disturbing activities (e.g. drilling).

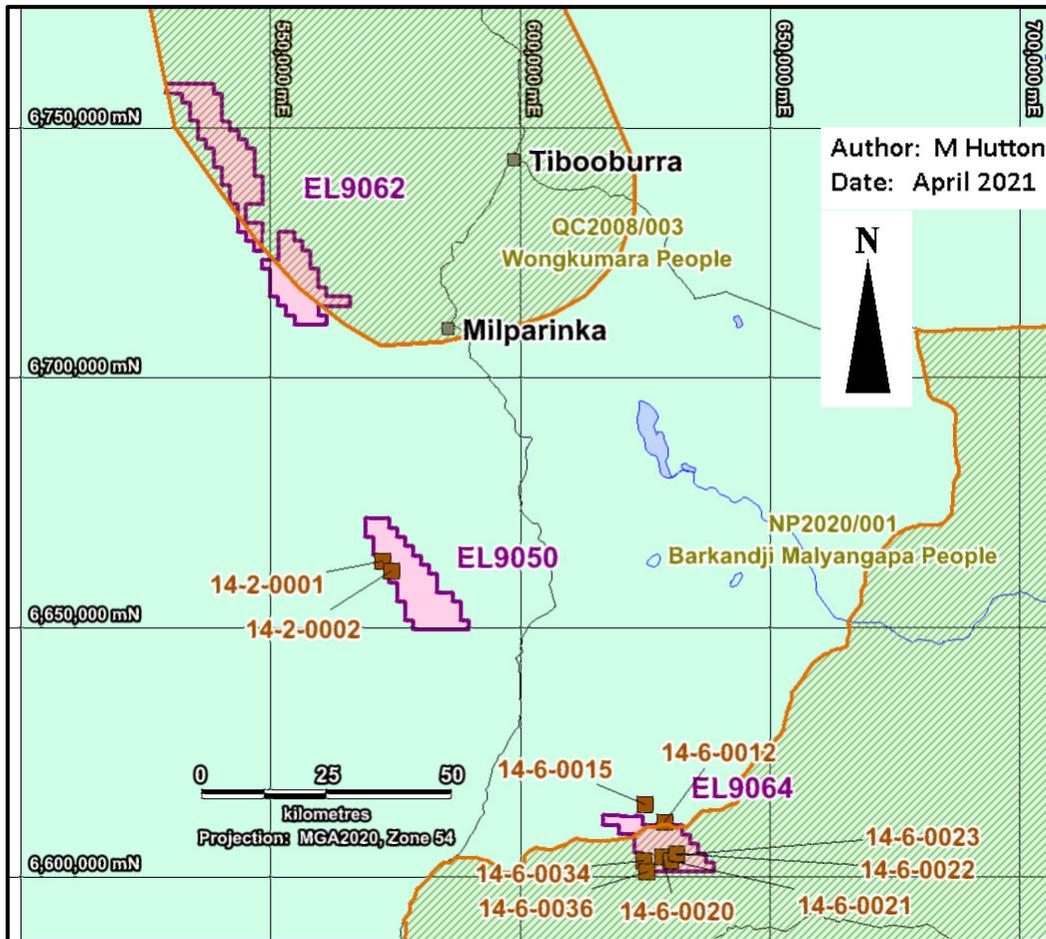
The legal obligations are:

- a heritage site must not be disturbed by exploration or mining;
- the local Aboriginal Land Council must be contacted (regardless of whether there is a NT claim) to determine if a CH survey is to be carried out;
- the explorer will have to pay for any CH survey (TO time, accommodation, archaeologist/ anthropologist if required); and
- the CH team will determine if an object can be moved or if an exclusion zone will be enforced (may be 50m up to 500m).

Bangles have not advised the status of any negotiations with NT claimants. However, from his experience dealing with NT negotiations related to tenements in the region held by other companies, Mr. Hutton believes that such negotiations will allow exploration to proceed and that there are no significant risks to the right or ability to undertake the exploration programs on the properties.

A search of the Aboriginal Heritage Information Management System database⁵ has indicated a total of 10 aboriginal heritage items are located within or adjacent to the Koonenberry North Project tenements (Figure 4, Table 3).

Figure 4 - Koonenberry North Project, Native Title & Cultural Heritage Sites



⁵ Accessible at: <https://www.environment.nsw.gov.au/awssapp/Login.aspx?ReturnUrl=%2fawssapp>.

Table 3 - Koonenberry North Project, Indigenous Cultural Heritage Sites

Site_ID	Site Name	Eastin	Northin	Description
14-2-0001	Mt Arrowsmith	572328	6663228	Artefact: Open Camp Site
14-2-0002	Mt Arrowsmith Dalmuir	574156	6661217	Stone Arrangement
14-6-0012	Wonaminta	628994	6610943	Artefact: Shell Midden
14-6-0015	Wonnaminta 3 (DMR#10)	624891	6614488	Artefact: Open Camp Site 1266
14-6-0020	Belah AGSO19	628491	6604038	Artefact: Open Camp Site
14-6-0021	Belah AGSO18	630141	6603108	Artefact: Isolated Find
14-6-0022	Belah AGSO17	631261	6604558	Artefact: Isolated Find
14-6-0023	Belah AGSO16	631291	6604288	Artefact: Open Camp Site
14-6-0034	Wonnaminta Three Sisters 3	624671	6603228	Ceremonial: 98456
14-6-0036	Wonnaminta Three Sisters 2	625421	6600928	Ceremonial: 98456

Permits Required to Undertake Work Programs

Any work program can only be carried out on a granted mineral title in which access to the surface of the land has been negotiated with the affected landowner(s). This usually takes the form of a signed Access and Compensation Agreement, in which conditions of entry and compensation rates for any surface disturbance have been agreed between the explorer and the landowner.

Access rights are subject to negotiated agreements with property owners. Access and Compensation Agreements with landholders for the Bangles ELs have not been signed as at the date the Technical Report. However, Bangles personnel have stated that verbal agreements have been reached with landholders covering EL9050 and EL9062 and signed agreements are likely to be completed in the near future. Discussions with landholders covering EL9064 are ongoing.

Under the Mining Act 1992, if tenement holders and landholders cannot reach agreement on Access and Compensation Agreements, the matter can be decided by an Arbitration Panel, members of which are appointed by the Minister responsible for the Mining Act after consultation with the Minister for Agriculture and Rural Affairs.

In NSW, any work program that results in surface disturbance must be approved by the NSW Resources Regulator by completion of Form “ESF4 Application to conduct exploration activities for assessable prospecting operations.” This document includes an assessment of the environmental risks associated with the completion of the proposed work program.

History

The Bangles ELs were granted to Bangles during February 2021. There has been no prior ownership of the Bangles ELs. However, there have been historical exploration licences that covered parts of the Koonenberry North Project areas, as provided below.

Exploration History

Four main periods of exploration and mining activity have been recorded in the Koonenberry Belt:

- 1870 to 1908: Mining of copper near Wertago (south of the Bangles ELs) commenced in 1870, with the nearby township of Nuntherungie established in 1890 to mine silver and lead from the Nuntherungie Silverfield. Copper was first mined from the Grasmere mine in 1898. Development of the fields was impeded by the geographic isolation, high costs of transport, and the lack of reliable water supplies.
- 1880 to 1933: Gold was first reported in the Koonenberry Belt in 1880 near Mount Poole Station with the peak of the gold rush between 1881 and 1886. The commencement of mining at Broken Hill, coupled with the arid and remote conditions led to gradual winding down of production.

- 1960s to 1990s: Sporadic exploration focussed on gold, copper and base metals, predominantly in the Grasmere and Wertago areas. Despite encouraging drill intersections, tenements were relinquished due to poor economic conditions at the time.
- Since 2000: The Geological Survey of New South Wales (“GSNSW”) has been investigating the Koonenberry Belt and completed regional geological mapping, high-resolution geophysical data acquisition and deep seismic reflection surveys. In addition, the GSNSW worked with the former Cooperative Research Centre for Landscape Environments and Mineral Exploration to conduct numerous regolith and baseline geochemistry studies in the Koonenberry Belt. These investigations have resulted in major advancements in the understanding of the geological history of the Koonenberry Belt.

Apart from stream sediment sampling programs, most of the prospecting and surface sampling within the Koonenberry Belt has taken place over areas to the south of the Bangles ELs.

Historical Exploration Licences

Historical exploration licences that have covered parts of the areas of the Bangles tenements are listed in Table 4 and shown in Figure 5. For most of these exploration licences, very little work was done within the Bangles tenement areas. The most significant historical exploration programs are described in the following sections.

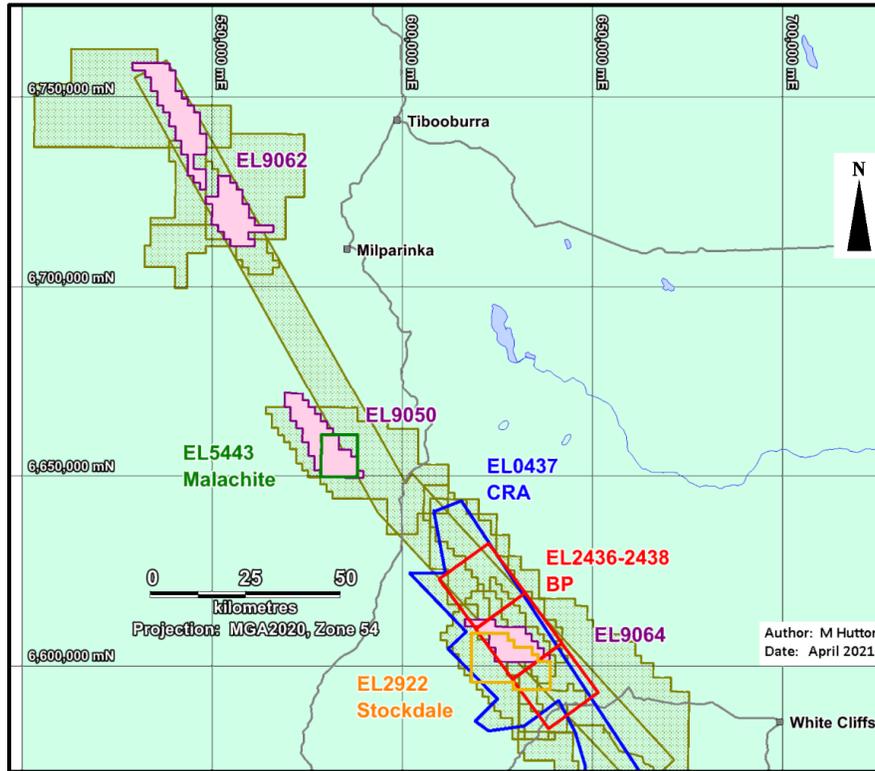
Table 4 - Historical Exploration Licences Covering the Area of the Bangles ELs

Title No.	Holder	Start ymd	End ymd	Title area (km ²)
EL0024	Kennecott Exploration (Australia) Limited	19651101	19661101	2,600
EL0437	CRA Exploration Pty Limited	19710201	19720501	1,563
EL2436	BP Australia Limited	19850601	19851101	259
EL2437	BP Australia Limited	19850601	19851101	264
EL2438	BP Australia Limited	19850601	19851101	260
EL2922	Stockdale Prospecting Limited	19881001	19901019	233
EL5443	Malachite Resources NL	19980225	20010601	107
EL5464	Helix Resources NL	19980416	20000415	2,013
EL6364	Mithril Resources Ltd	20050111	20061229	887
EL7031	Standard Mines Pty Ltd	20080122	20090615	963
EL7101	Ausgold Exploration Pty Ltd	20080311	20100311	639
EL7499	Ausgold Exploration Pty Ltd	20100407	20101229	878
EL7652	EMX Exploration Pty Ltd	20101206	20151206	177
EL7835	Ausnico Limited	20110912	20120904	590
EL8459	Crawford, AC; Crawford, AJ; Polito, PA	20160808	20180118	298
EL8461	Crawford, AC; Crawford, AJ; Polito, PA	20160808	20180118	298

Note:

- (1) The results from the green highlighted exploration licences are discussed below. Other exploration licences did not involve significant work programs.

Figure 5 - Historical Exploration Licences Covering the Area of the Bangles ELs



EL0437 – CRA Exploration

EL0437 covered the area of Bangles’ EL9064 and was granted in 1971. The exploration rationale was to test for:

- copper mineralisation associated with ultrabasic rocks;
- porphyry copper mineralisation in the vicinity of the Wertago copper deposit (located south of the Koonenberry North Project area); and
- Willyama Complex equivalents in the Precambrian metasediments that may contain Broken Hill style lead-zinc mineralisation.

Regional scale stream sediment sampling by CRA returned elevated results for Cu-Pb-Zn-As associated with the Ponto Group rocks (up to 1840ppm Cu, 630ppm Pb, 1826ppm Zn, 216ppm As). CRA did not assay for gold and all silver values were either at or below the lower detection limit of 1ppm Ag.

The bulk of the geochemical anomalies were associated with Ponto Group slates. However, follow-up of the anomalies showed that they were due to isolated, minor occurrences of mineralisation or concentration of metals by lateritization.

CRA determined that mineralisation detected within EL0437 was too small to be of further interest (Johnson & Scott, 1971).

EL2436-2438 – BP Australia Limited

These exploration licences covered the area of EL9064 and extensions to the northwest and southeast. Exploration consisted of compilation of historical data, geological mapping, aeromagnetics, stream sediment, soil and rock chip sampling, predominantly focussing on BIF units.

The exploration licences straddled the Koonenberry Fault system, which was chosen as a possible syn-sedimentary fault and focus of mineralising fluids in the Wonnaminta Beds. The original exploration concept “envisaged a Mt Isa or Meggan type orebody with base metals exhaled onto the sea floor at the intersection of growth faults along a basin margin possibly represented by the Koonenberry Fault” (Penney, 1985)

Stream sediment and rock chip sampling detected several geochemical anomalies associated with BIF units and volcanic units (Penney & Radford, 1985). Follow-up of geochemical anomalies failed to detect significant mineralisation and the tenements were relinquished.

EL2922 – Stockdale Prospecting

EL2922 covered part of the area of EL9064. Exploration by Stockdale consisted of geological mapping, intensive stream sediment sampling and petrological examination of rock samples.

Follow up of three gold anomalies (labelled as Johnsons Tank, Five Mile Dam and Telecom Tower, but not shown on any maps) with soil sampling detected six significant Au-Sb-Cu-Pb anomalies. However, later check assaying of the soil samples showed that the original results were “erroneous and unrepresentative of the tenement soil geochemistry” (Bryans, 1990).

Stockdale concluded that no evidence for economic mineralisation within the Nuntherungie tenements had been located and the tenements were relinquished.

EL5443 – Malachite Resources

EL5443 covered the southern half of the area of EL9050. Exploration targeted a coincident magnetic and gravity anomaly in a section of the Koonenberry Belt where there are extensive Mesozoic cover sequences and consisted of modelling of the geophysical target and a soil lag sampling program.

Two pre-collared diamond drillholes, totalling 766.6m, were completed over the Dalmuir prospect to test a magnetic anomaly consisting of a central high surrounded by an annular magnetic low. Mesozoic cover sequences extended to approximately 260m-335m downhole and caused considerable drilling problems. Basement units consist of greenschist facies metamorphosed siltstones, sandstones and calcarenites in drillhole DMDD1 (interpreted by Malachite as Kara Formation) and greenschist facies metamorphosed andesitic volcanics and dioritic intrusion in drillhole DMDD2 (interpreted by Malachite as Neoproterozoic metavolcanics and intrusives) (Meares, 2001). Alteration comprised weak pervasive chlorite and early (post-metamorphic) quartz+calcite veins. Only trace amounts of sulphides were present (Meares, 2001).

Assay values were insignificant, up to 110ppm Cu and 0.11 g/t Au in 1m sample intervals. The magnetic high was interpreted to be due to pre-metamorphic disseminated magnetite in the andesitic volcanics and diorite. The magnetic low was interpreted to be due to weak pervasive propylitic alteration (Meares, 2001).

Geological Setting, Mineralization and Deposit Types

Regional Setting

The tenements are located within the Koonenberry Belt, a late Proterozoic to Cambrian volcano-sedimentary sequence associated with a calc-alkaline volcanic arc. The Koonenberry Belt forms a significant segment of the Delamerian Orogen that developed along the eastern margin of the Australian-Antarctic continent following the late Proterozoic Rodinian break-up (Greenfield, et al., 2010).

The Koonenberry Fault is interpreted by Geoscience Australia to be the surface expression of a major crustal weakness that is characterised by an anomalous geophysical gravity response and numerous mafic and granitic intrusive bodies.

The Proterozoic and Cambrian units of the Koonenberry Belt have been strongly deformed by at least two periods of deformation: the Paleoproterozoic (approximately 504 to 497Ma) Delamerian Orogeny and the Cambro-Ordovician (approximately 440 to 420Ma) Lachlan Orogeny.

In the Koonenberry Belt, the Delamerian folding and thrusting was associated with west-dipping subduction and the development of the calc-alkaline volcanism in the Mount Wright Volcanic Arc.

The basement to the Koonenberry Belt consists of rocks belonging to the Early Proterozoic Broken Hill Block (Willyama Supergroup), which is extensively mineralised elsewhere in western and central NSW (Breant, 2019). The basement rocks were overlain by a Neoproterozoic to Cambrian volcano-sedimentary sequence (comprising shallow marine sandstone and siltstone rocks, with minor interlayered quartzite and limestone), that formed on a broad continental shelf on the eastern margin of Gondwana (Greenfield, et al., 2010). The entire stratigraphic package was intruded by mafic to ultramafic sills and dykes that have been dated at approximately 423 to 416Ma and are interpreted to be associated with the major strike-slip Koonenberry Fault along the north-eastern margin of the Curnamona Craton.

Local Geology

The Bangles ELs are mostly located on the western side of the Koonenberry Fault and are underlain by basement rocks consisting of:

- Greg Range Group – consisting of the Kara Formation and Mt Arrowsmith Volcanics - Neoproterozoic continental shelf deposits that accumulated during intracontinental rifting associated with the break-up of the Rodinia supercontinent (Gilmore, 2010).
- Kara Formation - NPgrk – Variably cleaved phyllite and minor quartzite; interbedded sandstone and siltstone, minor dolomitic and calcareous beds; ripples, bioturbation, cross-bedding and load structures; regionally metamorphosed to greenschist facies.
- Mt Arrowsmith Volcanics - Npgrv – Neoproterozoic shallow marine volcanics: Alkali basalt, trachybasalt, trachyte, emplaced as submarine and subaerial lava flows, sills and related intrusions.
- Teltawongee Group – Ete – Early to Middle Cambrian deep marine sediments: Metamorphosed turbiditic sandstone and siltstone; subjected to chlorite-zone, greenschist facies metamorphism. Depositional environment is interpreted to be along an east-facing continental slope.
- Ponto Group – Epo – Cambrian deep marine sediments: Metamorphosed dominantly fine-grained marine clastic rocks (mudstone, siltstone); laminated cherty airfall tuffs and exhalative units (quartz-magnetite/hematite/ pyrrhotite) and tholeiitic volcanics. Depositional environment interpreted to be in a foot of slope distal deep ocean in proximity to an oceanic spreading ridge.

Strong deformation during the Late Cambrian Delamerian Orogeny, resulting in the distinct shape of the Koonenberry Belt, was accompanied by low-grade metamorphism. Fault structures are dominantly northwest-trending.

Mesozoic aged sequences of the Eromanga Basin cover most of the area, including the area of the two northern Bangles ELs. The Geological Survey of NSW published a state-wide depth to basement 3D model in 2016. More recently, new geological and geophysical data have been used for the construction of basin-scale 3D geological models for the southern Thomson Orogen (Spampinato, 2019). The thickness of the Mesozoic Eromanga Basin cover sequences in the region of EL9062 is estimated to be greater than 300m.

Mineralization

Mineralisation detected to date within the area of the Bangles ELs consists of minor disseminated sulphides.

CRA Exploration reported scattered small occurrences of copper and silver-lead mineralisation within EL0437, generally restricted to a zone just west of the Koonenberry Fault (Johnson & Scott, 1971). These occurrences are located outside of the current Bangles ELs. However, rock units hosting the mineralisation extend to within EL9064. Outcropping quartz veins in EL9064 show indications of prospecting activity, but no significant mineralisation has been detected to date within the project areas, despite the underlying rock units having conceptual potential to host significant mineralisation, which occurs in several deposits to the south of the project area. Part of the reason for this could be the paucity of modern exploration activities.

Deposit Types

Whilst there are no metallic mineral occurrences recorded within or adjacent to the Koonenberry North Project tenements in the NSW Government Minview database⁶, investigations by the Geological Survey of NSW has resulted in major advances in the understanding of the geological history of the Koonenberry Belt, which is interpreted to be prospective for a range of commodities (Grenfield, et al, 2010; Gilmore & Greenfield, 2015) including:

- structurally controlled Cu or Cu-Zn sulphides;
- VMS Cu–Zn–Ag–Au;
- turbidite-hosted orogenic Au in quartz veins;
- orthomagmatic Ni–Cu–PGE;
- epithermal Ag–Pb–Cu;
- porphyry Cu–Au; and
- MVT/stratiform Pb–Zn–Ag.

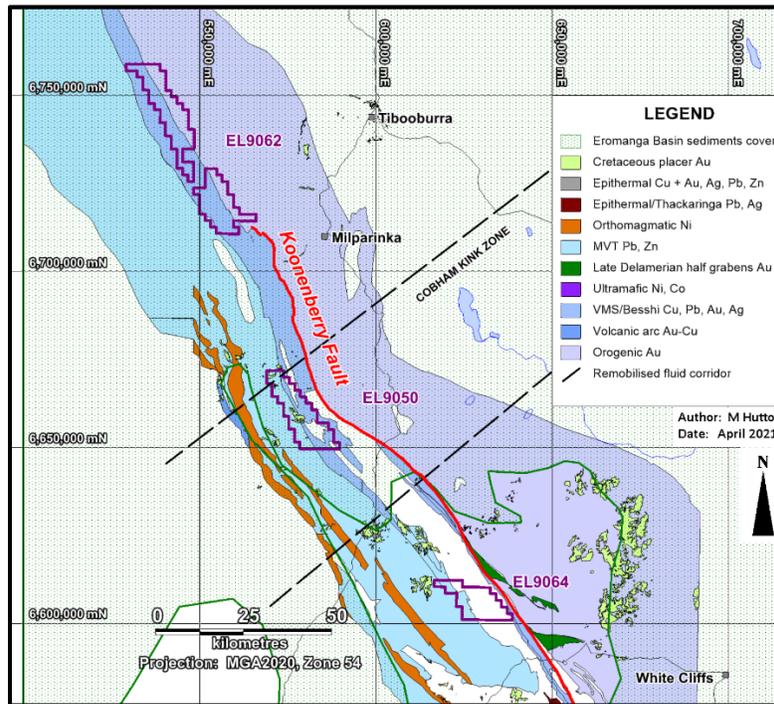
Figure 6 shows a simplistic distribution of potential mineral systems as interpreted from mineral occurrences and prospective stratigraphy (Gilmore, 2010). In the opinion of Mr. Hutton, the mineralisation style with the highest potential for success within the Koonenberry North Project area is orogenic gold-bearing quartz veins, which are likely to have a strong structural control.

Mr. Hutton has been unable to verify the information related to the adjacent properties, and this information is not indicative of the mineralization of the Koonenberry North project.

Primary targets for the Bangles' exploration programs are high grade quartz-gold veins, which occur throughout the region and have produced widespread lag deposits of quartz.

⁶ *Supra*, note 3.

Figure 6 - Koonenberry North Project Area, Potential Mineral Systems



Exploration

Exploration Rationale

Bangles' exploration rationale is based on the perceived prospectivity for turbidite-hosted orogenic Au deposits. Primary targets are high grade quartz-gold veins, which occur throughout the region. Secondary targets are VMS copper-zinc (+/- silver, gold), orthomagmatic Ni-Cu-PGE, epithermal Ag-Pb-Cu and MVT/stratiform Pb-Zn-Ag deposits. All of these styles have been identified within the Koonenberry Belt by geologists from the NSW Geological Survey (Gilmore, 2010).

Data Compilation – 2020

Bangles personnel have acquired prior exploration data from reports of historical exploration licences, both within the Koonenberry North Project area and in adjacent areas. Processing of this data is ongoing and aims to define major structural elements that could host or control mineralisation.

Airborne Geophysics – 2021

Thomson Airborne completed an airborne magnetics and radiometrics survey for Bangles over the Koonenberry North Project area during March 2021 (Thomson Airborne, 2021). The survey covered a total of 6,902.2 line kilometres over three blocks covering EL9050 and EL9062 only.

The E-W traverse lines were spaced at 100m intervals, with a mean terrain clearance of 45m. N-S tie lines were spaced at 1,000m intervals. The survey utilised a Geometrics G822A magnetometer and a Radiations Solutions RS400 spectrometer. A base station magnetometer was used to determine diurnal fluctuations. Navigation was provided using a mobile Novatel OEMV-1 VBS receiver. Differential GPS data was obtained in real time using static GPS data obtained from the Omnistar wide area GPS service.

Data provided by the contractor included digital files for:

- Digital Terrain Model (DTM);

- Total Magnetic Intensity (TMI);
- Rotated to Pole magnetics (RTP);
- First vertical derivative of magnetic intensity (1VD);
- Second vertical derivative of magnetic intensity (2VD); and
- Radiometrics (K, Th, U & Total count).

Figure 7 shows the RTP image for EL9050 draped over the regional geology. The two Malachite Resources drillholes are shown in the southeast part of EL9050; DMDD1 tested the annular magnetic low and DMDD2 tested the central magnetic high. Malachite interpreted the magnetic low to be due to weakly metamorphosed Kara Formation units, whereas mapping by GSNSW determined that it corresponds with interpreted Teltawongee Group sediments.

A linear magnetic high trending NNW through the middle of EL9050 may be due to extensions of the basaltic Mount Arrowsmith Volcanics that are hidden beneath the Mesozoic cover rocks.

Irregular shaped magnetic highs in the central east and northwest parts of EL9050 may be magnetic units within the Mesozoic sediments or sediments of the Ponto Group.

Figure 8 presents the RTP magnetic image for the two blocks of EL9062 draped over regional geology. NNW-trending linear magnetic highs are interpreted to be due to magnetic units within the Ponto Group sediments, possibly basaltic Mt. Arrowsmith Volcanics units. An elliptical magnetic low (labelled “A” in Figure 8) is unexplained.

As at the date of the Technical Report, Bangles has begun processing of the magnetics data to define structural elements that may host mineralisation.

Figure 7 - EL9050, Airborne Magnetics RTP Draped Over Regional Geology

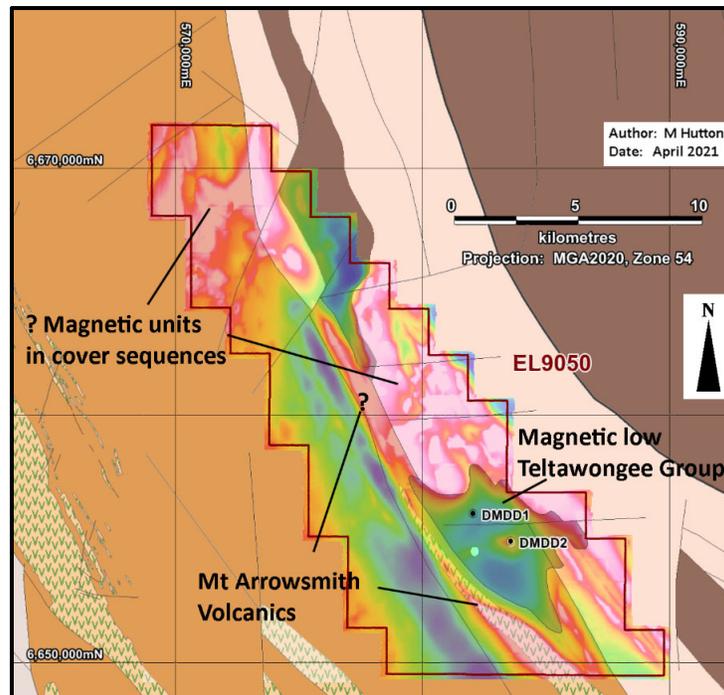
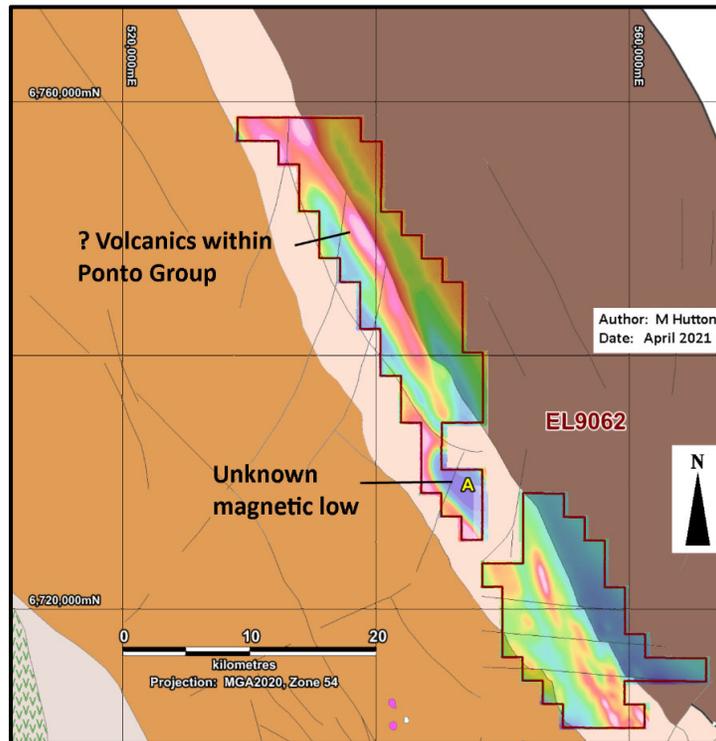


Figure 8 - EL9062, Airborne Magnetics RTP Draped Over Regional Geology



Exploration Expenditures

Bangles has spent a total of \$110,400 on exploration expenditures on the Koonenberry North Project to date, comprised of (i) airborne magnetics survey (\$87,800); (ii) airborne magnetics survey approvals (\$5,000); and (iii) geological services & magnetics survey co-ordination (\$17,600).

Drilling

According to the GSNSW Minview database, only two drillholes were completed by previous tenement holders on historical exploration licences within the area covered by the Koonenberry North Project (Table 5). Both drillholes were drilled within the area of EL9050.

Bangles has not completed any drilling programs on the Bangles ELs.

Table 5 - Summary of Historical Drilling within the Koonenberry North Project

EL No.	EL Holder	Year	Drill type	No. of drillholes	Total Length (metres)
EL5443	Malachite Resources Limited	2001	Diamond	2	766.6
TOTALS				2	766.6

Sampling, Analysis, and Security of Samples

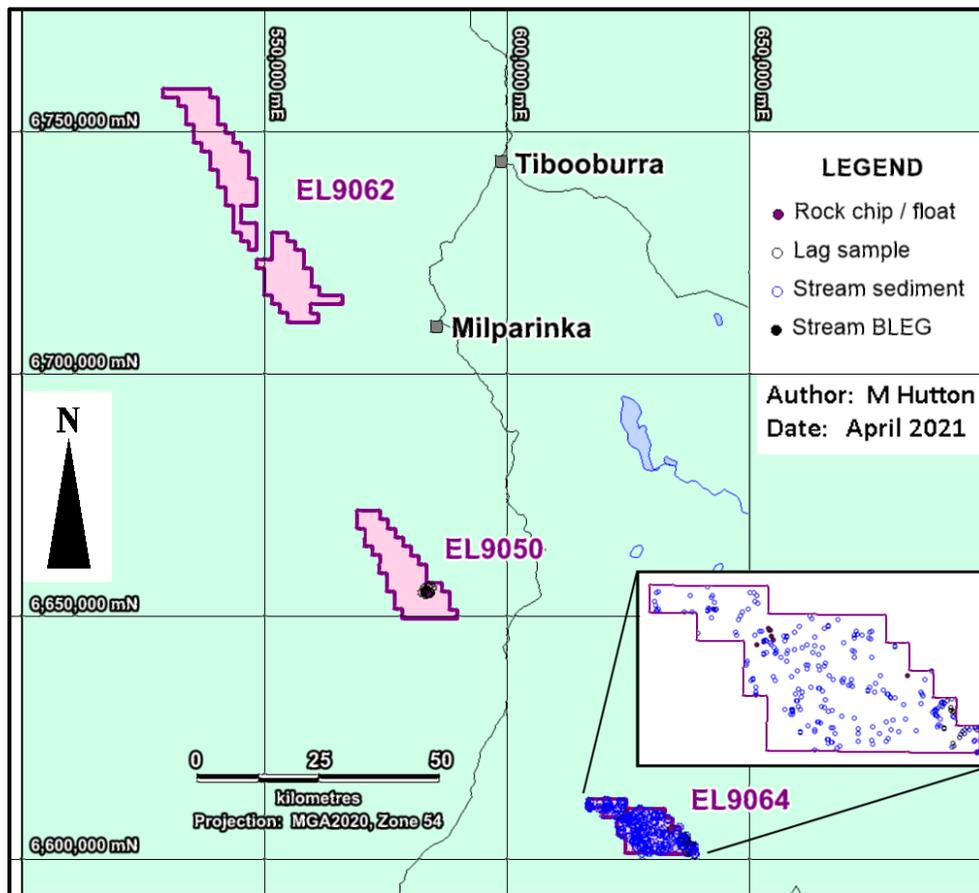
Sampling

Geochemical data from historical exploration programs were downloaded from the GSNSW Minview database. A total of 10,299 historical geochemical samples were collected from the region of the Koonenberry North Project, of which 425 were collected from areas within the Bangles ELs (Table 6). The majority of these are located within EL9064 (Figure 9).

Table 6 - Historical Geochemical Sampling

Sample Type	Total in region	Within Bangles ELs
Rock chip / float	1,243	14
Soil	3,808	0
Lag	397	17
Stream sediment	4,333	352
Stream BLEG ⁷	518	42
TOTAL	10,299	425

Figure 9 - Koonenberry North Project, Historical Geochemical Sampling



Sample Preparation and Analysis

Information on sample preparation and analysis for the geochemical samples was not detailed in the annual reports for the historical exploration programs.

⁷ Bulk Leach Extractable Gold – a large (2-5Kg) sample leached with cold sodium cyanide to dissolve contained fine grained gold.

Data Verification

Data verification for historical exploration programs has been done by comparing geochemical sampling entries acquired from the GSNSW database against information contained in the annual technical reports that were submitted to the NSW Department on Mineral Resources. A few minor errors were detected in the database and corrected.

Mineral Resource Estimates

No mineral resource estimates have been undertaken on prospects within the Koonenberry North Project.

Interpretations and Conclusions

The area of the Koonenberry North Project has seen limited historical exploration, primarily because of the remote location and extensive cover of the Mesozoic Eromanga Basin sediments. Regional geophysics programs undertaken by the Geological Survey of NSW have helped to provide a better understanding of the distribution of basement rocks and potential mineralisation systems within these units.

Bangles' rationale for exploration of the Bangles' ELs, as expressed in their Exploration Licence Application documents (the "**Exploration Licence Application**"), is based on the interpretation that gold mineralisation is controlled by and lies along a large, continental-scale fracture that converges with (or diverges from) the Koonenberry Fault and the more magnetic stratigraphy within the area. This type of structural setting represents a high priority target for the formation of a gold deposit where complex fracture patterns are expected to form large gold trap sites. The Koonenberry Fault and accompanying stratigraphy has very limited effective historical exploration.

Parts of the Bangles ELs, particularly EL9050 and EL9064, are underlain by the Neoproterozoic Grey Range Group, which includes the Mount Arrowsmith Volcanics and shallow marine sedimentary rocks of the Kara Formation (consisting of slates, quartzites, dolomitic limestone, pyritic siltstone and exhalative units). The Grey Range Group holds potential to host Volcanogenic Massive Sulphide (VMS) deposits containing base metals, gold and silver, although the depth to basement in EL9050 may make discovery of such mineralisation difficult.

EL9062 is underlain by deep marine distal rocks of the Ponto Group and turbidite sediments of the Teltawongee Group. These units are believed to hold potential for turbidite-hosted orogenic-style gold mineralisation and VMS-style base metal mineralisation. Due to the depth of the Mesozoic sedimentary cover, structurally controlled high-grade deposits are likely to have the best chance for development. Discovery of such deposits will rely on interpretation of the controlling structures through geophysical techniques, such as magnetics and seismic. The intersections of major structural dislocations, such as the Koonenberry Fault, and cross-cutting or splay faults are interpreted to be the best locations for discovery of potential gold mineralisation.

In EL9064, extensive quartz vein lag deposits and outcropping veins may hold potential for gold mineralisation and there is anecdotal evidence that local prospectors have been involved in small-scale gold mining in the region. Geological mapping and interpretation of magnetics will be important in defining the structural controls of these deposits.

Mineral exploration is a high-risk activity with no guarantee of success. The Koonenberry North Project is at an early stage of development and there is a significant risk that future exploration programs will fail to detect and define viable mineral resources. The remote location of the area and lack of infrastructure will also result in high costs relative to many other mineral-rich regions.

Work Program

The work program proposed in the Exploration Licence Applications, and which have been approved in the Exploration Licence Grant Documents, includes:

- data compilation;
- acquisition and modelling of airborne geophysics data;
- field traversing and geological mapping;

- soil/rock geochemical sampling;
- surface geophysics to define drilling targets; and
- drilling of defined targets.

Table 7 presents a breakdown of the proposed Phase 1 exploration expenditure covering the Bangles ELs.

Table 7 – Proposed Phase 1 Exploration Expenditure

<u>Program</u>	<u>Area</u>	<u>Cost (A\$)</u>	<u>Comment</u>
Airborne geophysics acquisition	EL9064	40,000	Planned
Geophysics modelling	All ELs	20,000	In progress
Geological mapping & soil / rock sampling	EL9064	58,000	Includes assay costs
Surface geophysics to define drilling targets	All ELs	40,000	IP / EM, magnetics
Drilling of targets	All ELs	260,000	
TOTAL EXPENDITURE		418,000	

Mr. Hutton has reviewed Bangles’ proposed work program and expenditure commitments and has determined that they are appropriate for the project at its current stage of exploration.

In order to achieve these aims, Bangles will complete the following exploration activities on the Koonenberry North Project ELs:

- completion of the airborne magnetics survey over EL9064;
- modelling and interpretation of the magnetics data to define fault structures that could control emplacement of mineralisation;
- compilation of historical seismic surveys to assist in defining the depth of Mesozoic cover and to locate major structural breaks;
- geological mapping of outcrops within EL9064, with particular attention to structures;
- grid soil sampling and quartz vein lag sampling on EL9064; and
- ground magnetics surveys and IP/EM surveys over prospective zones to define drilling targets.

Should these programs return positive results, drilling programs should then be designed with the aim to intersect mineralization and determine the style of mineralization.

For the anticipated development of Bangles’ operations, see “Part III – Information Concerning the Resulting Issuer - Stated Business Objectives.”

Management’s Discussion and Analysis

The MD&A for Bangles for the period from incorporation on September 4, 2020 to February 28, 2021 and the three months ended May 31, 2021 are attached hereto as Schedule D. The Bangles MD&A should be read in conjunction with Bangles’ financial statements for the period from incorporation on September 4, 2020 to February 28, 2021, and Bangles’ financial statements for the three months ended May 31, 2021.

Description of the Securities

Bangles is authorized to issue an unlimited number of ordinary shares and there are 1,500,000 Bangles Shares issued and outstanding.

The holders of Bangles Shares are entitled to dividends, if, as and when declared by the board of directors, to receive notice of meetings of the Bangles Shareholders, to one vote per Bangles Share at such meetings and, upon liquidation, to share equally in such assets of Bangles as are distributable to the Bangles Shareholders. If authorized by its directors, Bangles may purchase, redeem or otherwise acquire any Bangles Shares at a price and upon the terms determined by its directors.

Prior Sales of Bangles Shares

In the 12 months prior to the date of this Filing Statement Bangles has issued Bangles Shares as follows:

<u>Date Issued</u>	<u>Number of Shares</u>	<u>Issue Price per Share (AUD)</u>	<u>Aggregate Issue Price (AUD)</u>	<u>Nature of Consideration</u>
September 4, 2020	100,000	0.001	100	Founders shares
January 15, 2021	1,400,000	0.001	1,400	Founders shares

Executive Compensation

For the purposes of this section, Named Executive Officers (“NEO”) means the Chief Executive Officer and each of the most highly compensated executive officers, other than the Chief Executive Officer, who were serving as executive officers at the end of the most recently completed financial year, regardless of the amount of their compensation, as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of Bangles at the end of the most recently completed financial year. For the period of incorporation on September 4, 2020 to February 28, 2021 Bangles did not have any officers, and accordingly, did not have any NEOs. As of the date of this Filing Statement Bangles has not paid any compensation to its board of directors or management.

Stock Options and Other Incentive Plans

Bangles does not have a stock option plan, any stock option agreement made outside of a stock option plan, any plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted.

Employment, Consulting, and Management Agreements

No officer or employee of Bangles has an employment agreement that contains a change of control provision.

Oversight & Description of Director and Named Executive Officer Compensation

Director compensation is not currently paid by Bangles.

Non-Arm’s Length Transactions

Bangles has not entered into any transactions with related parties.

Legal Proceedings

There are no legal proceedings material to Bangles to which Bangles are a party or of which any of its property is the subject matter, and there are no such proceedings known to Bangles contemplated.

Material Contracts

Bangles has not entered into any material contracts in the two years prior to the date of this Filing Statement, except as follows:

- the Share Exchange Agreement; and
- the Promissory Note.

The above contracts may be inspected at Cairo's registered office at 1430 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6 during ordinary business hours until the date that is 30 days after the Closing Date.

PART III – INFORMATION CONCERNING THE RESULTING ISSUER

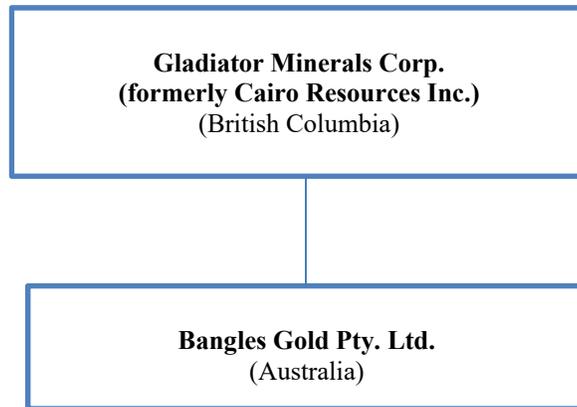
Corporate Structure

Name and Incorporation

Following the Completion of the Qualifying Transaction, it is anticipated that the Resulting Issuer will change its name to “Gladiator Metals Corp.” It is expected that the Resulting Issuer will continue to be subject to the BCBCA and that the head office of the Resulting Issuer will be located at Suite 1430, 800 West Pender Street, Vancouver, BC V6C 2V6 and the registered office of the Resulting Issuer will be located at 1500 – 1055 West Georgia Street, Vancouver, BC V6E 4N7.

Intercorporate Relationships

The following chart sets forth the intercorporate relationships among the Resulting Issuer’s subsidiaries after giving effect to the Qualifying Transaction:



Description of the Business

Following the Completion of the Qualifying Transaction, the Resulting Issuer will continue to carry on the business of Bangles. See “Part II – Information Concerning Bangles – General Development of the Business”.

Stated Business Objectives

In addition to continuing the current business of Bangles, the Resulting Issuer’s primary business objective will be to complete the Phase 1 exploration program on the Koonenberry North Project consisting of:

<u>Program</u>	<u>Area</u>	<u>Target Date</u>
Airborne geophysics acquisition	EL9064	December 2021
Geophysics modelling	All ELs	December 2021
Geological mapping & soil / rock sampling	EL9064	December 2021
Surface geophysics to define drilling targets	All ELs	March 2022
Drilling of targets	All ELs	June 2022

See “Part II – Information Concerning Bangles – General Development of the Business of Bangles – Work Program”.

The Resulting Description of the Securities

Common Shares

The authorized capital of the Resulting Issuer will consist of an unlimited number of common shares. Upon completion of the Concurrent Financing and the Qualifying Transaction, the Resulting Issuer is expected to have 19,142,633 Resulting Issuer Shares, 4,250,000 Warrants, 1,200,000 Resulting Issuer Options, and 255,000 Concurrent Financing Compensation Warrants (assuming Concurrent Financing Compensation Warrants are issued with respect to all Units issued in the Concurrent Financing).

The Resulting Issuer Shares will have the same rights associated with the Common Shares of Cairo, as described under “Part I – Information Concerning Cairo – Description of the Securities”.

Options to Purchase Common Shares

Following the Completion of the Qualifying Transaction, the Stock Option Plan will remain in effect. See “Part I – Information Concerning Cairo – Stock Option Plan”.

Upon completion of the Qualifying Transaction, the Resulting Issuer expects to issue 1,200,000 Resulting Issuer Options to its directors and executive officers. Each Resulting Issuer Option will be exercisable into one Common Share at a price of \$0.28 per Common Share for a period of five (5) years from the date of grant, subject to the terms of the Stock Option Plan.

Pro-Forma Consolidated Capitalization

The following table sets forth the capitalization of the Resulting Issuer after giving effect to the transactions described in the unaudited Pro Forma Consolidated Statement of Financial Position attached hereto as Schedule E.

<u>Designation of Security</u>	<u>Amount authorized or to be authorized</u>	<u>Amount outstanding after giving effect to the Qualifying Transaction and the Concurrent Financing⁽¹⁾</u>
Common Shares	Unlimited	19,142,633

Notes:

- (1) Consisting of 5,256,473 Common Shares issued and outstanding prior as of the date of this Filing Statement, 5,000,000 Payment Shares issued pursuant to the Share Exchange Agreement, 8,500,000 Common Shares issued in the Concurrent Financing, and 386,160 Finder’s Fees Shares.

Fully Diluted Share Capital

The following table states the fully diluted share capital of the Resulting Issuer after giving effect to the Transaction and the Concurrent Financing:

<u>Description of Security</u>	<u>Number of Securities (#) / Percentage of Total⁽¹⁾</u>
Common Shares issued as at the date of this Filing Statement	5,256,473 (21.15%)
Common Shares to be issued to the Bangles Shareholders pursuant to the Share Exchange Agreement	5,000,000 (20.12%)
Common Shares to be issued pursuant to the Concurrent Financing	8,500,000 (34.21%)
Common Shares to be issued in payment of the Finder’s Fee	386,160 (1.55%)
Common Shares to be reserved for issuance upon exercise of Warrants	4,250,000 (17.10%)

<u>Description of Security</u>	<u>Number of Securities (#) / Percentage of Total⁽¹⁾</u>
Common Shares to be reserved for issuance upon exercise of Resulting Issuer Options	1,200,000 (4.83%)
Common Shares to be reserved for issuance upon exercise of Concurrent Financing Compensation Warrants ⁽²⁾	255,000 (1.03%)
Total	24,847,633 (100%)

Notes:

- (1) 299,999 of these Common Shares are subject to the CPC Escrow Agreement and 5,000,000 Common Shares will be subject to the QT Escrow Agreement. See “Escrowed Securities”.
- (2) Assuming Concurrent Financing Compensation Warrants are issued with respect to all Units issued in the Concurrent Financing.

Estimated Available Funds and Principal Purposes

Available Funds

Upon completion of the Qualifying Transaction, including the net proceeds of the Concurrent Financing, the Resulting Issuer is expected to have approximately \$2,284,896 in available funds

	<u>Funds Available</u>
A Amount to be raised by Concurrent Financing	\$2,380,000
B Concurrent Financing Finders’ Fees ⁽¹⁾	(\$142,800)
C Estimated remaining transaction costs ⁽²⁾	(\$141,000)
D Net Proceeds D = A – (B+C)	\$2,096,200
E Working capital as at July 31, 2021	\$188,596
F Available funds: F = D + E	\$2,284,796

Note:

- (1) Assuming Concurrent Financing Finders’ Fees are paid on all Units issued in the Concurrent Financing.
- (2) Transaction costs include audit, legal, filing and sponsor fees. Transaction costs of \$10,000 have been paid as of the date hereof.

Principal Uses of Available Funds

The following table sets forth the anticipated principal uses of the estimated funds available to the Resulting Issuer upon closing of the Acquisition:

<u>Principal Use of Available Funds</u>	<u>Amount with Concurrent Financing</u>
Cash payment to Bangles Shareholders pursuant to the Share Exchange Agreement	\$112,500
Koonenberry North Project property payments	\$49,000 ⁽¹⁾
Work program for the Koonenberry North Project	\$383,000 ⁽¹⁾
20% contingency work program for the Koonenberry North Project	\$77,000 ⁽¹⁾
General and administrative expenses	\$510,000
Marketing and investor communication	\$100,000
Unallocated working capital	\$1,053,296

Principal Use of Available Funds	Amount with Concurrent Financing
Total	\$2,284,796

Note:

(1) Based on an exchange rate of \$1.00 CAD = \$1.06 AUD as of July 30, 2021.

Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds is necessary in order for the Resulting Issuer to achieve its objectives as set out in this Filing Statement.

Pending utilisation of the available funds, the Resulting Issuer intends to invest the funds in short term, interest bearing instruments.

Dividend Policy

The Resulting Issuer does not currently intend to pay any cash dividends or distributions on the Resulting Issuer Shares in the foreseeable future and, therefore, holders of Resulting Issuer Shares may not be able to receive a return on their shares unless they sell such shares. The Resulting Issuer's policy will be to retain earnings to reinvest in the Resulting Issuer.

The Resulting Issuer's dividend policy will be reviewed from time to time by the Board of the Resulting Issuer in the context of its earnings, financial condition and other relevant factors. Until the Resulting Issuer pays dividends on the Resulting Issuer Shares, which it may never do, its shareholders will not be able to receive a return on the Resulting Issuer Shares unless they sell them.

Principal Security Holders

To the knowledge of management of Cairo and Bangles, no person or company is anticipated to own of record or beneficially, directly or indirectly, or exercise control or direction over more than 10% of any class of voting securities of the Resulting Issuer upon Completion of the Qualifying Transaction.

Directors, Officers and Promoters

The following table lists the names, municipalities of residence of the proposed directors and officers of the Resulting Issuer upon Completion of the Qualifying Transaction, their proposed positions and offices to be held with the Resulting Issuer, and their principal occupations or employment and the number of securities of the Resulting Issuer which will be beneficially owned, directly or indirectly, or over which control or direction will be exercised by each upon Completion of the Qualifying Transaction.

Name, Municipality of Residence and Age	Principal Occupations for the Last Five Years	Served as a Director of Cairo/ Bangles Since	Proposed Position with the Resulting Issuer	Number and Percent of Resulting Issuer Shares owned and controlled on Completion of the Qualifying Transaction and the Concurrent Financing
Ian Harris <i>Vancouver, BC</i>	President and CEO of Libero Copper and Gold Corp. since January 2021; President of Soma Gold Corp. from November 2016 to February 2020; Director of Strikepoint Gold Inc. since March 2013; CEO and Director of Lifestyle Global Brands Limited since April 2017	To be appointed at closing	Chief Executive Officer and Director	1,000,000 (5.22%)
Matthew Roma <i>North Vancouver, BC</i>	Principal of Roma Capital Corp.; CFO of Oro X Mining Corp.; Director of Finance of Core Gold Inc.; Manager of Finance at CMLS Financial; Auditor at Deloitte LLP	To be appointed at closing	Chief Financial Officer and Corporate Secretary	250,000 (1.31%)

Name, Municipality of Residence and Age	Principal Occupations for the Last Five Years	Served as a Director of Cairo/ Banges Since	Proposed Position with the Resulting Issuer	Number and Percent of Resulting Issuer Shares owned and controlled on Completion of the Qualifying Transaction and the Concurrent Financing
Darren Devine ⁽¹⁾ <i>West Vancouver, BC</i>	Principal of CDM Capital Partners; President of Chelmer Consulting Corp.	To be appointed at closing	Director	833,333 (4.35%)
Jason Bontempo ⁽¹⁾ <i>Perth, Australia</i>	Managing Director of BR Corporation Pty. Ltd.	To be appointed at closing	Director	100,000 (0.52%)
Shawn Khunkhun ⁽¹⁾ <i>Tsawwassen, BC</i>	President, CEO and Director of Strikepoint Gold Inc.; President and CEO of Dolly Varden Silver Corp. Director of Goldshore Resources.	To be appointed at closing	Director	1,000,000 (5.22%)

Notes:

(1) Member of Audit Committee.

On Completion of the Qualifying Transaction and the Concurrent Financing, the directors and officers of the Resulting Issuer as a group will beneficially own, directly or indirectly, or exercise control or direction over an aggregate of 3,183,333 Resulting Issuer Shares, representing 16.63% of the issued and outstanding Resulting Issuer Shares (on an undiluted basis). Each director's term of office will expire at the next annual meeting of the shareholders unless re-elected at such meeting.

The Resulting Issuer's audit committee will be made up of Jason Bontempo (chair), Darren Devine and Shawn Khunkhun. There are no other committees of the Board being contemplated at this time.

The directors and officers will devote their time and expertise as required by the Resulting Issuer, however, it is not anticipated that any director or officer will devote 100% of their time to the activities of the Resulting Issuer. All of the Resulting Issuer's directors and officers will be engaged as independent contractors.

The following is a brief description of each of the proposed members of management for the Resulting Issuer (including details with regard to their principal occupations for the last five years):

Ian Harris, Age 46 – Chief Executive Officer and Director

Mr. Harris is a mining engineer with over 20 years' experience leading mining projects worldwide including over 10 years working and living in South America. Previously, he served as Chief Executive Officer of AMAK Mining and Para Resources. Mr. Harris was also Senior Vice President and Country Manager of Corriente Resources through feasibility, initial engineering, and commencement of construction at the Mirador mine in Ecuador. He successfully led the push to reactivate Corriente's mining projects in Ecuador by building national and local support and navigating through a new constitution and a new mining law, leading to the sale of Corriente for \$690 million. Mr. Harris is bilingual in Spanish and English.

Matthew Roma, Age 33 – Chief Financial Officer and Corporate Secretary

Mr. Roma is a Chartered Professional Accountant (CPA) with over 10 years of financial management experience and is currently the principal of Roma Capital Corp., a private company, providing corporate finance, accounting, and capital advisory services to private and public companies. He currently serves as a director and/or officer to Oro X Mining Corp., and Candelaria Mining Corp. Prior to that, Mr. Roma was the Director of Finance of Core Gold Inc. Prior to that, he was an auditor at Deloitte LLP where he specialized in assurance and advisory services for publicly listed mining companies.

Darren Devine, Age 53 – Director

Mr. Devine is the principal of CDM Capital Partners, a firm that provides corporate finance advisory services to private and public companies. Mr. Devine also acts as a director and/or officer to a number of junior public companies

in the natural resource and technology sectors. In addition, he is currently an active member of the TSX Venture Exchange's Local Advisory Committee. Mr. Devine is qualified as a barrister and solicitor in British Columbia and in England & Wales and prior to founding CDM Capital Partners, practiced exclusively in the areas of corporate finance and securities law.

Jason Bontempo, Age 47 – Director

Mr. Bontempo is currently the Chairman of Odin Metals Ltd. a zinc development and exploration company. Mr. Bontempo has over 20 years' experience in public company management, corporate advisory, investment banking and public company accounting, since qualifying as a chartered accountant with Ernst & Young. Mr. Bontempo has worked primarily serving on the board and the executive management of minerals and resources public companies focusing on advancing, financing and developing mineral resource assets and business development. Mr. Bontempo also provides corporate advice services for the financing of resource companies across multiple capital markets and resource asset acquisitions and divestments.

Shawn Khunkhun, Age 40 – Director

Mr. Khunkhun is the CEO and a director of Dolly Varden Silver Corp. a BC based silver exploration company and the President, CEO and a director of Strikepoint Gold Inc. Mr. Khunkhun has over 17 years of experience in the capital markets, mineral exploration and development sector with a focus on enhancing shareholder value. He has served in a variety of strategic roles including investor relations, corporate development, chief executive officer and director. Mr. Khunkhun has been instrumental in creating a new awareness for undervalued companies including grass roots explorers, developers and producers. Mr. Khunkhun's experience in incubating and growing early stage companies through capital raises, acquisitions, joint ventures and spinouts, and his long-standing relationships with an extensive global network of high-net-worth investors, private equity and institutional investors, analysts, brokers, and investment bankers have been a valuable asset to growing mineral exploration companies. Mr. Khunkhun also serves as a Director of Goldshore Resources.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of Cairo, no proposed director, officer or Promoter of the Resulting Issuer has within the ten years before the date of this Filing Statement, no proposed director, officer or Promoter is or has been a director, officer or Promoter of any person or company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days; or
- (b) 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.

Penalties or Sanctions

To the knowledge of Cairo, no proposed director, officer or Promoter of the Resulting Issuer has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder making a decision about the Qualifying Transaction.

Personal Bankruptcies

To the knowledge of Cairo, no director, officer or Promoter of the Resulting Issuer, or a personal holding company of any of them, has, within the ten years prior to the date of this Filing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings,

arrangements, or compromise with creditors or had a receiver manager or trustee appointed to hold the assets of that individual.

Conflicts of Interest

Some of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon the closing of the Acquisition are also directors, officers and/or Promoters of other reporting and non-reporting issuers. To the knowledge of the directors and officers of Cairo and Bangles, there are no existing conflicts of interest between the Resulting Issuer and any of the individuals proposed for appointment as directors or officers upon completion of the Acquisition, as of the date of this Filing Statement.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and Promoters of the Resulting Issuer that are, or have been within the last five years, directors, officers or Promoters of other reporting issuers:

<u>Name</u>	<u>Name of Reporting Issuer</u>	<u>Name of Trading Market⁽¹⁾</u>	<u>Position</u>	<u>From</u>		<u>To</u>	
				<u>Month</u>	<u>Year</u>	<u>Month</u>	<u>Year</u>
Darren Devine	Just Kitchen Holdings Corp.	TSXV	Director	October	2020	Present	
	WSM Ventures Corp.	CSE	Director	April	2018	Present	
	Chakana Copper Corp.	TSXV	Director	January	2018	Present	
	TrackX Holdings Inc.	TSXV	Director	June	2020	Present	2018
				May	2016	December	2018
	Dolly Varden Silver Corp.	TSXV	Director and Chairman	August	2016	Present	
	Trenchant Capital Corp	CSE	Director	November	2020	Present	
	Ethos Gold Corp.	TSXV	Director	June	2015	December	2017
	Petro Vista Energy Corp.	TSXV	CEO and Director	April	2006	November	2017
	Woodrose Corp.	TSXV	CEO and Director	November	2012	September	2017
Azincourt Energy Corp.	TSXV	Corp Sec.	February	2012	September	2017	
Matthew Roma	Remo Resources Inc.	TSXV	Director	May	2011	May	2017
	Gonzaga Resources Ltd.	TSXV	Director and CFO	May	2011	April	2017
	Compass Gold Corp.	TSXV	Corp Sec.	October	2009	May	2017
Ian Harris	Candelaria Mining Corp.	TSXV	Director	December	2019	Present	
	Oro X Mining Corp.	TSXV	Director	July	2020	Present	
	Strikepoint Gold Inc.	TSXV	Director	May	2013	Present	

Name	Name of Reporting Issuer	Name of Trading Market ⁽¹⁾	Position	From		To	
				Month	Year	Month	Year
	PEZM Gold Inc.	NEX	Director	June	2020		Present
	Lifestyle Global Brands Limited	TSXV	Director and CEO	April	2017		Present
	Libero Copper & Gold Corp.	TSXV	President and CEO	January	2021		Present
Shawn Khunkhun	Dolly Varden Silver Corp.	TSXV	President, CEO and Director	Feb	2020		Present
	Strikepoint Inc.	Gold TSXV	President, CEO and Director	May	2013		Present
	Goldshore Resources	TSXV	Director	June	2021		Present
Jason Bontempo	First Cobalt Corp.	TSXV	Director	Dec	2017	June	2018
	Red Emperor Resources	OTC	Director	June	2011	June	2021
	Odin Metals Limited	ASX	Chairman	Jan	2018		Present

Note:

(1) “TSXV” means the TSX Venture Exchange; “TSX” means the Toronto Stock Exchange; “NYSE” means the New York Stock Exchange; “NASDAQ” means the NASDAQ Stock Market.

Executive Compensation

Compensation Discussion and Analysis

For the purposes of this section, Named Executive Officers (“NEO”) are the proposed Chief Executive Officer of the Resulting Issuer and each of the four most highly compensated executive officers who are proposed to serve as executive officers of the Resulting Issuer for the 12-month period following the Qualifying Transaction. Based on the above criteria, the only NEOs for the Resulting Issuer are expected to be Ian Harris (Chief Executive Officer) and Matthew Roma (Chief Financial Officer and Corporate Secretary) for the 12-month period after giving effect to the Transaction.

When determining compensation policies and individual compensation levels for the Resulting Issuer’s executive officers a variety of factors will be considered, including the overall financial and operating performance of the Resulting Issuer, each executive officer’s individual performance and contribution towards meeting corporate objectives, each executive officer’s level of responsibility and length of service and industry comparables.

The Resulting Issuer’s compensation philosophy for its executive officers will follow three underlying principles: to provide compensation packages that encourage and motivate performance; to be competitive with other companies in the industry in which it operates, so as to attract and retain talented executives; and to align the interests of its executive officers with the long-term interests of the Resulting Issuer and its shareholders through stock related programs.

It is anticipated that from time to time stock options will be granted under the Stock Option Plan to provide an incentive to the participants; to achieve the longer-term objectives of the Resulting Issuer; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Resulting Issuer; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Resulting Issuer.

Director Compensation

Upon Completion of the Qualifying Transaction, the directors of the Resulting Issuer will determine how much, if any, compensation will be paid to directors for services rendered to the Resulting Issuer by them in that capacity. Such incentives may be in the form of an annual director's fee and/or in the form of Resulting Issuer Options pursuant to the Stock Option Plan.

Indebtedness of Directors and Officers

No director, officer, Promoter, member of management, nominee for election as director of the Resulting Issuer, nor any of their Associates or Affiliates, is or has been indebted to Cairo or Bangles or is expected to be indebted to the Resulting Issuer following the closing of the Acquisition.

Investor Relations Arrangements

No written or oral agreement or understanding has been reached with any person to provide any promotional or investor relations services for the Resulting Issuer.

Resulting Issuer Options

Upon the closing of the Qualifying Transaction, it is anticipated that the following Resulting Issuer Stock Options will be outstanding:

Persons who will hold Resulting Issuer Options (as a group)	Number of Resulting Issuer Options	Exercise Price	Expiry Date
Executive officers ⁽¹⁾	450,000	\$0.28	5 years from the date of grant
Directors (who are not also executive officers) ⁽²⁾	450,000	\$0.28	5 years from the date of grant
Consultants and Employees	300,000	\$0.28	5 years from the date of grant

Notes:

- (1) Consisting of Ian Harris (CEO and Director) and Matthew Roma (CFO).
- (2) Consisting of Darren Devine, Jason Bontempo, and Shawn Khunkhun.

Stock Option Plan

Following the closing of the Acquisition, the Stock Option Plan will remain in effect. See "Part I – Information Concerning Cairo – Stock Option Plan."

Escrowed Securities

CPC Escrowed Shares

The following table lists the holders of CPC Escrow Securities, the number of CPC Escrow Securities, and the percentage of securities held in escrow by each person who will be a holder of CPC Escrow Securities before and after the Completion of the Qualifying Transaction. The table includes securities which will be released from escrow upon the Completion of the Qualifying Transaction, as described below.

Name and Municipality of Residence of Securityholder	Designation of class	Prior to Giving Effect to the Transaction and the Concurrent Financing		After Giving Effect to the Transaction and the Concurrent Financing	
		Number of securities held in escrow⁽¹⁾	Percentage of class	Number of securities to be held in escrow	Percentage of class
Ralph Biggar	Common Shares	50,000	0.95%	45,000	0.24%

Name and Municipality of Residence of Securityholder	Designation of class	Prior to Giving Effect to the Transaction and the Concurrent Financing		After Giving Effect to the Transaction and the Concurrent Financing	
		Number of securities held in escrow ⁽¹⁾	Percentage of class	Number of securities to be held in escrow	Percentage of class
Michael Sadhra	Common Shares	20,000	0.38%	18,000	0.09%
Antonio Melicio de Quadros	Common Shares	20,000	0.38%	18,000	0.09%
Rauni Malhi	Common Shares	10,000	0.19%	9,000	0.05%
Cardey Management Corp.	Common Shares	83,333	1.59%	75,000	0.39%
Chelmer Consulting Corp.	Common Shares	50,000	0.95%	45,000	0.24%
Darren Devine	Common Shares	33,333	0.63%	30,000	0.16%
Paul Reynolds	Common Shares	33,333	0.63%	30,000	0.16%

Note:

- (1) Pursuant to the CPC Escrow Agreement dated as of June 30, 2011 among Cairo, the CPC Escrow Agent, and each of the CPC Escrow security holders. The number of securities held in escrow is given before giving effect to the Concurrent Financing. It is not anticipated for additional securities to be subject to the CPC Escrow upon completion of the Concurrent Financing.

The CPC Escrow Securities are currently subject to the release schedule set out in Schedule B(1) to the Exchange's Form 2F, with 10% to be released upon the date of issuance of the Final Exchange Bulletin and an additional 15% of the CPC Escrow Securities are to be released every six months thereafter until all CPC Escrow Securities have been released (36 months following the date of issuance of the Final Exchange Bulletin). Should the Resulting Issuer be accepted by the Exchange as a Tier 1 Issuer, the CPC Escrow Securities will be released on an accelerated schedule, as set out in Schedule B(2) of Form 2F. Pursuant to Schedule B(2) of Form 2F, 25% of the CPC Escrow Securities would be released upon the date of issuance of the Final Exchange Bulletin and an additional 25% of the CPC Escrow Securities would be released every six months thereafter, until all CPC Escrow Securities have been released (18 months following the date of issuance of the Final Exchange Bulletin).

The CPC Escrow Agreement provides that the CPC Escrow Securities are held in escrow pursuant to its terms and the beneficial ownership thereof may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the prior written consent of the Exchange. In the event of the bankruptcy of an escrowed shareholder, provided the Exchange does not object, the CPC Escrow Securities held by such escrowed shareholder may be transferred to the trustees in the bankruptcy or such person legally entitled to the CPC Escrow Securities which shares will remain in escrow subject to the escrow agreement. In the event of the death of an escrow shareholder, provided the Exchange does not object, the CPC Escrow Securities held by the escrowed shareholder will be released from escrow.

QT Escrowed Securities

The following table lists the holders of QT Escrow Securities, the number of QT Escrow Securities, and the percentage of securities held in escrow by each person who will be a holder of QT Escrow Securities before and after the completion of the Transaction.

Name and Municipality of Residence of Securityholder	Designation of class	Prior to Giving Effect to the Transaction and the Concurrent Financing		After Giving Effect to the Transaction and the Concurrent Financing	
		Number of securities held in escrow ⁽¹⁾	Percentage of class	Number of securities to be held in escrow ⁽¹⁾	Percentage of class
Jeffrey Zickerman	Common Shares	nil	nil	400,000	2.1%
BR Corporation Pty. Ltd.	Common Shares	nil	nil	100,000	0.5%
Strata Nominees Pty. Ltd.	Common Shares	nil	nil	600,000	3.1%
Jet Capital Pty. Ltd.	Common Shares	nil	nil	700,000	3.7%
Kell Ivar Nielsen Aft Nielsen Family Trust	Common Shares	nil	nil	100,000	0.5%
Darren Devine	Common Shares	nil	nil	750,000	3.9%
Darryl Cardey	Common Shares	nil	nil	750,000	3.9%
Shawn Khunkhun	Common Shares	nil	nil	750,000	3.9%
Ian Harris	Common Shares	nil	nil	750,000	3.9%
Alex Klenman	Common Shares	nil	nil	100,000	0.5%

Notes:

(1) To be pursuant to a QT Escrow Agreement to be entered among the Resulting Issuer, the QT Escrow Agent, and each of the QT Escrow security holders. The number of securities held in escrow is provided after giving effect to the Concurrent Financing.

The release provisions for the QT Escrow Securities will depend on the results of the Exchange's review. If the QT Escrow Securities are determined to be Value Securities as defined in Exchange policies, it is expected that the QT Escrow Securities will be subject to the release schedule set out in "Schedule B(2) – Tier 2 Value Security Escrow Agreement" of Exchange Form 5D, which provides for release of 10% of the securities on the date of the Final Exchange Bulletin, and release of an additional 15% every 6 months thereafter, until all of the Transaction Escrowed Securities have been released (36 months following the Final Exchange Bulletin). If, however, the QT Escrow Securities are determined to be Surplus Securities as defined in Exchange policies, it is expected that the QT Escrow Securities will be subject to the release schedule set out in "Schedule B(4) – Tier 2 Surplus Security Escrow Agreement" of Exchange Form 5D, which provides for release of 5% of the securities on the date of the Final Exchange Bulletin, an additional 5% 6 months thereafter, an additional 10% 12 months and 18 months thereafter, an additional 15% 24 months and 30 months thereafter, and an additional 40% 36 months thereafter, until all of the QT Escrow Securities have been released (36 months following the Final Exchange Bulletin).

PART IV – RISK FACTORS

Where used in this “Risk Factors” section, “Bangles” refers to either Bangles or the Resulting Issuer as the context may apply. The current business of Bangles will be the business of the Resulting Issuer upon completion of the Qualifying Transaction. Accordingly, risk factors relating to Bangles’ current business will be risk factors relating to the Resulting Issuer’s business and references to Bangles in these risk factors should, where the context requires, be read to include the risks of the Resulting Issuer. Due to the nature of Bangles’ business, the legal and economic climate in which it operates and its present stage of development, Bangles is subject to significant risks. The risks presented below should not be considered to be exhaustive and may not be all of the risks that the Resulting Issuer and Bangles may face. Bangles’ future development and operating results may be very different from those expected as at the date of this Filing Statement. Additional risks and uncertainties not presently known to Bangles or that Bangles currently considers immaterial may also impair the business and operations of the Resulting Issuer and cause the trading price of the Common Shares to decline. If any of the following or other risks occur, the Resulting Issuer’s business, prospects, financial condition, results of operations and cash flows could be materially adversely impacted. In that event, the trading price of the Common Shares could decline and investors could lose all or part of their investment. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below or other unforeseen risks. Readers should carefully consider all such risks and other information elsewhere in this Filing Statement before making an investment in Bangles or the Resulting Issuer and should not rely upon forward-looking statements as a prediction of future results. Risk factors relating to Bangles include, but are not limited to, the factors set out below.

Business Risks

Fluctuating Mineral Prices

The mining industry is heavily dependent upon the market price of the metals or minerals being mined or explored. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for their sale. Factors beyond the Resulting Issuer’s control may affect the marketability of any minerals discovered. The prices of base and precious metals have experienced volatile and significant price movements over short periods of time and are affected by numerous factors beyond the Resulting Issuer’s control. Depending on the price of minerals, it may be determined that it is uneconomic to continue the Resulting Issuer’s activities on the Koonenberry North Project. Metal prices have fluctuated widely, particularly in recent years. Factors beyond the control of the Resulting Issuer may affect the marketability of minerals or concentrates produced, including quality issues, impurities, deleterious elements, government regulations, royalties, allowable production and regulations regarding the importing and exporting of minerals, the effect of which cannot be accurately predicted.

Fluctuations in the prices of base and precious metal prices may adversely affect the Resulting Issuer’s financial performance and results of operations. Further, if the market price of applicable metals falls or remains depressed, the Resulting Issuer may experience losses or asset write-downs and may curtail or suspend some or all of its exploration, development and mining activities.

Exploration and Development

The Koonenberry North Project is considered to be in the early exploration and development stage. As of the date of this Filing Statement, no mineral resources have been defined at the Koonenberry North Project. There is no certainty that further exploration and development will result in the definition of indicated, or measured resources, or probable or proven reserves, at the Koonenberry North Project, or that if any mineral resources or reserves are defined at the Koonenberry North Project that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized.

The vast majority of properties which are explored are not ultimately developed into producing mines. There is no assurance that the Resulting Issuer’s mineral exploration and development activities will result in any discoveries. The long-term profitability of the Resulting Issuer’s operations will be in part directly related to the cost and success of its exploration activities, which may be affected by a number of factors.

Substantial Capital Requirements and Liquidity

In the case of new properties, substantial expenditures are required to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The Resulting Issuer will have limited financial resources, no operations and no revenues. If the Resulting Issuer's exploration and development of the Koonenberry North Project is successful, substantial additional funds will be required for the purposes of further development and future operations. No assurances can be given that the Resulting Issuer will be able to raise the additional funding that may be required for such activities on acceptable terms or at all. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Resulting Issuer may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. If the Resulting Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope and/or amend the timing of its development plans and/or operations.

Reliance on Management and Dependence on Key Personnel

The success of the Resulting Issuer is currently largely dependent upon on the performance of its directors and officers and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Resulting Issuer's business and prospects. The Resulting Issuer will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Resulting Issuer can maintain the service of its directors and officers or other qualified personnel required to operate its business. The Resulting Issuer does not intend to acquire any key man insurance policies, and accordingly, failure to maintain the service of its directors and officers or other qualified personnel could have a material adverse effect on the Resulting Issuer and its prospects.

The Resulting Issuer may also experience difficulty acquiring visas for foreign workers and key personnel which could have a material adverse effect on the Resulting Issuer and its operations.

Reliability of Historical Information

The Resulting Issuer has relied on, and the disclosure from the Koonenberry North Project set out under "Description of Mineral Property" above, is based, in part, upon historical data compiled by previous parties involved with the Koonenberry North Project. To the extent that any of such historical data is inaccurate or incomplete, the Resulting Issuer's exploration plans may be adversely affected.

Development and Operating Risks

The development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. There can be no guarantee that the estimates of quantities and qualities of minerals which may be disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral development and production is speculative in nature.

The Resulting Issuer's operations will be subject to all of the hazards and risks normally encountered in the development and production of mineral properties. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction 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 and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Resulting Issuer.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Resulting Issuer will compete with other mining companies, many of which have greater financial, technical and other resources than the Resulting Issuer, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Title Matters

While Bangles has reviewed title to the claims comprising the Property and, to the best of its knowledge, such title is in good standing, there is no guarantee that title to such claims will not be challenged or impugned. The Koonenberry North Project may be subject to prior unregistered agreements of transfer or aboriginal land claims, and title may be affected by undetected defects.

Aboriginal Claims

The Koonenberry North Project may be subject to Aboriginal claims. Accordingly, there can be no guarantee that there will not be delays in project approval, unexpected interruptions in project progress, requirements for Aboriginal consent, cancellation of permits and licences, or additional costs to advance the Resulting Issuer's projects. In order to facilitate further development, mine permitting and the commencement of mining activities, the Resulting Issuer may deem it necessary and prudent to obtain the cooperation and approval of Aboriginal communities situated in the area of the Koonenberry North Project. Any cooperation and approval may be predicated on the Resulting Issuer's commitment to take measures to limit the adverse impacts on Aboriginal rights and ensuring that some of the economic benefits of the construction and mining activity will be enjoyed by Aboriginal communities situated in the area of the Koonenberry North Project. There can be no guarantee that any of the Resulting Issuer's efforts to secure such cooperation or approval would be successful or that other assertions of Aboriginal rights and title, will not create delays in project approval or unexpected interruptions in project progress, requirements for Aboriginal consent, cancellation of permits and licences, or result in additional costs to advance.

Environmental Risks and Other Regulatory Requirements

The Resulting Issuer's current or future operations, including exploration or development activities and commencement of production on its properties require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which we may require for the construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any mining project which the Resulting Issuer might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material impact on the Resulting Issuer and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

Climate Change Risks

Bangles acknowledges climate change as an international and community concern and it supports and endorses various initiatives for voluntary actions consistent with international initiatives on climate change. However, in addition to voluntary actions, governments are moving to introduce climate change legislation and treaties at the international, national, 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, the Resulting Issuer expects that this could result in increased costs in the future.

The Resulting Issuer and the mining industry are facing continued geotechnical challenges, which could adversely impact the Resulting Issuer's production and profitability. Unanticipated adverse geotechnical and hydrotechnical conditions, such as landslides, floods, seismic activity, and droughts, may occur in the future and such events may not be detected in advance. Geotechnical instabilities and adverse climate conditions can be difficult to predict and are often affected by risks and hazards outside of the Resulting Issuer's control, such as severe weather and considerable rainfall. Geotechnical failures could result in limited or restricted access to mine sites, suspension of operations, government investigations, increased monitoring costs, and remediation.

Social and Environmental Activism

There is an increasing level of public concern relating to the effects of mining on the natural landscape, in communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. In addition, there have been local community groups who have opposed resource extraction activities, which has resulted in disruption and delays to the relevant operation. While the Resulting Issuer will seek to operate in a socially responsible manner, NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Resulting Issuer, regardless of its successful compliance with social and environmental best practices. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Resulting Issuer or its relationship with local communities, which could have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations, cash flow or prospects.

Industry Regulation

The Resulting Issuer will operate its business in a regulated industry. There can be no assurances that the Resulting Issuer may not be negatively affected by changes in the applicable legislation, or by any decisions or orders of any governmental or administrative body or applicable regulatory authority.

Uninsurable Risks

Development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks and the Resulting Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Resulting Issuer's results of operations and financial condition and could cause a decline in the value of the Resulting Issuer Shares. The Resulting Issuer does not intend to maintain insurance against environmental risks.

Health and Safety Risks

The Resulting Issuer must comply with the health and safety laws, regulations, guidelines and permitting requirements in the Australia. These laws are in place to protect the health and safety of employees while working at the Koonenberry North Project. The possibility of more stringent laws or more rigorous enforcement of existing laws could have a material adverse effect on the Resulting Issuer's exploration activities and the viability of the Koonenberry North Project.

Limited Operating History

The Resulting Issuer will be a relatively new company with limited operating history and no history of business or mining operations, revenue generation or production history. Neither the Issuer nor Bangles has yet to generate a profit from its activities. The Resulting Issuer will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objectives.

Currency Fluctuations

The Resulting Issuer's financial results will be reported in Canadian dollars. The Resulting Issuer's exploration properties are located in Australia and the Resulting Issuer will incur most of its expenditures in Australian dollars. Any appreciation in the currency of Australia against the Canadian dollar will increase the Resulting Issuer's costs of carrying out operations and its ability to continue to finance its operations. Such fluctuations could have a material adverse effect on the Resulting Issuer's financial results.

Conflicts of Interest

Certain of the proposed directors and officers of the Resulting Issuer engage in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Resulting Issuer may become subject to conflicts of interest.

Litigation Risks

All industries, including the mining industry, may be made subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of litigation process, the resolution of any particular legal proceeding could have a material adverse effect on the Resulting Issuer's business, results of operations, financial condition and prospects.

COVID-19 Outbreak

The current global uncertainty with respect to the spread of COVID-19, the rapidly evolving nature of the pandemic and local and international developments related thereto and its effect on the broader global economy and capital markets may have a negative effect on the Resulting Issuer and the exploration and advancement of the Koonenberry North Project. Rapid spread of COVID-19 and declaration of the outbreak as a global pandemic has resulted in travel advisories and restrictions, certain restrictions on business operations, social distancing precautions and restrictions on group gatherings which are having direct impacts on businesses in Canada, Australia, and around the world and could result in travel bans, closure of assay labs, work delays, difficulties for contractors and employees getting to site, and diversion of management attention, all of which in turn could have a negative impact on exploration and development of the Koonenberry North Project and the Resulting Issuer generally. Travel restrictions and protocols put in place by the government of Canada and/or Australia may lead to the Resulting Issuer postponing future operations on the Koonenberry North Project. The spread of COVID-19 may also have a material adverse effect on global economic activity and could result in volatility and disruption to global supply chains and the financial and capital markets, which could affect the business, financial condition, results of operations and other factors relevant to the Resulting Issuer, including its ability to raise additional financing. The government of Canada and/or Australia are continually issuing new rules and restrictions and changing them periodically based on the specific circumstances of the COVID-19 outbreak. The Resulting Issuer follows all rules, guidelines and restrictions that are implemented by the applicable governmental authorities. The Resulting Issuer does not yet know the full extent of potential delays or impacts on its business, our operations or the global economy as a whole. However, the ultimate effects could have a material impact on the Resulting Issuer's operations, and it will continue to monitor COVID-19 situation closely.

Financial and Accounting Risks

Capital Requirements Associated with Expanded Operations

The Resulting Issuer may not generate sufficient internal cash flow to sustain capital requirements and finance growth. Accordingly, the Resulting Issuer may need to engage in equity or debt financings to secure additional funds. If the

Resulting Issuer raises additional funds through further issuances of equity or convertible debt securities, its existing shareholders could suffer significant dilution, and any new equity securities the Resulting Issuer issues could have rights, preferences and privileges superior to those of holders of its Common Shares. Any debt financing secured by the Resulting Issuer in the future could include restrictive covenants relating to its capital raising activities and other financial and operational matters, which may make it more difficult for the Resulting Issuer to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, the Resulting Issuer may not be able to obtain additional financing on terms favorable to it or at all. If the Resulting Issuer is unable to obtain adequate financing or financing on terms satisfactory to it when the Resulting Issuer requires it, the Resulting Issuer's ability to continue to support business growth and respond to business challenges could be significantly limited. In addition, the terms of any additional equity or debt issuances may adversely affect the value and price of the Resulting Issuer's Common Shares.

Estimates or Judgments Relating to Critical Accounting Policies

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Bangles bases its estimates on historical experience and on various other assumptions that it believes to be reasonable under the circumstances, as provided in the notes to the Bangles Financial Statements set forth in Schedule C, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. Bangles' operating results may be adversely affected if the assumptions change or if actual circumstances differ from those in the assumptions, which could cause Bangles' operating results to fall below the expectations of investors, resulting in a decline in the share price of the Resulting Issuer.

Tax Risks

The Resulting Issuer will operate and will be subject to income tax and other forms of taxation in multiple tax jurisdictions. Taxation laws and rates which determine taxation expenses may vary significantly in different jurisdictions, and legislation governing taxation laws and rates is also subject to change. Therefore, the Resulting Issuer's earnings may be impacted by changes in the proportion of earnings taxed in different jurisdictions, changes in taxation rates, changes in estimates of liabilities and changes in the amount of other forms of taxation. The Resulting Issuer may have exposure to greater than anticipated tax liabilities or expenses. The Resulting Issuer will be subject to income taxes and non-income taxes in a variety of jurisdictions and its tax structure is subject to review by both domestic and foreign taxation authorities and the determination of the Resulting Issuer's provision for income taxes and other tax liabilities will require significant judgment.

Risks Related to the Common Shares and Completion of the Qualifying Transaction

Possible Volatility of Stock Price

In recent years, the stock market has experienced significant price and volume fluctuations. This volatility has had a significant effect on the market price of securities issued by many companies for reasons unrelated to the operating performance of these companies. The market price of the Common Shares could similarly be subject to wide fluctuations in response to a number of factors, most of which the Resulting Issuer cannot control, including:

- changes in securities analysts' recommendations and their estimates of our financial performance;
- changes in market valuations of similar companies;
- investor perception of the mining industry or prospects or the country in which it operates;
- the public's reaction to press releases, announcements and filings with securities regulatory authorities by other companies in the Resulting Issuer's industry;
- changes in environmental and other governmental regulations; and
- changes in general conditions in domestic or international economies, financial markets or in the mining industry.

The impact of any of these risks and other factors beyond the Resulting Issuer's control could cause the market price of the Common Shares to decline significantly.

No History of Payment of Cash Dividends

In recent years Bangles has not declared or paid cash dividends on the Bangles Shares. Upon completion of the Qualifying Transaction, Bangles intends to retain future earnings to finance the operation, development and expansion of the business. Bangles does not anticipate paying cash dividends on the Resulting Issuer Shares in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of the Board and will depend on the Resulting Issuer's financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that the Board considers relevant.

Significant Sales of Common Shares

Although Common Shares held by existing shareholders of Cairo will generally continue to be freely tradable under applicable securities legislation, the Common Shares issued in connection with the Acquisition, the Concurrent Financing or held by Principals of the Resulting Issuer will be subject to hold periods or escrow under applicable Securities Laws and the policies of the TSXV. Sales of a substantial number of the Common Shares in the public market after the expiry of such resale or escrow restrictions, or the perception that these sales could occur, could adversely affect the market price of the Common Shares and may make it more difficult for investors to sell Common Shares at a favourable time and price.

Tax Issues

There may be income tax consequences in relation to the Resulting Issuer Shares, which will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers.

Completion of the Qualifying Transaction is Subject to Conditions Precedent

The Completion of the Qualifying Transaction is subject to a number of conditions precedent, including the approval of the TSXV and completion of the Concurrent Financing. Certain of such conditions precedent are outside the control of either or both of Cairo and Bangles, and there can be no assurance that these conditions will be satisfied.

PART V – GENERAL MATTERS

Auditor, Transfer Agent and Registrar

The independent auditor of the Resulting Issuer is expected to be Smythe LLP, Chartered Professional Accountants, located at 1700 – 475 Howe Street, Vancouver, British Columbia, Canada, V6C 2B3. Smythe LLP is independent of the Resulting Issuer, Bangles and Cairo, in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

Odyssey Trust Company at its principal office in Vancouver will be transfer agent and registrar for the Resulting Issuer.

Sponsorship

Cairo has obtained from the TSXV an exemption from the sponsorship requirements under TSXV Policy 2.2 *Sponsorship and Sponsorship Requirements* (“**Policy 2.2**”) in connection with Cairo's Qualifying Transaction.

Experts

No experts, including individuals or companies who are named as having prepared or certified a part of this Filing Statement or prepared or certified a report or valuation described or included in this Filing Statement have, or will have immediately following closing of the Acquisition, any direct or indirect interest in the Resulting Issuer or Bangles.

For the purposes hereof, “expert” means any person or company whose profession or business gives authority to a statement made by that person or company and who is named as having prepared or certified a part of this Filing Statement, or prepared or certified a report or valuation described or included in this Filing Statement.

Other Material Facts

Cairo is not aware of any other material facts relating to Cairo, Bangles or the Resulting Issuer or to the Qualifying Transaction that are not disclosed under the preceding items and are necessary in order for this Filing Statement to contain full, true and plain disclosure of all material facts relating to Cairo, Bangles and the Resulting Issuer, assuming Completion of the Qualifying Transaction, other than those set forth herein.

Board Approval

The Board has approved this Filing Statement. Where information contained in this Filing Statement rests particularly within the knowledge of a Person other than Cairo, Cairo has relied upon information furnished by such Person.

CERTIFICATE OF CAIRO RESOURCES INC.

DATED August 30, 2021

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Cairo Resources Inc. assuming completion of the Qualifying Transaction.

"Darryl Cardey"

Darryl Cardey
Chief Executive Officer, Chief Financial Officer,
Secretary and Director

**ON BEHALF OF THE BOARD OF DIRECTORS OF
CAIRO RESOURCES INC.**

"Michael Sadhra"

Michael Sadhra
Director

"Paul S. Reynolds"

Paul S. Reynolds
Director

CERTIFICATE OF BANGLES GOLD PTY. LTD.

DATED August 30, 2021

The foregoing, as it relates to Bangles Gold Pty. Ltd., constitutes full, true and plain disclosure of all material facts relating to the securities of Bangles Gold Pty. Ltd.

"Jason Bontempo"

Jason Bontempo
Chief Executive Officer

**ON BEHALF OF THE BOARD OF DIRECTORS OF
BANGLES GOLD PTY. LTD.**

"Jason Bontempo"

Jason Bontempo
Director

SCHEDULE A – CAIRO FINANCIAL STATEMENTS

CAIRO RESOURCES INC.

Financial Statements

Years Ended February 28, 2021 and February 29, 2020

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF CAIRO RESOURCES INC.

Opinion

We have audited the financial statements of Cairo Resources Inc. (the "Company"), which comprise:

- the statements of financial position as at February 28, 2021 and February 29, 2020;
- the statements of loss and comprehensive loss for the years then ended;
- the statements of changes in shareholders' equity (deficiency) for the years then ended;
- the statements of cash flows for the years then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2021 and February 29, 2020, and its financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$57,473 during the year ended February 28, 2021 and, as at that date, has an accumulated deficit of \$642,088. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is Sukhjit Gill.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia

March 19, 2021

CAIRO RESOURCES INC.
Statements of Financial Position
(Expressed in Canadian Dollars)

As at	February 28, 2021	February 29, 2020
Assets		
Current		
Cash	\$ 313,674	\$ 19,090
GST receivable	483	460
Prepaid expenses	417	962
Loans receivable (note 8)	125,000	-
	\$ 439,574	\$ 20,512
Liabilities		
Current		
Accounts payable and accrued liabilities (note 6)	\$ 18,799	\$ 49,714
Shareholders' Equity (Deficiency)		
Capital Stock (note 5)	960,959	453,509
Reserves (note 5)	101,904	101,904
Deficit	(642,088)	(584,615)
	420,775	(29,202)
	\$ 439,574	\$ 20,512

Proposed transaction (note 8)

Approved on behalf of the Board:

"Darryl Cardey" (signed)

Director

"Michael Sadhra" (signed)

Director

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

CAIRO RESOURCES INC.
Statements of Loss and Comprehensive Loss
Years Ended February 28, 2021 and February 29, 2020
(Expressed in Canadian Dollars)

	2021	2020
Expenses		
Filing fees	\$ 7,204	\$ 6,779
General and administrative (note 6)	25,792	14,627
Professional fees	13,812	11,401
Transaction costs	10,665	9,475
Net Loss and Comprehensive Loss for the Year	\$ (57,473)	\$ (42,282)
Basic and Diluted Loss Per Common Share	\$ (0.02)	\$ (0.03)
Weighted Average Number of Common Shares Outstanding	3,680,447	1,581,474

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

CAIRO RESOURCES INC.
Statements of Changes in Equity (Deficiency)
February 28, 2021 and February 29, 2020
(Expressed in Canadian Dollars)

	Capital Stock		Reserves	Deficit	Equity (Deficiency)
	Number	Amount			
Balance, February 28, 2019	1,881,473	\$ 453,509	\$ 101,904	\$ (542,333)	\$ 13,080
Net loss for the year	-	-	-	(42,282)	(42,282)
Balance, February 29, 2020	1,881,473	\$ 453,509	\$ 101,904	\$ (584,615)	\$ (29,202)
Proceeds from issuance of common shares	3,375,000	540,000	-	-	540,000
Share issue costs	-	(32,550)	-	-	(32,550)
Net loss for the year	-	-	-	(57,473)	(57,473)
Balance, February 28, 2021	5,265,473	\$ 960,959	\$ 101,904	\$ (642,088)	\$ 420,775

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

CAIRO RESOURCES INC.
Statements of Cash Flows
February 28, 2021 and February 29, 2020
(Expressed in Canadian Dollars)

	2021	2020
Operating Activities		
Loss for the year	\$ (57,473)	\$ (42,282)
Changes in working capital balances		
GST receivable	(23)	(31)
Prepaid expenses	545	(545)
Accounts payable and accrued liabilities	(33,165)	16,853
Cash Used in Operating Activities	(90,116)	(26,005)
Investing Activity		
Loans receivable	(125,000)	-
Cash Used in Investing Activity	(125,000)	-
Financing Activities		
Proceeds from issuance of common shares	540,000	-
Share issuance costs paid	(30,300)	-
Cash Provided by Financing Activities	509,700	-
Inflow (Outflow) of Cash	294,584	(26,005)
Cash, Beginning of Year	19,090	45,095
Cash, End of Year	\$ 313,674	\$ 19,090
Supplementary information		
Share issuance costs included in accounts payable	\$ 2,250	\$ -
Taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ -

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

CAIRO RESOURCES INC.

Notes to the Financial Statements

For the Years Ended February 28, 2021 and February 29, 2020

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Cairo Resources Inc. (the "Company") was incorporated under the *Business Corporations Act* of British Columbia on February 8, 2010. The Company was classified as a capital pool corporation ("CPC"), as defined in TSX Venture Exchange Policy 2.4, and the Company's common shares traded on the TSX Venture Exchange (the "TSX-V"). As a CPC, the principal business of the Company is to identify, evaluate and then acquire an interest in a business or assets (the "Qualifying Transaction") within 24 months from the date the Company's shares were listed for trading on the TSX-V.

At an annual and special meeting of its shareholders held on November 27, 2013, the Company received majority disinterested shareholder approval to transfer to the TSX-V's NEX board (the "NEX"); and conditional upon listing on the NEX, to cancel 200,000 escrowed common shares held by principals of the Company. The Company's application to the TSX-V for transfer to NEX was accepted, and the TSX-V advised that the Company's trading symbol would change from "QAI.P" to "QAI.H".

On May 7, 2014, the Company announced that it was unable to complete a Qualifying Transaction within its 24-month deadline, including extensions, and that it was required by the TSX-V to transfer its listing from the Tier 2 board of the TSX-V to the NEX. Upon listing on the NEX, the Company cancelled 200,000 escrowed common shares held by the principals of the Company.

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. For the year ended February 28, 2021, the Company realized a loss of \$57,473 (February 29, 2020 - \$42,282) and as at February 28, 2021 had a deficit of \$642,088 (February 29, 2020 - \$584,615).

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses. At present, the Company has not completed its Qualifying Transaction within the required period and consequently has no current operating income or cash flows. Without additional financing, the Company will be unable to fund its ongoing operations for the next twelve months. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows from its future operations. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations. These financial statements do not include any adjustments related to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The head office and records office of the Company are located at 1430 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6.

CAIRO RESOURCES INC.
Notes to the Financial Statements
For the Years Ended February 28, 2021 and February 29, 2020
(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements are prepared in accordance with IFRS, as issued by the IASB. These financial statements have been prepared on a historical cost basis, except for financial assets and liabilities classified as financial instruments at fair value through profit or loss ("FVTPL"), which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information

The significant accounting policies set out in note 3 have been applied consistently to all periods presented.

The Company's functional and presentation currency is the Canadian dollar.

(b) Approval of the financial statements

These financial statements of the Company were approved by the Board of Directors and authorized for issue on March 19, 2021.

(c) Critical accounting judgments and estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include accrued liabilities, the recoverability of deferred tax assets and the collectability of loans receivable.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Information about critical judgments in applying accounting policies that have the most significant effect on amounts recognized in the financial statements is included in the going concern assessment (see note 1).

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Financial instruments

(i) Financial assets

The Company recognizes a financial asset when it becomes a party to the contractual provisions of the instrument. The Company classifies financial assets at initial recognition as financial assets: measured at amortized cost, measured at fair value through other comprehensive income or measured at fair value through profit or loss.

CAIRO RESOURCES INC.
Notes to the Financial Statements
For the Years Ended February 28, 2021 and February 29, 2020
(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Financial instruments (continued)

(i) Financial assets (continued)

Financial assets measured at amortized cost

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost.

- The Company's business model for the such financial assets, is to hold the assets in order to collect contractual cash flows.
- The contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction costs directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if necessary.

Financial assets measured at fair value through other comprehensive income

A financial asset measured at fair value through other comprehensive income ("FVTOCI") is recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included as "financial asset at fair value through other comprehensive income" in other comprehensive income.

Fair value through profit or loss

A financial asset measured at fair value through profit or loss ("FVTPL") is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial asset is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company derecognizes a financial asset if the contractual rights to the cash flows from the asset expire, or the Company transfers substantially all the risks and rewards of ownership of the financial asset. Any interests in transferred financial assets that are created or retained by the Company are recognized as a separate asset or liability. Gains and losses on derecognition are generally recognized in the statement of income (loss). However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

CAIRO RESOURCES INC.
Notes to the Financial Statements
For the Years Ended February 28, 2021 and February 29, 2020
(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Financial instruments (continued)

(ii) Financial liabilities

The Company classifies its financial liabilities in the following categories:

Borrowings and other financial liabilities

Borrowings and other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit or loss over the period to maturity using the effective interest method.

Borrowings and other financial liabilities are classified as current or non-current based on their maturity date. Financial liabilities include accounts payable and accrued liabilities.

The Company has made the following designations of its financial instruments:

Cash	FVTPL
Loans receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

(iii) Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Inputs for assets or liabilities that are not based on observable market data.

As at February 28, 2021 and February 29, 2020, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to the relatively short periods to maturity of these instruments.

(iv) Impairment of financial assets

The Company assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or group of financial assets.

CAIRO RESOURCES INC.

Notes to the Financial Statements

For the Years Ended February 28, 2021 and February 29, 2020

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Share-based payments

The Company accounts for share-based payments using a fair value based method with respect to all share-based payments, to directors, employees and service providers. For directors and employees, the fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period that the options are earned. For service providers, the fair value of the options is measured at the fair value of the goods or services received, unless related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of capital stock. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured using the Black-Scholes option pricing model. The fair value is recognized as an expense with a corresponding increase in equity. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods.

Upon the exercise of the stock option, consideration received and the related amount transferred from reserves are recorded as capital stock.

(c) Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options that would be anti-dilutive.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

(d) Capital stock

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares and share options and warrants are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares, options or warrants are shown in equity as a deduction, net of tax, from the proceeds.

CAIRO RESOURCES INC.
Notes to the Financial Statements
For the Years Ended February 28, 2021 and February 29, 2020
(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income/loss.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current period and any adjustment to income taxes payable in respect of previous periods. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it provides a valuation allowance against that excess.

(f) Future accounting standards

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's risk exposure and the impact on the Company's financial instruments are summarized below.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration of credit risk exists with respect to the Company's cash and loans receivable.

Credit risk is minimized by ensuring that cash is placed with a major Canadian financial institution with a strong investment-grade rating by a primary ratings agency. The carrying amount of these financial assets represents the maximum credit exposure.

CAIRO RESOURCES INC.

Notes to the Financial Statements

For the Years Ended February 28, 2021 and February 29, 2020

(Expressed in Canadian Dollars)

4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. At February 28, 2021, the Company had cash of \$313,674 (February 29, 2020 - \$19,090) available to meet short-term business requirements and current liabilities of \$18,799 (February 29, 2020 - \$49,714). The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk. The Company is not exposed to significant market risk.

5. CAPITAL STOCK

(a) Authorized

The Company has authorized an unlimited number of common shares without par value. As at February 28, 2021, the Company had outstanding 5,256,473 (February 29, 2020 - 1,881,473) shares.

(b) Issued and outstanding

2021

On July 16, 2020, the Company completed a non-brokered private placement of 3,375,000 common shares at a price of \$0.16 per share for gross proceeds of \$540,000. The Company incurred \$32,550 of share issue costs related to the private placement, which was offset against capital stock.

2020

There were no capital stock transactions during the year ended February 29, 2020.

(c) Escrow shares

As at February 28, 2021 and February 29, 2020, there are 299,999 common shares being held in escrow and are subject to a TSX-V mandated CPC Escrow Agreement. These escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities or in accordance with the CPC Escrow Agreement following the Company's completion of a Qualifying Transaction.

CAIRO RESOURCES INC.

Notes to the Financial Statements

For the Years Ended February 28, 2021 and February 29, 2020

(Expressed in Canadian Dollars)

5. CAPITAL STOCK (continued)

(d) Stock option plan

The Company adopted a stock option plan (the "Plan") that allows the Company to issue options to certain directors, officers, employees and consultants of the Company. The Board shall specify the number of shares that will be placed under option, the option price and the period during which options may be exercised. The number of options granted to one person shall not exceed 5% of the outstanding shares at the time of granting the options. If employment with the Company is terminated, other than through death, options not exercised will expire within the later of 12 months after completion of the Qualifying Transaction and 90 days after the termination date. Until a Qualifying Transaction is completed, the maximum number of shares to be reserved under the Plan shall not exceed 495,647 which is 10% of the issued common shares of the Company at the closing of the Company's initial public offerings. Following the completion of a Qualifying Transaction the maximum number of shares reserved for issuance under the Plan shall not exceed 10% of the shares issued and outstanding as at the date of the grant of options.

(e) Stock options and warrants

During the years ended February 28, 2021 and February 29, 2020, the Company did not issue any warrants or grant any stock options. There were no warrants or options outstanding as at February 28, 2021 and February 29, 2020.

6. RELATED PARTY TRANSACTIONS

The Company's related party and key management personnel consist of a company owned by the executive officer and directors as follows:

	Relationship	Nature of Transactions
CDM Capital Partners Inc.	Partially owned by the President, CEO, CFO and a director of the Company	Rent

During the year ended February 28, 2021, the Company paid \$9,000 (2020 - \$9,000) for rent to CDM Capital Partners Inc. and owed them \$Nil (February 29, 2020 - \$5,513) at year-end.

CAIRO RESOURCES INC.

Notes to the Financial Statements

For the Years Ended February 28, 2021 and February 29, 2020

(Expressed in Canadian Dollars)

7. CAPITAL MANAGEMENT

The Company is actively looking to acquire an interest in a business or assets, and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavours and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of capital stock. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations, and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as shareholders' equity (deficiency). Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid. There have been no changes to the Company's approach to capital management during the year.

Although the Company has been successful at raising funds in the past through the issuance of capital stock, it is uncertain whether it will continue this financing. The net proceeds raised to date will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a Qualifying Transaction. However, additional funds will be required to finance the Company's Qualifying Transaction.

8. PROPOSED TRANSACTION

On January 26, 2021, the Company entered into a binding letter agreement (the "Letter Agreement") with Bangles Gold Pty Ltd. ("Bangles") in respect of a proposed business combination (the "Proposed Transaction"). It is anticipated that the Proposed Transaction will constitute the Cairo's "Qualifying Transaction" pursuant to Policy 2.4 of the TSX-V.

Bangles is the holder of a 100% legal and beneficial interest in three exploration licence applications ("ELA's") located in New South Wales ("NSW"), Australia. ELA 6056, ELA 6058 and ELA 6059 cover an area of ~680 km² over sections of the mineralised Koonenberry Fault and associated secondary faults and splays located in NSW, Australia. The Koonenberry region is an emerging gold district.

CAIRO RESOURCES INC.

Notes to the Financial Statements

For the Years Ended February 28, 2021 and February 29, 2020

(Expressed in Canadian Dollars)

8. PROPOSED TRANSACTION (continued)

Summary of the Proposed Transaction

The Letter Agreement contemplates that Cairo and Bangles will negotiate and enter into a definitive agreement in respect of the Proposed Transaction (the "Definitive Agreement"), pursuant to which it is anticipated that Cairo will acquire all of the issued and outstanding common shares of Bangles, and the shareholders of Bangles will receive Cairo common shares in exchange for their Bangles common shares.

Pursuant to the Proposed Transaction, Cairo intends to issue an aggregate of 5,000,000 Cairo common shares and \$112,500 of cash consideration will be paid pro rata to the shareholders of Bangles in exchange for 100% of the Bangles Shares. A finder's fee of 386,161 Cairo common shares will be payable by Cairo to an arm's length third party in connection with the closing of the Proposed Transaction.

The completion of the Proposed Transaction remains subject to a number of terms and conditions. Upon completion of the Proposed Transaction, it is anticipated that the Resulting Issuer will be listed as a Tier 2 Mining Issuer on the TSX-V, with Bangles as its primary operating subsidiary.

In connection with the Proposed Transaction, Cairo and Bangles entered a Promissory Note Agreement dated February 4, 2021. Under the terms of the Promissory Note Agreement, Cairo will advance secured loans of up to \$250,000 to Bangles, which are non-interest bearing and have a term of one year. In the event that the Definitive Agreement is terminated, these loans will be due on demand and bear interest at 10%, compounded monthly. The loans are secured by the common shares of Bangles, of which there are currently 1,500,000 outstanding. The loans will be used by Bangles for working capital purposes. During the year ended February 28, 2021, the Company advanced \$125,000 to Bangles under the terms of the Promissory Note Agreement.

In connection with the Proposed Transaction, the parties will arrange a concurrent financing of units of Cairo ("Units") for gross proceeds of \$2,100,000 or such lesser or greater amount agreed to by the parties, at a price of \$0.28 per Unit. Each Unit will consist of one Cairo common share and one-half of a share purchase warrant of Cairo ("Warrants"), with each whole Warrant exercisable for a period of eighteen months at a price of \$0.40 per Cairo common share.

CAIRO RESOURCES INC.

Notes to the Financial Statements

For the Years Ended February 28, 2021 and February 29, 2020

(Expressed in Canadian Dollars)

9. INCOME TAXES

The provision for income taxes differs from the amount calculated using the Canadian federal and provincial statutory income tax rates of 27.0% (2020 - 27%) as follows:

	2021	2020
Net loss for the year	\$ (57,473)	\$ (42,282)
Statutory income tax rate	27.0%	27.0%
Income tax recovery at Canadian statutory rate	(15,518)	(11,416)
Under provided in prior years'	2,687	7,827
Unused tax losses	12,831	3,589
Total income tax recovery	\$ -	\$ -

The significant components of the Company's temporary differences and unused tax losses that have not been included on the statements of financial position are as follows:

	2021	2020
Non-capital losses	\$ 471,404	\$ 416,581
Share issuance costs	26,126	875
	\$ 497,530	\$ 417,456

At February 29, 2020, the Company has tax loss carry-forwards of approximately \$471,400 which expire between 2031 and 2041.

10. COVID-19

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness which may impact the Company's ability to obtain external financing as required for the Proposed Transaction described in note 8. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

CAIRO RESOURCES INC.

Condensed Interim Financial Statements

For the Three Months Ended May 31, 2021 and 2020

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

CAIRO RESOURCES INC.
Condensed Interim Statements of Financial Position
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

	May 31, 2021	February 28, 2021
Assets		
Current		
Cash	\$ 178,985	\$ 313,674
GST receivable	2,127	483
Prepaid expenses	417	417
Loans receivable (note 8)	225,000	125,000
	\$ 406,529	\$ 439,574
Liabilities		
Current		
Accounts payable and accrued liabilities (note 5)	\$ 23,138	\$ 18,799
Shareholders' Equity		
Capital Stock (note 4)	960,959	960,959
Reserves (note 4)	101,904	101,904
Deficit	(679,472)	(642,088)
	383,391	420,775
	\$ 406,529	\$ 439,574

Proposed transaction (note 8)

Approved on behalf of the Board:

"Darryl Cardey" (signed)
 Director

"Michael Sadhra" (signed)
 Director

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

CAIRO RESOURCES INC.**Condensed Interim Statements of Loss and Comprehensive Loss
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)**

		Three months ended May 31, 2021		Three months ended May 31, 2020
Expenses				
Filing fees	\$	13,029	\$	1,250
General and administrative (note 5)		5,667		6,931
Professional fees		6,057		-
Transaction costs (note 8)		12,631		750
Loss and Comprehensive Loss for the Period	\$	(37,384)	\$	(8,931)
Basic and Diluted Loss Per Common Share	\$	(0.01)	\$	(0.01)
Weighted Average Number of Common Shares Outstanding		4,956,474		1,581,474

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

CAIRO RESOURCES INC.**Condensed Interim Statements of Changes in Shareholders' Equity**

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

	Capital Stock		Reserves	Deficit	Equity
	Number	Amount			
Balance, February 29, 2020	1,881,473	\$ 453,509	\$ 101,904	\$ (584,615)	\$ (29,202)
Net loss for the period	-	-	-	(8,931)	(8,931)
Balance, May 31, 2020	1,881,473	\$ 453,509	\$ 101,904	\$ (593,546)	\$ (38,133)
Proceeds from issuance of common shares	3,375,000	540,000	-	-	540,000
Share issue costs	-	(32,550)	-	-	(32,550)
Net loss for the period	-	-	-	(48,542)	(48,542)
Balance, February 28, 2021	5,256,473	\$ 960,959	\$ 101,904	\$ (642,088)	\$ 420,775
Net loss for the period	-	-	-	(37,384)	(37,384)
Balance, May 31, 2021	5,256,473	\$ 960,959	\$ 101,904	\$ (679,472)	\$ (383,391)

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

CAIRO RESOURCES INC.
Condensed Interim Statements of Cash Flows
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

	Three months ended May 31, 2021	Three months ended May 31, 2020
Operating Activities		
Loss for period	\$ (37,384)	\$ (8,931)
Changes in working capital balances:		
GST receivable	(1,644)	(445)
Prepaid expenses	-	545
Accounts payable and accrued liabilities	4,339	3,668
Cash Used in Operating Activities	(34,689)	(5,163)
Investing Activity		
Loans receivable	(100,000)	-
Cash Used in Investing Activity	(100,000)	-
Change in cash	(134,689)	(5,163)
Cash, Beginning of Period	313,674	19,090
Cash, End of Period	\$ 178,985	\$ 13,927
Supplementary information		
Taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ -

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

CAIRO RESOURCES INC.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended May 31, 2021 and 2020
(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Cairo Resources Inc. (the “Company” or “Cairo”) was incorporated under the *Business Corporations Act* of British Columbia on February 8, 2010. The Company was classified as a capital pool corporation (“CPC”), as defined in TSX Venture Exchange Policy 2.4 and the Company’s common shares traded on the TSX Venture Exchange (the “TSX-V”). As a CPC, the principal business of the Company was to identify, evaluate and then acquire an interest in a business or assets (the “Qualifying Transaction”) within 24 months from the date the Company’s shares were listed for trading on the TSX-V.

These unaudited condensed interim financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. For the three months ended May 31, 2021, the Company incurred loss of \$37,384 (2020 – \$8,931) and as at May 31, 2021, had a deficit of \$679,472 (February 28, 2021 - \$642,088).

The Company’s continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses. At present, the Company has not completed its Qualifying Transaction and consequently has no current operating income or cash flows. Without additional financing, the Company will be unable to fund its ongoing operations for the next twelve months. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows from its future operations. These uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations. These condensed interim financial statements do not include any adjustments related to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The head office and records office of the Company are located at 1430 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6.

CAIRO RESOURCES INC.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended May 31, 2021 and 2020
(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION

(a) Statement of Compliance

These unaudited condensed interim financial statements were prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting. Accordingly, they do not include all of the information and disclosures required by IFRS for annual financial statements. These unaudited condensed financial statements should be read in conjunction with the Company’s annual financial statements for the year ended February 28, 2021 which were prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim financial statements have been prepared using the same accounting policies and methods of application as the latest annual financial statements. In the opinion of management, all adjustments (consisting of normal and recurring accruals) considered necessary for fair presentation have been included. The results for interim periods are not necessarily indicative of results for the entire year. The preparation of these unaudited condensed interim financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of these unaudited condensed interim financial statements and the reported amounts of expenses during the period. As a result, actual amounts may differ from those estimates.

The Company’s functional and presentation currency is the Canadian dollar.

(b) Approval of the financial statements

These unaudited condensed interim financial statements of the Company were approved by the Board of Directors and authorized for issue on July 15, 2021.

(c) Critical accounting judgments and estimates

The preparation of condensed interim financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed interim financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include accrued liabilities, the recoverability of deferred tax assets and the collectability of loans receivable.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Information about critical judgments in applying accounting policies that have the most significant effect of amounts recognized in the condensed interim financial statements is included in the going concern assessment (see Note 1).

CAIRO RESOURCES INC.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended May 31, 2021 and 2020
(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION (continued)

(d) Future accounting standards

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its condensed interim financial statements would not be significant.

3. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's risk exposure and the impact on the Company's financial instruments are summarized below.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's credit risk consists primarily of cash and loans receivable. To mitigate credit risk, the loans receivable are secured by the common shares of the borrower and due on demand in the event that the Definitive Agreement is terminated (Note 8). The credit risk is also minimized by placing cash with major Canadian financial institutions.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. At May 31, 2021, the Company had cash of \$178,985 (February 28, 2021 - \$313,674) available to meet short-term business requirements and current liabilities of \$23,138 (February 28, 2021 - \$18,799). The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk. The Company is not exposed to significant market risk.

CAIRO RESOURCES INC.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended May 31, 2021 and 2020
(Expressed in Canadian Dollars)

4. CAPITAL STOCK

(a) Authorized

The Company has authorized an unlimited number of common shares without par value. As at May 31, 2021, the Company had 5,256,473 shares outstanding (February 28, 2021 - 5,256,473).

(b) Issued and outstanding

There were no capital stock transactions during the three months ended May 31, 2021.

On July 16, 2020, the Company completed a non-brokered private placement of 3,375,000 common shares at a price of \$0.16 per share for gross proceeds of \$540,000. The Company incurred \$32,550 of share issue costs related to the private placement, which was offset against capital stock.

(c) Escrow shares

As at May 31, 2021 and February 28, 2021, there are 299,999 common shares being held in escrow and are subject to a TSX-V mandated CPC Escrow Agreement. These escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities or in accordance with the CPC Escrow Agreement following the Company's completion of a Qualifying Transaction.

(d) Stock option plan

The Company adopted a stock option plan (the "Plan") that allows the Company to issue options to certain directors, officers, employees and consultants of the Company. The Board shall specify the number of shares that will be placed under option, the option price and the period during which options may be exercised. The number of options granted to one person shall not exceed 5% of the outstanding shares at the time of granting the options. If employment with the Company is terminated, other than through death, options not exercised will expire within the later of 12 months after completion of the Qualifying Transaction and 90 days after the termination date. Until a Qualifying Transaction is completed, the maximum number of shares to be reserved under the Plan shall not exceed 158,147 which is 10% of the issued common shares of the Company at the closing of the Company's initial public offerings. Following the completion of a Qualifying Transaction the maximum number of shares reserved for issuance under the Plan shall not exceed 10% of the shares issued and outstanding as at the date of the grant of options.

(e) Stock options and warrants

During the three months ended May 31, 2021 and 2020, the Company did not issue any warrants or grant any stock options. There were no warrants or stock options outstanding as at May 31, 2021 and February 28, 2021.

CAIRO RESOURCES INC.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended May 31, 2021 and 2020
(Expressed in Canadian Dollars)

5. RELATED PARTY TRANSACTIONS

The Company's related party and key management personnel consist of a company owned by the executive officer and directors as follows:

	Relationship	Nature of Transactions
CDM Capital Partners Inc.	Partially owned by the President, CEO, CFO and a director of the Company	Rent

During the three months ended May 31, 2021, the Company incurred \$2,250 (2020 - \$2,250) for rent to CDM Capital Partners Inc. and owed them \$788 (February 28, 2021 - \$Nil) as at May 31, 2021.

6. CAPITAL MANAGEMENT

The Company is actively looking to acquire an interest in a business or assets (note 8), and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavours and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of capital stock. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations, and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid. There have been no changes to the Company's approach to capital management during the year.

Although the Company has been successful at raising funds in the past through the issuance of capital stock, it is uncertain whether it will continue this financing. The net proceeds raised to date will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a Qualifying Transaction. However, additional funds will be required to finance the Company's Qualifying Transaction.

7. COVID-19

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness which may impact the Company's ability to obtain external financing as required for the Proposed Transaction described in Note 8. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

CAIRO RESOURCES INC.
Notes to the Condensed Interim Financial Statements
For the Three Months Ended May 31, 2021 and 2020
(Expressed in Canadian Dollars)

8. PROPOSED TRANSACTION

On January 26, 2021, the Company entered into a binding letter agreement (the “Letter Agreement”) with Bangles Gold Pty Ltd. (“Bangles”) in respect of a proposed business combination (the “Proposed Transaction”). It is anticipated that the Proposed Transaction will constitute the Cairo’s “Qualifying Transaction” pursuant to Policy 2.4 of the TSX-V.

On June 15, 2021 the Company entered into a definitive agreement in respect of the Proposed Transaction (the “Definitive Agreement”), pursuant to which it is anticipated that Cairo will acquire all of the issued and outstanding common shares of Bangles, and the shareholders of Bangles will receive Cairo common shares in exchange for their Bangles common shares.

Bangles is the holder of a 100% legal and beneficial interest in three exploration licence applications (“ELA’s”) located in New South Wales (“NSW”), Australia. ELA 6056, ELA 6058 and ELA 6059 cover an area of ~680 km² over sections of the mineralised Koonenberry Fault and associated secondary faults and splays located in NSW, Australia. The Koonenberry region is an emerging gold district.

Summary of the Proposed Transaction

Pursuant to the Proposed Transaction, Cairo intends to issue an aggregate of 5,000,000 Cairo common shares and \$112,500 of cash consideration will be paid pro rata to the shareholders of Bangles in exchange for 100% of the Bangles Shares. A finder’s fee of 386,161 Cairo common shares will be payable by Cairo to an arm’s length third party in connection with the closing of the Proposed Transaction.

The completion of the Proposed Transaction remains subject to a number of terms and conditions. Upon completion of the Proposed Transaction, it is anticipated that the Resulting Issuer will be listed as a Tier 2 Mining Issuer on the TSX-V, with Bangles as its primary operating subsidiary.

In connection with the Proposed Transaction, Cairo and Bangles entered a Promissory Note Agreement dated February 4, 2021. Under the terms of the Promissory Note Agreement, Cairo will advance secured loans of up to \$250,000 to Bangles, which are non-interest bearing and have a term of one year. In the event that the Definitive Agreement is terminated, these loans will be due on demand and bear interest at 10%, compounded monthly. The loans are secured by the common shares of Bangles, of which there are currently 1,500,000 outstanding. The loans will be used by Bangles for working capital purposes. As at May 31, 2021, Cairo has advanced \$225,000 (February 28, 2021 – \$125,000) to Bangles under the terms of the Promissory Note Agreement.

In connection with the Proposed Transaction, the parties will arrange a concurrent financing of units of Cairo (“Units”) for gross proceeds of \$1,500,000 at a price of \$0.28 per Unit. Each Unit will consist of one Cairo common share and one-half of a share purchase warrant of Cairo (“Warrants”), with each whole Warrant exercisable for a period of eighteen months at a price of \$0.40 per Cairo common share.

SCHEDULE B – CAIRO MD&A

CAIRO RESOURCES INC.
Management Discussion and Analysis (“MD&A”)
for the year ended February 28, 2021

The following discussion and analysis of the operations, results, and financial position of Cairo Resources Inc. (“Cairo” or “the Company”) for the year ended February 28, 2021 should be read in conjunction with the Company’s audited financial statements and related notes for the year ended February 28, 2021. The effective date of this report is March 19, 2021. All figures are presented in Canadian dollars, unless otherwise indicated.

COMPANY OVERVIEW

Cairo is a Capital Pool Company (“CPC”) as defined in TSX Venture Exchange (the “TSX-V”) Policy 2.4. The principal business of the Company is the identification and evaluation of assets or businesses and once identified or evaluated, to negotiate an acquisition of or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities with a view to completing a Qualifying Transaction. The Company has not commenced commercial operations and has no significant assets other than cash. Until such time that the Company completes a Qualifying Transaction (as such term is defined in TSX-V Policy 2.4), corporate expenditures will continue to be restricted to costs of raising equity financing, administrative costs to maintain the Company in good standing and costs to identify and evaluate potential business opportunities for the purposes of completing a Qualifying Transaction.

On September 30, 2019, the Company entered into arm’s length amalgamation agreement in respect of a proposed business combination (the “Swarmio Proposed Transaction”) that would result in the reverse takeover of Cairo by Swarmio Inc. (“Swarmio”). It was anticipated that the Swarmio Proposed Transaction will constitute the Cairo’s “Qualifying Transaction” pursuant to Policy 2.4 of the TSX-V. Following the completion of the Proposed Transaction, the resulting entity (the “Resulting Issuer”) would have held all of the assets and continue the business of Swarmio.

On April 7, 2020, given the prevailing market conditions, the Company announced it has terminated the Definitive Agreement with Swarmio Inc.

On July 16, 2020, the Company completed a non-brokered private placement of 3,375,000 common shares at \$0.16 per common share for gross proceeds of \$540,000. The Company paid finders’ fee of \$30,300.

On January 26, 2021, the Company entered into a binding letter agreement (the “Letter Agreement”) in respect of a proposed business combination (the “Proposed Transaction”) that would result in the reverse takeover of Cairo by Bangles Gold Pty Ltd. (“Bangles”). See ‘Proposed Transaction’ below for further details.

COVID-19

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness which may impact the Company’s ability to obtain external financing as required for the Proposed Transaction described in note 8. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

PROPOSED TRANSACTION

On January 26, 2021, the Company entered into a Letter Agreement with Bangles in respect of the “Proposed Transaction. It is anticipated that the Proposed Transaction will constitute the Cairo’s “Qualifying Transaction” pursuant to Policy 2.4 of the TSX-V.

Bangles is the holder of a 100% legal and beneficial interest in three (3) exploration licence applications (“ELA’s”) located in New South Wales (“NSW”), Australia. ELA 6056, ELA 6058 and ELA 6059 cover an area of ~680 km² over sections of the mineralised Koonenberry Fault and associated secondary faults and splays located in the north west of NSW, Australia. Geoscientists from the Geological Survey of NSW have concluded that “mineralisation styles and structural development in the Koonenberry Orogenic Belt are remarkably similar to the Victorian Goldfields in the Western Lachlan Orogen” (Greenfield and Reid, 2006). In their detailed assessment and comparison, they highlighted similarities in the style of mineralisation, mineral associations, metal associations, hydrothermal alteration, structural setting, timing of metamorphism and the age of mineralisation, association with I-type magmatism, and the character of the sedimentary host rocks. Mineralisation in the Koonenberry region is classified as orogenic gold and is typical of turbidite-hosted/slate-belt gold provinces (Greenfield and Reid, 2006). The region hosts the historic Albert Goldfield, which was discovered in the late 1800s and was centred on several gold mining centres located throughout the district.

The Koonenberry region is an emerging gold district, with significant interest being shown by listed and unlisted explorers of late. This includes Australian Stock Exchange listed Manhattan Corporation Ltd. (ASX:MHC) and Red Mountain Mining Ltd. (ASX:RMX).

Summary of the Proposed Transaction

The Letter Agreement contemplates that Cairo and Bangles will negotiate and enter into a definitive agreement in respect of the Proposed Transaction (the “Definitive Agreement”), pursuant to which it is anticipated that Cairo will acquire all of the issued and outstanding Bangles common shares, and the shareholders of Bangles will receive Cairo common shares in exchange for their Bangles common shares. The Proposed Transaction will be structured as a share exchange or other structure based on the advice of the parties’ respective advisors and taking into account various securities, tax, operating and other considerations.

Pursuant to the Proposed Transaction, Cairo intends to issue an aggregate of 5,000,000 Cairo common shares and \$112,500 of cash consideration will be paid pro rata to the shareholders of Bangles in exchange for 100% of the Bangles common shares. A finder’s fee of 386,161 Cairo common shares will be payable by Cairo to an arm’s length third party in connection with the closing of the Proposed Transaction.

The completion of the Proposed Transaction remains subject to a number of terms and conditions. Upon completion of the Proposed Transaction, it is anticipated that the Resulting Issuer will be listed as a Tier 2 Mining Issuer on the Exchange, with Bangles as its primary operating subsidiary.

In connection with the Proposed Transaction, Cairo and Bangles entered a Promissory Note Agreement dated February 4, 2021. Under the terms of the Promissory Note Agreement, Cairo will advance secured loans of up to \$250,000 to Bangles, which are non-interest bearing and have a term of one year. In the event that the Definitive Agreement is terminated, these loans will be due on demand and bear interest at 10%, compounded monthly. The loans are secured by the common shares of Bangles. The loans will be used by Bangles for working capital purposes. During the year ended February 28, 2021, the Company advanced \$125,000 to Bangles under the terms of the Promissory Note Agreement.

In connection with the Proposed Transaction, the parties will arrange a concurrent financing of units of Cairo (“Units”) for gross proceeds of \$2,100,000 or such lesser or greater amount agreed to by the parties, at a price of C\$0.28 per Unit (the “Concurrent Financing”). Each Unit will consist of one Cairo common share and one-half of a share purchase warrant of Cairo (“Warrants”), with each whole Warrant exercisable for a period of eighteen months at a price of C\$0.40 per Cairo common share. The Concurrent Financing may be structured as a subscription receipt offering.

SUMMARY OF QUARTERLY RESULTS

The following selected financial data is prepared in accordance with IFRS:				
	3 months ended February 28, 2021	3 months ended November 30, 2020	3 months ended August 31, 2020	3 months ended May 31, 2020
Total revenue	\$0	\$0	\$0	\$0
Loss before other items	\$23,920	\$12,313	\$12,309	\$8,931
Net loss	\$23,920	\$12,313	\$12,309	\$8,931
Loss per common share, basic and diluted	\$0.00	\$0.00	\$0.00	\$0.00
Total assets	\$439,574	\$450,014	\$464,598	\$15,249

The following selected financial data is prepared in accordance with IFRS:				
	3 months ended February 29, 2020	3 months ended November 30, 2019	3 months ended August 31, 2019	3 months ended May 31, 2019
Total revenue	\$0	\$0	\$0	\$0
Loss (income) before other items	\$(10,200)	\$30,054	\$14,524	\$7,904
Net loss (income)	\$(10,200)	\$30,054	\$14,524	\$7,904
Loss (income) per common share, basic and diluted	\$(0.01)	\$0.02	\$0.01	\$0.00
Total assets	\$20,512	\$21,646	\$31,296	\$40,993

The increase in net loss in Q4 2021 relates to increased spending on professional fees in relation to the Proposed Transaction with Bangles as described above.

The income recognized in Q4 2020 relates to an expense recovery related to the termination of the Swarmio Proposed Transaction as described above.

SELECTED ANNUAL FINANCIAL INFORMATION

The following selected financial data is derived from the financial statements prepared in accordance with IFRS:			
	Year ended February 28, 2021	Year ended February 29, 2020	Year ended February 28, 2019
Total revenue	\$0	\$0	\$0
Loss before other items	(\$57,473)	(\$42,282)	(\$65,968)
Net loss	(\$57,473)	(\$42,282)	(\$65,968)
Loss per common share, basic and diluted	(\$0.01)	(\$0.03)	(\$0.05)
Total assets	\$439,574	\$20,512	\$45,941
Long term debt	\$0	\$0	\$0
Dividends paid/payable	\$0	\$0	\$0

DISCLOSURE OF OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company had 5,256,473 (February 29, 2020 – 1,881,473) issued and outstanding common shares, of which 299,999 common shares are held in escrow which are subject to an TSX-V mandated CPC Escrow Agreement and may not be transferred, assigned or otherwise dealt without the consent of the regulatory authorities or in accordance with the CPC Escrow Agreement following the Company's completion of a Qualifying Transaction.

As at February 28, 2021 and as at the date of this report, there are no outstanding options and warrants.

RESULTS OF OPERATIONS

The Company does not have any operations and will not conduct any business other than the identification and evaluation of businesses and assets for potential acquisition. During the year ended February 28, 2021, the Company recorded a net loss of \$57,473 compared to a net loss of \$42,282 in the year ended February 29, 2020. The increase in net loss was mainly due to increased general and administrative costs and legal fees in relation to the Proposed Transactions.

The Company's net loss for the year ended February 28, 2021 can be attributed to incurring filing fees of \$7,204, general and administrative costs of \$25,792, professional fees of \$13,812 and transaction costs of \$10,665. The Company's net loss for the year ended February 29, 2020 can be attributed to incurring filing fees of \$6,779, general and administrative costs of \$14,627, professional fees of \$11,401, and transaction costs of \$9,475. The increase in general and administrative costs was mainly due to additional news release disseminated in relation to the Proposed Transaction and monthly administrative fees incurred since April 2020.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements.

As at February 28, 2021 the Company had working capital of \$420,775 compared to working capital deficit of \$29,202 as at February 29, 2020.

As at February 28, 2021, the Company had cash of \$313,674 (February 29, 2020 - \$19,090) available to meet short-term business requirements and liabilities of \$18,799 (February 29, 2020 - \$49,714). The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company has no long-term debt.

At present, the Company has not completed its Qualifying Transaction and consequently has no current operating income or cash flows. Without additional financing, the Company will be unable to fund its ongoing operations for the next twelve months. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

CONTRACUAL COMMITMENTS

There are no contractual commitments.

TRANSACTIONS WITH RELATED PARTIES

The Company's related party and key management personnel consist of a company owned by the executive officer and directors as follows:

	Relationship	Nature of Transactions
CDM Capital Partners Inc.	Partially owned the President, CEO, CFO and a director of the Company	Rent

During the year ended February 28, 2021, the Company paid \$9,000 (2020 - \$9,000) for rent to CDM Capital Partners Inc. and owed them \$Nil (February 29, 2020 - \$5,513) as at February 28, 2021.

CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include accrued liabilities, and the recoverability of deferred tax assets.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Information about critical judgments in applying accounting policies that have the most significant effect of amounts recognized in the financial statements is included going concern assessment.

FINANCIAL INSTRUMENTS

The Company accounts for its financial instruments as follows:

Cash	FVTPL
Loans receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

The carrying value of the financial instruments is shown in the table below:

Cash	\$ 313,674
Loans receivable	\$ 125,000
Accounts payable and accrued liabilities	\$ 18,799

The fair value of cash, loans receivable and accounts payable and accrued liabilities approximates their carrying value due to their short-term maturity.

The Company is exposed to potential loss from various risks including commodity price risk, credit risk, liquidity risk and interest rate risk. These risks are described in more details in Risk and Uncertainties section of this MD&A.

RISK AND UNCERTAINTIES

The Company's financial performance is likely to be subject to the following risks:

1. The Company has not commenced commercial operation, and has no assets other than cash, has no history of earnings and shall not generate earnings to pay dividends until at least after the completion of the Qualifying Transaction;
2. Until the completion of the Qualifying Transaction, the Company is not permitted to carry on any business other than the identification of and evaluation of potential Qualifying Transactions;
3. The Company only has limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify or complete a suitable Qualifying Transaction.

The following are risks related to the Company's financial instruments:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration of credit risk exists with respect to the Company's cash and loans receivable.

Credit risk is minimized by ensuring that cash is placed with a major Canadian financial institution with a strong investment-grade rating by a primary ratings agency. The carrying amount of these financial assets represents the maximum credit exposure.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. At February 28, 2021, the Company had cash of \$313,674 available to meet short-term business requirements and current liabilities of \$18,799. The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk. The Company is not exposed to significant market risk.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the financial statements is the responsibility of Management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the accompanying financial statements.

FORWARD-LOOKING STATEMENTS

Certain sections of this Management Discussion and Analysis may contain forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from actual future results. The risks, uncertainties and other factors that could influence actual results are described in the "Risks and Uncertainties" section of this report. The forward-looking statements contained herein are based on information available as of the date of this report.

CORPORATE DIRECTORY

Head Office

Cairo Resources Inc.
1430 – 800 West Pender Street
Vancouver, BC, V6C 2V6
Tel: 604-569-2963
Fax: 604-568-0945

Officers and Directors

Darryl Cardey (Chief Executive Officer, Chief Financial Officer, President, Secretary and Director)
Michael Sadhra (Director)
Paul Reynolds (Director)

Members of the Audit Committee

Darryl Cardey
Michael Sadhra
Paul Reynolds (Chair)

Legal Counsel

McMillan LLP
1500 – 1055 West Georgia Street
Vancouver, BC, V6E 4N7

Auditors

Smythe LLP
1700 – 475 Howe Street
Vancouver, BC, V6C 2B3

Transfer Agent

Computershare
2nd Floor, 510 Burrard Street
Vancouver, BC, V6C 3B9

CAIRO RESOURCES INC.
Management Discussion and Analysis (“MD&A”)
for the three months ended May 31, 2021

The following Management Discussion and Analysis of the operations, results, and financial position of Cairo Resources Inc. (“Cairo” or “the Company”) for the three months ended May 31, 2021 should be read in conjunction with the Company’s unaudited condensed interim financial statements and related notes for the three months ended May 31, 2021 and the audited financial statements for the year ended February 28, 2021. The effective date of this report is July 15, 2021. All figures are presented in Canadian dollars, unless otherwise indicated.

COMPANY OVERVIEW

Cairo is a Capital Pool Company (“CPC”) as defined in TSX Venture Exchange (the “TSX-V”) Policy 2.4. The principal business of the Company is the identification and evaluation of assets or businesses and once identified or evaluated, to negotiate an acquisition of or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities with a view to completing a Qualifying Transaction. The Company has not commenced commercial operations and has no significant assets other than cash. Until such time that the Company completes a Qualifying Transaction (as such term is defined in TSX-V Policy 2.4), corporate expenditures will continue to be restricted to costs of raising equity financing, administrative costs to maintain the Company in good standing and costs to identify and evaluate potential business opportunities for the purposes of completing a Qualifying Transaction.

On September 30, 2019, the Company entered into arm’s length amalgamation agreement in respect of a proposed business combination (the “Swarmio Proposed Transaction”) that would result in the reverse takeover of Cairo by Swarmio Inc. (“Swarmio”). It was anticipated that the Swarmio Proposed Transaction will constitute the Cairo’s “Qualifying Transaction” pursuant to Policy 2.4 of the TSX-V. Following the completion of the Proposed Transaction, the resulting entity (the “Resulting Issuer”) would have held all of the assets and continue the business of Swarmio.

On April 7, 2020, given the prevailing market conditions, the Company announced it has terminated the Definitive Agreement with Swarmio Inc.

On July 16, 2020, the Company completed a non-brokered private placement of 3,375,000 common shares at \$0.16 per common share for gross proceeds of \$540,000. The Company paid finders’ fee of \$30,300.

On January 26, 2021, the Company entered into a binding letter agreement (the “Letter Agreement”) in respect of a proposed business combination (the “Proposed Transaction”) that would result in the reverse takeover of Cairo by Bangles Gold Pty Ltd. (“Bangles”).

On June 15, 2021 the Company entered into a definitive agreement in respect of the Proposed Transaction (the “Definitive Agreement”), pursuant to which it is anticipated that Cairo will acquire all of the issued and outstanding common shares of Bangles, and the shareholders of Bangles will receive Cairo common shares in exchange for their Bangles common shares. See ‘Proposed Transaction’ below for further details.

COVID-19

Since March 2020, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness which may impact

the Company's ability to obtain external financing as required for the Proposed Transaction described in note 8. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

PROPOSED TRANSACTION

On January 26, 2021, the Company entered into a Letter Agreement with Bangles in respect of the "Proposed Transaction. It is anticipated that the Proposed Transaction will constitute the Cairo's "Qualifying Transaction" pursuant to Policy 2.4 of the TSX-V.

On June 15, 2021 the Company entered into a definitive agreement in respect of the Proposed Transaction (the "Definitive Agreement"), pursuant to which it is anticipated that Cairo will acquire all of the issued and outstanding common shares of Bangles, and the shareholders of Bangles will receive Cairo common shares in exchange for their Bangles common shares.

Bangles is the holder of a 100% legal and beneficial interest in three (3) exploration licence applications ("ELA's") located in New South Wales ("NSW"), Australia. ELA 6056, ELA 6058 and ELA 6059 cover an area of ~680 km² over sections of the mineralised Koonenberry Fault and associated secondary faults and splays located in the north west of NSW, Australia. Geoscientists from the Geological Survey of NSW have concluded that "mineralisation styles and structural development in the Koonenberry Orogenic Belt are remarkably similar to the Victorian Goldfields in the Western Lachlan Orogen" (Greenfield and Reid, 2006). In their detailed assessment and comparison, they highlighted similarities in the style of mineralisation, mineral associations, metal associations, hydrothermal alteration, structural setting, timing of metamorphism and the age of mineralisation, association with I-type magmatism, and the character of the sedimentary host rocks. Mineralisation in the Koonenberry region is classified as orogenic gold and is typical of turbidite-hosted/slate-belt gold provinces (Greenfield and Reid, 2006). The region hosts the historic Albert Goldfield, which was discovered in the late 1800s and was centred on several gold mining centres located throughout the district.

The Koonenberry region is an emerging gold district, with significant interest being shown by listed and unlisted explorers of late. This includes Australian Stock Exchange listed Manhattan Corporation Ltd. (ASX:MHC) and Red Mountain Mining Ltd. (ASX:RMX).

Summary of the Proposed Transaction

Pursuant to the Proposed Transaction, Cairo intends to issue an aggregate of 5,000,000 Cairo common shares and \$112,500 of cash consideration will be paid pro rata to the shareholders of Bangles in exchange for 100% of the Bangles common shares. A finder's fee of 386,161 Cairo common shares will be payable by Cairo to an arm's length third party in connection with the closing of the Proposed Transaction.

The completion of the Proposed Transaction remains subject to a number of terms and conditions. Upon completion of the Proposed Transaction, it is anticipated that the Resulting Issuer will be listed as a Tier 2 Mining Issuer on the Exchange, with Bangles as its primary operating subsidiary.

In connection with the Proposed Transaction, Cairo and Bangles entered a Promissory Note Agreement dated February 4, 2021. Under the terms of the Promissory Note Agreement, Cairo will advance secured loans of up to \$250,000 to Bangles, which are non-interest bearing and have a term of one year. In the event that the Definitive Agreement is terminated, these loans will be due on demand and bear interest at 10%, compounded monthly. The loans are secured by the common shares of Bangles. The loans will be used by Bangles for working capital purposes. As at May 31, 2021, the Company advanced \$225,000 (February 28, 2021 - \$125,000) to Bangles under the terms of the Promissory Note Agreement.

In connection with the Proposed Transaction, the parties will arrange a concurrent financing of units of Cairo (“Units”) for gross proceeds of \$2,100,000 or such lesser or greater amount agreed to by the parties, at a price of \$0.28 per Unit (the “Concurrent Financing”). Each Unit will consist of one Cairo common share and one-half of a share purchase warrant of Cairo (“Warrants”), with each whole Warrant exercisable for a period of eighteen months at a price of \$0.40 per Cairo common share. The Concurrent Financing may be structured as a subscription receipt offering.

SUMMARY OF QUARTERLY RESULTS

The following selected financial data is prepared in accordance with IFRS:				
	3 months ended May 31, 2021	3 months ended February 28, 2021	3 months ended November 30, 2020	3 months ended August 31, 2020
Total revenue	\$0	\$0	\$0	\$0
Loss before other items	\$37,384	\$23,920	\$12,313	\$12,309
Net loss	\$37,384	\$23,920	\$12,313	\$12,309
Loss per common share, basic and diluted	\$0.01	\$0.00	\$0.00	\$0.00
Total assets	\$406,529	\$439,574	\$450,014	\$464,598

The following selected financial data is prepared in accordance with IFRS:				
	3 months ended May 31, 2020	3 months ended February 29, 2020	3 months ended November 30, 2019	3 months ended August 31, 2019
Total revenue	\$0	\$0	\$0	\$0
Loss (income) before other items	\$8,931	\$(10,200)	\$30,054	\$14,524
Net loss (income)	\$8,931	\$(10,200)	\$30,054	\$14,524
Loss (income) per common share, basic and diluted	\$0.00	\$(0.01)	\$0.02	\$0.01
Total assets	\$15,249	\$20,512	\$21,646	\$31,296

The increases in net loss in Q4 2021 and Q1 2022 relate to increased spending on professional fees and filing fees in relation to the Proposed Transaction with Bangles as described above.

The income recognized in Q4 2020 relates to an expense recovery related to the termination of the Swarmio Proposed Transaction as described above.

SELECTED ANNUAL FINANCIAL INFORMATION

The following selected financial data is derived from the financial statements prepared in accordance with IFRS:			
	Year ended February 28, 2021	Year ended February 29, 2020	Year ended February 28, 2019
Total revenue	\$0	\$0	\$0
Loss before other items	(\$57,473)	(\$42,282)	(\$65,968)
Net loss	(\$57,473)	(\$42,282)	(\$65,968)
Loss per common share, basic and diluted	(\$0.01)	(\$0.03)	(\$0.05)
Total assets	\$439,574	\$20,512	\$45,941
Long term debt	\$0	\$0	\$0
Dividends paid/payable	\$0	\$0	\$0

DISCLOSURE OF OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company had 5,256,473 (February 28, 2021 – 5,256,473) issued and outstanding common shares, of which 299,999 common shares are held in escrow which are subject to an TSX-V mandated CPC Escrow Agreement and may not be transferred, assigned or otherwise dealt without the consent of the regulatory authorities or in accordance with the CPC Escrow Agreement following the Company's completion of a Qualifying Transaction.

As at May 31, 2021 and as at the date of this report, there are no outstanding options and warrants.

RESULTS OF OPERATIONS

The Company does not have any operations and will not conduct any business other than the identification and evaluation of businesses and assets for potential acquisition. During the three months ended May 31, 2021, the Company recorded a net loss of \$37,384 compared to a net loss of \$8,931 during the three months ended May 31, 2020. The increase in net loss was mainly due to increased filing fees and legal fees in relation to the Proposed Transactions.

The Company's net loss for the three months ended May 31, 2021 can be attributed to incurring filing fees of \$13,029, general and administrative costs of \$5,667, professional fees of \$6,057 and transaction costs of \$12,631. The Company's net loss for the three months ended May 31, 2020 can be attributed to incurring filing fees of \$1,250, general and administrative costs of \$6,931, and transaction costs of \$750.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements.

As at May 31, 2021 the Company had working capital of \$383,391 compared to working capital of \$420,775 as at February 28, 2021.

As at May 31, 2021, the Company had cash of \$178,985 (February 28, 2021 - \$313,674) available to meet short-term business requirements and liabilities of \$23,138 (February 28, 2021 - \$18,799). The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company has no long-term debt.

At present, the Company has not completed its Qualifying Transaction and consequently has no current operating income or cash flows. Without additional financing, the Company will be unable to fund its ongoing operations for the next twelve months. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

CONTRACUAL COMMITMENTS

There are no contractual commitments.

TRANSACTIONS WITH RELATED PARTIES

The Company's related party and key management personnel consist of a company owned by the executive officer and directors as follows:

	Relationship	Nature of Transactions
CDM Capital Partners Inc.	Partially owned the President, CEO, CFO and a director of the Company	Rent

During the three months ended May 31, 2021, the Company paid \$2,250 (2020 - \$2,250) for rent to CDM Capital Partners Inc. and owed them \$788 (February 28, 2021 - \$Nil) as at May 31, 2021.

CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include accrued liabilities, and the recoverability of deferred tax assets.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Information about critical judgments in applying accounting policies that have the most significant effect of amounts recognized in the financial statements is included going concern assessment.

FINANCIAL INSTRUMENTS

The Company accounts for its financial instruments as follows:

Cash	FVTPL
Loans receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

The carrying value of the financial instruments is shown in the table below:

Cash	\$ 178,985
Loans receivable	\$ 225,000
Accounts payable and accrued liabilities	\$ 23,138

The fair value of cash, loans receivable and accounts payable and accrued liabilities approximates their carrying value due to their short-term maturity.

The Company is exposed to potential loss from various risks including commodity price risk, credit risk, liquidity risk and interest rate risk. These risks are described in more details in Risk and Uncertainties section of this MD&A.

RISK AND UNCERTAINTIES

The Company's financial performance is likely to be subject to the following risks:

1. The Company has not commenced commercial operation, and has no assets other than cash, has no history of earnings and shall not generate earnings to pay dividends until at least after the completion of the Qualifying Transaction;
2. Until the completion of the Qualifying Transaction, the Company is not permitted to carry on any business other than the identification of and evaluation of potential Qualifying Transactions;
3. The Company only has limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify or complete a suitable Qualifying Transaction.

The following are risks related to the Company's financial instruments:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration of credit risk exists with respect to the Company's cash and loans receivable.

Credit risk is minimized by ensuring that cash is placed with a major Canadian financial institution with a strong investment-grade rating by a primary ratings agency. The carrying amount of these financial assets represents the maximum credit exposure. The loans receivable are secured by the common shares of the borrower and due on demand in the event that the Definitive Agreement is terminated (See Proposed Transaction).

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. At May 31, 2021, the Company had cash of \$178,985 available to meet short-term business requirements and current liabilities of \$23,138. The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk. The Company is not exposed to significant market risk.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the financial statements is the responsibility of Management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the accompanying financial statements.

FORWARD-LOOKING STATEMENTS

Certain sections of this Management Discussion and Analysis may contain forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from actual future results. The risks, uncertainties and other factors that could influence actual results are described in the "Risks and Uncertainties" section of this report. The forward-looking statements contained herein are based on information available as of the date of this report.

CORPORATE DIRECTORY

Head Office

Cairo Resources Inc.
1430 – 800 West Pender Street
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Tel: 604-569-2963
Fax: 604-568-0945

Officers and Directors

Darryl Cardey (Chief Executive Officer, Chief Financial Officer, President, Secretary and Director)
Michael Sadhra (Director)
Paul Reynolds (Director)

Members of the Audit Committee

Darryl Cardey
Michael Sadhra
Paul Reynolds (Chair)

Legal Counsel

McMillan LLP
1500 – 1055 West Georgia Street
Vancouver, BC, V6E 4N7

Auditors

Smythe LLP
1700 – 475 Howe Street
Vancouver, BC, V6C 2B3

Transfer Agent

Odyssey Trust Company
350 – 409 Granville Street
Vancouver, BC, V6C 1T2

SCHEDULE C – BANGLES FINANCIAL STATEMENTS

Bangles Gold Pty Limited

ABN 19 644 078 295

Annual Report

For the period 4 September 2020 to 28 February 2021

Bangles Gold Pty Limited
Directors' report
For the period 4 September 2020 to 28 February 2021

The director presents their report, together with the financial statements, on the company for the period from incorporation 4 September 2020 to 28 February 2021.

Directors

The following persons were directors of the company during the period 4 September 2020 to 28 February 2021 and up to the date of this report, unless otherwise stated:

Jason Anthony Bontempo

Principal activities

During the period ended 28 February 2021 the principal continuing activities of the company consisted of Gold exploration within the state of New South Wales.

Review of operations

The loss for the company after providing for income tax amounted to \$56,554.

Significant changes in the state of affairs

Bangles Gold Pty Limited (Bangles) entered into a Letter Agreement with Cairo Resources Inc (Cairo) in which Cairo and Bangles will negotiate and enter into a definitive agreement in respect of the proposed transaction, pursuant to which it is anticipated that Cairo will acquire all of the issued and outstanding Bangles Shares, and the shareholders of Bangles will receive Cairo Shares in exchange for their Bangles Shares. As at the date of this report the proposed transaction has not occurred.

There were no other significant changes in the state of affairs of the company during the period 4 September 2020 to 28 February 2021.

Matters subsequent to the end of the period

Bangles Gold Pty Ltd completed a drawdown of the Cairo Resources Inc Promissory Note of CAD\$100,000 on 27 March 2021.

No other matters or circumstance have arisen since 28 February 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Shares under option

There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the year ended 28 February 2021 and up to the date of this report.

Indemnity and insurance of officers

The company has not indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

Bangles Gold Pty Limited
Directors' report
For the period 4 September 2020 to 28 February 2021

Indemnity and insurance of auditor

The company has not, during or since the end of the period ended 28 February 2021, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the period ended 28 February 2021, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

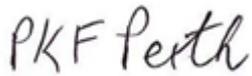


Jason Anthony Bontempo
Director

29th April 2021

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF BANGLES GOLD PTY LTD

In relation to our audit of the financial report of Bangles Gold Pty Ltd for the period ended 28 February 2021, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



PKF PERTH (ABN: 64 591 268 274)



SIMON FERMANIS
PARTNER

29 APRIL 2021
WEST PERTH,
WESTERN AUSTRALIA

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Bangles Gold Pty Limited
Contents
For the period 4 September 2020 to 28 February 2021

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Statement of cash flows	8
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General information

The financial statements cover Bangles Gold Pty Limited as an individual entity. The financial statements are presented in Australian dollars, which is Bangles Gold Pty Limited's functional and presentation currency.

Bangles Gold Pty Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

61 Evandale Street
FLOREAT WA 6014

Principal place of business

61 Evandale Street
FLOREAT WA 6014

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 April 2021. The directors have the power to amend and reissue the financial statements.

Bangles Gold Pty Limited
Statement of profit or loss and other comprehensive income
For the period 4 September 2020 to 28 February 2021

	Note	2021 \$
Revenue		-
Expenses		
Audit fees		(6,000)
Exploration expenditure		(43,185)
Formation costs		(869)
Professional fees		<u>(6,500)</u>
Loss before income tax expense		(56,554)
Income tax expense/(benefit)	14	-
Loss after income tax expense for the period attributable to the owners of Bangles Gold Pty Limited		(56,554)
Other comprehensive income		
Other comprehensive income for the period, net of tax		<u>-</u>
Total comprehensive loss for the period attributable to the owners of Bangles Gold Pty Limited		<u><u>(56,554)</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Bangles Gold Pty Limited
Statement of financial position
As at 28 February 2021

	Note	2021 \$
Assets		
Current assets		
Cash on hand		2,400
Financial assets	3	30,000
Other current assets	4	436
Total current assets		<u>32,836</u>
Non-current assets		
Exploration asset	5	53,659
Total non-current assets		<u>53,659</u>
Total assets		<u>86,495</u>
Liabilities		
Current liabilities		
Trade and other payables	6	4,682
Accruals	7	12,500
Total current liabilities		<u>17,182</u>
Non-current liabilities		
Borrowings	8	123,467
Total non-current liabilities		<u>123,467</u>
Total liabilities		<u>140,649</u>
Net assets		<u><u>(54,154)</u></u>
Equity		
Issued capital	9	2,400
Accumulated losses	10	(56,554)
Total equity		<u><u>(54,154)</u></u>

The above statement of financial position should be read in conjunction with the accompanying notes

Bangles Gold Pty Limited
Statement of changes in equity
For the period 4 September 2020 to 28 February 2021

	Issued capital	Accumulated losses	Total equity
Balance at incorporation	-	-	-
Loss after income tax expense for the period	-	(56,554)	(56,554)
Other comprehensive income for the period, net of tax	-	-	-
Contributions of equity	2,400	-	2,400
	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the period	-	(56,554)	(56,554)
	<hr/>	<hr/>	<hr/>
Balance at 28 February 2021	<u>2,400</u>	<u>(56,554)</u>	<u>(54,154)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Bangles Gold Pty Limited
Statement of cash flows
For the period 4 September 2020 to 28 February 2021

	Note	2021 \$
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of GST)		<u>(93,031)</u>
Net cash from operating activities	13	<u>(93,031)</u>
Cash flows from investing activities		
Payments for security deposits		<u>(30,000)</u>
Net cash used in investing activities		<u>(30,000)</u>
Cash flows from financing activities		
Proceeds from borrowings		123,031
Share capital raised		<u>2,400</u>
Net cash used in financing activities		<u>125,431</u>
Net increase in cash and cash equivalents		2,400
Cash and cash equivalents at incorporation		<u>-</u>
Cash and cash equivalents at the end of the period		<u><u>2,400</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Bangles Gold Pty Limited
Notes to the financial statements
For the period 4 September 2020 to 28 February 2021

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going concern basis

The company has net liabilities of \$54,154 as at 28 February 2021 and incurred a loss of \$56,554 and net operating cash outflows of \$93,031 for the period ended 28 February 2021.

The Director considers there are reasonable grounds to believe that the company will be able to continue as a going concern after consideration of the following factors:

- The company has the ability to adjust its exploration expenditure subject to results of its exploration activities and the company's funding position.
- The Director is confident that the company will be able to draw on the promissory note with Cairo Resources Inc and this is not required to be repaid within the next 12 months to the detriment of the company.
- The Director is confident that the company will be able to receive funding from BR Corporation and this is not required to be repaid within the next 12 months to the detriment of the company.

The Director believes that the above indicators demonstrate that the company will be able to pay their debts as and when they fall due and to continue as a going concern. Accordingly, the Director also believe that it is appropriate to adopt the going concern basis in the preparation of the 2021 financial report.

In the event that the company does not achieve the above actions, there exists significant uncertainty as to whether the company will be able to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Bangles Gold Pty Limited's functional and presentation currency.

Bangles Gold Pty Limited
Notes to the financial statements
For the period 4 September 2020 to 28 February 2021

Note 1. Significant accounting policies (continued)

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Exploration assets

Exploration expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Bangles Gold Pty Limited
Notes to the financial statements
For the period 4 September 2020 to 28 February 2021

Note 1. Significant accounting policies (continued)

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the reporting period ended 28 February 2021. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

Conceptual Framework for Financial Reporting (Conceptual Framework)

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 July 2021 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the company has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the company may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the company's financial statements.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Exploration costs

Exploration expenditure results in certain items of expenditure being capitalised for an area of interest where it is considered likely to be recoverable by future exploration or sale, or where the activities have not reached a stage that permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established. These estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to the income statement.

Bangles Gold Pty Limited
Notes to the financial statements
For the period 4 September 2020 to 28 February 2021

	2021
	\$
Note 3. Current Asset – Financial Assets	
Security deposits	<u>30,000</u>
Security deposits are funds held by the NSW Government for the granting of various Exploration Licences.	
Note 4. Current Asset – Other Current Assets	
Loan – Related Party	<u>436</u>
Ongoing working capital requirements are facilitated through the abovementioned related party loan. No interest is charged on the loan and the balance is regularly cleared to nil.	
Note 5. Non-current Asset - Exploration Asset	
Exploration assets	<u>53,659</u>
Note 6. Current liabilities - Trade and other payables	
Trade Creditors	<u>4,682</u>
Note 7. Current liabilities - Accruals	
Accruals	<u>12,500</u>
Note 8. Non-current liabilities - Borrowings	
Cairo Resources Inc	<u>123,467</u>

During the period ended 28 February 2021, Cairo Resources Inc. and Bangles Gold Pty Ltd established a Promissory Note with a principal amount of CAD\$250,000. As at 28 February 2021 Cairo Resources Inc. has advanced AUD\$123,467 (CAD\$125,000) to Bangles Gold Pty Ltd.

No interest will be payable on the outstanding portion of the principal amount, except that after termination or any event of default, judgement or maturity, the Borrower shall pay interest to the Lender on the outstanding portion of the principal amount from the date of such termination, event of default, judgement or maturity to and including the date of repayment of the indebtedness at the rate of 10% per annum, calculated on a calendar year basis. For the purposes of calculating interest, unpaid interest in arrears, if any, shall be compounded monthly.

Bangles Gold Pty Limited
Notes to the financial statements
For the period 4 September 2020 to 28 February 2021

Note 9. Equity - issued capital

	2021	2021
	Shares	\$
Ordinary shares - fully paid	<u>1,500,000</u>	<u>2,400</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

The company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The company is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Note 10. Equity – Accumulated losses

	2021
	\$
Accumulated losses at the beginning of the period	-
Losses after income tax expense for the period	<u>(56,554)</u>
Accumulated losses at the end of the period	<u><u>(56,554)</u></u>

Note 11. Remuneration of auditors

During the period the following fees were paid or payable for services provided by PKF Perth, the auditor of the company:

<i>Audit services – PKF Perth</i>	
Audit of the financial statements	6,000
<i>Other services – PKF Perth</i>	
Preparation of the financial statements	<u>6,500</u>
	<u><u>12,500</u></u>

Bangles Gold Pty Limited
Notes to the financial statements
For the period 4 September 2020 to 28 February 2021

Note 12. Matters subsequent to the end of the period

Bangles Gold Pty Ltd completed a drawdown of the Cairo Resources Inc Promissory Note of CAD\$100,000 on 27 March 2021.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 28 February 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 28 February 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 13. Reconciliation of loss after income tax to net cash from operating activities

	2021
	\$
Loss after income tax expense for the period ended 28 February 2021	(56,554)
Change in operating assets and liabilities:	
Increase in exploration assets	(53,659)
Increase/(decrease) in trade and other payables	4,682
Increase in other provisions	<u>12,500</u>
Net cash from operating activities	<u><u>(93,031)</u></u>

Note 14. Income Tax benefit

Recognised in the income statement:

<i>Current tax (expense) / benefit</i>	-
<i>Deferred tax (expense) / benefit</i>	-
Total income tax (expense) / benefit	<u>-</u>

Reconciliation between tax expense and pre-tax net loss

Loss before income tax	<u>(56,554)</u>
Income tax calculated at 26%	<u>14,704</u>
Deferred tax asset not brought to account	<u>(14,704)</u>
Income tax expense on pre-tax net loss	-
Weighted average rate of tax	<u>26%</u>

Bangles Gold Pty Limited
Notes to the financial statements
For the period 4 September 2020 to 28 February 2021

Note 15. Related party transactions

Receivables from related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties

	2021
	\$
Loan – Related Party	436

Ongoing working capital requirements are facilitated through the abovementioned related party loan. No interest is charged on the loan and the balance is regularly cleared to nil.

Note 16. Commitments & Contingencies

2021

Minimum expenditure commitments but not recognised in the financial statements:

1 year or less	100,000
Between 1 and 5 years	423,500
Over 5 years	-
	<hr/>
	523,500

Contingent liabilities

The entity had no contingent liabilities as at 28 February 2021.

Note 17. Financial Instruments

Financial risk management objectives

The Company's activities do not expose it to many financial risks, with only liquidity risk being needed to be actively managed.

Market risk

Foreign currency risk

The Company is not exposed to any significant foreign currency risk.

Price risk

The Company is not exposed to any significant price risk.

Interest rate risk

The Company is not exposed to any significant interest rate risk.

Credit risk

The Company is not exposed to any significant credit risk.

Liquidity risk

Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Bangles Gold Pty Limited
Notes to the financial statements
For the period 4 September 2020 to 28 February 2021

Note 17. Financial Instruments (Continued)

Remaining contractual maturities

The following tables detail the incorporated association's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position

2021	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	4,682	-	-	-	4,682
Borrowings	-	123,467	-	-	-	123,467
Total non-derivatives		<u>128,149</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128,149</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 18. Earnings per share

	2021
	\$
<i>Earnings per share for profit from continuing operations</i>	
Loss after income tax	<u>(56,554)</u>
	Cents
Basic earnings per share	(3.77)
	Shares
Weighted Average Ordinary Shares	1,500,000

Bangles Gold Pty Limited
Directors' declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 28 February 2021 and of its performance for the period ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Jason Anthony Bontempo
Director

29th April 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

BANGLES GOLD PTY LTD

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Bangles Gold Pty Ltd (the "Company"), which comprises the statement of financial position as at 28 February 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Company.

In our opinion, the accompanying financial report of Bangles Gold Pty Ltd, is in accordance with the Corporations Act 2001, including:

- i) Giving a true and fair view of the Company's financial position as at 28 February 2021 and its performance for the period ended on that date; and
- ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.
- iii) These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

In complying with Australian Auditing Standards we are complying with the International Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty

Without modifying our opinion, we draw attention to the financial report which indicates the Company has incurred a loss of \$54,504 and operating cash outflows of \$93,031 for the period ended 28 February 2021. These conditions along with other matters in note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report of the Company does not include any adjustments in relation to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

Independence

We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including independence requirements) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's financial report for the period ended 28 February 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors' for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

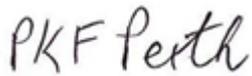
As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



PKF PERTH (ABN: 64 591 268 274)



SIMON FERMANIS
PARTNER

29 APRIL 2021
WEST PERTH,
WESTERN AUSTRALIA

Bangles Gold Pty Limited

ABN 19 644 078 295

Interim Financial Report

For the period 1 March 2021 to 31 May 2021

Bangles Gold Pty Limited
Directors' report
For the period 1 March 2021 to 31 May 2021

The director presents their report, together with the financial statements, on the company for the period from 1 March 2021 to 31 May 2021.

Directors

The following persons were directors of the company during the period 1 March 2021 to 31 May 2021 and up to the date of this report, unless otherwise stated:

Jason Anthony Bontempo

Principal activities

During the period ended 31 May 2021 the principal continuing activities of the company consisted of Gold exploration within the state of New South Wales.

Review of operations

The loss for the company for the period from 1 March 2021 to 31 May 2021 after providing for income tax amounted to \$13,760. (2021: \$56,554).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the period 1 March 2021 to 31 May 2021.

Matters subsequent to the end of the period

No matters or circumstances have arisen since 31 May 2021 that have significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Shares under option

There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the period ended 31 May 2021 and up to the date of this report.

Indemnity and insurance of officers

The company has not indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

Indemnity and insurance of auditor

The company has not, during or since the end of the period ended 31 May 2021, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

Bangles Gold Pty Limited
Directors' report
For the period 1 March 2021 to 31 May 2021

During the period ended 31 May 2021, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the director:

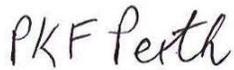


Jason Anthony Bontempo
Director

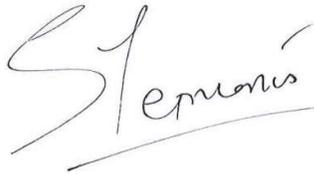
9th August 2021

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF BANGLES GOLD PTY LTD

In relation to our audit of the financial report of Bangles Gold Pty Ltd for the period ended 31 May 2021, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



PKF PERTH



SIMON FERMANIS
PARTNER

9 AUGUST 2021
WEST PERTH,
WESTERN AUSTRALIA

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Bangles Gold Pty Limited
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For the period 1 March 2021 to 31 May 2021

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General information

The financial statements cover Bangles Gold Pty Limited as an individual entity. The financial statements are presented in Australian dollars, which is Bangles Gold Pty Limited's functional and presentation currency.

Bangles Gold Pty Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

61 Evandale Street
FLOREAT WA 6014

Principal place of business

61 Evandale Street
FLOREAT WA 6014

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of director, on 9th August 2021. The directors have the power to amend and reissue the financial statements.

Bangles Gold Pty Limited
Statement of profit or loss and other comprehensive income
For the period 1 March 2021 to 31 May 2021

	Note	1 March 2021 to 31 May 2021	4 Sept 2020 to 28 Feb 2021
Revenue		-	-
Expenses			
Audit fees		(7,260)	(6,000)
Exploration expenditure		-	(43,185)
Formation costs		-	(869)
Professional fees		(6,500)	(6,500)
		<hr/>	<hr/>
Loss before income tax expense		(13,760)	(56,554)
Income tax expense/(benefit)	14	-	-
Loss after income tax expense for the period attributable to the owners of Bangles Gold Pty Limited		(13,760)	(56,554)
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
		<hr/>	<hr/>
Total comprehensive loss for the period attributable to the owners of Bangles Gold Pty Limited		<hr/> <hr/>	<hr/> <hr/>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Bangles Gold Pty Limited
Statement of financial position
As at 31 May 2021

	Note	31 May 2021	28 Feb 2021
Assets			
Current Assets			
Cash on hand		2,400	2,400
Financial assets	3	30,000	30,000
Other current assets	4	17,190	436
Total Current Assets		<u>49,590</u>	<u>32,836</u>
Non-current assets			
Exploration assets	5	136,587	53,659
Total non-current assets		<u>136,587</u>	<u>53,659</u>
Total Assets		<u>186,177</u>	<u>86,495</u>
Liabilities			
Current Liabilities			
Trade and other payables	6	15,937	4,682
Accruals	7	12,500	12,500
Total current liabilities		<u>28,437</u>	<u>17,182</u>
Non-current liabilities			
Borrowings	8	225,654	123,467
Total non-current liabilities		<u>225,654</u>	<u>123,467</u>
Total Liabilities		<u>254,091</u>	<u>140,649</u>
Net liabilities		<u>(67,914)</u>	<u>(54,154)</u>
Equity			
Issued capital	9	2,400	2,400
Accumulated losses	10	(70,314)	(56,554)
Total equity deficiency		<u>(67,914)</u>	<u>(54,154)</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Bangles Gold Pty Limited
Statement of changes in equity
For the period 1 March 2021 to 31 May 2021

Statement of Changes in Equity for the period 1 March 2021 to 31 May 2021	Issued Capital	Accumulated Losses	Total Equity
Balance at 1 March 2021	2,400	(56,554)	(54,154)
Loss after income tax expense for the period	-	(13,760)	(13,760)
Other comprehensive income for the period, net of tax	-	-	-
Contributions of equity	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the period	-	(13,760)	(13,760)
Balance at 31 May 2021	<u>2,400</u>	<u>(70,314)</u>	<u>(67,914)</u>

Statement of Changes in Equity for the period 4 September 2020 to 28 February 2021	Issued Capital	Accumulated Losses	Total Equity
Balance at incorporation	-	-	-
Loss after income tax expense for the period	-	(56,554)	(56,554)
Other comprehensive income for the period, net of tax	-	-	-
Contributions of equity	2,400	-	2,400
	<hr/>	<hr/>	<hr/>
Total comprehensive loss for the period	-	(56,554)	(56,554)
Balance at 28 February 2021	<u>2,400</u>	<u>(56,554)</u>	<u>(54,154)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Bangles Gold Pty Limited
Statement of cash flows
For the period 1 March 2021 to 31 May 2021

	Note	1 March 2021 to 31 May 2021	4 Sept 2020 to 28 Feb 2021
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(85,433)	(93,031)
Net cash used in operating activities	13	<u>(85,433)</u>	<u>(93,031)</u>
Cash flows from investing activities			
Payments for security deposits		-	(30,000)
Net cash from investing activities		<u>-</u>	<u>(30,000)</u>
Cash flows from financing activities			
Proceeds from borrowings		85,433	123,031
Share capital raised		-	2,400
Net cash from financing activities		<u>85,433</u>	<u>125,431</u>
Net increase in cash and cash equivalents		-	2,400
Cash and cash equivalents at beginning of period		<u>2,400</u>	<u>-</u>
Cash and cash equivalents at 31 May 2021		<u><u>2,400</u></u>	<u><u>2,400</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Bangles Gold Pty Limited
Notes to the financial statements
For the period 1 March 2021 to 31 May 2021

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going concern basis

The company has net liabilities of \$67,914 as at 31 May 2021 (28 February 2021: \$54,154) and incurred a loss of \$13,760 (28 February 2021: \$56,554) and net operating cash outflows of \$e85,433 (28 February 2021: \$93,031) for the period ended 31 May 2021.

The Director considers there are reasonable grounds to believe that the company will be able to continue as a going concern after consideration of the following factors:

- The company has the ability to adjust its exploration expenditure subject to results of its exploration activities and the company's funding position.
- The Director is confident that the company will be able to draw on the promissory note with Cairo Resources Inc and this is not required to be repaid within the next 12 months to the detriment of the company.
- The Director is confident that the company will be able to receive funding from BR Corporation and this is not required to be repaid within the next 12 months to the detriment of the company.

The Director believes that the above indicators demonstrate that the company will be able to pay their debts as and when they fall due and to continue as a going concern. Accordingly, the Director also believe that it is appropriate to adopt the going concern basis in the preparation of this interim financial report.

In the event that the company does not achieve the above actions, there exists significant uncertainty as to whether the company will be able to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Bangles Gold Pty Limited's functional and presentation currency.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Bangles Gold Pty Limited
Notes to the financial statements
For the period 1 March 2021 to 31 May 2021

Note 1. Significant accounting policies (continued)

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Exploration assets

Exploration expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Bangles Gold Pty Limited
Notes to the financial statements
For the period 1 March 2021 to 31 May 2021

Note 1. Significant accounting policies (continued)

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the reporting period ended 31 May 2021. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

Conceptual Framework for Financial Reporting (Conceptual Framework)

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 July 2021 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the company has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the company may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the company's financial statements.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Exploration costs

Exploration expenditure results in certain items of expenditure being capitalised for an area of interest where it is considered likely to be recoverable by future exploration or sale, or where the activities have not reached a stage that permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established. These estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to the income statement.

Bangles Gold Pty Limited
Notes to the financial statements
For the period 1 March 2021 to 31 May 2021

Note 3. Current Asset – Financial Assets	31 May 2021	28 February 2021
Security deposits	<u>30,000</u>	<u>30,000</u>

Security deposits are funds held by the NSW Government for the granting of various Exploration Licences

Note 4. Current Asset – Other Current Assets

Loan – Related Party	<u>17,190</u>	<u>436</u>
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Ongoing working capital requirements are facilitated through the abovementioned related party loan. No interest is charged on the loan and the balance is regularly cleared to nil.

Note 5. Non-current Asset - Exploration Asset

Exploration Assets	<u>136,587</u>	<u>53,659</u>
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Note 6. Current liabilities - Trade and other payables

Trade Creditors	<u>15,937</u>	<u>4,682</u>
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Note 7. Current liabilities - Accruals

Accruals	<u>12,500</u>	<u>12,500</u>
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Note 8. Non-current liabilities - Borrowings

Cairo Resources Inc	<u>225,654</u>	<u>123,467</u>
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During the period ended 28 February 2021, Cairo Resources Inc. and Bangles Gold Pty Ltd established a Promissory Note with a principal amount of CAD\$250,000. As at 31 May 2021 Cairo Resources Inc. has advanced a total AUD\$225,654 (CAD\$225,000) to Bangles Gold Pty Ltd.

No interest will be payable on the outstanding portion of the principal amount, except that after termination or any event of default, judgement or maturity, the Borrower shall pay interest to the Lender on the outstanding portion of the principal amount from the date of such termination, event of default, judgement or maturity to and including the date of repayment of the indebtedness at the rate of 10% per annum, calculated on a calendar year basis. For the purposes of calculating interest, unpaid interest in arrears, if any, shall be compounded monthly.

Bangles Gold Pty Limited
Notes to the financial statements
For the period 1 March 2021 to 31 May 2021

Note 9. Equity - Issued Capital

	31 May 2021 Shares	31 May 2021 \$	28 February 2021 Shares	28 February 2021 \$
Ordinary shares - fully paid	1,500,000	2,400	1,500,000	2,400

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

The company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The company is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Note 10. Equity – Accumulated losses

	31 May 2021	28 February 2021
Accumulated losses at the beginning of the period	(56,554)	-
Losses after income tax expense for the period	(13,760)	(56,554)
Accumulated losses at the end of the period	<u>(70,314)</u>	<u>(56,554)</u>

Note 11. Remuneration of auditors

During the period the following fees were paid or payable for services provided by PKF Perth, the auditor of the company:

Audit services – PKF Perth

Audit of the financial statements	6,000	6,000
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Other services – PKF Perth

Preparation of the financial statements	6,500	6,500
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	<u>12,500</u>	<u>12,500</u>
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Bangles Gold Pty Limited
Notes to the financial statements
For the period 1 March 2021 to 31 May 2021

Note 12. Matters subsequent to the end of the period

Bangles Gold Pty Ltd completed a drawdown of the Cairo Resources Inc Promissory Note of CAD\$25,000 on 26 July 2021.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 31 May 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 May 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 13. Reconciliation of loss after income tax to net cash from operating activities

	31 May 2021	28 February 2021
Loss after income tax expense for the period ended	(13,760)	(56,554)
Change in operating assets and liabilities:		
Increase in exploration assets	(82,928)	(53,659)
Increase/(decrease) in trade and other payables	11,255	4,682
Increase in other provisions	-	12,500
Net cash from operating activities	<u>(85,433)</u>	<u>(93,031)</u>

Note 14. Income Tax benefit

Recognised in the income statement:

<i>Current tax (expense) / benefit</i>	-	-
<i>Deferred tax (expense) / benefit</i>	-	-
Total income tax (expense) / benefit	<u>-</u>	<u>-</u>

Reconciliation between tax expense and pre-tax net loss

Loss before income tax	<u>(13,760)</u>	<u>(56,554)</u>
Income tax calculated at 26%	<u>3,578</u>	<u>14,704</u>
Deferred tax asset not brought to account	<u>(3,578)</u>	<u>(14,704)</u>
Income tax expense on pre-tax net loss	-	-
Weighted average rate of tax	<u>26%</u>	<u>26%</u>

Bangles Gold Pty Limited
Notes to the financial statements
For the period 1 March 2021 to 31 May 2021

31 May 2021 **28 February
2021**

Note 15. Related party transactions

Receivables from related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties

Loan – Related Party	17,190	436
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Ongoing working capital requirements are facilitated through the abovementioned related party loan. No interest is charged on the loan and the balance is regularly cleared to nil.

Note 16. Commitments & Contingencies

Minimum expenditure commitments but not recognised in the financial statements:

1 year or less	157,500	100,000
Between 1 and 5 years	366,000	423,500
Over 5 years	-	-
	523,500	523,500

Contingent liabilities

The entity had no contingent liabilities as at 31 May 2021.

Note 17. Financial Instruments

Financial risk management objectives

The Company's activities do not expose it to many financial risks, with only liquidity risk being needed to be actively managed.

Market risk

Foreign currency risk

The Company is not exposed to any significant foreign currency risk.

Price risk

The Company is not exposed to any significant price risk.

Interest rate risk

The Company is not exposed to any significant interest rate risk.

Credit risk

The Company is not exposed to any significant credit risk.

Liquidity risk

Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Bangles Gold Pty Limited
Notes to the financial statements
For the period 1 March 2021 to 31 May 2021

Note 17. Financial Instruments (Continued)

Remaining contractual maturities

The following tables detail the incorporated association's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

31 May 2021	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	15,937	-	-	-	15,937
Borrowings	-	225,654	-	-	-	225,654
Total non-derivatives		241,591	-	-	-	241,591

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

28 February 2021	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	4,682	-	-	-	4,682
Borrowings	-	123,467	-	-	-	123,467
Total non-derivatives		128,149	-	-	-	128,149

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 18. Earnings per share

	31 May 2021 Cents	28 Feb 2021 Cents
Earnings per share for losses attributable to the owners;		
Basic earnings per share	0.92	3.77
Diluted earnings per share	0.92	3.77

Bangles Gold Pty Limited
Notes to the financial statements
For the period 1 March 2021 to 31 May 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 May 2021 and of its performance for the period ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Jason Anthony Bontempo
Director

9th August 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

BANGLES GOLD PTY LTD

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Bangles Gold Pty Ltd (the "Company"), which comprises the statement of financial position as at 31 May 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Company.

In our opinion, the accompanying financial report of Bangles Gold Pty Ltd, is in accordance with the Corporations Act 2001, including:

- i) Giving a true and fair view of the Company's financial position as at 31 May 2021 and its performance for the period ended on that date; and
- ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.
- iii) These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

In complying with Australian Auditing Standards we are complying with the International Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty

Without modifying our opinion, we draw attention to the financial report which indicates the Company has incurred a loss of \$13,760 and operating cash outflows of \$85,433 for the period ended 31 May 2021. These conditions along with other matters in note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report of the Company does not include any adjustments in relation to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

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PO Box 609, West Perth, WA 6872
T: +61 8 9426 8999 F: +61 8 9426 8900 www.pkfperth.com.au

Independence

We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including independence requirements) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's financial report for the period ended 31 May 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors' for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

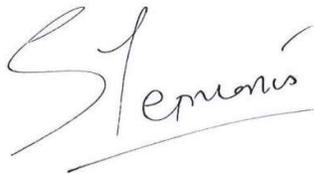
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PKF Perth

PKF PERTH (ABN: 64 591 268 274)



SIMON FERMANIS
PARTNER

9 AUGUST 2021
WEST PERTH,
WESTERN AUSTRALIA

SCHEDULE D – BANGLES MD&A

BANGLES GOLD PTY LIMITED

FORM 51-102F1

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED MAY 31, 2021 & THE PERIOD FROM INCORPORATION (SEPTEMBER 4, 2020) TO FEBRUARY 28, 2021

Introduction

This Management's Discussion and Analysis ("MD&A") of Bangles Gold Pty Limited. is the responsibility of management and covers the three months ended May 31, 2021 and the period from incorporation (September 4, 2020) to February 28, 2021. The MD&A takes into account information available up to and including August 30, 2021, and should be read together with the audited financial statements for the three months ended May 31, 2021 and the period from incorporation (September 4, 2020) to February 28, 2021.

Throughout this document the terms we, us, our, the Company and Bangles refer to Bangles Gold Pty Limited. All financial information in this document is prepared in accordance with International Financial Reporting Standards ("IFRS") and is presented in Australian dollars unless otherwise indicated.

This document contains forward-looking statements. Please refer to "Note Regarding Forward-Looking Statements."

Description of Business

The Company is a mineral resource company engaged in the business of gold exploration within the state of New South Wales. The Company's principal property is the Koonenberry North project.

Bangles is the holder of a 100% legal and beneficial interest in three (3) exploration licence applications ("ELA's") located in New South Wales ("NSW"), Australia.

Performance Summary

During the year ended February 28, 2021

On January 26, 2021, the Company entered into a binding letter agreement (the "Letter Agreement") in respect of a proposed business combination (the "Proposed Transaction").

The Letter Agreement contemplates that Cairo and Bangles will negotiate and enter into a definitive agreement in respect of the Proposed Transaction (the "Definitive Agreement"), pursuant to which it is anticipated that Cairo will acquire all of the issued and outstanding Bangles common shares, and the shareholders of Bangles will receive Cairo common shares in exchange for their Bangles common shares. The Proposed Transaction will be structured as a share exchange or other structure based on the advice of the parties' respective advisors and taking into account various securities, tax, operating and other considerations.

Pursuant to the Proposed Transaction, Cairo intends to issue an aggregate of 5,000,000 Cairo common shares and \$112,500 of cash consideration will be paid pro rata to the shareholders of Bangles in exchange for 100% of the Bangles common shares.

The completion of the Proposed Transaction remains subject to a number of terms and conditions.

In connection with the Proposed Transaction, Cairo and Bangles entered a Promissory Note Agreement dated February 4, 2021. Under the terms of the Promissory Note Agreement, Cairo will advance secured loans of up to CAD \$250,000 to Bangles, which are non-interest bearing and have a term of one year. In the event that the Definitive Agreement is terminated, these loans will be due on demand and bear interest at 10%, compounded monthly. The

loans are secured by the common shares of Bangles. The loans will be used by Bangles for working capital purposes.

During the year ended February 28, 2021, the Company received CAD \$125,000 from Cairo under the terms of the Promissory Note Agreement.

During the period ended May 31, 2021

On June 15, 2021, the Company entered into a definitive agreement in respect of the Proposed Transaction (the "Definitive Agreement"), pursuant to which it is anticipated that Cairo will acquire all of the issued and outstanding common shares of Bangles, and the shareholders of Bangles will receive Cairo common shares in exchange for their Bangles common shares.

As at May 31, 2021, the Company received CAD \$225,000 (February 28, 2021 - \$125,000) from Cairo under the terms of the Promissory Note Agreement.

Concurrent Financing

In connection with the Proposed Transaction, the parties will arrange a concurrent financing of units of Cairo ("Units") for gross proceeds of C\$2,100,000 or such lesser or greater amount agreed to by the parties, at a price of C\$0.28 per Unit (the "Concurrent Financing"). Each Unit will consist of one Cairo Share and one-half of a share purchase warrant of Cairo ("Warrants"), with each whole Warrant exercisable for a period of eighteen (18) months at a price of C\$0.40 per Cairo Share. The Concurrent Financing may be structured as a subscription receipt offering. Other than in connection with the Concurrent Financing, neither party will issue any shares or rights exchangeable or exercisable into shares of such party prior to closing of the Proposed Transaction.

The proceeds of the Concurrent Financing will be used to fund a proposed phase 1 exploration program on the ELA's and for general working capital.

Unless described elsewhere in this report, there were no other significant events or transactions during or subsequent to the period to the date of this report.

Exploration Projects

Bangles is the holder of a 100% legal and beneficial interest in three (3) exploration licence applications ("ELA's") located in New South Wales ("NSW"), Australia. ELA 6056, ELA 6058 and ELA 6059 cover an area of ~680 km² over sections of the mineralised Koonenberry Fault and associated secondary faults and splays located in the north west of NSW, Australia. Geoscientists from the Geological Survey of NSW have concluded that "mineralisation styles and structural development in the Koonenberry Orogenic Belt are remarkably similar to the Victorian Goldfields in the Western Lachlan Orogen" (Greenfield and Reid, 2006). In their detailed assessment and comparison, they highlighted similarities in the style of mineralisation, mineral associations, metal associations, hydrothermal alteration, structural setting, timing of metamorphism and the age of mineralisation, association with I-type magmatism, and the character of the sedimentary host rocks. Mineralisation in the Koonenberry region is classified as orogenic gold and is typical of turbidite-hosted/slate-belt gold provinces (Greenfield and Reid, 2006). The region hosts the historic Albert Goldfield, which was discovered in the late 1800s and was centred on several gold mining centres located throughout the district.

- Exploration expenditures to date on the project total \$110,400 comprising:
- Airborne magnetics survey - \$87,800
- Airborne magnetics survey approvals - \$5,000
- Geological services & Mag Survey co-ordination - \$17,600

Future Exploration Plans

The Company intends to use the proceeds raised in the financing to initiate the phase one work program, which is detailed in 43-101 Technical Report (the "Technical Report"). The recommended work program proposed in the Exploration Licence Applications, and which have been approved in the EL Grant documents, includes:

- Data compilation
- Acquisition and modelling of airborne geophysics data
- Field traversing and geological mapping

- Soil / rock geochemical sampling
- Surface geophysics to define drilling targets
- Drilling of defined targets

The breakdown of the proposed phase 1 exploration expenditures covering the three ELs include:

Program	Area	Cost (\$)	Comment
Geophysics modelling	All ELs	20,000	In progress
Geological mapping & soil / rock sampling	EL9064	58,000	Includes assay costs
Surface geophysics to define drilling targets	All ELs	40,000	IP / EM, magnetics
Drilling of targets	All ELs	260,000	
TOTAL EXPENDITURES		527,863	

Results of Operations

For the year ended February 28, 2021:

During the year ended February 28, 2021, the Company incurred a net loss of \$56,554.

Significant expenditures for the period included:

- Exploration expenditures on the Koonenberry North project of \$43K
- General and administrative expenditures of \$13K

For the period ended May 31, 2021:

During the period ended May 31, 2021, the Company incurred a net loss of \$13,760 which was all related to general and administrative expenditures.

Select Financial Information

	For the period ended May 31, 2021	For the year ended February 28, 2021
Total revenue	\$0	\$0
Net loss	\$13,760	\$56,554
Total assets	\$186,177	\$86,495
Current and Total liabilities	\$254,091	\$140,649
Earnings per share	(\$0.92)	(\$3.77)
Dividends paid/payable	\$0	\$0

Liquidity

Bangles mineral exploration and development activities do not provide a source of income and we therefore have a history of losses, working capital deficiencies and an accumulated deficit. However, given the nature of our business, the results of operations as reflected in the net losses and losses per share do not provide a complete interpretation of our valuation.

As at May 31, 2021, the Company had a working capital deficit \$204,501 (February 28, 2021 - \$107,813).

Operating Activities: The Company does not generate cash from operating activities. Net cash used in the Company for operating activities, which includes exploration activities, for the period ended May 31, 2021, was \$85,433 compared to \$93,031 used for the year ended February 28, 2021.

Investing Activities: During the period ended May 31, 2021, the Company did not have any investing activities. For the

year ended February 28, 2021, the company paid \$30,000 for security deposits associated with the Bangles property.

Financing Activities: During the period ended May 31, 2021, the Company received \$85,433 as a loan from Cairo. For the year ended February 28, 2021, the Company received \$123,031 as a loan from Cairo, and received \$2,400 in equity capital.

The consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Without additional financing, the Company will be unable to fund its ongoing operations for the next twelve months. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. The Company will need to raise sufficient working capital to maintain operations.

Related Party Transactions

The following balances are outstanding at the reporting date in relation to transactions with related parties:

The company had \$17,190 and \$436 as receivables owed to related parties at May 31, 2021, and February 28, 2021, respectively. Ongoing working capital requirements are facilitated through the related party loans. No interest is charged on the loan and the balance is regularly cleared to nil.

Outstanding Share Data

As at May 31, 2021 and February 28, 2021, the Company had 1,500,000 common shares issued and outstanding.

Contractual Obligations

Except as described herein or in the Company's consolidated financial statements for the periods ended May 31, 2021 and February 28, 2021, the Company had no material contractual obligations.

Off-Balance Sheet Arrangements

At May 31, 2021, and February 28, 2021, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Proposed Transactions

Except as elsewhere disclosed in this document, there are no other proposed transactions under consideration.

Risk Factors

The Company's activities do not expose it to many financial risks, with only liquidity risk being needed to be actively managed.

Market risk

Foreign currency risk

The Company is not exposed to any significant foreign currency risk.

Price risk

The Company is not exposed to any significant price risk.

Interest rate risk

The Company is not exposed to any significant interest rate risk.

Credit risk

The Company is not exposed to any significant credit risk.

Liquidity risk

Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Critical Accounting Estimates and Judgements

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include accrued liabilities, and the recoverability of deferred tax assets.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Information about critical judgments in applying accounting policies that have the most significant effect of amounts recognized in the financial statements is included going concern assessment.

Managements Responsibility for Financial Statements

The information provided in this report, including the financial statements is the responsibility of Management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the accompanying financial statements.

Forward Looking Statements

Certain sections of this Management Discussion and Analysis may contain forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from actual future results. The risks, uncertainties and other factors that could influence actual results are described in the "Risks and Uncertainties" section of this report. The forward-looking statements contained herein are based on information available as of the date of this report.

SCHEDULE E – PRO FORMA FINANCIAL STATEMENTS

CAIRO RESOURCES INC.
(to be renamed Gladiator Metals Corp.)

Pro-Forma Consolidated Statement of Financial Position

As at May 31, 2021

(Unaudited – Prepared By Management)

(Expressed in Canadian Dollars)

CAIRO RESOURCES INC.
(to be renamed Gladiator Metals Corp.)
PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MAY 31, 2021 (UNAUDITED)

(expressed in Canadian Dollars)

	BANGLES GOLD PTY. LTD. MAY 31, 2021 (AUD\$)	BANGLES GOLD PTY. LTD. MAY 31, 2021 (CAD\$)	CAIRO RESOURCES INC. MAY 31, 2021 (CAD\$)	PRO FORMA ADJUSTMENTS (CAD\$)	NOTES	PRO FORMA CONSOLIDATED (CAD\$)
ASSETS						
Current Assets						
Cash	\$ 2,400	\$ 2,242	\$ 178,985	\$ 2,380,000	3(b)	\$ 2,448,727
				(112,500)	3(d)	
Financial assets	30,000	28,023	-	-		28,023
Other current assets	17,190	16,057	227,544	(225,000)	3(c), 3(d)	18,601
	49,590	46,322	406,529	2,042,500		2,495,351
Non-Current Assets						
Exploration and evaluation asset	136,587	127,586	-	2,183,034	3(d)	2,310,620
Total Assets	\$ 186,177	\$ 173,908	\$ 406,529	\$ 4,225,534		\$ 4,805,971
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)						
Current Liabilities						
Accounts payable and accrued liabilities	\$ 28,437	\$ 26,563	\$ 23,138	\$ -		\$ 49,701
Non-Current Liabilities						
Borrowings	225,654	210,783	-	(210,783)	3(c)	-
Total Liabilities	254,091	237,346	23,138	(210,783)		49,701
Shareholders' Equity (Deficiency)						
Capital stock	2,400	2,242	960,959	2,380,000	3(b)	5,333,838
				1,850,000	3(d)	
				142,879	3(d)	
				(2,242)	3(c)	
Reserves	-	-	101,904	-		101,904
Deficit	(70,314)	(65,681)	(679,472)	65,681	3(c)	(679,472)
	(67,914)	(63,439)	383,391	4,436,318		4,756,270
	\$ 186,177	\$ 173,907	\$ 406,529	\$ 4,225,535		\$ 4,805,971

The accompanying notes are an integral part of the pro-forma consolidated statement of financial position

1. Proposed Transaction

On January 26, 2021, Cairo Resources Inc. (the "Company") entered into a binding letter agreement (the "Letter Agreement") with Bangles Gold Pty. Ltd. ("Bangles") in respect of a proposed business combination (the "Proposed Transaction"). It is anticipated that the Proposed Transaction will constitute the Company's "Qualifying Transaction" pursuant to Policy 2.4 of the TSX-V.

Bangles is the holder of a 100% legal and beneficial interest in three exploration licence applications ("ELA's") located in New South Wales ("NSW"), Australia ELA 6056, ELA 6058 and ELA 6059 cover an area of ~680 km² over sections of the mineralised Koonenberry Fault and associated secondary faults and splays located in NSW, Australia. The Koonenberry region is an emerging gold district.

The Letter Agreement contemplates that the Company and Bangles will negotiate and enter into a definitive agreement in respect of the Proposed Transaction (the "Definitive Agreement"), pursuant to which it is anticipated that the Company will acquire all of the issued and outstanding common shares of Bangles, and the shareholders of Bangles will receive the Company's common shares in exchange for their Bangles common shares.

Pursuant to the Proposed Transaction, the Company intends to issue an aggregate of 5,000,000 of the Company's common shares and \$112,500 of cash consideration will be paid pro rata to the shareholders of Bangles in exchange for 100% of the Bangles Shares. A finder's fee of 386,160 of the Company's common shares will be payable by the Company to an arm's length third party in connection with the closing of the Proposed Transaction.

The completion of the Proposed Transaction remains subject to a number of terms and conditions. Upon completion of the Proposed Transaction, it is anticipated that the Resulting Issuer will be listed as a Tier 2 Mining Issuer on the TSX-V, with Bangles as its primary operating subsidiary.

In connection with the Proposed Transaction, the Company and Bangles entered a Promissory Note Agreement dated February 4, 2021. Under the terms of the Promissory Note Agreement, the Company will advance secured loans of up to \$250,000 to Bangles, which are non-interest bearing and have a term of one year. In the event that the Definitive Agreement is terminated, these loans will be due on demand and bear interest at 10%, compounded monthly. The loans are secured by the common shares of Bangles, of which there are currently 1,500,000 outstanding. The loans will be used by Bangles for working capital purposes. As at May 31, 2021, the Company had advanced a total of \$225,000 to Bangles under the terms of the Promissory Note Agreement.

In connection with the Proposed Transaction, the parties will arrange a concurrent financing of units of the Company ("Units") for gross proceeds of \$2,380,000, at a price of \$0.28 per Unit. Each Unit will consist of one common share and one-half of a share purchase warrant of the Company ("Warrants"), with each whole Warrant exercisable for a period of eighteen months at a price of \$0.40 per common share.

2. Basis of Presentation

The accompanying unaudited pro-forma consolidated statement of financial position of the Company has been prepared by management of the Company for inclusion in the Filing Statement dated August 30, 2021, in connection with the acquisition of 100% of Bangles. As a result, the Company is no longer considered a capital pool company and is classified as a mineral exploration company.

The unaudited pro-forma consolidated statement of financial position of the Company has been compiled from and combines the unaudited condensed interim statement of financial position of the Company as at May 31, 2021, with the audited statement of financial position of Bangles as at May 31, 2021, after giving effect to the Transaction. The unaudited pro forma consolidated statement of financial position of the Company should be read in conjunction with the unaudited condensed interim financial statements of the Company for the period ended May 31, 2021, and the audited consolidated financial statements of Bangles as at May 31, 2021 and for the period September 4, 2020 (date of Incorporation) to February 28, 2021, as disclosed in the Filing Statement available at www.sedar.com.

CAIRO RESOURCES INC.
(to be renamed Gladiator Metals Corp.)
NOTES TO PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MAY 31, 2021 (UNAUDITED)

(expressed in Canadian dollars)

It is management's opinion that the unaudited pro-forma consolidated statement of financial position includes all adjustments necessary for the fair presentation of the transactions described herein and is in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Actual amounts recorded upon consummation of the Transactions will differ from those recorded in the unaudited pro-forma consolidated statement of financial position and the differences may be material.

3. Pro-Forma Adjustments and Assumptions

The unaudited pro-forma consolidated statement of financial position incorporates the following assumptions:

- (a) Bangles consolidated statement of financial position are translated based on foreign exchange of AUD\$1 = CAD\$0.9342
- (b) In connection with the Proposed Transaction, the parties will arrange a concurrent financing of 8,500,000 Units at a price of \$0.28 per Unit for gross proceeds of \$2,380,000. Each Unit will consist of one common share and one-half of a share purchase Warrant, with each whole Warrant exercisable for a period of eighteen months at a price of \$0.40 per common share. As the fair value of the Unit is greater than the issuance price, \$nil value was allocated to the Warrant's valuation.
- (c) Elimination of intercompany foreign exchange, capital stock, loans and loan receivables.
- (d) In connection to this asset acquisition, the Company intends to issue 5,000,000 common shares (fair value of \$1,850,000) and to pay \$112,500 cash consideration to the shareholders of Bangles in exchange for 100% of the Bangles Shares. A finder's fee of 386,160 common shares of the Company (fair value of \$142,879) will also be issued.

The preliminary allocation of estimated consideration transferred is subject to change and is summarized as follows:

Purchase Price		
5,000,000 common shares of the Company	\$	1,850,000
Finder's fee (common shares of the Company)		142,879
Cash		112,500
Loan forgiven		225,000
Total Purchase Price	\$	2,330,379
Allocation of Purchase Price		
Cash	\$	2,242
Other current assets		44,080
Exploration and evaluation asset		2,310,620
Accounts and accrued liabilities		(26,563)
	\$	2,330,379

The pro-forma adjustments and allocations of the estimated consideration transferred are based in part on estimates of the fair value of assets to be acquired and liabilities to be assumed. The final determination of the consideration transferred and the related allocation of the fair value of the Bangles net assets to be acquired pursuant to the Transaction will ultimately be determined after the closing of the transaction. It is likely that the final determination of the consideration transferred and the related allocation of the fair value of the assets acquired, and liabilities assumed will vary from the amounts present in the unaudited pro-forma consolidated statement of financial position and that those differences may be material.

CAIRO RESOURCES INC.
(to be renamed Gladiator Metals Corp.)
NOTES TO PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MAY 31, 2021 (UNAUDITED)

(expressed in Canadian dollars)

4. Pro-Forma Tax Rate

The pro-forma effective tax rate that will be applicable to the operations of the Company is 27%.

Federal tax rate	16%
Provincial tax rate	11%
Pro-forma effective tax rates	27%

5. Pro-Forma Share Capital

As a result of the Transaction, the share capital as at May 31, 2021 in the pro-forma consolidated statement of financial is comprised of the following:

Authorized

Unlimited common shares, without par value

	Note	Number of Shares	Share Capital
Balance, as at May 31, 2021		5,256,473	\$ 960,959
Share issuance for acquisition of Bangles	3(d)	5,000,000	1,850,000
Share issuance from finder fees	3(d)	386,160	142,879
Share issuance from private placement	3(b)	8,500,000	2,380,000
Pro-Forma Share Capital		19,142,633	\$ 5,333,838

SCHEDULE F – GLOSSARY OF TECHNICAL TERMS

Aeromagnetic survey	An airborne geophysical survey to detect variations in the Earth's magnetic field due to the presence (or absence) of magnetic rocks or minerals.
Ag	Chemical symbol for silver
Alluvium	A general term for unconsolidated material deposited during comparatively recent geological time by running water or wind.
Alteration	A chemical change to original rock minerals.
Alteration halo	A zone of a similar style of alteration around mineralisation
Andesitic	An intermediate variety of igneous rock.
Anomalous	Having statistically significantly higher or lower values than the norm.
Argillic	Refers to alteration of original rock to clay minerals.
As	Chemical symbol for arsenic.
Assay	A chemical method to determine the metal content of a sample.
Au	Chemical symbol for gold.
Basalt	A dark-coloured, fine-grained, igneous rock composed mainly of plagioclase and pyroxene minerals, commonly forming as an extrusive rock, such as a lava flow.
Batholith	A large igneous intrusion, usually >100sq km in area.
Bornite	A copper ore mineral composed of copper, iron and sulphur.
Breccia	A rock type composed mainly of broken angular fragments.
Chalcocite	A copper ore mineral composed of copper and sulphur.
Chalcopyrite	A copper ore mineral composed of copper, iron and sulphur.
Channel sample	A technique of sampling rock outcrops for quantitative assaying whereby a representative sample is collected over a specific length.
Crust	Outermost layer of the earth.
Crustal plate	Large, rigid segment of the earth's crust.
Cu	Chemical symbol for copper.
Deformation	Process by which rocks are folded and faulted.
DEM	Digital Elevation Model
Diamond drilling	A drilling technique using diamond tipped drill bits to extract cylindrical rock core for analysis.
Diatreme	A vertical, pipe or funnel shaped body of intrusive breccia.

Diorite	A dark coloured variety of intermediate intrusive rock.
Dyke	A narrow, generally tabular, igneous intrusion that cuts across geological strata.
EM	Electromagnetics, an electrical geophysical surveying method
Epithermal	Refers to geologic processes taking place at low temperature and pressure near the Earth's surface.
Fe	Chemical symbol for iron.
Feldspar	Variety of common rock forming minerals containing silica, aluminium and variable amounts of calcium, potassium and sodium.
Felsic	An intermediate or silicic igneous rock containing abundant feldspar +/- quartz.
Ferro-magnesian	Pertaining to minerals that have high contents of iron and magnesium.
Gabbro	A coarse grained intrusive rock having high contents of ferro-magnesian minerals.
Geochemical sample	A sample of rock, soil or sediments collected for analysis to determine metal or mineral content.
Geophysical survey	Methods to measure the physical properties of the earth, such as electrical, magnetic or density.
Grade	Quantity of gold or other metal per unit weight of the host rock or sample.
Granite	A variety of coarse grained intrusive rock with high contents of feldspar and quartz
Granodiorite	A variety of coarse grained intrusive rock with high contents of feldspar and quartz and lesser ferro-magnesian minerals.
g/t	Grams per tonne.
Hematite	Iron oxide mineral with general formula of Fe_2O_3
Highbanker	A combination suction dredge / sluice box used for gold prospecting.
Hydrothermal	Refers to geologic processes related to hot fluids.
Igneous	Rock types formed from the cooling and solidification of molten magma.
Intermediate	A type of igneous rock containing 45-55% silica (SiO_2) and less than 10% free quartz.
Intrusive	An igneous rock solidified from magma beneath the earth's surface.
Intrusive complex	An area containing a number of intrusive bodies.
IP	Induced Polarisation, an electrical geophysical surveying technique.
Lava	A volcanic rock solidified from magma extruded onto the earth's surface.
Limestone	A sedimentary rock composed mainly of calcium carbonate.
Limonite	A variety of hydrated iron oxide formed during weathering.
Ma	Symbol for millions of years before the present time.

Mafic	Referring to igneous rocks composed dominantly of ferro-magnesian minerals and minor feldspar.
Magma	Molten rock composed of mineral crystals and dissolved gases.
Magnetic	Refers to rocks or minerals with magnetic properties.
Magnetite	A magnetic iron oxide mineral.
Mesothermal	Refers to geologic processes taking place at moderate temperatures and depths, commonly 350m-1500m below surface.
Metamorphism	Processes by which rock forming minerals are changed by heat and/or pressure.
Mineral Resource	A concentration or occurrence in the Earth's crust of material of intrinsic value in such form, quality and quantity that there are reasonable prospects for eventual economic extraction.
Mineralisation	Concentration of metals or other minerals of value within a body of rock.
Miocene	A geological time period ranging from 23.3 to 5.2 million years ago.
MMI	Mobile Metal Ion geochemistry technique designed to detect hidden mineralisation through selective analysis of metal ions that travel upward from mineralization to unconsolidated surface materials such soil.
Mo	The chemical symbol for molybdenum.
Molybdenite	The main molybdenum ore mineral, composed of molybdenum and sulphur.
Ni	Chemical symbol for nickel.
Outcrop	Exposure of bedrock at the surface projecting through soil cover.
Pb	Chemical symbol for lead.
Phenocryst	A relatively large mineral crystal set in a finer grained groundmass.
Pliocene	A geological time period ranging from 5.2 to 2.6 million years ago
Porphyry	Refers to the texture of igneous rocks containing visible crystals in a fine-grained groundmass.
Porphyry copper	Refers to a large, generally low grade copper deposit related to intrusive rocks.
Propylitic alteration	Chemical alteration of a rock caused by hydrothermal fluids, typically resulting in epidote–chlorite–albite alteration, veining or fracture filling, along with pyrite.
Prospect	An area within a mining tenement that has indications of the occurrence of mineralisation, upon which exploration efforts are concentrated.
Pyrite	A common iron mineral composed of iron and sulphur.
ppm	Parts per million.
Propylitic	A type of rock alteration commonly associated with mineral deposits.
Pyrite	A common iron mineral composed of iron and sulphur.
Pyroclastic	A type of fragmental volcanic rock formed by violent volcanic eruptions.

Quartz	A common rock forming mineral composed of silica and oxygen.
Quaternary	A geological time period ranging from 2.6 million years ago to present.
Resistivity	A geophysical surveying technique to compare bulk rock electrical properties.
Rock chip	A technique of sampling rock outcrops for quantitative assaying.
RTP	Rotated to pole – a method of processing magnetics data to show the response that would be generated if the bodies were located at the magnetics pole.
Shear	A narrow, linear zone of rock deformation or faulting.
Silicified	Alteration of a rock to silica.
Skarn	A rock type formed by alteration of limestone by heat from an intrusive body.
Sphalerite	A zinc ore mineral composed of zinc, iron and sulphur
Stock	A relatively small intrusive body with generally circular or elliptical outline.
Stockwork	A closely spaced network of intersecting veins.
Subduction zone	The edge of an oceanic crustal plate where the denser oceanic crust is forced below lighter continental crust.
Sulphide	A type of mineral composed of a metal or metals combined with sulphur.
Tectonic	A term relating to major structures of the earth.
Tenement	Area of land defined by a Government authority over which the holder has the sole rights to mineral exploration or mining activities.
Ultramafic	Referring to igneous rocks composed dominantly of ferro-magnesian minerals.
Vein	A narrow, tabular or sheet-like body of rock or minerals.
Weathering	Set of processes at or near the surface whereby bedrock is broken up or decayed by physical or chemical processes.
Zn	Chemical symbol for zinc