

ANGOLD RESOURCES LTD.

**AMENDED AND RESTATED ANNUAL INFORMATION FORM
for the Fiscal Year ended April 30, 2021
(Amending and restating the annual information form dated October 14, 2021)**

Dated November 24, 2021

CORPORATE OFFICE

Suite 918, 1030 West Georgia Street
Vancouver, British Columbia V6E 2Y3

REGISTERED OFFICE

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Vancouver, British Columbia V6C 3E8

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PRELIMINARY NOTES AND CAUTIONARY STATEMENT

Date of Information

All information in this Amended and Restated Annual Information Form (“AIF”) is as of April 30, 2021, unless otherwise indicated. This AIF has been amended and restated to update certain technical information on the Iron Butte Property (as defined herein).

Currency

Except where otherwise indicated, all references to currency in this AIF are to Canadian Dollars (“\$”).

Forward-Looking Information

Except for statements of historical fact, this AIF contains certain “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar terms, or statements that certain events or conditions “might”, “may”, “could” or “will” occur. Forward-looking information includes all matters that are not historical facts. In particular, forward-looking information in this AIF includes, but is not limited to, statements with respect to the Company’s future outlook, future events, proposed exploration and development activities, timing and method for funding thereof, results of exploration and development activities, characterization of mineralization, geological modelling, data integration and interpretation, the estimation and accuracy of mineral resources, magnitude or quality of mineral deposits, anticipated advancement of mineral properties and programs, future exploration prospectus, expectations regarding the ability to raise capital and to be able to obtain and maintain all applicable licenses and permits for proposed activities, treatment under governmental regulatory regimes, status assets, future growth and performance and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking statements are necessarily based upon a number of factors and assumptions that, if untrue, could cause actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such statements. Forward-looking statements are based upon a number of estimates and assumptions that, while considered reasonable by the Company at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause the Company’s actual financial results, performance, or achievements to be materially different from those expressed or implied herein. Some of the material factors or assumptions used to develop forward-looking statements include, without limitation, general economic conditions in Canada and globally, the future price of precious and base metals, anticipated costs and the Company’s ability to fund its programs, the Company’s ability to carry on exploration and development activities, development of the COVID-19 pandemic and the impact of COVID-19 on the Company, the timing and results of drilling programs, the discovery of mineral resources on the Company’s mineral properties, the timely receipt of required approvals and permits, including those approvals and permits required for successful project permitting, construction and operation of projects, governmental regulation of the mining industry, including environmental regulation, the costs of exploration and development expenditures, the Company’s ability to operate in a safe, efficient and effective manner, the potential impact of natural disasters and the Company’s ability to obtain financing as and when required and on reasonable terms.

Forward-looking information involves 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 any future results, performance or achievements expressed or implied by the forward-looking information. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no

assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Known and unknown factors could cause actual results or events to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets; changes in interest rates; disruption to the credit markets and delays in obtaining financing; inflationary pressures; risks arising from holding derivative instruments (such as credit risk, market liquidity risk and mark-to-market risk); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States of America, Chile, or other countries in which the Company may carry on business; business opportunities that may be presented to, or pursued by the Company; the Company's ability to successfully integrate acquisitions; operating or technical difficulties in connection with business activities; the possibility of cost overruns or unanticipated expenses; employee relations; the risks of obtaining and renewing necessary licenses and permits; diminishing quantities or grades of reserves; adverse changes in the Company's credit rating; the occurrence of natural disasters, hostilities, acts of war or terrorism; and the development of the COVID-19 pandemic and the impact of COVID-19 on the Company. The factors identified above are not intended to represent a complete list of the factors that could affect the Company. Additional factors are noted under the heading "*Risk Factors*" as well as in our public filings available at www.sedar.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievement may vary materially from those expressed or implied by the forward-looking information contained in this AIF. These factors should be carefully considered and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this AIF. All subsequent forward-looking information attributable to the Company herein is expressly qualified in its entirety by the cautionary statements contained in or referred to herein. The Company do not undertake any obligation to release publicly any revisions to this forward-looking information to reflect events or circumstances that occur after the date of this AIF or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Certain Other Information

Certain information in this AIF is obtained from third party sources, including public sources, and there can be no assurance as to the accuracy or completeness of such information. Although believed to be reliable, management of the Company has not independently verified any of the data from third party sources unless otherwise stated.

Scientific and Technical Information

Unless otherwise indicated, the scientific and technical information contained in this AIF relating to the Company's mineral properties has been reviewed and approved by David Smith, former Vice President of Global Exploration a "qualified person" as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**").

CORPORATE STRUCTURE

Name, Address, and Incorporation

The Company was incorporated on October 6, 2004 under the *Canada Business Corporations Act*, under the name Huntingdon Capital Inc. On July 25, 2007, the Company changed its name from "Huntingdon Capital Inc." to "MetroBridge Networks International Inc." On December 6, 2011, the Company changed its name from "MetroBridge Networks International Inc." to "Clemson Resources Corp." On October 22, 2012, the Company completed a continuation under the *Business Corporations Act* (British Columbia) ("**BCBCA**"). On April 15, 2013, the Company changed its name from "Clemson Resources Corp." to "Oyster Oil and Gas Ltd." On June 12, 2019, the Company changed its name to "ZTR Acquisition Corp." On December 21,

2020, upon completion of the Amalgamation (as defined below), the Company changed its name to “Angold Resources Ltd.”

The Company is primarily engaged in the business of evaluating, acquiring, and, if warranted, developing large-scale mineral systems in proven districts of Ontario, Canada, Nevada, United States of America and Maricunga, Chile. The Company is currently focused on development of: (i) the South Bay – Uchi Project, located in the Confederation Lake area of northwestern Ontario within the Red Lake Mining Division, and comprised of 340 contiguous mineral claims totalling 6,894 hectares (the “**Uchi Property**”); (ii) the Dorado Property, located in the Atacama Region of Chile, and comprised of 9 exploitation concessions totalling 1,600 hectares and 49 exploration concessions totalling 13,200 hectares (the “**Dorado Property**”). Subsequent to the effective date of the Dorado Technical Report, an additional three exploration concessions were staked on November 19, 2020, increasing the number of exploration concessions from 49 to 52; and (iii) the Iron Butte Property, located in the Shoshone Range in central Lander County, Nevada, USA with 24 claims totaling 190 claims, covering 1,344 hectares (3,380 acres, 13.4km²) (the “**Iron Butte Property**”).

On June 12, 2020, the Company consolidated its common shares (the “**Common Shares**”) on a basis of one post-consolidation Common Share for every five pre-consolidation Common Shares (the “**Consolidation**”).

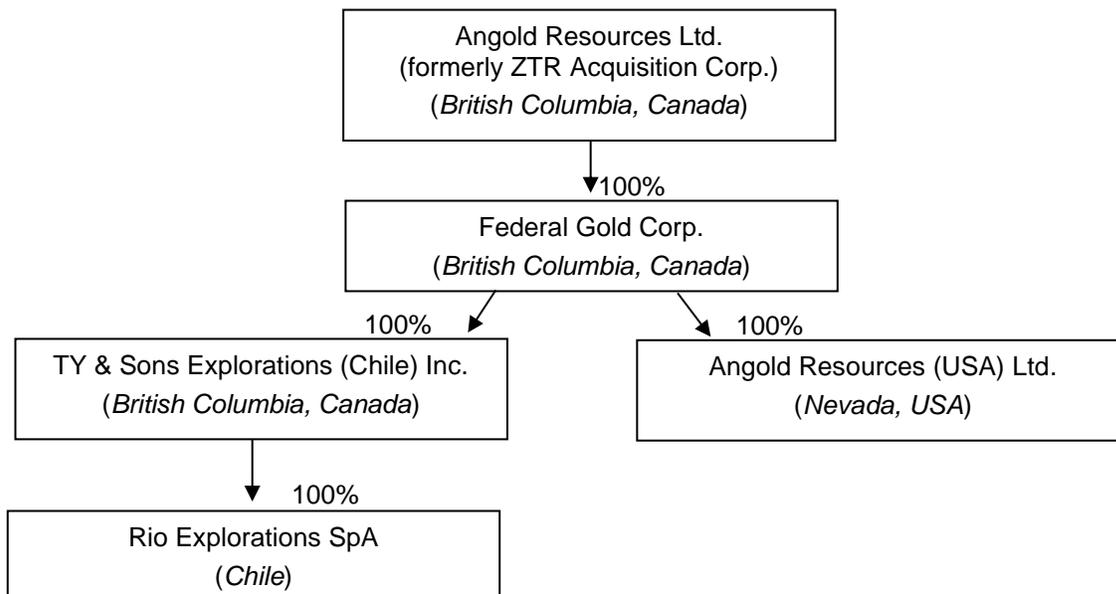
On December 21, 2020, the Company, 1266857 B.C. Ltd. and Federal Gold Corp. (“**Federal Gold**”) completed a three-cornered amalgamation, pursuant to which the Company acquired Federal Gold, in exchange for the issuance of an aggregate of 55,000,001 Common Shares to the shareholders of Federal Gold (the “**Amalgamation**”), and the Company changed its name to “Angold Resources Ltd.” The Amalgamation constituted a change of business and a reverse takeover (the “**RTO**”) pursuant to the policies of the TSX Venture Exchange (the “**Exchange**”), with Federal Gold being the “reverse takeover acquirer” (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*). In connection with the Amalgamation, the Company’s year end changed from December 31 to April 30.

Angold is listed on the Exchange and trades under the symbol “AAU” and on the OTCQB Venture Marketplace (the “**OTCQB Venture**”) under the symbol “AAUGF”. The Company is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec, and files its continuous disclosure documents with the Canadian Securities Administrators in such provinces. Such documents are available on SEDAR at www.sedar.com. The Company’s filings through SEDAR are not incorporated by reference in this AIF.

The Company’s corporate office is located at Suite 918, 1030 West Georgia Street, Vancouver, British Columbia V6E 2Y3, and its registered office is located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

Intercorporate Relationships

Angold has four wholly-owned subsidiaries, as depicted below.



GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

2018 Developments

During the fiscal year of 2018, the Company conducted operations in the oil and gas industry, including the acquisition, exploration and development of oil and gas interests in Africa, via its then wholly-owned subsidiary, Oyster Oil.

2019 Developments

On June 19, 2019, the Company completed a debt settlement transaction pursuant to which the Company transferred substantially all of its oil and gas assets (including its then wholly-owned subsidiary, Oyster Oil) to Northbay Capital Partners Corp. and Gunsynd PLC (collectively, the “**Creditors**”), in settlement (the “**Settlement**”) of outstanding debts owing to the Creditors. As a result of the Settlement, the Company no longer had any operating assets.

2020 Developments

On June 12, 2020, the Company completed the Consolidation on a basis of one post-consolidation Common Share for every five pre-consolidation Common Shares. Further, the Company completed a non-brokered private placement of 20,000,000 post-consolidation Common Shares, at a price of \$0.05 per post-consolidation Common Share, for aggregate gross proceeds of \$1,000,000.

On September 28, 2020, the Company, 1266857 B.C. Ltd. and Federal Gold entered into an amalgamation agreement (the “**Amalgamation Agreement**”) pursuant to which, the Company would acquire Federal Gold, in exchange for the issuance of an aggregate of 55,000,001 Common Shares to the shareholders of Federal Gold. The Amalgamation constituted a change of business and an RTO pursuant to the policies of the Exchange.

On September 30, 2020, as a condition to completing the Amalgamation, Federal Gold completed a non-brokered private placement of 20,000,000 subscription receipts (the “**Subscription Receipts**”) at a price

of \$0.40 per Subscription Receipt, for aggregate gross proceeds of \$8,000,000. Each Subscription Receipt automatically converted into one common share of Federal Gold for no additional consideration and such common shares were subsequently exchanged for Common Shares of the Company on a one-for-one basis on Closing (as defined below) of the Amalgamation.

On December 21, 2020, the Company closed (the “**Closing**”) the Amalgamation, such that 1266857 B.C. Ltd. amalgamated with Federal Gold, the resulting amalgamated entity continuing under the name “Federal Gold Corp.”, and the Company changed its name to “Angold Resources Ltd.” In connection with the Closing, the Company issued an aggregate of 55,000,001 Common Shares to the former shareholders of Federal Gold and 187,500 Common Shares to Grandview Explorations LLC, pursuant to an option agreement dated July 25, 2020 (the “**Option Agreement**”), among Federal Gold, Grandview Explorations LLC (the “**Optionor**”) and David C. and Debra J. Knight Living Trust in respect of the Iron Butte Property . Upon Closing, the board of directors of the Company (the “**Board**”) was reconstituted to consist of Adrian Rothwell, Galen McNamara, Brandon Bonifacio and Rony Zimmerman. Management of the Company was also reconstituted to consist of Adrian Rothwell as Chief Executive Officer and Gavin Cooper as Chief Financial Officer and Corporate Secretary.

On December 29, 2020, the Company received the Final Exchange Bulletin (as such term is defined in the policies of the Exchange) from the Exchange and became a Tier 2 Mining Issuer.

On December 31, 2020, the Company’s Common Shares began trading on the Exchange under the symbol “AAU”.

2021 Developments

During the first quarter of 2021, the Company completed an exploration program at the Dorado Property consisting of geologic mapping, rock sampling, grid talus fines sampling, and hyperspectral analyses on the Lajitas South target. Results indicated coincident mineralization textures, hydrothermal alteration, magnetic signatures, and trace-element anomalies characteristic of the lithocap environments that typically overlie gold-copper porphyry-epithermal systems. In addition, the Company has completed a first phase drill program of approximately 4,250m of core on the Dorado Property, in a total of nine drill holes. Assay results confirmed gold mineralization at Lajitas over a vertical extent of at least 400m beginning from surface, in deeper portions and between the East and West Zones. The first phase of drilling has also confirmed historical work and expanded the zones of mineralization which still remain open in multiple directions, and are expected to be targeted in a second phase of drilling.

During the first quarter of 2021, the Company also completed surface testing, and a structural review on the Iron Butte Property. The Company also extended new drill targets along the range-front for over 1.3km. The Company has obtained a permit for drilling of up to 10,000 metres at the Iron Butte Property.

Subsequent Events

On July 8, 2021, the Company’s Common Shares began trading on the OTCQB Venture under the symbol “AAUGF” and received Depository Trust Company eligibility.

Significant Acquisitions

The Company has not completed any significant acquisitions during its most recently completed financial year for which disclosure is required under Part 8 of National Instrument 51-102.

DESCRIPTION OF THE BUSINESS

Background

The Company is primarily engaged in the business of evaluating, acquiring, and, if warranted, developing large-scale mineral systems in proven districts of Ontario, Canada, Nevada, United States and Maricunga, Chile,

The Properties

The Uchi Property

The Company's subsidiary, Federal Gold, staked the Uchi Property during the fall of 2019, and subsequently, staked an additional 70 claims contiguous to the north and west of the Uchi Property covering an area of 1,410 ha in September 2020. The Uchi Property is located approximately 80km east of Red Lake, Ontario, Canada in the Birch-Uchi greenstone belt. The western portion of the Uchi Property is adjacent to the past-producing South Bay Cu-Zn-Ag mine. The eastern portion of the Uchi Property is adjacent to the past-producing Uchi Au mine. The Uchi Property, which covers an area of 6,894 hectares, represents a regional exploration opportunity in a greenstone belt with known zones of significant mineralization, but which remains relatively underexplored. See "*The Uchi Property*".

The Dorado Property

The Company's subsidiary, Federal Gold, holds 100% interest in the Dorado Property, which is located in the Maricunga region of Chile, approximately 135km east of Copiapo. The Dorado Property, which covers an area of 13,200 hectares is reported to feature a significant but poorly defined gold-rich porphyry system which outcrops at surface. Additionally, the Dorado Property is reported to be host to significant zones of hydrothermal alteration at surface, that have not been explored or drilled. A royalty agreement was executed between former owners of the Lajitas area exploitation concessions being International Mineral Resources Ltd. and Roberto Alarcon, on the one hand, and Capella Resources Ltd. (former shareholder Compañía Minera Cerro el Diablo) on the other. The agreement, including a 2011 amendment, indicated a 2% net smelter return royalty which may be reduced to 1% for a payment of C\$2,000,000 at any time, payable by Cappella Resources Ltd. to the former owners. See "*The Dorado Property*".

The Cordillera Property

The Company's subsidiary, Federal Gold, holds 100% interest in the Cordillera property, which is located in the Maricunga region of Chile, approximately 100km east of Copiapo (the "**Cordillera Property**"). The Cordillera Property, which covers an area of approximately 1,680 hectares, is located 7km south of the Maricunga Mine, formerly operated by Kinross, and 3km north of the Caspiche Deposit, now being developed by the Norte Abierto Joint Venture between Barrick Gold Corporation and Newmont Corporation. The Cordillera Property is an early stage property prospective for porphyry gold and epithermal gold style mineralization which has not been adequately explored. A royalty agreement was executed between former owners of the Cordillera Property being International Mineral Resources Ltd. and Roberto Alarcon, on the one hand, and Capella Resources Ltd. (former shareholder Compañía Minera Cerro el Diablo) on the other. The agreement, including a 2011 amendment, indicated a 2% net smelter return royalty which may be reduced to 1% for a payment of C\$2,000,000 at any time, payable by Cappella Resources Ltd. to the former owners.

The Company's subsidiary, Federal Gold, acquired Rio Explorations SpA and TY & Sons Explorations (Chile) Inc. pursuant to the terms of a share purchase agreement among Federal Gold, TY & Sons Explorations (Chile) Inc. and TY & Sons Investments Inc. dated August 9, 2020 (the "**Share Purchase Agreement**"), in consideration for which Federal Gold paid a cash payment of US\$210,000 to TY & Sons Investments Inc. Rio Explorations SpA and TY & Sons Explorations (Chile) Inc. own the mining concessions comprising the Dorado Property and the Cordillera Property.

The Iron Butte Property

The Company's subsidiary Federal Gold is party to the Option Agreement with respect to the Iron Butte Property, among Federal Gold, the Optionor and David C and Debra J Knight Living Trust. Pursuant to the terms of the Option Agreement, Federal Gold holds the right acquire up to a 100% interest in the Iron Butte Property from the Optionor. The Iron Butte Property is located 60km south of Battle Mountain, Nevada. The Iron Butte Property, which covers an area of approximately 200 hectares, features a well-defined bulk-tonnage epithermal gold and silver system which outcrops at surface.

Federal Gold has the right to acquire an undivided 100% interest in the Iron Butte Property by exercising the option (the “**Option**”) granted under the Option Agreement by making a series of staged cash and share payments to the Optionor, as follows:

- (a) on July 25, 2020, paying US\$20,000 (paid);
- (b) upon completion of the Amalgamation (being a “Going Public Transaction” as defined in the Iron Butte Option Agreement), issuing 187,500 Common Shares (issued);
- (c) on or before the first anniversary of completion of the Amalgamation, paying US\$50,000 and issuing Common Shares with a value of US\$18,750;
- (d) on or before the second anniversary of completion of the Amalgamation, paying US\$100,000 and issuing Common Shares with a value of US\$36,000;
- (e) on or before the third anniversary of completion of the Amalgamation, paying US\$150,000 and issuing Common Shares with a value of US\$45,000;
- (f) on or before the fourth anniversary of completion of the Amalgamation, paying US\$200,000 and issuing Common Shares with a value of US\$63,000;
- (g) on or before the fifth anniversary of completion of the Amalgamation, paying US\$300,000 and issuing Common Shares with a value of US\$90,000; and
- (h) on or before the sixth anniversary of completion of the Amalgamation, paying US\$500,000.

The minimum share price for the issuances set forth in paragraphs (c) through (g) above is \$0.05, pursuant to the policies of the Exchange.

Upon exercise of the Option, the Optionor will retain a 3% net smelter returns royalty on the Iron Butte Property, subject to the right of Federal Gold to purchase up to one-half of the royalty, for cash payment equal to US\$1,000,000 per one-half percent purchased. During the Option period, the Optionor shall also be entitled to charge a management fee of up to 5% of expenditures incurred by Federal Gold, subject to a maximum of US\$100,000 in any calendar year.

Specialized Skills and Knowledge

Successful exploration, development and operation of the Company’s properties will require access to personnel in a wide variety of disciplines, including geologists, geophysicists, engineers, drillers, managers, project managers, accounting, financial and administrative staff, and others. Since the project locations are also in jurisdictions familiar with and friendly to resource extraction, management believes that the Company’s access to the skills and experience needed for success is sufficient.

Competitive Conditions

The Company’s activities are directed towards the exploration, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company will result in discoveries of commercial quantities of mineral deposits. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than it will have, for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts, and the Company may not be able to successfully raise funds required for any such capital investment. See “*Risk Factors – Competitive Conditions*” below.

Business Cycles

Mining is a cyclical industry and commodity prices fluctuate according to global economic trends and conditions. See “*Risk Factors – Risk Related to the Cyclical Nature of the Mining Business*” below.

Environmental Protection

Our exploration and development activities, as applicable, are subject to various levels of federal, state and local laws and regulations relating to the protection of the environment, including requirements for closure and reclamation of mining properties. See “*Risk Factors – Environmental and other Regulatory Requirements*” below.

Employees

As of the date of this AIF, the Company has one employee. The services of Chief Executive Officer, Chief Financial Officer and Corporate Secretary were provided by contractors.

Foreign Operations

Mineral exploration and mining activities in the United States and Chile may be affected in varying degrees by government regulations relation to the mining industry. Any changes in regulations or shifts in political conditions may adversely affect the Company’s business. Operations may be affected in varying degrees by government regulations with respect to restrictions on permitting, production, price controls, income taxes, expropriation of property, environmental legislation and mine safety.

Reorganizations

There have been no corporate reorganizations other than the Amalgamation within the three most recently completed financial years or completed during the current financial year.

RISK FACTORS

There are a number of risks that may have a material and adverse impact on the future operating and financial performance of the Company and could cause the Company’s operating and financial performance to differ materially from the estimates described in forward-looking statements relating to the Company. These include widespread risks associated with any form of business and specific risks associated with the Company’s business and its involvement in the mineral exploration and development industry.

This section describes risk factors identified as being potentially significant to the Company and its mineral properties. Additional risk factors may be included in the Uchi Technical Report, the Dorado Technical Report and the Iron Butte Technical Report (each as defined below) or other documents previously disclosed by the Company. In addition, other risks and uncertainties not discussed to date or not known to management could have material and adverse effects on the valuation of our securities, existing business activities, financial condition, results of operations, plans and prospects.

Limited Operating History

The Company has no history of earnings or profitability. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complication, and delays frequently encountered in connection with the establishment of any business. The Company will have limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Company will be able to generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Negative Operating Cash Flow and Dependence on Third-Party Financing

The Company does not have a source of operating cash flow and there can be no assurance that the Company will ever achieve profitability. Accordingly, it is dependent on third-party financing to continue exploration activities, maintain capacity, and satisfy contractual obligations. The Company has negative cash flow from operating activities in its most recently completed financial year, and proceeds from any financings will be used to fund anticipated negative cash flow from operating activities in both current and future periods. The amount and timing of expenditures will depend on several factors, including in material part the progress of ongoing exploration, the results of consultants’ analyses and recommendations, the

rate at which operating losses are incurred, the entering into of any strategic partnerships, and the acquisition of additional property interests. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Company's properties or require it to sell one or more of its properties.

Uncertainty of Additional Funding

As stated above, the Company will be dependent on third-party financing, whether through debt, equity or other means. There is no assurance that it will be successful in obtaining required financing in the future or that such financing will be available on terms acceptable to the Company. Volatile resource markets, a claim against the Company, a significant event disrupting the Company's business or other factors may make it difficult or impossible to obtain financing through debt, equity or other means on favourable terms, or at all. In addition, any future financing may also be dilutive to existing shareholders of the Company.

Competitive Conditions

The Company will actively compete for resource acquisitions, exploration leases, licenses, and concessions, and skilled industry personnel with a substantial number of other mining companies, many of which have significantly greater financial resources than the Company. The Company's competitors will include major integrated mining companies and numerous other independent mining companies and individual producers and operators. Significant competition exists for mining opportunities. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mining properties on terms it considers acceptable.

Reliance Upon Key Personnel

The senior officers of the Company are critical to its success. In the event of the departure of a senior officer, the Company believes that it will be successful in attracting and retaining qualified successors, but there can be no assurance of such success. Recruiting qualified personnel as the Company grows is critical to its success. The number of persons skilled in the acquisition, exploration, and development of mining properties is limited, and competition for such persons is intense. As the Company's business activity grows, it will require additional key financial, administrative, engineering, geological and other personnel. If the Company is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have an adverse impact on future cash flows, earnings, results of operations and the financial condition of the Company. The Company is particularly at risk at this state of its development as it relies on a small management team, the loss of any member of which could cause severe adverse consequences.

Title to Properties

The Company will diligently investigate all title matters concerning the ownership of all mining claims and plans to do so for all new claims and rights to be acquired. The Company's options to acquire mining properties may be affected by undetected defects in title, such as the reduction in size of the mining titles and other third-party claims affecting the Company's interests. Maintenance of such interests is subject to ongoing compliance with the terms governing such mining titles. Mining properties sometimes contain claims or transfer histories that examiners cannot verify. Upon the exercise of its option, a successful claim that the Company does not have title to any of its mining properties could cause the Company to lose any rights to explore, develop and extract any ore on that property, without compensation for its prior expenditures relating to such property.

Property Commitments

The Company's mining properties may be subject to various land payments, royalties and/or work commitments. Failure by the Company to meet its payment obligations or otherwise fulfill its commitments under these agreements could result in the loss of related property interests.

Risks Related to the Cyclical Nature of the Resource Exploration Business

The mining business and the marketability of the products that are produced are affected by worldwide economic cycles. At the present time, the significant demand for precious metals and other commodities in many countries is driving increased prices, but it is difficult to assess how long such demand may continue. Fluctuations in supply and demand in various regions throughout the world are common.

As the Company's mining and exploration business is in the exploration stage and as the Company does not carry on production activities, its ability to fund ongoing exploration is affected by the availability of financing which is, in turn, affected by the strength of the economy and other general economic factors.

Conflicts of Interest

Members of the Board may become directors of other reporting companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the Board may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The Company and its Board will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the Board, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA. The provisions of the BCBCA require a director or officer of a corporation who has a material interest in a contract or transaction of the corporation, or a director or officer of a corporation who is a director or officer of or has a material interest in a person who has a material interest in a contract or transaction with the corporation, to disclose his or her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless permitted under the BCBCA, as the case may be. Other than as indicated, the Company has no other procedures or mechanisms to deal with conflicts of interest.

Permits and Licences

The operations of the Company will require licences and permits from various governmental and non-governmental authorities. The Company will obtain all necessary licences and permits required to carry on with activities which it proposes to conduct under applicable laws and regulations. However, such licences and permits are subject to changes in regulations and in various operating circumstances. There can be no assurance that the Company will be able to obtain all necessary licences and permits required to carry out exploration, development and extraction operations on its mining properties.

Environmental and other Regulatory Requirements

Environmental and other regulatory requirements will affect the future operations of the Company, including exploration and development activities and commencement of production on the Company's mining properties. Such projects will require permits from various federal and local governmental authorities and such operations are and will be governed by laws and regulations governing exploration, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. The Company believes it is in substantial compliance with all material laws and regulations which currently apply to its activities. Companies engaged in the development and operation of mines and related facilities often experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits.

Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the Company's mining properties and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of ore extraction facilities at the Company's mining properties on terms which enable operations to be conducted at economically justifiable costs.

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 exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and environmental laws.

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

Decommissioning and Reclamation

Environmental regulators are increasingly requiring financial assurances to ensure that the cost of decommissioning and reclaiming sites is borne by the parties involved, and not by government. It is not possible to predict what level of decommissioning and reclamation (and financial assurances relating thereto) may be required in the future by regulators. The Company's ability to advance its projects could be adversely affected by any inability on its part to obtain or maintain the required financial assurances.

Climate Change Risks

The Company 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, state/provincial and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, the Company expects that this could result in increased costs at its operations in the future.

Legal and Litigation

In the ordinary course of the Company's business, it may become party to new litigation or other proceedings in local or international jurisdictions in respect of any aspect of its business, whether under contract, criminal law or otherwise. The causes of potential litigation cannot be known and may arise from, among other things, business activities, employment matters, including compensation issues, environmental, health and safety laws and regulations, tax matters, volatility in the Company's stock price, failure to comply with disclosure obligations or labour disruptions at its project sites. Regulatory and government agencies may initiate investigations relating to the enforcement of applicable laws or regulations and the Company may incur expenses in defending them and be subject to fines or penalties in case of any violation and could face damage to its reputation. The Company may attempt to resolve disputes involving foreign contractors/suppliers through arbitration in another country and such arbitration proceedings may be costly and protracted, which may have an adverse effect on the Company's financial condition. Litigation may be costly and time-consuming and can divert the attention of management and key personnel from the Company's operations and, if adjudged adversely to the Company, may have a material and adverse effect on the Company's cash flows, results of operations and financial condition.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting ownership of assets, exploration policies, monetary policies, taxation, rates of exchange, environmental regulations, labour relations and return of capital. This may affect both the Company's ability to undertake exploration and development activities in respect of present and future properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate those properties in which it has an interest or in respect of which it has obtained exploration and development rights to date. The possibility that future governments

may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

Foreign Operations

The Company is exposed to risks of political instability and changes in government policies, laws and regulations in Chile. The Company holds mineral interests in the Republic of Chile that may be adversely affected in varying degrees by political instability, government regulations relating to the mining industry and foreign investment therein, and the policies of other nations in respect of Chile. Any changes in regulations or shifts in political conditions are beyond the Company's control and may adversely affect the Company's business. New laws, regulations and requirements may be retroactive in their effect and implementation. The Company's operations may be affected in varying degrees by government regulations, including those with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, employment, land use, water use, environmental legislation and mine safety. The Company's operations may also be adversely affected in varying degrees by government regulations, including those with respect to restrictions on foreign ownership, state-ownership of strategic resources, production, price controls, export controls, income taxes, expropriation of property, employment, land use, water use, environmental legislation and mine safety. There is no assurance that permits can be obtained, or that delays will not occur in obtaining all necessary permits or renewals of such permits for existing properties or additional permits required in connection with future exploration and development programs. In the event of a dispute arising at the Company's foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. The Company may also be hindered or prevented from enforcing its rights with respect to a government entity or instrumentality because of the doctrine of sovereign immunity. Government authorities in emerging market countries often have a high degree of discretion and at times may appear to act selectively or arbitrarily, and sometimes in a manner that may not be in full accordance with the rule of law or that may be influenced by political or commercial considerations. Unlawful, selective or arbitrary governmental actions could include denial or withdrawal of licenses, sudden and unexpected tax audits, and civil actions. Although unlawful, selective or arbitrary government action may be challenged in court, such action, if directed at the Company or its shareholders, could have a material adverse effect on the Company's business, results of operations, financial condition and future prospects.

Foreign Currency Risk

The Company and its subsidiaries will likely incur significant expenditures denominated in currencies other than the presentation currency, the Canadian dollar, and are subject to foreign currency risk (and exchange rate fluctuation) on assets and liabilities denominated in currencies other than the Canadian dollar.

Taxation

The Company is affected by the tax regimes of various local, regional and national authorities. Revenues, expenditures, income, investments, land use, intercompany transactions and all other business conditions can be taxed. Tax regulations, interpretations and enforcement policies may differ from the Company's applied methods and may change over time due to circumstances beyond the Company's control. The effect of such events could have material adverse effects on the Company's anticipated tax consequences. There is no assurance regarding the nature or rate of taxation, assessments and penalties that may be imposed.

Previous operations may have caused environmental damage at certain of the Company's properties. It may be difficult or impossible to assess the extent to which such damage was caused by the Company or by the activities of previous operators, in which case, any indemnities and exemptions from liability may be ineffective, and the Company may be responsible for the costs of reclamation.

Risk of Global Outbreaks of Contagious Diseases

Risk of global outbreaks of contagious diseases, including the outbreak of a novel coronavirus have the potential to significantly and adversely impact operations and business of the Company. On March 11, 2020, the World Health Organization recognized COVID-19 as a global pandemic. The Company is

continuously evaluating the uncertainty and impact of the outbreak on its ability to operate due to employee absences, the length of travel and quarantine restrictions imposed by governments of affected countries, information technology constraints, government interventions, market volatility, overall economic uncertainty and other factors currently unknown and not anticipated.

The COVID-19 outbreak and its declaration as a global pandemic are causing companies and governments around the world to impose sweeping restrictions on the movement of people and goods, including social distancing measures and restrictions on group gatherings, isolation and quarantine requirements, closure of business and government offices, travel advisories and travel restrictions. While these effects are expected to be temporary, the duration of these measures, and the related business, social and government disruptions and financial impacts, cannot be reasonably fully estimated at this time. The Company cannot estimate whether or to what extent these measures, and the resulting impacts, will continue to impact the Company's business, financial condition and results of operations. Furthermore, government bodies may introduce new, or modify existing, laws, regulations, orders or other measures that could impact the Company's ability to operate or affect the actions of its suppliers, contractors and service providers.

To date, the Company has been able to continue operations largely unaffected since the outbreak of the COVID-19 pandemic. However, the Company cannot provide any assurances that its planned operations, production and capital expenditure for the foreseeable future will not be delayed, postponed or cancelled as a result of the COVID-19 pandemic or otherwise. Should the responses of companies and governments be insufficient to contain the spread and impact of COVID-19, this may lead to further economic downturn that may adversely impact the Company's business, financial condition and results of operations. The outbreak and resurgence of the COVID-19 pandemic could also continue to affect financial markets, including the price of gold and the trading price of the Company's shares, may adversely affect the Company's ability to raise capital, and could cause continued interest rate volatility and movements that could make obtaining financing or refinancing debt obligations more challenging or more expensive or unavailable on commercially reasonable terms or at all. In addition, if any number of employees, contractors or consultants of the Company or any key supplier become infected with COVID-19 or similar pathogens and/or the Company is unable to source necessary replacements, consumables or supplies or transport its products, due to government restrictions or otherwise, it could have a material negative impact on the Company's operations and prospects, including the complete shutdown of one or more of its operations. An outbreak of COVID-19 at the Company's operations could also cause reputational harm and negatively impact the Company's social license to operate. The COVID-19 pandemic has also increased cybersecurity and information technology risks due to the rise in fraudulent activity and increased number of employees working remotely. Furthermore, the Company may also experience regional risks which include, but are not limited to, delays in the supply chain of critical reagents, consumables and parts, and the impact on the delivery of critical capital projects, and such circumstances could have a material adverse effect on the Company's business, financial condition and results of operations.

As a result of measures it has taken, there is no assurance as to whether the Company will be affected by the current COVID-19 pandemic or potential future health crises. The Company will continue to work actively to monitor the situation and implement further measures as required to mitigate and/or deal with any repercussions that may occur as a result of the COVID-19 outbreak.

Uninsured or Uninsurable Risks

The Company may become subject to liability for pollution or hazards against which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for business activities.

Volatility of Share Price

The securities of publicly traded companies, particularly mineral exploration and development companies, can experience a high level of price and volume volatility and the value of the Company's securities can be expected to fluctuate depending on various factors, not all of which are directly related to the success of the Company and its operating performance, underlying asset values or prospects. These include the

risks described elsewhere in this AIF. The trading price of the Common Shares has been and may continue to be subject to large fluctuations, which may result in losses to investors. The trading price of the Common Shares may increase or decrease in response to a number of events and factors, including:

- (a) issuances of Common Shares or debt securities by the Company;
- (b) the Company's operating performance and the performance of competitors and other similar companies;
- (c) the addition or departure of key management and other personnel;
- (d) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors;
- (e) the public's reaction to the Company's press releases, other public announcements and the Company's filings with the various securities regulatory authorities;
- (f) changes in recommendations by research analysts who track the Common Shares or the shares of other companies in the resource sector;
- (g) the number of the Common Shares to be publicly traded after an offering; and
- (h) the factors listed under the heading "*Preliminary Notes and Cautionary Statement*".

In addition, the market price of the Common Shares is affected by many variables not directly related to the Company's success and therefore not within the Company's control. Factors which may influence the price of the Company's securities, include, but are not limited to: worldwide economic conditions; changes in government policies; investor perceptions; movements in global interest rates and global stock markets; variations in operating costs; the cost of capital that the Company may require in the future; the market price of base and precious metals; the COVID-19 global pandemic; the price of commodities necessary for the Company's operations; recommendations by securities research analysts; the share price performance of the Company's competitors; news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related industry and market issues affecting the mining sector; publicity about the Company, the Company's personnel or others operating in the industry; loss of a major funding source; and all market conditions that are specific to the mining industry, including other developments that affect the market for all resource sector shares, the breadth of the public market for the Common Shares, and the attractiveness of alternative investments. The effect of these and other factors on the market price Common Shares on the exchange on which the Company trades has historically made the Company's share price volatile and suggests that the Company's share price will continue to be volatile in the future.

As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the long-term value of the Company. Securities class-action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Sales of a Significant Number of Common Shares Could Depress Share Price

Sales of a substantial number of Common Shares or other equity-related securities in the public markets by the Company or its significant shareholders could depress the market price of the Common Shares and impair our ability to raise capital through the sale of additional equity securities. The Company cannot predict the effect that future sales of Common Shares or other equity-related securities would have on the market price of the Common Shares. The price of the Common Shares could be affected by possible sales of the Common Shares by hedging or arbitrage trading activity. If the Company raises additional funding by issuing additional equity securities, such financing may substantially dilute the interests of shareholders of the Company and reduce the value of their investment.

Liquidity

The Company cannot predict at what prices the Common Shares will trade on the Exchange, and there can be no assurance that an active trading market in the Common Shares will develop or be sustained. There is a significant liquidity risk associated with an investment in the Common Shares.

Dividends

At the present time, it is unlikely the Company's shareholders will receive a dividend on Common Shares.

No Known Mineral Reserves or Mineral Resources

There are no known bodies of commercial minerals on the Company's mineral properties. The exploration programs undertaken and proposed constitute an exploratory search for mineral resources and mineral reserves or programs to qualify identified mineralization as mineral reserves. There is no assurance that the Company will be successful in its search for mineral resources and mineral reserves.

Exploration Risks

The Company's mineral properties are in early exploration stages and are without a known body of commercially exploitable resources. Exploration for mineral resources involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. The risks and uncertainties inherent in exploration activities include but are not limited to: general economic, market and business conditions, the regulatory process and actions, failure to obtain necessary permits and approvals, technical issues, new legislation, competitive and general economic factors and conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events and management's capacity to execute and implement its future plans. The discovery of mineral deposits is dependent upon several factors, not the least of which are the technical skills of the exploration personnel involved and the capital required for the programs. The cost of conducting exploration programs may be substantial and the likelihood of success is difficult to assess. There is no assurance that the Company's mineral exploration activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that even if commercial quantities of ore are discovered that a new ore body will be developed and brought into commercial production. The commercial viability of a mineral deposit once discovered is also dependent upon several factors, most of which factors are beyond the control of the Company and may result in the Company not receiving adequate return on investment capital.

Engagement with Indigenous Groups

Rights, entitlements and title claims of indigenous groups may impact the Company's ability to pursue exploration, development and mining at its mineral properties. Engagement with, and consideration of other rights of, potentially affected Indigenous peoples may require accommodations, including undertakings regarding funding, contracting, environmental practices, employment and other matters and can be difficult. This may affect the timetable and costs of exploration, evaluation and development of its mineral properties.

The Company's relationships with communities of interest are critical to ensure the future success of its mineral properties. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Adverse publicity relating to the mining industry generated by non-governmental organizations and others could have an adverse effect on the Company's reputation or financial condition and may impact its relationship with the communities in which it operates. While the Company is committed to operating in a socially responsible manner, there is no guarantee that the Company's efforts in this regard will mitigate this potential risk.

The inability of the Company to maintain positive relationships with communities of interest, including local indigenous groups, may result in additional obstacles to permitting, increased legal challenges, or other disruptions to the Company's exploration, development and production plans, and could have a significant adverse impact on the Company's share price and financial condition.

Corruption and Bribery Laws

The Company's operations are governed by, and involve interactions with, many levels of government in other countries. The Company is required to comply with anti-corruption and anti-bribery laws, including the Criminal Code, the Corruption of Foreign Public Officials Act (Canada) and the U.S. Foreign Corrupt Practices Act, as well as similar laws in the countries in which the Company conducts its business. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anti-corruption and anti-bribery laws. Measures that the Company has adopted to mitigate these risks are not always effective in ensuring that the Company, its employees or third-party agents will comply strictly with such laws. Furthermore, a company may be found liable for violations by not only its employees, but also by its contractors and third-party agents. If the Company finds itself subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions imposed on the Company resulting in a material adverse effect on the Company's reputation and results of its operations.

Shareholder Activism

In recent years, publicly-traded companies have been increasingly subject to demands from activist shareholders advocating for changes to corporate governance practices, such as executive compensation practices, social issues, or for certain corporate actions or reorganizations. There can be no assurances that activist shareholders will not publicly advocate for the Company to make certain corporate governance changes or engage in certain corporate actions. Responding to challenges from activist shareholders, such as proxy contests, media campaigns or other activities, could be costly and time consuming and could have an adverse effect on the Company reputation and divert the attention and resources of the Company management and the Company's board of directors, which could have an adverse effect on the Company's business and results of operations. Even if the Company does undertake such corporate governance changes or corporate actions, activist shareholders may continue to promote or attempt to effect further changes, and may attempt to acquire control of the Company to implement such changes.

If shareholder activists seeking to increase short-term shareholder value are elected to the Company's board of directors, this could adversely affect its business and future operations. Additionally, shareholder activism could create uncertainty about the Company's future strategic direction, resulting in loss of future business opportunities, which could adversely effect the Company's business, future operations, profitability and ability to attract and retain qualified personnel.

Public Company Obligations

The Company's business is subject to evolving corporate governance and public disclosure regulations that have increased both the Company's compliance costs and the risk of non-compliance, which could have a material adverse impact on the Company's share price.

The Company is subject to changing rules and regulations promulgated by a number of governmental and self-regulated organizations, including the Canadian Securities Administrators, the Exchange, and the International Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity creating many new requirements. The Company's efforts to comply with rules and obligations could result in increased general and administration expenses and a diversion of management time and attention from revenue-generating activities.

If any of the Company's properties move to a development stage, the Company would be subject to additional risks respecting any development and production activities.

THE UCHI PROPERTY

Technical Report

The Company's most recent technical report on the Uchi Property is the "*Technical Report on the South Bay – Uchi Property*", prepared for Federal Gold and the Company, authored by Jamie Lavigne, P. Geo, and dated September 28, 2020 (the "**Uchi Technical Report**"). A copy of the Uchi Technical Report can be found on SEDAR at www.sedar.com.

The following description of the Uchi Project is based on the Uchi Technical Report, and was prepared under the supervision of David Smith, former Vice President of Global Exploration of Angold, who is a qualified person under NI 43-101.

The conclusions, projections and estimates included in this description are subject to the qualifications, assumptions and exclusions set out in the Uchi Technical Report, except as such qualifications, assumptions and exclusions may be modified in this AIF.

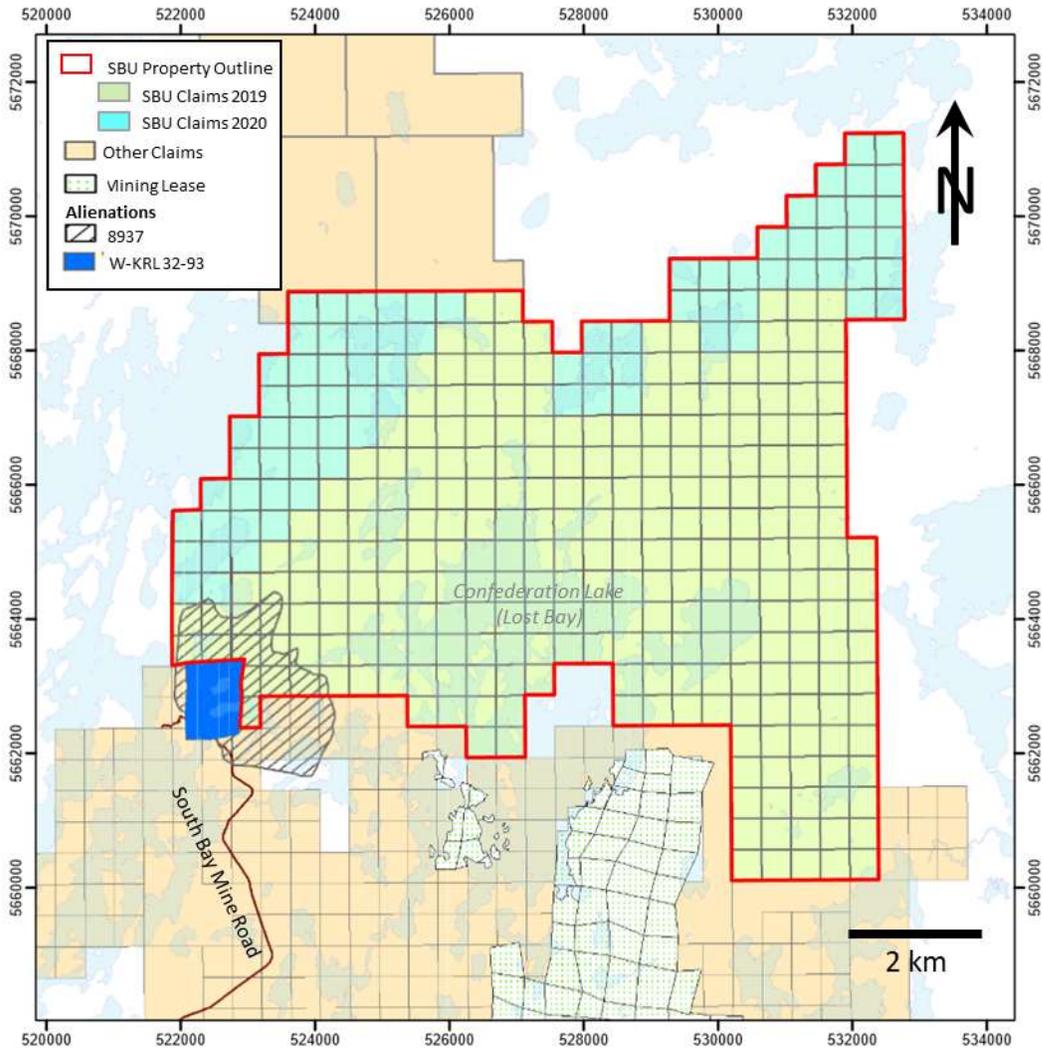
Property Description, Location and Access

The Uchi Property is located in the Confederation Lake area of northwestern Ontario and occurs within the Red Lake Mining Division, as depicted in the map below. It is located within Earngey, Agnew and Dent townships and is located approximately 80km east of the town of Red Lake.



Source: <https://bestmapof.com/map/2018/08/Ontario-Map.jpg>

The Uchi Property consists of 340 contiguous mineral claims covering a total of approximately 6,894 ha, as shown in the figure below.



Source: <https://www.mndm.gov.on.ca/en/mines-and-minerals/applications/mining-lands-administration-system-mlas-map-viewer>

The claim block covers, and is adjacent to, the northeastern part of Confederation Lake. The claim extends approximately 11.1km in a north-south direction and approximately 10.9 kilometres in an east-west direction. The claims were acquired by online staking (defined by their cell position using map coordinates) in September and October of 2019 and in September of 2020. All claims are registered (100%) in the name of Federal Gold. Mining claims are granted for an initial period of two (2) years during which time there is a requirement to complete \$400 of qualifying exploration work per claim. After the first two-year period, required exploration expenditures are increased to \$400 per claim per year. The claims comprising the Uchi Property were designated on September 5, 2019, October 18, 2019, October 22, 2019, and September 11, 2020. The exploration expenditure required on the second-year anniversary dates total \$104,000 for the claims acquired in 2019 and \$32,000 for the claims acquired in 2020. Federal Gold commissioned an airborne magnetic and electromagnetic survey which was completed during the fall of 2019. The survey was completed over the claims owned by Federal Gold at that time. Federal Gold has filed the assessment report required for the VTEM survey with the Ministry of Energy, Northern Development and Mines and the 2019 claims comprising part of the Uchi Property will be in good standing until the anniversary dates in 2022. As of the date of the Uchi Technical Report, Federal Gold had not yet completed any exploration work on the claims staked in September 2020 and the expiry for these claims is September 11, 2022.

The south-western corner of the claim block is impacted by two alienations (notices 8937 and W-KRL-32/93) due to the historical South Bay Mine operations. Notice 8937 impacts 14 claims and requires the written consent of the Director, Mine Rehabilitation, prior to the disturbance of these rehabilitated mining lands. Order W-KRL-32-93 overlaps a portion of the above-mentioned notice and impacts the extent and shape of 5 claims whereby prospecting and staking has been withdrawn to prevent any adverse effects of tailings and hazards associated with the South Bay Mine. There are no known environmental liabilities associated with the Uchi Property.

Surface rights are not included with mineral claims in Ontario. However, the *Mining Act* (Ontario) allows licensed prospectors to enter mineral lands to explore for minerals whether surface is owned privately or by the Crown.

Permitting

The *Mining Act* (Ontario) requires an exploration plan or exploration permit for exploration on Crown Lands. General prospecting, geological mapping, and sampling of rocks, streams, or soil proceeds under an issued exploration plan. An exploration permit is required to carry out exploration activities that include:

- Mechanized stripping of an area greater than 100 m² within a 200 m radius;
- Use of a drill that weighs more than 150 kg;
- Cutting of lines greater than 1.5 m in width;
- Geophysical surveys requiring the use of a generator; and
- Pitting or trenching where excavated volume of rock exceeds 3 m³ within a 200 m radius.

The Uchi Technical Report recommends a 2-phase exploration program for the Uchi Property; the first phase of exploration recommended will require the approval of an exploration plan, and the second phase of exploration recommended, which includes diamond drilling, will require an exploration permit. As of the effective date of the Uchi Technical Report, Federal Gold had not applied for any exploration permits for the Uchi Property.

Accessibility, Climate, Local Resources, Infrastructure, and Physiography

The Uchi Property is accessed via the South Bay Mine road, an all-season gravel road that leads from the town of Ear Falls to the past producing South Bay Mine. Driving distance is approximately 70km. The road is currently used for logging operations. Relatively recent logging operations, completed since the most recent work reported on the Uchi Property, have pushed roads to the north of the South Bay Mine creating direct access to the western part of the Uchi Property. The new logging road passes to within approximately 600 metres of Lost Bay of Confederation Lake, which could provide access to the central part of the Uchi Property. Approximately 3km south of the South Bay Mine, a 4x4 access trail travels east from the South Bay road along an electrical transmission line. Approximately 5km east of the South Bay Mine road, the trail turns to the north where it accesses the Uchi gold district. The eastern most claims of the Uchi Property could be accessed from this trail and further to the east from the power line.

The closest community is Ear Falls (population of 1,000), located approximately 70km southwest of the Uchi Property at the junction with the South Bay Mine road with Highway 105. The town of Red Lake (population of 4,100) is located on Highway 105 approximately 70km north of Ear Falls. Supplies required to support an early stage exploration program could be acquired in Ear Falls and/or Red Lake. Red Lake has an active mining and exploration industry and therefore is expected to be able to supply exploration contractors and labour. A 115 kV transmission line that extends from Ear Falls to Pickle Lake to the east passes 3km south of the Uchi Property boundary.

The climate is characterized by a 5 to 6-month winter season with average daily temperatures below freezing and moderate to heavy snow fall. A typical daily temperature range for the winter months would be -20°C to -6°C with lows of -30°C being common. In the summer months, a typical temperature range

would be 15°C to 17°C with highs of 30°C commonly reached. The average annual rainfall for the area is 516 mm and the average annual snowfall is 214 cm.

The Uchi Property lies within the Boreal Shield, a Canadian Ecozone where the Canadian Shield and the boreal forest overlap. Precambrian bedrock at or near the surface plays an important role in shaping the biophysical landscape. Lakes, ponds, and wetlands are abundant in this landscape and drainage patterns are typically dendritic, with sporadic angular drainage as influenced by bedrock outcrops. The topography of the Uchi Property is relatively flat to gently rolling with local relief up to 25 m, largely attributed to glacial deposits that blanket the bedrock. There are no distinct topographic features that stand out in relief however, lower lying areas are characterized by swamps and ponds. Lost Bay in Confederation Lake, which covers the southeastern edge of the Uchi Property, sits at an elevation of 397 m. On land, elevations reach 425 m above sea level. Tree cover consists of spruce, balsam, birch and poplar. Black spruce and muskeg swamps occupy low lying areas. Glacial till is generally less than 1 m in thickness, but locally more extensive. Outcrops are limited and generally covered by a thick layer of moss.

History

Past exploration on the Uchi Property has largely consisted of ground geophysical grids with magnetic, electromagnetic, or induced polarization surveys completed. An exception is an airborne magnetic and EM survey which was completed in 1969 over the north central part of the current Uchi Property and which consisted of 148 line kilometres flown at a line spacing of 1/8 mile, approximately 200 metres. Prospecting has been reported in one assessment file. It appears that historical geological mapping is restricted to the southwest corner of the Uchi Property adjacent to the South Bay Mine. Diamond drilling is reported in assessment reports from Selco mining Corporation Ltd. (“**Selco**”) and South Bay Mines Ltd. (a subsidiary of Selco) (“**South Bay Mines**”) and from Kings Bay Gold Corp. The Ontario Drill Hole Database (“**ODHD**”) includes 15 drill holes located within the limits of the Uchi Property: four of these have been completed by Kings Bay Gold Corp. and 11 by Selco and South Bay Mines. The author of the Uchi Technical Report has reviewed the assessment report associated with the Kings Bay Gold Corp. holes on the southern part of the Uchi Property and concludes that these holes, although reported in the ODHD to have been drilled within the limits of the current Uchi Property, were actually drilled on the Bobjo project located to the south-southwest of the Uchi Property.

Selected assessment reports are summarized below.

52N02NE0081 (1969, South Bay Mines)

Three holes drilled by South Bay Mines. One foot (.3048 m) intervals of sulphide described from of the holes. The sulphide intervals in all 3 holes consist of pyrite, pyrrhotite, and chalcopyrite. Sphalerite is described in 2 of the intervals. The sulphides are described as stringer and in one instance a combination of semi-massive and stringers. The volcanic rocks are dominantly Dacite and Andesite with very minor Rhyolite. No assays are reported.

52N02SE0035 (1969, South Bay Mines)

One drill hole by South Bay Mines with a 7-metre shear zone logged. Description includes “many quartz bands, abundant lenses, stringers and bands pyrite and pyrrhotite up to ½ inch wide, shearing”. No assays are reported.

52N02NE0084 (1970, South Bay Mines)

One hole completed by South Bay Mines is reported. The report consists of only one drill hole log. There are two intersections, one is ½ foot (.15 m) quartz vein logged as “Lot of pyrrhotite and pyrite” and the other is 2.4 feet (.73 m) logged as quartz veins with 30% sulphides dominantly pyrrhotite and pyrite with trace chalcopyrite. No assays are reported.

52N02SE0036 (South Bay Mine, 1970)

The report consists of a drill log from a single hole which reports a 30 foot (9.14 m) intersection logged as sediment. Description of the unit includes heavy sulphide mineralization mainly pyrite with minor stringers of pyrrhotite and minor interstitial quartz sulphides 40 – 50%. No assays are reported.

52NO2NE8963 (South Bay Mines, 1971)

Four drill holes completed by Selco are drilled on a target northeast of the South Bay Mine and on the Uchi Property. The assessment report is largely underground plans and section. No assays are reported.

52NO2NE0001 (Noranda, 1994)

Line cutting and magnetometer, HLEM, and surface PEM surveys over part of the southwestern Uchi Property claims. Report covers part of the map area contained in 52NO2NE0022.

52NO2NE0001 (Noranda, 1994)

Drill logs for 3 holes drilled in 1994 and 1996. Area of assessment file includes area in which detailed geological mapping was completed.

52NO2NE0022 (Noranda, 1996)

The report covers an area in the southwest corner of the Uchi Property and extends to the south. The report includes geological mapping litho-geochemistry, and ground EM surveys. The geological mapping reported extends the geology of the South Bay Mine to the north and northeast on to the Uchi Property and illustrates resolution of the main felsic volcanic unit into divided map units of felsic volcanic and intrusive rocks. The report includes description of the Cherty Horizon and the Blue Berry Island occurrences on the Uchi Property.

52NO2NE2001 (Nuinsco, 2000)

The report covers a pulse EM survey completed on the western part of the Uchi Property. The survey consisted of 6 lines completed for Nuinsco Resources Ltd. over a 3 day period in 2000. A conductive plate was interpreted and a second conductive plate postulated. There were no recommendations made in the report.

20000003525 (Kings Bay Gold Corporation, 2007)

Magnetometer and VLF surveys extend from south of the Uchi Property onto the southern part of the Uchi Property.

Geological Setting, Mineralization and Deposit Types

The Uchi Property is located within the Uchi Subprovince of the Archean Superior Structural province. The Uchi Subprovince is a granite-greenstone terrain that is bounded to the north by the Berens River Arc Plutonic Complex which crystallized between 2745 and 2708 Ma and is comprised of tonalitic, diorite, granodioritic, and granitic rocks. The Berens River Arc Plutonic Complex intrudes the regionally extensive northern North Caribou Terrain that is characterized as > 3 Ga crust. The Uchi Subprovince is bounded to the south by the English River Subprovince which consists of high metamorphic grade to migmatized metasedimentary rocks of greywacke turbidite affinity intruded by peraluminous and metaluminous plutonic rocks. The English River sedimentary rocks are interpreted as flysch sequence deposited in a foredeep setting between 2.704 and 2,696 Ga.

The Uchi Property is located in the Birch-Uchi Greenstone Belt of the Uchi Subprovince. The Birch-Uchi Greenstone Belt is contiguous to the west with the Red Lake Greenstone Belt which collectively form a greenstone belt with an east-west strike length of approximately 140km. The combined greenstone belt has been interpreted and described as a series of Mesoarchean and Neoarchean volcanic-sedimentary assemblages and temporally related plutonic rocks. The Mesoarchean assemblages (2.99 – 2.85 Ga) are interpreted as having been deposited in a continental margin setting on the southern margin of the North Caribou Terrane. The Neoarchean volcanic-sedimentary assemblages (2.75 – 2.73 Ga) are interpreted as subduction related arc volcanism and co-eval with the Berens River Arc Plutonic Suite.

The Red Lake and Birch-Uchi greenstone belt is interpreted to have been affected by three phases of deformation. The first phase of deformation (D₀) is inferred from opposing facing directions on either side of the Mesoarchean and Neoarchean unconformity and is interpreted to have resulted in recumbent folding

of the Mesoarchean succession. Two main stages of penetrative deformation are recognized and both postdate the deposition of the Neoproterozoic rocks at 2.75 Ga. The earlier phase (D₁) resulted in northward trending and south plunging folds. The D₁ phase of deformation coincides with subduction related arc development and is bracketed to the period 2.744 Ga and 2.733 Ga based on sequence-fabric relationships. Variably oriented, east-northeast and southeast, folds and foliation (D₂), are superimposed on D₁ structures. D₂ is interpreted to have been initiated at 2.72 Ga and was active beyond 2.71 Ga. The onset of D₂ in the Red Lake Birch-Uchi Greenstone belt is interpreted to be due to the collisional stage of the Uchi orogeny between the southern margin of the North Caribou Terrane and the northern margin of the Winnipeg River Subprovince to the south resulting in the deformation and metamorphism of the English River rocks. The metallogeny of the Red Lake – Birch-Uchi Greenstone belt is dominated by Lode Gold mineralization.

The north trending Birch-Uchi Greenstone belt is comprised dominantly of the Neoproterozoic Confederation Assemblage. Mesoarchean rocks of the Balmer, Narrow Lake, Bruce Channel, Woman, and Trout Bay Assemblages occur to the west between the Confederation Assemblage and the Trout Lake intrusion. The Uchi Property is underlain by lithologies of the Agnew and Earngey Sequences of the Confederation Assemblage. From west to east the lithologies include:

- 1) Agnew sequence felsic volcanic rocks including rhyolite flows and associated quartz feldspar porphyritic rocks including intrusive phases with tholeiitic affinity;
- 2) Agnew sequence intermediate to felsic volcanic rocks that include dacite flows with minor tuff with tholeiitic affinity;
- 3) Agnew sequence mafic volcanic rocks including pillowed basalt and pillow breccia of tholeiitic affinity; and
- 4) Earngey sequence mafic volcanic rocks consisting of pillow basalt and related fragmental rocks and minor intermediate volcanic rocks.

The volcanic rocks on the Uchi Property are intruded by Neoproterozoic (2,740 – 2,750 Ma) Confederation Plutonic suite that include the South Bay porphyry intrusion in the southeast of the Uchi Property and a similarly mapped intrusion on the northern part of the Uchi Property. The volcanic rocks of the Confederation Assemblage in the area of the Uchi Property are north trending and are reported to be vertical to steeply east dipping. A series of north trending anticline-synclines have been mapped on, and directly south, of the Uchi Property. To the west of the Uchi Property, the contact between the Neoproterozoic Confederation Assemblage and the Mesoarchean volcanic rocks is a north to northeast trending fault zone which is developed within Confederation Assemblage rocks to the north. A sinistral fault is mapped south of the western most Uchi Property. Two subparallel north-northeast trending faults have been interpreted through the central-east part of the Uchi Property extending both north and south of the Uchi Property.

The Ontario Mineral Deposit Inventory Database lists two occurrences on the Uchi Property. The Mimi Point showing is a Gold occurrence and the Crabb Prospect showing is a Zinc occurrence. The Mimi Point occurrence is located on the north side of Lost Bay, Confederation Lake. It is located on SBU claim 557030. The lithology in the area of the Mimi Point occurrence consists of west facing pillowed and amygdaloidal mafic flows and pillow breccia which are intruded by small quartz porphyry and gabbroic to dioritic intrusions. Mineralization consists of a dark grey north trending quartz vein within silicified and carbonatized mafic metavolcanic rocks which contain up to 3% disseminated pyrite. The quartz vein contains up to 5% disseminated sulphides consisting of pyrite, pyrrhotite, and chalcopyrite. Grab samples taken from the Mimi Point quartz vein returned assays of 0.02 opt, 0.06 opt, and 0.22 opt. The results of 4 channel samples taken are contained in the chart below. The true width of the channel samples is not known and the extent of mineralization including the length, depth, and continuity are not known.

Mimi Point Channel Sample results

Results of Channel Samples from the Mimi Point Showing

| Channel | Au (opt) | Au (gpt) | Width (ft) | Width (m) |
|---------|----------|----------|------------|-----------|
| 1 | 0.08 | 2.74 | 1.00 | 0.30 |
| 2 | 0.38 | 13.03 | 1.60 | 0.49 |
| 3 | 0.20 | 6.86 | 1.00 | 0.30 |
| 4 | 0.16 | 5.48 | 1.00 | 0.30 |

Source: Parker and Atkinson (1992)

The Crabb prospect is located near the eastern shore of Lost Bay, Confederation Lake. The occurrence is a drill intercept completed by South Bay Mines in 1969. The Crabb prospect is described in a subsequent assessment report by Noranda (MacDougall, 1996) as consisting of disseminated to stringer pyrrhotite with minor chalcopyrite and sphalerite localized within narrow felsic to intermediate horizons interbedded with basalt flows. No grades are available for the Crabb prospect and the length, width, depth, and continuity of mineralization is not known.

During the mid-1990s, Noranda completed exploration on what is now the southwest part of the Uchi Property. Geological mapping by Noranda traced the South Bay Mine horizon to the northeast on the Uchi Property to a target area referred to as the Cherty Rhyolite Exhalite. Noranda also worked on a previously known showing to the east of the South Bay Mine which is partially located on the current Uchi Property referred to as the Blue Berry Island Trend described in the assessment reports by Noranda as a sulphide-chert horizon.

Exploration

In the fall of 2019, Federal Gold commissioned Geotech Ltd. ("**Geotech**") of Aurora, Ontario to fly a helicopter-borne Versatile Time-Domain Electromagnetic and Horizontal Magnetic Gradiometer Survey ("**VTEM**" or "**VTEM Survey**") over the Uchi Property. The survey was completed from September 20, 2019 to October 7, 2019. Results of the survey, including a logistics report describing the logistics and technical parameters of the survey and various maps depicting processed magnetic and electromagnetic data, were delivered to Federal Gold in November 2019.

The complete technical parameters of the VTEM survey are contained in the Geotech report (Boada and Legault, 2019). The survey parameters are summarized:

- Line spacing: 200 metre survey line spacing and 2000 metre tie line spacing;
- Survey Orientation: east west survey lines with north-south tie lines; and
- Survey Length: 363-line kilometres.

Georeferenced images provided by Geotech to Federal Gold include:

- Electromagnetic stacked profiles of the B-field Z Component;
- Electromagnetic stacked profiles of dB/dt Z Components;
- B-Field Z Component Channel grid;
- Total Magnetic Intensity (TMI);
- Second Vertical Derivative of Magnetic Field;
- Magnetic Total Horizontal Gradient;
- Magnetic Tilt-Angle Derivative;
- Calculated Time Constant (Tau) with Calculated Vertical Derivative contours; and
- Preliminary conductor pick maps.

The survey covered the claims owned by Federal Gold at the time. Federal Gold has not completed any surface exploration on the Uchi Property.

Significant results and interpretation of the VTEM data by Francis Minerals Ltd. (“**FML**”) include:

- Magnetic gradients demonstrate a dominant north-northeast trend which is similar to structural trends and the trend of the volcanic stratigraphy.
- Images of processed magnetic data, particularly the Tilt Derivative, indicate an anastomosing pattern of splay and truncated lineaments.
- Images representative of conductivity indicate discrete areas of conductivity.
- The Cherty Rhyolite Trend and Blue Berry Island Trend are both coincident with conductivity anomalies.
- Zones of VTEM conductivity correlate with multiple rock types. A strong stratigraphic control to conductivity distribution is not apparent.
- There is not a direct correlation of VTEM magnetic anomalism with VTEM conductivity. In general, anomalous trends in the two data sets are discordant. An exception to this occurs in the north-central part of the Uchi Property where conductivity and stronger magnetic response are coincident.

Drilling

Federal Gold has not completed any drilling on the Uchi Property.

Sampling, Analysis and Data Verification

Federal Gold has completed an airborne VTEM survey previously described. The survey was completed by Geotech which has been providing geophysical acquisition and interpretation services for almost 40 years and is widely used in the mineral exploration industry in Canada and internationally. The QAQC employed by Geotech is reported by Geotech (Boada and Legault 2019). The author of the Uchi Technical Report has verified the location of magnetic anomalies and gradients supplied by Geotech through comparison with those generated and published by the OGS and has found the Geotech survey to be completely coincident with the OGS data. The author of the Uchi Technical Report considers this to be a reasonable level of verification in terms of the work conducted during the VTEM Survey, and that no material issues would have been left unidentified from the verification process undertaken. It is the opinion of the author of the Uchi Technical Report that the VTEM data is adequate for use in the Uchi Technical Report. Federal Gold has not completed any fieldwork or sampling on the Uchi Property.

Mineral Processing and Metallurgical Testing

There has been no mineral processing or metallurgical test work conducted on the Uchi Property by Federal Gold.

Mineral Resources And Mineral Reserves

The Uchi Property is an early stage exploration property, and there are no current mineral resource or mineral reserve estimates.

Exploration And Development

FML compiled, evaluated, and interpreted historical exploration information, geological reports and maps, and other data to the extent required to form a reliable opinion on the Uchi Property for the purposes of the Uchi Technical Report. FML is of the opinion that there is likely considerable value in a complete and rigorous GIS based compilation of the available public domain data and using this work as the basis for the details of exploration program planning. FML recommends that while the GIS compilation is advanced, or upon its completion, that Federal Gold secure the services of an exploration geophysicist to fully evaluate the VTEM data, independently, and in the context of the geology and exploration data compiled and interpreted. As part of the compilation, FML recommends that Federal Gold seek the advice of a geophysicist to evaluate, and if prudent, compile and level historical electromagnetic surveys and data for the Uchi Property.

FML recommends that initial exploration (Phase 1) proceed by completing the VTEM coverage on the claims acquired in September 2020 and with geological mapping, prospecting, and sampling. Notwithstanding the recommendation that the detailed planning of this work be based on the results of rigorous compilation and interpretation, FML recommends the following:

- 1) Geological mapping in the area covering the VTEM target in the north-central part of the Uchi Property.
- 2) Geological mapping in the area of the Mimi Point showing and possibly surface stripping and mapping of the showing.
- 3) East-west traverses of geological mapping across the northeast trending VTEM EM anomaly at selected locations. If appropriate, litho-geochemical sampling for the purposes evaluating alteration.
- 4) Prospecting and mapping in the southeast part of the Uchi Property with the objective of ground truthing interpreted lineaments.

FML recommends that as part of Phase 1 field work that surface conditions, drainage, and the nature of till and/or soil cover be evaluated for the purposes of evaluating appropriate geochemical exploration techniques and surveys. The execution and planning of Phase 2 exploration on the Uchi Property would be contingent on the results of Phase 1 exploration. FML recommends allowance for the following Phase 2 exploration:

- 1) Diamond drilling to follow up any targets that are advanced to the drill stage in Phase 1 exploration. This may include the VMS target on the north-central area, drilling due to work on the Mimi point showing, or drilling due to prospecting in gold target lineaments.
- 2) Trenching or mechanically aided surface stripping. This may be of relevant to follow up any showings located during prospecting for gold mineralization.
- 3) Continued geological mapping and prospecting.

Federal Gold has acquired a substantial land position. Historical work on the Uchi Property has dominantly consisted of follow up of airborne anomalies in the exploration for South Bay-type VMS deposits and consists of small disparate exploration efforts across the Uchi Property. FML recommends that in the course of data compilation, interpretation, exploration, and continued interpretation, that Federal Gold take a holistic approach to interpretation with the objective of continually developing an understanding of the geological history of the complete Uchi Property and timing the of emplacement and deformation of mineralization.

A budget covering both phases of exploration has been estimated by FML and is contained in the table below. FML recommends a budget of approximately \$200,000 for Phase 1 exploration and approximately \$900,000 for Phase 2.

Exploration Budget

| Item | Unit | Number | Rate | Total |
|---|------|--------|----------|----------|
| PHASE 1 | | | | |
| VTEM Survey covering September 2020 Claims | each | 1 | \$45,000 | \$45,000 |
| Compilation and Interpretation | | | | |
| Geologist | day | 20 | \$800 | \$16,000 |
| Geophysicist | day | 15 | \$1,000 | \$15,000 |
| GIS Technician | day | 10 | \$450 | \$4,500 |
| Sub-total | | | | \$35,500 |
| Field Program | | | | |
| Senior Geologist | day | 50 | \$600 | \$30,000 |
| Junior Geologist | day | 35 | \$400 | \$14,000 |

| Item | Unit | Number | Rate | Total |
|--|-------------|---------------|-------------|--------------|
| Technician | day | 35 | \$300 | \$10,500 |
| Prospector | day | 35 | \$300 | \$10,500 |
| Truck Rental | day | 45 | \$100 | \$4,500 |
| Equipment Rental | day | 15 | \$1,000 | \$15,000 |
| Camp and logistics | day | 35 | \$300 | \$10,500 |
| Geochemistry - whole rock | each | 65 | \$45 | \$2,925 |
| Geochemistry - Au assay | each | 125 | \$30 | \$3,750 |
| Geochemistry - base metal | each | 125 | \$20 | \$2,500 |
| Sub-total | | | | \$104,175 |
| Total Phase 1 Exploration | | | | \$184,675 |
| Plus 10% Contingency | | | | \$203,143 |
| | | | | |
| PHASE 2 | | | | |
| Compilation, interpretation, planning | | | | |
| Geologist | day | 30 | \$800 | \$24,000 |
| Geophysicist | day | 15 | \$1,000 | \$15,000 |
| GIS Technician | day | 15 | \$450 | \$6,750 |
| Sub-total | | | | \$45,750 |
| | | | | |
| Drill Program | | | | |
| Contractor Costs | metre | 2000 | \$125 | \$250,000 |
| Logistics | metre | 2000 | \$35 | \$70,000 |
| Geologist | day | 35 | \$500 | \$17,500 |
| Technician | day | 35 | \$350 | \$12,250 |
| Camp and logistics | day | 35 | \$500 | \$17,500 |
| Geochemistry - whole rock | each | 250 | \$45 | \$11,250 |
| Geochemistry - Au assay | each | 250 | \$30 | \$7,500 |
| Geochemistry - base metal | each | 250 | \$20 | \$5,000 |
| Sub-total | | | | \$386,000 |
| | | | | |
| Field Program | | | | |
| Senior Geologist (2) | day | 100 | \$500 | \$50,000 |
| Junior Geologist (2) | day | 100 | \$350 | \$35,000 |
| Technician (2) | day | 100 | \$300 | \$30,000 |
| Prospector (2) | day | 100 | \$300 | \$30,000 |
| Truck Rental (2) | day | 120 | \$100 | \$12,000 |
| Equipment Rental | each | 25 | \$5,000 | \$125,000 |
| | | | | |
| Camp and logistics | day | 50 | \$500 | \$25,000 |
| Soil/Till Survey | each | 1 | \$100,000 | \$100,000 |
| Geochemistry - whole rock | each | 100 | \$45 | \$4,500 |
| Geochemistry - Au assay | each | 200 | \$30 | \$6,000 |
| Geochemistry - base metal | each | 200 | \$20 | \$4,000 |
| Sub-total | | | | \$421,500 |
| Total Phase 2 Exploration | | | | \$807,500 |
| Plus 10% Contingency | | | | \$888,250 |
| | | | | |

THE DORADO PROPERTY

Technical Report

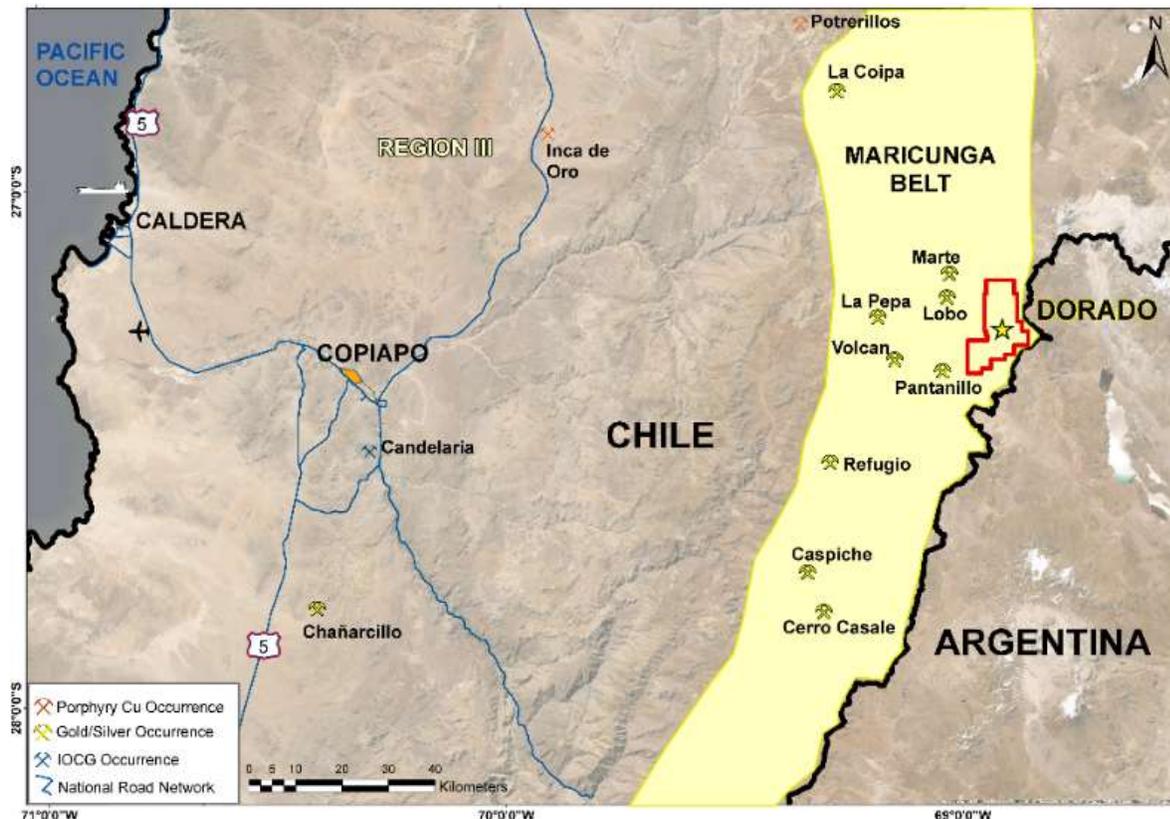
The Company's most recent technical report on the Dorado Property is the "NI 43-101 Technical Report on the Dorado Project (Formerly Lajitas)", prepared for Federal Gold and the Company, authored by David Hopper, Chartered Geologist of the Geological Society of London (Fellow No. 1030584), and dated October 23, 2020 (the "**Dorado Technical Report**"). A copy of the Dorado Technical Report can be found on SEDAR at www.sedar.com. The following description of the Dorado Property is based on the Dorado Technical Report, together with certain updates since the date thereof, and was prepared under the supervision of David Smith, former Vice President of Global Exploration of Angold, who is a qualified person under NI 43-101.

The conclusions, projections and estimates included in this description are subject to the qualifications, assumptions and exclusions set out in the Dorado Technical Report, except as such qualifications, assumptions and exclusions may be modified in this AIF.

See also "General Development of the Business – Three Year History – 2021 Developments" for additional updates and activities on the Dorado Property.

Property Description, Location and Access

The Dorado Property is located in the Province of Copiapó, Region III of the Republic of Chile approximately 175 kilometres east of Copiapo, the mining capital and main supply centre for the region, and approximately 700 kilometres north of Chile's capital Santiago, as depicted in the map below. The Dorado Property is centred on UTM coordinates (datum: WGS-84, Zone 19S) UTM 6,980,000 North and 507,500 East (68 degrees 55 minutes longitude west and 27 degrees 18.3 minutes latitude south).



At the effective date of the Dorado Technical Report, the Dorado Property consists of 9 exploitation concessions registered to Rio Explorations SpA, totalling 1,600 hectares and 49 exploration concessions registered to Rio Explorations SpA, totalling 13,200 hectares. Details are set forth in the figures below. Subsequent to the effective date of the Dorado Technical Report, Rio staked an additional three exploration concessions on November 19, 2020, increasing the number of exploration concessions from 49 to 52.

The titleholder of an exploitation (or mining) concession is granted the right to explore and exploit the minerals located within the area of the concession and to take ownership of the minerals that are extracted. Exploitation concessions can overlap or be granted over the same area of land, however, the rights granted by an exploitation concession can only be exercised by the titleholder with the earliest dated exploitation concession over a particular area. Exploitation concessions are of indefinite duration and an annual fee is payable to the Chilean Treasury of approximately US\$8 per hectare. Where a titleholder of an exploration concession has applied to convert the exploration concession into an exploitation concession, the application for the exploitation concession and the exploitation concession itself are backdated to the date of the exploration concession.

The titleholder of an exploration concession has the right to carry out all types of mining exploration activities within the area of the concession. Exploration concessions can overlap or be granted over the same area of land, however, the rights granted by an exploration concession can only be exercised by the titleholder with the earliest dated exploration concession over a particular area. For each exploration concession, the titleholder must pay an annual fee of approximately US\$1.60 per hectare to the Chilean Treasury. Exploration concessions have a duration of two years. At the end of this period, they may: (i) be renewed as an exploration concession for two additional years in which case at least 50 percent of the surface area must be renounced, or (ii) be converted, totally or partially, into exploitation concessions.

Annual fee payments required to maintain exploitation and exploration concessions are made annually in March. The annual fee payments for the Dorado Property mining concessions, paid in June 2020, will maintain the Dorado/Lajitas exploitation concessions in good standing until March 2021 and exploration concessions in good standing until May 2021.

The Dorado Property's surface area is located on public lands and the rights over said land therefore belong to the government of Chile. If larger scale exploration takes place, Federal Gold will need to negotiate agreements with the Chilean Government or obtain legal occupant easements to access and explore the Dorado Property. There are no known encumbrances or pre-emptive third-party easements registered against the surface land. According to Federal Gold's legal counsel, Federal Gold is not liable for any impacts that were caused by previous owners and/or operators. Environmental liabilities for Federal Gold are limited to those associated generally with exploration-stage properties and would involve removal of the exploration camps and rehabilitation of drill sites and drill site access roads.

A royalty agreement was executed between former owners of the Lajitas area exploitation concessions - International Mineral Resources Ltd. and Roberto Alarcon, on the one hand - and Capella Resources Ltd. on the other. The agreement, including a 2011 amendment, indicated a 2% net smelter return royalty which may be reduced to 1% for a payment of C\$2,000,000 at any time.

Permitting

In Chile, projects involving 40 or more drill platforms between the Arica, Parinacota and Coquimbo regions require an environmental declaration or assessment depending on the specific environmental impacts and/or location of the Dorado Property as noted below. A platform is defined as a raised level surface on which the drilling equipment is installed for drilling one or more holes. Below 40 drill platforms, exploration projects are not required to be environmentally assessed, unless they are in protected or sensitive areas. Whether the Dorado Property requires an Environmental Assessment Study (Estudio de Impacto Ambiental - EIA) or an Environmental Assessment Statement (Declaración de Impacto Ambiental - DIA) depends on the specific location and environmental characteristics of the Dorado Property.

No environmental permits have been requested or granted yet to the Dorado Property for any exploration work involving the mining and exploration concessions. The future exploration programs, as outlined below (and in the Dorado Technical Report), in the opinion of Federal Gold's legal counsel, are not expected to require a formal permitting process given the proposed work program presented. Subsequent programs may require Environmental Assessment Studies or Environmental Assessment Statement.

Federal Gold will be required to submit an initiation of activities form to SERNAGEOMIN, the Chilean National Mining and Geology Service, in order to initiate exploration activities at the project site, including installing a mobile camp and undertaking earth moving and drilling activities (Activity Initiation Form or "Iniciación de Actividades"). Permits to extract water are not expected to be required if water is purchased from third parties who have legal title and rights to sell water.

Accessibility, Climate, Local Resources, Infrastructure, and Physiography

The nearest major city to the Dorado Property is Copiapo, some 170 kilometres by road to the west. Copiapo lies along the Pan American Highway (Ruta 5 Norte) approximately 700 road kilometres north of Santiago, the capital of Chile. Copiapo has daily air service from Santiago and other Chilean cities. The Dorado Property is in the Atacama Region (III) of northern Chile in the Province of Copiapo and political subdivision of Comuna Tierra Amarilla. The northern and southern ends of the Dorado Property, which are equidistant from Copiapo, can be accessed by vehicle from Copiapo.

Federal Gold's principal access to the Dorado Property is via paved Highway 31 which leads towards the Kinross La Coipa mine. The highway is accessed by taking the ENAMI Paipote Smelter turnoff northward out of Copiapo and which links Copiapo with the villages of Inca del Oro and Diego de Almagro. Continue for 120 kilometres along Highway 31 to the local police (Carabineros) outpost at the northern end of the Salar de Maricunga. From the police outpost, continue south on Highway 31 for 10 kilometres until the bifurcation of Highway 31 and provincial road C-601. Continue on route C-601 to the southwest for 10km and proceed along the C-601 split to the left for another 15km until the junction of provincial roads C-601 and C-607. Proceed south on C-607, past the access to the Kinross Marte Project for 17km to the access of the Lajitas stream canyon to the east. The Lajitas stream access road is a non-maintained drill road last used in 2010, which traverses up the locally narrow canyon to the historic drill camp site area for approximately 8km. Total travel time from Copiapo to the Dorado Property site is approximately 3.5 hours.

Precipitation consists largely of snow during the Andean winter months of May through September, with rare, but intense, rainstorms of short duration occurring during the summer months from January through April. Precipitation in this part of the Andes averages less than 200 mm while evaporation from surface water and soils varies between 1,500 to 2,000 mm/yr resulting in the extremely arid conditions.

Vegetation is absent except for lichens and rare spinifex grass on mountainsides and mosses in spring-fed bogs found along the valley floor. Wildlife is sparse though small groups of guanaco and vicuña are occasionally encountered as well as reptiles and foxes. During the migration season waterfowl, in particular flamingos, are common in the wetlands to the west.

The typical exploration field season in the belt is from approximately November through April, a duration of 5-6 months. However, advanced projects and mines in the area operate all year.

Because of the high altitudes, extremely strong winds frequently can develop in the afternoons and evenings. White-outs and lightning storms, termed the "Bolivian Winter", which can create hazardous conditions, may occur during the summer. The average annual temperatures are on the order of 11° C and range between -30° C at night in the winter to 20° C during the summer.

Local physiography in the vicinity of the Dorado Property is alpine in character and consists of a series of abrupt, NS-trending mountain ranges with high peaks ranging from 4,000 to 6,192 m. The principal topographic features of the region are the result of a combination of horst and graben block tectonics in the Cordillera Occidental and the Cenozoic to Recent volcanism that produced the Volcan Copiapo stratovolcano.

The Dorado Property is an early-stage exploration project and has therefore not yet been evaluated in detail for potential mining infrastructure aspects such as the availability and sources of power, water, mining personnel, potential tailings storage areas, potential waste disposal areas, heap leach pad areas, and potential processing plant sites. Experienced exploration, mine and plant personnel is expected to be sourced from Copiapo, or elsewhere in Chile where a generally well trained and experienced workforce exists. Furthermore, Copiapo is a well-established support and logistics centre for mining activities in the region.

History

The first documented exploration of the Dorado/Lajitas concessions was undertaken by Santa Fe Pacific, commencing in the fourth quarter of 1996 and finalizing in early 1997. Santa Fe conducted a reverse circulation (RC) drilling program of 1,402m in 7 holes. The drilling resulted in 5 mineralised holes with intervals up to 50m wide averaging up to 1.32g/t Au. Santa Fe then undertook detailed mapping of the mineralized zone and drilled an additional 1,172m in 7 RC holes for a total of 2,574m.

In 2006, Cerro Mining Corp. (formerly, Capella Resources Ltd.) acquired the Dorado Property and completed 1 induced polarization/resistivity line over the mineralized part of the Dorado Property and a limited ground magnetics survey that was extended in early 2007 for a total of 118 line km's. In 2006 Cerro also completed 7 reverse circulation drill holes in 2006 totalling 1,709m which confirmed the results of Santa Fe drilling and returned intercepts of 116m @ 0.88 g/t Au including 10m @ 1.24 g/t Au in the first hole LJ06-001r. In 2008 Cerro completed 1,365m in 4 diamond drill holes, as well as adding an additional 3 IP/RES lines and the collection of 1,044 rock chip samples from new road cuts. This drilling returned an interval of 261m @ 0.91 g/t Au including 105.7m @ 1.58 g/t Au in LJ08-011. In 2010 Cerro continued drill testing the Dorado Property with an RC drilling campaign of 4,529m in 16 drill holes. Significant drill intersections of all campaigns are summarised in Section 6 of this report. In 2011 Cerro conducted preliminary metallurgical testing indicating recoveries of 63% - 73% in oxidized material, and calculated an historical inferred mineral resource of 452,399oz at 0.50 g/t Au, as described in the NI 43-101 technical report entitled "*RESOURCE ESTIMATION ON THE DORADO/LAJITAS GOLD PROPERTY, MARICUNGA GOLD-COPPER DISTRICT, THIRD REGION, REPUBLIC OF CHILE, FOR CAPELLA RESOURCES LTD.*" effective August 17, 2011, by B. Cole. The report is available on the Chilean geological survey website at the following location: https://portalgeo.sernageomin.cl/Sigex/EL_DORADOLAJITAS_13_196/, as well as on SEDAR (www.sedar.com) under the profile for Cerro. This mineral resource estimate is a historical estimate as defined in National Instrument 43-101 and while the estimate uses categories set out in National Instrument 43-101, no qualified person has done the work necessary to classify the historical estimate as current mineral resources. In order to convert the historical estimate to current mineral resources, the author recommends completing the work summarized in the Dorado Technical Report. Neither Federal Gold nor the Company is treating the historical mineral resource as current. While the Company is not treating the historical as current, the information is being provided for purposes of providing information on the historical activities conducted on the Dorado Property.

Geological Setting, Mineralization and Deposit Types

The Dorado Property is situated in the Maricunga gold belt, a region of gold-silver copper prospects and deposits in the high Andes of northern Chile where zones of hydrothermally altered rocks host high-sulfidation epithermal gold-silver deposits such as La Coipa and Salares Norte, and porphyry gold-(copper) deposits such as Refugio, Caspiche, Marte-Lobo and Fenix. Since 1980, an aggregate geologic resource of approximately 70 Moz of gold has been defined.

The belt consists of a NNE-trending chain of partially eroded andesitic to dacitic volcanoes that are part of a late Oligocene to late Miocene continental margin volcanic-plutonic arc developed parallel to and over the subducting Pacific plate.

At the Dorado Property a Permo-Triassic basement of felsic volcanic and intrusive rocks is overlain by andesitic and dacitic volcanic rocks of Eocene-Oligocene age. These are cut by porphyritic quartz diorites and dacites interpreted as subvolcanic dykes/sills and stocks, often associated with phreatic and/or

phreatomagmatic breccias. The former is overlain by dacitic flows and Pliocene gravels that locally conceal alteration. The Lajitas zone is interpreted as the eroded core of a small stratovolcano.

Hydrothermal alteration seen by the author of the Dorado Technical Report in outcrop and drill core is typical of Maricunga-style porphyry gold deposits. It comprises deep magnetite-albite-chlorite, passing outwards and upwards to pyrite/hematite-albite-clay, and then high-level advanced-argillic alteration with kaolinite-alunite-pyrophyllite and pyrite.

Gold mineralisation occurs with hairline to millimetric banded quartz veinlets and grades are roughly proportional to the intensity of veining. The banded quartz veins overprint non-banded quartz veins with minor pyrite, chalcopyrite and reported bornite that coincide with copper grade. Veinlet frequencies are typically less than 5 veinlets per metre and pyrite content is very low.

Significant veinlet-associated gold mineralization interpreted from RC and diamond drilling occurs in an area of about 400m X 400m in two NNE trending tabular bodies. The zones range from 250m to 300m in length and range from 25m to 125m in width, with average width being in the 75m range. The mineralisation appears to have been delimited to the east and west, but the northern and southern strike extensions are poorly defined.

Exploration

Following the effective date of the Dorado Technical Report, the Company completed an exploration program at the Dorado Property consisting of geologic mapping, rock sampling, grid talus fines sampling, and hyperspectral analyses on the Lajitas South target. Results indicated coincident mineralization textures, hydrothermal alteration, magnetic signatures, and trace-element anomalies characteristic of the lithocap environments that typically overlie gold-copper porphyry-epithermal systems.

Drilling

Following the effective date of the Dorado Technical Report, the Company completed a first phase drill program of approximately 4,250m of core on the Dorado Property, in a total of nine drill holes. Assay results confirmed gold mineralization at Lajitas over a vertical extent of at least 400m beginning from surface, in deeper portions and between the East and West Zones

Sample, Analysis and Data Verification

Since the acquisition of the Dorado and Lajitas concessions from Capella in 2020, there had not been any exploration or sampling undertaken on the Dorado Property as at the effective date of the Dorado Technical Report. With regard to historic sampling methods, no records were available to the author of the Dorado Technical Report of sample dispatch or QA/QC. Official laboratory assay certificates matched to sample numbers and drill holes are available only for the Capella 2009/2010 drill program. The only information on sample preparation, analyses, and security is contained in Cole (2011), a NI 43-101 report previously prepared for Capella Resources. Therefore, the veracity of the quantity of assays submitted, their preparation, security, QA/QC and assay results themselves cannot be independently verified.

No supporting information nor sampling, preparation, analyses, and security information for data from the Santa Fe exploration programs was available to the author of the Dorado Technical Report.

The author of the Dorado Technical Report considers the sample preparation, analyses, and security of the historical project data contained and cited in the Dorado Technical Report to be sufficiently accurate and representative for the limited purpose of the Dorado Technical Report, that being only to confirm the potential for porphyry Au mineralization at the Dorado Property to make recommendations as to whether or not further exploration is justified, and what form such exploration might take. This opinion is based on the author's prior experience in the belt working on similar deposits, his knowledge of the professionals and companies involved, and on the results of his site visit and check sampling. To the best of his ability, the author has independently cross-checked a reasonable number of records and products included in the

Dorado Technical Report, such as drill hole intercepts, sample numbers, assay certificates, collar coordinates, and azimuths, against the data provided by Federal Gold and in the field. Further quality assurance in the form of assay certificates, sample registers, and certified quality control samples combined with a statistically robust number of check samples and / or re-assaying of laboratory pulps will be required to show that the data is sufficiently accurate and precise.

For a description of the sampling, analysis and data verification procedures carried out in respect of the exploration and drilling activities conducted following the effective date of the Dorado Technical Report, refer to the following:

- (a) the news release dated January 12, 2021 entitled “Angold Resources Begins Drilling at Dorado”;
- (b) the news release dated February 16, 2021 entitled “Angold Drills 302 m at 0.71 g/t Gold From Surface and Intersects New Gold Zone at Dorado”;
- (c) the news release dated March 16, 2021 entitled “Angold Extends Mineralization, Intersects Two New Zones at Dorado”;
- (d) the news release dated April 27, 2021 entitled “Angold Discovers New Mineralization at Lajitas South Target, Dorado Project”;
- (e) the news release dated May 25, 2021 entitled “Angold Drills 248 Metres at 0.75 g/t in Step-Out Hole at Dorado”; and
- (f) the news release dated June 22, 2021 entitled “Angold Updates Drilling at Dorado Indicating New Gold Zones”.

Copies of each of the above-mentioned news releases are available under the Company’s profile on the SEDAR website at www.sedar.com.

Mineral Processing and Metallurgical Testing

There has been no mineral processing or metallurgical test work conducted on the Dorado Property by Federal Gold.

Mineral Resources and Mineral Reserves

There has been no mineral resource estimate prepared for the Dorado Property by or on behalf of Federal Gold.

Exploration and Development

It is the opinion of the author of the Dorado Technical Report that further exploration work is justified with the aim to upgrade or verify the historical mineral resource estimate at Lajitas and to potentially discover new zones of mineralisation at Lajitas and elsewhere on the Dorado Property. The author is not aware of any reason why exploration could not proceed on the Dorado Property.

The principal recommendations for the Lajitas area include

- Detailed “mineral system” mapping of the entire Lajitas alteration zone at 1:5000 scale
- Detailed mapping over the historical mineral resource area at 1:2500 scale
- Talus fines sampling of the entire Lajitas alteration zone at nominal 100 x 100 mt spacings
- Up to 15 line-km of induced polarization surveying
- Re-logging of historical diamond drill holes
- Recovery of historical assays and verification against the original assay certificates
- Alternatively, systematic reanalysis of splits of the sample pulps stored in Copiapó

- Preliminary ore characterisation and leach tests on a representative suite of samples
- 5000 mts of diamond drilling to recalculate/upgrade/extend the historical resource
- Recover the historical data obtained by Capella and Santa Fe over the Lajitas zone

The principal recommendations for the Dorado Property district include

- Reconnaissance mapping and sampling at a nominal scale of 1:25,000
- Follow up of anomalies with sampling, geophysics and trenching as required

A tentative budget of US\$2,660,500 (as described below) was proposed for the program. Subject to unforeseen permitting or technical delays, it is estimated that the program could be completed in one 4-month field season.

| BUDGET AREAS | | | |
|--|-----------------|--|---------------------|
| Field Exploration | Quantity | | Amount USD\$ |
| Mineral System Mapping & Sampling | | | |
| Salaries | | | \$41,000 |
| Talus, Rock & Trench Samples | 1000 | | \$30,000 |
| Trenching | 500 meters | | \$45,000 |
| Drill Program | | | |
| IP-RES Geophysics | 12km | | \$35,000 |
| Diamond Core Drilling | 5,000 meters | | \$1,500,000 |
| Permitting | | | \$10,000 |
| Mobile Camp & Supplies | | | \$400,000 |
| Assaying | 3,500 | | \$110,000 |
| Salaries | | | \$250,000 |
| Data Compilation | | | |
| Historic core re-logging | 1 month | | \$8,000 |
| Historic sample pulp re-assay | 1000 | | \$30,000 |
| Confirmation historic collar surveying | | | \$2,500 |
| Petrographic Analysis | 20 | | \$3,000 |
| Bench-scale Met tests (cyanide leach) | 5 | | \$20,000 |
| Data Verification/Cataloging | 1 month | | \$8,000 |
| G&A | | | \$40,000 |
| Sub Total | | | \$2,532,500 |
| VAT 19% | | | \$128,000 |
| Total | | | \$2,660,500 |

For description of the exploration and drilling work completed by the Company following the effective date of the Dorado Technical Report, please see the section entitled “*General Development of the Business - Three Year History – 2021 Developments*”.

The actual costs incurred to September 30, 2021 on the program, including additional costs from grading and roadworks for access, exploration expenses to expand the project area and unforeseen technical delays, are summarized as follows:

| | | |
|-----------------------------|----|------------------|
| Salaries | \$ | 152,855 |
| Drill Program | \$ | 3,813,117 |
| Field Exploration | \$ | 343,997 |
| Permitting and Staking Fees | \$ | 133,786 |
| G&A | \$ | 797,147 |
| | \$ | 5,240,902 |

THE IRON BUTTE PROPERTY

Technical Report

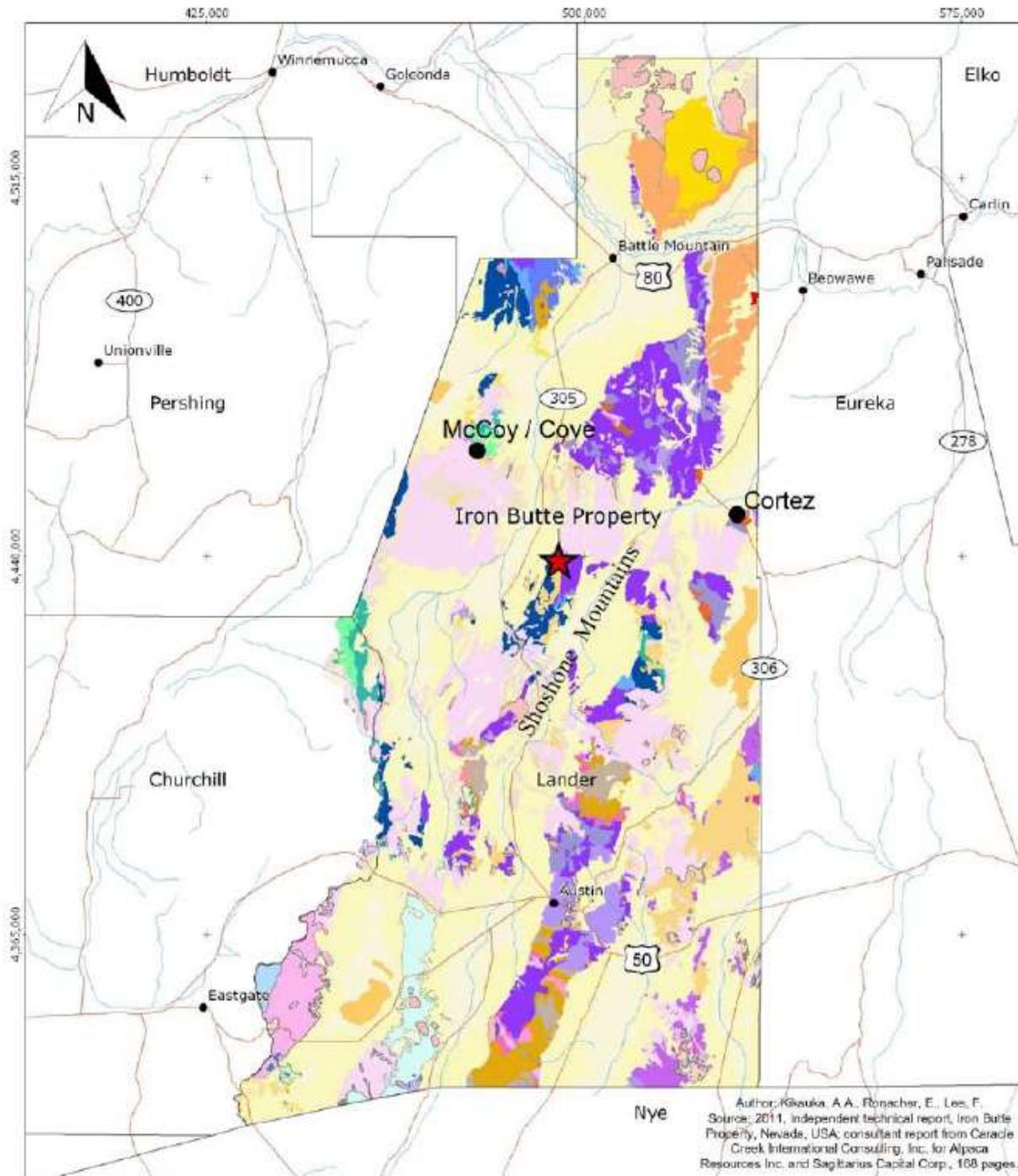
The Company's most recent technical report on the Iron Butte Property is the "*NI 43-101 Technical Report Iron Butte Project Lander County, Nevada, USA*", prepared for the Company, authored by Clyde L. Smith, Ph.D., P.Eng. Consulting geologist, and dated effective November 1, 2021 (the "**Iron Butte Technical Report**"). A copy of the Iron Butte Technical Report can be found on SEDAR at www.sedar.com. The following description of the Iron Butte Property is based on the Iron Butte Technical Report, together with certain updates since the date thereof, and was prepared under the supervision of David Smith, former Vice President of Global Exploration of Angold, who is a qualified person under NI 43-101.

The conclusions, projections and estimates included in this description are subject to the qualifications, assumptions and exclusions set out in the Iron Butte Technical Report, except as such qualifications, assumptions and exclusions may be modified in this AIF.

Property Description, Location and Access

The Iron Butte Property is located along the western flank of the Shoshone Range, 60km south of the town of Battle Mountain in central Lander County, Nevada, USA. The claims are located between WGS84 UTM coordinates 492,500-498,000 E; and 4,435,500-4,443,000 N. Elevations range from 1,600 m to 2,100m. The property consists of four separate claim blocks of 24 unpatented mining claims held under option and 166 unpatented mining claims staked by the company. The property covers a total area of 1,344 hectares. The 24 unpatented mining claims are named: IB 2-9, 28, 30-35, 52-54, 74-76 and VOTM 13-15, 17. The 166 unpatented mining claims are named: IBE 1-166.

Access to the Iron Butte Property is via State Highway 305, a distance of 60km south of the town of Battle Mountain, NV. At that point the Iron Butte Property is visible along the range front to the east and a gravel road heads southeast for 3.25km to a junction with a gravel road that heads northeast a distance of 2.0km to a drilling road that leads uphill into the center of the property. Battle Mountain is located 350km east of Reno on Interstate Highway 80.



At the effective date of the Iron Butte Technical Report, pursuant to the Option Agreement, the Company, through Federal Gold, has the right to acquire an undivided 100% interest in the Iron Butte Property from the Optionor. Upon exercise of the Option, the Optionor will retain a 3% net smelter returns royalty on the Iron Butte Property, subject to the right of Federal Gold to purchase up to one-half of the royalty, for cash payment equal to US\$1,000,000 per one-half percent purchased. During the Option period, the Optionor shall also be entitled to charge a management fee of up to 5% of expenditures incurred by Federal Gold, subject to a maximum of US\$100,000 in any calendar year. In order to maintain the option, the Company

must series of staged cash and share payments to the Optionor as further detailed under the heading “Description of the Business – The Properties – the Iron Butte Property”.

In addition to the option on the above 24 mineral claims, Federal Gold acquired 166 mineral claims by staking in 2020. Payment of a total of US\$31,350 (US\$165 per claim) was made by the Company to the Bureau of Land Management on August 18, 2021, to maintain the total of 190 claims in good standing until September 1, 2022.

There are no known significant factors and risks that may affect access, title, or the right or ability to perform work on the Iron Butte Property. No environmental liabilities are known to exist on the Iron Butte Property.

History

Prior to the acquisition of the Iron Butte Property by the Company, seven companies conducted exploration in the years 1980-2009. The below tables include a summary of 221 reverse circulation (RC) drill holes:

| Year | Company | # RC Holes |
|--------------|--------------------|------------|
| 1980-1985 | Chevron | 53 |
| 1988-1990 | Homestake | 26 |
| 1994-1996 | Cameco | 31 |
| 1998 | Newmont | 21 |
| 2002-2005 | Newcrest Resources | 68 |
| 2009 | C3 Resources | 11 |
| 2009 | Aurelio Resources | 11 |
| Total | | 221 |

Earliest work was by Chevron Mining, which completed 53 RC drill holes in 1980-1985. In 1988-1990, Homestake Mining completed 26 holes and reported 86 intervals that assayed over 0.5 g/t Au in seven holes. In 1994-1995, Cameco drilled 31 holes and reported 13 intervals that assayed over 0.5 g/t Au. Newmont Mining drilled 21 holes in 1998; eight intervals in six holes assayed over 0.5 g/t Au. Newcrest Resources completed a data review of previous work on Iron Butte and drilled 68 holes; 156 intervals in 56 of the holes assayed over 0.5 g/t Au.

In 2008-2009, C3 Resources completed detailed geologic mapping, collected 130 rock chip samples from bedrock exposed in road cuts and trenches, and drilled 11 holes. Of the 130 bedrock samples collected by C3, 52 assayed greater than 0.3 g/t Au and 57 samples assayed greater than 10 g/t Au; higher-grade results were apparently from samples of quartz veins. Selected samples of 21 intervals from 11 C3 drill holes assayed 0.29-1.80 g/t Au and 0.23-30.33 g/t Ag.

In 2010, Alpaca Resources commissioned a historical resource estimate using the following: drill data on 19 cross-sections with an average spacing of 73 m, a 0.3 g/t Au. cut-off and edge grade, minimum internal dilution 3 m at 0.1 g/t Au, specific gravity of 13 g/t Au, search radius of blocks 61 m (long), and 18 m (short), Au conversion 1g=0.032151 troy oz.

The estimated resource contained:

- Oxide: 14,713,354 short tons grading 0.664 g/t Au for 313,899 ounces Au.
- Sulfide: 15,844,234 short tons grading 0.574 g/t Au for 292,287 ounces Au.
- Total: 30,557,588 short tons grading 0.617 g/t Au containing 606,186 ounces Au.

The resources for the Iron Butte Property are a historical estimate. A qualified person has not yet undertaken sufficient work to classify the historical estimate as current mineral resources and the Company is not treating the historical as current mineral resources. This estimate does not use the categories set out in sections 1.2 and 1.3 of NI 43-101 as defined by the Canadian Institute of Mining, Metallurgy and Petroleum (CIM). Drilling to date has not delineated the full extents of the mineralized zones nor has it

tested the potential for sediment-hosted mineralization at depth. Significant data compilation, re-drilling, re-sampling and data verification may be required by a Qualified Person before the historic resources can be verified and upgraded to current resources.

Geological Setting, Mineralization and Deposit Types

Regional Geology

The principal geologic events in the Iron Butte Property region are the following:

- Deposition of a Lower Paleozoic basement of Early Cambrian-Devonian strata made up of eastern and transitional assemblage carbonates, shale, and quartzite and a western assemblage of siliceous sediments, cherts, and volcanics.
- The Lower Paleozoic basement strata were folded and thrust faulted during the Late Devonian-Early Pennsylvanian Antler orogeny when western assemblage rocks were thrust eastward over eastern and transitional assemblage strata. The Antler orogeny culminated with the Roberts Mountain thrust that transported western assemblage units as much as 140km to the east. Eastern assemblage rocks are now exposed locally in erosional windows below the thrust.
- Erosion of the emergent Antler orogenic belt shed the following Mississippian-Permian sequences to the west of the belt that are now exposed in the region of the Iron Butte Property; the autochthonous Cedars sequence and the allochthonous Havallah sequence. The Cedars sequence is an overlap assemblage that includes the following three units that rest unconformably on the Ordovician-Devonian Slaven Chert and Valmy Formation: (1) the underlying, 250-m-thick, Battle Formation that consists of chert pebble conglomerate and quartz-rich sandstone marine turbidites; (2) a middle, 150-m-thick, calcareous sandstone and siltstone unit deposited in a marine shelf environment; and (3) a 250-m-thick overlying siltstone and argillite unit of marine distal shelf or slope environment deposition. The allochthonous, 500-m-thick Havallah sequence includes two imbricated tectonostratigraphic units, the Pumpernickle Formation and the Havallah Formation, which were deposited in marine slope or basinal environments. In the area of the Iron Butte Property the Havallah sequence consists dominantly of siltstone; elsewhere the sequence may be lithologically variable including argillite, fine sandstone, and possibly chert.
- The Havallah sequence and other Mississippian-Permian units were thrust eastward during the Late Permian-Early Triassic Sonoma orogeny. The principal Sonoma orogeny fault is the flat-lying to shallow-west-dipping Golconda thrust fault. Regionally, the allochthonous Havallah sequence is distinguished from underlying autochthonous Cedars sequence units by evidence of contractional deformation such as tight to isoclinal folds and minor offset thrust faults; the Cedar sequence units do not show evidence of such deformation. The Havallah sequence is interpreted to make up the upper plate above the Golconda thrust on the Iron Butte Property. Although the lower plate of the Golconda thrust is interpreted to be overlap assemblage Cedars sequence or Antler sequence, unless identified by future geologic mapping, the identity of the lower plate on the Iron Butte Property will only be known by drilling through the Golconda thrust.
- The first widespread magmatic activity in the region began in the Late Eocene with the following sequence of events:
 1. Silicic dikes and domes at the Cortez, Cortez Hills, and Pipeline Carlin-type gold deposits were emplaced at 39-35 Ma along what would become the northeastern rim of the Caetano caldera; this was followed by extrusion of andesite lavas at 35 Ma;
 2. Eruption of the large-volume (>1,000km³) Caetano Tuff, a crystal-rich rhyolite ash-flow at 34 Ma, and collapse of the Caetano caldera;

3. Intrusion of the Redrock Canyon granite porphyry, Carico Lake granite pluton, and several smaller intrusions, all emplaced to within less than 1km of the paleosurface from large volume magmas, soon after 34 Ma;
4. Extensive and pervasive vuggy silica-pyrite, advanced argillic (kaolinite-quartz-pyrite), and intermediate argillic hydrothermal alteration over an area greater than 100km², along the western and southern margins of the Caetano caldera ("most intense along the south caldera margin," John, et al., 2008), accompanied intrusion of the argillic- and advanced argillic-altered Redrock Canyon porphyry and preceded intrusion of the unaltered Carico Lake pluton;
5. Post-caldera andesites were extruded in the northwestern part of the caldera at 33.5 Ma.

Regional Mineral Occurrences

The Iron Butte Property is located 28km southeast and 36km southwest, respectively, of major gold/silver producing mines in the McCoy/Cove and Cortez mining districts. The McCoy/Cove district includes the McCoy Au skarn and the Cove Au-Ag deposits with total endowment of 4.7 million ounces Au and 112.7 million ounces Ag (historical production plus current resources), ranking the district as the fourth largest Ag producer in Nevada history. The Cove deposit is a telescoped system apparently centered on a porphyry intrusion with a proximal core of base-metal/Au-Ag veins, stockworks, and disseminations in Late Triassic clastic and carbonate host rocks and Eocene porphyritic granodiorite. Distal to the core is an outer aureole of relatively Ag-rich Carlin-style mineralization. The Carlin-style Au-Ag mineralization consists of Fe-As sulfides with native Au and electrum in silty to sandy carbonate strata. Acid-leached alteration includes silica, sericite, and illite. The Late Eocene Cove system has been dated at 39 Ma and shares important similarities with classic Carlin-type deposits.

The Cortez district includes eight Carlin-type gold deposits (Cortez, Pipeline, South Pipeline, Crossroads, Cortez Hills, NW Deep, Deep South, and Cortez Pediment), with a total estimated 25.2 million ounces Au, located within the Cortez Window (Figure 5), a northwesterly-elongate, 40km² exposure of eastern assemblage strata beneath the Roberts Mountain thrust. The Carlin-type deposits are generally tabular, flat-lying bodies hosted in silty carbonates, principally of the Devonian-Carboniferous Roberts Mountain Formation, lying beneath the Roberts Mountain thrust. The thrust formed an impermeable barrier to rising acidic and reducing hydrothermal fluids that altered host formations leaving distinct microcrystalline illite clay and silica (jasperoid) alteration with anomalous arsenic, antimony, mercury, and micron-sized gold colloids, only visible under electron microscopes, embedded within pyrite crystals. Ore bodies occur adjacent to normal fault boundaries of basins that collapsed during early-stage Basin and Range east-west rifting in the Late Eocene (42-36 Ma), and to intrusive contacts of the Jurassic Mill Canyon quartz monzonite stock.

Carlin-type mineralization in the Cortez Window appears to be related to 39-35 Ma granite porphyry dikes and domes at the Cortez, Cortez Hills, and Pipeline deposits, located along what would become the northeastern rim of the Caetano caldera. These intrusions indicate strong linkage with the magmatic center that resulted in the Caetano Tuff, collapse of the caldera, intrusion of granite porphyry stocks within and adjacent to the caldera, and to widespread hydrothermal alteration in the western and southern parts of the caldera. Deposits in the Cortez district may provide the strongest evidence of a genetic connection between magmatic hydrothermal fluids and Carlin-type deposits.

Property Geology

Extensive outcrops of variably altered and moderately contorted quartz siltstone correlated with the Havallah sequence are cut by and intruded by faults and porphyritic rhyolite dikes with strong silicification and surrounding clay alteration. Quartz grains in siltstones are well-rounded and well-sorted, indicative of

deposition in a transitional environment between a higher-energy river-beach-shoreline to a lower energy deeper water setting. Dikes contain quartz eyes with feldspar and finer-grained biotite phenocrysts in an aphanitic quartz-feldspar groundmass. These porphyritic rhyolite dikes are common in regional mineralized settings such as the McCoy, Battle Mountain, and Carlin districts where they have either been established or inferred to be genetically related to magmatically derived gold-bearing hydrothermal fluids differentiated from intrusions.

The Havallah Formation siltstones on the Iron Butte Property were thrust into their current position during the Late Permian-Early Triassic Sonoma orogeny on what is interpreted as the Golconda thrust fault. The location of the interpreted thrust is based on results of a recent magnetotelluric (MT) survey which show a strong 15-30° northwest-dipping contact, at depths of 50-500 m below the surface, between a low-resistivity upper plate and a high-resistivity lower plate. Therefore, the Havallah sequence is interpreted to reside in the upper plate of the Golconda thrust. Internal deformation of the siltstone is indicated by numerous closely spaced minor thrusts sub-parallel to bedding, some of which could have resulted from Mesozoic, post-Sonoma continued crustal shortening. The formation occupies an east-west-trending, asymmetric antiform with a 40° south-dipping south limb and a 15° north-dipping north limb.

The lower plate to the Golconda thrust in the Iron Butte region is the Cedars sequence or the Antler sequence. The overlap Antler sequence is the host formation for gold deposits in the Battle Mountain and Twin Creeks districts to the north. The identity of the lower plate on the Iron Butte Property will only be known by additional geologic mapping or drilling through the Golconda thrust.

Faults mapped follow an arcuate pattern with ENE and N-S strikes, and shallow to moderate northerly and westerly dips. The faults are the loci of silicification and brecciation and are expressed as outcrops of well-defined "silica ribs." Alteration consists of strong silicification of the siltstone and dike footwalls, moderate silicification internal to the fault ribs, strong illite and lesser kaolinite clay alteration of the immediate hangingwall, and pervasive, distal, moderate illite clay alteration of the entire host rock. Vuggy silica with alunite in a breccia at one locality indicates local low-pH alteration.

Hematite-, goethite-, and jarosite-stained breccias include rare brassy pyrite. Textures indicate low-temperature amorphous white silica with coxcomb quartz, moderate-temperature gray silica veinlets, and higher-temperature white to clear crystalline quartz bands and veins. Cross-cutting relations between ribs indicate that at least five separate alteration and mineralizing events have occurred. The silica ribs occupy listric normal faults. However, the parallelism of the faults and ribs with the interpreted underlying Golconda thrust, and minor thrusts throughout the siltstones, raises the possibility that these faults are, in fact, part of the Golconda thrust system. If so, it is probable that they were reused to become normal faults during Tertiary extension related to Eocene collapse of the Caetano caldera or Basin and Range faulting.

An ASTER image of the Iron Butte Property area shows widespread propylitic/carbonate and phyllic/illite alteration and localized argillic/kaolinite and advanced argillic/alunite alteration. These results show that the Iron Butte Property is located within an epithermal alteration system with dominantly low-sulfidation assemblages that merges with and represents the southern continuation of the >100km² Caetano alteration system. The local advanced argillite/alunite anomalous area corresponds with higher Au values in outcrop and drill holes indicating that this portion of the system should be classified as high-sulfidation.

ASTER (Advanced Spaceborne Thermal Emission and Reflection Radiometer) images provide visible to thermal infrared spectral data used to identify alteration minerals.

Mineralization

Epithermal Au-Ag mineralization has been intersected in drill holes over a NNE trend of 2,400m, a width of 800m, and to a depth of up to 230m. Drill logs show that Au/Ag occurs in fine-grained chalcedonic quartz in the following: (1) white, lamellar to platy veins, (2) dark gray, sulfide-rich veins, and (3) light gray veins.

Highest Au/Ag values are concentrated where faulting is most intense, particularly at fault intersections. The base of the zone is not well established because most drill holes terminated within mineralization. Based on drill logs, the oxide/sulfide boundary ranges from 30 to 175m deep and averages 100m.

The cross-sections of the historic drill holes show that almost all the holes are confined within what is interpreted as the upper plate above the flat-lying to shallow west-dipping Golconda thrust, marked by the boundary between overlying low resistivity values, with local high values, and underlying high resistivity values. The high resistivity values are interpreted as indicative of strong silicification. These MT characteristics indicate that a hydrothermal system that rose from depth was largely confined below the Golconda thrust that acted as a strong structural barrier to fluid flow. Local high resistivities in the upper plate indicate that silica-rich altering fluids locally penetrated the upper plate. These breakthroughs into the upper plate are the apparent cause of epithermal Au/Ag mineralization exposed on surface and intersected in drill holes. The strong high resistivity anomalies in the lower plate below the interpreted Golconda thrust show similarities to the geologic environments found in Carlin-type gold deposits.

Deposit Types

Geologic mapping and interpretation of ASTER images demonstrate that Au/Ag mineralization in the upper plate on the Iron Butte Property is dominantly of low- to intermediate-sulfidation epithermal type with local high-sulfidation alteration characteristics. Epithermal deposits in general form at relatively shallow depths (≤ 1.5 km) and low temperatures ($< 300^{\circ}\text{C}$). They are generally rich in gold and silver, with variable amounts of base metals, commonly forming as steeply dipping veins surrounded by often large areas of hydrothermal alteration and disseminated mineralization, generally hosted in coeval volcanic host rocks. Most deposits are Tertiary age and younger, related to calc-alkaline to alkaline magmatism. Epithermal deposits are subdivided into high- and low-sulfidation types. Epithermal mineralization typically occurs in veins, veinlets, breccias, and disseminations in hydrothermally altered host rocks. Of particular interest is the interpreted geology in the lower plate below the Golconda thrust where high resistivity anomalies indicate strong silicification. These features show similarities to Carlin-type gold deposits.

The Carlin Gold Province of northern Nevada contains more than 250 million ounces of gold, includes 17 world-class mines, and currently ranks the U.S. fourth in world gold production. Numerous individual deposits, ranging up to 3 kilometers in area and 1 kilometer deep, lie in five northerly-striking trends within a 30,000km² area along the Basin and Range rift axis. Carlin-type deposits are generally tabular, flat-lying bodies hosted in silty carbonate formations lying dominantly beneath the Roberts Mountain thrust. The thrust formed an impermeable barrier to rising acidic and reducing hydrothermal fluids that altered host formations leaving distinct microcrystalline illite clay and silica (jasperoid) alteration with anomalous arsenic, antimony, mercury, and micron-sized gold colloids, only visible under electron microscopes, embedded within pyrite crystals. Ore bodies occur adjacent to normal fault boundaries of basins that collapsed during early-stage Basin and Range east-west rifting in the Late Eocene. Rifting released pressure on the mantle allowing magma to rise through the crust and produce Late Eocene intrusive complexes from which the gold-mineralizing hydrothermal fluids differentiated, rose along basin-bounding faults, and formed the Carlin-type deposits.

Evaluation of recent MT survey results indicates that historic exploration at the Iron Butte Property has been restricted to evaluating and drilling epithermal mineralization confined to an upper plate above the Golconda thrust.

Exploration

Since the date of the Option Agreement, Federal Gold has contracted the following exploration, conducted under its management, on the Iron Butte Property:

- Staking of 166 unpatented mining claims

- Field reconnaissance, rock sampling, data compilation, and project management by Ken Coleman, Senior Exploration Manager-North America for the Company
- Geologic mapping and rock sampling by Marcus Johnston during 2020 and 2021
- Permitting and bonding of a Notice of Intent to Explore covering 22 drill sites in the area of historical drilling
- Completion of a magnetotelluric (MT) geophysical survey by Zonge International
- Collection of preliminary data from an induced polarization (IP) survey by Rock Bottom Geosciences LLC; completion of the IP survey is expected in late November and interpretation of the IP results is expected in late December 2021
- Geological consulting by Clyde Smith and geophysical consulting by Tom Weis

Marcus Johnston mapped a set of moderate- to shallow-west-dipping faults with strong silicification and clay alteration hosted in Havallah sequence siltstones in the area of historic drilling. He provided detailed outcrop data for 390 field stations and collected numerous selected rock samples that were reportedly cut on a rock saw to expose textures. However, Johnston reported submitting only 37 rock samples for analysis to ALS Minerals Laboratory in Reno, Nevada and he did not provide analytical results for any of these samples in either of his reports. Although Mr. Johnston included a map showing approximately 148 sample sites with a range of Au values described as “IB RChip NAD 27 Conversion” these samples represent data from unknown sources that cannot be verified by the author of the Iron Butte Technical Report and are not suitable for disclosure in this report. Mr. Johnston identified fault intersections as sites favorable for mineralization and recommended drilling eight angle core holes totaling 2,360m into the fault intersection targets. Ken Coleman is the Senior Exploration Manager-North America for the Company, is an experienced geologist with strong background on Nevada gold deposits, and has provided prospecting, geological, and geochemical work on the Iron Butte Property.

A magnetotelluric (MT) survey was completed by Zonge International on the western property, during September 5 to 18, 2021. Six survey lines were run on an azimuth of 120°/300° across the property. Data were acquired with Zonge High-Resolution ZEN receivers operating with 4-6 channels equipped with 32-bit analog-to-digital converters. Horizontal magnetic fields were measured with Zonge ANT/4 magnetometers.

The Company’s geophysical consultant, Thomas Weis has provided an interpretation of the MT results. Weis interprets two westerly-dipping thrust faults between overlying and underlying low resistivity units separating a high resistivity unit between the faults. The high resistivities are interpreted to reflect strong silicification possibly related to Carlin-type mineralization.

MT anomalies also show steep structures, in some cases related to local relatively higher resistivities in the overlying unit; Weis notes that these structures and interpreted local silicification may be indicators of the epithermal Au-Ag mineralization intersected in drill holes in the overlying unit.

Drilling

Neither Federal Gold nor the Company have conducted any drilling on the Iron Butte Property. Drilling by previous companies is summarized in the section entitled “History”, above.

Sample, Analysis and Data Verification

The author of the Iron Butte Technical Report has no reason to suspect that results are other than recorded. However, the author cannot verify proper sample preparation, analysis, and security for the historical drill samples, and before this data could be used with confidence they should be verified. This could be done with new drill samples processed with current best practices for sample preparation, analysis, security, and QA/QC; however, it is recommended that the Company first re-analyze a proportion (8-10%) of the many pulps of drill cuttings from historical drilling in the Company’s possession, as the company is now conducting.

In 2020, Marcus Johnston collected a total of 148 samples and submitted them under chain-of-custody to the ALS Minerals laboratory in Reno, NV with no splitting or preparation before delivery to the laboratory.

ALS reports show that the samples were prepared by standard procedures and were subjected to 48 element/four acid ICP-MS analyses and spectral scan VNIR and SWIR mineralogical determinations. Reports were sent to Grandview Explorations LLC on March 11, 2021 and April 20, 2021. Johnston provided sample coordinates and rock type descriptions that correspond with selected sites examined and confirmed by the author. ALS Minerals is independent of the Company and its Reno and Vancouver facilities are ISO 17025 accredited. ALS performed internal QA/QC procedures to assure the accuracy and integrity of results, which were acceptable for the samples analyzed.

The author of the Iron Butte Technical Report conducted an examination of mineralized and altered outcrops, selected sample sites, and drill hole locations during property visits on July 26 and 27, 2021. The geologic environment and its relation to mineralization has been verified. Drill data was examined and mineralization intervals deemed characteristic of the described mineralization, but few assay certificates were available for thorough validation. Drill cuttings from previous drill holes are now being re-assayed by Federal Gold. Assay results will be required in order to provide detailed data verification of historical drill data.

Mineral Processing and Metallurgical Testing

No mineral process or metallurgical testing has been conducted by or on behalf of Federal Gold or the Company.

Mineral Resources and Mineral Reserves

There has been no mineral resource estimate prepared for the Iron Butte Property by or on behalf of Federal Gold.

Exploration and Development

The results from the recently completed MT survey underscore the importance of thoroughly evaluating the Iron Butte hydrothermal system. The following are recommended:

- Complete 3D inversion modeling of MT data and interpretation
- Complete IP/resistivity data acquisition, modeling, and interpretation
- Conduct a detailed drone magnetic survey, modeling, and interpretation
- Conduct a detailed gravity survey, modeling, and interpretation
- In order to validate the historical drill assays on the property, re-assay approximately 9% of the historical drill pulps available in storage, totaling about 1,700 analyses. Analysis should include Au, Ag, and a suite of trace elements by 4-acid digestion
- Complete a thoroughly integrated geophysical and geological interpretation of all geophysical data that results in identification of specific drill targets with a recommended drill program, followed by drill permitting.

A tentative budget of US\$595,000 (as described below) was proposed for the program.

| | USD \$ |
|---|-------------------|
| Geophysics | |
| MT 3D inversion, modeling | \$ 5,000 |
| IP /resistivity data, modeling | \$ 66,000 |
| Drone magnetic survey | \$ 30,000 |
| Gravity survey, modeling | \$ 34,000 |
| Geophysical consultant | \$ 20,000 |
| Subtotal | \$ 155,000 |
| Geological, geochemical sampling | |
| Reassay of selected drill samples: 1600 @ \$50/sample | \$ 85,000 |
| Soil samples: 2,200 @ \$35/sample | \$ 77,000 |
| Soil analyses: 2,200 @ \$45/sample | \$ 99,000 |
| Rock assays: 400 @ \$50/sample | \$ 20,000 |
| Geologist: 6 mo @ 10,000 | \$ 60,000 |
| Travel, lodging, field support | \$ 15,000 |
| GIS support | \$ 10,000 |
| Drill planning and permitting | \$ 20,000 |
| Subtotal | \$ 386,000 |
| Contingency @ 10% | \$ 54,000 |
| Total | \$ 595,000 |

DIVIDENDS AND DISTRIBUTIONS

The Company has not, for any of the three most recently completed financial years or its current financial year, declared or paid any dividends on its Common Shares, and does not currently have a policy with respect to the payment of dividends. For the foreseeable future, the Company anticipates that it will not pay dividends but will retain future earnings and other cash resources for the operation and development of its business. The payment of dividends in the future will depend on the Company's earnings, if any, the Company's financial condition, and such other factors as the Company's directors consider appropriate.

CAPITAL STRUCTURE

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value and an unlimited number of preferred shares. As of the date of this AIF, the Company has issued and outstanding: 83,941,831 Common Shares, 4,895,000 incentive stock options each exercisable for one Common Share ("**Stock Options**"), 1,005,975 broker warrants each exercisable for one Common Share ("**Broker Warrants**").

Holders of Common Shares are entitled to receive notice of any meeting of shareholders of the Company, to attend and to cast one vote per share at such meetings. Holders of Common Shares are also entitled to receive on a *pro-rata* basis such dividends, if any, as and when declared by the Board at its discretion from funds legally available therefor and upon the liquidation, dissolution, or winding up of the Company are entitled to receive on a pro-rata basis, the net assets of the Company after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions, and conditions attaching to any other series or class of shares ranking senior in priority. Common Shares do not carry any pre-emptive, subscription, redemption, or conversion rights.

Neither the Stock Options nor the Broker Warrants provide the holders thereof with any voting rights, dividend rights, rights upon dissolution or winding up, or rights for redemption or retraction.

MARKET FOR SECURITIES

The Common Shares are listed for trading on the Exchange under the trading symbol "AAU". The following table sets forth the high and low prices and total monthly volume of the Common Shares for the periods indicated during the Company's most recently completed financial year (the year ending April 30, 2021).

| Month | Price Range | | Exchange |
|----------------------------|-------------|--------|------------------------|
| | High \$ | Low \$ | Monthly Trading Volume |
| May 2020 | 0.010 | 0.010 | 10,000 |
| June 2020 | - | - | - |
| July 2020 | - | - | - |
| August 2020 ⁽¹⁾ | 0.170 | 0.075 | 205,900 |
| September 2020 | - | - | - |
| October 2020 | - | - | - |
| November 2020 | - | - | - |
| December 2020 | 0.500 | 0.430 | 880,776 |
| January 2021 | 0.530 | 0.370 | 8,008,466 |
| February 2021 | 0.460 | 0.350 | 2,700,298 |
| March 2021 | 0.480 | 0.295 | 8,153,403 |
| April 2021 | 0.340 | 0.280 | 5,615,456 |

(1) Trading halted from August 18, 2020 to December 31, 2020 in connection with the Amalgamation.

PRIOR SALES

During the Company's most recently completed financial year (the year ending April 30, 2021) and from April 30, 2021 to the date of this AIF, the Company issued the following securities:

| Securities Issued | Price at which Securities were Issued | Number of Securities | Date Securities were Sold |
|--------------------------------|---------------------------------------|----------------------|---------------------------|
| Common Shares ⁽¹⁾ | \$0.05 | 20,000,000 | June 12, 2020 |
| Common Shares ⁽²⁾ | \$0.40 | 55,000,001 | December 21, 2020 |
| Common Shares ⁽³⁾ | - | 187,500 | December 21, 2020 |
| Broker Warrants ⁽⁴⁾ | N/A | 1,005,975 | December 21, 2020 |
| Stock Options ⁽⁵⁾ | N/A | 4,175,000 | December 29, 2020 |
| Stock Options ⁽⁵⁾ | N/A | 200,000 | January 26, 2021 |
| Stock Options ⁽⁵⁾ | N/A | 150,000 | May 31, 2021 |
| Stock Options ⁽⁵⁾ | N/A | 150,000 | July 19, 2021 |

Notes:

- (1) Issued in connection with non-brokered private placement.
- (2) Issued in connection with the Amalgamation.
- (3) Issued pursuant to the Option Agreement in respect of the Iron Butte Property.
- (4) Issued to certain finders in connection with the non-brokered private placement.
- (5) Issued to directors, officers, employees and contractors under the Company's equity incentive plan.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

As at the date of this AIF, the following securities of the Company are held in escrow or subject to a contractual restriction on transfer.

| Designation of Class | Number of Securities Held in Escrow or that are Subject to a Contractual Restriction on Transfer | Percentage of Class ⁽³⁾ |
|----------------------|--|------------------------------------|
| Common Shares | 23,781,099 ⁽¹⁾⁽²⁾ | 28.33% |

- (1) An aggregate of 14,740,384 (originally 19,653,345) Common Shares are subject to the Value Security Escrow Agreement for Tier 2 issuers (the "**Value Escrow Shares**"), each as set forth in Exchange Policy 5.4 – *Escrow, Vendor Consideration and Resale Restrictions* ("**Policy 5.4**") whereby ten percent (10%) of such Value Escrow Shares were released from the resale restriction on March 29, 2021; a further fifteen percent (15%) of such Value Escrow Shares were released from the resale restriction on June 29, 2021; and a further fifteen percent (15%) of such Value Escrow Shares will be released from the resale restriction on each of December 29, 2021, June 29, 2022, December 29, 2022, June 29, 2023 and December 29, 2023. Computershare Investor Services Inc. ("**Computershare**"), the Company's registrar and transfer agent, is the escrow agent for the Value Escrow Shares.
- (2) An aggregate of 9,040,715 (originally 38,762,861) Common Shares are subject to voluntary pooling agreements imposing resale restrictions on such Common Shares (the "**Voluntarily Pooled Shares**") whereby twenty-five percent (25%) of such Voluntarily Pooled Shares were released from the resale restriction on March 31, 2021; a further twenty-five percent (25%) of such Voluntarily Pooled Shares were released from the resale restriction on June 30, 2021; a further twenty-five percent (25%) of such Voluntarily Pooled Shares were released from the resale restriction on September 30, 2021; and the remaining twenty-five percent (25%) of such Voluntarily Pooled Shares will be released from the resale restriction on December 31, 2021.
- (3) Percentage shown is based on 83,941,831 Common Shares outstanding as of the date of this AIF.

DIRECTORS AND OFFICERS

Name, Occupation, and Security Holding

The following table provides the names, province and country of residence, position, principal occupations, and the number of voting securities of the Company that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date hereof

| Name and Location of Residence | Position or Office | Principal Occupation During Past 5 Years | Director Since ⁽¹⁾ | Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽²⁾ |
|--|-----------------------------------|--|-------------------------------|---|
| Adrian Rothwell ⁽³⁾ British Columbia, Canada | Director, Chief Executive Officer | Director of KORE Mining Ltd. from 2018 to Present, President & CEO of Lucky Minerals Inc. from 2019 to September 2020, Director & Chairman of Lucky Minerals Inc. from September 2020 to May 2021, Director and Audit Committee Chair of Fireweed Zinc Ltd from 2017 to present. | December 21, 2020 | 3,137,000 3.74% |

| Name and Location of Residence | Position or Office | Principal Occupation During Past 5 Years | Director Since ⁽¹⁾ | Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽²⁾ |
|---|---|--|-------------------------------|---|
| Gavin Cooper ⁽⁴⁾ British Columbia, Canada | Chief Financial Officer and Corporate Secretary | Chief Financial Officer of Kutcho Copper Corp since 2015, Chief Financial Officer of Gold Bull Resources Corp. since 2016, Chief Financial Officer of E79 Resources Corp. since 2020, Director and Chief Financial Officer of Nevaro Capital Corp. since 2010, former Director and Chief Financial Officer of Enthusiast Gaming Holdings Corp., District Metals Corp. Standard Lithium Ltd., GreenStar Biosciences Corp., former Chief Financial Officer of Canopy Rivers Inc., James Wagner Cultivation Corp., Minfocus Exploration Corp., Pepcap Resources Inc | N/A | 100,000 0.12% |
| Galen McNamara ⁽⁵⁾⁽⁸⁾ British Columbia, Canada | Director | Chief Executive Officer and Director of Summa Silver Corp. since May 8, 2020; Director of Hornby Bay Mineral Exploration Inc. since 2010; Project Manager at NexGen Energy Ltd. from 2014 to 2018. | December 21, 2020 | 2,852,385 3.39% |
| Brandon Bonifacio ⁽⁶⁾⁽⁸⁾ British Columbia, Canada | Director | President & Chief Executive Officer of NevGold Corp. since June 2021, Finance Director of the Norte Abierto Joint Venture (Cerro Casale/Caspiche) in the Maricunga Region, Chile from 2017 to 2019, and member of the corporate development team at Goldcorp Inc. (now Newmont Corporation) from 2016 to 2017. | December 21, 2020 | 750,000 0.89% |

| Name and Location of Residence | Position or Office | Principal Occupation During Past 5 Years | Director Since ⁽¹⁾ | Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽²⁾ |
|--|--------------------|--|-------------------------------|---|
| Rony Zimerman ⁽⁷⁾⁽⁸⁾ Santiago, Chile | Director | Natural Resources Attorney since 1998 | December 21, 2020 | 250,000 0.30% |

Notes:

- (1) The term of office of each director will expire at the next annual general meeting of the shareholders of the Company.
- (2) Percentages shown are based on 83,941,831 Common Shares outstanding as of the date of this AIF.
- (3) Mr. Rothwell owns a further 1,100,000 Stock Options.
- (4) Mr. Cooper owns a further 100,000 Stock Options.
- (5) Mr. McNamara owns a further 500,000 Stock Options.
- (6) Mr. Bonifacio owns a further 500,000 Stock Options.
- (7) Mr. Zimerman owns a further 500,000 Stock Options.
- (8) Member of the Company's audit committee.

Shareholdings of Directors and Officers

As of the date of this AIF, the Company's directors and executive officers beneficially own, control, or direct, directly or indirectly, 7,089,385 Common Shares, which represents 8.44% of the number of Common Shares issued and outstanding.

Cease Trade Orders, Bankruptcies, Penalties, or Sanctions

To the Company's knowledge and other than as disclosed herein, no director or executive officer or promoter of the Company is, as at the date of this AIF, or was within 10 years before the date hereof, a director, chief executive officer, or chief financial officer of any person or corporation, including the Company, that:

- (a) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "order") that was issued while the director or executive officer or promoter was acting in the capacity of a director, the chief executive officer, or the chief financial officer thereof; or
- (b) was subject to an order that was issued after the director or executive officer or promoter ceased to be a director, the chief executive officer, or the chief financial officer thereof and which resulted from an event that occurred while that person was acting in such capacity.

To the Company's knowledge and other than as disclosed herein, no director or executive officer or promoter of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is, as at the date of this AIF, or has been within the 10 years before the date hereof, a director or executive officer of any person or company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings,

arrangement or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold the assets of the director, executive officer, or shareholder.

Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. There are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

PROMOTERS

The directors of the Company are the promoters of the Company. For a description of the number and percentage of common shares in the Company to be beneficially owned, directly or indirectly, or over which direction or control will be exercised by the directors of the Company see above "*Directors and Officers – Name, Occupation, and Security Holding*".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not and has not been a party to any legal proceedings or regulatory actions and is not aware of any such proceedings known to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No person who is: (a) a director or executive officer of the Company; (b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of the Company's outstanding voting securities; (c) an associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b), has any material interest, direct or indirect, in any material transaction since incorporation or in any proposed transaction that has materially affected or will materially affect the Company.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Company is Computershare Investor Services Inc., located at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3A8.

MATERIAL CONTRACTS

As of the date of this AIF, the following agreements and contracts are reasonably regarded as being material to the Company:

- Amalgamation Agreement dated September 28, 2020;
- Option Agreement dated July 25, 2020; and
- Share Purchase Agreement dated August 9, 2020.

A copy of the Option Agreement, the Amalgamation Agreement and the Share Purchase Agreement is available under the Company's profile on the SEDAR website at www.sedar.com.

INTERESTS OF EXPERTS

Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, have audited the Company's Financial Statements for the financial year ended April 30, 2021.

Jamie Lavigne, P.Geo, is the qualified person under NI 43-101 in connection with the Uchi Technical Report. David Hopper, Chartered Geologist of the Geological Society of London (Fellow No. 1030584) is the qualified person under NI 43-101 in connection with the Dorado Technical Report. Clyde L. Smith, Ph.D., P.Eng, is the qualified person under NI 43-101 in connection with the Iron Butte Technical Report.

David Smith, former Vice President of Global Exploration of Angold, is a qualified person under NI 43-101. Mr. Smith has reviewed and approved the scientific and technical information contained in this AIF relating to the Company's mineral properties. As of the date hereof, Mr. Smith holds 150,000 stock options exercisable at \$0.40 until December 29, 2025.

Other than as listed above, no person or company whose profession or business gives authority to a report, valuation, statement or opinion and whom is named as having prepared or certified a report or valuation described or included in this AIF holds or is to hold any beneficial or registered interest, direct or indirect, in any securities or property of the Company or any associate of the Company.

As at the date hereof, none of the aforementioned persons, with the exception of Mr. Smith, beneficially owns, directly or indirectly, securities of the Company or its associates and affiliates. In addition, none of the aforementioned persons nor any director, officer or employee of any of the aforementioned persons, with the exception of Mr. Smith, is a director of the Company, is or is expected to be elected, appointed or employed as, a director, senior officer or employee of the Company or of an associate or affiliate of the Company, or as a promoter of the Company or an associate or affiliate of the Company.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The Charter of the Company's Audit Committee is attached to this AIF as Schedule A.

Composition of Audit Committee

The following are the members of the Audit Committee:

| Name | Independence ⁽¹⁾ | Financial Literacy ⁽¹⁾ |
|-------------------|-----------------------------|-----------------------------------|
| Galen McNamara | Independent ⁽¹⁾ | Financially literate |
| Brandon Bonifacio | Independent ⁽¹⁾ | Financially literate |
| Rony Zimmerman | Independent ⁽¹⁾ | Financially literate |

(1) As defined under National Instrument 52-110 – *Audit Committees* ("NI 52-110").

Relevant Education and Experience

See "*Directors and Executive Officers*" above for the education and experience of each member of the Audit Committee relevant to the performance of their duties as a member of the Audit Committee.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 of NI 52-110 (*De Minimis Non-audit Services*);
- (b) the exemption in subsection 6.1.1(4) of NI 52-110 (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
- (c) the exemption in subsection 6.1.1(5) of NI 52-110 (*Events Outside Control of Member*);
- (d) the exemption in subsection 6.1.1(6) of NI 52-110 (*Death, Incapacity or Resignation*); or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

Since the commencement of the Company's most recently completed financial year, the Company has relied upon the exemption in Section 6.1 of NI 52-110 (*Venture Issuers*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services. Subject to the requirements of the NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case by case basis.

External Auditor Service Fees (by Category)

The following table sets out the audit fees incurred by the Company for each of the last two fiscal years:

| Period | Audit Fees | Audit Related Fees | Tax Fees | All Other Fees |
|---------------------------|------------|--------------------|----------|----------------|
| Year ended April 30, 2020 | \$15,000 | Nil | \$1,500 | Nil |
| Year ended April 30, 2021 | \$25,000 | Nil | \$1,500 | Nil |

Auditors

The Company's auditors are Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants having an address at Suite 1500, 1140 West Pender Street, Vancouver, British Columbia, V4A 4N2.

ADDITIONAL INFORMATION

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

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and options to purchase Common Shares and securities authorized for issuance under equity compensation plans is contained in the management information circular dated December 1, 2020, for the annual general and special meeting of the Company held on January 7, 2021, which is available on SEDAR at www.sedar.com.

Additional financial information is provided in the Company's financial statements and MD&A for its most recently completed financial year.

**SCHEDULE A
ANGOLD RESOURCES LTD.**

(the "Corporation" or "Company")

AUDIT COMMITTEE CHARTER

1. Purpose

The Audit Committee (the "**Committee**") is a standing committee of the Board of Directors (the "**Board**") of the Corporation with the responsibility under the governing legislation of the Company to review the financial statements, accounting policies and reporting procedures of the Company.

The primary function of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to any governmental body or the public, the systems of internal controls of the Company regarding finance, accounting and legal compliance that management and the Board have established, and the auditing, accounting and financial reporting processes of the Company generally. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the policies, procedures and practices at all levels of the Company.

The primary duties and responsibilities of the Committee are to:

- Serve as an independent and objective party to monitor the financial reporting process and the system of internal controls of the Company.
- Monitor the independence and performance of the auditor of the Company (the "Auditor") and the accounting and financial reporting function of the Company.
- Provide an open avenue of communication among the Auditor, financial and senior management and the Board of Directors.

The Committee will primarily fulfill these responsibilities by carrying out the activities set out in Section 4 of this Charter.

2. Composition

- The Committee shall be comprised of two or more directors as determined by the Board of Directors. The composition of the Committee shall adhere to all applicable corporate and securities laws and all requirements of the stock exchanges on which shares of the Company are listed. In particular, the composition of the Committee shall be in accordance with Multilateral Instrument 52-110 – Audit Committees, and the required qualifications and experience of the members of the Committee, subject to any exemptions or other relief that may be granted from time to time.
- All members of the Committee shall have a working familiarity with basic finance and accounting practices, and at least one member of the Committee shall be a "financial expert" in accordance with applicable laws and all requirements of the stock exchanges on which shares of the Company are listed.
- Members of the Committee shall be elected by the Board at the meeting of the Board held immediately after the annual meeting of shareholders or such other times as shall be determined by the Board and shall serve until the next such meeting or until their successors shall be duly elected and qualified.
- Any member of the Committee may be removed or replaced at any time by the Board of Directors

and shall cease to be a member of the Committee as soon as such member ceases to be a director. Subject to the foregoing, each member of the Committee shall hold such office until the next annual meeting of shareholders after his or her election as a member of the Committee.

- The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board of Directors may from time to time determine.

3. **Meetings**

- The Committee may appoint one of its members to act as Chairman of the Committee. The Chairman will appoint a secretary who will keep minutes of all meetings (the "Secretary"). The Secretary does not have to be a member of the Committee or a director and can be changed by written notice from the Chairman.
- No business may be transacted by the Committee except at a meeting at which a quorum of the Committee is present or by a consent resolution in writing signed by all members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one half of the number of members plus one shall constitute a quorum.
- The Committee will meet as many times as is necessary to carry out its responsibilities, but in no event will the Committee meet less than four times a year. The Committee shall meet at least once annually with the Auditor. As part of its duty to foster open communication, the Committee should meet at least annually with management and the Auditor in separate executive sessions to discuss any matters that the Committee or each of these parties believe should be discussed privately. In addition, the Committee shall meet with the Auditor and management at least quarterly to review the financial statements of the Company.
- The time at which, and the place where, the meetings of the Committee shall be held, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Chairman, unless otherwise provided for in the Articles of the Company or otherwise determined by resolution of the Board of Directors.
- The Committee may invite to, or require the attendance at, any meeting of the Committee, such officers and employees of the Company, legal counsel or other persons as it deems necessary in order to perform its duties and responsibilities. They should also be requested or required to attend meetings of the Committee and make presentations to the Committee as appropriate.
- Subject to the provisions of the governing legislation of the Company and applicable regulations the Chairman of the Committee may exercise the powers of the Committee in between meetings of the Committee. In such event, the Chairman shall immediately report to the members of the Committee and the actions or decisions taken in the name of the Committee shall be recorded in the proceedings of the Committee.

4. **Responsibilities and Duties**

To fulfill its responsibilities and duties the Committee shall:

Documents/Reports Review

- Review and recommend for approval to the Board of Directors of the Company any revisions or updates to this Charter. This review should be done periodically, but at least annually, as conditions dictate.
- Review the interim unaudited quarterly financial statements and the annual audited financial statements, and the related press releases of the Company and report on them to the Board of Directors.

- Satisfy itself, on behalf of the Board of Directors, that the unaudited quarterly financial statements and annual audited financial statements of the Company are fairly presented both in accordance with generally accepted accounting principles and otherwise, and recommend to the Board of Directors whether the quarterly and annual financial statements should be approved.
- Satisfy itself, on behalf of the Board of Directors, that the information contained in the quarterly financial statements of the Company, annual report to shareholders and similar documentation required pursuant to the laws of Canada does not contain any untrue statement of any material fact or omit to state a material fact that is required or necessary to make a statement not misleading, in light of the circumstances under which it was made.
- Review any reports or other financial information of the Company submitted to any governmental body, or the public, including any certification, report, opinion or review rendered by the Auditor.
- Review, and if deemed advisable, approve all related party transactions as defined in the governing legislation of the Company.
- Have the right, for the purpose of performing their duties: (i) to inspect all the books and records of the Company and its subsidiaries; (ii) to discuss such accounts and records and any matters relating to the financial position of the Company with the officers and auditors of the Company and its subsidiaries and the Auditor; (iii) to commission reports or supplemental information relating to the financial information; (iv) to require the Auditor to attend any or every meeting of the Committee; and (v) to engage such independent counsel and other advisors as are necessary in the determination of the Committee.
- Permit the Board of Directors to refer to the Committee such matters and questions relating to the financial position of the Company and its affiliates or the reporting related to it as the Board of Directors may from time to time see fit.

Independent Auditor

- Be directly and solely responsible for the appointment, compensation, and oversight of the work of the Auditor upon shareholder approval of the appointment, with such Auditor being ultimately accountable to the shareholders, the Board and the Committee.
- Act as the Auditor's channel of direct communication to the Company. In this regard, the Committee shall, among other things, receive all reports from the Auditor, including timely reports of:
 1. all critical accounting policies and practices to be used;
 2. all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the management of the Company, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Auditor; and
 3. other material written communications between the Auditor and the management of the Company, including, but not limited to, any management letter or schedule of unadjusted differences.
- Satisfy itself, on behalf of the Board of Directors that the Auditor is "independent" of management, within the meaning given to such term in the rules and pronouncements of the applicable regulatory authorities and professional governing bodies. In furtherance of the foregoing, the Committee shall request that the Auditor at least annually provide a formal written statement delineating all relationships between the Auditor and the Company, and request information from the Auditor and management to determine the presence or absence of a conflict of interest. The Committee shall actively engage the Auditor in a dialogue with respect to any disclosed relationships or services that may impact the objectivity and independence of the Auditor. The Committee shall take, or

recommend that the full Board take, appropriate action to oversee the independence of the Auditor.

- Be responsible for pre-approving all audit and non-audit services provided by the Auditor; provided, however, that the Committee shall have the authority to delegate such responsibility to one or more of its members to the extent permitted under applicable law and stock exchange rules.
- Review the performance of the Auditor and make recommendations to the Board of Directors as to whether or not to continue to engage the Auditor.
- Determine and review the remuneration of the Auditor and any independent advisors (including independent counsel) to the Committee.
- Satisfy itself, on behalf of the Board of Directors, that the internal audit function has been effectively carried out and that any matter which the Auditor wishes to bring to the attention of the Board of Directors has been addressed and that there are no "unresolved differences" with the Auditor.

Financial Reporting Process and Risk Management

- Review the audit plan of the Auditor for the current year and review advice from the Auditor relating to management and internal controls and the responses of the Company to the suggestions made put forth.
- Monitor the internal accounting controls, informational gathering systems and management reporting on internal controls of the Company.
- Review with management and the Auditor the relevance and appropriateness of the accounting policies of the Company and review and approve all significant changes to such policies.
- Satisfy itself, on behalf of the Board of Directors, that the Company has implemented appropriate systems of internal control over financial reporting and the safeguarding of the assets of the Company and other "risk management" functions (including the identification of significant risks and the establishment of appropriate procedures to manage those risks and the monitoring of corporate performance in light of applicable risks) affecting the assets of the Company, management, financial and business operations and the health and safety of employees and that these systems are operating effectively.
- Review and approve the investment and treasury policies of the Company and monitor compliance with such policies.
- Establish procedures for the receipt and treatment of (i) complaints received by the Company regarding accounting, controls, or auditing matters and (ii) confidential, anonymous submissions by employees of the Company as to concerns regarding questionable accounting or auditing.

Legal and Regulatory Compliance

- Satisfy itself, on behalf of the Board of Directors, that all material statutory deductions have been withheld by the Company and remitted to the appropriate authorities.
- Without limiting its rights to engage counsel generally, review, with the principal legal external counsel of the Company, any legal matter that could have a significant impact on the financial statements of the Company.
- Satisfy itself, on behalf of the Board of Directors, that all regulatory compliance issues have been identified and addressed.

Budgets

- Assist the Board of Directors in the review and approval of operational, capital and other budgets proposed by management.

General

- Perform any other activities consistent with this Charter, the By-laws and governing law, as the Committee or the Board of Directors deem necessary or appropriate.

As adopted by the Board of Directors on January 12, 2021

[END OF SCHEDULE]