

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities. This prospectus does not constitute a public offering of securities.*



## PROSPECTUS

New Issue

October 25, 2024

### SILVER47 EXPLORATION CORP.

#### 6,297,393 Units on automatic exercise of 6,297,393 Special Warrants

This long-form prospectus (the “**Prospectus**”) is being filed with the securities regulatory authorities in British Columbia, Alberta and Ontario by Silver47 Exploration Corp. (the “**Company**” or “**Silver47**”) to qualify the distribution of 6,297,393 units of the Company (the “**Units**”) issuable for no additional consideration upon the automatic exercise of 6,297,393 special warrants (the “**Special Warrants**”). The Special Warrants were issued in multiple tranches, with 94,417 Special Warrants issued on April 2, 2024, 78,750 issued on May 9, 2024, 812,501 issued on May 17, 2024, 500,000 on May 21, 2024, 1,500,000 on May 23, 2024, 1,234,000 on June 4, 2024, 478,125 on June 6, 2024, 170,000 on June 21, 2024, 537,500 on July 17, 2024 and 892,100 on July 31, 2024, all at a price of \$0.80 per Special Warrant to purchasers in Canada (in addition to purchasers resident in jurisdictions outside of Canada) on a private placement basis pursuant to prospectus exemptions under applicable securities legislation for gross proceeds of \$5,037,914.40 in the aggregate.

The Special Warrants were issued pursuant to the terms of the special warrant certificates (the “**Special Warrant Certificates**”) representing such Special Warrants. Subject to the terms and conditions of the Special Warrant Certificates, each Special Warrant entitles the holder to receive, immediately upon the completion of the Liquidity Event (as defined herein), one Unit, without payment of additional consideration. Each Unit consists of one common share in the authorized share structure of the Company (each a “**Common Share**”, and in respect of a Common Share underlying a Unit, an “**Special Warrant Share**”) and one half of one Common Share purchase warrant (an “**Underlying Warrant**”).

The Underlying Warrants will be governed by the terms of the warrant certificates (the “**Underlying Warrant Certificates**”) to be issued by the Company to the holders thereof upon conversion of the Special Warrants. Each Underlying Warrant will entitle the holder thereof to acquire one additional Common Share (a “**Warrant Share**”) at a price of \$1.00 per Warrant Share until the date that is 24 months after the listing of the Common Shares on the TSX Venture Exchange (the “**TSXV**”) or other recognized stock exchange in North America.

**The Special Warrants are not available for purchase pursuant to this Prospectus and no additional funds are to be received by the Company from the distribution of the Special Warrant Shares and Underlying Warrants upon the automatic exercise of the Special Warrants.**

**An investment in securities of the Company is speculative and involves a high degree of risk. In reviewing this Prospectus, you should carefully consider the matters described under the heading “Risk Factors”.**

**There is currently no market through which the securities of the Company may be sold and purchasers may not be able to resell the securities qualified under this Prospectus. This may affect the pricing of the Company's securities in the secondary markets, the transparency and availability of trading prices, the liquidity of the Company's securities and the extent of issuer regulations. See "Risk Factors" for additional information.**

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Cboe Canada Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

The Company has filed an application to have the Common Shares in the capital of the Company listed for trading on the TSX Venture Exchange (the "TSXV") under the symbol "AGA". Listing on the TSXV (the "Listing") is subject to the Company fulfilling all of the listing requirements of the TSXV and meeting all minimum requirements. The TSXV granted Conditional Approval of the Company's listing application on October 22, 2024, but has not granted final approval of the Listing and there is no assurance that it will do so.

David Netherway, a director of the Company, resides outside of Canada and has appointed DLA Piper (Canada) LLP at Suite 2700, The Stack, 1133 Melville Street, Vancouver, BC V6E 4E5 as agent for service of process in Canada. Prospective investors are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

**No underwriter or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.**

**Prospective investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of the Company's securities.**

**Prospective investors should rely only on the information contained in this Prospectus. The Company has not authorized anyone to provide you with different information. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery. The Company's business, financial condition, results of operations and prospects may have changed since that date.**

The Company's registered and records office is located at 2700 The Stack, 1133 Melville Street, Vancouver, BC, Canada. The Company's head office is located at Suite 551 - 409 Granville Street, Vancouver, BC, Canada.

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## GLOSSARY

In addition to terms defined elsewhere herein, unless the context indicates otherwise, when used in this Prospectus, the following terms have the respective meaning as specified below:

“**2021 Broker Warrants**” means the 85,200 Original Silver<sup>47</sup> Warrants exercisable at a price of \$0.50 for a period of 36 months issued as partial consideration for a finder’s fee incurred in connection with the July 8, 2021 non-brokered private placement;

“**2022 Special Warrants**” has the meaning given to it below in “*Description of the Business – History of the Company - Financings and Issuances of the Company’s Securities*”;

“**2022 Units**” has the meaning given to it below in “*Description of the Business – History of the Company - Financings and Issuances of the Company’s Securities*”;

“**2022 White Rock Historical Estimate**” means the 2022 JORC resource published by WRM;

“**2024 MRE**” or “**2024 Red Mountain MRE**” means the National Instrument 43-101 (“**NI 43-101**”) Standards of Disclosure for Mineral Projects Mineral Resource Estimate for the Dry Creek (“**DC**”) and West Tundra Flats (“**WTF**”) deposits (effective date January 12, 2024);

“**AAGC**” means Anglo Alaska Gold Corporation;

“**AAS**” means atomic absorption spectrometry;

“**ACME**” means Acme Analytical Laboratories Ltd;

“**AES**” means atomic emission spectroscopy;

“**Ag**” means silver;

“**allowable capital loss**” has the meaning given to in “*Certain Canadian Federal Income Tax Considerations*”;

“**ALS**” means ALS Global;

“**Amalgamation**” means the amalgamation of Original Silver<sup>47</sup> and Gastown Acquisitions pursuant to the Amalgamation Agreement;

“**Amalgamation Agreement**” means the amalgamation agreement dated March 11, 2021, between Original Silver<sup>47</sup> and Gastown Acquisitions;

“**APMA**” means Application for Permits to Mine in Alaska;

“**Atlas**” means Atlas Resources Pty. Ltd.;

“**ATNA**” means ATNA Resources Ltd.;

“**Audit Committee**” means the Company’s audit committee;

“**Auditors**” means the Company’s independent auditors, MNP LLP;

“**Authors**” means Kristopher J. Raffle, B.Sc., P.Geo., Christopher W. Livingstone, B.Sc., P.Geo., Yuliana R. Proenza, M.Eng., P.Geo., and Warren E. Black, M.Sc., P.Geo., the authors of the Technical Report;

“**BC**” means British Columbia;

“**BCBCA**” means the *Business Corporations Act* (British Columbia);

“**BDL**” means below detection limit;

“**Bear Creek**” means Bear Creek Mining Corporation;

“**Board**” or “**Board of Directors**” means the board of directors of the Company as may be constituted from time to time;

“**BV**” means Bureau Veritas Mineral Laboratories;

“**CD**” means clastic-dominated.

“**CEO**” means chief executive officer;

“**CFO**” means chief financial officer;

“**Chemex**” means Chemex Labs Ltd.;

“**CIM**” means Canadian Institute of Mining, Metallurgy and Petroleum;

“**cm**” means centimetres;

“**COC**” means chain of custody;

“**Common Shares**” means the common shares in the capital of the Resulting Issuer;

“**Company**” or “**Silver47**” means, in respect to the period prior to the Amalgamation, Original Silver47 and, in respect to the period following the Amalgamation, the Resulting Issuer, as the context may require;

“**Conditional Approval**” means conditional approval of the Listing issued by the TSXV;

“**Conversion Event**” means the earlier of four (4) months and a day from the date the distribution of 2022 Special Warrants or Flow-Through Special Warrants, as applicable, occurring, or the completion by the Company of all of the items listed below:

- a) filing a prospectus in Canada; (ii) becoming a reporting issuer in the Province of British Columbia and taking all necessary steps and proceedings (including, if necessary, the clearing with applicable securities regulatory authorities of a (final) prospectus); and (iii) obtaining conditional approval of listing or quotation of the Common Shares on a recognized stock exchange or quotation system in Canada; or
- b) a transaction which provides holders of the 2022 Special Warrants with comparable liquidity that such holders would have received if the final prospectus was filed and receipted, whether by means of a reverse take-over, merger, amalgamation, arrangement, take-over bid, insider bid, reorganization, joint venture, sale of all or substantially all assets, exchange of assets or similar transaction or other combination with a public company or such other transaction; and (ii) obtaining a conditional approval of listing or quotation of the Common Shares on a recognized stock exchange or quotation system in Canada.;

“**CRA**” has the meaning given to in “*Certain Canadian Federal Income Tax Considerations*”;

“**CSAMT**” means Controlled-Source Audio-frequency Magneto-Tellurics;

“**D&O Insurance**” means director and officer insurance;

“**DC**” has the meaning given to it in the definition of “2024 MRE” or “2024 Red Mountain MRE”;

“**DGGS**” means Division of Geological and Geophysical Surveys;

“**DMLW**” means the Division of Mining, Land and Water;

“**DNR**” means the Department of Natural Resources;

“**EM**” means electromagnetic;

“**Escrow Agent**” means Odyssey Trust Company;

“**Escrow Agreement**” means the escrow agreement to be entered into among the Company, the Principals and the Escrow Agent relating to the Escrowed Securities;

“**Escrowed Securities**” has the meaning given to it in *Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*;

“**Financial Statements**” means the audited financial statements of the Company for the years ended July 31, 2023 and July 31, 2022 and the condensed interim financial statements of the company for the three and nine months ended April 30, 2024, attached hereto as Schedule A;

“**First Tranche**” has the meaning given to it below in “*Description of the Business – History of the Company - Financings and Issuances of the Company’s Securities*”.

“**Flow-Through Special Warrant**” has the meaning given to it below in “*Description of the Business – History of the Company - Financings and Issuances of the Company’s Securities*”;

“**Flow-Through Tranche**” has the meaning given to it below in “*Description of the Business – History of the Company - Financings and Issuances of the Company’s Securities*”;

“**Form 51-102F6V**” means Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*;

“**g/t**” means Grams per tonne;

“**Gastown Acquisitions**” means Gastown Acquisitions 2.0 Corp.;

“**Gastown Shareholder**” means the registered owners of Gastown Shares;

“**Gastown Shares**” means the common shares in the capital of Gastown Acquisitions;

“**GAU**” means Generally Allowed Uses.

“**Geostats**” means Geostats Pty Ltd.;

“**Getty**” means Getty Oil Company;

“**Glacier Creek Trend**” has the meaning given to it in “*Early-stage exploration prospects*”;

“**Grayd**” means Grayd Resources Corporation;

“**Holder**” has the meaning given to in “*Certain Canadian Federal Income Tax Considerations*”;

“**HOMEX**” means Houston Oil and Minerals Exploration Company;

“**Hunter – DC Trend**” has the meaning given to it in “*Early-stage exploration prospects*”;

“**ICP**” means inductively coupled plasma;

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

“**Incorporation**” means January 29, 2021, the date of incorporation of Original Silver47 under the BCBCA;

“**Inmet**” means Inmet Mining Corporation;

“**IP**” means induced polarization;

“**ISO**” means International Organization for Standardization;

“**JORC**” means Joint Ore Reserve Committee;

“**JV**” means joint venture;

“**Keevy Trend**” has the meaning given to it in “*Early-stage exploration prospects*”;

“**Kennecott**” means Kennecott Corporation;

“**km**” means kilometres;

“**Liquidity Event**” means the Company (i) filing and receiving a receipt for a final prospectus in Canada that qualifies the issuance of the Common Shares and Warrant Shares; (ii) becoming a reporting issuer in the Province of British Columbia; and (iii) obtaining conditional approval of the Listing;

“**Listing**” means the proposed listing of the Common Shares on the TSXV;

“**Listing Date**” means the date on which the Common Shares of the Company are listed for trading on the TSXV;

“**m**” means metres;

“**MD&A**” means management’s discussion and analysis of financial condition and operation results;

“**Met Option Agreement**” means the option agreement between Metallogeny Inc., Marybeth Wikander, and Atlas Resource Pty Ltd.

“**Metallogeny**” means Metallogeny Inc.

“**Michelle Project**” means the Michelle Project, located in central Yukon, Canada, comprised of 782 Yukon quartz mining claims which cover an area of 159 km<sup>2</sup> (15,900 ha);

“**Michelle Property Agreement**” means the amended and restated asset purchase agreement entered into between Silver47 and Silver Range dated November 2, 2021.

“**mm**” means millimetres;

“**MS**” means mass spectroscopy;

“**NAI**” means Northern Associates Incorporated;

“**Named Executive Officers**” or “**NEOs**” means the named executive officers of the Company as at the end of the Company’s most recently completed financial year, being Gary R. Thompson, Kevin Chen and Alex Wallis;

“**NERCO**” means NERCO Minerals;

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

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

“**NI 58-101**” means National Policy 58-101 – *Disclosure of Corporate Governance Practices*;

“**NP 46-201**” means National Policy 46-201 – *Escrow for Initial Public Offerings*;

“**NP 58-201**” means National Policy 58-201 – *Corporate Governance Guidelines*;

“**NSR Royalty**” has the meaning given to it below under “*Description of the Business – History of the Company – Red Mountain Purchase Agreement*”;

“**Offering**” has the meaning given to it below “*Plan of Distribution*”;

“**Option Holder**” means a holder of Options;

“**Options**” means the incentive stock options of the Company granted under the Share Compensation Plan;

“**OREAS**” means Ore Research & Exploration Pty Ltd.;

“**Original Silver47**” means Silver47 Exploration Corp., as it existed prior to the Amalgamation;

“**Original Silver47 Share**” means the common shares in the capital of Original Silver47;

“**Original Silver47 Shareholder**” means the registered owners of Original Silver47 Shares;

“**Original Silver47 Warrant**” means a warrant to purchase Original Silver47 Shares;

“**PARC**” means Pacific Alaska Resources Company;

“**Pb**” means lead;

“**PCM**” means Pacific Coast Mines;

“**Phelps Dodge**” means Phelps Dodge Corporation;

“**PNR**” means Pacific Northwest Resources;

“**ppb**” means part per billion;

“**ppm**” means part per million;

“**Principals**” means, collectively, XT88 Holdings Inc., Gary R Thompson, Brenda Thompson and Silver Range;

“**Property**”, “**Project**”, “**Red Mountain**” or “**Red Mountain Property**” means the Red Mountain VMS Property, located in central Alaska, comprised of 942 mining claims and leasehold locations, and one upland mining lease which cover a total area of 633.1km<sup>2</sup>;

“**Prospectus**” means this long-form prospectus of the Company dated October 25, 2024;

“**Purchase Agreement**” means the Mineral Property Purchase and Sale Agreement among White Rock (RM) Inc., Atlas Resources Pty. Ltd., White Rock Minerals Ltd., Silver47 Exploration Corp. and Silver47 USA Inc. dated October 6, 2023.

“**pXRF**” means portable X-ray fluorescence;

“**Q-Q**” means quantile-quantile;

“**QA/QC**” means quality assurance and quality control;

“**QC**” means quality control;

“**Qualified Person**” has the meaning given to it in NI 43-101;

“**RAA**” means Resource Associates of Alaska Inc.;

“**Recommended Exploration Program**” means the recommended exploration program as described in “*Material Property – Exploration and Recommendations*”;

“**reject weight**” means a coarse reject weight;

“**Resulting Issuer**” means Silver47 Exploration Corp., as it exists following the Amalgamation;

“**Royalty**” has the meaning given to it below under “*Description of the Business – History of the Company – Michelle Property*”;

“**RPEEE**” means reasonable prospects for eventual economic extraction;

“**RPM**” means RPMGlobal Holdings Ltd.;

“**RSRI**” means Rock Star Resources Inc.;

“**RSUs**” means restricted share units of the Company granted under the Share Compensation Plan;

“**Sandfire**” means Sandfire Resources Ltd.;

“**SEDEX**” means sediment-hosted exhalative massive sulphide;

“**SG**” means specific gravity;

“**Share Compensation Plan**” means the Company’s stock option plan adopted on September 30, 2021, as amended, providing for the granting of Options and RSUs to the Company’s directors, officers, employees and consultants in accordance with the rules and policies of the Exchange;

“**Silver Range**” means Silver Range Resources Ltd.;

“**Special Warrant Share**” has the meaning given to it on the face page of this Prospectus;

“**Special Warrants**” has the meaning given to it on the face page of this Prospectus;

“**t**” means metric tonne or tonnes;

“**Technical Report**” means the report on the Property entitled “*Technical Report on the Red Mountain VMS Property Bonnifield Mining District, Alaska, USA*” with an effective date of January 12, 2024;

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

“**UG**” means Urangesellschaft USA Inc.;

“**Underlying Warrant**” has the meaning given to it on the face page of this Prospectus;

“**Unit**” has the meaning given to it on the face page of this Prospectus;

“**US Borax**” means United States Borax and Chemical Corporation;

“**USGS**” means the U.S. Geological Survey;

“**VMS**” means volcanic-hosted massive sulphide;

“**Warrant Shares**” has the meaning given to it on the face page of this Prospectus;

“**Warrants**” means Common Share purchase warrants;

“**White Rock**” or “**WRM**” means White Rock Minerals Ltd.;

“**White Rock (RM)**” means White Rock (RM) Inc.;

“**Wood River Trend**” has the meaning given to it in “*Early-stage exploration prospects*”;

“**WTF**” has the meaning given to it in the definition of “2024 MRE” and “2024 Red Mountain MRE”;

“**XRF**” means X-ray fluorescence;

“**XT88**” means XT88 Holdings Inc.;

“**Zn**” means zinc.

## GENERAL MATTERS

Unless otherwise noted or the context indicates otherwise “we”, “us”, “our” or the “Company” refer to Silver47 Exploration Corp.

The Company is not offering to sell securities under this Prospectus. Readers should rely only on the information contained in this Prospectus. The Company has not authorized any other person to provide you with additional or different information. If anyone provides you with additional or different or inconsistent information, including information or statements in media articles about the Company, you should not rely on it. You should assume that the information appearing in this Prospectus is accurate only as at its date. The Company’s business, financial conditions, results of operations and prospects may have changed since that date.

The Company presents its financial statements in Canadian dollars. Amounts in this Prospectus are stated in Canadian dollars unless otherwise indicated.

### CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking information and forward-looking statements, within the meaning of applicable Canadian securities legislation, (collectively, “**forward-looking statements**”), which reflect management’s expectations regarding the Company’s future growth, results from operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects, future business plans and opportunities. Wherever possible, words such as “predicts”, “projects”, “targets”, “plans”, “expects”, “does not expect”, “budget”, “scheduled”, “estimates”, “forecasts”, “anticipate” or “does not anticipate”, “believe”, “intend” and similar expressions or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, or the negative or grammatical variation thereof or other variations thereof, or comparable terminology have been used to identify forward-looking statements. These forward-looking statements include, among other things, statements relating to:

- the Company’s goals regarding development of its projects, and regarding raising capital and conducting further exploration and developments of its properties, including the Property;
- the use of available funds;
- the Company’s future business plans, business objectives and milestones;
- the Company’s business plans focused on the exploration and development of the Property;
- the proposed work program on the Property;
- costs, timing and completion of future exploration and development activities including the Recommended Exploration Program;
- the Company’s negative cash flows;
- expectations generally regarding the ability to raise further capital for corporate purposes;
- adequacy of financial resources;
- expectations regarding any environmental issues that may affect planned or future exploration and development programs and the potential impact of complying with existing and proposed environmental laws and regulations;
- the ability to retain and/or maintain any require permits, licenses or other necessary approvals for the exploration or development of the Property and other mineral properties;

- the Company's compensation policy and practices;
- the Company's expected reliance on key management personnel, advisors and consultants;
- plans regarding future composition of the Board;
- the TSXV's final approval and the Listing, including the receipt, in a timely manner, of regulatory and other required approvals;
- the receipt of the TSXV's final approval and the subsequent Listing of the Common Shares on the TSXV, including the Company fulfilling all applicable listing requirements; and
- the Escrow Agreement, and the escrow of the Escrowed Securities (as such terms are defined herein).

Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management, in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this Prospectus including, without limitation, the following:

- general business and economic conditions will not change in a material adverse manner;
- the Company's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the geology of the Property as described in the Technical Report;
- future currency exchange rates and interest rates;
- operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner;
- the Company's ability to attract and retain skilled personnel and directors;
- political and regulatory stability;
- the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms;
- obtaining required renewals for existing approvals, licenses and permits on favourable terms;
- requirements under applicable laws;
- that any future pandemic will not have a material adverse effect;
- sustained labour stability; stability in financial and capital goods markets; and
- availability of equipment.

While the Company considers these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks, uncertainties, contingencies and other factors that could cause actual actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking statements. Many assumptions are based on factors and events that are not within the Company's control and there is no assurance they will prove to be correct.

Although the Company has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended. See “*Risk Factors*” for a discussion of certain factors investors should carefully consider before deciding to invest.

Readers are cautioned that the foregoing lists of important assumptions and risks, uncertainties and other factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking information contained herein. 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 information. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are made as of the date of this Prospectus and the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

### **CURRENCY**

All dollar amounts in this Prospectus are expressed in Canadian dollars, except as otherwise indicated. References to “\$” or “dollars” are to Canadian dollars and references to “US\$” are to US dollars. The Company presents its financial statements in Canadian dollars.

### **THIRD PARTY AND TECHNICAL INFORMATION**

The Company considers the Property to be its only material mineral property for the purposes of NI 43-101. Information included in this prospectus with respect to this material asset has been prepared in accordance with NI 43-101.

Unless otherwise noted, the disclosure contained in this Prospectus of a scientific or technical nature for the Property is based on the technical report entitled “Technical Report on the Red Mountain VMS Property Bonfield Mining District, Alaska, USA” having an effective date of January 12, 2024, which was prepared for the Company by Kristopher J. Raffle, B.Sc., P.Geo., Christopher W. Livingstone, B.Sc., P.Geo., Yuliana R. Proenza, M.Eng., P.Geo., and Warren E. Black, M.Sc., P.Geo. (collectively, the “**Authors**”) which was filed under the Company’s SEDAR+ profile on [www.sedarplus.ca](http://www.sedarplus.ca).

Each of the Authors and the MPTR Author is “independent” and a “Qualified Person” under NI 43-101 and has reviewed and approved the scientific and technical disclosure contained in the Prospectus.

### **ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS**

David Netherway, a director of the Company, resides outside of Canada and has appointed DLA Piper (Canada) LLP at Suite 2700, The Stack, 1133 Melville Street, Vancouver, BC V6E 4E5 as agent for service of process in Canada.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

### **PRESENTATION OF FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES**

The Company presents its financial statements in Canadian dollars. The audited financial statements of the Company for the years ended July 31, 2023 and July 31, 2022, and the condensed interim financial statements for the three and nine months ended April 30, 2024, have been prepared in accordance with IFRS. Certain financial information set out in this Prospectus is derived from such financial statements.

## PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

**The Company:** Original Silver47 was incorporated under the *Business Corporations Act* (British Columbia) (the “BCBCA”) on January 29, 2021, as Silver47 Exploration Corp (“**Original Silver47**”). On completion of the Amalgamation on July 29, 2021, Original Silver47 amalgamated with Gastown Acquisitions to form Silver47, an amalgamated company existing under the BCBCA. The Company’s head office is located at Suite 551 - 409 Granville Street Vancouver, BC, Canada and its registered and records office is located at Suite 2700, The Stack, Melville Street, Vancouver, BC, Canada.

The Company is engaged in the business of mineral exploration with a focus on precious metals. The Company’s current objective is to further explore and, if warranted, develop the Red Mountain Project, an exploration stage located in Alaska, USA, comprised of 942 mining claims and leasehold locations, and one upland mining lease covering a total area of 633.1km<sup>2</sup>. The Company acquired the Property from White Rock Minerals Ltd. and its subsidiaries, pursuant to the Purchase and Sale Agreement dated October 6, 2023. See “*Description of the Business*” and “*Material Property*”.

The Company is not a reporting issuer in any jurisdiction and no securities of the Company are listed or posted for trading on any stock exchange. The Company has filed an application to have the Common Shares in the capital of the Company listed for trading on the TSX Venture Exchange (the “TSXV”) under the symbol “AGA”. Listing on the TSXV (the “**Listing**”) is subject to the Company fulfilling all of the listing requirements of the TSXV and meeting all minimum requirements. The TSXV has issued its Conditional Approval for the Listing but has not yet granted its final approval for the Listing and there is no assurance that it will do so.

See “*Corporate Structure*” and “*Description of the Business*”.

<b>Directors &amp; Executive Officers:</b>	Gary R. Thompson	President, Chief Executive Officer and Director
	Ryan Goodman	Director
	David Netherway	Director
	Kevin Chen	Chief Financial Officer
	Alex Wallis	Vice President Exploration

See “*Directors and Executive Officers*”.

**Available Funds:** The Company is not raising any funds in conjunction with this Prospectus and, accordingly, there are no proceeds to be raised by the Company pursuant to this Prospectus. Pursuant to the Offering, the Company raised gross proceeds of \$5,037,914.40 in the aggregate. The Company had working capital as at September 30, 2024 of \$1,839,000. Upon Listing, the principal purposes for the foregoing available funds will be as follows:

<b><u>Principal Purposes</u></b>	<b><u>Amount</u></b>
Estimated remaining expenses of the Listing (regulatory, filing, legal expenses, etc.)	\$100,000
Recommended Exploration Program expenditures on the Property <sup>(1)</sup>	\$500,000
Estimated general and administrative expenses for 12 months <sup>(2)</sup>	\$662,666.67
Unallocated working capital	\$576,333.33 <sup>(3)</sup>
<b>Total</b>	<b>\$1,839,000</b>

**Notes:**

- (1) See “*Material Property – Exploration and Recommendations*”.
- (2) Estimated based on the following amounts: \$314,666.67 in management consulting fees, \$150,000 in employee salaries, \$56,000 in marketing expenses, \$23,333.33 in D&O insurance, \$36,000 in legal fees, \$40,666.67 in audit and tax fees, and \$42,000 in administrative fees. See “*Executive Compensation*” and “*Interests of Management and Others in Material Transactions*”.
- (3) The Company intends to use the unallocated funds, subject to the successful completion of the Recommended Exploration Program, to further explore the Property based on the work program to be developed by a qualified person and for the potential acquisition and exploration of additional claims that are proximate to the Property.

The available funds will be sufficient to achieve the Company’s objectives over the next 12 months. The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. Use of funds will be subject to the discretion of management. Until the Company uses the unallocated funds, it will hold them in cash and/or invest them in short-term, interest-bearing, investment-grade securities. The Company has had negative cash flow from operations since Incorporation. See “*Available Funds and Principal Purposes*” and “*Risk Factors*” for further detail.

**Offering:**

The Company has issued 6,297,393 Special Warrants at a price of \$0.80 per Special Warrant to various arms-length purchasers for gross proceeds of \$5,037,914.40. Each Special Warrant entitles the holder to receive one Unit upon the completion of the Liquidity Event. This Prospectus qualifies the distribution of the Units.

See “*Description of the Securities Distributed*” for further detail regarding the rights and significant provisions of the securities being distributed, including the underlying Units, Common Shares and Underlying Warrants.

**Risk Factors:**

An investment in the Company’s securities described herein should be considered highly speculative due to the nature of the Company’s business. An investment in the Company’s securities is suitable only for those knowledgeable and sophisticated investors who are willing to risk a loss of their entire investment. Investors should consult with their professional advisors to assess an investment in the Company’s securities.

The following risk factors should be considered in connection with an investment in the Company: limited operating history, negative cash flows from operations, substantial capital requirements, the speculative nature of mineral exploration, dilution, acquisitions of additional mineral properties, commercial ore deposits, permits and government regulations, environmental risks, reliance on key individuals, key person insurance, uninsurable risks, mineral titles, loss of interest in properties, aboriginal title, fluctuating mineral prices, competition, management, public health crises, financing risks, resale of common shares, price volatility of publicly traded securities, risks relating to the Common Shares, shortages of critical parts, conflicts of interest, principal shareholders, claims and legal proceedings, local resident concerns, tax issues and dividends. For a detailed description of these and other risks, please see “*Risk Factors*”.

**Summary of Financial Information for the Company:**

The following table sets forth selected financial information of the Company for the periods or as at the dates indicated. This summary financial information should be read in conjunction with the “*Financial Statements for the Company*” attached to and forming part of this Prospectus as Schedule A and the “*Management Discussion and Analysis for the Company*” attached to and forming part of this Prospectus as Schedule B.

	<b>For the period from August 1, 2022 to July 31, 2023 (audited) (\$)</b>	<b>For the period from August 1, 2021 to July 31, 2022 (audited)</b>	<b>The 3 and 9 months ended April 30, 2024 (unaudited) (\$)</b>
Total current assets	\$2,356,378	\$4,546,102	\$745,389

Total non-current assets	\$3,055,500	\$2,825,000	\$11,139,046
Total Assets	\$5,411,878	\$7,371,102	\$11,884,435
Current Liabilities	\$127,891	\$922,020	\$494,010
Total Liabilities	\$127,891	\$922,020	\$658,072
Deficit	(\$4,019,596)	(\$3,136,027)	(\$5,703,168)

## CORPORATE STRUCTURE

### **Name, Address and Incorporation**

Silver47 was incorporated under the BCBCA on January 29, 2021, as Silver47 Exploration Corp. On completion of the Amalgamation on July 29, 2021, Original Silver47 amalgamated with Gastown Acquisitions to form Silver47, an amalgamated company existing under the BCBCA. The Company's head office is located at Suite 551 - 409 Granville Street Vancouver, BC, Canada and its registered and records office is located at 2700 The Stack, 1133 Melville Street Vancouver, B.C. V6E 4E5.

### **Intercorporate Relationships**

Silver47 USA Inc. ("**Silver47 USA**"), a company incorporated under the laws of the State of Delaware, is a subsidiary of the Company that holds the Red Mountain Property. Silver47 holds 100% of the issued and outstanding securities of Silver47 USA. Silver47 does not have any other subsidiaries or other intercorporate relationships.

## DESCRIPTION OF THE BUSINESS

The principal business carried on and intended to be carried on by the Company is mineral exploration, focusing initially on the acquisition and exploration and, if warranted, the development of the Project. The Company will continue to consider other opportunities to acquire and explore mining claims as they arise.

The Property is located in the State of Alaska and consists of 942 mining claims and leasehold locations, and one upland mining lease over a total area of 633.1 km<sup>2</sup>, all of which are held by the Company's wholly-owned subsidiary, Silver47 USA. The Company acquired the Property from White Rock Minerals Ltd. and its subsidiaries, pursuant to the Purchase and Sale Agreement dated October 6, 2023. See "*Description of the Business – History of the Company – Red Mountain Purchase Agreement*" and "*Material Property*".

Although the Company's only material property is the Property, the Company also holds the following: mineral tenures comprising the Michelle Project, in the Territory of Yukon, which consists of 782 contiguous mineral claims which cover an area of 159 km<sup>2</sup> (15,900 ha); and mineral tenures comprising the Adams Plateau property, in British Columbia, which consists of 48 contiguous mineral claims which cover an area of 149.3km<sup>2</sup> (14,933.54 ha) (the "**Adams Plateau Property**").

### **Stated Business Objectives and Competitive Conditions**

The Property is in the exploration stage. The Company intends to use its available funds to carry out the Recommended Exploration Program for the Property, which is budgeted for \$500,000 in connection with the initial phase with remaining funds primarily to be used for Phase 2 Exploration Program, subject to successful completion of Phase 1. See "*Material Property – Exploration and Recommendations*" and "*Available Funds and Principal Purposes*".

The Company competes with other entities in the search for and acquisition of mineral properties. As a result of this competition, the majority of which is with companies with greater financial resources, the Company may be unable to acquire attractive properties in the future on terms it considers acceptable. The Company also competes for financing with other resource companies, many of whom have more advanced properties. There is no assurance that additional capital or other types of financing will be available to the Company if needed or that, if available, the terms of such financing will be favourable to the Company. See "*Risk Factors*".

The Company is not a reporting issuer in any jurisdiction and no securities of the Company are listed or posted for trading on any stock exchange. The Company has applied, concurrently with the filing of this Prospectus, to list the Common Shares on the TSXV. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV.

## **Business Cycle**

The Company is an exploration and evaluation stage company focused on mining. As a result, prices of mineral and other metals will have a direct impact on its business. Declining prices can, for example, impact operations by requiring a re-assessment of the feasibility of a particular project, and they can also impact the Company's ability to raise capital. See "*Risk Factors*".

## **Environmental Policies**

The Company will conduct its activities in accordance with high environmental standards, including compliance with environmental laws, policies and regulations.

## **History of the Company**

### ***Silver47***

Original Silver47 was incorporated under the *Business Corporations Act* (British Columbia) (the "**BCBCA**") on January 29, 2021, as Silver47 Exploration Corp. On completion of the Amalgamation, Original Silver47 amalgamated with Gastown Acquisitions to form Silver47, an amalgamated company existing under the BCBCA.

### ***Michelle Property***

On February 19, 2021, the Company entered into an asset purchase agreement with Silver Range that was subsequently amended on November 2, 2021, pursuant to which the Company acquired the Michelle Project in consideration for issuing Silver Range such number of Common Shares equal to 19.9% of the total number of issued and outstanding shares of Silver47 and granting Silver Range a 1% NSR with respect to all mineral products extracted from any of the claims comprising the Michelle Project and all contiguous mining rights that in the future form part of the Michelle Project (the "**Royalty**"). Under the terms of the Royalty, Silver47 shall receive a right of first refusal on any sale or other transfer of the Royalty by Silver Range. The Michelle Property Agreement closed on November 17, 2021, after all conditions to closing were met.

The Michelle Property Agreement also includes a milestone payment whereby the Company will pay to Silver Range \$1,000,000 in cash or shares upon a decision made by the board of directors of the Company to begin the development of a mine on the Michelle Project of at least 80 million ounces of silver.

The terms of the transaction were determined by arm's length negotiation between the Company and Silver Range. The Michelle Property Agreement is not considered a related party agreement under International Accounting Standards 24 ("**IAS 24**").

On May 29, 2023, the Yukon Government (the "**Government**") filed a petition to initiate a judicial review against the Yukon Environmental and Socio-economic Assessment Board (the "**YESAB**") regarding the YESAB's recommendation against proposed exploration (or mining) operation at the Michelle Project. In the petition, the Government alleged that the YESAB, did not have enough information for a fair, thorough assessment of the Michelle Project. The Government is asking for the court to quash the recommendation on the grounds that it is "unreasonable", and wants the case remitted to the YESAB for reconsideration and a declaration that the office "failed to observe a principle of natural justice and procedural fairness."

On September 26, 2023, the Yukon Supreme Court asked Silver47 whether it would like to participate in the Government's petition. The Company is participating as a "party" to the petition. Silver47 has been advised its role in the Government petition will be solely to allow it to provide arguments to supplement those put forth by the Government. In the context of the petition, to Silver47 and Silver47 USA's knowledge, there is no potential for liability to arise in the form of damages or costs given the nature of its role and the proceedings.

Hearing on the petition is scheduled for November 24, 2024.

See "*Risk Factors – Permits and Government Regulations*".

### ***Adams Plateau Property***

From August 30, 2022 to May 18, 2023, the Company acquired the Adams Plateau Property by entering into Mineral Claims Purchase and Sale Agreements (the “**AP Agreements**”) with former owners of the Adams Plateau Property.

Pursuant to the AP Agreements, the Company obtained a 100% interest in the Adams Plateau Property in exchange for consideration of \$230,500 in the aggregate, comprised of \$78,000 in cash and share consideration with an aggregate value of \$152,500. In addition to the cash and share consideration, the Company granted a 1% net smelter return royalty (the “**Adams Royalty**”) to 1 former owner on all minerals produced from the AP Property subject to Silver47’s right to repurchase the Adams Royalty at any time prior to commercial production for \$500,000 in cash, shares or a combination thereof. The AP Agreements are not considered related party agreements under IAS 24

### ***Red Mountain Purchase Agreement***

On October 6, 2023, Silver47 and Silver47 USA entered into a mineral property purchase and sale agreement (the “**Purchase Agreement**”) with White Rock (RM) Inc. (“**White Rock (RM)**”), Atlas Resources Pty. Ltd. (“**Atlas**”), and White Rock Minerals Ltd. (“**White Rock**” or “**WRM**”), pursuant to which the Company acquired the Property in consideration for US\$400,000 and 5,000,000 Common Shares, with 500,000 of the Common Shares issued to Metallogeny pursuant to the Met Option Agreement discussed below. The mineral tenures comprising the Project were previously held 100% by White Rock (RM), a wholly-owned subsidiary of Atlas, which in turn is a wholly-owned subsidiary of White Rock. On October 2, 2023, Silver47 USA and White Rock (RM) executed a mining quitclaim deed to transfer interest in the Property to Silver47 USA. Also on October 2, 2023, Silver47 USA and White Rock (RM) executed an assignment and assumption agreement, assigning all right, title, and interest in upland mining lease forming part of the Property (ADL 431851 (Dry Creek Lease)) to the Company. The transactions contemplated by the Purchase Agreement closed on October 6, 2023. Both the mining quitclaim deed and the assignment and assumption agreement were recorded by the Alaska Department of Natural Resources (“**DNR**”) Fairbanks and Nenana recording districts on October 25, 2023.

The Property is subject to an existing option agreement (the “**Met Option Agreement**”) which includes a 2% net smelter returns royalty (the “**NSR Royalty**”) on mineral tenures located within an “area of mutual interest”. On October 5, 2023, Silver47 USA entered into an assignment and assumption agreement with Atlas and Metallogeny Inc. (“**Metallogeny**”) whereby the obligations of the Met Option Agreement and the NSR were transferred to Silver47 USA. Under the terms of the Met Option Agreement, Atlas paid US\$37,000 to Metallogeny and Silver47 issued 500,000 Common Shares to Metallogeny as a percentage (10%) of the consideration payable to WRM pursuant to the Purchase Agreement. As a condition to closing the Purchase Agreement, Silver47 has agreed to pay to Metallogeny 10% of any amounts it receives as consideration for the sale of any of the claims comprising Red Mountain and within the “area of mutual interest” pursuant to the obligations it assumed under the Met Option Agreement. This obligation only relates to a sale by Silver47 of the claims comprising Red Mountain within the area of mutual interest, and does not apply to future sales of the Company’s securities or other assets.

The terms of the transactions were determined by arm’s length negotiation between the Company, Silver47 USA, White Rock and its subsidiaries, and Metallogeny. The Purchase Agreement is not considered a related party agreement under IAS 24.

On October 5, 2023, Silver47 issued 5,000,000 Common Shares to Access Wealth Corporation as consideration for Silver47 receiving the exclusive opportunity to pursue the acquisition of Red Mountain pursuant to the terms of a letter of intent between WRM and Access dated July 27, 2023 that was assigned to the Company pursuant to an assignment agreement between Silver47 and Access dated August 10, 2023. The assignment agreement is not considered a related party agreement under IAS 24.

### ***Financings and Issuances of the Company’s Securities***

On July 8, 2021, the Company closed a non-brokered private placement of units at a price of \$0.50 per unit to certain arm’s length investors for aggregate gross proceeds of \$1,420,000.00. Each unit consisted of one Original Silver47 Share and one Original Silver47 Warrant entitling the purchaser to subscriber for an additional Original Silver47 Share at a price of \$0.75 for a period of 36 months. The Company issued 85,200 Original Silver47 Warrants exercisable at a

price of \$0.50 for a period of 36 months as partial consideration for a finder's fee incurred in connection with this non-brokered private placement (the "**2021 Broker Warrants**").

In 2022, 3,998,667 special warrants of the Company (the "**2022 Special Warrants**") were issued to certain subscribers at a price of \$0.75 per 2022 Special Warrant for aggregate gross proceeds of \$2,999,000.25 pursuant to a non-brokered private placement in two tranches. The first tranche closed on April 14, 2022 and included issuance of 2,522,334 Special Warrants to subscribers (the "**First Tranche**"). The second tranche closed on May 31, 2022 and included issuance of 1,476,333 Special Warrants to subscribers. The 2022 Special Warrants converted automatically into units of the Company (the "**2022 Units**") upon completion of the Conversion Event pursuant to the terms of the special warrant certificates the 2022 Special Warrants were issued pursuant to. The 2022 Units consisted of one Common Share and one Common Share purchase warrant.

In connection with the First Tranche, certain finders were paid finders' fees, which included (i) 78,330 Warrants, with an exercise price of \$1.00 per Warrant and expiry date of April 14, 2024 and (ii) \$58,747.50 in cash.

On June 28, 2022, 1,219,600 flow-through special warrants (the "**Flow-Through Special Warrants**") were issued to a certain subscriber at a price of \$0.82 per Flow-Through Special Warrant for aggregate gross proceeds of \$1,000,072 pursuant to a non-brokered private placement (the "**Flow-Through Tranche**"). In connection with the Flow-Through Tranche, a certain finder was paid a finder's fee, which included (i) 85,372 Warrants, with an exercise price of \$1.00 per Warrant and an expiry date of June 28, 2024, and (ii) \$73,505.29 in cash. The Flow-Through Special Warrants converted automatically, following the completion of a Conversion Event, into one Common Share, without payment of additional consideration.

On March 22, 2023, the Company notified holders of Common Share purchase warrants issued on or prior to March 22, 2023 that the expiry date of such warrants had been extended by two years from the effective date of listing of the Common Shares on the TSXV or other stock exchange in Canada.

The Company completed an offering of Special Warrants in 2024 to certain subscribers at a price of \$0.80 per Special Warrant for aggregate gross proceeds of \$5,037,914.40 pursuant to a non-brokered private placement in multiple tranches, with 94,417 Special Warrants issued on April 2, 2024, 78,750 issued on May 9, 2024, 812,501 issued on May 17, 2024, 500,000 on May 21, 2024, 1,500,000 on May 23, 2024, 1,234,000 on June 4, 2024, 478,125 on June 6, 2024, 170,000 on June 21, 2024, 537,500 on July 17, 2024 and 892,100 on July 31, 2024.

In connection with the June 4 and June 6, 2024 tranches, certain finders were paid finders' fees, which included (i) 103,005 Warrants, with an exercise price of \$1.00 or \$0.80 per Warrant and expiry date of 24 months from the date of issue of the Warrant or 24 months after the completion of a Liquidity Event and (ii) \$82,404 in cash.

The Special Warrants were issued pursuant to the terms of the special warrant certificates (the "**Special Warrant Certificates**") representing such Special Warrants. Subject to the terms and conditions of the Special Warrant Certificates, each Special Warrant entitles the holder to receive, immediately upon the completion of the Liquidity Event (as defined herein), one Unit, without payment of additional consideration. Each Unit consists of one common share in the authorized share structure of the Company (each a "**Common Share**", and in respect of a Common Share underlying a Unit, a "**Special Warrant Share**") and one half of one Common Share purchase warrant (an "**Underlying Warrant**").

The Underlying Warrants will be governed by the terms of the warrant certificates (the "**Underlying Warrant Certificates**") to be issued by the Company to the holders thereof upon conversion of the Special Warrants. Each Underlying Warrant will entitle the holder thereof to acquire one additional Common Share (a "**Warrant Share**") at a price of \$1.00 per Warrant Share until the date that is 24 months after issuance of the Underlying Warrants.

### ***The Amalgamation***

On March 11, 2021, Silver47 entered into an amalgamation agreement with Gastown Acquisitions whereby Gastown Acquisitions and Silver47 amalgamated under the laws of British Columbia and continued on as the Resulting Issuer.

Upon closing of the Amalgamation Agreement, each Gastown Shareholder received one Common Share for each Gastown Share held by such Gastown Shareholder and each Original Silver47 Shareholder received one Common Share for each Original Silver47 Share held by such Original Silver47 Shareholder. As a result of the Amalgamation, each Original Silver47 Warrant was adjusted, as per the warrant certificate, to be exercisable for one Common Share at a price of \$0.75 per Warrant. The 2021 Broker Warrants were adjusted, as per the warrant certificate, to be exercisable for one Common Share at a price of \$0.50 per Warrant.

The Amalgamation closed on July 29, 2021, and Silver47 was continued under the BCBCA and the business of Original Silver47 became the business of the Company. The Company and its auditors concluded that Gastown Acquisitions did not meet the definition of a business for accounting purposes and, accordingly, the Amalgamation was accounted for as an asset acquisition.

## **MATERIAL PROPERTY**

### **The Property**

The information in this Prospectus with respect to the Property is derived from a NI 43-101 technical report entitled “Technical Report on the Red Mountain VMS Property Bonnifield Mining District, Alaska, USA” having an effective date of January 12, 2024, which Technical Report was prepared for the Company by Kristopher J. Raffle, B.Sc., P.Geo., Christopher W. Livingstone, B.Sc., P.Geo., Yuliana R. Proenza, M.Eng., P.Geo., and Warren E. Black, M.Sc., P.Geo. The Authors are “independent” and each are “Qualified Person” for the purposes of NI 43-101. The full text of the Technical Report may be accessed online, under the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

### **Project Description, Location and Access**

#### ***Location and Access***

The Property is situated in the Bonnifield Mining District, within the Denali Borough of east-central Alaska, USA. It is located approximately 100 km south of Fairbanks, Alaska, and 30 km east of the community of Healy and the George Parks Highway (Alaska Route 3) corridor. The Property lies within the U.S. Geological Survey (“USGS”) Alaska state 1:63,360 scale quadrangle map sheets titled Healy D-1 to D-3 and Fairbanks A-1 to A-3. It is centered at approximately 63° 56’ 30” N latitude; 147° 48’ 45” W longitude. The Red Mountain Property includes the DC and WTF mineral deposits, as well as at least 20 identified less developed mineral prospects and occurrences. The Property is located within the Denali Borough of Interior Alaska, USA, approximately 100 km south of the City of Fairbanks and 325 km north-northeast of the City of Anchorage. The George Parks Highway (Alaska Route 3) corridor is located approximately 30 km west of the Property boundary, parallel the Nenana River. The Richardson Highway (Alaska Routes 2 and 4) corridor is approximately 70 km east of the Property boundary, parallel the Tanana and Delta rivers. The Alaska Highway meets the Richardson Highway at Delta Junction, 75 km east-northeast of the Red Mountain claim block. Several small communities are located along both routes, the nearest being Healy, 30 km west of the Property.

Access to the Property is typically via small, fixed wing aircraft or helicopter charter from Healy or Fairbanks to the Wood River Lodge airstrip or Newman Creek airstrip. The Wood River Lodge airstrip is located immediately south of the central part of the main claim block. The Newman Creek airstrip is immediately north of the easternmost claims. The general location of the property is shown in Figure 2.1. The locations of the mineral tenures comprising the property are shown in Figure 4.1.

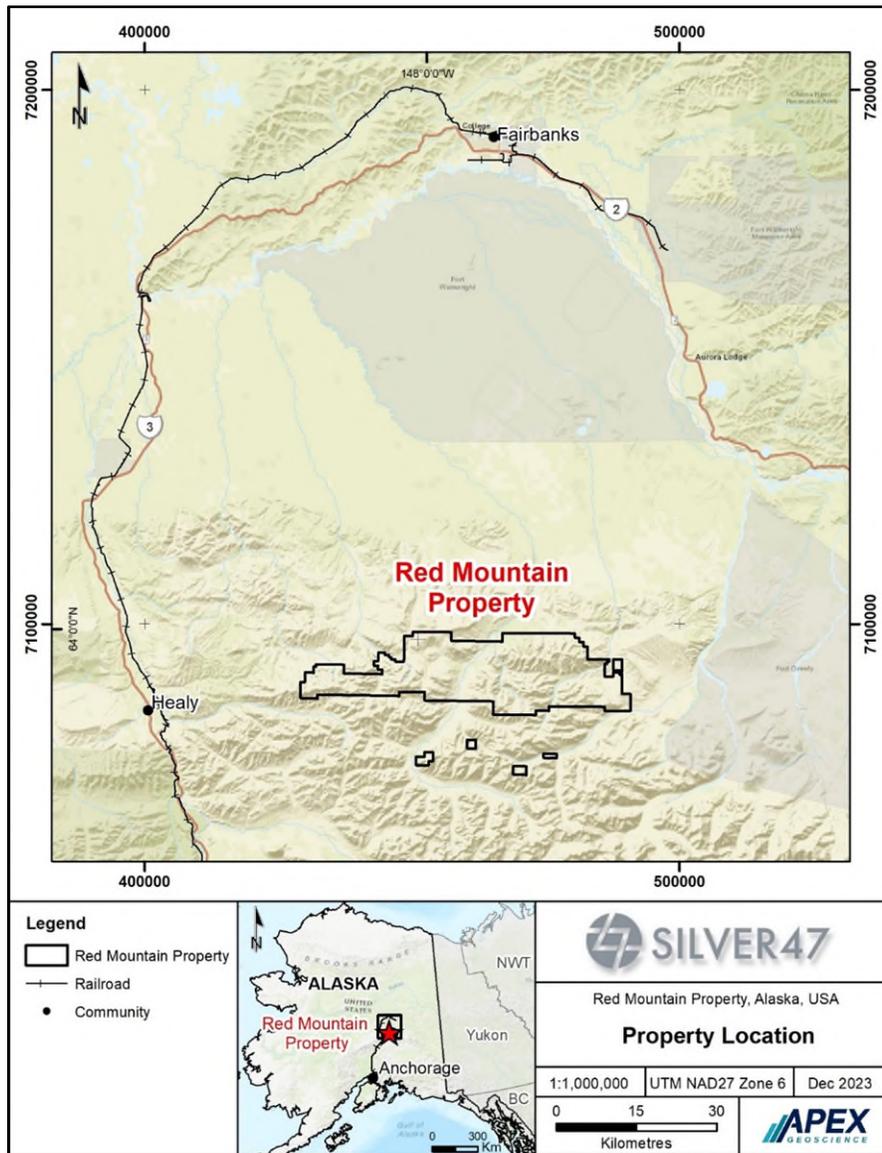


Figure 2.1: Project Location

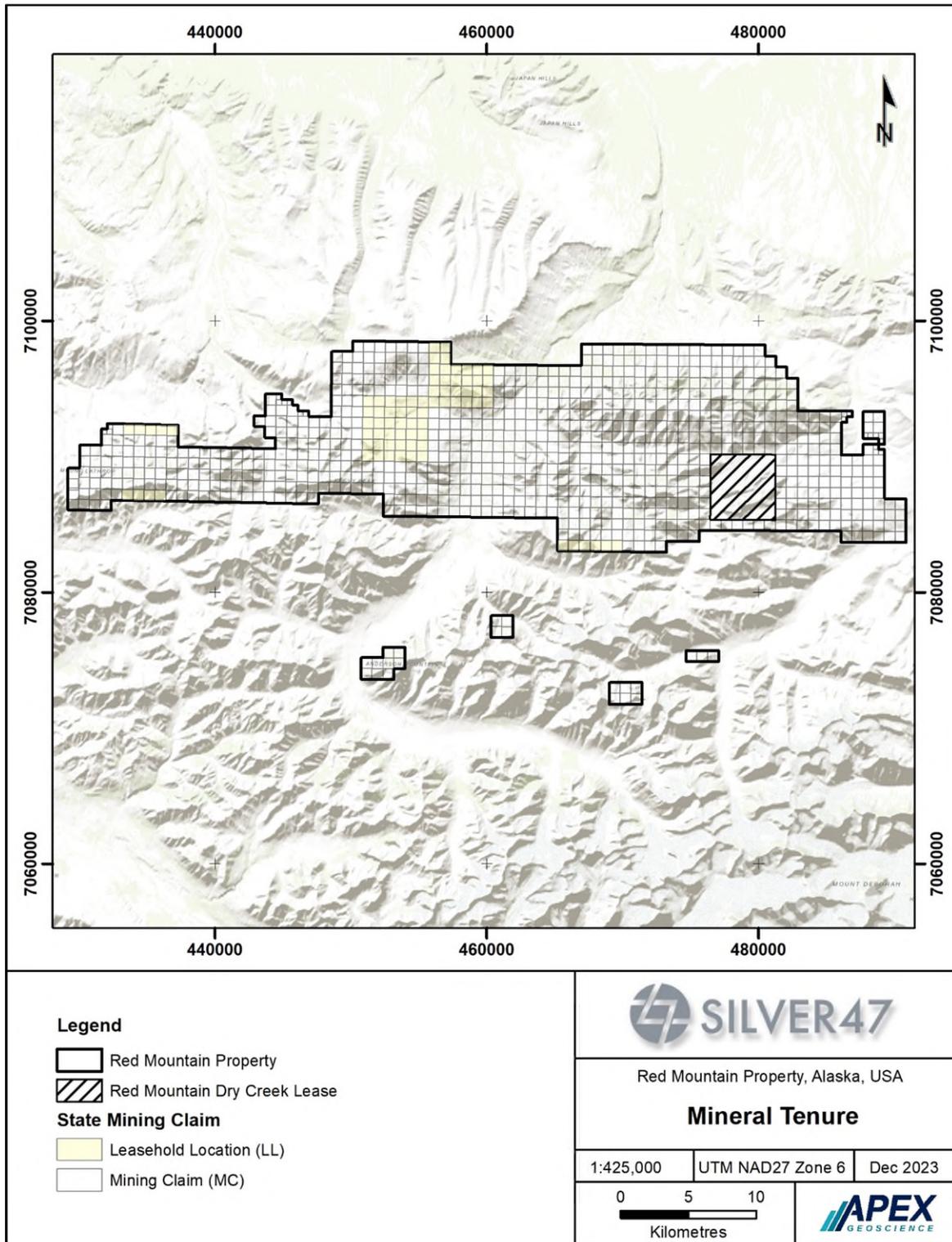


Figure 4.1: Red Mountain Mineral Tenures

The Property comprises a contiguous main block of 841 mining claims, 79 leasehold locations and one upland mining lease, in addition to four non-contiguous blocks collectively containing 22 mining claims. Red Mountain covers a total combined nominal area of 154,040 acres (62,338 hectares) and includes the DC and WTF mineral prospects. The claims, leasehold locations, and lease comprising the Project are held 100% by Silver47 USA. A table summarizing pertinent claim data follows. Note, the tenures remain in good standing as of the date of this prospectus and use of “Good to Date” in the table below reflects the period at which the previous approval expires and not that the tenures are no longer in good standing. Under Alaskan law, Silver47 is not able to obtain new good standing status until after September 1<sup>st</sup> of each year. The deadline for doing so is November 30<sup>th</sup> of each year, and the Company is currently in the process of obtaining such approvals which, when obtained, extend the expiry of the tenures to August 31, 2025.

**Table 4.1: Silver47 Red Mountain Property Mineral Tenures**

<b>Tenure Name</b>	<b>Tenure Type</b>	<b>Good to Date<sup>(1)</sup></b>	<b>No.</b>
ADL #421851	Upland Mining Lease	2042-08-01	1
RM032	Mining Claim (MC)	2024-08-31	1
RM044	Mining Claim (MC)	2024-08-31	1
RM057	Mining Claim (MC)	2024-08-31	1
RM070	Mining Claim (MC)	2024-08-31	1
RM071	Mining Claim (MC)	2024-08-31	1
RM083	Mining Claim (MC)	2024-08-31	1
RM084	Mining Claim (MC)	2024-08-31	1
RM103	Mining Claim (MC)	2024-08-31	1
RM104	Mining Claim (MC)	2024-08-31	1
RM077	Mining Claim (MC)	2024-08-31	1
RM079 – RM082	Mining Claim (MC)	2024-08-31	4
RM085 – RM090	Mining Claim (MC)	2024-08-31	6
RM020 – RM022	Mining Claim (MC)	2024-08-31	3
RM097 – RM102	Mining Claim (MC)	2024-08-31	6
RM023 – RM031	Mining Claim (MC)	2024-08-31	9
RM033 – RM049	Mining Claim (MC)	2024-08-31	16
RM055 – RM056	Mining Claim (MC)	2024-08-31	2
RM058 – RM063	Mining Claim (MC)	2024-08-31	6
RM067 – RM069	Mining Claim (MC)	2024-08-31	3
RM072 – RM076	Mining Claim (MC)	2024-08-31	5
RM135 – RM149	Mining Claim (MC)	2024-08-31	15
RM105 – RM127	Mining Claim (MC)	2024-08-31	23
RM128 – RM134	Mining Claim (MC)	2024-08-31	7
RM193 – RM218	Mining Claim (MC)	2024-08-31	26
RM150 – RM161	Mining Claim (MC)	2024-08-31	12
RM166 – RM192	Mining Claim (MC)	2024-08-31	27
RM162 – RM165	Mining Claim (MC)	2024-08-31	4
RED MOUNTAIN 28SW	Mining Claim (MC)	2024-08-31	1
RED MOUNTAIN 28NE	Mining Claim (MC)	2024-08-31	1
RED MOUNTAIN 22SW	Mining Claim (MC)	2024-08-31	1
RED MOUNTAIN 22SE	Mining Claim (MC)	2024-08-31	1
RM5	Mining Claim (MC)	2024-08-31	1
RM9 - RM10	Mining Claim (MC)	2024-08-31	2
RM6	Mining Claim (MC)	2024-08-31	1
RM12 – RM19	Mining Claim (MC)	2024-08-31	8
RM345	Mining Claim (MC)	2024-08-31	1
RM346 – RM350	Leasehold Location (LL)	2024-08-31	5
RM335 – RM344	Mining Claim (MC)	2024-08-31	10
RM356 – RM357	Leasehold Location (LL)	2024-08-31	2

<b>Tenure Name</b>	<b>Tenure Type</b>	<b>Good to Date<sup>(1)</sup></b>	<b>No.</b>
RM358 – RM367	Mining Claim (MC)	2024-08-31	10
RM351 – RM355	Leasehold Location (LL)	2024-08-31	5
RM368 – RM372	Leasehold Location (LL)	2024-08-31	5
RM377 – RM381	Mining Claim (MC)	2024-08-31	5
RM393	Mining Claim (MC)	2024-08-31	1
RM403	Leasehold Location (LL)	2024-08-31	1
RM394	Mining Claim (MC)	2024-08-31	1
RM397	Mining Claim (MC)	2024-08-31	1
RM382	Mining Claim (MC)	2024-08-31	1
RM414	Mining Claim (MC)	2024-08-31	1
RM415	Mining Claim (MC)	2024-08-31	1
RM406 – RM408	Leasehold Location (LL)	2024-08-31	3
RM409 – RM413	Mining Claim (MC)	2024-08-31	5
RM383 – RM392	Mining Claim (MC)	2024-08-31	10
RM373	Leasehold Location (LL)	2024-08-31	1
RM374 – RM376	Mining Claim (MC)	2024-08-31	3
RM404	Leasehold Location (LL)	2024-08-31	1
RM398 – RM402	Mining Claim (MC)	2024-08-31	5
RM405	Leasehold Location (LL)	2024-08-31	1
RM416 – RM434	Mining Claim (MC)	2024-08-31	19
RM435	Leasehold Location (LL)	2024-08-31	1
RM227	Leasehold Location (LL)	2024-08-31	1
RM228	Mining Claim (MC)	2024-08-31	1
RM333 - RM334	Leasehold Location (LL)	2024-08-31	2
RM229 – RM235	Mining Claim (MC)	2024-08-31	7
RM288 – RM289	Mining Claim (MC)	2024-08-31	2
RM261 - RM270	Mining Claim (MC)	2024-08-31	10
RM290 - RM295	Mining Claim (MC)	2024-08-31	6
RM271 - RM274	Mining Claim (MC)	2024-08-31	4
RM275 - RM280	Leasehold Location (LL)	2024-08-31	6
RM281 - RM287	Mining Claim (MC)	2024-08-31	7
RM219 - RM225	Mining Claim (MC)	2024-08-31	7
RM226	Leasehold Location (LL)	2024-08-31	1
RM296 - RM303	Mining Claim (MC)	2024-08-31	8
RM304 - RM309	Leasehold Location (LL)	2024-08-31	6
RM310 - RM328	Mining Claim (MC)	2024-08-31	19
RM329 - RM332	Leasehold Location (LL)	2024-08-31	4
RM236 - RM246	Mining Claim (MC)	2024-08-31	11
RM395 - RM396	Mining Claim (MC)	2024-08-31	2
RM247 - RM250	Mining Claim (MC)	2024-08-31	4
RM251 - RM252	Leasehold Location (LL)	2024-08-31	2
RM253 - RM260	Mining Claim (MC)	2024-08-31	8
RM440	Leasehold Location (LL)	2024-08-31	1
RM441 - RM449	Mining Claim (MC)	2024-08-31	9
RM436 - RM439	Leasehold Location (LL)	2024-08-31	4
RM450 - RM460	Mining Claim (MC)	2024-08-31	11
RM461 - RM464	Leasehold Location (LL)	2024-08-31	4
RM465	Leasehold Location (LL)	2024-08-31	1
RM466	Leasehold Location (LL)	2024-08-31	1
RM467 - RM483	Mining Claim (MC)	2024-08-31	17
RM490 - RM491	Leasehold Location (LL)	2024-08-31	2

<b>Tenure Name</b>	<b>Tenure Type</b>	<b>Good to Date<sup>(1)</sup></b>	<b>No.</b>
RM492 - RM495	Mining Claim (MC)	2024-08-31	4
RM564 - RM573	Mining Claim(MC)	2024-08-31	10
RM502 - RM504	Mining Claim (MC)	2024-08-31	3
RM631 - RM636	Mining Claim (MC)	2024-08-31	6
RM643 - RM646	Mining Claim (MC)	2024-08-31	4
RM496 - RM501	Mining Claim (MC)	2024-08-31	6
RM484 – RM485	Mining Claim (MC)	2024-08-31	2
RM486	Leasehold Location (LL)	2024-08-31	1
RM524 - RM563	Mining Claim (MC)	2024-08-31	40
RM487 - RM489	Leasehold Location (LL)	2024-08-31	3
RM510 - RM523	Mining Claim (MC)	2024-08-31	14
RM505 - RM509	Mining Claim (MC)	2024-08-31	5
RM585 - RM597	Mining Claim (MC)	2024-08-31	13
RM574 - RM576	Mining Claim (MC)	2024-08-31	3
RM598 - RM600	Mining Claim (MC)	2024-08-31	3
RM577 - RM584	Mining Claim (MC)	2024-08-31	8
RM607 - RM630	Mining Claim (MC)	2024-08-31	24
RM647 - RM650	Mining Claim (MC)	2024-08-31	4
SH9 - SH19	Mining Claim (MC)	2024-08-31	11
AM1 - AM8	Mining Claim (MC)	2024-08-31	8
VC1	Mining Claim (MC)	2024-08-31	1
RM681 - RM695	Mining Claim (MC)	2024-08-31	15
VC2 - VC4	Mining Claim (MC)	2024-08-31	3
CQ1 - CQ6	Mining Claim (MC)	2024-08-31	6
WF1 - WF3	Mining Claim (MC)	2024-08-31	3
SH1 - SH6	Mining Claim (MC)	2024-08-31	6
RM651 - RM654	Mining Claim (MC)	2024-08-31	4
RM667	Mining Claim (MC)	2024-08-31	1
RM668	Mining Claim (MC)	2024-08-31	1
RM655 - RM664	Mining Claim (MC)	2024-08-31	10
RM669	Mining Claim (MC)	2024-08-31	1
RM670	Mining Claim (MC)	2024-08-31	1
RM680	Mining Claim (MC)	2024-08-31	1
SH7	Mining Claim (MC)	2024-08-31	1
SH8	Mining Claim (MC)	2024-08-31	1
RM665	Mining Claim (MC)	2024-08-31	1
RM666	Mining Claim (MC)	2024-08-31	1
RM671 - RM679	Mining Claim (MC)	2024-08-31	9
AM9	Mining Claim (MC)	2024-08-31	1
MC1 - MC21	Mining Claim (MC)	2024-08-31	21
LC1 - LC26	Mining Claim (MC)	2024-08-31	26
LC138	Mining Claim (MC)	2024-08-31	1
LC139	Mining Claim (MC)	2024-08-31	1
LC151	Mining Claim (MC)	2024-08-31	1
LC114 - LC117	Mining Claim (MC)	2024-08-31	4
LC118 - LC122	Leasehold Location (LL)	2024-08-31	5
LC123 - LC137	Mining Claim (MC)	2024-08-31	15
LC169 - LC176	Mining Claim (MC)	2024-08-31	8
LC188	Mining Claim (MC)	2024-08-31	1
LC213	Mining Claim (MC)	2024-08-31	1
LC189-LC200	Mining Claim (MC)	2024-08-31	12

Tenure Name	Tenure Type	Good to Date <sup>(1)</sup>	No.
LC202 - LC208	Mining Claim (MC)	2024-08-31	7
LC209 - LC212	Leasehold Location (LL)	2024-08-31	4
LC152 - LC157	Mining Claim (MC)	2024-08-31	6
LC230 - LC233	Mining Claim (MC)	2024-08-31	4
LC140 - LC150	Mining Claim (MC)	2024-08-31	11
LC165 - LC168	Mining Claim (MC)	2024-08-31	4
LC177 - LC187	Mining Claim (MC)	2024-08-31	11
LC244 - LC251	Mining Claim (MC)	2024-08-31	8
LC253 - LC255	Mining Claim (MC)	2024-08-31	3
LC218 - LC226	Mining Claim (MC)	2024-08-31	9
LC201	Mining Claim (MC)	2024-08-31	1
LC158 - LC164	Mining Claim (MC)	2024-08-31	7
LC227 - LC229	Mining Claim (MC)	2024-08-31	3
RM712 - RM734	Mining Claim (MC)	2024-08-31	23
RM735 - RM740	Leasehold Location (LL)	2024-08-31	6
RM741 - RM744	Mining Claim (MC)	2024-08-31	4
RM709 - RM711	Mining Claim (MC)	2024-08-31	3
SM04 - SM09	Mining Claim (MC)	2024-08-31	6
RM696 - RM708	Mining Claim (MC)	2024-08-31	13
LC252X	Mining Claim (MC)	2024-08-31	1
SM01 - SM03	Mining Claim (MC)	2024-08-31	3
RM745 - RM747	Mining Claim (MC)	2024-08-31	3
<b>TOTAL:</b>			<b>943</b>

\* according to land record data on the State of Alaska Open Data Geoportal

The Property was acquired by Silver47 from White Rock and its subsidiaries for 5,000,000 Common Shares and US\$4,000,000 pursuant to the Purchase Agreement. Pursuant to the Met Option Agreement, Metallogeny retains the NSR Royalty on all commercial production from the Property, subject to Silver47 USA's right to reduce the NSR Royalty to 1% for US\$1,000,000.

### Mineral Tenure

The Property is comprised of State of Alaska mining claims, leasehold locations, and an upland mining lease. Alaska mining law confers the owner of a mineral claim a proprietary subsurface right to develop and mine locatable minerals only. Transient use of the surface estate in support of development is allowed, but with no ownership interest. The surface estate remains open public land unless mining or pre-mining activities create a hazard to the public.

Under Alaska mining laws (AS 38.05.185-275) and regulations (11 AAC 86.100-600) there are three primary types of mineral locations: mining claims, leasehold locations, and prospecting sites. Mining claims may be located by aliquot part legal description, comprising meridian, township, range, section, quarter section, and if applicable quarter-quarter section (MTRSC locations). A quarter section is typically 160 acres in size, and a quarter-quarter section is typically 40 acres in size. Non-MTRSC, or traditional, locations are also permitted and may be any size up to 1,320 feet by 1,320 feet (40 acres) with the claim boundaries running in cardinal directions.

Upon processing a new claim location, the state may classify the location as a leasehold location. Prior to discovery, a locator may also locate a prospecting site which grants exclusive prospecting rights for a term of two years, and exclusive right to convert to a claim upon discovery of locatable minerals. Non-exclusive access to State-owned lands for prospecting, exclusive right to develop a discovery, and security of tenure are provided for under Alaska mining laws and regulations.

Leasehold locations are a type of mining claim that are subject to certain management criteria regarding development and disturbance. The primary difference between a mining claim and a leasehold location is that a mining claim gives an owner an immediate property right to mine a mineral deposit whereas a leasehold location must be converted into

an upland mining lease before mining operations can begin. State lands are designated for leasehold location only if there may be other valuable resources present or if the surface has already been leased or sold for other uses. Converting a leasehold location to a lease is done to mitigate other resource use conflicts that may exist, and to provide exclusive mineral title.

The performance of annual labour and recording of a Statement or Affidavit of Annual Labour are required for all mining claims, leasehold locations, and upland mining leases under state law AS 38.05.210. During the labour year, or within 90 days of the close of the labour year on September 1, the owner of the mining claim, leasehold location, or mining lease or other person having knowledge of the facts must record an affidavit describing the labour or improvements made during the annual labour year (including any labour in excess of the requirement for that year or cash payments). Current Labour requirements are based on claim size; USD\$400 per year per quarter section claim and USD\$100 per year per quarter-quarter section claim.

Alaska Statute 38.05.211 requires locators and holders of mining locations to pay an annual cash rental. The annual rental requirement applies to mining claims, leasehold locations, upland mining leases, offshore mining leases, and prospecting sites located on state land. Department regulations 11 AAC 86.215(f), 11 AAC 86.221, 11 AAC 86.260, 11 AAC 86.265, 11 AAC 86.313, 11 AAC 86.422, and 11 AAC 86.541 identify how rental payments will be made. The annual rental year follows the “mining year” which begins and ends on September 1 at noon. The first annual rental payment must be paid within 45 days of posting a new location pursuant to 11 AAC 86.215. This payment covers rental until noon of the next September 1. Subsequent annual rental payments are due September 1 and must be paid within 90 days afterward (usually November 30).

For prospecting sites, there is a one-time rental payment requirement of \$305 which covers the two-year term of the site. Annual rental fees for mining claims, leasehold locations, and upland leases are presented in Tables 4.2 and 4.3.

**Table 4.2. Annual Rental for Mining Claims and Leasehold Locations**

<b>Number of Years for Location</b>	<b>Quarter-Section Size MTRSC Location (160 Acres)</b>	<b>Quarter-Section Size MTRSC Location (40 Acres)</b>	<b>Traditional Mining Claim or Leasehold Location</b>	<b>Due Date</b>
Year 1 Day 1 to September 1 of mining year location is staked	\$165	\$40	\$40	45 days from posting location
2 to 5	\$165	\$40	\$40	September 1
6 to 10	\$330	\$85	\$85	September 1
11 or more	\$825	\$205	\$205	September 1

**Table 4.3. Annual Rental for Upland Mining Leases**

<b>Number of Years for Lease</b>	<b>Rental Amount per Acre</b>	<b>Due Date</b>
Year 1 Day 1 to September 1 of mining year lease inception	\$1.03	45 days from lease inception
2 to 5	\$1.03	September 1
6 to 10	\$2.06	September 1
11 or more	\$5.16	September 1

The 2024 total annual holding costs for the Red Mountain Property were USD\$280,003.20 in annual rental and approximately USD\$385,200 in annual labour for 2023. Statements of Annual Labor for Mining for the mining labour year ending September 1, 2023, for the 942 Red Mountain claims and the Dry Creek Lease, were recorded by the Alaska DNR Fairbanks and Nenana recording districts on September 15, 2023. Annual labour requirements were satisfied utilizing excess available labour credit. The 2024 annual rentals for the 942 Red Mountain claims, totaling USD\$268,220, were paid to the DNR by Silver47 on November 1, 2023. The 2024 annual rental for the Dry Creek Lease (ADL 421851), totaling USD\$11,783.20, were paid to the DNR by White Rock (RM) Inc. on July 31, 2023.

The 2025 annual holding costs are USD\$332,520 in annual rental and approximately USD\$385,100 in annual labour for 2024. There exists currently USD\$1,115,300 in excess annual labour credit available to Silver47 USA to satisfy 2024 annual labour requirements.

Surface rights sufficient for exploration and mining operations on State-owned lands are provided for under Alaska mining laws and regulations, subject to the Application for Permits to Mine in Alaska (“APMA”). The APMA is an application form for the permits required to explore for and mine locatable minerals and to conduct reclamation. Additional details regarding the permitting process and amendment of APMA to Silver47 USA as operator are provided below.

### **Royalties and Other Payments**

In addition to the standard corporate tax rate, miners in Alaska are subject to a mining license tax of up to 7% of net profits, which applies to all mining operations including royalty owners. Mining operations on State of Alaska land are also subject to an additional 3% net profit royalty.

Red Mountain is subject to the Met Option Agreement which includes the NSR Royalty on mineral tenures located within an “area of mutual interest”.

### **Permitting, Environmental Liabilities and Significant Factors**

Red Mountain is located on State of Alaska land administered by the DNR Division of Mining, Land and Water (“DMLW”). As provided in 11AAC 96.020, certain uses and activities on state land are listed as “Generally Allowed Uses” (“GAU”). GAU do not require a permit from the DMLW, subject to conditions under 11 AAC 96.025.

Activities listed as GAU, include, but are not limited to: landing small aircraft, prospecting or mining using light portable field equipment, geochemical sampling, and brushing or cutting survey lines less than five feet wide using hand tools. Temporary camps may be established for no more than 14 days at one site, using a tent platform or other temporary structure that can readily be dismantled and removed. Highway vehicles with a curb weight up to 10,000 pounds, including four-wheel-drive vehicles or pickups, or all-terrain vehicles with a curb weight up to 1,500 pounds, including snowmobiles, motorcycles, or ATVs, are permitted on or off an established road easement, if use off the road easement does not cause or contribute to water quality degradation, alteration of drainage systems, significant rutting, ground disturbance, or thermal erosion.

Engaging in mining activities requires a mining license issued by the Alaska Department of Revenue in order to track income tax obligations to the State. Mining activities include owning and/or operating a mining property, owning a mining property and receiving lease or royalty payments based on production from the property, leasing a mining property, or possessing a mineral interest in a producing property. Mining license applications are due annually. A mining license is not a mining permit and does not confer any environmental authorizations. Silver47 does not currently hold a mining license for Red Mountain, as it is an exploration-stage property.

Exploration and mining activities on state land that exceed GAU are subject to the APMA. Permits and licenses are required by as many as 12 state and federal agencies to conduct exploration or mining activities in the State of Alaska. The APMA is designed to assist the mining industry to navigate this complex permitting process.

For each year that a claim owner intends to conduct mining activities, including exploration, mining, transportation of equipment, or maintaining a camp, an APMA must be submitted with the requisite fees, to the nearest Alaska DNR DMLW regional office. The Mining Section reviews the application for completeness and, when accepted, distributes

to all state and federal agencies involved in the permitting process. Permits may or may not be required by each agency receiving copies of the application. After reviewing the application, each agency may: 1) issue a required permit, sometimes with additional fees; 2) request more information prior to issuing a permit; or 3) deny the permit under their statutory and regulatory authority, or by order of court injunction. A claim owner may apply for a multi-year APMA permit, which is valid for up to five years.

White Rock (RM) Inc. currently holds an approved Hard Rock Exploration APMA Permit (#2869) for the DC area, comprising 461 mining claims east of the Wood River, including 436 contiguous claims from the RM block and 22 claims from the non-contiguous AM, CQ, VC, and WF blocks, as well as the Dry Creek Lease. The Dry Creek APMA Permit includes an Approved Plan of Operations for Hard Rock Exploration and Reclamation, a Miscellaneous Land Use Permit for Hardrock Exploration, eight Temporary Water Use Authorization Permits, and a Fish Habitat Permit (**Table 4.4**). White Rock (RM) and Silver47 USA are currently working to transfer the Dry Creek APMA (#2869) to Silver47 USA as per the terms of the Purchase Agreement.

The Dry Creek APMA Permit authorizes core and air rotary drilling, logistical support activities, camp maintenance, water usage, and fuel storage. The permits are currently exempt from reclamation bonding. Annual maintenance requirements must be submitted by December 31 each year, including:

- An Annual Exploration Report detailing the exploration and reclamation actions taken during the year.
- An Annual Reclamation Statement detailing the reclamation actions taken during the mining season, including photographs, video, or other documentary evidence.
- A Letter of Intent to do Reclamation for the upcoming season.

Permit amendments are currently underway to facilitate a permit transfer agreement with Silver47 USA (APMA Permit #2869). APMA #2869 is still valid to operate during the permit amendment process.

The permit amendment process was initiated January 24, 2024 to change operators and remove claims, drill sites and water source locations from APMA #9971 to APMA #2869 that are associated with 138 claims under APMA #9971 that were transferred and now owned by Silver47 USA. Permit amendment application fees were paid March 4, 2024. The Fish Habitat Permit amendment was received on March 20, 2024. The Authors have no reason to believe that the permit amendment and transfer will not be completed in due course.

**Table 4.4. Dry Creek APMA (#2869) and Related Permit Summary**

Level	Authority	Legislation	Permit	Number	Issue Date	Expiry Date
State of Alaska	DNR, Division of Mining, Land and Water, Mining Section	Alaska Statutes 27.19, 38.05 Alaska Administrative Code Title 11, Chapters 86.800, 96, 97	Approved Plan of Operations for Hard Rock Exploration and Reclamation	#2869 Amendment #1	2022-10-19	2026-12-31
			Miscellaneous Land Use Permit for Hardrock Exploration	#2869	2022-05-01	2026-12-31
	DNR, Division of Mining, Land and Water, Water Resources Section	Alaska Statutes 46.15	Temporary Water Use Authorization Permit	TWUA F2022-051	2022-10-13	2026-12-31
				TWUA F2022-052	2022-10-13	2026-12-31
				TWUA F2022-053	2022-10-13	2026-12-31
				TWUA F2022-054	2022-10-13	2026-12-31
				TWUA F2022-055	2022-10-13	2026-12-31
				TWUA F2022-056	2022-10-13	2026-12-31
				TWUA F2022-057	2022-10-13	2026-12-31
				TWUA F2022-058	2022-10-13	2026-12-31

	Department of Fish and Game, Habitat Section	Alaska Statutes 16.05.841	Fish Habitat Permit (Amendment received March 20, 2024)	FH22-III-089 Amendment 1	2022-07-19	2026-12-31
				FH22-III-089	2022-04-08	2026-12-31

There are no known environmental liabilities associated with the Property, other than the obligations detailed in the document “Environmental & Reclamation Obligations per State Exploration Permits & Private Work Relationships, Dry Creek Work Area, APMA Permit F-2869 Amendment 1”, which was provided by Silver47 and relied upon by the Authors to summarize the permit and environmental status of the Property. The obligations primarily comprise final closure of three drill sites, reclamation of two as-built sites, and removal of a small amount of staged fuel and supplies from the Newman Creek airstrip. No formal cost estimate was provided for the environmental and reclamation work, but the total cost is anticipated to be less than USD\$20,000.

The Authors are not aware of any other environmental liabilities, significant factors, or risks that would affect access, title, or the ability to perform work at the Red Mountain Property.

## History

### *Exploration Work Conducted by Previous Owners (1975 – 2015)*

*1975 to 1982: RAA, Phelps Dodge, Getty, UG, Bear Creek, PCM, US Borax, USGS*

Since the mid-1970s, the Red Mountain area and the Bonifield Mining District have been known to host at least 20 identified mineral occurrences of volcanic-hosted massive sulphide (“**VMS**”) mineralization and at least one known sediment-hosted exhalative massive sulphide (“**SEDEX**”) occurrence that occur on the Red Mountain Property. Surface exploration results from this period are partially available through peer-reviewed technical journal articles, thesis dissertations, government and historic reports, maps and figures, as well as published and unpublished exploration annual reports.

The two more advanced prospects, Dry Creek (also referred to as “**DC**”) and West Tundra Flats (“**WTF**”), have multi-disciplinary digital exploration datasets. Digital data for the less advanced exploration prospect target areas are partially available in digital format, and some data is still in the form of historic reports, maps and figures in mostly unpublished exploration annual reports. At least 8 prospect areas have been tested by drilling.

A multi-disciplinary approach to surface exploration work (funded by both industry and state-led initiatives) since the 1970s to 2021 has continued to be the strategy for identification of VMS prospects in the region, including:

- Surface geochemistry (in the form of soils, stream sediment/silt and rock grab/channel/trench samples),
- geologic mapping and prospecting,
- airborne and ground geophysical surveys,
- testing targets with core drilling.

Multiple generations of drilling have been undertaken at the Red Mountain Property since 1976 with intermittent pauses in exploration due to lack of funding and periods of low metal prices.

The initial surface exploration reconnaissance discovery programs were conducted in 1975 by Resource Associates of Alaska Inc. (“**RAA**”), operator under a Joint Venture (“**JV**”) funded program managed by Phelps Dodge Corporation (“**Phelps Dodge**”). The surface VMS discovery at DC was a result of prospecting, geological mapping and collection of 3,733 reconnaissance samples to prioritize target areas for drilling.

In 1976 Getty Oil Company (“**Getty**”) and RAA formed a JV and continued ground exploration, following up with the first discovery drilling at DC, Virginia Creek and Anderson Mountain VMS prospects.

In 1976, the Sheep Creek prospect (also identified during 1975 reconnaissance groundwork) was staked by RAA for Urangesellschaft USA Inc. (“**UG**”). Sheep Creek is historically referred to as Last Chance, or Sheep Creek – Surprise Creek prospects. UG leased the Sheep Creek project to Bear Creek Mining Corporation (“**Bear Creek**”), a division of Kennecott Minerals Corporation (Kennecott), then later British Petroleum Minerals (BP). The Sheep Creek prospect is unique in that it contains elevated levels of tin (Sn), in addition to base metals zinc, lead and silver (Zn, Pb, and Ag).

In 1977, Getty conducted follow up detailed geologic mapping, ground geophysics and drilling at DC, Virginia Creek and Anderson Mountain.

In 1978, Bear Creek also drill tested the Sheep Creek prospect with one 129.5 m (425 ft) drill hole (DDH-SC1). Initial drilling aimed to test the stratigraphic thickness, depth and grade of the encountered mineralization. Results were positive with at least three drill holes planned for 1979.

In 1978, Pacific Coast Mines (“**PCM**”) entered into a JV with Bear Creek to explore the Sheep Creek project. A total of 150 stream sediment (silt) and 145 rock chip samples were collected for geochemical analysis.

In 1979, the Sheep Creek project was leased by United States Borax and Chemical Corporation (“**US Borax**”), who followed up with blasting and geochemical sampling at three sites based on previous geochemical anomalies identified by Bear Creek. Two more drill holes were also drilled in 1979 by US Borax.

In 1980, reconnaissance mapping, grid soil sampling and trenching was conducted at the Smog (also known as Snow Mountain Gulch or Galleon) prospect by a new JV between RAA and Getty. This was followed up in 1981 with detailed geological mapping and drilling.

In 1981, RAA identified the WTF area and completed seven (7) drill holes totaling 798 m. In 1981, Getty tested the Smog prospect with eight (8) drill holes.

Between 1978 and 1982, geologic mapping of the Healy quadrangle was undertaken by the USGS as part of a multidisciplinary program to evaluate the mineral resource potential of the region. This would be the first update on the geology of the region since mapping completed by USGS between 1958 – 1970. The multidisciplinary program was part of the Alaska Mineral Resource Assessment Program and included geological, geochemical and geophysical investigations.

In 1982, RAA continued work at WTF with 11 drill holes totaling 2,127 m (6,979 ft) and following up on other Bonnifield VMS district prospects, including Glacier Creek area to the northeast of Sheep Creek prospect and northwest of the WTF and DC areas. A magnetite-rich banded iron formation was identified at Glacier Creek over a strike length of 1,200 ft (365 m). In addition to drilling during 1982, RAA conducted detail geological mapping, a soil and a geophysical (VLF-EM) grid over WTF. Other prospects were also systematically evaluated. RAA collected approximately 100 rock, stream sediment and soil samples and completed 1.5 line-miles of VLF at Rerun prospect. Detail geological mapping and another 160 rock and soil samples were collected at Artesia – Nike prospects (two line-miles of soil samples at 250 ft spacing).

*1983 to 2000: RAA, HOMEX, Getty, Kennecott, PNR, PARC, Grayd*

In 1983, Houston Oil and Minerals Exploration Company (“**HOMEX**”) acquired the property and drilled five core holes (1,091 m) in 1983 at the DC prospect.

In 1986, after no funding during 1984 – 1985, a new JV was formed between RAA and Getty to evaluate regional gold prospects in the Bonnifield Mining District. No drilling but extensive mapping and surface sampling was completed.

During 1987 to 1990, no work was completed by RAA in Alaska. RAA became part of NERCO Minerals (“**NERCO**”) during this period, which became part of Kennecott Corporation (“**Kennecott**”) in the late 1990s. Dissolution of NERCO led to the formation of Pacific Northwest Resources (“**PNR**”) by the remaining RAA management with

resumed interest in the Bonnifield VMS district. Sporadic unpublished results indicate surface sampling was conducted at WTF in 1991 and follow up surface exploration at DC and WTF in 1993 with a new zone of surface mineralization identified within the WTF area. During 1994 – 1995, PNR was reorganized into Pacific Alaska Resources Company (“**PARC**”).

Between 1996 to 1998, PARC in a JV with Grayd Resources Corporation (“**Grayd**”), drilled sixty-eight diamond core holes totalling 8,303 m at the DC prospect. In addition to drilling, geological mapping, airborne geophysics (1997 High Sensitivity SIGHEM-5 by SIAL Geosciences, 546 line-miles at nominal 1,000 feet line spacing) over the DC, Anderson and Last Creek areas, ground geophysical surveys, downhole geophysical surveys, and soil geochemistry were completed over the property.

In 1998, 5 holes totalling 1,224 m at Glacier Creek area were completed under a JV between Grayd and Inmet Mining Corporation (“**Inmet**”).

In 1999, ATNA Resources Ltd. (“**ATNA**”) in a JV with Grayd drilled fourteen diamond core holes totalling 3,113 m at DC. Grayd commissioned preliminary flotation test work for the DC prospect. In 2000, the Grayd claims were allowed to lapse.

#### *2003 to 2015: USGS, Alaska DGGs, AAGC, Atlas*

In 2007, USGS published several studies on Red Mountain and the DC prospect, including early-stage environmental baseline geochemical studies. In 2006 to 2007, A DIGHEM airborne geophysical survey was carried out for the State of Alaska, DNR, Division of Geological and Geophysical Surveys (“**DGGs**”). The airborne survey was flown over parts of the Bonnifield Mining District including the Red Mountain area and amounted to 4525.2 line-km at 400 m line spacing. In 2007, Metallogeny reviewed the Bonnifield Mining District VMS district and staked open ground over key prospect areas, including DC, WTF, Virginia Creek, Anderson Mountain, Cirque, and Chute Creek. Northern Associates Incorporated (“**NAI**”) acquired the historic data package from Grayd in 2009.

Between 2007 to 2013, the Smog prospect (also known as Snow Mountain Gulch or Galleon) was shuffled through various agreements between Anglo Alaska Gold Corporation (“**AAGC**”), Rock Star Resources Inc. (“**RSRI**”) and Southern Sun Minerals Inc. Between 2007 – 2009, AAGC completed rock sampling and mapping on the Smog prospect. In 2011, RSRI completed a ground induced polarization (CRIP) geophysical survey was completed over the Smog prospect. In 2013, a NI 43-101 technical report was commissioned for the Smog prospect as part of the property agreement transaction.

In 2015, Atlas acquired Bonnifield Mining District prospects from Metallogeny and NAI, which were covered by 13 State of Alaska mining claims and 16 leasehold locations, totaling 4,640 contiguous acres.

#### *2016 to 2022: Exploration Work Conducted by White Rock*

In March 2016, WRM staked 85 new mining claims in the Bonnifield Mining District and in May 2016, WRM acquired 100% ownership of the Bonnifield Red Mountain project from Atlas.

In 2016, White Rock completed a multi-disciplinary compilation, interrogation and interpretation of available data at the Red Mountain project, with a focus on the eastern half of the current property boundary. This compilation included a review of all available historical geochemical data, and updated 2016 digital bedrock geology from the Alaska Division of Geological & Geophysical Surveys. In addition, updated modelling of airborne geophysical magnetic and electromagnetic data by Condor Consulting Inc. at the known DC and WTF deposits generated a total of 30 conductors coincident with known base metal and precious metal geochemical anomalies for follow up exploration targets. A thorough examination of regional prospects was undertaken and further work programs were recommended in addition to continuing work at the DC and WTF areas.

In 2017, WRM completed re-sampling of historic drill core, conducted ground geophysical orientation surveys, incorporated 2016 DGGs reprocessing update of the 2007 DIGHEM airborne survey, in addition to incorporating

updated DGGS re-classified geology for the Red Mountain area. The objective and result of this initial work was to publish a Joint Ore Reserve Committee (“**JORC**”) Mineral Resource Estimate for the DC and WTF deposits in 2017.

In 2018, WRM completed 14 drill holes at DC, 3 holes at WTF, and 7 holes at other VMS prospects (Hunter, South Platypus, Megan and Redback) for a total of 4,111 m in 24 holes. In addition to drilling, WRM completed regional geochemical sampling surveys, undergoing a comparison of soil samples geochemistry by conventional lab assays to results analyzed by a handheld portable X-Ray Fluorescence (“**pXRF**”) tool in the field for “real-time” results. WRM collected a total of 1,928 soil samples (1,835 soil samples were sent for conventional lab geochemistry, and 1,928 analyzed by pXRF), 435 stream sediment (silt) samples and 330 rock chip samples. Geophysical surveying was also completed, a total 40 line-kilometres of Controlled-Source Audio-frequency Magneto-Tellurics (“**CSAMT**”) ground geophysical survey data along strike of DC and WTF areas, including detailed ground orientation surveys for moving loop electromagnetics (MLEM) and induced polarization (“**IP**”) methods. Some drill holes were also selected for borehole electromagnetics (BHEM). The project property area also tripled in size to include additional regional prospects.

In 2019, WRM completed three (3) holes at DC (1,235 m), three (3) holes at WTF (631 m), and six (6) holes at other prospects (Hunter, Megan, Glacier Creek, Sheep – Rogers, Smog; 2,142 m) for a total of 4,008 m in 12 holes. A heli-airborne magnetic and electromagnetic (“**EM**”) survey was also completed by SkyTEM Canada Inc., for a total of 2,960.7 line kilometres (oriented North-South), at 200 m line spacing, covering most of the central and eastern parts of the current Property outline and capable of identifying conductivity anomalies to depths of 300 metres below the surface. A total of 917 rocks, 3,795 soil samples (for field pXRF analysis) and 269 stream sediment samples were also collected for geochemical analysis. WRM and Sandfire Resources Ltd. (“**Sandfire**”) sign a JV and earn-in agreement, however, Sandfire withdraws its option in 2020 after spending AUD\$ 8.5M.

In 2020, WRM collected 103 rocks, 85 soil samples are collected for conventional assays and field pXRF analysis, and 30 stream sediment samples to follow up on results from previous field exploration programs.

In 2021, WRM completes 5 holes at DC (2,494 m), and 6 at other prospects (Megan, Hunter West, Kiwi, Jack Frost for a total of 3,296 m). A total of 5,632 soil samples are collected for field pXRF analysis, and 127 rock samples are collected for geochemical analysis. A total of 25.75 line-km of CSAMT and 7.1 line-km of FLEM over Kiwi, Jack Frost and Easy Ivan prospects were also completed.

In 2022, WRM published an updated JORC resource for the DC and WTF advanced prospects. The following subsection summarizes the 2022 JORC resource published by WRM (the “**2022 White Rock Historical Estimate**”). The Company is not treating the historical estimate as a current mineral resource or mineral reserve.

Neither the Company nor the Authors have done sufficient work to classify the historical estimate discussed in this section as a current mineral reserve or mineral resource. The Authors have referred to these estimates as “historical estimates” and the reader is cautioned not to treat them, or any part of them, as current mineral resources. The historical estimate summarized below is included simply to provide the reader with a more complete history of the Property. The Authors have reviewed the information in this section, and have determined that it is suitable for disclosure.

### **2022 WRM Historical Estimate**

On February 15, 2022, White Rock reported the 2022 White Rock Historical Estimate. The 2022 White Rock Historical Estimate was prepared in accordance with the JORC Code (2012) and is summarized in Table 6.11.

**Table 6.11 2022 White Rock Historical Estimate - Inferred Mineral Resources**

<b>Prospect</b>	<b>Cut-off</b>	<b>Tonnage (Mt)</b>	<b>ZnEq (%)</b>	<b>AgEq (g/t)</b>	<b>Zn (%)</b>	<b>Pb (%)</b>	<b>Ag (g/t)</b>	<b>Cu (%)</b>	<b>Au (g/t)</b>	<b>ZnEq (kt)</b>	<b>AgEq (Moz)</b>	<b>Zn (kt)</b>	<b>Pb (kt)</b>	<b>Ag (Moz)</b>	<b>Cu (kt)</b>	<b>Au (koz)</b>
Dry Creek Main	1% Zn	14.2	5.8	267	2.9	1.0	44	0.1	0.5	820	122	405	146	20.1	19	212
West Tundra Flats	3% Zn	6.7	14.7	677	6.2	2.8	189	0.1	1.1	985	146	416	188	40.8	7	229

Dry Creek Cu Zone	0.5% Cu	0.4	2.7	126	0.2	0.03	4	1.1	0.1	11	2	0.8	0.1	0.05	4	1
<b>Total</b>		<b>21.3</b>	<b>8.5</b>	<b>393</b>	<b>3.9</b>	<b>1.6</b>	<b>89</b>	<b>0.1</b>	<b>0.6</b>	<b>1,816</b>	<b>269</b>	<b>822</b>	<b>334</b>	<b>60.9</b>	<b>31</b>	<b>442</b>

**Notes:**

- All Mineral Resources figures reported in the table above represent estimates at February 2022. Mineral resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

- ZnEq=Zinc equivalent grade adjusted for recoveries and calculated with the formula (pricing units are detailed below):

$$\text{ZnEq} = 100 \times [(\text{Zn}\% \times 2,425 \times 0.9) + (\text{Pb}\% \times 2,072 \times 0.75) + (\text{Cu}\% \times 6,614 \times 0.70) + (\text{Ag} \times (21/31.1035) \times 0.70) + (\text{Au} \times (1,732/31.1035) \times 0.80)] / (2,425 \times 0.9)$$

- AgEq=Silver equivalent grade adjusted for recoveries and calculated with the formula (pricing units are detailed below):

$$\text{AgEq} = 100 \times [(\text{Zn}\% \times 2,425 \times 0.9) + (\text{Pb}\% \times 2,072 \times 0.75) + (\text{Cu}\% \times 6,614 \times 0.70) + (\text{Ag} \times (21/31.1035) \times 0.70) + (\text{Au} \times (1,732/31.1035) \times 0.80)] / ((21/31.1035) \times 0.7)$$

The Authors and the Company are treating the 2022 White Rock Historical Estimate as a “historical estimate” and the reader is cautioned not to treat it, or any part of it, as a current mineral resources or mineral reserves. A QP has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. To verify the historical estimate as a current mineral resource, a QP would need to prepare an updated mineral resource estimate and NI 43-101 technical report with respect to the Red Mountain Property. Based on the estimation methodologies and parameters and a review of the resource data, domains and block models, the Authors consider the 2022 White Rock MRE to be relevant to provide the reader with a complete history of the Property.

**Geological Setting, Mineralization and Deposit Types**

***Regional Geology***

Red Mountain is located within part of the continental margin assemblages that have been interpreted as parautochthonous North American strata, within the Yukon-Tanana Upland continental margin assemblage. This occurs north of the Hines Creek strand of the Denali fault system. During the subduction and attenuation of the continental margin in the Late Devonian to early Mississippian, these rocks were intruded by felsic and mafic bimodal igneous rocks. A marine basin or submerged continental margin was formed during slab rollback, followed by Early Mississippian arc and back-arc magmatism from subduction and back-arc spreading which rifted the outer continental margin and formed the Slide Mountain-Seventy mile ocean basin.

SW-dipping, right-oblique subduction during mid-Permian to early Triassic time closed the ocean basin. This also resulted in the juxtaposition of rifted fragments of continental substrate, and superimposed arc and intervening ocean basin rocks against parautochthonous continental margin assemblages. The rifted component is considered as the allochthonous Yukon-Tanana terrane while the continental margin and igneous component which remained inboard of the Seventy mile ocean is considered as the parautochthonous Yukon-Tanana assemblage.

The Bonnifield Mining District, to which Property belongs, is considered part of the parautochthonous Yukon-Tanana Upland assemblage.

***Property and Local Geology***

The region is dominated by an east-west trending schist belt of Precambrian and Paleozoic metasedimentary and volcanic rocks. The schist belt is intruded by Cretaceous granitic rocks along with Tertiary dykes and intrusives of

intermediate to mafic composition. Tertiary and Quaternary sedimentary rocks with coal bearing horizons cover portions of the older rocks.

The Red Mountain Property consists of two advanced VMS prospects: DC and WTF. In addition to the DC and WTF advanced prospects, there are at least 20 other early-stage exploration prospects that have been defined based on geological mapping, prospecting, combined with coincident geophysical and geochemical anomalies through rock, and soil assay results.

The VMS mineralization zones at the WTF and DC prospects are located in the upper portions of the Totatlanika Schist which is of Mississippian to Devonian age. Evidence of transitional SEDEX and VMS massive sulphide mineralization has also been identified at prospects stratigraphically below the lower portions of the Totatlanika Schist along the southern edge of the Red Mountain Property along the stratigraphic boundary between the Healy Schist and the Keevy Peak Formation (i.e. Sheep Creek, Keevy Trend, Anderson Mountain prospects).

The Healy Schist forms the core of an E-W trending anticline south of the Red Mountain area. The Healy Schist is a Paleozoic to Proterozoic package of quartzite, quartz schist, schist and marble which is calcareous within certain units. It is distinct due to the lack of graphite compared to nearby formations. Stratigraphically overlying the Healy schist to the north are the Keevy Peak Formation which is subsequently overlain by the Totatlanika Schist. The Keevy Peak Formation comprises of graphitic schists, quartz-sericite schists and pebble conglomerates. The southern flank of the anticline is composed of the Wood River assemblage and is located south of the property.

The Totatlanika Schist forms the core of a roughly NW-SE trending syncline (the Bonnifield East Syncline) and has previously been defined as five lithostratigraphic members, from youngest to oldest: Sheep Creek, Mystic Creek, Chute Creek, California Creek, and Moose Creek. This was redefined in 2016 by the DGGs using field identifiable lithologies, textures and composition with consideration to the 2007 DGGs DIGHEM geophysical survey features and mapped structural observations. Observations were supplemented with a portable handheld XRF spectrometer in the field, and later petrographic studies and quantitative XRF spectrographic analysis to better define the subunits.

The 2016 DGGs subunits are used in the Technical Report to describe the lithological units within the Red Mountain Property. These subunits have complex contact relationships. The units below are listed from youngest to oldest.

#### *Mississippian Age:*

Metasiliciclastic rocks (Mqw) which are dominantly quartz metawacke, quartzite, metagritstone, and quartz schist. They are intercalated with lesser slate, phyllite, schist, greenstone, metarhyolite, and metarhyodacite. Stratigraphically overlays all other lithologic units of the Totatlanika Schist. Previous mapping included this unit within the Sheep Creek Member.

#### *Mississippian to Devonian Age:*

Gray, green, and maroon phyllites (MDph) comprised dominantly of phyllite, siliceous phyllite, and slate with intercalated quartz- and feldspar porphyroclastic schist, semischist, and metavolcaniclastics. Contains lenses and bodies of metarhyodacite, peralkaline metarhyolite, and metamafic rocks. Previous mapping included this unit within the Mystic Creek Member. Geochemical analyses indicate that the unit has mixed epiclastic and volcanoclastic provenance, with contributions from mafic, rhyodacitic, and peralkaline rhyolitic volcanics.

Impure marble (MDm) that is black to gray and tan. Can also be present as recrystallized limestone. It occurs as lenses and beds no thicker than a few meters within and at the contacts of DMgp, DMvc, and DMph. Previous mapping included this unit within the Mystic Creek Member.

Graphitic to carbonaceous phyllite and slate (MDgp) that is fine grained, black to dark gray, and locally contains clasts of apparent volcanic rocks. Unit includes lenses of metavolcanic and metavolcanoclastic rocks.

Metavolcanoclastic rocks (MDvc) that are coarse grained and can be green, brown, or tan. This unit also includes porphyroclastic schists, phyllite, and mylonite. They are characterized by megascopic lithic clasts in a fine-grained matrix which variable deformation from penetration. Primary volcanoclastic textures are locally preserved. Geochemical

analyses indicate that the unit has mixed volcanoclastic provenance, with contributions from mafic, rhyodacitic, and peralkaline rhyolitic volcanics. Previous mapping included this unit within the Mystic Creek Member.

Peralkaline metarhyolite (MDr) which is aphanitic to porphyritic and can be black to tan. It can have relict igneous textures (laminations, amygdules, pepperites, chilled and baked margins, columnar joints). It has been characterized by enriched high field-strength elements: Nb > 93, Y > 57, Zr > 460. Previous mapping included this unit within the Mystic Creek Member.

#### *Devonian Age:*

Metamafic rocks (Db) which are mainly chloritic schist, greenstone, and metagabbro.

Metarhyodacite (Drd) which is aphanitic to porphyritic and gray to tan metarhyolite, orthogneiss, and schist. There are rare relict igneous textures (laminations). Metagranite (Dg) which is orthoclase and quartz porphyroclastic orthogneiss and blastomylonite. It is characterized by 1–3 cm orthoclase augen and 2–5 mm quartz porphyroclasts. Protolith is a megacrystic porphyritic granite and rhyolite. This unit cross-cuts the Healy schist, Keevy Peak Formation, and older units of the Totatlanika Schist.

Arkosic metawacke (Daw) which comprises mostly of quartz and feldspar porphyroclastic schist, mylonite, and semischist, with lesser intercalated phyllite, schist, graphitic schist, greenschist, and metavolcanoclastic rocks. Includes bodies of metarhyolite, porphyroclastic orthogneiss, and metagabbro too small to map.

Calcareous schist (Dcs) comprises mostly calcite- and dolomite-rich schist and phyllite.

#### ***Bonnifield East Syncline***

The Totatlanika Schist strata are exposed in the asymmetrical northwest – southeast trending Bonnifield East Syncline with the younger Sheep Creek Member occupying the core. The two most significant deposits of DC and WTF are located on opposite limbs of this syncline along the contact between the Mystic Creek and Sheep Creek Members. The syncline controls the distribution of the prospective VMS horizons with the upper metasiliciclastic rocks of the Totatlanika Schist forming the hangingwall to VMS mineralization throughout the district. This sequence dips steeply to the north along the southern limb (where the DC deposit is located) and shallow to the south along the northern limb (where the WTF deposit is located).

#### ***Dry Creek Geology***

The DC prospect area is within the Mississippian-Devonian portion of the Totatlanika Schist. There are several reoccurring east-west trending units of tuffaceous phyllite (MDph), graphitic schist (MDpg), metarhyolite (MDr) and meta-arkosic sediments (Daw). Units are striking between 240-300° and dipping variably to the north (**Figure 7.3**).

There are localized small occurrences of metabasalt (Db) to the north and south of the deposits. Several small NW-SE to N-S trending faults are interpreted to transect the mineralized areas.

#### ***West Tundra Flats Geology***

The WTF prospect area is partially covered by Tertiary gravels but is also hosted within the Mississippian-Devonian portion of the Totatlanika Schist. Unlike DC, the area is mainly within the tuffaceous phyllite (MDph) with occasional metarhyolite (MDr) units. NE-SW faults are interpreted to cut through the mineralization and local host rocks within the area (**Figure 7.4**). The WTF deposit is on the shallowly S dipping, north limb of an E-W-trending asymmetric syncline, 3 km northeast of the DC deposit.

Figure 7.3. Dry Creek Drilling and Bedrock Geology at Silver47's Red Mountain Property

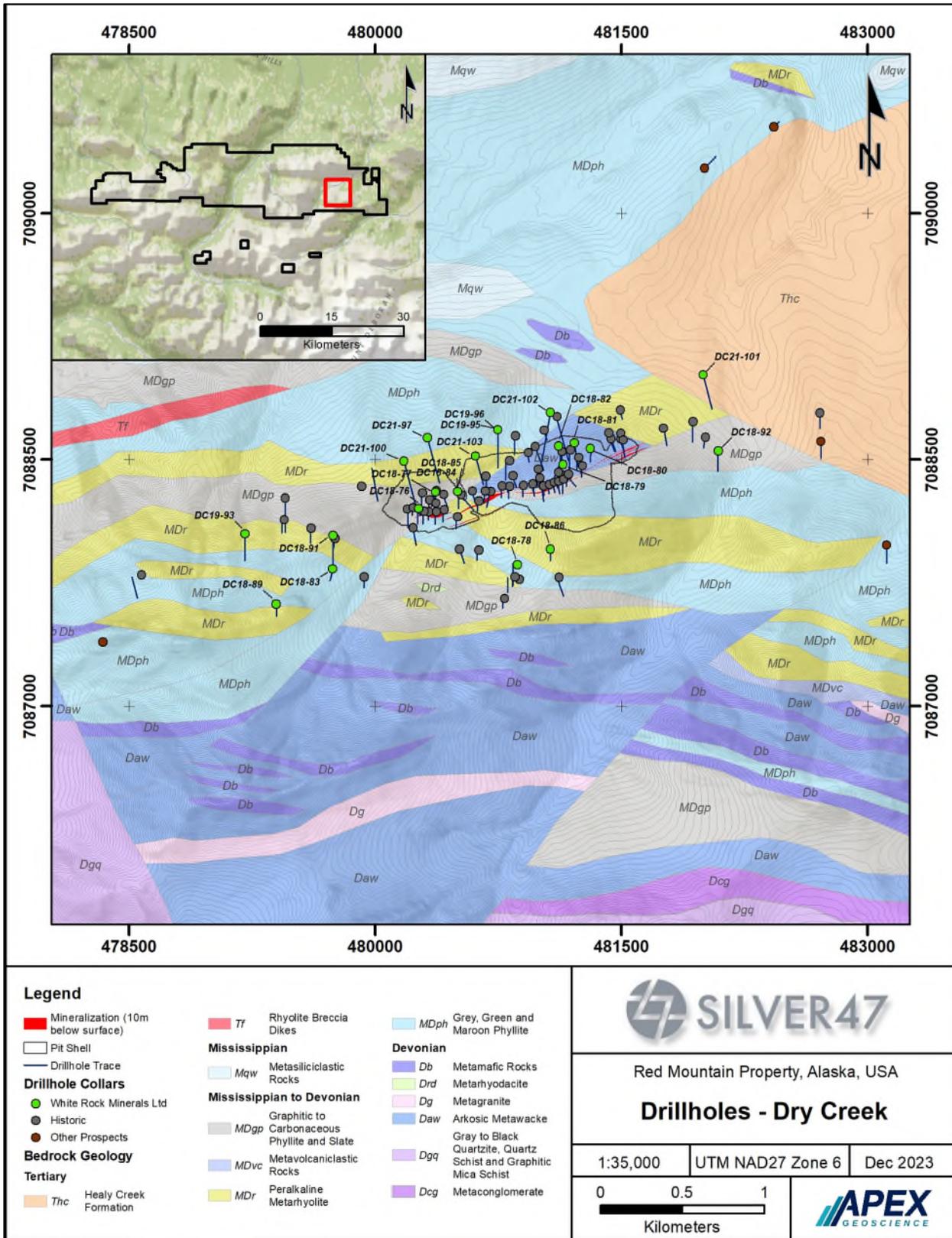
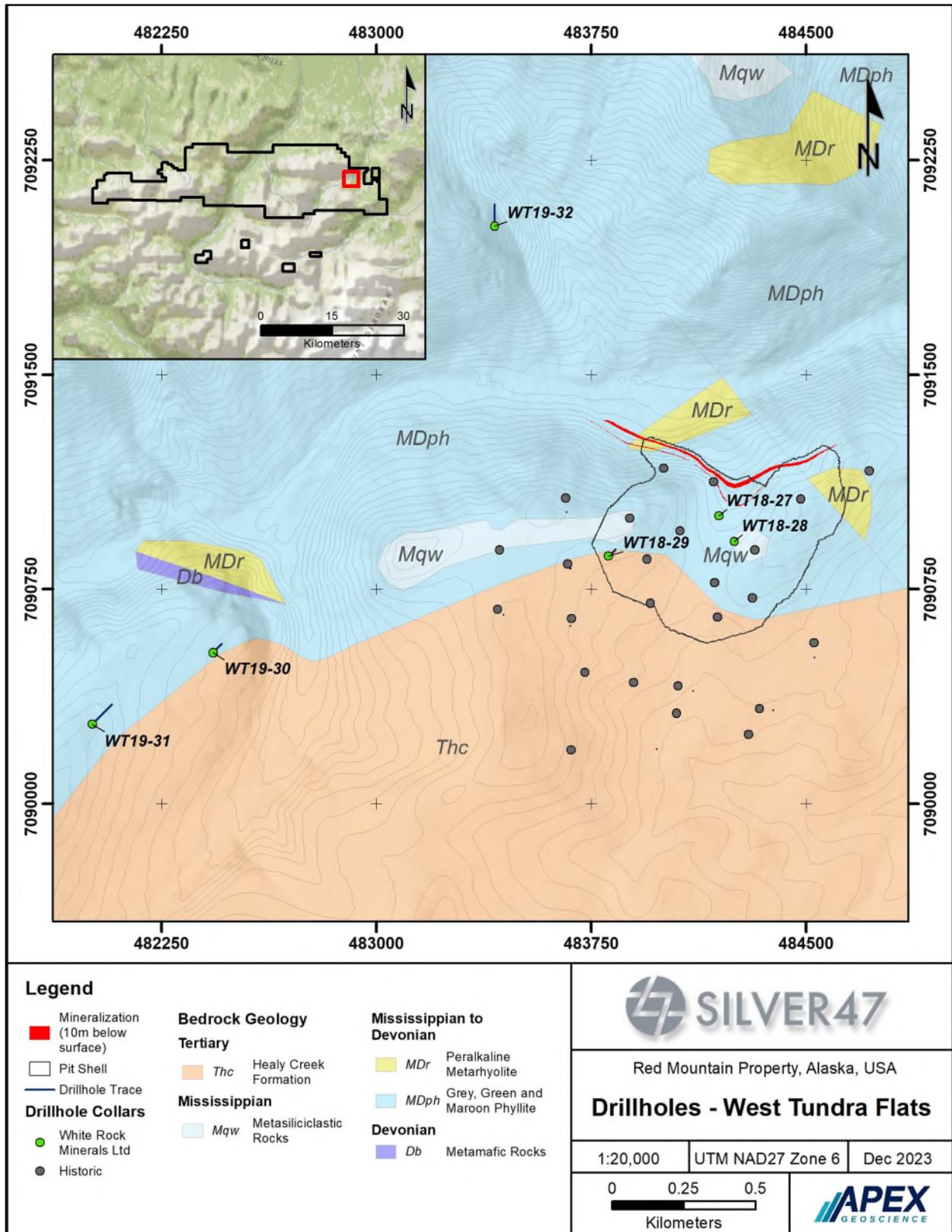


Figure 7.4. West Tundra Flats (WTF) Drilling and Bedrock Geology at Silver47's Red Mountain Property



## **Mineralization**

The Red Mountain Property consists of two advanced VMS prospects: DC and WTF. In addition to the DC and WTF advanced prospects, there are at least 20 other VMS and one SEDEX early-stage exploration prospects that have been defined based on geological mapping, prospecting, combined with coincident geophysical and geochemical anomalies through rock, stream sediment and soil assay results.

Sporadic core drilling has tested at least eight additional early-stage exploration prospect areas: Hunter – Dry Creek Trend, Sheep Creek, Hunter, Jack Frost, and Megan (part of the Keevy Trend), Anderson Mountain, and Virginia Creek (part of the Wood River Trend), and Glacier Creek and Snow Mountain Gulch (SMOG) prospects (part of the Glacier Creek Trend).

### *Dry Creek (DC) advanced VMS prospect*

The DC prospect is located on the steeply N dipping, south limb of the E-W-trending asymmetric East Bonnifield syncline. At the DC prospect two horizons containing massive sulphide mineralization have been identified. The Dry Creek North (DC North) Horizon occurs near meta-arkosic sediments, graphitic schist, and tuffaceous phyllite, and metarhyolite units of the Totatlanika Schist and hosts most of the mineralization defined to date. The Dry Creek South (DC South) Horizon occurs lower in the section. Both zones dip steeply north.

The Dry Creek North Horizon can be traced for 4,500 metres. The central 1,400 metres (on the flanks of Red Mountain) host the Fosters and Discovery lenses of VMS mineralization.

At Discovery, mineralization occurs as massive to semi-massive zinc-lead-silver (Zn-Pb-Ag) rich sulphides within, and at the base of, an aphanitic, intensely quartz-sericite-pyrite altered, siliceous rock termed the “mottled meta-rhyolite”. This mineralization is commonly associated with overlying stringer and disseminated chalcopyrite-pyrite mineralization.

At Fosters, mineralization is hosted by a distinctive brown pyritic mudstone unit in the hanging wall of, and along strike from, the “mottled meta-rhyolite”. Two distinct lenses have been modeled, the Upper Fosters and Lower Fosters Zone. The mineralization comprises disseminations and wispy laminations of sulphides and zones of semi massive to massive sulphides. Sulphides include pyrite, sphalerite, galena, and chalcopyrite. Precious metals are typically enriched, especially in the footwall portion of the mineralization.

Mineralization at both Fosters and Discovery pinches and swells along strike and down dip. True width intersections are up to 40 metres at Fosters where there is evidence of growth faults, which typically act as feeders to the VMS system and can be important controls in localising thick accumulations of mineralized material.

DC and WTF are described as having similar age of mineralization, with a proximal (DC) and distal (WTF) accumulation of mineralization forming through hydrothermal activity at a waning submarine volcanic center. More steeply dipping podiforms of massive sulphide formed through precipitation at the DC prospect, and more extension basin conditions caused more flat-lying precipitation at WTF prospect (summarized below). Folding through deformation has resulted in the East Bonnifield syncline to be an east-west trending oval-shaped bowl as a generalized basin structure that hosts the two deposits.

### *West Tundra Flats (WTF) advanced VMS prospect*

At the WTF prospect the mineralized zone occurs at the base of a black chloritic schist unit that is at the base of the sedimentary tuffaceous phyllite unit (MDph) and at the very top of the metarhyolite unit (MDr). The WTF prospect was first identified in 1981 as a surface gossan expression that was initially confirmed with significant widespread soil geochemical anomalies. In 1982, the WTF prospect was first drill tested with an initial 11 drill holes in 1982 and confirmed through a ground VLF geophysical survey in 1983.

The main zone (Lower Zone) extends at least 1,000 metres northwest-southeast along strike and 1,600 m down dip to the southwest. The horizon dips about 10° to the southwest, is 0.3 to 4.4 m thick and remains open down dip. Massive sulphide mineralization is localised in several generally narrow exhalative units distinguished by semi-massive and massive sulphides including pyrite, sphalerite and galena. The massive sulphides are commonly rich in silver (Ag) with erratic gold (Au).

### ***Early-stage exploration prospects***

Early-stage exploration prospects are summarized below with an emphasis on targets that have had massive sulphide mineralization directly observed through geological mapping and prospecting, coincident geochemical and geophysical anomalies, and tested with surface diamond drilling. At least 20 VMS and one SEDEX early-stage exploration prospects are identified with confirmation exploration work completed by WRM during 2018 – 2021 and expanded geochemical and geophysical survey coverage resulting in additional prospective areas identified.

Four (4) general trends of early-stage exploration prospects are apparent on the Red Mountain Property:

- 1) A northern southwest – northeast (SW-NE) trend (the “**Glacier Creek Trend**”) encompassing Chute Creek, Sheep – Rogers in the central portion of the Property through to Glacier Creek and Smog prospects at the northeast end of the Property (the north limb of the East Bonnifield syncline and along the prospective lithological horizon between the Sheep Creek and Mystic Creek Members).
- 2) A central east-west (E-W) trend (the “**Hunter – DC Trend**”) encompassing ReRun, Hunter, Platypus, South Platypus, DC South, and Megan prospects and located along the same trend as the DC prospect (the south limb of the East Bonnifield syncline and along the prospective lithological horizon between the Sheep Creek and Mystic Creek Members).
- 3) A southern east-west (E-W) trend (the “**Keevy Trend**”) encompassing Sheep Creek at the western portion of the Property, eastward towards Keevy Peak, Yeti, Kiwi, Yogi, Jack Frost, Easy Ivan prospects along the Keevy Peak Formation and Healy Schist, lower and older in the stratigraphy below the Sheep Creek and Mystic Creek Members.
- 4) An additional southern east-west (E-W) trend (the “**Wood River Trend**”) encompassing Anderson Mountain, Virginia Creek, Cirque and West Fork prospects situated within the southern non-contiguous claim blocks, spatially associated with the contact between the Healy Schist and Wood River Assemblage units.

### ***Glacier Creek Trend***

The Glacier Creek area is in the north-central portion of the main Red Mountain property, approximately 10 km northwest of WTF and DC. It has also been described as part of a Glacier Creek “belt” or “trend” that includes Sheep-Rogers, Artesia, Arete, Irish Knob, and Smog (also known as Snow Mountain Gulch and Galleon) prospects and is a 6 to 8 km long trend of gossanous felsic metavolcanics (Mystic Creek Member). Carbonaceous metasediments (Sheep Creek Member) overly the metavolcanics and both lithological units gently dip gradually 10 to 20 degrees to the south.

The Glacier Creek Trend was initially discovered by RAA and JV partners through the 1975 reconnaissance program and followed up in 1976 to 1977 and again in 1982 with surface rock geochemistry results returning 1-2% Zn, Pb, and Cu. Similarities with Red Mountain were described, with a comparable section of felsic metavolcanics (then Mystic Creek Member) containing fine-grained disseminated and variably oxidized pyrite.

In 1998, Inmet completed four drillholes on the western side of the Glacier Creek Trend, along with surface sampling and downhole geophysics. The drilling targeted a coincident geochemical and airborne EM anomaly but no significant mineralization was intersected.

WRM conducted extensive geochemical sampling throughout the Glacier Creek Trend area between 2018 – 2021, recognizing a second felsic metavolcanic layer in the Mystic Creek formation and confirming previously described exhalate horizon composed of cherts, banded iron formation and semi-massive pyritic sulphides.

### *Hunter – DC Trend*

Several prospects along the Hunter – DC Trend have been identified by WRM during the surface reconnaissance and drill testing programs between 2018 – 2021. In 2018, a new massive sulphide occurrence at Hunter was mapped along strike for 500 m and confirms the potential for new VMS discoveries at Red Mountain. The first drill hole at Hunter in 2018 returned 1.4 m of 17.4% Zn, 3.9% Pb, 90 g/t Ag, and 1.6% Cu from 48.2 m (drillhole HR18-01) and 2.83 m of 9.3% Zn, 2.0% Pb, 36.3 g/t Ag and 0.6% Cu from 60.84 m (HR18-02). The sulphide mineralization at Hunter texturally resembles the WTF deposit rather than the DC horizons.

Other prospects along the Hunter – DC Trend include Rerun, Redback, South Platypus, Dry Creek South, Dry Creek East, and Megan.

### *Keevy Trend*

The Keevy Trend is an almost 50 km-long east-west trend of multiple prospects that have been identified through geological mapping, prospecting, geochemical and geophysical datasets, some of which have also been tested by drilling. Some of the prospects (like Kiwi, Yeti, and Jack Frost) along the trend were identified and confirmed by WRM through an extensive stream sediment, soil and rock sampling reconnaissance program during 2018 – 2021. Additional new prospective areas were defined during the WRM work that links the Sheep Creek prospect at the west of the Property eastward toward Easy Ivan, south of the Hunter – DC Trend, some of which have been drill tested by WRM and require follow up.

The Keevy Trend is a package of predominantly metasedimentary rocks found near the contact between the Healy Schist and the Keevy Peak formation. The Keevy Peak formation is characterized by a distinct stretched-pebble conglomerate marker horizon within a typically monotonous package of quartz-sericite-schists and minor black carbonaceous schists and metavolcanics can also be found along the trend.

Sheep Creek was first discovered by RAA and JV partners in 1975 along with the other historic prospects on the Property and has previously also been known as Gossan Peak and Last Chance prospect. Drill testing was completed in 1977 and 1979 through by Bear Creek, UG and US Borax.

The discovery outcrop exposure of Gossan Peak at Sheep Creek extends over 200 m of strike and is up to 100 m wide with anomalous prospect sites defining a three kilometre long east-west target horizon. The Sheep Creek occurrence uniquely hosts significant and elevated amounts of tin (Sn) and indium (In), in addition to zinc (Zn), lead (Pb) and silver (Ag) and is typical of the other Bonnifield VMS occurrences in the northern Alaska Range.

In 1989, the US Bureau of Mines published a Report of Investigation on the characterization of the Sheep Creek Pb-Zn-Ag-Sn prospect by conducting field investigations, mineralogical characterization, and concentration tests. Three bulk surface samples and two sets of drill core samples were collected for the study with a particular focus on tin (Sn) recovery, with the objective to prepare mineral concentrates for mineralogical studies. The mineralogical results showed favourable recovery potential for Sn, Zn, Pb, and Ag at the Sheep Creek prospect.

Historic reports show positive results for the initial 1977 Sheep Creek drill hole which intersected over 100 m of mineralized sericite-altered schist which averaged 1.4% Zn, 0.5% Pb, 0.035% Sn, and 0.3 oz/t Ag. Three distinct massive sulphide zones of mineralization included:

- 24.5 m of 1.3% Zn, 1.0% Pb, 0.021% Sn, and 0.45 oz/t Ag starting at 14.6 m,
- 22.3 m of 2.5% Zn, 1.2% Pb, 0.025% Sn, 0.33% oz/t Ag starting at 58.5 m,
- 25.0 m of 2.5% Zn, 0.5% Pb, 0.127% Sn, and 0.3% oz/t Ag starting at 93.4 m.

### *Wood River Trend*

The Wood River Trend is highlighted by the four non-contiguous claim blocks to the south of the main Red Mountain Property outline that is host to four prospect areas: Anderson Mountain, Virginia Creek, Cirque and West Fork. The

prospects along the trend were initially discovered by RAA and JV partners through the 1975 reconnaissance program and followed up with drilling in 1976 and 1977.

The original 1975 discovery at Anderson Mountain was of massive sulphides observed in float and a representative rock chip (sample ID 3244) returning 8.5% Zn, 2.25% Cu, 2.2% Pb and 3.67 oz/t Ag. Two of three 1976 drill holes at the Anderson Mountain prospect intersected significant mineralization: AM-76-2 intersecting 1.7 m at 8.5% Zn, 2.1% Pb, 61 g/t Ag and 1.2% Cu from 60.4 m; and AM-76-3 intersecting 0.6 m at 22.0% Zn, 4.8% Pb, 161 g/t Ag and 0.6% Cu from 42.0 m. In 1998, follow up drilling was conducted by Grayd with an additional 10 drill holes, highlights including AM-98-6 that intersected 0.9 m at 16% Zn, 5% Pb, 102 g/t Ag, 0.8 g/t Au and 0.4% Cu from 42.4 m. The prospective horizon was shown to extend over a strike length of at least 240 metres.

At Virginia Creek, two distinct types of massive sulphides occur: 1) pyrrhotite-rich massive sulphide and 2) banded pyrite-rich massive sulphide. The strike extent of discontinuous mineralized sulphide zones is at least 300 metres and variable widths up to four metres thick. Initial representative sampling in 1975 returned grades of 0.9% Cu, 1.48% Pb, 2.87 % Zn, 2.8 oz/t Ag and 1.1 ppm Au. Four of six drill holes at Virginia Creek prospect in 1976 confirmed sulphide mineralization along a strike length of 300 m. Drill hole VC-2 intersected 14.8 m at 3.3% Zn, 0.8% Pb, 78 g/t Ag, 0.2 g/t Au and 0.5% Cu from 45 m below surface.

The Cirque prospect is located within the same stratigraphic package as Anderson Mountain and Virginia Creek. The mineralized zone is exposed along strike for about 300 m within siliceous exhalates associated with rhyolitic tuffs and breccias, siltstones and carbonaceous pelites with massive sulphide widths up to 3 m thick. Rock grab samples collected in 1991 highlights include a sample returning 0.5% Cu, 6.37% Pb, 14.7 Zn, 5.86 oz/t Ag and 0.153 oz/t Au.

### *Deposit Type*

The discovery in the mid-1990s of Zn-Pb-Ag massive sulphide deposits in the Finlayson Lake area of southeastern Yukon, Canada, prompted renewed interest in known and potential base-metal sulphide occurrences in similar rocks in Alaska.

Two main deposit types are recognized on the Red Mountain Property and in the Bonfield Mining District:

1. VMS – Siliclastic-felsic type Zn-Pb-Cu-Ag-Au

The DC, WTF and at least 20 early-stage exploration prospects have historically been identified as Kuroko-type Zn-Pb-Cu-Ag-Au VMS deposit type and more recently classified as felsic-siliclastic, felsic, or siliclastic-felsic VMS deposit type.

2. SEDEX – Clastic-dominated (CD)

The Sheep Creek prospect has been re-classified as clastic-dominated (“CD”) SEDEX deposit type.

The polymetallic Zn-Pb-Cu-Ag-Au VMS deposits of the Bonfield Mining District formed during Late Devonian – Early Mississippian magmatism. This magmatism was related to a period of regional subduction and extensional back-arc rifting along the western edge of Laurentia, the ancestral North American continental margin.

The Red Mountain area and Bonfield Mining District are spatially associated with the contact between ancestral North American terrane lithologies and the Yukon-Tanana terrane lithologies. The Yukon-Tanana Terrane, forms part of the Devonian-Mississippian terrane belt prospective for precious metals enriched VMS deposits, with other notable VMS deposits hosted within similar geology, including the Delta VMS deposit in southeastern Alaska and the Wolverine and Kudz Ze Kayah VMS deposits in the Yukon Territory. The QPs have not verified the information regarding these other properties and the information is not necessarily indicative of mineralization present on the Red Mountain Property.

Prospects at Red Mountain (with the exception of Sheep Creek) have historically been characterized as Kuroko-type massive sulphide VMS occurrences. More refined, recent re-classifications of VMS deposits have recognized multiple sub-types, of which Red Mountain is described as a siliclastic-felsic VMS deposit. The depositional environment

varies from marine volcanism to marine sedimentary, commonly during a period of more felsic volcanism. Faults and prominent fractures are often important structural features. The most common host rocks are submarine volcanic arc rocks (rhyolite, dacite, andesite, basalt), pyroclastic, marine sedimentary, and less commonly in mafic arc successions. Mineralized horizons grade laterally and vertically into thin chert or sediment layers informally referred to as “exhalates”.

Mineralization includes sphalerite, galena, chalcopyrite, and pyrite, commonly found within zoned lenses of massive sulphides with varying amounts of base and precious metals. These types of deposits can also have a significant concentration of precious metals including silver and gold. Underneath these lenses, low-grade stringer zones are common with overlying barite and chert marker horizons. The massive sulphide lenses form above a hydrothermal fluid reservoir with the stringer zone representing the remains of the channel conduits through which the fluid has travelled. Individual sulphide lenses vary in thickness from one to 10s of metres with strike lengths of 10s to 100s of metres. Notable examples are the Arctic, Smucker, and Sun deposits in the Brooks Range, the WTF, Red Mountain (DC) deposits, and Delta district deposits in east central Alaska, and the Greens Creek, Glacier Creek, Khayyam, and Orange Point deposits in southeastern Alaska. The QPs have not verified the information regarding these other properties and the information is not necessarily indicative of mineralization present on the Red Mountain Property.

VMS deposits typically present strong geophysical contacts with their host rocks because of the difference in physical and chemical properties between the massive sulphide mineralization and the host rocks in which it occurs. These physical properties include density, magnetic susceptibility, gravity and electrical conductivity. Electrical methods, including resistivity, induced polarization and EM are particularly effective in detecting conductive trends and anomalies.

Massive sulphide mineralization usually exhibits an EM or IP geophysical signature depending on the mineralization style of the deposit and the presence of conductive sulphides. Borehole EM methods have also proven successful.

An author from the BC Geological Survey describes the stratabound SEDEX Zn-Pb-Ag deposit model in the context of British Columbia, which can be extended through to the Yukon and Alaska as part of the North American Cordillera. Analogous examples include the Sullivan mine in BC, and Howards Pass in the Selwyn Basin of the Yukon. Similarities between Sullivan mine and Sheep Creek prospect were first noted when the prospect was first explored and tested by drilling in the late 1970s. The QPs have not verified the information regarding these other properties and the information is not necessarily indicative of mineralization present on the Red Mountain Property.

The regional geological and tectonic setting is typically continental margin environments in fault-controlled basins and troughs and extensional (breakup) environments. There is often evidence of faults bounding sites of sulphide deposition. The depositional environment varies from deep marine to shallow oceanic shelf settings. The most common host rocks are carbonaceous black shales, siltstone, cherty argillite and chert, and also sandstone, conglomerate, limestone and dolostones. Small volumes of volcanic rocks such as tuff and submarine mafic flows may also occur within the host lithologies. In some basins mafic sills and minor dikes can be important.

Mineralization typically consists of beds and laminations of sphalerite, galena, pyrite, pyrrhotite, and rare chalcopyrite, with or without barite, in clastic marine sedimentary stratigraphic units deposited in anoxic and sulfidic conditions. Deposits are typically tabular or lens-shaped, ranging from cm- to m-scale thicknesses. Multiple mineralization horizons may occur over stratigraphic intervals of 1,000 m or more. Horizontal extent is usually much greater than vertical extent.

The deposits are typically geochemically zoned with lead found closest to the vent grading outward and upward into more zinc-rich units. Copper is usually found either within the feeder zone or close to the exhalative vent.

Airborne and ground geophysical surveys, such as EM or magnetics should detect deposits that have massive sulphide zones, particularly those with steeply dipping geometries. However, the presence of graphite-rich zones in the host units can result in conductors that may be incorrectly interpreted as massive sulphide. In addition, flat-lying deposits comprised of mineralized fine laminations over a significant stratigraphic interval may result in a weak geophysical response and be overlooked when reviewing survey results. Induced polarization geophysical techniques can detect flat-lying deposits, particularly when associated with disseminated feeder zones.

A recent study has further cemented the classification of the Sheep Creek prospect as a sediment-hosted SEDEX Zn-Pb-Ag-Sn prospect in the Bonnifield Mining District. Sheep Creek is atypical of the other volcanogenic massive sulphide deposits in the district due to the following three observations:

- 1) Sheep Creek SEDEX prospect has Sn grades up to 1.2%.
- 2) It is contained in fine-grained, quartz-rich rocks and quartz-pebble conglomerate that likely originated as chert and chert-clast sediment, respectively.
- 3) Minimal evidence of volcanic components in the host rocks.

In contrast to previously published interpretations, Dusel-Bacon et al. (2023) provide a data analysis that supports a CD SEDEX environment rather than a volcanic-hosted environment. The deposit model proposes that Zn-Pb-Ag-Sn mineralization formed by syngenetic or early diagenetic processes on or beneath the seafloor, possibly in the shallow-water environment of an outer continental shelf setting.

### **Exploration**

See the “*History*” section above for a summary of historical exploration work completed at the Property. As of the Effective Date of the Technical Report, Silver47 has not completed any exploration work at the Property.

A site visit was also completed by Mr. Raffle, an Author of the Technical Report, on October 25, 2023, to assess the current site conditions and access, verify the reported geology, alteration, and mineralization, and to collect independent verification samples. A total of four (4) verification samples were collected during the visit.

### **Drilling**

Silver47 has not completed any drilling at the Property. See the “*History*” section above for a summary of historical drilling programs completed at the Property by WRM and previous operators. The 2024 MRE described herein was completed using historical drilling data. A summary of historic drilling results relevant to the 2024 MRE is presented below.

For historical drilling prior to WRM, paper logs were retrieved by WRM for all drilling except the 1983 drill holes at the WTF prospect. Logging includes both qualitative and quantitative elements. No core photography exists from historic explorers (before 2017). Core was photographed during QA/QC resampling by WRM. For WRM historical drilling, all diamond core has geotechnical and geological logging. All core was photographed wet and dry. All drill holes were logged in full. All historical drilling has been compiled in a digital database.

For historical drilling prior to WRM, drilling was diamond core from surface. The majority is NQ standard tube diameter and rarely reduced to BQ during difficult drilling conditions. The majority of sampling is at 0.3 to 2.0 m intervals for mineralization. Minor pre-1996 sampling was at greater intervals where samples were only weakly mineralized. Several samples from 1999 extended up to 20 m intervals where mineralization was not apparent. For WRM historical drilling, all drilling was diamond core from surface using PQ, HQ, NQ and BQ core diameter. Sampling was at 0.2 to 1.5 m intervals for mineralization.

Sample intervals at the Red Mountain deposit are determined by geological characteristics. The majority of core was split in half by core saw for external laboratory preparation and analysis. Some historical core was also split by a hydraulic splitter. Some drilling from 1999 sampled core intervals >2 m by representative chips where mineralization was not apparent. No other information about historic sample preparation was available. For WRM historical drilling, core was split in half by core saw for external laboratory preparation and analysis.

For historical drilling prior to WRM, Grayd drill samples (1996-1998) were analysed by ACME. ATNA drill samples (1999) were analysed by Chemex. Drilling completed prior to 1996 utilized a combination of in-house laboratories (RAA) and commercial laboratories including Rainbow, ACME, Chemex and Hazen. A resampling program of historic core intervals was undertaken by WRM during 2017 to improve confidence in historic assay results. Resampling split in half the remaining core by core saw (quarter core) or resampled all the remaining half core where

there was insufficient quarter core. Resampling was submitted to ALS Chemex (Fairbanks) and underwent standard industry procedure sample preparation (crush, pulverize and split) appropriate to the sample type and mineralization style. For resampling quality control procedures include laboratory-prepared, crushed duplicate samples (1 in 20 samples). Resampled core samples were submitted to ALS Chemex (Fairbanks) for analysis.

WRM core samples were submitted to ALS (Fairbanks) or BV (Fairbanks) and underwent standard industry procedure sample preparation (crush, pulverize and split) appropriate to the sample type and mineralization style.

### ***Dry Creek Drilling***

As of the Effective Date of the Report there have been 112 historic diamond drillholes, totaling 18,523.74 m, at the DC advanced VMS prospect. The drillholes were completed to depths of 43.28 to 598 m with azimuths ranging from 140° to 200° and inclinations ranging from -45° to -80°. The average depth was 165.4 m.

The Dry Creek North Horizon can be traced for 4,500 m, with the central 1,420 m hosting the bulk of the resource. Two lenses of mineralization have been identified within this 1,400 m: the Fosters and Discovery lenses. Mineralization along both lenses pinches and swells along strike and dip. True width intersections of up to 40 meters have been identified at Fosters. Mineralization at DC dips steeply towards the north. Average mineralization strikes 260° and dips 60° to 80°. The majority of the drilling intersects the mineralization between 60° and 90°.

**Figures 10.1 to 10.3** below present historic drill cross sections of the DC deposit showing the >1% ZnEQ volumes and underground mineable shapes for the West Upper Fosters Zone, West Lower Fosters Zone, East Fosters Zone, and Discovery Zone at three locations along strike: West, Central, and East cross sections.

Figure 10.1. Dry Creek Historic Drill Section (West)

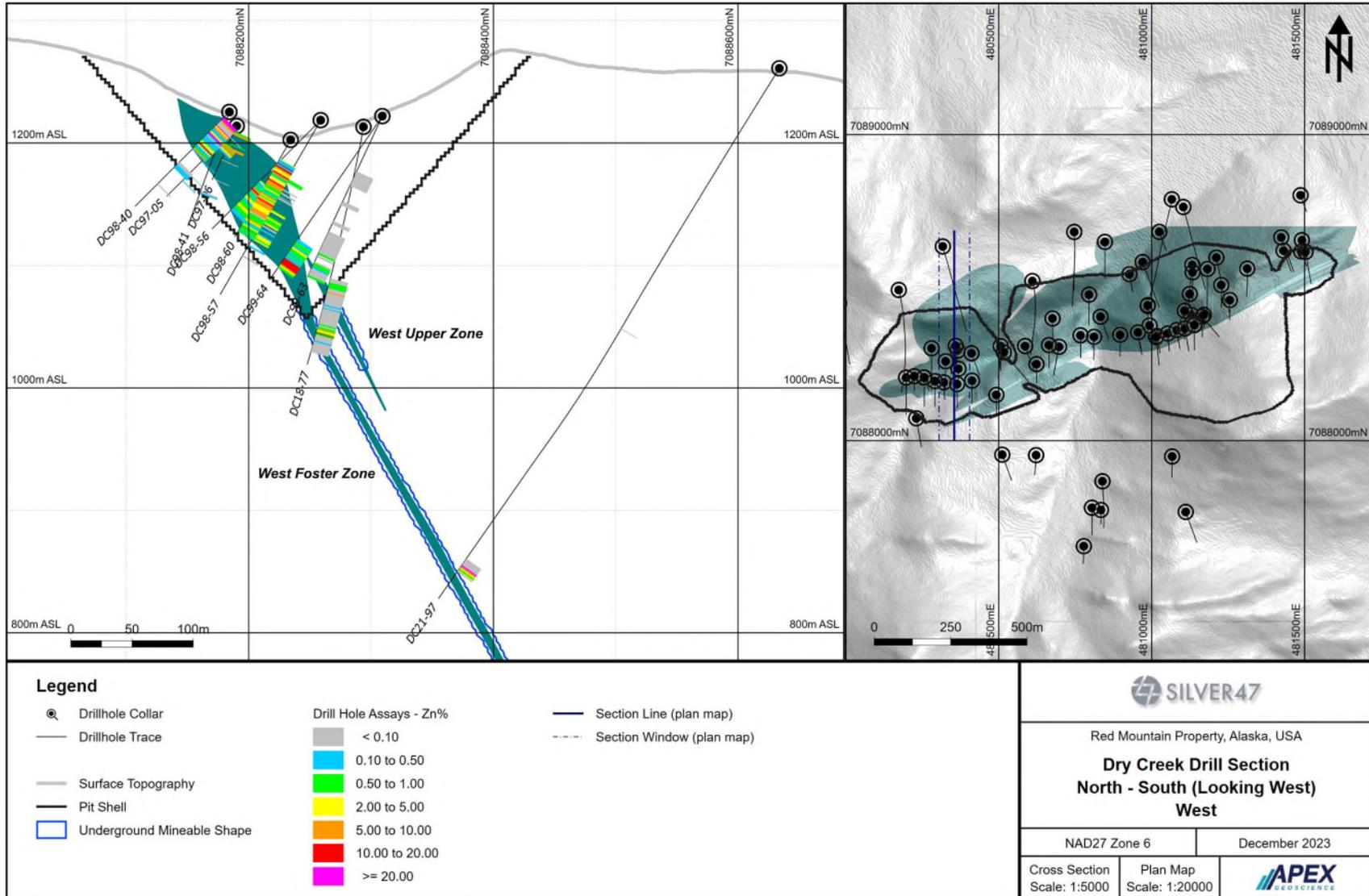


Figure 10.2. Dry Creek Historic Drill Section (Central)

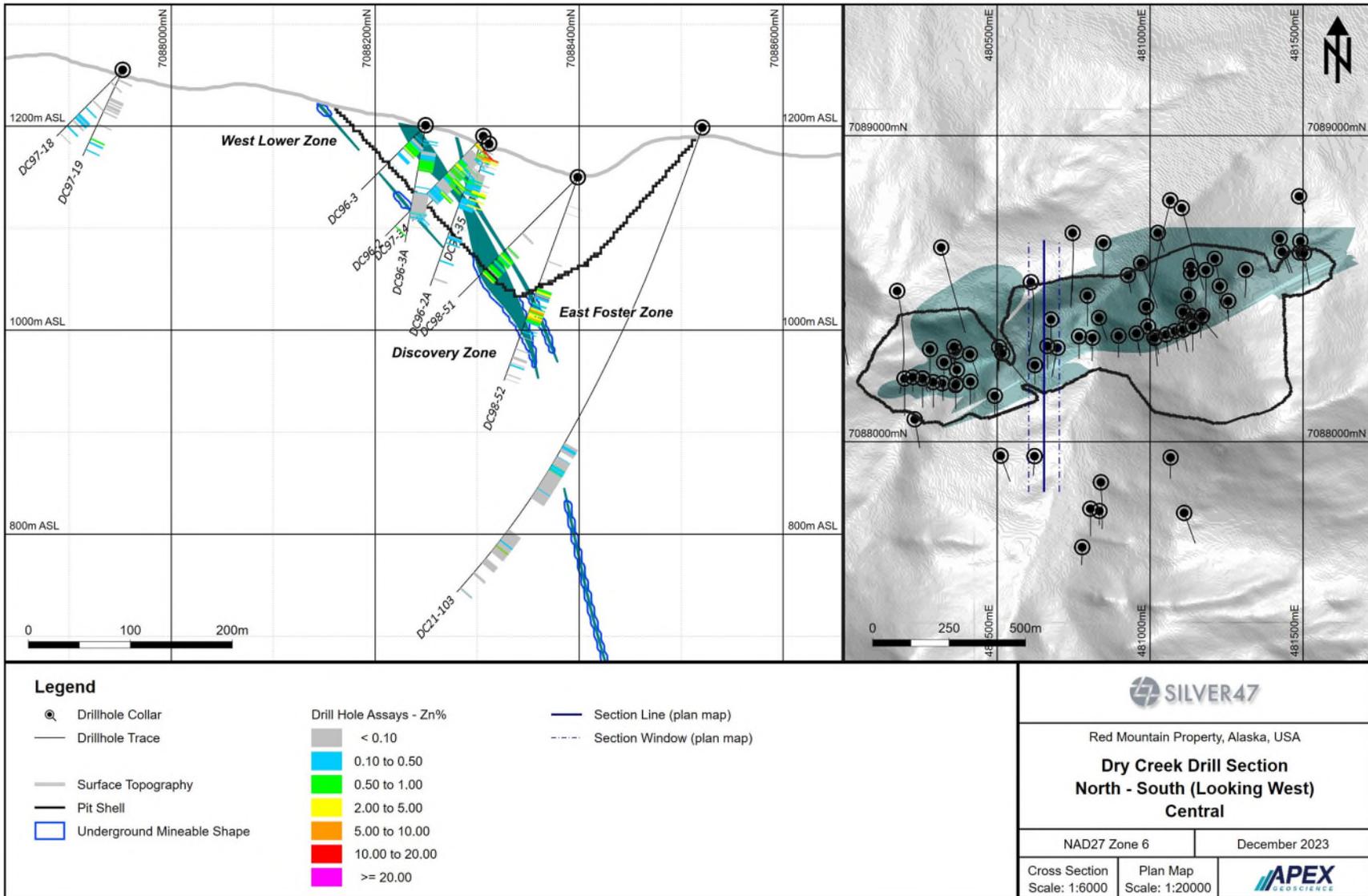
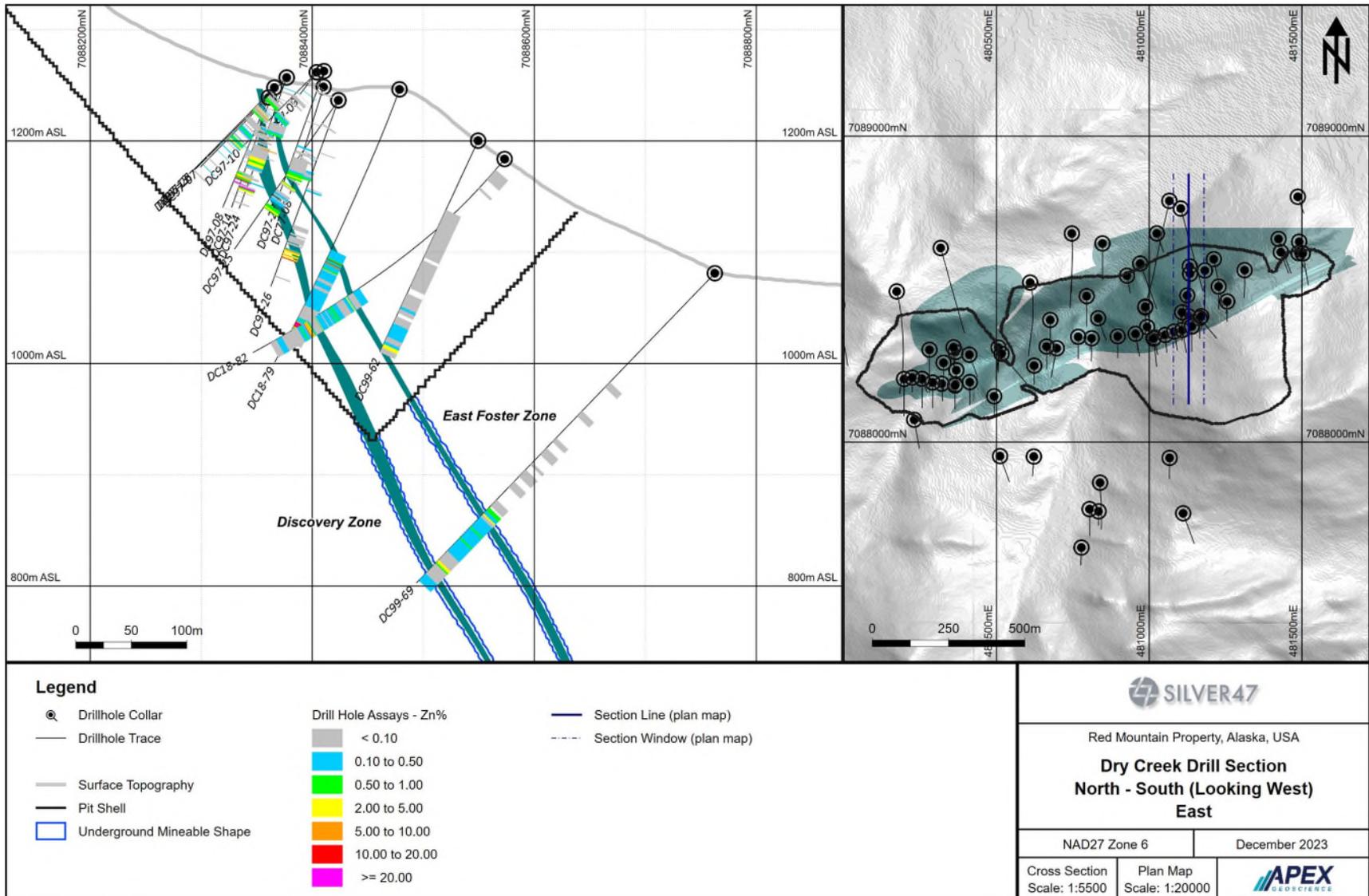


Figure 10.3. Dry Creek Historic Drill Section (East)



**Table 10.2. Significant Results of Dry Creek Historic Diamond Drill Programs (>1% Zn)**

Hole ID	Prospect	From (m)	To (m)	Width (m)	Zn (%)	Au	Ag	Pb (%)	Cu
DC76-02	DC North	38.63	50.29	11.66	5.28	1.43	111.6	2.16	2967
	Inc.	41.76	45.42	3.66	9.28	4.07	123.4	3.85	2658
DC77-03	DC North	55.47	59.74	4.27	1.50	0.05	16.7	0.74	279
DC77-04	DC North	74.68	78.03	3.35	3.12	0.05	5.1	1.03	655
DC77-05	DC North	110.64	113.69	3.05	12.02	0.10	108.3	4.91	1048
DC81-09A	DC North	79.86	83.82	3.96	3.70	-	-	0.45	398
	Inc.	81.08	82.08	1.00	9.00	-	-	0.30	200
DC81-11	DC North	114.85	118.87	4.02	2.24	-	-	0.65	235
DC83-15	DC North	149.93	154.23	4.30	1.58	0.03	6.7	0.25	624
DC83-17	DC North	190.68	217.14	26.46	1.66	-	1.5	0.21	984
	Inc.	205.74	209.21	3.47	2.61	0.01	1.1	0.05	1412
DC83-18	DC North	128.08	131.37	3.29	1.70	-	1.4	0.70	700
DC96-1	DC North	29.26	30.78	1.52	1.15	0.01	2.1	0.01	6700
	and	61.57	62.03	0.46	5.91	0.29	151.8	2.62	1377
DC96-1A	DC North	94.18	95.40	1.22	4.47	0.21	57.6	1.37	448
DC96-2	DC North	9.45	12.19	2.74	4.85	0.11	20.0	1.90	2808
	and	32.00	45.57	13.57	1.66	0.17	27.9	0.64	748
	and	52.88	54.56	1.68	1.42	0.12	7.2	0.70	4502
	and	98.94	100.89	1.95	5.94	0.01	63.7	0.07	110
DC96-2A	DC North	17.68	22.40	4.72	5.90	0.09	14.2	2.95	1517
	Inc.	19.96	22.40	2.44	9.31	0.12	16.4	4.64	2406
DC96-3A	DC North	22.40	30.78	8.38	1.60	0.41	32.8	0.52	9030
	and	34.14	44.50	10.36	1.56	0.10	8.7	0.49	837
	and	86.26	86.75	0.49	3.88	0.00	41.1	0.08	41
DC97-01	DC North	41.15	52.43	11.28	7.59	0.99	115.5	3.11	2281
	Inc.	44.20	48.16	3.96	14.14	1.24	210.3	6.39	1010
DC97-02	DC North	64.01	82.91	18.90	1.82	0.14	9.2	0.33	235
	Inc.	67.67	71.63	3.96	4.55	0.06	3.1	0.40	452
DC97-03	DC North	38.10	46.63	8.53	5.99	0.49	74.7	0.51	2575
	and	55.63	57.00	1.37	11.14	0.68	218.1	4.56	7280
DC97-04	DC North	62.48	86.56	24.08	8.75	1.15	114.3	3.15	4640
	Inc.	69.49	74.98	5.49	25.90	3.53	345.8	9.64	8496
DC97-06	DC North	6.10	7.62	1.52	7.05	0.34	77.5	3.26	1673
	and	18.29	20.42	2.13	6.83	0.92	291.7	3.42	1462
DC97-07	DC North	49.99	51.66	1.67	2.11	0.24	26.7	0.62	723
DC97-08	DC North	15.54	22.10	6.56	4.75	0.60	104.1	1.64	1314
	Inc.	17.07	20.88	3.81	6.82	0.82	162.2	2.21	1728
	and	73.76	81.99	8.23	8.13	1.37	102.0	2.64	5446
	Inc.	77.72	78.64	0.92	17.23	3.55	227.8	5.35	5432
DC97-10	DC North	72.24	73.00	0.76	6.96	0.58	106.3	3.80	995
DC97-14	DC North	64.92	73.15	8.23	2.76	0.63	13.7	0.36	5596
	and	93.57	97.23	3.66	8.60	1.13	156.0	2.58	1860

Hole ID	Prospect	From (m)	To (m)	Width (m)	Zn (%)	Au	Ag	Pb (%)	Cu
DC97-17	DC North	39.80	72.85	33.05	2.08	0.05	10.8	0.84	969
DC97-23	DC North	37.19	39.62	2.43	2.88	0.54	597.4	0.53	621
DC97-24	DC North	67.06	67.97	0.91	6.71	0.02	308.6	2.21	3894
DC97-25	DC North	112.17	117.50	5.33	2.08	0.73	19.2	0.61	5479
DC97-26	DC North	141.43	150.11	8.68	6.02	1.37	63.5	1.52	3039
DC97-27	DC North	96.62	101.04	4.42	2.10	0.27	29.8	0.85	3241
DC97-28	DC North	39.17	40.08	0.91	5.34	0.07	4.1	0.77	3438
DC97-29	DC North	50.90	71.78	20.88	2.16	0.02	3.5	0.37	5196
	Inc.	50.90	57.30	6.40	4.19	0.02	6.0	0.84	8717
DC97-30	DC North	13.41	20.88	7.47	4.53	1.78	102.1	2.19	1611
	Inc.	17.68	20.88	3.20	9.19	3.87	225.5	4.72	3353
DC97-31	DC North	28.96	31.39	2.43	12.72	4.11	1060.7	6.45	3486
	and	46.33	52.43	6.10	1.30	0.03	2.5	0.13	1894
DC97-32	DC North	27.86	33.92	6.06	14.41	1.02	137.0	6.83	3101
	and	73.46	74.52	1.06	1.39	0.02	7.7	0.62	153
DC97-33	DC North	39.11	46.18	7.07	15.12	1.14	334.3	2.09	3015
	and	56.08	57.61	1.53	1.26	0.31	53.5	0.59	521
DC97-35	DC North	13.41	18.29	4.88	4.88	0.08	8.1	1.92	1604
	Inc.	13.41	15.54	2.13	6.76	0.11	12.7	3.26	2074
	and	48.16	51.21	3.05	2.40	0.01	0.5	0.01	372
	and	56.69	58.22	1.53	4.42	0.21	2.4	0.42	146
	and	62.79	64.31	1.52	2.47	0.17	6.5	0.75	1135
DC98-39	DC North	77.57	98.76	21.19	6.98	0.42	56.7	3.20	1861
	Inc.	77.57	82.60	5.03	17.74	0.49	63.7	7.80	4154
DC98-40	DC North	6.10	24.48	18.38	10.08	1.06	213.5	3.58	3421
	Inc.	6.10	9.14	3.04	32.68	3.29	738.2	11.31	14760
	Inc.	14.69	15.48	0.79	20.87	3.26	407.7	0.35	7061
	Inc.	21.34	24.48	3.14	14.65	0.67	211.5	6.65	2534
	and	31.39	42.18	10.79	3.58	1.61	246.9	1.64	1470
	Inc.	34.90	35.97	1.07	12.41	3.77	939.4	5.68	5690
	Inc.	40.93	42.18	1.25	92.00	0.72	221.5	4.71	2539
DC98-42	DC North	167.64	174.53	6.89	1.52	0.36	81.2	0.77	507
DC98-43	DC North	58.98	60.50	1.52	1.51	0.07	5.4	0.63	235
	and	114.30	115.82	1.52	1.08	0.03	6.5	0.02	41
DC98-44	DC North	104.24	126.80	22.56	1.73	0.09	25.1	0.66	594
	Inc.	104.24	105.55	1.31	5.99	0.14	6.2	1.04	1585
	Inc.	109.27	110.34	1.07	6.77	0.41	148.5	3.02	1804
DC98-45	DC North	97.54	102.11	4.57	1.58	0.23	28.0	0.55	384
DC98-46	DC North	70.10	80.86	10.76	2.50	0.02	1.3	0.59	617
	Inc.	70.10	72.57	2.47	8.16	0.03	2.1	1.28	1868
DC98-47	DC North	113.39	128.32	14.93	1.19	0.03	2.3	0.57	270
DC98-48	DC North	171.91	189.34	17.43	0.98	0.23	13.0	0.33	3415
DC98-50	DC North	107.50	108.81	1.31	1.52	0.10	18.9	0.78	411

Hole ID	Prospect	From (m)	To (m)	Width (m)	Zn (%)	Au	Ag	Pb (%)	Cu
	and	115.52	118.26	2.74	2.05	0.30	60.3	1.04	479
DC98-51	DC North	106.38	132.59	26.21	1.36	0.09	14.6	0.49	461
DC98-52	DC North	117.96	123.29	5.33	2.82	0.36	146.5	1.22	713
	Inc.	122.71	123.29	0.58	10.67	2.67	690.5	5.43	2160
	and	135.51	147.92	12.41	3.65	0.12	16.5	1.70	1038
	Inc.	137.16	139.29	2.13	5.59	0.10	12.2	2.62	1568
	Inc.	142.77	146.30	3.53	4.75	0.15	9.0	2.28	1521
DC98-53	DC North	96.01	108.81	12.80	1.57	0.08	11.5	0.63	248
DC98-56	DC North	51.21	56.08	4.87	1.37	0.06	9.5	0.50	226
	and	69.77	96.93	27.16	2.73	0.33	66.1	1.35	786
	Inc.	77.42	81.08	3.66	9.81	0.43	20.2	5.36	2802
DC98-57	DC North	83.06	96.32	13.26	1.81	0.38	56.6	0.84	521
	and	106.68	112.17	5.49	2.99	0.15	9.2	1.41	772
DC98-58	DC North	128.02	135.64	7.62	1.67	0.15	14.1	0.48	1510
	and	143.26	146.91	3.65	1.35	0.12	24.2	0.56	426
	and	163.07	178.61	15.54	2.80	0.22	29.2	1.03	994
	Inc.	166.12	167.34	1.22	9.98	0.20	48.0	2.33	1125
	Inc.	175.26	176.78	1.52	4.03	0.17	47.6	1.76	475
DC98-59	DC North	104.55	125.58	21.03	1.97	0.30	62.3	0.89	551
	Inc.	109.42	116.43	7.01	4.00	0.38	64.2	1.85	1181
DC98-60	DC North	17.59	81.14	63.55	4.30	0.45	52.5	1.94	1056
	Inc.	21.18	30.78	9.60	6.46	0.27	20.9	2.62	1484
	Inc.	34.75	41.09	6.34	7.61	0.29	13.1	3.83	1381
	Inc.	52.00	58.77	6.77	8.73	0.65	87.3	4.21	2430
	Inc.	62.79	66.45	3.66	9.12	1.27	39.1	4.43	1924
	Inc.	80.83	81.14	0.31	11.53	0.41	429.3	5.57	2840
DC99-63	DC North	142.95	144.78	1.83	1.94	0.09	8.8	0.98	482
DC99-64	DC North	125.27	149.35	24.08	5.86	0.14	22.0	1.40	2488
	Inc.	141.12	148.13	7.01	17.14	0.28	63.3	36.61	7871
DC99-65	DC North	142.95	152.40	9.45	2.04	0.16	31.0	0.89	395
	Inc.	149.75	151.49	1.74	7.92	0.48	128.2	3.99	1293
DC99-66	DC North	164.90	187.15	22.25	2.07	0.07	12.1	0.76	688
DC99-67	DC North	188.98	192.33	3.35	1.00	0.04	2.2	0.16	242
DC99-69	DC North	298.70	306.32	7.62	1.35	0.02	12.0	0.34	216
	and	364.24	368.50	4.26	2.49	0.02	4.4	0.55	427
DC99-74	DC North	35.97	36.88	0.91	2.40	0.02	7.6	1.66	3360
DC18-76	DC North	60.41	72.73	12.32	4.90	0.51	89.0	1.92	1232
	Inc.	63.86	66.75	2.89	10.43	1.30	242.7	3.76	2364
DC18-77	DC North	131.37	138.74	7.37	1.38	0.32	36.9	0.52	368
	and	167.21	174.04	6.83	3.49	1.45	938.7	1.68	3567
DC18-79	DC North	166.97	171.54	4.57	6.37	1.75	233.3	3.36	1615
	and	230.58	236.68	6.10	15.89	5.50	384.6	6.31	12341
	Inc.	231.01	235.73	4.72	19.50	6.91	466.0	7.75	14519

Hole ID	Prospect	From (m)	To (m)	Width (m)	Zn (%)	Au	Ag	Pb (%)	Cu
DC18-80	DC North	138.50	147.71	9.21	1.13	0.05	9.7	0.11	100
	and	158.04	160.63	2.59	1.99	0.06	6.0	0.65	368
DC18-81	DC North	179.07	199.28	20.21	2.18	0.16	31.3	1.10	308
	Inc.	180.29	181.36	1.07	4.77	0.53	75.4	2.50	627
	Inc.	188.98	190.47	1.49	3.91	0.07	11.7	2.21	803
	and	208.73	212.63	3.90	1.79	0.75	29.5	0.62	2364
DC18-82	DC North	231.40	235.64	4.24	5.89	0.87	96.0	2.52	716
	Inc.	233.48	235.64	2.16	8.60	1.04	162.3	3.90	1105
DC18-84	DC North	102.14	107.29	5.15	2.48	0.14	11.5	0.85	521
	and	124.88	125.73	0.85	1.10	0.01	0.1	0.00	22
DC18-85	DC North	108.97	112.17	3.20	1.80	0.12	30.8	0.71	457
	and	129.84	135.03	5.19	1.97	0.19	38.9	0.89	474
DC21-102	DC North	360.18	368.56	8.38	1.85	0.40	6.0	0.36	1536
DC21-97	DC North	487.07	492.86	5.79	11.44	0.77	68.6	3.40	1128
	Inc.	487.07	488.50	1.43	35.03	2.87	236.6	12.23	2848

### ***West Tundra Flats Drilling***

There have been 32 historic diamond drillholes, totaling 6,797.38 m, at WTF advanced VMS prospect. The drillholes were completed to depths of 68.73 to 442.57 m with azimuths ranging from 40° to 45° and inclinations ranging from -75° to -80° with abundant vertical drillholes (360°/-90°). The average depth was 212.4 m.

The WTF prospect extends at least 1,020 metres northwest-southeast along strike and 1,600 m down dip shallowly to the southwest (Figures 10.4, 10.5 below). The main Lower Zone strikes 130° and dips 10°. The horizon is 0.3 to 4.4 m thick and remains open down dip. The historic drilling intersects mineralization typically between 75° to 85° azimuth.

Figure 10.4 West Tundra Flats Historic Drill Section Looking West (West)

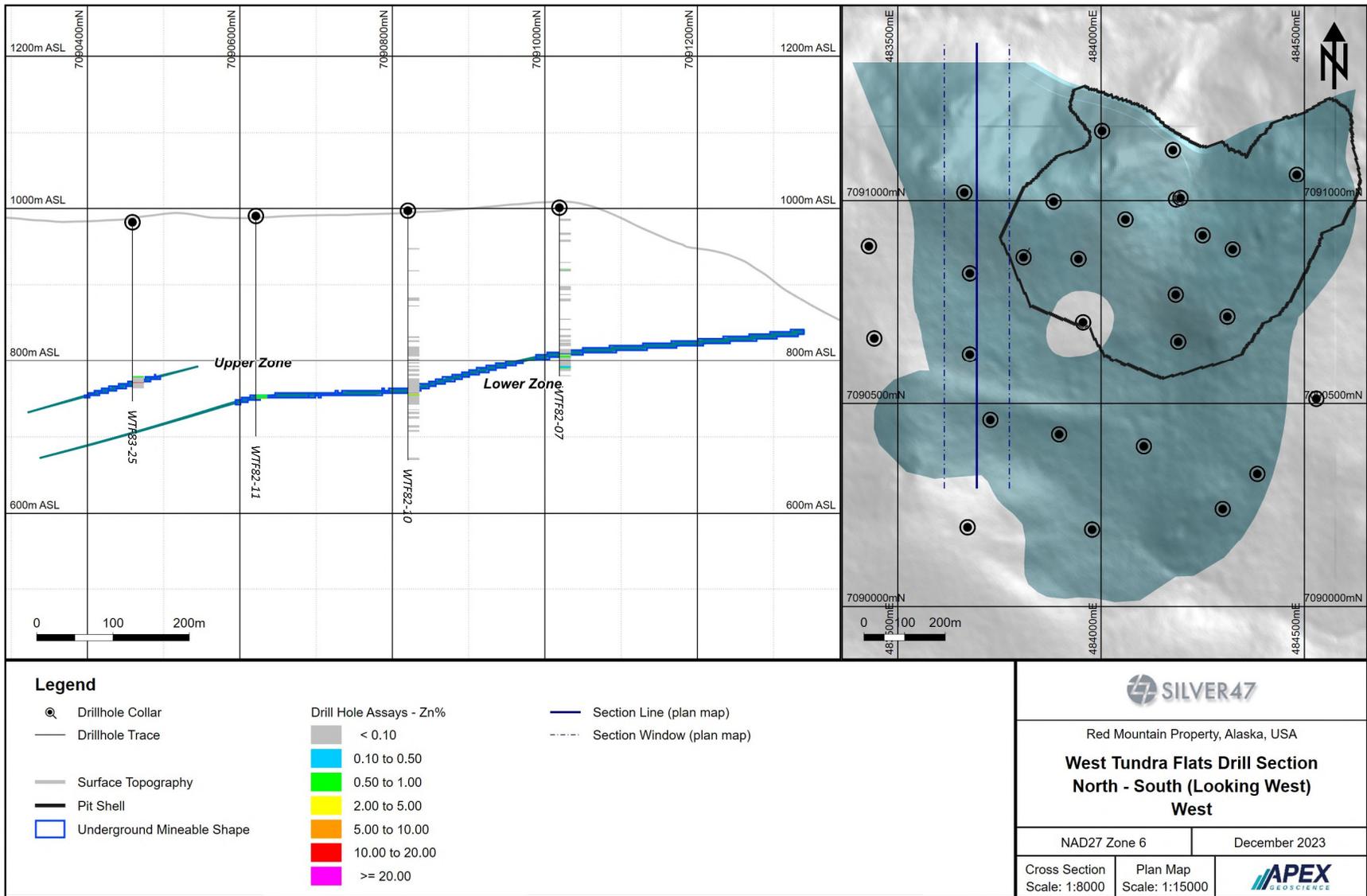
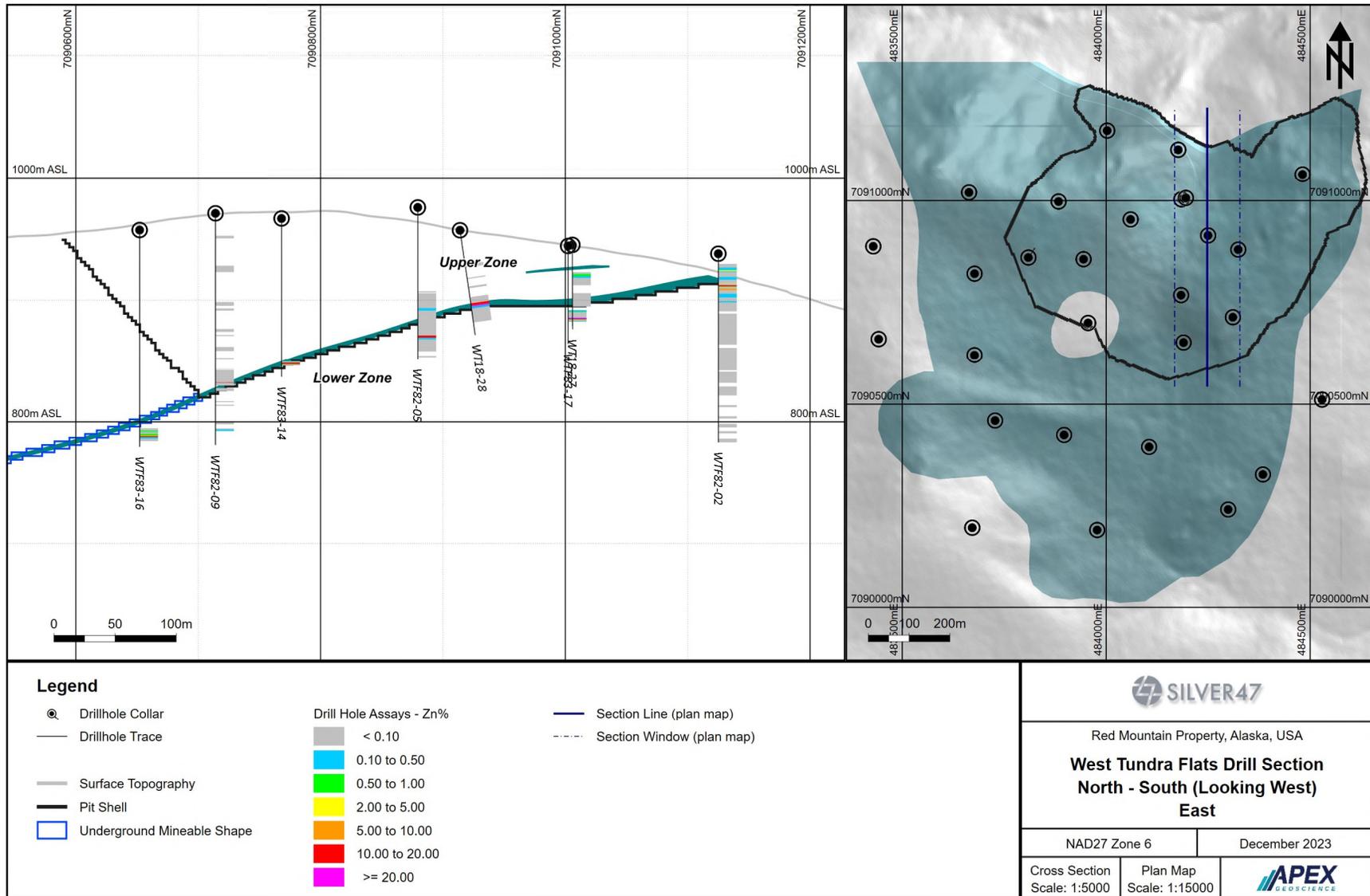


Figure 10.5 West Tundra Flats Historic Drill Section Looking West (East)



**Table 10.4 Significant Results of West Tundra Flats Historic Diamond Drill Programs (>1% Zn)**

Hole ID	Prospect	From (m)	To (m)	Width (m)	Zn (%)	Au (ppm)	Ag (ppm)	Pb (%)	Cu (ppm)
WTF82-02	WTF	13.41	14.33	0.92	2.25	0.14	9.3	0.93	425
	and	24.05	29.57	5.52	3.58	0.50	46.2	1.07	235
	inc	25.66	26.91	1.25	9.83	1.47	103.9	4.24	378
WTF82-03	WTF	72.24	75.29	3.05	5.34	0.99	103.1	2.40	543
WTF82-05	WTF	104.33	106.07	1.74	11.40	1.71	373.7	5.97	1510
WTF82-06	WTF	166.88	172.94	6.06	3.01	0.26	38.9	0.81	401
	inc	172.04	172.94	0.90	8.34	0.87	189.6	2.76	571
WTF82-07	WTF	81.38	81.84	0.46	1.19	0.17	8.2	0.15	180
	and	193.55	195.99	2.44	1.82	0.17	6.9	0.23	785
WTF82-08	WTF	156.67	163.98	7.31	3.48	0.54	334.8	1.94	763
	inc	162.15	163.98	1.83	11.10	1.85	1313.1	6.64	2720
WTF82-09	WTF	138.32	138.62	0.30	14.30	3.43	675.4	6.63	2210
WTF82-10	WTF	240.18	242.93	2.75	5.87	0.26	77.2	1.97	564
	inc	240.18	241.40	1.22	11.43	0.53	165.9	4.23	1075
WTF82-11	WTF	235.00	240.49	5.49	1.37	0.26	23.3	0.58	119
WTF82-14	WTF	117.65	119.45	1.80	8.71	2.14	240.2	3.88	1071
	inc	117.90	119.12	1.22	11.89	3.06	340.5	5.33	1510
WTF82-16	WTF	164.13	169.50	5.37	2.82	0.34	146.6	1.26	1074
	inc	168.07	169.50	1.43	9.12	1.08	540.4	4.25	2973
WTF83-17	WTF	52.24	52.30	0.06	3.55	0.27	0.7	0.80	600
	and	58.58	60.47	1.89	16.53	3.58	620.7	6.71	35
	inc	58.58	59.86	1.28	22.52	5.06	871.6	9.41	5089
WTF83-18	WTF	96.47	97.14	0.67	7.50	0.17	243.4	4.30	700
WTF83-19	WTF	222.20	222.47	0.27	19.00	3.43	613.7	11.50	2500
WTF83-24	WTF	249.72	250.42	0.70	6.37	1.13	125.9	3.37	2119
WTF83-25	WTF	210.62	211.23	0.61	19.50	2.16	192.0	4.50	1800
WTF83-26	WTF	225.86	226.13	0.27	14.50	1.78	528.0	6.50	1750
WT18-27	WTF	23.77	25.33	1.56	1.64	0.02	29.2	0.64	175
WT18-28	WTF	60.62	64.07	3.45	15.07	2.05	517.5	6.67	2023
WT18-29	WTF	179.59	179.74	0.15	7.71	4.99	142.0	3.39	2020
WT19-31	WTF	248.50	251.76	3.26	1.57	0.09	5.5	0.23	978
	and	254.81	255.27	0.46	1.96	0.11	5.4	0.07	235
	and	261.21	262.07	0.86	1.68	0.26	10.4	0.97	171
	and	264.26	264.66	0.40	2.60	0.04	11.0	0.86	99
	and	266.33	267.31	0.98	1.30	0.02	5.6	0.42	53

Drill sampling methods are discussed under “*Sampling, Analysis and Data Verification*”, below.

## **Sampling, Analysis and Data Verification**

### ***Drill Core Samples***

#### ***Sampling and Security***

Historic drilling at the Red Mountain Property dates back to 1976. In total, 178 drillholes totaling 32,635.68 m (107,072.4 ft) and 4,260 samples have been digitally catalogued in a drillhole database at the Property, all of which are diamond core from surface.

#### **Resource Associates of Alaska, Inc. (1976 – 1982)**

From 1976 – 1977 and 1981 – 1982, RAA drilled 26 holes totaling 3,841.9 m (12,604.5 ft). Of the 26 holes, 21 are included in the current drillhole database for a total of 3,305.4 m (10,844.5 ft) and 538 samples.

Only select zones were sampled, and sampling intervals were determined on the basis of lithology and mineralization style, though in no case were intervals allowed to exceed 3 m (10 ft). The majority of core was NX-sized, occasionally reduced to BX, until 1982 when NQ- (and rarely BQ-) sized core was drilled. No information is available regarding the security measures employed to ensure the integrity of samples during this period.

#### **Houston Oil and Minerals Exploration Co. (1983)**

In 1983, HOMEX drilled 19 holes totaling 3,922.2 m (12,868.1 ft). Of the 19 holes, 15 are included in the current drillhole database for a total of 3,354.1 m (11,004.2 ft) and 133 samples.

Only select intervals were sampled (half core) from each hole. No information is available regarding the security measures employed to ensure the integrity of samples during this period.

#### **Grayd Resource Corp. (1996 – 1998)**

From 1996-1998, Grayd drilled 72 holes totaling 9,270.2 m (30,414.0 ft). Of the 72 holes, 71 are included in the current drillhole database for a total of 9,258.3 m (30,375.0 ft) and 1,442 samples.

Only select intervals were sampled (half core) from each hole. The majority of core was NX-sized in 1996 and 1997, though HQ and NQ were rarely recorded as well. In 1998, core was a combination of HQ and NQ. No information is available regarding security measures employed to ensure the integrity of samples during this period.

#### **Atna Resources Ltd. (1999)**

In 1999, ATNA drilled 14 holes totaling of 3,113.5 m (10,215.0 ft). Of the 14 holes, 13 are included in the current drillhole database for a total of 2,967.2 m (9,735.0 ft) and 312 samples.

Only select intervals were sampled from each hole. Core was split in half using a diamond core saw within mineralized zones, and where mineralization was not apparent, small, representative chips of whole core were collected for litho-geochemistry purposes. The chip sample intervals typically varied from 3 to 12 m (10 to 40 ft) but were occasionally greater than 20 m (66 ft) in length. The majority of core was NQ-sized, occasionally reduced to BQ during difficult drilling conditions.

Numerous errors on a single sample shipment (DC99-05) at the external sample preparation facility necessitated ATNA personnel to return to the field later in the year and carry out a resampling program of the original core, quartering 41 samples. Samples in error were from drillholes DC99-63 to DC99-65.

No information is available regarding the security measures employed to ensure the integrity of samples during this period.

### **White Rock Minerals Ltd. (2017 – 2021)**

In 2017, WRM undertook a resampling program of historical core intervals to improve confidence in historical assay results. A total of 163 samples (194 including standards, blanks and duplicates) were collected from 12 drillholes from the HOMEX and Grayd drilling eras, all of which are included in the current MRE database.

Resampling split in half the remaining core by diamond core saw (quarter core) or resampled all the remaining half core where there was insufficient quarter core. The samples were divided into nine large grain sacks and delivered to the laboratory by Carl Schaefer (NAI consultant and project geologist) on March 7, 2017. Further details of the security measures employed by WRM to ensure sample integrity are described below.

From 2018 to 2021, WRM drilled 47 holes totaling 12,487.98 m (40,971.0 ft) and 1,835 samples. Of the 47 holes drilled by WRM, six drillholes were not sampled.

Core was transported back to camp twice daily via helicopter for geological logging and sample layout. Samples were laid out and marked on the wooden core boxes by the logging geologist. Intervals were not to exceed 1.5m (5 ft) or be less than 15 cm (6") in length. Only select zones were sampled from each hole, and sample intervals were based on several geological factors—principally levels of mineralization, but also lithological, alteration or structural breaks. Obvious cave-in material from shallower intervals was not sampled. The majority of core was NQ-sized, although the upper portion of drillholes were generally HQ (or PQ in 2021) through surface overburden. Rarely, holes were drilled in NQ3 for orientation purposes or reduced to BQ during difficult drilling conditions. Samples were cut in half longitudinally using a masonry tile saw, with half of the sample returned to the box for archive and the other half placed in a plastic sample bag for shipment to the laboratory, with the exception of BQ core, which was sampled whole due to its small size.

All core samples were fully inventoried and individually weighed, and photos were taken of the samples laid out in order before being sacked for dispatch. A unique shipment number was then assigned, which was included as a tracking number on the laboratory submittal form. The submittal forms contained the full sequence(s) of sample IDs being submitted, the prep and analytical methods to be completed, reporting requirements, reject instructions, and project personnel contact information. Samples were shipped on back-haul flights from camp to Fairbanks for pickup by either laboratory personnel (2018-2020) or Horst Expediting and Remote Operations, Inc. personnel (2021), who then delivered the samples to the laboratory preparation facility in Fairbanks.

A chain of custody (“COC”) was established by documenting all sack numbers, security seal numbers and shipment numbers at the project site. The COC was signed by each person involved in the preparation and transport of sample shipments after verifying that the security seals were still in place and their numbers matched the COC paperwork. Upon receipt, laboratory personnel were to confirm that the security seals had remained intact, their numbers still matched the COC paperwork, and all samples were accounted for. If any discrepancies arose, the laboratory was instructed to immediately contact the project and set the shipment aside until all issues were resolved.

### ***Analytical Procedures***

#### **Resource Associates of Alaska, Inc. (1976 – 1982)**

From 1976-1977, all assay work was conducted at the RAA in-house laboratory in Fairbanks, AK. Samples were analyzed for Cu, Pb, Zn and selectively Ag and Au. Very rarely, additional elements including As, Ba, Cd, Ni, Sb, U and W were captured. Details relating to extraction techniques were not documented, with the exception that Ag and Au were occasionally determined by fire assay. All samples were finished with atomic absorption spectrometry (“AAS”). It should be noted that this facility is not independent of the operator nor are the tabulated results from the laboratory signed.

It is unknown whether the laboratory was certified by any standards association.

Very little is recorded in relation to testing facilities from 1981-1982, though apparently an external laboratory, Rainbow Labs, in Anchorage, AK was utilized in 1981 and deemed a disappointment in year-end reporting. It is

unclear which laboratory was used in 1982. Samples were analyzed for Cu, Pb, Zn, and selectively Ag and Au. Details relating to analytical procedures were not documented, with the exception that Ag and Au were occasionally determined by fire assay.

The specifics of accreditation cannot be confirmed for Rainbow Labs Anchorage in 1981.

#### **Houston Oil and Minerals Exploration Co. (1983)**

No information was recorded in relation to testing facilities in 1983. Samples were analyzed for Cu, Pb, Zn, Ag, and Au. Details relating to analytical procedures were not documented, but it appears that Ag and Au were occasionally determined by fire assay.

#### **Grayd Resource Corp. (1996 – 1998)**

No information was recorded in relation to testing facilities or analytical procedures in 1996, with the exception that samples were analyzed for Cu, Pb, Zn, Ag, and Au.

In 1997, all assay work was conducted at the external facility ACME Analytical Laboratories Ltd. (“**ACME**”) in Vancouver, BC. Samples were analyzed for 30 elements, including Au, by three acid digestion (0.500 g sample digested by 3 mL 3-1-2 HCl-HNO<sub>3</sub>-H<sub>2</sub>O at 95°C for one hour and diluted to 10 mL with water) with an inductively coupled plasma (“**ICP**”) finish. This leach was considered partial for Mn, Fe, Sr, Ca, P, La, Cr, Mg, Ba, Ti, B, W, and limited for Na, K, and Al (none of which are of relevance). Au was additionally determined by aqua regia/methyl-isobutyl ketone extraction (10 g sample) following ignition and finished with graphite furnace AAS.

The majority of samples also underwent analysis by aqua regia (1 g sample leached in 30 mL aqua regia and diluted to 100 mL) followed by ICP for 14 metals including Cu, Pb, Zn, and Fe. Ag and Au were by fire assay from a 29.167 g (1 assay ton) sample. These analyses were considered most accurate for Cu, Pb, Zn, and As values above 1%, Ag values above 30 ppm, and Au values above 1,000 ppb.

In 1998, all assay work was once again conducted at ACME Vancouver. Analytical procedures were nearly identical to those in 1997, with the exception that samples were analyzed for 32 elements (including Au) by 2-2-2 HCl-HNO<sub>3</sub>-H<sub>2</sub>O digestion.

In 1998, ACME Vancouver was an International Organization for Standardization (“**ISO**”) 9002 accredited facility. The specifics of accreditation cannot be confirmed for 1997, though laboratory analysis certificates were signed by certified assayers in both years.

#### **Atna Resources Ltd. (1999)**

In 1999, all assay work was conducted at the external facility Chemex Labs Ltd. (“**Chemex**”) in Vancouver, BC, though samples were generally prepared at the Chemex laboratory in Fairbanks, AK. Numerous errors on a single sample shipment at the Fairbanks facility – a mix-up of sample numbers and insufficient material in the coarse rejects – necessitated ATNA personnel to return to the field and carry out a resampling program of the original core. The 41 resamples were both prepared and analyzed at the Chemex Vancouver facility.

Samples were typically analyzed for 32 elements using an ICP finish, plus Au. Host rocks were often analyzed for whole rock geochemistry, as well as fluorine content in select samples. Specifics relating to analytical procedures were not documented during this period and laboratory analysis certificates are unavailable.

The specifics of accreditation cannot be confirmed for Chemex Fairbanks or Chemex Vancouver in 1999.

#### **White Rock Minerals Ltd. (2017 – 2021)**

In 2017, all assay work was conducted at the external facility ALS Chemex in Fairbanks, AK, where samples underwent laboratory preparation technique PREP-31Y (crush to 70% less than 2 mm, rotary split off 250 g and pulverize split to better than 85% passing 75 microns).

Au was determined by laboratory technique Au-AA24 (50 g fire assay finished with AAS). Additionally, a multi-element suite of 33 elements was determined by technique ME-ICP61 (0.25 g sample by four acid digestion finished with inductively coupled plasma atomic emission spectroscopy; "ICP-AES"). The ME-ICP61 method quantitatively dissolves most minerals, with the exception of barite, rare earth oxides, and Sn, W, Nb, and Ta minerals (none of which are of relevance), while the Au-AA24 method is considered total for Au. Overlimit Ag, Cu, Pb and Zn samples were determined by technique (+)-OG62 (0.4 g sample by four acid digestion finished with ICP-AES or AAS). This method is considered near total, breaking down most silicates and all but the most resistive minerals (which are not of relevance).

The specifics of accreditation cannot be confirmed for ALS Chemex Fairbanks in 2017.

From 2018 to 2020, all assay preparation work including drying, crushing, weighing, splitting and pulverizing was conducted at the external facility ALS Global ("ALS") in Fairbanks, AK. Pulverized splits were then sent to the external facility ALS in Vancouver, BC for analysis.

Samples underwent laboratory preparation technique PREP-31Y (described above). Au was determined by technique Au-AA25 (30 g fire assay finished with AAS) and a multi-element suite of 48 elements was determined by technique ME-MS61 (0.25 g sample by four acid digestion finished with inductively coupled plasma mass spectrometry; "ICP-MS"). The ME-MS61 method quantitatively dissolves nearly all minerals in the majority of geological materials, with the exception of barite, rare earth oxides, columbite-tantalite, and Ti, Sn and W minerals (none of which are of relevance), while the Au-AA25 method is considered total for Au. Overlimit Ag, Cu, Pb and Zn samples were determined by technique (+)-OG62 (described above).

In 2021, assay work was divided between two external laboratories, ALS and BV. As ALS was experiencing unprecedented delays in sample processing, most of the sample shipments were directed to BV. BV Fairbanks performed the drying, weighing and crushing of samples, while the remaining sample preparation and analyses were completed at the BV facility in Vancouver, BC.

At BV, samples underwent laboratory preparation technique PRP70-250 (crush to better than 70% passing 2 mm, riffle split off 250 g and pulverize split to better than 85% passing 75 microns). Au was determined by technique FA430 (30 g fire assay finished with AAS). Additionally, a multi-element suite of 45 elements was determined by technique MA200 (0.25 g sample by four acid digestion finished with ICP-AES or ICP-MS). The MA200 method is capable of dissolving most minerals, while the FA430 method is considered total for Au. Overlimit Ag, Cu, Pb and Zn samples were determined by technique MA404 (multi-acid digestion finished with AAS).

At ALS Fairbanks, samples underwent laboratory preparation technique PREP-31Y (described above). Samples were then transferred to ALS Vancouver, where Au was determined by technique Au-AA25 (described above) and a multi-element suite of 48 elements was assayed by technique ME-MS61 (described above). Overlimit Ag, Cu, Pb and Zn samples were assayed by technique (+)-OG62 (described above). For samples containing >30% Zn, overlimit technique Zn-VOL50 was used (1 g sample by titration).

From 2018 to 2021, ALS Fairbanks and ALS Vancouver were ISO and International Electrotechnical Commission 17025:2017 accredited facilities. The specifics of accreditation cannot be confirmed for BV Fairbanks and BV Vancouver in 2021.

## **Quality Control**

### **Historical (1976 – 1999)**

Overall, historical quality assurance and quality control ("QA/QC") information is limited between 1976 – 1996. No evidence exists of any QA/QC programs in place to ensure the validity of samples from 1976 – 1996.

From 1997 – 1998, ACME Vancouver carried out routine laboratory re-runs and reject re-runs, and inserted internal standards into most sample batches; however, no certified values have been located for the standards. A review of the 1998 data carried out by RPMGlobal Holdings Ltd ("RPM") in 2017 showed that the results of the standards were

consistent, though no comparisons were possible against known certified values. The review also demonstrated that laboratory re-runs and reject re-runs showed consistent results. It was concluded that the 1998 QA/QC data was adequately precise, but without comparisons against certified values, could not be assessed for accuracy.

In 1999, ATNA apparently incorporated geochemical pulp standards and blanks in their sampling procedure, though no information is available regarding the nature, extent and results of this QA/QC program. Furthermore, laboratory QA/QC cannot be confirmed as laboratory analysis certificates are unavailable during this era of drilling.

An analysis of the historical data quality was carried out as part of the QA/QC review by RPM in 2017. The goal of this study was to analyze the validity of assay values across time periods. RPM assessed whether it was appropriate to conduct quantile-quantile (“Q-Q”) plotting to compare the assays of the various companies’ drilling campaigns. In order to complete an accurate comparison, the various campaigns would ideally be evenly distributed across the deposits, so that natural deposit grade variability would not skew the results. After reviewing the spatial location of each company’s drillhole locations, RPM concluded that the only valid comparisons could be assessed between the RAA and Grayd holes at DC, and the RAA and HOMEX holes at WTF.

The results indicated that there was little bias in the RAA and Grayd assays at DC, apart from some high bias toward the Grayd samples for Ag. This was not deemed as a concern by RPM as the spatial locations of the holes in each campaign were not evenly distributed (although they were reasonable) and Ag tends to have a higher natural variability (i.e., nugget effect).

The results indicated that there was a slight bias toward the HOMEX drilling; however, the Q-Q plots are reasonably aligned on the  $y = x$  axis.

Overall, the Q-Q plots were deemed reasonable and gave confidence in the precision of the assays across various drilling campaigns and companies.

### **Historical (2017 – 2021)**

WRM put in place an extensive QA/QC program to ensure the validity and integrity of their drill core samples, described in detail below.

Prior to dispatch, each core sample was individually weighed to obtain a “shipped weight.” Once the samples had securely arrived at the laboratory, they were once again weighed to obtain a “received weight.” The received weights were cross-checked against the shipped weights by project personnel to identify any sample weight discrepancies that might indicate a sample switch or other error during the laboratory’s layout of samples. The samples were then dried and re-weighed to obtain the “dry weight.” Project personnel cross-checked the dry weights against the received weights to identify any additional layout issues. For samples that required crushing, a coarse reject weight (“**reject weight**”) was collected on the material that remained after a split had been pulled for pulverizing. Project personnel compared the reject weights to the received and dry weights to check for sample loss or gain (indicating mixing), sample switches, and to confirm that the correct amount had been pulled for pulverizing. Reject weights also allowed Project personnel to confirm that the laboratory had extracted additional material from the correct sample during splitting to make any coarse duplicates as instructed on the submittal form.

Samples selected for coarse duplication were chosen by the geologist to include those with mineralization and others at random. The ratio of duplicates to samples was at least 1:40. Coarse duplicates were prepared by the laboratory during the splitting process, which followed crushing. The sample was initially crushed to -10 mesh then split in half. One half remained with the original sample and the other was assigned a new sample number as designated on the submittal form. By convention, the coarse duplicate sample number sequence fell at the end of the workorder sequence to ensure that the duplicates were run in separate fusion and dissolution groups than the original samples, when possible.

A blank or certified pulp standard was inserted into the sample sequence every 20 samples in an alternating pattern, beginning with a blank as the first sample of every shipment.

Blank material was prepared from a Tertiary age alkali basalt at Brown's Hill Quarry in Fairbanks, AK that was alleged to be devoid of any alteration or mineralization. The blanks were typically prepared for core shipments by acquiring 2 to ¾ inch sized material from the quarry that was then washed, dried and put into ~1.5 kg bags. The Au content of the blanks was generally <1 ppb, though values up to three times the detection limit of a given analytical method were considered acceptable (following ALS protocol where values are not considered quantifiable until they are three times the detection limit); however, consistent detectable Au values in the blanks would trigger an enquiry with the laboratory to examine their analytical and fire assay methods. Averages were calculated for the multi-elements to monitor their precision.

Au and multi-element standards were purchased from reputable commercial companies that specialized in preparing verified and certified reference standards as pulp material typically between 50 and 100 g. A range of standards were used, covering Au concentrations from 0.1 ppm to 8 ppm (both oxide and sulphide based). Acceptable lower and upper limits for the standards were calculated by WRM by the following equations at the time of drilling:

$$\text{Lower Limit} = \text{Certified Value} - ((\text{Certified Value} * \text{Method Tolerance}) + (2 * \text{Detection Limit}))$$

$$\text{Upper Limit} = \text{Certified Value} + ((\text{Certified Value} * \text{Method Tolerance}) + (2 * \text{Detection Limit}))$$

Standards outside the acceptable range or blanks above three times the detection limit for Au as well as standards and blanks that were outside the calculated range for multi-elements were brought to the attention of the laboratory for investigation and a re-analysis of the samples within the workorder.

The laboratory's reporting of prep and analytical results was closely monitored on their online sample management system to ensure that the samples were being handled as instructed on the submittal. Additionally, the prep and analytical methods, sequence, sample numbers, and shipment numbers were compared against the submittal forms to confirm that the workorders had been entered correctly into the laboratory's system. If problems arose, the laboratory manager was alerted and a QA/QC investigation by the laboratory was initiated. Depending on the type of problem identified, additional material from a coarse reject was split and a new analysis was performed to compare with previous results. Additional certified standards were made available to the laboratory as necessary to monitor the re-analysis of a batch of samples.

APEX has carried out an analysis of the QA/QC results obtained from the various WRM sampling campaigns which are discussed in detail in the subsections below. Figure plots for standards with less than 10 instances of use are not shown. Note that APEX has applied a different failure criterion for certified standards (3 standard deviations from the expected value) than those mentioned above. For blanks, Au values up to three times the detection limit of a given analytical method have been accepted, and multi-element values have been compared against a trimmed mean (i.e., average with outliers removed) with the failure criterion being greater than two standard deviations from the mean. Failure conditions for coarse duplicates include a relative error greater than 20%, an absolute difference greater than three times the lower detection limit, and pairs where both values are less than five times the lower detection limit.

### **Historical WRM QA/QC – 2017 Historical Drill Core Re-sampling Campaign**

In 2017, WRM undertook a resampling program of historical core intervals, whereby 163 core samples were collected from 12 drillholes from the HOMEX and Grayd drilling eras. In total, 163 core samples, 9 certified pulp standards and 10 coarse blanks were sent to the laboratory for Au and multi-element analyses. Twelve (12) of the core samples were additionally designated for coarse duplication at the laboratory. Blanks, standards and pulp duplicates were also analyzed as part of the internal laboratory QA/QC and calibration protocols.

Standards were inserted into the sample sequence by WRM personnel at regular intervals of 1 in 20, in no apparent order. Four different certified pulp standards from Geostats Pty Ltd (“**Geostats**”) were used in 2017: G300-8, GBM398-1, GBM398-4 and GBM998-4.

G300-8 was a gold standard, certified for Au (1.07 ppm) by 50 g fire assay. During the 2017 resampling program, this standard was analyzed for Au by an equivalent laboratory technique, Au-AA24 (50 g fire assay finished with AAS). The material was described as a transition mineralized material from the Eastern Goldfields region of Western Australia. All instances of this standard fell within acceptable limits.

GBM398-1 was a geochemistry base metal standard, certified for Ag (5.1 ppm), Cu (14,823 ppm), Pb (26,669 ppm) and Zn (20,295 ppm). The material was described as a Cu-Pb-Zn cap rock. The analytical method utilized for certification was not documented by Geostats. During the 2017 resampling program, this standard was analyzed for Ag, Cu, Pb and Zn by laboratory technique ME-ICP61. Overlimit analyses were performed for Cu, Pb and Zn by technique (+)-OG62.

All but one occurrence of this standard fell within acceptable limits (33.33% fail rate). Observation #1 (sample Q784010) exceeded the allowable limit for Ag and fell below the allowable limits for Cu, Pb and Zn.

GBM398-4 was a geochemistry base metal standard, certified for Ag (48.7 ppm), Cu (3,891 ppm), Pb (11,714 ppm) and Zn (5,117 ppm). The material was described as a low-grade surficial Cu-Pb-Zn laterite. The analytical method utilized for certification was not documented by Geostats. During the 2017 resampling program, this standard was analyzed for Ag, Cu, Pb and Zn by laboratory technique ME-ICP61 and overlimit analyses were performed for Pb by technique (+)-OG62. All instances of this standard fell within acceptable limits.

GBM998-4 was a geochemistry base metal standard, certified for Ag (4.5 ppm), Cu (7,529 ppm), Pb (357 ppm) and Zn (38 ppm). The material was described as a Cu-Au mineralized material oxide from the Pilbara region of Western Australia. The analytical method utilized for certification was not documented by Geostats. During the 2017 resampling program, this standard was analyzed for Ag, Cu, Pb and Zn by laboratory technique ME-ICP61 (described above). All instances of this standard fell within acceptable limits.

Coarse blanks were inserted into the sample sequence at regular intervals of 1 in 20. The blank utilized in 2017 was called BHQB-D1 and described as a mixture of fines and coarse chips (<1”) from Brown’s Hill Quarry Basalt. This reference material is not certified. The blank was analyzed for Au by laboratory technique Au-AA24, and Ag, Cu, Pb and Zn by ME-ICP61.

All instances fell within the acceptable limit for Au, and all but one (Observation #2; sample Q784020) fell within the acceptable limit for Ag (10.0% fail rate). It should be noted that the failed Ag blank showed anomalous results in Au, despite falling within allowable limits. Most occurrences of this blank fell within the acceptable limits for Cu, Pb and Zn, with the exception of Observation #2 (failed Ag blank from above), which also failed in Pb and Zn, and Observation #8 (sample Q784140), which failed in Cu.

Of the 163 core samples collected in 2017, 12 were split into coarse duplicates at the laboratory (~7.4%). The samples to be duplicated were selected by the geologist to include both mineralized samples and others at random. Samples were analyzed for Au by laboratory technique Au-AA24, and for Ag, Cu, Pb and Zn by ME-ICP61. Overlimit analyses were performed for Cu, Pb and Zn by technique (+)-OG62. All analytical methods have been described above.

Overall, the parent-duplicate pairs showed excellent correlation ( $\rho$  varies from 0.976 to 1) and surpassed fail conditions, with the exception of three failed Pb pairs (33.33% fail rate) and one failed overlimit Cu pair (100%). As

only one pair was analyzed for Cu by Cu-OG62, it was omitted from the plots; however, the parent sample (Q784136) contained 7.26% Cu and the duplicate sample (Q784192) contained 7.59% Cu, for an absolute difference of 0.33% thus exceeding the acceptable limit of 0.003% for the Cu-OG62 method.

An analysis of the historical versus the resampling assay results was carried out as part of the QA/QC review by RPM in 2017. Overall, the resampling program was concluded to confirm the historical assays and satisfy requirements for the historical assays to be used in estimating a mineral resource. Furthermore, the resampling assay results, including QA/QC, were reviewed by two external consultants, both of which concurred that the resampling satisfactorily confirmed the historical assay results.

### **Historical WRM QA/QC – 2018 to 2021 Drilling Campaigns**

From 2018 – 2021, WRM drilled 47 holes for a total of 12,487.98 m (40,971.0 ft) and 1,835 samples. No duplicates were collected during this period. Internal laboratory QA/QC cannot be confirmed from 2018 – 2020 as laboratory analysis certificates are unavailable. In 2021, blanks, standards, preparation duplicates and pulp duplicates were analysed as part of the internal laboratory QA/QC and calibration protocols at BV; however, internal laboratory QA/QC cannot be confirmed at ALS, as laboratory analysis certificates are unavailable.

In general, standards were inserted into the sample sequence by WRM personnel at regular intervals of 1 in 20, in no apparent order. A total of 7 different certified pulp standards were used over the years GBM303-5, GBM398-1, GBM398-4, GBM901-4, GBM999-8, OREAS 252, and OREAS 263.

GBM303-5 was a Geostats geochemistry base metal standard, certified for Ag (2.5 ppm), Cu (6,343 ppm), Pb (245 ppm) and Zn (30 ppm). The material was described as a sulphide Cu-Au mineralized material from the Pilbara region of Western Australia. The analytical method utilized for certification was not documented by Geostats. GBM303-5 was used in the 2018, 2019 and 2021 WRM drilling campaigns. From 2018 – 2019, this standard was analyzed for Ag, Cu, Pb and Zn at ALS by laboratory technique ME-MS61. All instances of this standard fell within acceptable limits. In 2021, this standard was analyzed for Ag, Cu, Pb and Zn at BV by laboratory technique MA200.

GBM398-1 was a Geostats geochemistry base metal standard, certified for Ag (5.1 ppm), Cu (14,823 ppm), Pb (26,669 ppm) and Zn (20,295 ppm). The material was described as a Cu-Pb-Zn cap rock. The analytical method utilized for certification was not documented by Geostats. GBM398-1 was used in the 2018 and 2021 WRM drilling campaigns. In both 2018 and 2021, this standard was analyzed for Ag, Cu, Pb and Zn at ALS by laboratory technique ME-MS61. Overlimit analyses were performed for Cu, Pb and Zn by technique (+)-OG62. All instances of this standard fell within acceptable limits. Also in 2021, this standard was analyzed for Ag, Cu, Pb and Zn at BV by laboratory technique MA200. Overlimit analyses were performed for Cu, Pb and Zn by technique MA404. All instances of this standard fell within acceptable limits.

GBM398-4 was a Geostats geochemistry base metal standard, certified for Ag (48.7 ppm), Cu (3,891 ppm), Pb (11,714 ppm) and Zn (5,117 ppm). The material was described as a low-grade surficial Cu-Pb-Zn laterite. The analytical method utilized for certification was not documented by Geostats. GBM398-4 was used in the 2018, 2019 and 2021 WRM drilling campaigns. From 2018 – 2019, this standard was analyzed for Ag, Cu, Pb and Zn at ALS by laboratory technique ME-MS61. Overlimit analyses were performed for Pb by technique (+)-OG62. All instances of this standard fell within acceptable limits. In 2021, this standard was analyzed for Ag, Cu, Pb and Zn at BV by laboratory technique MA200. Overlimit analyses were performed for Pb by technique MA404. All instances of this standard fell within acceptable limits.

GBM901-4 was a Geostats geochemistry base metal standard, certified for Ag (0.7 ppm), Cu (946 ppm), Pb (9 ppm) and Zn (69 ppm). The material was described as a Cu costean material from New South Wales, Australia. The analytical method utilized for certification was not documented by Geostats. GBM901-4 was used in the 2018, 2019 and 2021 WRM drilling campaigns. From 2018 – 2019, this standard was analyzed for Ag, Cu, Pb and Zn at ALS by laboratory technique ME-MS61. All instances of this standard fell within acceptable limits. In 2021, this standard was analyzed for Ag, Cu, Pb and Zn at BV by laboratory technique MA200. All instances of this standard fell within acceptable limits.

GBM999-8 was a Geostats geochemistry base metal standard, certified for Ag (1.8 ppm), Cu (1,852 ppm), Pb (1,061 ppm) and Zn (537 ppm). The material was described as a sulphide Cu-Au mineralized material from the Pilbara region of Western Australia. The analytical method utilized for certification was not documented by Geostats. GBM999-8 was used in the 2018, 2019 and 2021 WRM drilling campaigns. In all three campaigns, this standard was analyzed for Ag, Cu, Pb and Zn at ALS by laboratory technique ME-MS61. All instances of this standard fell within acceptable limits. Also in 2021, this standard was analyzed for Ag, Cu, Pb and Zn at BV by laboratory technique MA200. All instances of this standard fell within acceptable limits.

OREAS 252 was an Ore Research & Exploration Pty Ltd (“**OREAS**”) gold oxide standard, certified for Au (0.674 ppm) by 25-40 g fire assay finished with AAS or ICP-AES. The standard was also certified for Ag (0.185 ppm), Cu (49.4 ppm), Pb (11.8 ppm) and Zn (91 ppm) by aqua regia digestion and an ICP-MS or ICP-AES finish. The material was described as a blend of gold-bearing Wilber Lode oxide mineralized material from the Andy Well Gold Project and barren basaltic saprolite and siltstone sourced from quarries north of Melbourne, Australia. OREAS 252 was utilized in the 2021 WRM drilling campaign. The standard was analyzed for Au by an equivalent technique, FA430 (30 g fire assay finished with AAS). Ag, Cu, Pb and Zn were by technique MA200. All occurrences of this standard fell within acceptable limits for Au, Cu and Pb; however, all samples reported low for Ag and high for Zn.

OREAS 263 was an OREAS gold oxide standard, certified for Au (214 ppb) by 25-50 g fire assay finished with ICP-AES, ICP-MS or AAS. The standard was also certified for Ag (0.285 ppm), Cu (87 ppm), Pb (34.0 ppm) and Zn (127 ppm) by 0.15-50 g sample aqua regia digestion finished with ICP-MS or ICP-AES. The material is described as a blend of gold-bearing oxide mineralized material from one of the Sepon gold deposits (Laos) and barren mudstone sourced from a quarry east of Melbourne, Australia. OREAS 263 was utilized in the 2021 WRM drilling campaign. The standard was analyzed for Au by an equivalent technique, FA430 (30 g fire assay finished with AAS). Ag, Cu, Pb and Zn were analyzed by technique MA200. All instances of this standard fell within acceptable limits.

Coarse blanks were inserted into the sample sequence at regular intervals of 1 in 20. The blank utilized from 2018 – 2021 was called BHQB-CHIP and was described as a washed basalt chip (2”) from Brown’s Hill Quarry Basalt. This blank reference material was not certified.

At ALS Vancouver, the blank was analyzed for Au by laboratory technique Au-AA25, and Ag, Cu, Pb and Zn by technique ME-MS61. All occurrences of this standard fell within acceptable limits for Au; however, three samples reported high for Ag, four samples reported high for Cu, two samples report high for Pb and 4 samples reported high for Zn.

At BV Vancouver, the blank was analyzed for Au by technique FA430, and Ag, Cu, Pb and Zn by technique MA200. All occurrences of this standard fell within acceptable limits for Au and Zn; however, one sample (a different one each time) reported high for each of Ag, Cu and Pb.

In future drilling campaigns, field duplicates are recommended 1 in 20 samples, standards in 1 in 20 samples and blanks in 1 of 20 samples for an overall 15% insertion (15 in 100 samples are either a duplicate, a standard or a blank). In core drilling, ideally, half of the core should be used for each of the parent and duplicate over the interval being sampled, but more commonly, a quarter of each is used so that half the core remains in the box. These parent-duplicate pairs test the representative nature of the samples and sampling practices and may reveal if high grading of samples is taking place.

Furthermore, a coarse blank should consist of barren material. The coarse blanks used from 2017 – 2021 often contained Cu, Pb and Zn values greater than many of the core samples. Before using it as QA/QC material, the blank should undergo round-robin testing by sending at least 20 samples to two or more laboratories for preparation and analysis to establish that its concentrations in the metals of interest are below the detection of the analytical method being utilized, or at a minimum, below background of the mineral deposit of interest.

Given the age of historical drilling done by historical operators prior to 2018, the limited amount or lack of information with respect to sampling and analytical procedures, security, and QA/QC procedures is not unusual. Historical drilling on the Property prior to 2018 was conducted prior to the implementation of modern, industry standard sampling, analytical, and quality assurance and quality control (QA/QC) methods.

The Authors reviewed the Q-Q analysis of historical drilling prior to 2018 and the comparison of historical assays versus re-assays carried out by RPM in 2017 and found no significant issues or inconsistencies that would cause one to question the validity of the results. The reasonable results of the Q-Q plots and the repeatable results illustrated by the 2017 resampling program provide confidence in the assays across historical drilling campaigns prior to 2018.

The Authors have furthermore reviewed the adequacy of the sample collection, preparation, security, and analytical procedures for the recent historical drilling campaigns undertaken by WRM and found no significant issues or inconsistencies that would cause one to question the validity of the data.

Based upon the evaluation of the drilling, sampling and QA/QC programs completed, it is the Authors' opinion that the Red Mountain drill and assay data is appropriate for use in the resource estimation work discussed in Section 14 of the Technical Report.

### **Stream Sediment (Silt), Soil and Rock Sampling**

#### ***Sampling and Security***

Soil, stream sediment and rock sample collection and security prior to 2018 were undertaken in accordance with industry acceptable methods and standards. Only a small subset of historic surface geochemistry prior to 2018 have been digitally captured, but assays are often compiled in appendices of historic annual exploration reports. The sampling methodology and approach applied by previous operators prior to 2018 are deemed by the Authors to be appropriate for the styles of mineralization exhibited on the project.

Standard stream sediment (silt) sampling procedures were utilized by RAA personnel. Fine grained sediment was collected from several spots at the stream site being sampled. Mineralized float and outcrops were sampled when encountered. Soil samples were collected over areas where shallow soil cover exists to reach B horizon. Sample site location and descriptions were filled out in the field using RAA field note cards.

In 2018, WRM sampled 534 stream sediment samples, or 454 samples with the orientation survey samples removed. Ten (10) kilogram samples were taken and sieved to less than 2 mm. Finally, samples were sieved to 200# screening. Trap sites with fine materials were targeted, and if needed, multiple samples were taken at each location to retrieve enough material. There were 209 catchments, with anywhere from 1 to 14 samples taken per catchment.

Rock samples are a mixture of float, outcrop and subcrop grab samples. Rock samples include 325 prior to 1996, Grayd collecting 20 in 1996, 94 in 1997 and 15 in 1998, and WRM collecting 255 in 2018, 927 in 2019 and 85 in 2021.

Prior to 2018, there were 4,202 soil samples taken, including the following samples from Grayd: 148 rock and soil samples in 1996, 1,574 soil samples in 1997, and 140 soil samples in 1998.

Soil samples taken in 2018 and 2020 by WRM utilized the following collection procedures. Soil samples principally comprised talus fines. Samples were taken from an average depth of 20 cm below surface, with a range of depth from 10 mm to 1000 mm depending on the quantity of coarse talus and depth required to obtain talus fines. Soils were collected in a cloth bags. Soil sample locations are collected using a handheld GPS (accuracy +/- 5m). All soil and rock chip sample locations were recorded in Longitude/Latitude (WGS84). Soil samples did not undergo any sample preparation prior to analysis by handheld XRF. WRM collected 85 soils in 2018 and 85 soil samples in 2020. Soil samples delivered to ALS from the field camp were secured in bags with a security seal that is verified on receipt by ALS using a chain of custody form.

#### ***Analytical Procedures***

In the historic late 1970s surface exploration geochemical surveys, all standard geochemical analyses and assays were carried out by RAA and checked by various umpire labs. Fire assays were completed by Union Lab of Salt Lake City. Stream sediment and soil samples were dried and sieved to minus 80 mesh. Rocks were crushed, ground and split. For Cu, Ag, Pb, Zn and Mo analyses, one gram of material was digested with aqua regia, water added to make 10 mL and then analyzed by atomic absorption. For Au, one gram of sample was digested in 10 mL of aqua regia, then extracted

into 2 mL of di-isobutylketone before analysis by atomic absorption. For Hg, 1 gram of sample was digested with concentrated sulfuric acid and hydrogen peroxide and analyzed by flameless atomic absorption.

Significant anomalous geochemical values for stream sediment samples during the early historic reconnaissance period in the 1970s was established to be greater than 100 ppm Cu, 1.0 ppm Ag, 75 ppm Pb, 250 ppm Zn and 0.1 ppm Au. Much of the early geochemical surveys have not been captured digitally but assay results are included in appendices of unpublished annual exploration reports.

Stream sediment sampling done in 2018 was submitted to ALS Laboratory, an independent laboratory to the company. They ran a 51 multi-element geochemical suite with an aqua regia digest and ICP-MS super trace gold method (AuME-ST44).

Rock samples in 1996 and 1997 done by Grayd were submitted to ACME Labs and were assayed using nitric acid digestion, with meta-borate fusion and ICP-ES analysis. Rock samples submitted in 2018, 2020 and 2021 by WRM to ALS utilized an aqua regia extraction with ICP-MS finish by ME-MS61.

Soil sampling done by Grayd in 1996 – 1998 was analyzed by an external laboratory using ICP-AES. In some of the pre-2018 analysis, due to a high lower detection for Au of 2 ppm, the Au values are not considered within the results.

Soil samples from 2018 and 2020 were analyzed as follows. In both years, soil samples were analysed with a handheld Olympus Delta XRF analyser on “Soil” mode, using three beams for a combined analyzing time of 50 seconds that had been optimized to read for arsenic and antimony, the main pathfinder elements. Results were considered to be near-total. The handheld XRF was calibrated in “Soil” mode. Field duplicate samples were analysed with the handheld pXRF. No other quality control samples were inserted in the soil samples analysed by handheld XRF. Using validation of handheld XRF analyses with laboratory assays (as below) of historical soils, soils from the 2018 program and the first 411 samples from the 2020 program, WRM considered these as acceptable levels of accuracy.

In 2018 and the first 411 soil samples from the 2020 program, samples were submitted to ALS (Fairbanks) for preparation and analysis. The samples underwent standard industry –80# screening prior to analysis. Gold (Au) was assayed in 2018 by Au-ST43, which is an aqua regia extraction with ICP-MS finish, and in 2020 by Au-ICP21, which is a fire assay and ICP-AES finish. All soil samples analyzed by WRM in 2018 and 2020 also had a multi-element suite of 48 elements by technique ME-MS61, a four-acid digest and ICP-MS finish.

### **Quality Control**

The QA/QC system applied by previous operators prior to 2018 are deemed by the Authors to be appropriate for the type and styles of mineralization exhibited on the Property and the Authors have no reason to question the validity of historic exploration results.

In 2018 – 2021 a full QA/QC system was put in place by WRM for soil assays to determine accuracy and precision of assays and a thorough examination of lab geochemistry assay results was compared to a handheld portable X-Ray Fluorescence (pXRF) soil results to provide real-time field geochemical results for the prospective elements. Field duplicate samples were collected for soil sampling programs. Acceptable levels of accuracy were established through validation of handheld XRF analyses with laboratory assays of historical and recent collection of soils as described above.

Rock sampling programs conducted by WRM between 2018 – 2021 relied on internal laboratory QA/QC measures, including regular insertions of blanks, standards and duplicates per analytical batch. Due to the selective nature of rock grab samples during prospecting, no field blanks, standards or duplicates were utilized by WRM.

Stream sediments collected by WRM between 2018 – 2021 were undertaken in accordance with industry acceptable methods and standards, which included the use of field duplicates. The QA/QC system put in place by WRM for this program is deemed by the Authors to be appropriate for the program.

The limited QA/QC for surface sampling reconnaissance programs (soils, stream sediments, rocks) undertaken by operators prior to 2018 is not uncommon and was in accordance with industry acceptable methods and standards at

the time. It is the Authors' opinion that the sample collection, preparation, security, analytical and QA/QC procedures for soil, stream sediment (silt), and rock sampling programs are adequate for the early-stage level of exploration at the Red Mountain Property.

### Data Verification

The Red Mountain Property has been the site of numerous historical combined ground exploration and drilling programs dating back to the mid-1970s. A large volume of geological data has been acquired over time. Some of the data and information relating to the geology and mineralization of the Property was collected prior to the adoption of NI 43-101.

A review of the historical data was carried out by RPM in 2017 in preparation for the 2017 White Rock Historical Estimate. Part of this review included the Q-Q plots discussed in "*Sampling, Analysis and Data Verification*" above, which analyzed historical assays from the RAA, HOMEX and Grayd eras of drilling. Overall, the results were deemed reasonable and gave confidence in the precision of the assays across various drilling campaigns and companies. RPM provided some recommendations to improve the quality of the database and future data capture, the majority of which have been in place since. The data review and recommendations are discussed in detail within the RPM report.

A very brief, systematic validation of the database was completed by Ashmore Advisory Pty Ltd in preparation for the 2022 White Rock Historical Estimate, details of which can be found in the report mentioned. Overall, the QPs consider the database to be well organized with no errors.

This section will focus on the data verification conducted by APEX personnel under the supervision of co-author and QP, Mr. Kris Raffle, on behalf of Silver47.

Silver47 supplied APEX with a master Access drillhole database called *DC\_DrillDatabase\_active.accdb*, containing collar, lithology, sulphide, assay, pXRF, recovery, rock quality designation, specific gravity ("SG") and downhole survey data tables. In addition, Silver47 provided various technical reports, annual exploration reports, memos, presentations, press releases, historical mineral resource estimations, scanned drill logs, laboratory certificates and Excel files to assist with the review. Official laboratory analysis certificates were missing for much of the most recent historical drilling, though laboratory Excel files were often available instead.

Data verification was carried out by APEX personnel on historical drilling, focusing primarily on sample and assay data. More time and attention were allocated to verifying the historical data prior to 2017, of which 33.1% of the assay database was comprised.

The project drillhole database that was provided to APEX included 178 drillholes for a total of 32,635.68 m (107,072.4 ft) and 4,260 samples. A preliminary verification of all Zn values greater than 1% (the cut-off used in both 2017 and 2022 historical estimates) was carried out to determine the overall state of the assay data and how thorough of a validation was warranted.

The earliest phases of drilling (1970s and 1980s) contained significant transcription errors in both assay values and sample depths, which largely appeared to be factors of optical character recognition errors and a general difficulty comprehending the historical hand-written logs and sample intervals. These findings triggered a thorough validation of all pre-1990s drillholes that fell spatially within the previous historical estimate wireframes (a total of 32 holes; 17.1% of all holes in the initial database). Collar, sample, assay and downhole survey data were all verified against primary data sources when possible, such as hand-written logs and tabulated assay results directly from the laboratory.

Of the 32 investigated holes, the drillhole database contained 298 samples (5.2% of all samples). Of those 264 samples, 147 missing Au, Ag, Cu, Pb and Zn values were infilled during the verification process, and a total of 157 assay values were found to be incorrect for a variety of reasons, including transcription, conversion and rounding errors. Also noted was that values below detection limit ("BDL") were treated inconsistently: BDL Au values were all assigned identical dummy values regardless of their respective analytical methods' lower detection limits; BDL Cu, Pb and Zn values were assigned a value equivalent to the lower detection; and BDL Ag values were assigned half-detection. Furthermore, 40 sample intervals were found to be incorrectly transcribed; some errors were negligible, while others were up to 3.9 m (12.9 ft) in difference. An additional 357 missing samples were digitized and incorporated into the

database, which were mainly low-grade, although 14 samples contained mineralized material grade values up to 26.5% Zn. The collar and downhole survey data presented no issues, besides missing metadata.

From the preliminary verification, the 1990s drilling data appeared adequate overall, and a more thorough validation was only conducted on samples with Zn values above 1%. A total of 440 samples (7.6% of all samples in the initial database) were selected for validation. Sample depths and assay results were all verified against primary data sources when possible, such as laboratory certificates and hand-written logs.

Of the 440 selected samples, a total of 348 (6.0% of all samples in the initial database) were validated. For the 348 validated samples, the main concern encountered was that the ideal analytical methods were not prioritized in the initial database. It is APEX's preference to prioritize fire assay over all other methods for Au and Ag analyses; overall, 407 Au and Ag values were found to prioritize three acid digestion over fire assay. Furthermore, the laboratory certificates stated that aqua regia analyses were more accurate and should be prioritized over three acid digestions where Cu, Pb or Zn values exceeded 1%, but it was discovered that three acid digestion was prioritized over aqua regia for 115 high-grade values. Additionally, it was noted that when the laboratory conducted re-runs and reject re-runs, an average of those values plus the original was used as the preferred value in the initial database, whereas APEX considers re-runs to be QA/QC samples. Seven samples were found to be shifted by one interval, and an additional seven assay values appeared to contain typographic errors, as well as one sample depth, which was out by 0.6 m (2 ft). An extra 18 missing samples were incorporated into the database.

Recent historical (2018 – 2021) drilling samples were selected for thorough verification in a similar manner to the 1990s holes above. 133 samples were chosen (2.3% of all samples in the initial database); however, only 114 (2.0%) were validated due to spatial distance from the MRE area. Sample depths were verified against hand-written logs and assay results were all verified against Excel files directly from the laboratory. These samples presented no issues, with the exception of one negligible typographic error in a sample depth.

A summary table of sample verification by sampling campaign is provided In Table 12.1 below.

**Table 12.1: Summary of Sample Verification by Year**

Year	Samples in Initial DHDB		Samples in Updated DHDB		Samples Validated		
	n	%	n	%	n	% (Campaign)	% (Total)
1976	19	0.3	21	0.3	14	66.7	0.2
1977	26	0.5	26	0.4	23	88.5	0.4
1981	58	1.0	60	1.0	56	93.3	0.9
1982	78	1.4	433	7.0	431	99.5	7.0
1983	99	1.7	115	1.9	113	98.3	1.8
1996	221	3.8	221	3.6	8	3.6	-
1997	470	8.2	488	7.9	134	27.5	2.2
1998	623	10.8	623	10.1	192	30.8	3.1
1999	312	5.4	312	5.1	14	4.5	0.2
2017	162	2.8	163	2.6	-	-	-
2018	1,199	20.8	1,199	19.5	91	7.6	1.5
2019	404	7.0	404	6.6	5	1.2	0.1
2021	541	9.4	541	8.8	18	3.3	0.3
<b>Total</b>	<b>5,765</b>	<b>100%</b>	<b>6,158</b>		<b>1,099</b>		<b>17.7</b>

A grand total of 1,099 samples were verified (17.7% of the updated database), 706 of which belonged to the initial database for 12.2%. All errors, inconsistencies and unconventionalities encountered were corrected and the updated drillhole database is deemed to be in good condition and suitable for mineral resource estimation.

### **Mineral Processing and Metallurgical Testing**

No mineral processing or metallurgical testing analyses has been conducted by either Silver47 (the Issuer) or by White Rock (the Vendor) of the Property. However, metallurgical work was completed historically on drill core from the DC deposit, and those results were incorporated into the mineral resource estimation presented in below.

In 1998, Rescan Engineering Ltd. and International Metallurgical and Environmental Inc. were commissioned by Grayd to conduct a program of preliminary floatation test work on drill core samples collected from the Fosters lens within the DC deposit. The objective of the test work was to use a standard floatation process to produce a bulk copper-lead concentrate and separate zinc concentrate from the DC mineralized material. The basis of the selective floatation process was the depression of zinc mineralization while activating and floating copper, lead, and precious metals, followed by the activation of zinc. Floatation cleaning of rough concentrates was used to upgrade floatation products.

The material responded well to a traditional floatation, producing a bulk copper-lead concentrate and a majority of the silver, while producing a separate high-grade zinc concentrate with excellent metal recoveries. Austin (1999) indicated that it was not possible to determine the host mineral of silver. The copper minerals were shown to be nearly equal volumes of chalcopyrite and tetrahedrite. Galena was the only lead mineral observed and sphalerite was the only zinc mineral observed.

Zinc recoveries in all floatation products were generally in excess of 98% of the available zinc. Lead recoveries were approximately 75-80% of the available lead. Silver, copper, and gold reported to the lead concentrate. Recoveries of these metals was in the range of 70-80%.

The zinc floatation concentrate produced was of high quality with grades ranging from 58-62% zinc. Results from analysis of the zinc concentrate showed low selenium content at <0.01% and typical cadmium values at 0.15%. The rough lead concentrate was upgraded to approximately 33% lead in two stages of dilution cleaning, with the dilution being primarily due to zinc. An evaluation of this concentrate indicated that the mineralogical makeup of the concentrate was simple, and reagent optimization should be capable of upgrading this concentrate to approximately 50% lead, with lead and silver recoveries of approximately 70%.

The Authors recommend that Silver47 conduct additional metallurgical test work to confirm processing options.

### **Mineral Resource Estimate**

#### ***Introduction***

The 2024 Red Mountain Project Mineral Resource Estimate (“**2024 Red Mountain MRE**”) presented in this section is based upon the historical drilling conducted on the Red Mountain Project between 1976 and 2021. Previous historical mineral resource estimates discussed in this prospectus are considered historical in nature and should not be relied upon. Silver47 is not treating such historical estimates as current mineral resources or mineral reserves.

This section details the 2024 MRE completed for the Red Mountain Project by Mr. Warren E. Black, M.Sc., P.Geol. and Mr. Kristopher J. Raffle, B.Sc., P.Geol., both of APEX Geoscience Ltd. (APEX). Mr. Kevin Hon, B.Sc., P.Geol., also of APEX Geoscience, assisted with the preparation of the MRE under the direct supervision of Mr. Raffle and Mr. Black.

The workflow implemented for the calculation of the 2024 Red Mountain MRE utilized the Micromine commercial resource modelling and mine planning software (v.23.5), Resource Modelling Solutions Platform (RMSP; v.1.10.2), and Deswik CAD (v2023.2) Supplementary data analysis was completed using the Anaconda Python distribution and custom Python packages developed by APEX.

Modelling was conducted in the UTM coordinate space relative to the NAD 1927 and UTM Zone 6N (EPSG: 26706). The Mineral Resource block model utilized a selective mining unit (SMU) parent block size of 3 m (X) by 3 m (Y) by 3 m (Z). The zinc (Zn), lead (Pb), copper (Cu), silver (Ag), and gold (Au) grades are estimated for each block using ordinary Kriging (OK) with locally varying anisotropy (LVA) to ensure grade continuity in various directions is reproduced in the block model. The resource model is subjected to pit optimization and underground mining constraints to demonstrate reasonable prospects for eventual economic extraction. Details regarding the methodology used to calculate the resource model and the reported MRE are documented in this section.

Definitions used in this section are consistent with those adopted by CIM's "Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines" dated November 29, 2019, and "Definition Standards for Mineral Resources and Mineral Reserves" dated May 10, 2014, and prescribed by the Canadian Securities Administrators' NI 43-101 and Form 43-101F1, Standards of Disclosure for Mineral Projects. Mineral Resources that are not mineral reserves have not demonstrated economic viability.

### ***Data Verification***

APEX personnel validated the drillhole database under the supervision of Mr. Raffle. Validation comprised of checking for inconsistencies in analytical units, duplicate entries, interval, length, or distance values less than or equal to zero, blank or zero-value assay results, out-of-sequence intervals, intervals or distances greater than the reported drillhole length, inappropriate collar locations, survey and missing interval and coordinate fields. A small number of errors were identified and corrected in the database.

The positions of DC98-41 and DC96-4 are unverifiable, and the nearby drillholes indicate markedly different geology. This would require significant structural complexity to be accurate, which is not evident from surface mapping and closely spaced surveyed drillholes. Therefore, these drillholes are not considered in the MRE.

Mr. Raffle accepts the Red Mountain Property drillhole database as reliable and suitable for ongoing Mineral Resource estimation.

### ***MRE Drillhole Database Description***

The 2024 Red Mountain MRE uses samples collected from surface drillholes. The MRE considers 118 unique drillholes totaling 21,166.57 meters, drilled between 1976 and 2021. This database includes collar locations, surveys, assays, and geological details.

In total, 103 drillholes intersect the estimation domains. Within the estimation domains, there is 1,139.26 m of drilling, of which 48.2 m (4.23 % of the total) is unsampled intervals, assumed to be waste, and assigned a nominal waste value (Table 14.3).

**Table 14.3 Nominal waste values utilized.**

<b>Zone</b>	<b>Unit</b>	<b>Value</b>
<b>Zinc</b>	<b>%</b>	<b><math>2.5 \times 10^{-5}</math></b>
<b>Lead</b>	<b>%</b>	<b><math>2.5 \times 10^{-5}</math></b>
<b>Copper</b>	<b>%</b>	<b><math>2.5 \times 10^{-5}</math></b>
<b>Silver</b>	<b>g/t</b>	<b>0.15</b>
<b>Gold</b>	<b>g/t</b>	<b>0.0025</b>

### ***Estimation Domain Interpretation***

Grade estimation wireframes were developed by implicitly modelling drillhole intervals coded to specific estimation domains. The domain creation process involved iterative adjustments based on diverse geological inputs. The main

objective is to link similar styles of mineralization within a single estimation domain while respecting geological and structural controls on orientation and spatial continuity. Non-mineralized intervals were classified as waste. Critical inputs for defining domain boundaries and orientations are:

- Logged massive sulphide horizons
- Zinc, copper, lead, silver and gold assays

In total, 13 estimation domains were used to calculate the 2024 Red Mountain MRE. The top of the domains are clipped to the bottom of the overburden surface, which exists across the entire deposit.

## **Exploratory Data Analysis**

### ***Bulk Density***

The Red Mountain Property drillhole database contains 292 SG measurement samples. An exploratory data analysis (EDA) was conducted to assess SG variations across lithologies, zones, material types, and domains. From the total, 25 measurements from 1998 or 1999 were inconsistent with the 2017 resampling and 2018 drilling data and were excluded. After further excluding 11 outliers, 256 measurements remain for the EDA. Going forward, SG is assumed to indicate bulk density and is referred to as such.

The EDA revealed that all SG measurements collected from material outside of the estimation domains (waste) are consistent and represent a single population. All waste material is assumed to have a density of 2.73 g/cm<sup>3</sup>, the median value of all 130 waste measurements.

Density measurements within mineralized material domains show a distribution with a tail extending towards higher values. Tests with more complex models did not enhance prediction accuracy.

Analysis of the relationship between density and geochemistry indicated that iron content correlates strongly with density. A linear equation allows for density prediction. Iron is estimated using the method outlined in the subsection titled “*Grade Estimation Methodology*” to inform mineralized material density. Blocks without iron grade estimates due to a lack of composites within the iron variogram range are assigned a default density of 2.96 g/cm<sup>3</sup>, the median of the 126 mineralized material measurements.

### ***Compositing Methodology***

Drillhole sample intervals within the estimation domains have lengths predominantly ranging from 0.5 to 1.9 m. A composite length of 1.53 m was selected as most sample interval lengths are equal to or less than that length.

A balanced compositing method was selected, which uses variable composite lengths based on the combined length of samples in each contiguous unit, defined as the drillhole segment between domain boundary contacts. The composite length for each contiguous unit is chosen to closely match a predefined target composite length, ensuring uniformity across the unit. For instance, with a contiguous unit measuring 5.0 m and a target composite length of 1.53 m, the method would split the contiguous unit into three composites of 1.66 m each. In comparison, traditional compositing would generate three composites with lengths of 1.53 m and one with a length of 0.41 m.

This method aims to maintain a consistent support volume across the estimation domain, reducing the impact of short composites and their effect on grade interpolation. Additionally, a minimum length of 1.25 m is imposed to minimize the effect of residual composites. The resulting composites are all within +/- 25% of the target composite length.

### ***Grade Capping***

Composites are capped to a specified maximum value to ensure metal grades are not overestimated by including outlier values during estimation. Probability plots illustrating each composite’s values are used to identify outlier values that appear greater than expected relative to each estimation domain’s commodity distribution. Composites identified as potential outliers on the log-probability plots are evaluated in three dimensions (3-D) to determine whether they are part of a high-grade trend. If identified outliers are deemed part of a high-grade trend that still requires a grade capping

level, the grade capping level used on them may not be as aggressive as the grade capping level used to control isolated high-grade outliers.

Grade capping was completed by assessing the composites within each domain (Table 14.5).

**Table 14.5. Capping groups and their respective domain(s).**

<b>Capping Group</b>	<b>Domain(s)</b>
DC – Low Grade	e-lower-a, e-lower-b, w-lower, w-upper-a, w-upper-b
Discovery	discovery
E-Copper	e-copper
Foster	e-foster, w-foster
WTF	upper, upper-a, lower

Table 14.6 indicates the grade capping levels determined using the log-probability plots. A visual inspection of the potential outliers revealed that they have no spatial continuity with each other.

**Table 14.6. The capping levels applied to composites before estimation.**

<b>Variable</b>	<b>Grade Capping Domain</b>	<b>Capping Level</b>	<b>No. of Composites</b>	<b>No. of Capped Composites</b>
Zn (%)	DC – Low Grade	1.6	25	4
	Discovery	15	308	7
	E-Copper	-	19	0
	Foster	20	361	6
	WTF	11.5	42	3
Pb (%)	DC – Low Grade	0.44	25	4
	Discovery	9.1	308	2
	E-Copper	-	19	0
	Foster	-	361	0
	WTF	6.9	42	1
Cu (%)	DC – Low Grade	-	25	0
	Discovery	1.4	308	8
	E-Copper	-	19	0
	Foster	1.5	361	7
	WTF	-	42	0
Ag (g/t)	DC – Low Grade	100	25	2
	Discovery	200	308	10
	E-Copper	-	19	0
	Foster	740	361	4
	WTF	565	42	2
Au (g/t)	DC – Low Grade	-	25	0
	Discovery	4.6	308	2
	E-Copper	-	19	0
	Foster	3.7	361	2

Variable	Grade Capping Domain	Capping Level	No. of Composites	No. of Capped Composites
Au (g/t)	WTF	1.8	42	4

### ***Declustering***

Data collection often focuses on high-value areas, resulting in sparse areas being underrepresented in the raw composite statistics and distributions. Spatially representative (declustered) statistics and distributions are required for accurate validation. Declustering techniques calculate a weight for each datum, giving more weight to data in sparse and less in dense areas. Using a 32 m and 170 m cell size for the DC and WTF zones, respectively, APEX applied cell declustering to calculate weights for each composite inside an estimation domain.

### ***Variography and Grade Continuity***

Experimental semi-variograms are calculated along the major, minor, and vertical principal directions of continuity, defined by three Euler angles. These angles describe the orientation of anisotropy through a series of left-hand rule rotations that are:

1. Angle 1: A rotation about the Z-axis (azimuth) with positive angles being clockwise rotation and negative representing counter-clockwise rotation;
2. Angle 2: A rotation about the X-axis (dip) with positive angles being counter-clockwise rotation and negative representing clockwise rotation; and
3. Angle 3: A rotation about the Y-axis (tilt) with positive angles being clockwise rotation and negative representing counter-clockwise rotation.

APEX calculated standardized correlograms for each Mineral Resource Zone using composite data. In each zone, the primary geological factors affecting mineralization guided the main directions for continuity, which served as the basis for variogram calculations.

The experimental variograms for various domains in each zone were assessed for parameter sensitivity. The discovery domain in the DC Zone yielded a reasonable variogram, unlike other domains that were limited by data quantity or density. Consequently, the modelled variograms from the discovery domain are used to estimate all metals across all domains and zones.

### **Block Model**

#### ***Block Model Parameters***

The block model used to calculate the 2024 Red Mountain MRE fully encapsulates the DC and WTF zone estimation domains described in the “*Estimation Domain Interpretation*” subsection. No blocks were created outside of the estimation domains.

A block factor that represents the percentage of each block’s volume that lies within each estimation domain is calculated and used to:

- flag the dominant domain, by volume, for each block; and
- calculate the percentage of mineralized material and waste for each block

Notes: Origin for a block model in RMSP represents the coordinates of the centroid of the block with minimum X, Y, and Z.

#### ***Volumetric Checks***

A comparison of wireframe volume versus block model volume is performed to ensure there is no considerable over- or understating of tonnages. The calculated block factor for each block is used to scale its volume when calculating the total volume of the block model.

### **Grade Estimation Methodology**

Ordinary Kriging (OK) was used to estimate zinc, lead, copper, silver, and gold grades for the 2024 Red Mountain MRE. Grade equivalent grades are calculated based on the estimated metal grades, not directly estimated. Only blocks that intersect the mineralization domain were estimated.

Estimation uses locally varying anisotropy (LVA), which employs different rotation angles to set the variogram model's principal directions and search ellipsoid for each block. Trend surface wireframes assign these angles to blocks within the estimation domain, enabling structural complexities to be captured in the estimated block model.

During grade estimation for each domain, the nugget effect and covariance contributions of the standardized variogram model are scaled to match the variance of the composites within that domain. The ranges used for each mineralized zone are unchanged from the standardized variogram model.

Boundaries between estimation domains and country rock are considered hard boundaries—data from outside a domain can't be used for grade estimation within that domain.

A four-pass estimation method was employed to control Kriging's inherent smoothing and manage the influence of high-grade samples, ensuring correct volume variance is achieved at the selected block scale. Each pass has specific rules, including limits on the number of composites considered per drillhole, search sector, and total. The variogram models described in "*Variography and Grade Continuity*" used unchanged. While these rules introduce local bias, they improve the global accuracy of the grade and tonnage estimates above the reported cutoff.

### **Model Validation**

#### ***Statistical Validation***

APEX staff conducted statistical tests to validate that the block model accurately reflects drillhole data. Swath plots confirm directional trends, while volume-variance analysis verifies accurate mineral quantity estimates at different cutoff grades.

#### ***Direction Trend Analysis Validation***

Swath plots verify that the estimated block model honours directional trends and identifies potential areas of over- or under-estimation. The swath plots are generated by calculating the average metal grades of composites and the OK-estimated blocks. The combined MRE block model is assessed for a comprehensive global evaluation.

Overall, the block model compares well with the composites. There is some observed local over- and under-estimation. Due to the limited amount of conditioning data available for grade estimation in those areas, this result is expected.

#### **Volume-Variance Analysis Validation**

Smoothing is an intrinsic property of Kriging, and as described in the "*Grade Estimation Methodology*" subsection, volume-variance corrections were used to mitigate its effects. Theoretical histograms were calculated to verify the correct level of smoothing, indicating the anticipated variance and distribution of each estimated metal for the chosen block model size. Scaled composite histograms were utilized to compute expected tonnes and average grades above various cutoff grades. The comparison between the expected model variance and the variance of the estimated model confirmed that the appropriate level of smoothing was achieved for the estimated blocks' scale.

Overall, the estimated zinc, lead, and gold grades illustrate the desired amount of smoothing. Although there are differences between the estimated silver and copper values and their theoretical histograms, adjusting the search strategy now could introduce too much local bias. The Authors expect these discrepancies to diminish as the project

progresses, with increased drilling density, refined histogram and variogram input parameters, and more data available for estimation.

### ***Visual Validation***

The QPs visually reviewed the estimated block model grades in cross-sectional views, comparing the estimated block model grades to the input composites and the modelled mineralization trends. The block model compares very well to the input compositing data. Local high- and low-grade zones are reproduced as desired, and the locally varying anisotropy adequately maintains variable mineralization orientations.

## **Mineral Resource Classification**

### ***Classification Definitions***

The 2024 Red Mountain MRE discussed in this Technical Report has been classified in accordance with guidelines established by the CIM “Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines” dated November 29, 2019, and CIM “Definition Standards for Mineral Resources and Mineral Reserves” dated May 14, 2014.

A Measured Mineral Resource is the part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of modifying factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.

An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with sufficient confidence to allow the application of modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.

An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

### ***Classification Methodology***

According to the CIM definition standards, the 2024 Red Mountain MRE is classified as an Inferred Mineral Resource. The MRE’s classification is based on geological confidence, data quality, data density, and grade continuity of the data. The 2024 Red Mountain MRE classification was determined using a single-pass strategy that flags each block that meets search restrictions. For the single pass, a search ellipsoid is centred on each block and orientated in the same way described in the subsection titled “*Grade Estimation Methodology*”. This process is completed separately from grade estimation.

## **Reasonable Prospects for Eventual Economic Extraction (“RPEEE”)**

### ***Metal Prices***

Table 14.13 summarizes the metal prices defined by the July 2023 consensus economic forecasts, which are used to establish RPEEE, equivalent calculations, and reporting cutoffs used to calculate the 2024 Red Mountain MRE.

**Table 14.13. Metal prices.**

Metal	Metal Value	
	Unit	Price
Zinc	US\$/tonne	2750
Silver	US\$/ozt	23
Gold	US\$/ozt	1850
Lead	US\$/tonne	2100
Copper	US\$/tonne	8800

***Metallurgical Testing***

International Metallurgical and Environmental Inc. conducted preliminary flotation tests on drill core rejects, creating a composite of samples from the Fosters domain within the DC zone. The mineralized material responded well to a traditional flotation scheme and produced a bulk flotation concentrate of copper-lead and much of the silver while producing a high-grade zinc concentrate.

Lead recoveries within the rougher flotation achieved approximately 75-80% recovery of available lead in the mineralized material, while silver recovery was more in the 70% range. The zinc flotation concentrate had very high quality, with recovery typically exceeding 98% of available zinc. Stocked cycle testing of this mineralized material is expected to result in final zinc concentrate recoveries of more than 90 percent zinc. Overall, the mineralized material responded well to flotation, and Austin (1999) recommends further optimization, including grind targets and reagent schedules.

Mr. Raffle and Mr. Black consider this test work suitable to establish inferred mineral resources and are comparable to similar projects. However, gold recoveries were not established by Austin (1999); therefore, the QPs assume a gold recovery of 80%. Table 14.14 summarizes the metal recoveries used to establish RPEEE, equivalent calculations, and reporting cutoffs used to calculate the 2024 Red Mountain MRE.

**Table 14.14. Metal recoveries.**

Metal	Recovery (%)
Zinc	90
Silver	70
Gold	80
Lead	75
Copper	70

***Grade Equivalency Calculations***

A zinc equivalent grade (ZnEQ) is used as a grade cutoff in the 2024 Red Mountain MRE. Moreover, silver equivalent grades (AgEQ) are reported as well. These grade equivalents are calculated considering metal prices outlined in Table 14.13 and metal recoveries outlined in Table 14.14. Ratios are calculated using the following formula:

$$ratio = \frac{price_{secondary} \times recovery_{secondary}}{price_{primary} \times recovery_{primary}}$$

The above formula assumes that the units of the grades and prices are all the same unit and that the recovery is in decimal percent. If different units are considered, the appropriate unit conversions are applied.

Table 14.15 and Table 14.16 present the ZnEQ and AgEQ equivalency ratios, respectively, performing equivalent calculations in the 2024 Red Mountain MRE calculation.

**Table 14.15. Zinc equivalency ratios.**

<b>Metal</b>	<b>Unit</b>	<b>Ratio</b>
<b>Zn</b>	<b>%</b>	<b>1.0000</b>
<b>Pb</b>	<b>%</b>	<b>0.6364</b>
<b>Cu</b>	<b>%</b>	<b>2.4889</b>
<b>Ag</b>	<b>ppm</b>	<b>0.0209</b>
<b>Au</b>	<b>ppm</b>	<b>0.1923</b>

**Table 14.16. Silver equivalency ratios.**

<b>Metal</b>	<b>Unit</b>	<b>Ratio</b>
<b>Zn</b>	<b>%</b>	<b>47.81</b>
<b>Pb</b>	<b>%</b>	<b>30.43</b>
<b>Cu</b>	<b>%</b>	<b>119.00</b>
<b>Ag</b>	<b>ppm</b>	<b>1.00</b>
<b>Au</b>	<b>ppm</b>	<b>91.93</b>

***Open-Pit RPEEE Parameters and Cutoff Calculation***

The CIM guidelines for mineral resources require that reported mineral resources demonstrate reasonable prospects for eventual economic extraction. Table 14.17 outlines the economic assumptions used to constrain the open-pit mineral resource statement and reporting cutoff.

The resource block model underwent several pit optimization scenarios using Deswik’s Pseudoflow pit optimization. The resulting pit shell (Figure 14.13 and Figure 14.14) is used to constrain the reported open-pit resources stated in this report, utilizing a cutoff of 1% ZnEQ.

**Table 14.17. Open-pit RPEEE and cutoff economic parameters.**

<b>Parameters</b>	<b>Unit</b>	<b>Value</b>
Mining Cost – Waste	US\$/t mined	3.00
Mining Cost – Mineralized	US\$/t mined	3.00
Processing Cost	US\$/t milled	19.0
Pit Slope	degrees	48

***Underground RPEEE Parameters and Cutoff Calculation***

The CIM guidelines for mineral resources require that reported mineral resources demonstrate reasonable prospects for eventual economic extraction. Open stope-style and room and pillar mining methods were selected for the DC and WTF resources, respectively.

Table 14.18 outlines the economic assumptions used to establish the underground mineral resource statement and reporting cutoff.

The reported underground resources utilize a cutoff of 3% ZnEQ. Isolated parts of the resource model that cannot form reasonable open-stope mining shapes are manually excluded from the resource calculation. Additionally, for underground resources to be reported, they must be within domains having a minimum horizontal width of 1.5 meters perpendicular to the domain’s strike at DC, or domains with a vertical height of 3 meters at WTF. Blocks narrower than the underground (UG) mining thickness standard are still considered for UG resources if their ZnEQ grade exceeds the cutoff when diluted to the required mining width or height. The dilution is calculated by adjusting the original grade based on the ratio of the minimum required thickness to the block’s actual thickness, effectively ‘diluting’ the grade for a larger, standardized volume.

**Table 14.18. Underground RPEEE and cutoff economic parameters.**

Parameters	Unit	Value
Mining Cost – All Methods – Waste	US\$/t mined	50
Mining Cost – All Methods – Mineralized Material	US\$/t mined	50
Processing Cost	US\$/t milled	20

### Mineral Resource Estimate Statement

The 2024 Red Mountain MRE is reported in accordance with the Canadian Securities Administrators’ NI 43-101 rules for disclosure and has been estimated using the CIM “Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines” dated November 29, 2019, and CIM “Definition Standards for Mineral Resources and Mineral Reserves” dated May 10, 2014.

Modelling was conducted in the UTM coordinate space relative to the NAD 1927 and UTM Zone 6N (EPSG: 26706). The mineral resource block model utilized a SMU parent block size of 3 m (X) by 3 m (Y) by 3 m (Z) to honour the mineralization wireframes. The block model is not subblocked. Instead, the percentage of the volume of each block below the modelled waste overburden surface and within each mineralization domain was calculated using the 3D geological models and a 3D overburden model. Metal grades were estimated using Ordinary Kriging with locally varying anisotropy considering capped drillhole composites. For Inferred resources, blocks need at least one drillhole within a search ellipse of 110 m by 50 m by 30 m, based primarily on the second variogram structure.

The reported open-pit resources utilize a cutoff of 1% ZnEQ. The resource block model underwent several pit optimization scenarios using Deswik’s Pseudoflow pit optimization. The resulting pit shell is used to constrain the reported open-pit resources.

The reported underground resources utilize a cutoff of 3% ZnEQ. Isolated parts of the resource model that cannot form reasonable open-stope mining shapes are manually excluded from the resource calculation. Additionally, for underground resources to be reported, they must be within domains having a minimum horizontal width of 1.5 meters perpendicular to the domain’s strike at DC or domains with a vertical height of 3 meters at WTF. Alternatively, the block is reported if estimated grades are high enough after dilution to meet this minimum width or height and maintain a grade above the 3% ZnEQ.

The 2024 Red Mountain MRE comprises Inferred Mineral Resources of 1,097 thousand (k) tonnes (t) ZnEQ at 7.02% and 168.6 million (M) troy ounces (oz) AgEQ at 335.7 g/t within 15.6 Mt. Table 14.19 presents the complete MRE statement for the Red Mountain Project.

**Table 14.19. Inferred 2024 Red Mountain Mineral Resource Estimate<sup>(1-15)</sup>**

Mineral Resource Area	Rock (Mt)	ZnEQ (kt)	ZnEQ (%)	AgEQ (Moz)	AgEQ (ppm)	Zn (kt)	Zn (%)	Pb (kt)	Pb (%)	Cu (kt)	Cu (%)	Ag (Moz)	Ag (ppm)	Au (Koz)	Au (ppm)
<b>Open-Pit Inferred Mineral Resource Estimate @ 1% ZnEQ Cutoff</b>															
DC	7.7	428	5.55	65.8	265.4	210	2.73	81	1.05	17	0.22	11.2	45.0	85	0.34
WTF	2.5	300	11.86	46.0	567.0	128	5.09	63	2.49	2	0.09	13.4	165.1	64	0.79
Global	10.2	728	7.11	111.9	339.8	339	3.31	144	1.41	19	0.19	24.6	74.6	149	0.45
<b>Underground Inferred Mineral Resource Estimate @ 3% ZnEQ Cutoff</b>															
DC	3.9	248	6.43	38.2	307.2	135	3.50	49	1.28	6	0.15	6.3	51.0	43	0.35
WTF	1.5	121	7.96	18.6	380.4	58	3.79	23	1.53	1	0.07	5.0	101.4	22	0.46
Global	5.4	369	6.86	56.8	327.9	193	3.59	73	1.35	7	0.13	11.3	65.3	65	0.38
<b>Combined Open-Pit and Underground Inferred Mineral Resource Estimate</b>															
DC	11.6	676	5.84	104.0	279.4	346	2.99	130	1.13	23	0.20	17.5	47.0	128	0.34
WTF	4.0	420	10.39	64.6	496.9	186	4.60	86	2.13	3	0.08	18.4	141.2	86	0.66
Global	15.6	1,097	7.02	168.6	335.7	532	3.41	216	1.39	26	0.17	35.9	71.4	214	0.43

**Notes:**

1. The 2024 Red Mountain Mineral Resources were estimated and classified in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (“**CIM**”) “Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines” dated November 29, 2019, and the CIM “Definition Standards for Mineral Resources and Mineral Reserves” dated May 10, 2014.
2. Mr. Warren Black, M.Sc., P.Geo. of APEX Geoscience Ltd., a QP as defined by NI 43-101, is responsible for completing the 2024 Red Mountain Mineral Resource Estimate, effective January 12, 2024.
3. Mineral resources that are not mineral reserves have not demonstrated economic viability. No mineral reserves have been calculated for Red Mountain. There is no guarantee that any part of the mineral resources discussed herein will be converted to a mineral reserve in the future.
4. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, market, or other relevant factors.
5. The quantity and grade of reported Inferred Resources is uncertain, and there has not been sufficient work to define the Inferred Mineral Resource as an Indicated or Measured Mineral Resource. It is reasonably expected that most of the Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
6. All figures are rounded to reflect the relative accuracy of the estimates. Totals may not sum due to rounding. Reported grades are undiluted.
7. A standard density of 2.94 g/cm<sup>3</sup> is assumed for mineralized material and waste rock. Overburden density is set at 1.8 g/cm<sup>3</sup>. For mineralized material blocks with iron assays close enough to estimate an iron value for the block, density is calculated using the formula: density (g/cm<sup>3</sup>) = 0.0553 \* Fe (%) + 2.5426.
8. Metal prices are US\$2,750/tonne Zn, US\$2,100/tonne Pb, US\$8,880/tonne Cu, US\$1,850/oz Au, and US\$23/oz Ag.
9. Recoveries are 90% Zn, 75% Pb, 70% Cu, 70% Ag, and 80% Au.
10.  $ZnEQ (\%) = [Zn (\%) \times 1] + [Pb (\%) \times 0.6364] + [Cu (\%) \times 2.4889] + [Ag (ppm) \times 0.0209] + [Au (ppm) \times 0.1923]$
11.  $AgEQ (ppm) = [Zn (\%) \times 47.81] + [Pb (\%) \times 30.43] + [Cu (\%) \times 119] + [Ag (ppm) \times 1] + [Au (ppm) \times 91.93]$
12. Open-pit resource economic assumptions are US\$3/tonne for mining mineralized and waste material, US\$19/tonne for processing, and 48° pit slopes.
13. Underground resource economic assumptions are US\$50/tonne for mining mineralized and waste material and US\$19/tonne for processing.
14. Open-pit resources comprise blocks constrained by the pit shell resulting from the pseudoflow optimization using the open-pit economic assumptions.

15. *Underground resources comprise blocks below the open-pit shell that form minable shapes. They must be contained in domains of a minimum width of 1.5 m at Dry Creek or 3 m height at West Tundra Flats. Resources not meeting these size criteria are included if, once diluted to the required size, maintain a grade above the cutoff.*

### Mineral Resource Estimate Sensitivity

Mineral Resources can be sensitive to the selection of the reporting cutoff grade. Table 14.20 and Table 14.21 present Mineral Resources at various cutoff grades for both open-pit and underground resources, respectively.

**Table 14.20. Sensitivities of open-pit resources.**

ZnEQ Cutoff (%)	Rock (Mt)	ZnEQ (kt)	ZnEQ (%)	AgEQ (M oz)	AgEQ (ppm)	Zn (kt)	Zn (%)	Pb (kt)	Pb (%)	Cu (kt)	Cu (%)	Ag (M oz)	Ag (ppm)	Au (K oz)	Au (ppm)
0.5	10.3	728	7.06	111.9	337.7	339	3.29	144	1.40	19	0.19	24.6	74.1	149	0.45
1.0	10.2	728	7.11	111.9	339.8	339	3.31	144	1.41	19	0.19	24.6	74.6	149	0.45
2.0	9.1	709	7.82	109.0	373.7	330	3.64	140	1.55	18	0.20	24.3	83.3	146	0.50
3.0	7.1	660	9.32	101.4	445.4	308	4.35	131	1.85	14	0.19	23.5	103.4	135	0.59
4.0	5.7	612	10.70	94.1	511.8	284	4.97	123	2.16	10	0.18	22.7	123.5	128	0.69

**Table 14.21. Sensitivities of underground resources.**

ZnEQ Cutoff (%)	Rock (Mt)	ZnEQ (kt)	ZnEQ (%)	AgEQ (M oz)	AgEQ (ppm)	Zn (kt)	Zn (%)	Pb (kt)	Pb (%)	Cu (kt)	Cu (%)	Ag (M oz)	Ag (ppm)	Au (K oz)	Au (ppm)
2.0	9.4	473	5.00	72.6	239.3	254	2.69	90	0.95	12	0.13	12.6	41.5	82	0.27
3.0	5.4	369	6.86	56.8	327.9	193	3.59	73	1.35	7	0.13	11.3	65.3	65	0.38
4.0	3.3	300	8.96	46.1	428.5	150	4.48	60	1.81	4	0.12	10.4	96.7	56	0.52
5.0	2.4	256	10.81	39.4	516.7	123	5.20	53	2.25	3	0.12	9.6	125.8	49	0.64

### Risk and Uncertainty in the Mineral Resource Estimate

Interpreting thin, mineralized zones from drill hole data introduces significant uncertainty, primarily when structural offsets are inadequately represented in the drillhole database. Developing a detailed geological model would enhance confidence in identifying the orientation of sulphide layers within the stratigraphy, thus minimizing the risk of misconnecting zones. Additionally, this model would better indicate the locations of substantial structural offsets, establishing clear boundaries in the resource model and further reducing uncertainty in estimation domains.

DC exhibits a notable bias in drillhole orientations, with densely spaced holes along the deposits striking near the surface and sparser drilling down dip. This spatial bias might hinder the accurate determination of variogram directions, as the direction with denser data could falsely appear as the primary continuity direction. Additionally, at WTF, the drillhole spacing is insufficient for accurate variogram calculation, as it does not allow for the determination of short-range variations. Such factors contribute to the risk and uncertainty in calculating metal grades based on variography. A more reliable variogram analysis can be achieved by increasing drillhole density in various directions at DC and enhancing overall density at WTF, thereby mitigating these uncertainties.

The WTF resource has increased risk and uncertainty due to the thin nature of the zones and the sparse distribution of drillholes. The limited drilling and thin zones contribute materially to the resource. Additional infill drilling in the zone would reduce these uncertainties.

Historical drilling in both DC and WTF was notably selective, potentially missing mineralized zones. More recent historical drilling, though still selective, has broadened the sampling scope, defining additional horizons that could be missing in historical assays.

Absent iron assays in some drilling campaigns introduce risk by affecting mineralized material density calculations. This inconsistency can lead to inaccuracies. It is important to include iron assaying in future drilling to reduce this risk, ensuring more accurate density calculations and reliable resource estimations as additional drilling is completed.

The Authors are unaware of any other significant material risks to the MRE besides the risks inherent to mineral exploration and development. The Authors of this report are not aware of any specific environmental, permitting, legal, title, taxation, socioeconomic, marketing, political or other relevant factors that might materially affect the results of this Mineral Resource Estimate, and there appears to be no apparent impediments to developing the MRE at the Red Mountain Property.

Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no guarantee that all or any part of the mineral resources will be converted into a mineral reserve.

## **Interpretation and Conclusions**

### ***Results and Interpretations***

Based on historic work by previous operators, Mr. Raffle's site visit and verification samples, and the 2024 MRE, the Authors believe that the Property is prospective to host additional base and precious metals mineralization.

### ***Risks and Uncertainties***

Red Mountain is subject to the same types of external risks and uncertainties as other similar mining projects. Silver47 will attempt to reduce risk and uncertainty through effective project management, engaging technical experts, and developing contingency plans. Potential risk factors include changes in metal prices, increases in exploration costs, fluctuations in labour costs and availability, availability of investment capital, changes in government regulations, community engagement and socio-economic community relations, civil disobedience and protest, permitting and legal challenges, and general environmental concerns. However, Alaska is considered a mining friendly jurisdiction with a well-established mining law and permitting process.

With respect to the MRE, developing a detailed geological model for both deposits would enhance confidence in identifying the orientation of sulphide layers within the stratigraphy, thus minimizing the risk of misconnecting zones.

The WTF resource has increased risk and uncertainty due to the thin nature of the zones and the sparse distribution of drillholes. The limited drilling and thin zones contribute materially to the resource. Additional infill drilling in the zone would reduce these uncertainties.

### ***Exploration and Recommendations***

Based on the interpretation of geology, the presence of untested surface geochemical and geophysical anomalies, current mineral resources defined within the Red Mountain VMS Project additional exploration work is recommended to enhance the confidence of the disclosed mineral resource, including drilling, relogging of drill core and additional surface geochemical sampling, mapping and metallurgical test-work:

- As part of Phase 1, relogging historic drill core, and surface geochemical sampling, geological mapping and metallurgical test-work are recommended. The estimated cost of the Phase 1 program is CDN \$500,000.
- Phase 2 exploration is dependent on the results of Phase 1 and includes diamond drilling (~3,000 m), and preliminary economic assessment (PEA) studies to advance the project. The recommended Phase 2 drilling at the Red Mountain Property will test targets generated from the existing exploration dataset combined with the Phase 1 re-logging and surface exploration results. The estimated cost of the Phase 2 program is

\$2,700,000. The Company does not currently have sufficient funds to complete the Phase 2 program. If the results of the Phase 1 program are successful, the Company intends to fund the Phase 2 program through one or more offerings of equity securities.

Collectively, the proposed contingent exploration program has a total estimated cost of \$3,200,000, not including GST.

## AVAILABLE FUNDS AND PRINCIPAL PURPOSES

### Available Funds and Principal Purposes

The Company is not raising any funds in conjunction with this Prospectus and, accordingly, there are no proceeds to be raised by the Company pursuant to this Prospectus. Pursuant to the Offering, the Company raised gross proceeds of \$5,037,914.40 in the aggregate. The Company had working capital as on September 30, 2024, of \$1,839,000. Upon Listing, the principal purposes for the foregoing available funds will be as follows:

<u>Principal Purposes</u>	<u>Amount</u>
Estimated remaining expenses of the Listing (regulatory, filing, legal expenses, etc.)	\$100,000
Recommended Exploration Program expenditures on the Property <sup>(1)</sup>	\$500,000
Estimated general and administrative expenses for 12 months <sup>(2)</sup>	\$662,666.67
Unallocated working capital	\$576,333.33 <sup>(3)</sup>
<b>Total</b>	<b>\$1,839,000</b>

**Notes:**

- (1) See “*Material Property – Exploration and Recommendations*”.
- (2) Estimated based on the following amounts: \$314,666.67 in management consulting fees, \$150,000 in employee salaries, \$56,000 in marketing expenses, \$23,333.33 in D&O insurance, \$36,000 in legal fees, \$40,666.67 in audit and tax fees, and \$42,000 in administrative fees. See “*Executive Compensation*” and “*Interests of Management and Others in Material Transactions*”.
- (3) The Company intends to use the unallocated funds, subject to the successful completion of the Recommended Exploration Program, to further explore the Property based on the work program to be developed by a qualified person and for the potential acquisition and exploration of additional claims that are proximate to the Property.

The available funds will be sufficient to achieve the Company’s objectives over the next 12 months. The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. In addition, future developments in the Company’s mineral properties or unforeseen events may impact the ability of the Company to use the available funds as intended or disclosed. Use of funds will be subject to the discretion of management. Until the Company uses the unallocated funds, the Company will hold them in cash and/or invest them in short-term, interest-bearing, investment-grade securities. The Company has had negative cash flow from operations since Incorporation. See “*Risk Factors*” for further detail.

### Business Objectives and Milestones

The Company’s intended business objective and milestone following the Listing is to complete the Recommended Exploration Program on the Property, as described herein. Based upon the recommendations of the Authors in the Technical Report, the Company has commenced work on the initial aspects of the Recommended Exploration Program. The remainder of Phase 1 of the Recommended Exploration Program is expected to be completed within approximately 9 to 12 months from the date of this Prospectus, during which time the Company will review, analyze and summarize results from Phase 1. See “*Material Property – Work Recommended in Technical Report*”. The milestone for the Company is to conduct sufficient exploration to expand its initial maiden compliant resource on the project.

The Company intends to spend a significant portion of the funds available to it on the Recommended Exploration Programs, as stated in this Prospectus. There may be circumstances however, where, for sound business reasons, a reallocation of funds may be necessary.

The company anticipates the proceeds raised pursuant to the Offering are expected to fund the company's operations for 12 months. The company anticipates it will have sufficient funds to cover its operating costs and stated business objectives during that period of time. See "*Stated Business Objectives and Competitive Conditions*" and "*Available Funds and Principal Purposes*".

### Negative Operating Cash Flow

Siver47 has had negative cash flow from operations since Incorporation. The Company anticipates it will continue to have negative cash flow from operating activities in future periods until such time as the Property or other future interests generate revenues. Future cash flows from such interests are dependent upon the underlying projects achieving production. There can be no assurance that such production will ever be achieved. See "*Caution Regarding Forward-Looking Statements*" and "*Risk Factors*".

### DIVIDEND POLICY

The Company has not declared or paid any dividends or other distributions on the Common Shares or the Original Silver47 Shares since Incorporation. The Company does not currently have a policy with respect to the payment of dividends or other distributions. While there are no restrictions precluding the Company from paying dividends, it has no source of cash flow, and anticipates using all available cash resources toward its stated business objectives. As such the Company does not anticipate the payment of dividends in the foreseeable future. At present, the Company's policy is to retain earnings, if any, to finance its business operations. The payment of dividends in the future will depend upon, among other factors, the Company's earnings, capital requirements and operating financial conditions.

### SELECTED FINANCIAL INFORMATION

The following table sets forth selected financial information of the Company for the periods or as at the dates indicated. This summary financial information should be read in conjunction with the "*Financial Statements for the Company*" attached to and forming part of this Prospectus as Schedule A and the "*Management Discussion and Analysis for the Company*" attached to and forming part of this Prospectus as Schedule B.

	<b>For the year ended July 31, 2023 (audited) (\$)</b>	<b>For the year ended July 31, 2022 (audited) (\$)</b>	<b>The 3 and 9 months ended April 30, 2024 (unaudited) (\$)</b>
Total current assets	\$2,356,378	\$4,546,102	\$745,389
Total non-current assets	\$3,055,500	\$2,825,000	\$11,139,046
Total Assets	\$5,411,878	\$7,371,102	\$11,884,435
Current Liabilities	\$127,891	\$922,020	\$494,010
Total Liabilities	\$127,891	\$922,020	\$658,072
Deficit	(\$4,019,596)	(\$3,136,027)	(\$5,703,168)

As an exploration stage company, the Company has not generated revenue from its property interest and does not anticipate it will do so for the foreseeable future. The Company and management anticipates that expenses related to mineral exploration and administration of the Company will materially increase in 2024 as the Company completed the acquisition of the Project on October 6, 2023. Management anticipates that such expenses will include increased exploration expenditures with respect to the Property and increased professional fees, and other costs associated with compliance with applicable securities laws in connection with the Listing.

### Exploration and Development Costs

For the financial year ended July 31, 2023, the financial year ended July 31, 2022, and the three and nine month periods ended April 30, 2024, the Company has incurred the following costs in connection with its properties:

	<b>Financial year ended July 31, 2023<sup>(1)</sup></b>	<b>Financial year ended July 31, 2022<sup>(1)</sup></b>	<b>For the 9 month period ended April 30, 2024<sup>(2)</sup></b>	<b>For the 3 month period ended April 30, 2024<sup>(2)</sup></b>
Exploration and evaluation assets or expenditures	\$834,093	\$1,263,919	\$588,413	\$182,000
Expensed research and development costs	-	-	-	-
Intangible assets arising from development	-	-	-	-
General and administrative costs	\$682,119	\$456,661	\$613,581	\$255,155
Other material costs				

**Notes:**

- (1) Incurred in connection with the Michelle Property and Adams Plateau Property. As at April 30, 2024, the Company has invested \$2,825,000 to acquire the Michelle Property and \$230,500 to acquire the Adams Plateau Property.
- (2) Incurred in connection with the Property. As at April 30, 2024, the Company has invested \$8,048,000 to acquire the Property.

## FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

The following financial statements of the Company and its subsidiaries and MD&A are included as schedules to this Prospectus:

- Schedule A:** Audited financial statements of the Company for the financial years ended July 31, 2023 and 2022.
- Schedule B:** Management's discussion and analysis of the Company for the financial year ended July 31, 2023.
- Schedule A:** Condensed interim financial statements of the company for the three and nine months ended April 30, 2024.
- Schedule B:** Management's discussion and analysis of the Company for the three and nine months ended April 30, 2024.

The financial statements listed above have been prepared in accordance with IFRS.

Certain information included in the MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Caution Regarding Forward-Looking Statements*".

## DESCRIPTION OF THE SECURITIES DISTRIBUTED

As of the date of this Prospectus, there are 6,297,393 Special Warrants issued and outstanding, pursuant to, issued under and governed by the terms and conditions set forth in the Special Warrant Certificates. Each Special Warrant entitles the holder to receive, immediately upon the completion of the Liquidity Event and without payment of additional consideration, one Unit.

This Prospectus is being filed for the purpose of qualifying the distribution of 6,297,393 Units issuable upon automatic exercise of Special Warrants.

## Special Warrant Shares

The Special Warrant Shares issuable upon the automatic exercise of the Special Warrants will have the same rights, restrictions and privileges as the Common Shares. See “*Description of the Securities Distributed – Common Shares*” for a description of the rights of holders of Common Shares.

## Common Shares

The Company’s authorized capital consists of an unlimited number of Common Shares of which 43,746,467 Common Shares are issued and outstanding as at the date of this Prospectus. The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding-up of the Company or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs the holders of the Common Shares will be entitled to receive, on a *pro rata* basis, all remaining property and assets of the Company. The holders of Common Shares are entitled to receive dividends as and when declared by the Board in respect of the Common Shares on a *pro rata* basis. Upon the Company becoming a reporting issuer, there will be no pre-emptive, redemption, retraction, purchase or conversion rights attached to the Common Shares.

## Underlying Warrants

The Underlying Warrants issuable upon the automatic exercise of the Special Warrants, will be created and issued pursuant to the terms of the Underlying Warrant Certificates. Each Underlying Warrant will entitle the holder thereof to acquire one Warrant Share until the date that is 24 months from the date of issuance at a price of \$1.00 per Warrant Share.

The Special Warrant Certificates provide that in the event of certain alterations of the qualified securities, including any subdivision, consolidation or reclassification, and in the event of a capital reorganization of the Company, including any amalgamation, merger or arrangement or a sale or conveyance of the property or assets of the Company, as an entirety or substantially an entirety, an adjustment shall be made to the terms of the Underlying Warrants such that the holders shall, upon exercise of the Underlying Warrants following the occurrence of any of those events, be entitled to receive the same number and kind of securities that they would have been entitled to receive had they exercised their Underlying Warrants prior to the occurrence of those events. No fractional securities will be issued upon the exercise of the Underlying Warrants.

## CONSOLIDATED CAPITALIZATION

Other than as described in this Prospectus, there have been no material changes in the share capitalization or the indebtedness of the Company since the date of the Company’s most recent financial period, April 30, 2024. The following table sets out the capitalization of the Company as at April 30, 2024, and the date of this Prospectus. See “*Prior Sales*” and “*Options to Purchase Securities*”. The following table must be read in conjunction with the Company’s Financial Statements.

Designation	Amount Authorized	Amount Outstanding as of April 30, 2024	Amount Outstanding as of the Date of this Prospectus	Amount Outstanding once the Special Warrants are converted <sup>(5)</sup>
Common Shares <sup>(1)</sup>	Unlimited	43,746,467	43,746,467	50,043,860
Options <sup>(2)</sup>	–	1,950,000	1,950,000	1,950,000
Warrants <sup>(3)</sup>	–	7,108,043 <sup>(3)</sup>	7,108,043 <sup>(3)</sup>	10,256,738 <sup>(3)</sup>
Special Warrants <sup>(4)</sup>	–	94,417	6,297,393	-
Finder’s Warrants <sup>(5)</sup>	–	-	103,005	103,005
RSUs <sup>(6)</sup>	–	2,100,000	2,350,000	2,350,000
<b>Total</b>		<b>54,998,927</b>	<b>61,555,403</b>	<b>64,704,098</b>

**Notes:**

- (1) See “*Description of the Securities Distributed – Common Shares*”.
- (2) Each Option is exercisable for 10 years from the date of issuance and entitles the holder thereof to purchase one Common Share at a price of \$0.50 or \$0.75. See “Options to Purchase Securities”.
- (3) Common Share purchase warrants in the capital of the Company. The Warrants have exercise prices ranging between \$0.50 to \$1.00, and expire two years after the Listing.
- (4) See “*Description of the Securities Distributed*”.
- (5) 86,380 finder’s warrants were issued entitling the finder to acquire one Common Share at \$1.00 until the Expiry Date; 7,000 finder’s warrants were issued entitling the finder to acquire one Common Share at \$0.80 until June 6, 2026; and 9,625 finder’s warrants were issued entitling the finder to acquire one Common Share at \$1.00 until June 6, 2026.
- (6) Of the 2,350,000 RSUs issued, 50% of the 2,100,000 RSUs issued on November 30, 2023 shall vest on November 30, 2024, with the remaining 50% vesting on November 30, 2025. Of the 500,000 RSUs issued on July 8, 2024, one third shall vest on each of the 12 month, 18 month and 24 month anniversary of the award date. The RSUs were issued at a deemed value ranging between \$0.75 to \$0.80 per RSU.

## **OPTIONS TO PURCHASE SECURITIES**

### ***Share Compensation Plan***

The Share Compensation Plan was approved by the Board of Directors effective as of September 30, 2021 and was amended to comply with the amendments made by the TSXV to its policies regarding security based compensation. The principal purpose of the Share Compensation Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and of its subsidiaries or affiliates, if any, by providing them with the opportunity to be issued with and acquire Common Shares, thereby increasing their proprietary interest in the Company, and encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs. Material terms of the Share Compensation Plan are summarized as follows:

(a) Administrators

The Share Compensation Plan is currently administered by the Board of Directors (the “**Administrators**”), which has full and final authority with respect to the granting of all Options and RSUs thereunder.

(b) Eligible Persons

Options may be granted and RSUs may be awarded under the Share Compensation Plan, by the Administrators in accordance with the provisions of the Share Compensation Plan, to any (i) director, officer or employee of the Company or of any of its subsidiaries; (ii) individual employed by a company providing management services to the Company, which services are required for the ongoing successful operation of the business enterprise of the Company; or (iii) consultant (an individual other than (i) above) to whom an award has been granted under the Share Compensation Plan (collectively, the “**Eligible Persons**”).

(c) Common Shares subject to the Share Compensation Plan

The Share Compensation Plan is a “rolling up to 10%” omnibus plan whereby the total number of Common Shares that are issuable pursuant to all security based compensation granted or awarded hereunder, in aggregate, is equal to up to a maximum of 10% of the issued and outstanding Common Shares as of the date of grant or award. Any RSUs that must be settled in cash in accordance with the restricted share unit agreement shall not count towards the maximum of 10% of issued and outstanding Common Shares reserved under the Share Compensation Plan.

Pursuant to the Share Compensation Plan: (i) unless the Company obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all security based compensation granted or issued to any one Eligible Person participates in the Share Compensation Plan (the “**Participant**”) in any 12-month period shall not exceed 5% of the issued and outstanding Common Shares; (ii) the maximum number of Common Shares issuable pursuant to all security based compensation granted or issued in any 12-month period to any one consultant shall not exceed 2% of the issued and outstanding Common Shares; (iii) the maximum aggregate number of Common Shares issuable pursuant to all Options granted to all investor relations service providers (they may not receive any securities based compensation other than Options) in any 12 month period in aggregate shall not exceed 2% of the issued and outstanding Common Shares; provided, that Options granted to any and all investor relations

service providers must vest in stages over a period of not less than 12 months (with no acceleration vesting requirements) with no more than 25% of the Options shall vest before each of the 3, 6, 9 and 12-month periods after the Options were granted.

Unless the Company obtains disinterested shareholder approval, the maximum aggregate number of Common Shares issuable pursuant to all security based compensation granted or issued under the Plan: (a) to insider Participants as a group shall not exceed 10% of the issued and outstanding Common Shares at any point in time; (b) in any 12-month period to insider Participants as a group shall not exceed 10% of the issued and outstanding Common Shares.

(d) Options

Subject to the provisions of the Share Compensation Plan, the Administrators shall determine, in accordance with applicable vesting requirements of the Exchange, if the Common Shares are listed on the Exchange, the vesting criteria applicable to the Options. The Administrators may determine when any Option will become exercisable and may determine that Options shall be exercisable in instalments or pursuant to a vesting schedule.

The exercise prices of Options will be determined by the Board of Directors, but will, in no event, be less than the price which is the last closing price of the Common Shares before the grant date of the Option less the applicable discount permitted by the TSXV. With respect to Options granted to U.S. Participants, the exercise price shall not be less than the closing price of the Common Shares on any exchange in Canada where Common Shares are listed on the last trading day prior to the grant date.

All Options granted under the Share Compensation Plan will expire no later than the date that is ten years from the date that such Options are granted. Options granted under the Share Compensation Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

All Options granted shall be evidenced by an option agreement in the form as provided in the Share Compensation Plan or in such other form as the Administrators may approve from time to time.

Options that have vested in accordance with the provisions of the Share Compensation Plan and the applicable option agreement may be exercised at any time, or from time to time provided that no partial exercise may be for less than 100 whole Common Shares.

Upon actual receipt by the Company of the exercise price for the Options and an exercise notice, the number of Common Shares in respect of which the Options are exercised will be issued as fully-paid and non-assessable Common Shares. Unless otherwise determined by the Administrators or not compliant with any applicable laws or rules of the Exchange, an Option Holder may elect a cashless or net exercise of the Options.

(e) Restricted Share Units

At the time of the award of the RSUs, the Administrators shall, subject to the TSXV rules, determine in their sole discretion the vesting criteria applicable to such RSUs, provided that, subject to a Participant who cease to be an Eligible Person due to certain Event of Termination (as such term is defined below) or change of control transaction as set forth in the Share Compensation Plan, no RSUs may vest before the date that is one year following the date of award.

As soon as practicable after the relevant date of vesting of any RSUs and with respect to a U.S. holders of RSUs, no later than 60 days thereafter, the vested RSUs shall be settled. The vested RSUs can be settled by the Company issuing or paying to the RSU holder (a) a lump sum payment in cash equal to the number of vested RSUs multiplied by the market price of a Common Share on the payout date; (b) the number of Common Shares upon the vesting of such RSUs; or (c) any combination of the foregoing.

RSUs granted under the Share Compensation Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

All RSUs awarded shall be evidenced by a restricted share unit agreement in the form as provided in the Share Compensation Plan or in such other form as the Administrators may approve from time to time.

(f) Event of Termination

Except as otherwise stated in the Share Compensation Plan, upon the occurrence of an Event of Termination (as such term is defined below) in respect of an Option Holder, (i) any unvested Options will be cancelled unless otherwise determined by the Administrators; and (ii) any vested Options granted that are available for exercise may be exercised only before the earlier of: (1) the expiry of the Option; and (2) six months after the date of the Event of Termination, unless otherwise determined by the Administrator or agreed to by the Company in an employment agreement or consulting agreement with an Eligible Person. In the event that an Option Holder's employment is terminated for just cause, each Option held by the Option Holder, whether or not then exercisable, shall forthwith and automatically be cancelled and may not be exercised by the Option Holder.

If an Event of Termination has occurred in respect of any holder of RSUs, (i) any and all Common Shares corresponding to any vested RSUs in such holder's account shall be issued as soon as practicable after the Event of Termination to such holder. With respect to each RSU of a U.S. Participant, such RSU will be settled and shares shall be issued as soon as practicable following the date of vesting, but in all cases within 60 days following such date of vesting; and (ii) any unvested RSUs shall, unless otherwise determined by the Administrators or otherwise agreed to by the Company in an employment agreement or consulting agreement with an Eligible Person, and subject to the requirements in the TSXV, be forfeited by the Participant and cancelled. In the event that an RSU holder's employment is terminated for just cause, each unvested RSU in the holder's account shall forthwith and automatically be forfeited by the Participant and cancelled. With respect to any unvested RSU of a U.S. Participant, if the Administrators determine, in their discretion, to waive vesting conditions applicable to the RSU that is unvested at the time of an Event of Termination, such RSU shall not be forfeited or cancelled, but instead will be deemed to be vested and settled and shares shall be delivered following the date of vesting.

Any security based compensation granted or issued must expire within 12 months following the date the Participant ceases to be an Eligible Person.

"Event of Termination" means an event whereby a person eligible to participate in the Share Compensation Plan ceases to be an Eligible Person and shall be deemed to have occurred by the giving of any notice of termination of employment or service (whether voluntary or involuntary and whether with or without cause), retirement, or any cessation of employment or service for any reason whatsoever, including disability or death.

**Options**

As of the date of this Prospectus, the following 1,950,000 Options are all held by executive officers, directors and a consultant pursuant to the Share Compensation Plan and these Options are expected to be held by them following Listing:

Category of Optionee	Grant Date	Expiry Date	Number of Optionees	Number of Options	Exercise Price of Options <sup>(1)</sup>
Directors <sup>(2)</sup>	September 30, 2021	September 30, 2031	3	1,350,000 <sup>(3)</sup>	\$0.50
Officers <sup>(4)</sup>	September 30, 2021	September 30, 2031	1	500,000 <sup>(3)</sup>	\$0.50
Consultant	November 30, 2023	November 30, 2033	1	100,000 <sup>(5)</sup>	\$0.75

**Notes:**

- (1) The exercise price was determined by the Board pursuant to the Share Compensation Plan.
- (2) Options issued to Gary R. Thompson, Ryan Goodman and David Netherway in their capacity as directors of the Company.
- (3) Each Option entitles the holder to acquire one Common Share. 50% of these Options vested on September 30, 2021 and the remaining 50% of which vested on September 30, 2022.
- (4) Options issued to Kevin Chen in his capacity as Chief Financial Officer of the Company.
- (5) Each Option entitles the holder to acquire one Common Share subject to vesting criteria. 50% of these Options shall vest on the first anniversary and the remaining 50% of which shall vest on the second anniversary after the grant date.

**Restricted Share Units**

As of the date of this Prospectus, the following 2,350,000 RSUs are held by management, directors and consultants pursuant to the Share Compensation Plan and these RSUs are expected to be held by them following Listing:

Category of RSU Holder	Award Date	Number of RSU Holders	Number of RSUs	Deemed Price of RSUs <sup>(1)</sup>
Directors <sup>(2)</sup>	November 30, 2023	3	850,000 <sup>(3)</sup>	\$0.75
Officers <sup>(4)</sup>	November 30, 2023	2	600,000 <sup>(3)</sup>	\$0.75
Consultants	November 30, 2023	3	400,000 <sup>(3)</sup>	\$0.75
Consultant	July 8, 2024	1	500,000 <sup>(3)</sup>	\$0.80

**Notes:**

- (1) Representing deemed price of RSUs had the Common Share underlying each such RSU been issued for money on the date of award.
- (2) RSUs awarded to Gary R. Thompson, Ryan Goodman and David Netherway in their capacity as directors of the Company.
- (3) Each RSU entitles the holder to receive one Common Share subject to vesting criteria. One third of these RSUs shall vest on each of the 12 month, 18 month and 24 month anniversary of the award date.
- (4) RSUs awarded to Kevin Chen in his capacity as Chief Financial Officer of the Company and to Alex Wallis in his capacity as the Vice President of Exploration of the Company.

**PRIOR SALES**

This table sets out particulars of the Common Shares and securities exercisable for or exchangeable into Common Shares issued by the Company within the 12 months prior to the date of this Prospectus:

Date	Type of Security	Number of Securities	Issue Price	Exercise Price	Aggregate Issue Price
October 5, 2023	Common Shares <sup>(1)</sup>	5,000,000	\$0.75 <sup>(1)</sup>	-	\$3,750,000
October 5, 2023	Common Shares <sup>(2)</sup>	5,000,000	\$0.75 <sup>(2)</sup>	-	\$3,750,000
November 30, 2023	Options <sup>(3)</sup>	100,000	-	\$0.75	-
November 30, 2023	RSUs <sup>(4)</sup>	1,850,000	-	-	-
April 2, 2024	Special Warrants <sup>(5)</sup>	94,417	\$0.80	-	\$75,534
May 9, 2024	Special Warrants <sup>(5)</sup>	78,750	\$0.80	-	\$63,000
May 17, 2024	Special Warrants <sup>(5)</sup>	812,501	\$0.80	-	\$650,001
May 21, 2024	Special Warrants <sup>(5)</sup>	500,000	\$0.80	-	\$400,000
May 23, 2024	Special Warrants <sup>(5)</sup>	1,500,000	\$0.80	-	\$1,200,000

<u>Date</u>	<u>Type of Security</u>	<u>Number of Securities</u>	<u>Issue Price</u>	<u>Exercise Price</u>	<u>Aggregate Issue Price</u>
June 4, 2024	Special Warrants <sup>(5)</sup>	1,234,000	\$0.80	-	\$987,200
June 4, 2024	Warrants <sup>(6)</sup>	86,380	-	\$1.00	-
June 6, 2024	Special Warrants <sup>(5)</sup>	478,125	\$0.80	-	\$382,500
June 6, 2024	Warrants <sup>(6)</sup>	7,000	-	\$0.80	-
June 6, 2024	Warrants <sup>(6)</sup>	9,625	-	\$1.00	-
June 21, 2024	Special Warrants <sup>(5)</sup>	170,000	\$0.80	-	\$136,000
July 8, 2024	RSUs <sup>(7)</sup>	500,000	-	-	-
July 17, 2024	Special Warrants <sup>(5)</sup>	537,500	\$0.80	-	\$430,000
July 31, 2024	Special Warrants <sup>(5)</sup>	892,100	\$0.80	-	\$713,680

**Notes:**

- (1) 5,000,000 Common Shares were issued at a deemed price of \$0.75 each (an aggregate deemed value of \$3,750,000) pursuant to an assignment agreement dated as of August 10, 2023 related to the Red Mountain Property.
- (2) 5,000,000 Common Shares were issued at a deemed price of \$0.75 each (an aggregate deemed value of \$3,750,000) pursuant to a mineral property purchase and sale agreement dated October 6, 2023 related to the Red Mountain Property.
- (3) 100,000 Options were issued to a consultant, with each Option exercisable at \$0.75 by November 30, 2033 subject to vesting criteria. 50% of these Options shall vest on the first anniversary and the remaining 50% of which shall vest on the second anniversary after the grant date.
- (4) 2,100,000 RSUs were originally awarded on November 23, 2023 at a deemed price of \$0.75 each had the Common Share underlying each such RSU been issued for money on the date of award. By resolutions dated June 15, 2024 of the Board, the number of RSUs awarded on November 23, 2023 to Gary R. Thompson was reduced by 150,000, and the number of RSUs awarded on November 23, 2023 to Kevin Chen was reduced by 100,000, resulting in a total of 1,850,000 RSUs issued as of November 30, 2023. Each RSU entitles the holder to receive one Common Share subject to vesting criteria. 50% of these RSUs shall vest 12 months after the award date and the remaining 50% of which shall vest 24 months after the award date.
- (5) The following Special Warrants were issued in 7 tranches at \$0.80 each:
  - (a) 94,417 Special Warrants were issued on April 2, 2024 representing tranche 1 issuance;
  - (b) 78,750 Special Warrants were issued on May 9, 2024, 2024 and 812,501 Special Warrants were issued on May 17, 2024, together representing tranche 2 issuance;
  - (c) 500,000 Special Warrants were issued on May 21, 2024 and 1,500,000 Special Warrants were issued on May 23, 2024, together representing tranche 3 issuance;
  - (d) 1,234,000 Special Warrants were issued on June 4, 2024 and 478,125 Special Warrants were issued on June 6, 2024, together representing tranche 4 issuance; and
  - (e) 170,000 Special Warrants were issued on June 21, 2024 representing tranche 5 issuance.
  - (f) 537,500 Special Warrants were issued on July 17, 2024 representing tranche 6 issuance.
  - (g) 892,100 Special Warrants were issued on July 31, 2024 representing tranche 7 issuance.

Each Special Warrant entitles the holder to receive on the 3<sup>rd</sup> business day following completion of the Liquidity Event and for no convertible and without payment of additional consideration, one Unit, with each Unit consisting of one Special Warrant Share and one-half of one Underlying Warrant. Each whole Underlying Warrant is exercisable into one Warrant Share at \$1.00 until the Expiry Date (as defined below).

“Expiry Date” means the date that is the earlier of: (i) 24 months following the date of Listing; and (ii) 60 months following the date of the special warrants (or warrants, in the case of finder’s warrants indicated below) were issued.

- (6) In connection with the tranche 4 issuance of Special Warrants indicated above, the following finder’s warrants were issued:
  - (a) 86,380 finder’s warrants were issued entitling the finder to acquire one Common Share at \$1.00 until the Expiry Date.
  - (b) 7,000 finder’s warrants were issued entitling the finder to acquire one Common Share at \$0.80 until June 6, 2026; and
  - (c) 9,625 finder’s warrants were issued entitling the finder to acquire one Common Share at \$1.00 until June 6, 2026.
- (7) 500,000 RSUs were issued on July 8, 2024 at a deemed price of \$0.75 each had the Common Share underlying each such RSU been issued for money on the date of award. Each RSU entitles the holder to receive one Common Share subject to vesting criteria. One third of these RSUs shall vest on each of the 12 month, 18 month and 24 month anniversary of the award date.

## PLAN OF DISTRIBUTION

This Prospectus is being filed with the securities regulatory authorities in British Columbia to qualify the distribution of 6,297,393 Units issuable for no additional consideration upon the automatic exercise of 6,297,393 Special Warrants.

The Special Warrants were issued in multiple tranches, with 94,417 Special Warrants issued on April 2, 2024, 78,750 issued on May 9, 2024, 812,501 issued on May 17, 2024, 500,000 on May 21, 2024, 1,500,000 on May 23, 2024, 1,234,000 on June 4, 2024, 478,125 on June 6, 2024, 170,000 on June 21, 2024, 537,500 on July 17, 2024 and 892,100 on July 31, 2024, all at a price of \$0.80 per Special Warrant to purchasers in Canada (in addition to purchasers resident in jurisdictions outside of Canada) on a private placement basis pursuant to prospectus exemptions under applicable securities legislation (the “**Offering**”) for gross proceeds of \$5,037,914.40 in the aggregate.

The terms of the Offering, including the offering price of the Special Warrants, were determined by negotiation between the Company and the subscribers.

The Special Warrants were issued pursuant to the terms of the Special Warrant Certificates. Subject to the terms and conditions of the Special Warrant Certificates, each Special Warrant entitles the holder to receive, immediately upon the completion of the Liquidity Event, one Unit, without payment of additional consideration. Each Unit consists of one Special Warrant Share and one half of one Underlying Warrant.

The Underlying Warrants will be governed by the terms of the Underlying Warrant Certificates to be issued by the Company to the holders thereof upon conversion of the Special Warrants. Each Underlying Warrant will entitle the holder thereof to acquire one Warrant Share at a price of \$1.00 per Warrant Share until the date that is 24 months after issuance of the Underlying Warrants.

In connection with the June 4 and June 6, 2024 tranches, certain finders were paid finders’ fees, which included (i) 103,005 Warrants, with an exercise price of \$1.00 or \$0.80 per Warrant and expiry date of 24 months from the date of issue of the Warrant or 24 months after the completion of a Liquidity Event and (ii) \$82,404 in cash.

There were no underwriters or agents involved in the Offering. The Company did not issue additional Special Warrants to underwriters, agents or to any finders.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities referenced herein within the U.S. or to, or for the account or benefit of, U.S. Persons. None of the Special Warrant Shares or Underlying Warrants have been or will be registered under the U.S. Securities Act or the securities laws of any state of the U.S. and may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. Persons, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

The Special Warrants may not be exercised by or on behalf of a U.S. Person or a person in the U.S. unless an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available. Accordingly, the Special Warrant Shares and Underlying Warrants will bear appropriate legends evidencing the restrictions on the offering, sale and transfer of such securities.

The Company has applied to list the securities distributed under this Prospectus on the TSXV. Listing will be subject to the Company fulfilling all the listing requirements of the TSXV. The TSXV has not conditionally approved any listing application and there is no assurance that it will do so. See: “*Risk Factors – Listing on the TSXV and Acquisition of the Property*”.

As at the date of the Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Cboe Canada Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

#### **ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER**

NP 46-201 provides that all securities of an issuer owned or controlled by a Principal must be placed in escrow at the time the issuer distributes its securities or convertible securities to the public by prospectus, unless the securities held by such Principal or issuable to such Principal upon conversion of convertible securities held by the Principal

collectively represent less than 1% of the total issued and outstanding securities of the issuer after giving effect to the initial distribution. Generally, a prospectus filed solely for the purpose of the issuer becoming a “reporting issuer” is not considered a prospectus which distributes the issuer’s securities or convertible securities. However, in Silver47’s case, as a market is being developed for its securities, this Prospectus is to be considered an “IPO prospectus” for the purposes of NP 46-201. As such, the securities held by the Principals will be held in escrow pursuant to the policies of NP 46-201.

The following table sets forth the securities of the Principals that, as at the date of Listing, will be subject to escrow or that are currently, or will be, subject to a contractual restriction on transfer and the percentage that number represents of the outstanding securities of that class.

<b>Designation of Class</b>	<b>Number of Securities Held in Escrow or that are Subject to a Contractual Restriction on Transfer</b>	<b>Percentage of Class</b>
Common Shares	10,786,053 <sup>(1)</sup>	24.656% <sup>(1)</sup>
Common Shares	16,000,000 <sup>(2)</sup>	36.754% <sup>(2)</sup>
Warrants	Nil	-
Options	1,850,000	94.872% <sup>(3)</sup>
RSUs	1,050,000	44.681% <sup>(4)</sup>

**Note:**

- (1) As of the date of this Prospectus, there are 43,746,467 Common Shares issued and outstanding. Following the issuance of the Special Warrant Shares, there will be 50,043,860 Common Shares issued and outstanding. Please see the table below for the Common Shares held by the Principals which are subject to escrow:

<b>Principals</b>	<b>Number of Common Shares</b>	<b>Percentage of Class (as of the date hereof)</b>	<b>Percentage of Class (after issuance of Special Warrant Shares)</b>
Gary R. Thompson, a director and senior officer of the issuer, inclusive of Common Shares held by XT88, a company controlled by Gary R. Thompson	9,188,500	21.004%	18.361%
Brenda Thompson, spouse of Gary R. Thompson	1,327,553	3.035%	2.653%
Kevin Chen	120,000	0.274%	0.240%
Ryan Goodman	50,000	0.114%	0.100%
David Netherway	100,000	0.229%	0.200%
<b>TOTAL:</b>	<b><u>10,786,053</u></b>	<b><u>24.656%</u></b>	<b><u>21.554%</u></b>

- (2) As of the date of this Prospectus, there are 16,000,000 Common Shares subject to contractual restrictions, including the following:

<b>Number of Common Shares</b>	<b>Contractual Restrictions</b>	<b>Percentage of Class (as of the date hereof)</b>	<b>Percentage of Class (after issuance of Special Warrant Shares)</b>
5,000,000	25% will be freely tradeable every 3 months after Listing.	11.429%	9.991%
4,000,000	25% will be freely tradeable every 4 months after Listing	9.144%	7.993%

2,500,000	25% will be freely tradeable every 6 months after Listing.	5.715%	4.996%
4,500,000	1/10 freely tradeable on the Listing Date, 1/6 of the remaining shares freely tradeable 6 months after the Listing Date, 1/5 of the remaining shares freely tradeable 12 months after the Listing Date, 1/5 of the remaining shares freely tradeable 18 months after the Listing Date, 1/3 of the remaining shares freely tradeable 24 months after the Listing Date, 1/2 of the remaining shares freely tradeable 30 months after the Listing Date, the remaining shares freely tradeable 36 months after the Listing Date	10.287%	8.992%
<b>TOTAL:</b>	<b>16,000,000</b>	<b>36.575%</b>	<b>31.972%</b>

- (3) As of the date of this Prospectus, there are 1,950,000 Options issued and outstanding. Each Option is exercisable for one Common Share subject to vesting criteria. Of the Options subject to escrow, 700,000 are held by Gary R. Thompson, 500,000 are held by Kevin Chen, 300,000 are held by David Netherway and 350,000 are held by Ryan Goodman.
- (4) As of the date of this Prospectus, there are 2,350,000 RSUs issued and outstanding. Each RSU entitles the holders to receive one Common Share subject to vesting criteria. There are 450,000 RSUs subject to escrow held by Gary R. Thompson. A total of 600,000 RSUs were originally awarded on November 23, 2023 to Mr. Thompson, but such number of RSUs was reduced to 450,000 RSUs by resolutions of the Board dated June 15, 2024. There are 200,000 RSUs subject to escrow held by Kevin Chen, 200,000 held by David Netherway and 200,000 held by Ryan Goodman.

As at the date hereof, the Company and XT88, Gary R. Thompson, Brenda Thompson, Kevin Chen, David Netherway, and Ryan Goodman (the “**Principals**”) will enter into an escrow agreement (the “**Escrow Agreement**”) with Odyssey Trust Company, as escrow agent (the “**Escrow Agent**”), pursuant to which the Principals will collectively deposit 10,786,053 Common Shares into escrow (the “**Escrowed Securities**”) with the Escrow Agent, representing 24.656% of the issued and outstanding Common Shares.

Upon the completion of the Listing, Silver47 will be an “emerging issuer” pursuant to NP 46-201 and, as such, the Escrowed Securities will be subject to a 36 month escrow and subject to the following release scheduled:

<u>Date</u>	<u>Amount of Escrowed Securities Released</u>
On the Listing Date	1/10 of the Escrowed Securities
6 months after the Listing Date	1/6 of the remaining Escrowed Securities
12 months after the Listing Date	1/5 of the remaining Escrowed Securities
18 months after the Listing Date	1/4 of the remaining Escrowed Securities
24 months after the Listing Date	1/3 of the remaining Escrowed Securities
30 months after the Listing Date	1/2 of the remaining Escrowed Securities
36 months after the Listing Date	The remaining Escrowed Securities

The release schedule applies to “emerging issuers” as described in NP 46-201 which the Company expects to qualify as in connection with its application to list as a Tier 2 issuer on the TSXV. The release schedule may be reduced if the Company qualifies as an “established issuer” as described in NP 46-201 by becoming a Tier 1 issuer on the TSXV. Becoming a Tier 1 issuer on the TSXV is subject to prior TSXV approval.

An additional 4,500,000 Common Shares will have restrictive legends affixed imposing resale restrictions on such Common Shares in accordance with the 36 month release schedule above and the TSXV's seed share resale restrictions.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities will not be able to be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within escrow are:

- transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or of a material operating subsidiary, with the approval of the Board;
- transfers to a person or company that before the proposed transfer holds more than 20% of the Company's outstanding Common Shares, or to a person or company that after the proposed transfer will hold more than 10% of the Company's outstanding Common Shares and has the right to elect or appoint one or more directors or senior officers of the Company or any material operating subsidiary;
- transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse, children or parents;
- transfers upon bankruptcy to the trustee in bankruptcy or another person or company entitled to escrow securities on bankruptcy; and
- pledges to a financial institution as collateral for a bona fide loan, provided that upon a realization the securities remain subject to escrow.

Tenders of Escrowed Securities to a take-over bid or business combination are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid or business combination, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

If the Principals acquire any additional securities of the Company of the type listed above, those securities will be added to the securities already in escrow, to increase the number of remaining Escrowed Securities. Such increased number of remaining Escrowed Securities will be released in accordance with the release schedule in the table above.

Additionally, securities of the Company may be subject to additional escrow restrictions and restrictions on transfer pursuant to NP 46-201, or if required by the TSXV or other applicable regulations of any other stock exchange on which the securities of the Company may be listed for trading in the future. There can be no guarantee that the securities will be listed for trading on the TSXV or any other stock exchange.

### Statutory Hold Periods

In addition to the foregoing, securities legislation imposes certain resale restrictions on securities issued within the four months preceding the Listing, such hold periods are governed by NI 45-102 – *Resale of Securities*. All certificates representing securities subject to these restrictions will bear legends indicating the applicable hold periods.

### PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and officers of the Company, other than as set forth below, no person directly or indirectly beneficially owns, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attaching to all the outstanding Common Shares as at the date of this Prospectus.

Registered Shareholder	Number of Common Shares	Percentage of class <sup>(1)</sup>
Gary R. Thompson <sup>(2)</sup>	9,188,500	21.00% <sup>(3)</sup>
Silver Range <sup>(4)</sup>	5,525,000	12.63%

Notes:

- (1) As at the date of this Prospectus, 43,746,467 Common Shares are issued and outstanding. Percentages on a fully-diluted basis are as follows: 14.22% (XT88); 0.00% (Gary R. Thompson); 8.55% (Silver Range). Based on 64,600,600 outstanding Common Shares on a fully-diluted basis.
- (2) Inclusive of 9,186,000 Common Shares held by XT88, a private company controlled by Gary R. Thompson.
- (3) XT88 does not directly or indirectly beneficially own, or exercise control or direction over, any securities convertible into Common Shares.
- (4) Silver Range is a public company.

## DIRECTORS AND EXECUTIVE OFFICERS

To the Company's knowledge as at the date of this Prospectus, the directors and executive officers of the Company as a group will beneficially own, control or direct, directly or indirectly, 10,790,053 Common Shares, representing approximately 24.67% of the Common Shares.

### Director and Executive Officer Profiles

The following table sets forth the name of each director and executive officer of the Company as at the date of this Prospectus, their province or state and country of residence, their position(s) and office(s) held with the Company, their principal occupation(s) during the preceding five years, the date they became a director of the Company, if applicable, and the number and percentage of Common Shares they beneficially own, or control or direct, directly or indirectly. Each director's term will expire immediately prior to the next annual meeting of shareholders of the Company.

Name and Municipality of Residence	Current Position(s) with Silver47	Age	Principal Occupation(s) for the past five years	Director/ Officer of Silver47 Since	Number (and %) of Common Shares Owned <sup>(1)</sup>
Gary R. Thompson Vancouver, BC	President, CEO and Director	60	CEO and Chairman of Brixton Metals; Executive Chair, CEO and Director of Gold 79 Mines Ltd.; Director of Stuhini Exploration Ltd.; Director of Omni Commerce Corp.	January 29, 2021	10,516,053 <sup>(2)</sup> 24.04%
Ryan Goodman Vancouver, BC	Director	48	SVP & General Counsel at Orezone Gold Corporation	September 1, 2021	50,000 0.11%
David Netherway Johannesburg, South Africa	Director	71	Director of Kore Potash plc Director of Altus Strategies plc Director of Kilo Goldmines Limited Director of Avesoro Resources Inc. Director of Elemental Altus Royalties Corp. Director of Canyon Resources Ltd.	September 23, 2021	100,000 0.23%
Kevin Chen Richmond, BC	CFO	49	CFO of Cassiar Gold Corp Controller of Gold Royalty Corp. and Uranium Royalty Corp. CFO of Selwyn Chihong Mining Ltd.	July 31, 2021	120,000 0.27%

<b>Name and Municipality of Residence</b>	<b>Current Position(s) with Silver47</b>	<b>Age</b>	<b>Principal Occupation(s) for the past five years</b>	<b>Director/ Officer of Silver47 Since</b>	<b>Number (and %) of Common Shares Owned<sup>(1)</sup></b>
Alex Wallis	Vice President Exploration	40	Project Lead, APEX Geoscience Ltd. Geologist, Independence Gold Corp.	May 1, 2022	4,000 0.01%

**Notes:**

- (1) Based on 43,746,467 Common Shares issued and outstanding as of the date of this Prospectus.
- (2) 9,186,000 Common Shares are held by XT88, a private company controlled by Gary R. Thompson. 2,500 Common Shares are owned directly by Gary R. Thompson. 1,327,553 Common Shares are held by Brenda Thompson, Gary R. Thompson's wife.

**Director and Executive Officer Biographies**

***Gary R. Thompson, Age 60 – President, Chief Executive Officer and Director***

Mr. Thompson is the founder of the Company. He has over 27 years' experience in resource exploration including precious and base metals, geothermal power and unconventional oil and gas, and is a "qualified person" as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects. Mr. Thompson is a co-founder and Chairman and CEO of Brixton Metals Corporation (TSXV:BBB). Mr. Thompson was the president and CEO of Sierra Geothermal Power Corp., from 2006 until 2010 when it was acquired by Ram Power Corporation. Prior to 2006, Mr. Thompson held positions with EnCana Corporation, Newmont Alaska Ltd., NovaGold Resources Inc. and CBM Solutions Ltd. Mr. Thompson was credited with the 1988 discovery of the TAG gold silver prospect located in NWBC which he sold to Taku Gold Corp., and in 2014 he sold the Kahuna claims to Kodiak Copper (TSXV: KDK) and Solstice Gold (TSXV: SGC) located near Agnico's Meliadine Mine in Nunavut.

Mr. Thompson is a professional geologist and an active member in good standing of both the Engineers and Geoscientists British Columbia and The Association of Professional Geoscientists of Ontario. Mr. Thompson holds a B.Sc. (Honours) in Geology from the University of British Columbia.

Mr. Thompson is the President and Chief Executive Officer of the Company and expects to devote 40% of his time to the affairs of the Company. Mr. Thompson is an independent contractor of the Company.

***Ryan Goodman, Age 48 – Director***

Mr. Goodman has over 20 years of experience working with mining companies in various stages of growth and development, and specializes in such areas as financings, M&A and corporate governance. Mr. Goodman has been the SVP & General Counsel at Orezone Gold Corporation since January 2024 and prior to that was the VP Legal & Administration at Orezone from March 2019. Mr. Goodman was the VP Legal Affairs of Aura Minerals Inc. from 2012 until 2019. Previous to Aura Minerals, Mr. Goodman practiced law with a large Canadian multinational law firm with a focus on securities and mining. Mr. Goodman holds a J.D. from the University of Manitoba.

Mr. Goodman is a director of the Company and expects to devote 15% of his time to the affairs of the Company. Mr. Goodman is an independent contractor of the Company.

***David Netherway, Age 71 – Director***

David is a mining engineer with over 40 years of experience in the mining industry. David was involved in the construction and development of the New Liberty, Iduapriem, Siguiiri, Samira Hill and Kiniero gold mines in West Africa and has mining experience in Africa, Australia, China, Canada, India and the Former Soviet Union. David served as the CEO of Shield Mining until its takeover by Gryphon Minerals, prior to that he was the CEO of TSX listed Afcan Mining Corporation, a China focused gold mining company that was sold to Eldorado Gold in 2005. He was also the Chairman of Afferro Mining which was acquired by IMIC in 2013. David has held senior management positions in a

number of mining companies including Golden Shamrock Mines, Ashanti Goldfields and Semafo Inc. He is a former director of Canyon Resources Ltd., Altus Resource Capital, Altus Global Gold, African Aura Mining, Afferro Mining, Avesoro Resources, GMA Resources Ltd. and Kilo Goldmines Ltd.. Mr. Netherway is currently a non-executive director of Elemental Altus Royalties Corp. (ELE: TSX-V) and Kore Potash plc (ASX, AIM & JSE: KP2). Mr. Netherway holds a BEng (Mining) from the University of Melbourne, Australia and a C.DipAF from the CACA in the UK.

Mr. Netherway is a director of the Company and expects to devote 15% of his time to the affairs of the Company. Mr. Netherway is an independent contractor of the Company.

***Kevin Chen, Age 49 – Chief Financial Officer***

Kevin Chen has over 21 years of experiences in mining industry. From April 2021 to January 2022, Mr. Chen was Controller for both Gold Royalty Corp. and Uranium Royalty Corp.. From March 2012 to January 2021, Mr. Chen was CFO of Selwyn Chihong Mining Ltd. From September 2005 to February 2012, Mr. Chen was Finance Manager of Eldorado Gold Corporation. From January 2003 to September 2005, Mr. Chen was Controller of Afcan Mining Ltd which was later sold to Eldorado Gold. Prior to Afcan Mining, Mr. Chen was Audit Manager of KPMG LLP. Mr. Chen is currently CFO of Cassiar Gold Corp. (TSX-V: GLDC). Mr. Chen holds an MBA degree from the University of Western Ontario and Mr. Chen is a CPA, CMA in BC.

Mr. Chen is the Chief Financial Officer of the Company and expects to devote 70% of his time to the affairs of the Company. Mr. Chen is an independent contractor of the Company.

***Alex Wallis, Age 40 – Vice President Exploration***

Mr. Wallis has 19 years' experience in international resource exploration including precious and base metals, uranium, and rare earth elements, and is a "qualified person" as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects. Mr. Wallis holds a Bachelor of Science from the University of Victoria, and has participated in, and led exploration programs from grassroots to resource development. Prior to joining Silver47 in 2022, he served as a Project Geologist with APEX Geoscience Ltd. and has held geologist and management roles with Independence Gold Corporation (TSXV:IGO), Brixton Metals Corporation (TSXV:BBB), and served as Country Manager (Guyana) for U3O8 Corporation (TSXV:UWE) from 2011 to 2013, overseeing the resource expansion of the Kurupung uranium deposit.

Mr. Wallis is a professional geologist and an active member in good standing of the Engineers and Geoscientists of British Columbia.

Mr. Wallis is the Vice President of Exploration and expects to devote 100% of his time to the affairs of the company. Mr. Wallis is a full-time employee of the Company.

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

***Corporate Cease Trade Orders or Bankruptcies***

No director or officer of Silver47 is, or within the ten years prior to the date of this Prospectus has been, a director, officer, or Promoter of any person or company that, while that person was acting in that capacity, was the subject of a cease trade order or similar order, or an order that denied the other issuer access to any exemptions under applicable securities laws, for a period of more than 30 consecutive days, or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

***Penalties or Sanctions***

No director or officer of Silver47, nor any security holder anticipated to hold a sufficient number of securities of Silver47 to materially affect the control of Silver47, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with

a securities regulatory authority; or been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder making a decision concerning an investment in the Company.

### ***Personal Bankruptcies***

No director or officer of Silver47, nor security holder anticipated to hold a sufficient number of securities of Silver47 to affect materially the control of Silver47, nor a personal holding company of any such person has, within the ten years before the date of the Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 such director or officer, or personal holding company of any such person.

### ***Conflicts of Interest***

To the best of the Company's knowledge, there are no existing or potential material conflicts of interest between the Company and any of its directors or officers as of the date hereof. However, certain of the Company's directors and officers are, or may become, directors or officers of other companies with businesses which may conflict with its business. Accordingly, conflicts of interest may arise which could influence these individuals in evaluating possible acquisitions or in generally acting on the Company's behalf. See also "*Risk Factors – Conflicts of Interest*".

Pursuant to the BCBCA, directors and officers of the Company are required to act honestly and in good faith with a view to the best interests of the Company. As required under the BCBCA and the Company's Articles:

- a director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer of the Company, must promptly disclose the nature and extent of that conflict; and
- a director who holds a disclosable interest (as such term is defined under the BCBCA) in a contract or transaction into which the Company has entered or proposes to enter may generally not vote on any directors' resolution to approve such contract or transaction.

Generally, as a matter of practice, directors who have disclosed a material interest in any contract or transaction that the Board is considering will not take part in any board discussion respecting that contract or transaction. If on occasion such directors do participate in the discussions, they will refrain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which directors or officers may have a conflict.

### **Other Reporting Issuer Experience**

The following table sets out the directors and officers of Silver47 that are, or have been within the last five years, directors, officers or Promoters of other reporting issuers in any Canadian jurisdiction:

<b>Name</b>	<b>Name of Reporting Issuer</b>	<b>Market or Exchange Traded On</b>	<b>Position</b>	<b>From</b>	<b>To</b>
Gary R. Thompson	Gold79 Mines Ltd.	TSXV OTCQB	Executive Chairman and Director	August 2020	Present
	Brixton Metals Corp.	TSXV OTCQB	Director, President and CEO	March 2017	Present

Ryan Goodman	Orezone Gold Corporation	TSXV	Senior VP & General Counsel	March 2019	Present
	Fuse Cobalt Inc.	TSXV	Director	February 2018	April 2022
	Aura Minerals Inc.	TSXV	VP Legal	June 2019	February 2019
	Deep - South Resources Inc.	TSXV	Director	December 2013	February 2017
David Netherway	Kore Potash plc	ASX AIM JSE	Director	December 2017	Present
	Canyon Resources Limited	ASX	Director	March 2014	July 31, 2024
	Elemental Altus Royalties Corp. (formerly, Altus Strategies plc)	TSX-V	Chairman, Director	May 2017	Present
	Kilo Goldmines Limited	TSXV	Chairman	July 2011	March 2020
	Avesoro Resources Inc.	TSX AIM	Chairman, Director	February 2011	January 2020
Kevin Chen	Cassiar Gold Corp.	TSXV	CFO	October 2022	Present

## EXECUTIVE COMPENSATION

This section is prepared in accordance with Form 51-102F6V - *Statement of Executive Compensation – Venture Issuers*.

In this section “Named Executive Officer” (an “NEO”) means (a) each individual who acted as CEO of the Company, or acted in a similar capacity, for any part of the most recently completed financial year; (b) each individual who acted as CFO of the Company, or acted in a similar capacity, for any part of the most recently completed financial year; (c) the most highly compensated executive officer, other than the CEO and CFO of the Company, at the end of the most recently completed financial year whose total compensation was more than \$150,000; and (d) any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

Gary R. Thompson, the President and CEO of the Company, Kevin Chen, CFO of the Company, and Alex Wallis, Vice President Exploration, are the only NEOs of the Company for the purposes of the following disclosure.

### Director and Named Executive Officer Compensation, Excluding Compensation Securities

The compensation paid to the directors and NEOs of the Company for each of the two most recently completed financial years of the Company, other than compensation securities disclosed under the heading of “*Stock Options and Other Compensation Securities*” below. The information is set out below and expressed in Canadian dollars unless otherwise noted:

Name and Position	Fiscal Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Gary R. Thompson	2023	\$175,000 <sup>(2)</sup>	\$9,800	Nil	Nil	Nil	\$184,800
CEO and Director <sup>(1)</sup>	2022	23,333 <sup>(2)</sup>	Nil	Nil	Nil	Nil	23,333

<b>Name and Position</b>	<b>Fiscal Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total Compensation (\$)</b>
Kevin Chen <i>CFO</i> <sup>(3)</sup>	2023	\$100,000 <sup>(4)</sup>	\$6,400	Nil	Nil	Nil	\$106,400
	2022	15,167 <sup>(4)</sup>	Nil	Nil	Nil	Nil	15,167
Alex Wallis <i>Vice President Exploration</i> <sup>(5)</sup>	2023	\$150,000 <sup>(6)</sup>	\$2,500	Nil	Nil	Nil	\$152,500
	2022	\$23,333	N/A	N/A	N/A	N/A	\$23,333
Ryan Goodman <i>Director</i> <sup>(7)</sup>	2023	\$20,800	Nil	Nil	Nil	Nil	\$20,800
	2022	\$12,333.33	Nil	Nil	Nil	Nil	\$12,333.33
David Netherway <i>Director</i> <sup>(8)</sup>	2023	\$20,800	Nil	Nil	Nil	Nil	\$20,800
	2022	\$11,583.33	Nil	Nil	Nil	Nil	\$12,333.33

**Notes:**

- (1) Mr. Thompson was appointed a director and the CEO of the Company upon the Amalgamation.
- (2) Mr. Thompson received an annual salary of \$140,000 from June 1, 2022 to July 31, 2022. Since August 1, 2022, Mr. Thompson's annual salary has been \$175,000.
- (3) Mr. Chen was appointed the CFO of the Company upon the Amalgamation.
- (4) Mr. Chen received an annual salary of \$91,000 from June 1, 2022 to July 31, 2022. Since August 1, 2022, Mr. Chen's annual salary has been \$100,000.
- (5) Mr. Wallis was appointed the Vice President Exploration of the Company on May 1, 2022.
- (6) Mr. Wallis is entitled to an annual salary of \$150,000.
- (7) Mr. Goodman was appointed a director of the Company on September 1, 2021.
- (8) Mr. Netherway was appointed a director of the Company on September 22, 2021.

**Related Party Transactions**

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

The remuneration of directors and officers of the company can be considered related party transactions. Pursuant to the Silver47 Services Agreements (defined below), the corporation makes monthly payments to its officers. See *Employment, Consulting and Management Agreements*. The Company also pays \$1,666.66 to directors Ryan Goodman and David Netherway for their services as directors of the Company. See the Financial Statements included herewith and the details provided in this section for additional information. See "*Executive Compensation*" and "*Interests of Management and Others in Material Transactions*".

**Stock Options and Other Compensation Securities**

The following table sets out information of all compensation securities granted or issued to each of the directors and NEOs of the Company for services provided or to be provided, directly or indirectly, to the Company, and expected to be outstanding immediately following Listing.

Name and Position	Type of Compensation security <sup>(1)</sup>	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Gary R. Thompson <i>CEO and Director</i>	Options	700,000 <sup>(2)</sup>	September 30, 2021	0.50	-	-	September 30, 2031
	RSUs	450,000 <sup>(3)(4)</sup>	November 30, 2023	0.75 <sup>(3)</sup>	-	-	November 30, 2025
Kevin Chen <i>CFO</i>	Options	500,000 <sup>(2)</sup>	September 30, 2021	0.50	-	-	September 30, 2031
	RSUs	200,000 <sup>(3)(5)</sup>	November 30, 2023	0.75 <sup>(3)</sup>	-	-	November 30, 2025
Alex Wallis <i>Vice President Exploration</i>	RSUs	400,000 <sup>(3)</sup>	November 30, 2023	0.75 <sup>(3)</sup>	-	-	November 30, 2025
Ryan Goodman <i>Director</i>	Options	350,000 <sup>(2)(6)</sup>	September 30, 2021	0.50	-	-	September 30, 2031
	RSUs	200,000 <sup>(3)</sup>	November 30, 2023	0.75 <sup>(3)</sup>	-	-	November 30, 2025
David Netherway <i>Director</i>	Options	300,000 <sup>(2)(7)</sup>	September 30, 2021	0.50	-	-	September 30, 2031
	RSUs	200,000 <sup>(3)</sup>	November 30, 2023	0.75 <sup>(3)</sup>	-	-	November 30, 2025

**Notes:**

- (1) Each outstanding Option entitles the holder to acquire one Common Share subject to vesting criteria and on the terms as set out above. Each outstanding RSU entitles the holder to receive one Common Share subject to vesting criteria and on the terms as set out above.
- (2) 50% of these Options vested on September 30, 2021 and the remaining 50% of which vested on September 30, 2022.
- (3) 50% of these RSUs shall vest on November 30, 2024 and the remaining 50% of which shall vest on November 30, 2025. The price of \$0.75 represents the deemed value per Common Share had the Common Share underlying each such RSU been issued for money on the date of award.
- (4) A total of 600,000 RSUs were originally awarded to Mr. Thompson, but such number of RSUs was reduced to 450,000 RSUs by resolutions of the Board dated June 15, 2024.
- (5) A total of 300,000 RSUs were originally awarded to Mr. Chen, but such number of RSUs was reduced to 200,000 RSUs by resolutions of the Board dated June 15, 2024.
- (6) A total of 400,000 Options were awarded to Mr. Goodman. On October 22, 2021, 50,000 vested Options were exercised, resulting in a balance of 350,000 Options remaining.
- (7) A total of 400,000 Options were awarded to Mr. Netherway. On October 25, 2021, 100,000 vested Options were exercised resulting in a balance of 300,000 Options remaining.

**Exercise of Options and Compensation Securities by Directors and NEOs**

The following table sets out each exercise by a director or NEO of compensation securities:

Name and Position	Type of security	Number of compensation securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Ryan Goodman <i>Director</i>	Options	50,000	0.50	October 22, 2021	-	-	25,000
David Netherway <i>Director</i>	Options	100,000	0.50	October 25, 2021	-	-	50,000

**Share Compensation Plans and Other Incentive Plans**

See “Options to Purchase Securities”.

### **External Management Companies**

Other than as disclosed herein, the Company has not entered into any agreement with any external management company that employs or retains one or more individuals acting as NEOs or directors of the Company and the Company has not entered into any understanding, arrangement or agreement with any external management company to provide executive management services to the Company, directly or indirectly, in respect of which any compensation was paid by the Company.

On January 29, 2021, the Original Silver47 issued 10,000,000 Original Silver47 Shares to XT88, an external company controlled by and employing Gary R. Thompson, at a subscription price of \$0.001 each. On June 1, 2021, the Original Silver47 issued 2,500,000 Original Silver47 Shares to XT88 for various services provided to the Original Silver47, with a value of \$125,000. On July 6, 2021, XT88 transferred a total of 2,500,000 Original Silver47 Shares to two transferees, resulting in XT88 holding a balance of 10,000,000 Original Silver47 Shares.

### **Employment, Consulting and Management Agreements**

#### *Gary R. Thompson*

Gary R. Thompson has been the CEO of the Company since the Amalgamation and receives payment for his services through XT88. The Company has entered into a formal written services agreement with XT88 dated July 1, 2022 (the “**XT88 Services Agreement**”). Pursuant to the XT88 Services Agreement, Mr. Thompson is entitled to an annual base salary of \$175,000 (\$140,000 from June 1, 2022 to July 31, 2022). As the CEO of the Company, Mr. Thompson is also entitled to receive incentive compensation in the form of an annual short term incentive bonus to be agreed by the Board annually based on achieving certain corporate objectives and the Company’s financial performance.

#### *Kevin Chen*

Kevin Chen has been the CFO of the Company since the Amalgamation. Mr. Chen was compensated by the Company directly through the issuance of a total of 120,000 Common Shares which were subject to certain vesting provisions as set out in the reverse vesting agreement dated August 18, 2021 entered into between the Company and Mr. Chen. These 120,000 Common Shares have all vested.

The Company has entered into a formal services agreement dated July 1, 2022 (the “**VPS Services Agreement**”) with Vancouver Profit Services Inc., a company controlled by Mr. Chen. Pursuant to the VPS Services Agreement, Mr. Chen is entitled to an annual base salary of \$100,000 (\$91,000 from June 1, 2022 to July 31, 2022). As the CFO of the Company, Mr. Chen is also entitled to receive incentive compensation in the form of an annual short term incentive bonus to be agreed by the Board annually based on achieving certain corporate objectives and the Company’s financial performance.

#### *Alex Wallis*

Alex Wallis has been the Vice President Exploration of the Company since August 1, 2022. The Company has entered into a formal written employment with Mr. Wallis dated May 1, 2022 (the “**Wallis Employment Agreement**”, and together with the XT88 Services Agreement and the VPS Services Agreement, the “**Silver47 Services Agreements**”). Pursuant to the Wallis Employment Agreement, Mr. Wallis is entitled to an annual base salary of \$150,000. In addition, as the Vice President Exploration of the Company, Mr. Wallis is entitled to receive incentive compensation in the form of an annual short term incentive bonus to be agreed by the Board annually based on achieving certain corporate objectives and the Company’s financial performance. Pursuant to the Wallis Employment Agreement, following Listing, Mr. Wallis is eligible to receive 400,000 Options with the granting and terms of such Options subject to Board approval.

### **Employment Termination and Change of Control Benefits**

As noted above, the Company is party to the Silver47 Services Agreements, which contain change of control provisions. The Silver47 Services Agreements each provide that if such agreement is terminated or deemed to be terminated due to a change of control, the Company will become obligated to pay the contractors or employees certain termination fees.

Pursuant to the XT88 Services Agreement and the VPS Services Agreement, if (i) there is a “change of control” and the contractor’s services are terminated by the Company or (ii) the contractor terminates his services for “Good Cause” (as defined below), in either case, within twelve (12) months of a “change of control”, the contractor is entitled to receive severance in an amount equal to 24 months’ fees as at that date, inclusive of cash bonuses (based on the immediately preceding 12 months of service fees received) as at that date.

In the case of the termination of Mr. Thompson’s services agreement upon a change of control, Mr. Thompson will be entitled to receive an aggregate amount of \$350,000. If Mr. Thompson resigns for Good Cause or is terminated without cause, Mr. Thompson is entitled to receive eighteen (18) months fees as at that date (\$262,500).

In the case of the termination of Mr. Chen’s services agreement upon a change of control, Mr. Chen will be entitled to receive an aggregate amount of \$200,000. If Mr. Chen resigns for Good Cause or is terminated without cause, Mr. Chen is entitled to receive twelve (12) months fees as at that date (\$150,000).

Pursuant to the Employment Agreement between Silver 47 and Alex Wallis dated April 11, 2022, if there is a change of control and the employee’s employment is terminated by the Company or the employee terminates his employment for “Good Cause” (as defined below), in either case, within twelve (12) months of a change of control, the employee is entitled to receive severance an amount equal to 24 months’ fees as at that date, inclusive of cash bonuses (based on the immediately preceding 12 months of service fees received) as at that date.

In the case of the termination of Mr. Wallis’s employment agreement upon a change of control, Mr. Wallis will be entitled to receive an aggregate amount of \$300,000. If the Company terminates Mr. Wallis’ employment without cause, Mr. Wallis is entitled to a lump sum severance payment equal to twelve (12) months’ salary (\$150,000).

“Good Cause” as used in Silver47 Services Agreements means the occurrence of any of the following without the employee or contractor’s consent: the assignment of substantial new or different duties; a material reduction in responsibilities; a reduction in salary or fees payable; a change in the principal office of the Company by more than 50 kilometers; a requirement for the employee or contractor to move more than 50 kilometers from its current location; a material reduction in the value of the benefit to the employee or contractor under the Company’s Share Compensation Plan (or other similar plans); anything that would constitute constructive dismissal; or, in the case of the Wallis Employment Agreement only, a material reduction in the number of paid vacation days Mr. Wallis is entitled to.

### **Oversight and Description of Director and NEO Compensation**

The Company’s executive compensation is intended to be consistent with the Company’s business plans, strategies and goals, including the preservation of working capital. The Company’s executive compensation program is intended to provide appropriate compensation that permits the Company to attract and retain highly qualified and experienced senior executives and to encourage superior performance by the Company. The Company’s compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results.

The Board determines the compensation of the Company’s directors and NEOs. The Board intends for executive compensation to be consistent with the Company’s business plans, strategies and goals, including the preservation of working capital as the Company seeks to devote funds to the exploration of the Property. Executive compensation is intended to provide appropriate compensation that permits the Company to attract and retain highly qualified and experienced senior executives and to encourage superior performance by the Company. The Company’s compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results.

The Company has adopted a Share Compensation Plan to assist the Company in attracting, retaining and motivating directors, officer, employees, consultants and contractors of the Company and of its affiliates and to closely align the

personal interests of such service providers with the interests of the Company and its shareholders. See “*Options to Purchase Securities.*”

### **Pension Plan Benefits**

The Company does not anticipate having any deferred compensation plan or pension plan that provide for payments or benefits at, following or in connection with retirement.

### **Director Compensation**

Upon becoming a reporting issuer, Silver47 intends to have standard compensation arrangements for the Company’s non-executive directors. Current compensation has been set at \$20,000 per year for the Company’s non-executive directors.

Each independent director, if any, is entitled to participate in the Share Compensation Plan and any other security-based compensation arrangement or plan adopted by Silver47 with the approval of the Board and/or Silver47’s shareholders, as may be required by applicable law or TSXV policies.

Silver47 expects that its directors will be reimbursed for expenses incurred on Silver47’s behalf. No additional fees, including meeting fees, will be paid to directors.

### **Directors’ and Officers’ Liability Insurance**

The Company carries directors’ and officers’ liability insurance for the Company’s directors and officers; however, the Company is required to obtain a new directors’ and officers’ liability insurance policy upon Listing. The Company will apply for limits and deductibles it believes is appropriate for a company of the Company’s type and stage of development.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the Company’s directors, executive officers, employees, former directors, former executive officers or former employees or any of the Company’s subsidiaries, and none of their respective associates, is or has within 30 days before the date of this Prospectus or at any time since the beginning of the most recently completed financial year been indebted to the Company or any of its subsidiaries or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided the Company or any of the Company’s subsidiaries.

## **AUDIT COMMITTEE**

### **The Audit Committee’s Charter**

The full text of the Audit Committee’s charter is attached as Schedule “C” to this Prospectus.

### **Mandate and Responsibilities of the Audit Committee**

The Audit Committee assists the Board in fulfilling its obligations relating to the integrity of the internal financial controls and financial reporting of the Company. The external auditors of the Company report directly to the Audit Committee. The Audit Committee’s principal responsibilities include (i) recommending the external auditor to be nominated for the purpose of audit, review or attest services for the Company, (ii) recommending the compensation of the external auditor, (iii) overseeing the work of the external auditor in performing audit, review or attest services for the Company, (iv) reviewing the Company’s financial statements, management’s discussion and analysis and annual and interim earnings press releases before the Company publicly discloses this information, and (v) establishing procedures for addressing complaints or concerns regarding accounting, internal control or auditing matters.

## Composition of the Audit Committee

<b>Name</b>	<b>Independent/Not Independent<sup>(1)</sup></b>	<b>Financially Literate<sup>(2)</sup></b>
David Netherway <sup>(3)</sup>	Independent	Financially Literate
Ryan Goodman	Independent	Financially Literate
Gary R. Thompson	Not Independent <sup>(4)</sup>	Financially Literate

### Notes:

- (1) A member is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board of Directors, reasonably interfere with the exercise of that member's independent judgment.
- (2) A member is financially literate if such member has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issued that can reasonably be expected to be raised by the Company's financial statements.
- (3) David Netherway is the chair of the Audit Committee.
- (4) Gary R. Thompson is not independent because he is the CEO of the Company.

All of the proposed members of the Audit Committee are considered to be financially literate as required by section 1.6 of NI 52-110.

## Relevant Education and Experience

Each member of the Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

For a summary of the experience and education of the Audit Committee members see "*Directors and Executive Officers*".

## Audit Committee Oversight

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

## Reliance on Certain Exemptions

Since the Company is a "venture issuer" pursuant to applicable Canadian securities legislation, it is relying upon the exemption provided for at section 6.1 of NI 52-110 in respect of the composition of the Audit Committee.

## External Auditor Service Fees by Category

The fees billed by the Company's external auditors in each of the last two fiscal years for audit and non-audit related services provided to the Company or its subsidiaries (if any) were as follows:

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit Related Fees<sup>(1)</sup></b>	<b>Tax Fees<sup>(2)</sup></b>	<b>All Other Fees<sup>(3)</sup></b>
July 31, 2023	\$25,000	–	\$2,500	\$4,000
July 31, 2022	\$27,000	-	\$2,000	\$12,000 <sup>(4)</sup>

**Notes:**

- (1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.
- (4) \$4,000 for quarterly reviews.

## **STATEMENT ON CORPORATE GOVERNANCE**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with day-to-day management of the Company. The Company's approach to issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed so as to enhance shareholder value. The Board fulfills its mandate directly and through its committees at meetings held as required.

NP 58-201 establishes corporate governance guidelines to be used by issuers in developing their own corporate governance practices. The Board is committed to ensuring that the Company has an effective corporate governance system, which adds value and assists the Company in achieving its objectives.

The Company's approach to corporate governance is set forth below.

### **Mandate of the Board**

The Board assumes responsibility for the stewardship of the Company and the enhancement of shareholder value. The Board is responsible for:

- (a) adopting a strategic plan for the Company and reviewing the plan in light of management's assessment of emerging trends, the competitive environment, the opportunities for the business of the Company, risk issues, and significant business practices and products;
- (b) ensuring that the risk management of the Company is prudently addressed;
- (c) reviewing the Company's approach to human resource management and overseeing succession planning for management;
- (d) reviewing the Company's approach to corporate governance, including an evaluation of the adequacy of the mandate of the Board and director independence standards; and
- (e) upholding a comprehensive policy for communications with shareholders and the public at large.

The frequency of meetings of the Board and the nature of agenda items may change from year to year depending upon the activities of Silver47. The Board intends to meet at least quarterly and at each meeting there is a review of the business of Silver47.

The Board of the Company facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board being held to obtain an update on significant corporate activities and plans, both with and without members of the Company's management being in attendance.

### **Composition of the Board**

The Board is composed of three directors, two of whom qualify as independent directors. For this purpose, a director is independent if he or she has no direct or indirect "material relationship" with Silver47, as defined in NI 58-101. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment. An individual who has been an employee or executive officer of the Company within the last three years is considered to have a material relationship with the Company.

Of the directors, Ryan Goodman and David Netherway are considered independent for the purposes of NI 58-101. Gary R. Thompson, as CEO of the Company, is not considered independent for the purposes of NI 58-101.

### **Directorships**

See “*Directors and Executive Officers – Director and Executive Officer Biographies*” for a table setting out the directors of the Company that currently serve on the boards of directors of other reporting issuers in Canada.

The Board has determined that these inter-locking directorships do not adversely impact the effectiveness of Gary R. Thompson, Ryan Goodman, and David Netherway on the Board or create any potential for conflicts of interest.

### **Orientation and Education**

Each new director participates in the Company’s initial orientation program and each director participates in the Company’s continuing director development programs. The Board reviews the Company’s initial orientation program and continuing director development programs. Silver47 provides new directors copies of relevant financial, technical, geological and other information regarding its properties and meetings with management. Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and developments, and to attend related industry seminars. Board members have full access to the Company’s records.

### **Ethical Business Conduct**

While Silver47 has not adopted a written code of business conduct and ethics, the Board will from time to time discuss and emphasize the importance of matters relating to conflicts of interest, protection and proper use of corporate assets and opportunities, confidentiality of corporate information, compliance with laws and the reporting of any illegal or unethical behaviour.

### **Nomination of Directors**

It is the view of the Board that all directors, individually and collectively, should assume responsibility for nominating directors. The Board is responsible for identifying and recommending potential nominees for directorship and senior management. The Board will consider its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board’s duties effectively and to maintain a diversity of views and experience.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company’s mission and strategic objectives, and a willingness to serve.

### **Compensation**

Compensation matters are currently determined by the Board upon the recommendation of the CCGC.

### **Other Board Committees**

The Board has two standing committees: Audit Committee and Compensation and Corporate Governance Committee (the “CCGC”).

#### ***Audit Committee***

For additional information with respect to the Audit Committee of the Company, see “*Audit Committee*”.

#### ***Compensation and Corporate Governance Committee***

The members of the CCGC are Gary R. Thompson, Ryan Goodman (Chair) and David G. Netherway. The CCGC’s purpose is to: (a) discharge the Board’s responsibilities relating to compensation of the Company’s executive officers. Among other things, the CCGC will establish and administer the Company’s policies, programs and procedures for

compensating and providing incentives to its executive officers; (b) identify individuals qualified to become Board members; (c) recommend qualified candidates to fill Board vacancies and newly created director positions; (d) recommend whether incumbent directors should be nominated for re-election to the Board upon expiration of their terms; and (e) advise the Board of the appropriate corporate governance procedures that should be followed by the Company and the Board and monitor whether they comply with such procedures.

### **Assessments**

The Board and each individual director are regularly assessed regarding their effectiveness and contribution. The assessment considers and takes into account: (1) in the case of the Board, its mandate; and (2) in the case of an individual director, the applicable position description(s), if any, as well as the competencies and skills each individual director is expected to possess.

### **RISK FACTORS**

*Investing in the Company's securities is speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of its development. The following risk factors, as well as risks currently unknown to us, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company, or its business, property or financial results, each of which could cause purchasers of the Company's securities to lose part or all of their investment. The risks set out below are not the only risks the Company faces; risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial may also materially and adversely affect the Company's business, financial condition, results of operations and prospects. Before deciding whether to invest in any securities of the Company, investors should consider carefully the risks discussed below.*

#### **Risks Relating to Silver47**

##### ***Limited Operating History***

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties optioned by the Company. There is no guarantee that economic quantities of mineral reserves will be discovered on the Property by the Company in the near future or at all. If the Company does not generate revenue, it may be unable to sustain its operations in which case it may become insolvent and you may lose your investment.

##### ***Negative Cash Flows From Operations***

Since Incorporation, the Company has sustained net losses from operations and had negative cash flow from operating activities of \$6,054,092 as of July 31, 2024. The Company continues to have negative operating cash flow. It is highly likely the Company may have negative cash flow in any future period and as a result, the Company will need to use available cash to fund any such negative cash flow.

##### ***Substantial Capital Requirements and Liquidity***

It is anticipated the Company will make substantial capital expenditures for the acquisition, exploration, development and production of natural resources in the future. The Company may have limited ability to expend the capital necessary to undertake or complete its projects or to fulfill the Company's obligations under any applicable agreements. There can be no assurance that debt or equity financing, or cash generated by operations, will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly. The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's financial condition, results of operations or prospects.

### ***Speculative Nature of Mineral Exploration***

Resource exploration, development, and operations are highly speculative and characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge may not mitigate or eliminate, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. Few properties that are explored are ultimately developed into producing mines.

Mining investments are also subject to the risks normally associated with any conduct of business, including uncertain political and economic environments, war, terrorism and civil disturbances, changes in laws or policies of particular countries (including those relating to imports, exports, duties and currency), cancellation or renegotiation of contracts, royalty and tax increases or other claims by government entities (including retroactive claims), risk of loss due to disease and other potential endemic health issues, risk of expropriation and nationalization, delays in obtaining or the inability to obtain or maintain necessary governmental permits, currency fluctuations, import and export regulations (including restrictions on the export of gold or other minerals) and increased financing costs.

Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs.

Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop metallurgical processes to extract the metal from mineral resources, and in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. The Company will rely in part upon consultants and others for exploration, development, construction and operating expertise.

No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; mineral prices, which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection.

The exact effect of these factors cannot accurately be predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. The Company will carefully evaluate the political and economic environment in considering any properties for acquisition. There can be no assurance that additional significant restrictions will not be placed on the Property and any other properties the Company may acquire or its operations.

Such restrictions may have a material adverse effect on the Company's business and results of operation.

### ***Dilution***

Common Shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into Common Shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company will issue additional Common Shares from time to time pursuant to the options to purchase Common Shares issued from time to time by the Board. The issuance of these Common Shares will result in dilution to holders of Common Shares. The Company currently does not have sufficient funds to complete its Phase 2 exploration program at Red Mountain and, assuming successful completion of Phase 1, intends to finance the Phase 2 program through offerings of its equity securities, including Common Shares, which will have a dilutive effect on current Common Shareholders.

### ***Acquisition of Additional Mineral Properties***

If the Company abandons the exploration and development of the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the TSXV. There is

also no guarantee that the Exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

### ***Commercial Ore Deposits***

The Property is in the exploration stage only and is without a known body of commercial ore. Development of this property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

### ***Permits and Government Regulations***

The future operations of the Company may require permits from various federal, provincial, state and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Property.

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

There is no assurance that future changes to existing laws and regulations will not impact the Company. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in development of new mining properties.

There is no assurance that exploration (or mining) operations at the Michelle Project will be permitted in the future. The YESAB recommended against proposed exploration (or mining) operations at the Michelle Project which has caused exploration operations at that project to cease. The Government has filed a petition to initiate a judicial review against the YESAB's recommendation but the Company can provide no assurance that the judicial review process will be initiated or successful.

### ***Environmental Risks***

All phases of the natural resource business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and federal, provincial and municipal laws and regulations. The Company may be subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products that could occur as a result of its mineral exploration, development, and production. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with operations. Legislation may also require that facility sites and mines be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of tailings or other pollutants into the air, soil or water may give rise to liabilities to domestic or foreign governments and third parties and may require the Company to incur costs to remedy such discharge. No assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Company's financial condition, results of operations or prospects.

To the extent the Company is subject to environmental liabilities, the payment of such liabilities or the costs that it may incur to remedy environmental pollution would reduce funds otherwise available to it and could have a material adverse effect on the Company. If the Company is unable to fully remedy an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Company.

In addition, certain types of operations may require the submission and approval of environmental impact assessments to be conducted before permits can be obtained and there can be no assurances that the Company will be able to obtain or maintain all necessary permits that may be required for operations to be conducted at economically justifiable costs. The cost of compliance has the potential to reduce the profitability of operations by increasing costs and delaying production.

Governments at all levels may be moving towards enacting legislation to address climate change concerns, such as requirements to reduce emission levels and increase energy efficiency, and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place. Where legislation has already been enacted, such regulations may become more stringent, which may result in increased costs of compliance. There is no assurance that compliance with such regulations will not have an adverse effect on the Company's results of operations and financial condition. Furthermore, given the evolving nature of the debate related to climate change and resulting requirements, it is not possible to predict the impact on the Company results of operations and financial condition.

#### ***Reliance on Key Individuals***

The Company's success depends to a certain degree upon certain key members of the management. It is expected that these individuals will be a significant factor in the Company's growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Company.

#### ***Key Person Insurance***

The Company does not maintain key person insurance on any of its directors or officers, and as result the Company would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by the Company from such loss of any director or officer.

#### ***Uninsurable Risks***

In the course of exploration, development and production of mineral properties, certain risks may occur, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased exploration costs, damage to, or destruction of, mineral properties or facilities used for exploration and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on company property, and punitive awards in connection with those claims and other liabilities. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Liabilities that the Company incurs may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event the Company could incur significant costs that could adversely impact the Company's business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Company's interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to us. These could include loss or forfeiture of mineral interests or other assets for nonpayment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Company might undertake and legal claims for errors or mistakes by the Company's

personnel. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Common Shares.

### ***Mineral Titles***

The Company is satisfied that evidence of title to the Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Property. The Company may face challenges to the title the Property or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Company's business plan.

### ***Loss of Interest in Properties***

The Company's ability to maintain an interest in the properties owned by the Company will be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Company being unable to make the periodic payments required to keep the Property in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the properties transferred to or optioned by the Company.

Failure to obtain additional financing may result in the Company being unable to complete the required work required to keep the Property interests in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the Property.

### ***Title Risk and First Nation Claims for Mineral Properties***

The Property or other properties owned or optioned by the Company may in the future be the subject of First Nations land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in the properties optioned or owned by the Company cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the properties optioned or purchased by the Company are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with First Nations in order to facilitate exploration and development work on the properties optioned or owned by the Company.

First Nations' rights may be claimed on Crown properties or other types of tenure in Canada. The nature and extent of First Nation rights is complex and evolving. The Supreme Court of Canada's decision in *Tsilhqot'in Nation v. British Columbia* (2014 SCC 44) marked the first time in Canadian history that a court has declared First Nations' title and rights to lands outside of reserve land, particularly a large area of land in Central British Columbia, including rights to decide how the land will be used, occupancy and economic benefits. The Company's Canadian mineral properties may now or in the future be the subject of aboriginal or indigenous land claims. The legal nature of aboriginal land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in its Canadian mineral properties cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which its Canadian mineral properties are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of aboriginal interests in order to facilitate exploration and development work on its Canadian mineral properties, and there is no assurance that the Company will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop its Canadian mineral properties.

### ***Fluctuating Mineral Prices***

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly

in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

### ***Competition***

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

### ***Management***

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

### ***Public Health Crises***

The Company may be adversely affected by public health crises and other events outside its control. Public health crises, such as epidemics and pandemics, acts of terrorism, war or other conflicts and other events outside of the Company's control, may adversely impact the activities of the Company as well as operating results. In addition to the direct impact that such events could have on the Company's facilities and workforce, these types of events could negatively impact capital expenditures and overall economic activity in impacted regions or, depending on the severity of the event, globally, which could impact the demand for and prices of commodities. A prolonged continuance of a public health crisis could adversely affect the Company's workforce and ability to operate generally as well as cause significant investment decisions to be delayed or postponed. A prolonged continuance of a public health crisis could also have a material adverse effect on overall economic growth and impact the stability of the financial markets and availability of credit. Any of these developments could have a material adverse effect on the Company's business, financial position, liquidity and results of operations.

### ***Financing Risks***

The Company has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has not paid dividends on its shares and the Company does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties owned by the Company. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the property owned by the Company, there is no assurance that any such funds will be available. At present it is impossible to determine what amounts of additional funds, if any, may be required.

### ***Resale of Common Shares***

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the Common Shares purchased would be diminished.

### ***Price Volatility of Publicly Traded Securities***

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

There is currently no public trading market for the Common Shares, and the Company cannot assure that after Listing a public trading market will continue to develop or be sustained. If a market does not continue to develop or is not sustained, it may be difficult to sell Common Shares at an attractive price or at all. The Company cannot predict the prices at which its Common Shares will trade.

### ***Risks Relating to the Common Shares***

Securities of microcap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. If the Common Shares are listed, the price of the Common Shares is also likely to be significantly affected by short-term changes in gold or other mineral prices or in the Company's financial condition or results of operations. Other factors unrelated to the Company's performance that may affect the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not follow the Company; lessening in trading volume and general market interest in the Common Shares may affect an investor's ability to trade significant numbers of Common Shares; the size of the Company's public float may limit the ability of some institutions to invest in Common Shares; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. 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 Company's long-term value. 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. The fact that no market currently exists for the Common Shares may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares. The market price of the Common Shares is affected by many other variables which are not directly related to the success of the Company and are, therefore, not within the Company's control. These include other developments that affect the market for all resource sector securities, the breadth of the public market for the Company's Common Shares and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common Shares is expected to make the Share price volatile in the future, which may result in losses to investors.

### ***Shortages of Critical Parts, Equipment and Skilled Labour***

The Company's ability to acquire critical resources such as input commodities, drilling equipment, tires and skilled labour due to increased worldwide demand, may cause unanticipated cost increases and delays in delivery times, thereby impacting capital expenditures and exploration schedules.

### ***Conflicts of Interest***

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of *the Business Corporations Act* (British Columbia). Some of the directors and officers of the Company are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to the Company and their duties to the other companies on whose boards they serve, the directors and officers of the Company have agreed to the following:

- Participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;
- No commissions or other extraordinary consideration will be paid to such directors and officers; and business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

### ***Principal Shareholders***

As at the date of this Prospectus, one shareholder of the Company, being XT88, a company controlled by Gary R. Thompson, owns approximately 21.00% of the issued and outstanding Common Shares. In addition, Gary R. Thompson and Brenda Thompson, are spouses of one another and are considered “associates” for the purposes of applicable securities laws. Accordingly, each of these shareholders will be in a position to exert significant influence on the corporate actions that the Company may take, particularly when shareholder approval is required. These shareholders’ controlling interests could have the effect of delaying or preventing a change of control of the Company or entrenching the Board or management, which could conflict with the interests of the other shareholders and, consequently, could adversely affect the market price of the Company’s securities.

### ***Claims and Legal Proceedings***

The Company may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities, including claims relating to ex-employees. These matters may give rise to legal uncertainties or have unfavourable results. The Company will carry liability insurance coverage and mitigate risks that can be reasonably estimated. In addition, the Company may be involved in disputes with other parties in the future that may result in litigation or unfavourable resolution which could materially adversely impact the Company’s financial position, cash flow and results of operations.

### ***Local Resident Concerns***

Exploration, development and mining of the Property could be subject to resistance from local residents that could either prevent or delay exploration and development of the Property.

### ***Tax Issues***

Income tax consequences in relation to the Common Shares will vary according to circumstances of each investor. Prospective investors should seek independent advice from their own tax and legal advisers prior to investing in Common Shares of the Company.

### ***Dividends***

The Company does not anticipate paying any dividends on its Common Shares in the foreseeable future.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

Other than as described herein, to the Company’s knowledge, there are no legal proceedings or regulatory actions material to the Company to which it is a party, or has been a party to, or of which any of its property is the subject matter of, or was the subject matter of, since Incorporation on January 29, 2021, and no such proceedings or actions are known by the Company to be contemplated.

On May 29, 2023, the Government filed a petition to initiate a judicial review against the YESAB regarding the YESAB’s recommendation against proposed exploration (or mining) operation at the Michelle Project. In the petition, the Government alleged that the YESAB, did not have enough information for a fair, thorough assessment of the

Michelle Project. The Government is asking for the court to quash the recommendation on the grounds that it is “unreasonable”, and wants the case remitted to the YESAB for reconsideration and a declaration that the office “failed to observe a principle of natural justice and procedural fairness.”

On September 26, 2023, the Yukon Supreme Court asked Silver47 whether it would like to participate in the Government’s petition. The Company is participating as a “party” to the petition. Silver47 has been advised its role in the Government petition will be solely to allow it to provide arguments to supplement those put forth by the Government. In the context of the petition, to Silver47 and Silver47 USA’s knowledge, there is no potential for liability to arise in the form of damages or costs given the nature of its role and the proceedings.

To the Company’s knowledge, hearing on the petition is scheduled for November 24, 2024.

See “*Risk Factors – Permits and Government Regulations*”.

There have been no penalties or sanctions imposed against the Company by a court or regulatory authority, and the Company has not entered into any settlement agreements before any court relating to provincial or territorial securities legislation or with any securities regulatory authority, since Incorporation.

### **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Other than as disclosed elsewhere in this Prospectus, no director, executive officer or shareholder that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the issued Common Shares, or any of their respective associates or affiliates, has any material interest, direct or indirect, in any transaction within the three years before the date of this Prospectus which has materially affected or is reasonably expected to materially affect the Company. See *Executive Compensation – Related Party Transactions*.

### **AUDITORS, TRANSFER AGENT AND REGISTRAR**

The Company’s auditor is MNP LLP at Suite 2200 - 1021 Hastings St. W, MNP Tower, Vancouver, BC V6E 0C3.

The transfer agent and registrar for the Common Shares in Canada is Odyssey Trust Company at its principal offices at 1230 – 300 5<sup>th</sup> Ave SW, Calgary, AB T2P 3C4.

### **MATERIAL CONTRACTS**

There are no contracts of the Company that are material to the Company, other than as set forth below:

- The Purchase Agreement; See “*Description of the Business - History of the Company – Red Mountain Purchase Agreement*”;
- The Escrow Agreement to be entered between the Company and the Escrow Agent.

Copies of the foregoing document will be available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **INTEREST OF EXPERTS**

MNP LLP, the auditor of the Financial Statements included in this Prospectus, has advised the Company that it is independent of the Company in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

As at the date of this Prospectus, the partners and associates of MNP LLP, as a group, do not hold any securities of the Company.

The Technical Report was prepared by Kristopher J. Raffle, B.Sc., P.Geo., Christopher W. Livingstone, B.Sc., P.Geo., Yuliana R. Proenza, M.Eng., P.Geo., and Warren E. Black, M.Sc., P.Geo., each of whom has no interest in the Company, the Company's securities or the Property and has not held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when the Technical Report was prepared or thereafter.

### **STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of Special Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in certain provincial securities legislation, to the price at which the Special Warrant is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

### **CONTRACTUAL RIGHT OF RESCISSION**

The Company has granted to each holder of a Special Warrant a contractual right of rescission of the prospectus-exempt transaction under which the Special Warrant was initially acquired. The contractual right of rescission provides that if a holder of a Special Warrant who acquires another security of the issuer on exercise of the Special Warrant as provided for in the Prospectus is, or becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission because of the Prospectus or an amendment to the prospectus containing a misrepresentation,

- (a) the holder is entitled to rescission of both the holder's exercise of its Special Warrant and the private placement transaction under which the Special Warrant was initially acquired,
- (b) the holder is entitled in connection with the rescission to a full refund of all consideration paid to the underwriter or issuer, as the case may be, on the acquisition of the Special Warrant, and
- (c) if the holder is a permitted assignee of the interest of the original Special Warrant subscriber, the holder is entitled to exercise the rights of rescission and refund as if the holder was the original subscriber.

The contractual rights of action described above are in addition to and without derogation from any other right or remedy that a purchaser of Special Warrants may have at law.

**SCHEDULE A**  
**FINANCIAL STATEMENTS FOR THE COMPANY**

**SILVER47 EXPLORATION CORP.**

FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
JULY 31, 2023 and 2022  
(Expressed in Canadian Dollars)

## Independent Auditor's Report

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To the Shareholders of Silver47 Exploration Corp.:

### Opinion

We have audited the financial statements of Silver47 Exploration Corp. (the "Company"), which comprise the statements of financial position as at July 31, 2023 and July 31, 2022, and the statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial positions of the Company as at July 31, 2023 and July 31, 2022, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

### Basis for Opinion

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

### Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial statements, which indicates that the Company a net loss of \$883,569 (2022 - \$2,670,549) during the year ended July 31, 2023 and, as of that date, the Company had an accumulated deficit of \$4,109,595. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Vancouver, British Columbia  
November 30, 2023

*MNP* LLP  
Chartered Professional Accountants

**Silver47 Exploration Corp.**  
**Statements of Financial Position**  
(Expressed in Canadian dollars)

	Note	July 31, 2023	July 31, 2022
		\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	2,047,003	4,413,344
Taxes and other receivables		13,320	-
Prepaid expenses	6	296,055	132,758
		<u>2,356,378</u>	<u>4,546,102</u>
<b>Non-current assets</b>			
Exploration and evaluation assets	7	3,055,500	2,825,000
<b>TOTAL ASSETS</b>		<b><u>5,411,878</u></b>	<b><u>7,371,102</u></b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payables and accrued liabilities	8	127,891	913,821
Due to related parties	14	-	8,199
<b>Total current liabilities</b>		<u>127,891</u>	<u>922,020</u>
<b>EQUITY</b>			
Share capital	9b	6,243,031	4,201,442
Special warrants	9d	-	3,779,059
Contributed surplus	9c,9d,9e,9f	3,060,552	1,691,949
Accumulated deficit		(4,019,596)	(3,136,027)
<b>TOTAL EQUITY</b>		<u>5,283,987</u>	<u>6,536,423</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b><u>5,411,878</u></b>	<b><u>7,458,443</u></b>

**Nature of Operations** (Note 1)  
**Going Concern** (Note 2)  
**Commitments** (Note 7)  
**Subsequent Events** (Note 15)

Approved by the Board of Directors:

/s/ "Gary Thompson"  
**Gary Thompson**  
Director

/s/ "David Netherway"  
**David Netherway**  
Director

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

**Silver47 Exploration Corp.**  
 Statements of Loss and Comprehensive Loss  
 (Expressed in Canadian dollars)

	Note	Year Ended July 31, 2023	Year Ended July 31, 2022
		\$	\$
<b>Operating expenses</b>			
General and administrative expenses	10	682,119	456,661
Share-based compensation	9c	88,433	971,567
Exploration expenses	7	834,093	1,263,919
		1,604,645	2,692,147
<b>Other items</b>			
Interest income		(111,276)	(21,598)
Flow through share premium	9e	(609,800)	-
		(721,076)	(21,598)
<b>Net loss and comprehensive loss</b>		<b>883,569</b>	<b>2,670,549</b>
<b>Weighted average number of shares</b>		<b>31,916,402</b>	<b>26,627,226</b>
<b>Loss per share – basic and fully diluted</b>		<b>\$0.03</b>	<b>\$0.10</b>

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

**Silver47 Exploration Corp.**  
**Statements of Changes in Equity**  
(Expressed in Canadian dollars)

	Note	Number of Common Shares	Number of Special Warrants	Share Capital	Special Warrants	Contributed Surplus			Accumulated Deficit	Total
						Stock Options	Warrant Reserve	Share-based payment		
						\$	\$	\$		
<b>Balance at July 31, 2021</b>		<b>22,389,000</b>	<b>-</b>	<b>1,157,427</b>	<b>-</b>	<b>585,040</b>	<b>-</b>	<b>215,000</b>	<b>(465,478)</b>	<b>1,491,989</b>
Issued capital for services	9	139,200	-	69,600	-	-	-	-	-	69,600
Issued capital for acquisition	9	5,650,000	-	2,825,000	-	-	-	-	-	2,825,000
Stock option granted	9	-	-	-	-	911,567	-	-	-	911,567
Stock option exercise	9	150,000	-	149,415	-	(74,415)	-	-	-	75,000
Special warrants 1 <sup>st</sup> tranche	9	-	2,522,334	-	1,891,750	-	-	-	-	1,891,750
Special warrants cost 1 <sup>st</sup> tranche	9	-	-	-	(97,232)	-	13,497	-	-	(83,735)
Special warrants 2 <sup>nd</sup> tranche	9	-	1,476,333	-	1,107,250	-	-	-	-	1,107,250
Special warrants cost 2 <sup>nd</sup> tranche	9	-	-	-	(16,920)	-	5,404	-	-	(11,516)
Flow-through Special warrants	9	-	1,219,600	-	1,000,072	-	-	-	-	1,000,072
Special warrants cost	9	-	-	-	(105,861)	-	35,856	-	-	(70,005)
Net loss for the year	9	-	-	-	-	-	-	-	(2,670,549)	(2,670,549)
<b>Balance at July 31, 2022</b>		<b>28,328,200</b>	<b>5,218,267</b>	<b>4,201,442</b>	<b>3,779,059</b>	<b>1,422,192</b>	<b>54,757</b>	<b>215,000</b>	<b>(3,136,027)</b>	<b>6,536,423</b>
Issued capital for special warrants conversion	9	5,218,267	(5,218,267)	1,889,089	(3,779,059)	-	1,280,170	-	-	(609,800)
Issued capital for acquisition	9	200,000	-	152,500	-	-	-	-	-	152,500
Stock based compensation	9	-	-	-	-	88,433	-	-	-	88,433
Net loss for the year	9	-	-	-	-	-	-	-	(883,569)	(883,569)
<b>Balance at July 31, 2023</b>		<b>33,746,467</b>	<b>-</b>	<b>6,243,031</b>	<b>-</b>	<b>1,510,625</b>	<b>1,334,927</b>	<b>215,000</b>	<b>(4,019,596)</b>	<b>5,283,987</b>

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

**Silver47 Exploration Corp.**  
 Statements of Cash Flows  
 (Expressed in Canadian dollars)

	<b>Year Ended July 31, 2023</b>	<b>Year Ended July 31, 2022</b>
Net loss	(883,569)	(2,670,549)
Adjusted for		
Interest income	(111,276)	(21,598)
Items not involving cash		
Issued capital for services	-	9,600
Stock-based compensation expense	88,433	971,567
Flow through share premium	(609,800)	-
Net change in non-cash working capital items:		
Taxes and other receivables	75,446	(87,341)
Prepaid expenses	(163,297)	(12,758)
Accounts payable and accrued liabilities	(785,930)	848,515
Due to related parties	(8,199)	8,199
<b>Net cash flows used in operating activities</b>	<b>(2,398,192)</b>	<b>(954,365)</b>
<b>Cash flows used in investing activities</b>		
Interest income received	109,851	21,598
Investment in acquisition of exploration and evaluation assets	(78,000)	-
<b>Net cash flows provided by investing activities</b>	<b>31,851</b>	<b>21,598</b>
<b>Cash flows from financing activities</b>		
Proceeds from option exercised for common shares, net	-	75,000
Proceeds from private placement of special warrants, net	-	3,833,816
<b>Net cash flows provided by financing activities</b>	<b>-</b>	<b>3,908,816</b>
Increase/(decrease) in cash and cash equivalents during the year	(2,366,341)	2,976,049
<b>Cash and cash equivalents, beginning of year</b>	<b>4,413,344</b>	<b>1,437,295</b>
<b>Cash and cash equivalents, end of year</b>	<b>2,047,003</b>	<b>4,413,344</b>

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

## **Silver47 Exploration Corp.**

Notes to the Financial Statements

For the years ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

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### **1. Nature of Operations**

Silver47 Exploration Corp. ("S47" or "the Company") is a company incorporated in Canada on January 29, 2021. The Company is engaged in mineral exploration of precious metal in Canada. The Company's head office is located at Suite 551, 409 Granville Street, Vancouver, British Columbia, V6C 1T2, Canada.

### **2. Going Concern**

These financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations in the normal course of business. At present, the Company's operations do not generate cash flows. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company incurred a net loss of \$883,569 (2022 - \$2,670,549) and had negative cash flows relating to operating activities of \$2,398,192 (2022 - \$954,365) for the year ended July 31, 2023. These conditions indicate the existence of a material uncertainty which may cast significant doubt related to the Company's ability to continue as a going concern. The continuation of the Company as a going concern is dependent on the ability of the Company to achieve positive cash flow from operations and/or obtain necessary equity or other financing to continue exploration on its exploration and evaluation assets. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities, reported expenses, and balance sheet classifications that would be necessary should the Company be unable to continue as a going concern, and these adjustments could be material. The Company intends to raise the required funds through the issuance of equity, by securing strategic partners or issuing debt.

### **3. Basis of Preparation**

#### **3.1 *Statement of compliance***

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These financial statements were authorized for issue by the Company's board of directors (the "Board") on November 30, 2023.

#### **3.2 *Basis of presentation***

The Company's financial statements have been prepared on a historical cost basis, except for financial instruments which are classified as fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income ("FVTOCI"). The Company's financial statements are presented in Canadian dollars ("\$" or "dollars") which is the Company's functional currency. All values are rounded to the nearest dollar except where otherwise indicated.

#### **3.3 *Use of estimates and judgements***

The preparation of financial statements in accordance with IFRS requires management to make estimates, judgements and assumptions that affect the measurements of assets, liabilities, revenues, expenses and certain disclosures reported in these financial statements. Actual results may vary from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

### **3. Basis of Preparation (continued)**

#### **3.3 Use of estimates and judgements (continued)**

Significant estimates made by management include the following:

i. Valuation of options and warrants

Management uses the Black-Scholes option pricing model to determine the fair value of options and warrants issued. This model requires assumptions of the expected future volatility of the Company's common shares, expected life of warrants, future risk-free interest rates and the dividend yield of the Company's common shares.

ii. Income taxes

Provisions for income and other taxes are based on management's interpretation of taxation laws, which may differ from the interpretation by taxation authorities. Such difference may result in eventual tax payments differing from amounts accrued. Reporting amounts for deferred tax assets and liabilities are based on management's expectation for the timing and amounts of future taxable income or loss, as well as future taxation rates. Changes to these underlying estimates may result in changes to the carrying value, if any, of deferred income tax assets and liabilities.

Significant areas requiring the use of management's judgments include:

i. Going concern

Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing its financial statements for the year ended July 31, 2023. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Please refer to note 1 for additional information.

ii. Impairment of exploration and evaluation assets ("E&E assets")

Management reviews and assesses the carrying amount of exploration and evaluation assets for indicators of impairment when facts or circumstances suggest that the carrying amount is not recoverable. If impairment indicators are identified, an impairment test is performed and the amount by which the carrying value of the assets exceeds the estimated fair value is charged to profit or loss as an impairment loss.

### **4. Significant Accounting Policies**

#### ***Cash and cash equivalents***

Cash and cash equivalents comprise of cash and cashable guaranteed investment certificate ("GIC") in bank.

#### ***Financial Instruments***

The Company classifies its financial instruments in the following categories: as FVTPL, FVTOCI, financial assets at amortized cost, and financial liabilities at amortized cost. The classification depends on the purpose for which the financial asset or liabilities were acquired. Management determines the classification of financial assets and liabilities at initial recognition.

#### ***Recognition***

Financial instruments are recognized in the statements of financial position on the trade date, being the date in which the Company becomes a party to the contractual provisions of the financial instrument.

#### **4. Significant Accounting Policies (continued)**

##### *Financial Instruments (continued)*

###### *Classification*

The Company classifies its financial assets and financial liabilities using the following measurement categories:

(a) Those to be measured subsequently at fair value (either through other comprehensive loss or through profit or loss); and (b) Those to be measured at amortized cost.

The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designed as those to be measured subsequently at fair value through profit or loss (an irrevocable election at the time of recognition). For assets and liabilities measured at the fair value, gains and losses are either recorded in profit or loss or other comprehensive loss.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Cash and cash equivalents is classified as FVTPL and is accounted for at fair value. Accounts payable and accrued liabilities and due to related parties are classified as other financial liabilities and measured at amortized cost. Such financial liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest rate method. Interest expense is recorded in profit and loss.

###### *Derecognition*

A financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets is derecognized when:

- the contractual rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability obtained) is recognized in statement of loss and comprehensive loss.

Financial liabilities are derecognized when its contractual obligations are discharged, cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

###### *Fair value hierarchy*

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

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

#### **4. Significant Accounting Policies (continued)**

##### ***Financial Instruments (continued)***

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

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

The Company's financial instruments classified as Level 1 in the fair value hierarchy is cash and cash equivalents. The fair value of all other financial instruments which include accounts payable and accrued liabilities and due to related parties approximate their carrying values due to their short-term nature.

##### ***Related party transactions***

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

##### ***Exploration and evaluation expenditures***

The Company capitalizes the cost of acquiring exploration and evaluation assets and expenses exploration for and development of exploration and evaluation assets. Such costs, include, but are not limited to, geological and geophysical studies, exploratory drilling and sampling.

##### ***Impairment of exploration and evaluation assets (E&E assets)***

In accordance with the Company's accounting policy, the Company's E&E assets are evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, which is often judgmental, a formal estimate of recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use. The evaluation of asset carrying values for indications of impairment includes consideration of both external and internal sources of information, including such factors as market and economic conditions, metal prices, future plans for the Company's mineral properties and mineral resources and/or reserve estimates. Management has assessed for impairment indicators for the Company's E&E assets and has concluded that no indicators of impairment were identified, and the Company plans to continue with its objective of developing the Michelle Property.

##### ***Share capital***

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects. Common shares issued for consideration other than cash, are valued based on their fair value at the date the shares are issued.

##### ***Flow-through shares***

Expenditure deductions for income tax purposes related to exploratory activities funded by flow-through equity instruments are renounced to investors in accordance with income tax legislation. The proceeds from issuance are allocated between the offering of shares and the transfer of tax deductions. The allocation is made based on the difference between the quoted price of the existing shares and the amount the investor pays for the shares. A liability is recognized for this difference. The liability is reversed as eligible exploration expenditures are incurred and a flow through share premium is recognized at that time.

#### **4. Significant Accounting Policies (continued)**

##### *Special warrants*

Special warrants are classified separately in equity. Once special warrants are converted to common share, relative fair value methods will be used to allocate total proceeds of the special warrant units to the common share and warrant in proportion to their relative fair values. Any fair value attributed to the warrants is recorded as contributed surplus.

##### *Warrants*

The Company has adopted a relative fair value method with respect to the measurement of shares and warrants issued as private placement units. The relative fair value method allocates total proceeds of the private placement units to the shares and warrants in proportion to their relative fair values. Any fair value attributed to the warrants is recorded as contributed surplus.

##### *Income taxes*

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the statement of financial position liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities on an undiscounted basis, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

##### *Earnings/Loss per share*

Basic earnings/loss per share is computed by dividing the net income or loss attributable to the owners of the Company by the weighted average number of common shares outstanding for the relevant period.

Diluted earnings/loss per share is determined by adjusting the earnings or loss attributable to the owners of the Company and the weighted average number of common shares outstanding for the effects of dilutive instruments, which includes stock options and common share purchase warrants, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of “in-the-money” stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period. In periods that the Company reports a net loss, per share amounts are not presented on a diluted basis as the result would be anti-dilutive.

## Silver47 Exploration Corp.

Notes to the Financial Statements

For the years ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

### 4. Significant Accounting Policies (continued)

#### New Accounting Standards Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after August 1, 2022. All future accounting changes are either not applicable or do not have a significant impact to the Company and have been excluded.

### 5. Cash and cash equivalents

Cash and cash equivalents include cash in the bank and short term GIC (Guaranteed Investment Certificate). As at July 31, 2023, the short term GIC carry interest rate from 5% to 5.25% per annum. A summary of cash and cash equivalents as at July 31, 2023 and 2022 is as follow:

	July 31		July 31	
	2023		2022	
Cash	\$	247,003	\$	613,344
Short term GIC		1,800,000		3,800,000
<b>Total</b>	<b>\$</b>	<b>2,047,003</b>	<b>\$</b>	<b>4,413,344</b>

### 6. Prepaids expenses

As at July 31, 2023, the Company has \$136,055 (2022 - \$132,758) prepaid general and administrative expenses and \$160,000 prepaid exploration expenses (2022 - \$Nil).

### 7. Exploration and Evaluation Assets

On February 23, 2021, the Company signed an asset purchase agreement (“Agreement”) with Silver Range Resources Ltd. (“Silver Range”) to acquire 100% interest in the Michelle Silver-Zinc-Lead Project (“Michelle Property”) located in central Yukon. Pursuant to the Agreement, the Company can continue own 100% interest in the Michelle Property by:

- Issuing to Silver Range 19.9% of the Company’s shares following a listing on a Canadian securities exchange before March 1, 2022. (Met)
- Granting Silver Range a 1% Net Smelter Return. The Company will have a right of first refusal on the sale of the royalty.
- Making a one-time milestone payment of \$1,000,000 in cash or the Company’s shares upon the declaration of National Instrument 43-101 Measured & Indicated resources or reserves in excess of 80,000,000 ounces of silver.

On November 2, 2021, the Company has amended the agreement previously signed on February 23, 2021 with Silver Range to acquire 100% interest in the Michelle Property located in central Yukon. On November 15, 2021 (“Closing Date”), the Company issued 5,650,000 common shares, which equal to 19.9% of the issued and outstanding shares on the Closing Date, to Silver Range at a price of \$0.50 per share to purchase 100% interest in the Michelle Property and granted Silver Range 1% Net Smelter Return. The Company has a right of first refusal on the sale of the royalty.

From August 30, 2022 to May 18, 2023, the Company has signed 4 Mineral Claims Purchase Sales Agreement (the “Agreements”) with 6 beneficiary owners of Admas Plateau Property (the “AP Property”) located in Kamloops, Britch Columbia.

Pursuant to the Agreements, the Company obtained 100% interest in the AP Property by:

**Silver47 Exploration Corp.**

Notes to the Financial Statements

For the years ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

**7. Exploration and Evaluation Assets (continued)**

- From August 30, 2022 to May 18, 2023, the Company paid 6 beneficiary owners total of \$78,000 in cash;
- On March 24, 2023, the Company issued 200,000 common shares to 3 beneficiary owners at a price of \$0.75 to \$0.80 with total value of \$152,500;
- Granting 1 beneficiary owner a 1% Net Smelter Return (the “Royalty”) on all minerals produced from the AP property; and
- Silver47 holds the option to purchase the 1% Royalty from the beneficiary owner at any time prior to commercial production for \$500,000 payable in cash or shares or any combination thereof.

As at July 31, 2023, the Company has invested \$2,825,000 (2022 - \$2,825,000) in Michelle Property and \$230,500 in AP Property (2022 - \$Nil) as a result of the above transaction and incurred the following exploration expenditures during the year ended July 31, 2023 and July 31, 2022 respectively:

	<b>July 31, 2023</b>	<b>July 31, 2022</b>
	\$	\$
Community affairs	-	19,484
Exploration expenses	374	15,057
Exploration management fee	-	29,119
Geology data and software	22,953	4,951
Mapping (recovery)	(4,813)	20,000
Outsource drilling and exploration expenses	469,955	1,110,572
Permitting	147,638	-
Salary expenses	174,628	43,204
Sponsorship and events	7,008	10,500
Travel	16,350	11,032
<b>Total</b>	<b>\$834,093</b>	<b>\$1,263,919</b>

**8. Accounts payable and accrued liabilities**

As at July 31, 2023, the Company has accounts payable and other accrued expenses of \$127,891 (2022 - \$913,821).

**9. Share Capital***a) Authorized*

Unlimited number of common shares with no par value.

*b) Issued and Outstanding*

On August 18, 2021, the Company issued 19,200 common shares at \$0.50 per share to a consultant to settle the recruitment fee or valued at \$9,600.

On August 18, 2021, the Company issued 120,000 common shares at \$0.50 per share to its CFO for providing the services in fiscal year 2022 that were valued at \$60,000. These shares are subject to reverse vesting agreement which is amortized at 10,000 share or \$5,000 per month. As at July 31, 2022, all share compensation were amortized.

**Silver47 Exploration Corp.**

Notes to the Financial Statements

For the years ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

**9. Share Capital (continued)***b) Issued and Outstanding (continued)*

In October 2021, the Company issued 150,000 common shares and received \$75,000 cash from the exercise of 150,000 share options. \$74,415 was reallocated from contributed surplus to share capital as a result of option exercise (Note 9c).

On November 2, 2021, the Company has amended the asset purchase agreement (“Agreement”) previously signed on February 23, 2021 with Silver Range (“Silver Range”) to acquire 100% interest in the Michelle Silver-Zinc-Lead Project located in central Yukon.

On November 15, 2021, the Company issued 5,650,000 common shares, which equal to 19.9% of the issued and outstanding shares on the day, to Silver Range at a deemed price of \$0.50 per share or valued at \$2,825,000 to purchase 100% interest in the Michelle Property and granted Silver Range a 1% Net Smelter Return.

On November 28, 2022, the Company issued 5,218,267 common shares to exercise Special Warrants issued on April 14, May 31, and June 28, 2022 (Note 9d).

On March 24, 2023, the Company issued 200,000 common shares to the beneficiary owners of AP Property for acquisition. Total value of the share insurance is \$152,500 with 150,000 common shares at \$0.75 and 50,000 common shares at \$0.80 (Note 7).

As at July 31, 2023, the Company has issued a total of 33,746,467 common shares.

*c) Share Options*

On September 30, 2021, the Company has implemented a share compensation plan (“the Plan”) in which 10% of the total number of common shares that are issued and outstanding can be granted. In connection with the adoption of the Plan, the Company granted 2,000,000 options to its directors and officers with exercise price of \$0.50 per share, exercisable for 10 years until September 30, 2031. 50% of the options are vested immediately, and the other 50% will be vested on September 30, 2022. The fair value of the share options granted was estimated to be \$0.50 per stock option at the date of grant using Black-Scholes option pricing model with following assumptions of a risk-free interest rate of 1.47%, expected life of 10 years and expected volatility of 169.75%.

A summary of the Company’s stock option plan activity is as follows:

	Number of options	Weighted average exercise price \$
Options outstanding, as at July 31, 2021	-	-
Issued	2,000,000	0.50
Exercised	(150,000)	0.50
Options outstanding, as at July 31, 2022 and 2023	1,850,000	0.50

As at July 31, 2023, 1,850,000 (2022 – 1,850,000) stock option is exercisable, and the weighted average life of options outstanding is 8.16 years (2022 – 9.16 years).

During the year ended July 31, 2023, the Company recorded stock-based compensation expense of \$88,433 (2022 - \$911,567) against contributed surplus.

**9. Share Capital (continued)**

*d) Special Warrants*

The following was a summary of special warrant outstanding as at July 31, 2023:

	Number of Special Warrants	Special Warrant Capital \$
Special warrants issued 1st tranche	2,522,334	1,891,750
Special warrants finder's fee 1st tranche	-	(97,232)
Special warrants issued 2nd tranche	1,476,333	1,107,250
Special warrants finder's fee 2nd tranche	-	(16,920)
Flow-through Special warrants issued	1,219,600	1,000,072
Special warrants finder's fee	-	(105,861)
Warrants outstanding and exercisable, as at July 31, 2022	5,218,267	3,779,059
Warrants exercised	(5,218,267)	(3,779,059)
Warrants outstanding and exercisable, as at July 31, 2023	-	-

On April 14, 2022, the Company closed the 1<sup>st</sup> tranche of a non-brokered private placement of 2,522,334 Special Warrants at a price of \$0.75 per Special Warrant for aggregate gross proceeds of \$1,891,750. Each Special Warrant entitles the holder to acquire one Qualifying Unit immediately upon the completion of the filing of a prospectus to become a reporting issuer in Canada ("IPO") and without payment of additional consideration.

Each Qualifying Unit consists of one Common Share and one Warrant, with each Warrant entitling the holder thereof to acquire one additional Common Share at a price of \$1.00 per Warrant Share until the date that is 24 months after distribution of the Qualifying Warrants. Finder's fee consists of \$58,748 in cash and 78,330 Warrants valued at \$12,219 using Black-Scholes pricing model. Due diligence fee consists of \$3,850 in cash and 8,191 Warrants valued at \$1,278 using Black-Scholes pricing model. The Company also incurred \$21,137 in related share issuance costs.

On May 31, 2022, the Company closed the 2<sup>nd</sup> tranche of a non-brokered private placement of 1,476,333 Special Warrants at a price of \$0.75 per Special Warrant to certain arm's length investors for aggregate gross proceeds of \$1,107,250. Each Special Warrant entitles the holder to acquire one Qualifying Unit immediately upon the completion of the IPO and without payment of additional consideration.

Each Qualifying Unit consists of one Common Share and one Warrant, with each Warrant entitling the holder thereof to acquire one additional Common Share at a price of \$1.00 per Warrant Share until the date that is 24 months after distribution of the Qualifying Warrants. Finder's fee consists of \$11,516 in cash and 12,283 Warrants valued at \$5,404 using Black-Scholes pricing model.

On June 28, 2022, the Company closed a flow-through private placement of 1,219,600 Flow-Through Special Warrants at a price of \$0.82 per Flow-Through Special Warrant to certain arm's length investors for aggregate gross proceeds of \$1,000,072. Each Flow-Through Special Warrant entitles the holder to acquire one Common Share immediately upon the completion of the IPO and without payment of additional consideration. The Company also issued 85,372 Warrants to finders in connection with the distribution.

Each Qualifying Unit consists of one Common Share and one Warrant, with each Warrant entitling the holder thereof to acquire one additional Common Share at a price of \$1.00 per Warrant Share until the date that is 24 months after distribution of the Qualifying Warrants. Finder's fee consists of \$70,005 in cash and 85,372 Warrants valued at \$35,856 using Black-Scholes pricing model.

On November 28, 2022, the Company issued 5,218,267 common shares and 3,998,667 warrants to exercise above 1<sup>st</sup> and 2<sup>nd</sup> tranche of Special Warrants, Flow-Through Special Warrants:

**Silver47 Exploration Corp.**

Notes to the Financial Statements

For the years ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

**9. Share Capital (continued)***d) Special Warrants (continued)*

For 1<sup>st</sup> and 2<sup>nd</sup> tranche of Special Warrants exercised, 3,998,667 common shares and 3,998,667 warrants are issued to the holders. The warrants entitle the holders to acquire one Common Share (each a “Warrant Share”) at a price \$1.00 per Warrant Share for a period of 24 months from November 28, 2022.

A fair value of \$1,280,170 has been attributed to the warrants based on the Black-Scholes option pricing model on the date of Special Warrants granted using the following assumptions:

Risk-free rate	2.42% - 2.67%
Weighted-average life	2 years
Dividend yield	nil
Annualized Volatility	74.02% - 126.78%
Weighted-average fair value	\$0.25 – 0.44
Expected Life	2 years

For Flow-Through Special Warrants exercised, the Company issued 1,219,600 Common Shares on a “CEE flow-through” basis pursuant to the *Income Tax Act* (Canada) and recognized \$609,800 as a flow-through liability at the time of share issuance.

Upon conversion of Special Warrants to Common Shares and Warrants, the Company recognized \$220,013 Special Warrants finder’s fees as share issuance cost.

As at July 31, 2023, the Company has Nil (2022 – 5,218,267) Special Warrants outstanding.

*e) Flow-through shares*

During the year ended July 31, 2022, the Company raised \$1,000,072 on a CEE flow-through Special Warrants basis. On November 28, 2022, the Flow-Through Special Warrants was converted to CEE flow-through Common Shares, which \$609,800 flow through liabilities was recognized as the Company was required to incur a net total \$1,000,072 of qualifying expenditures to renounce the tax deductions to investors. During the year ended July 31, 2023, the Company meet its flow through share commitment, and recognized \$609,800 (2022 - \$Nil) flow-through share premium during the year.

*f) Warrants*

The following is a summary of warrant transactions for the years ended July 31, 2023 and 2022:

	Number of Warrants	Weighted average exercise price \$
Warrants outstanding and exercisable, as of July 31, 2021	2,925,200	0.74
Issued on April 14, 2022	86,521	1.00
Issued on May 31, 2022	12,283	1.00
Issued on June 28, 2022	85,372	1.00
Warrants outstanding and exercisable, as at July 31, 2022	3,109,376	0.78
Issued on November 28, 2022	3,998,667	1.00
Warrants outstanding and exercisable, as at July 31, 2023	7,108,043	0.89

**Silver47 Exploration Corp.**

Notes to the Financial Statements

For the years ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

**9. Share Capital (continued)***f) Warrants (continued)*

The following warrants were outstanding and exercisable as at July 31, 2023:

Expiry date	Exercise Price \$	Number of warrants outstanding and exercisable	Weighted average contractual life (years)
July 8, 2024	0.75	2,840,000	0.94
July 8, 2024	0.50	85,200	0.94
April 14, 2024	1.00	86,521	0.71
May 31, 2024	1.00	12,283	0.84
June 28, 2024	1.00	85,372	0.91
November 28, 2024	1.00	3,998,667	1.33
	0.89	7,108,043	1.16

The fair value of the share warrants granted was estimated to be \$0.25 - \$0.44 per warrant at the date of grant using Black-Scholes option pricing model with following assumptions:

Risk-free rate	2.42% - 2.67%
Weighted-average life	2 years
Dividend yield	nil
Annualized Volatility	74.02% - 126.78%
Expected Life	2 years

During the year ended July 31, 2023, the Company recorded fair value of \$1,280,170 (2022 - \$54,757) for the warrants granted.

**10. General and administrative expenses**

General and administrative expenses for the years ended July 31:

	2023	2022
Audit & accounting fees	\$58,239	\$52,227
Consulting fees	110,250	19,400
Office and administrative	55,124	42,436
Legal fees	146,849	224,026
Management and directors' fee	289,933	68,325
Marketing and investor relation fees	7,981	43,500
Transfer agent and filing fees	13,743	6,747
<b>Total</b>	<b>\$682,119</b>	<b>\$456,661</b>

## 11. Income Taxes

The following table reconciles the expected income taxes expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the statements of operations and comprehensive loss for the years ended July 31, 2023 and 2022:

	<b>July 31, 2023</b>	<b>July 31, 2022</b>
	\$	\$
Net loss before tax	(883,568)	(2,670,549)
Statutory tax rate	27%	27%
Expected income tax (recovery)	(238,563)	(721,048)
Change in estimates	24,557	318,736
Share issuance costs	-	(59,403)
Change in deferred tax asset not recognized	113,189	461,715
Flow Through Share Premium	105,373	-
Non-deductible items	(4,556)	-
Total tax expense (recovery)	-	-

The unrecognized deductible temporary differences as at July 31, 2023 and 2022 are comprised of the following:

	<b>July 31, 2023</b>	<b>July 31, 2022</b>
	\$	\$
Non-capital loss carryforwards	1,168,504	500,888
Share issuance costs	181,221	233,404
Exploration and evaluation assets	1,095,130	1,233,933
Undepreciated capital costs	74,330	74,330
Total unrecognized deductible temporary differences	2,519,185	2,042,555

The Company has non-capital loss carryforwards of approximately \$1,168,504 (2022 - \$500,888) which may be carried forward to apply against future year tax for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

<b>Expiry</b>	<b>Non-capital losses</b>
	\$
2041	233,562
2042	316,515
2043	618,427
	<u>1,168,504</u>

## 12. Capital Risk Management

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements and future acquisitions of mineral properties, and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, debt, acquire or dispose of assets or adjust the amount of cash.

At July 31, 2023, the Company's capital structure consists of the equity of the Company. The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends.

**Silver47 Exploration Corp.**

Notes to the Financial Statements

For the years ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

**13. Financial Instruments****13.1 Financial risk management objectives and policies**

The financial risk arising from the Company's operations are credit risk and liquidity risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how the Company mitigates these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

**12.2 Credit risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is primarily associated with the Company's bank balances. The Company mitigates credit risk associated with its bank balance by holding cash with large, reputable financial institutions.

**12.3 Liquidity risk**

Liquidity risk is the risk that the Company will not be able to settle or manage its obligations associated with financial liabilities. To manage liquidity risk, the Company closely monitors its liquidity position and ensures it has adequate sources of funding to finance its projects and operations. The Company's working capital as at July 31, 2023 was \$2,228,487 (2022 - \$3,624,082). The Company's accounts payable and accrued liabilities and due to related parties are expected to be realized or settled, respectively, within a one-year period.

**14. Related Party Transactions***Transaction with Key Management Personnel*

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity. The remuneration of directors and key management personnel during the years were as follows:

	<b>July 31</b>		<b>July 31</b>	
	<b>2023</b>		<b>2022</b>	
Management consulting fees	\$	290,733	\$	73,527
Director's fees		41,600		23,917
Share-based compensation		88,433		971,567
<b>Total</b>	\$	420,766	\$	1,069,011

As at July 31, 2023, there was \$Nil (2022 - \$8,199) due to related parties.

## **Silver47 Exploration Corp.**

Notes to the Financial Statements

For the years ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

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### **15. Subsequent Events**

On August 10, 2023, the Company entered assignment agreement (the “Assignment Agreement”) with Access Wealth Corporation (the “Assignor”). Under the Assignment Agreement, the Company shall issue 5,000,000 common shares to the Assignor to obtain all its rights and obligations in the Letter of Intend (the “Assignment”) between Assignor and White Rock Minerals Ltd. (“White Rock”) dated July 27, 2023, pursuant to which the Assignor agreed to purchase from White Rock, the Red Mountain VMS Project (the “Red Mountain Property”) located in central Alaska, USA by 5,000,000 common shares and USD \$400,000 in cash.

On September 11, 2023, the Company incorporated a 100% owned subsidiary, Silver47 USA Inc. (the “Sub Company”) under the law of the State of Delaware.

On October 6, 2023, pursuant to the Assignment, the Company and Sub Company (the “Purchaser Sub”) entered into Mineral Property Purchase and Sales Agreement (the “Agreement”) with White Rock and its subsidiary companies, Atlas Resources Pty Ltd., and White Rock (RM) Inc. (collectively, the “Sellers”) to acquire Red Mountain Property (the “Property”).

The Sellers shall sell, assign and transfer to the Purchaser Sub, all right, title and interest of the Sellers in and to the Property, the Property Permits and the Property Records. The Company shall pay purchase price on behalf of the Purchaser Sub to the Sellers for the Property as follows:

- USD \$400,000 in cash
- Issue 10,000,000 common shares of the Company (the “Consideration Shares”) at a deemed issue price of \$0.75 (the “Deemed Issue Price”) for total value of \$7,500,000 (the “Consideration Shares Value”).

The Company and Sellers also agreed to the following responsibilities which arise post-closing:

- The Company shall be responsible for payment of the rental fees due to the State of Alaska Department of Natural Resources by November 30, 2023, for the rental year beginning September 1, 2023, to maintain the Property.
- Carry forward work credits for the Property of USD \$385,100 each year from September 1, 2023 through September 26, 2026 will be available to apply for the Company.
- When the Company list its common shares on a recognized stock exchange or receive shares of another company listed on a recognized stock exchange in exchange for the its common shares, and the issue price per Company’s common share is less than the Deemed Issue Price, the Company shall issue additional Consideration Shares to the Sellers, such that equals the Consideration Shares Value should have been received by Sellers at Deemed Issue Price.

On October 6, 2023, the Company closed the acquisition by:

- Paying USD \$400,000 in cash to the Sellers.
- Issuing 5,000,000 common shares to the Sellers.
- Issuing 5,000,000 common shares to the Assignor.

# **SILVER47 EXPLORATION CORP.**

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2024

(EXPRESSED IN CANADIAN DOLLARS)  
(UNAUDITED)

**Silver47 Exploration Corp.**  
**Condensed Interim Consolidated Statements of Financial Position (Unaudited)**  
(Expressed in Canadian dollars)

	Note	April 30, 2024	July 31, 2023
<b>ASSETS</b>		\$	\$
<b>Current assets</b>			
Cash and cash equivalents	5	433,458	2,047,003
Tax and other receivables		15,529	13,320
Prepaid expenses	6	296,402	296,055
		745,389	2,356,378
<b>Non-current assets</b>			
Exploration and evaluation assets	7	11,139,046	3,055,500
<b>TOTAL ASSETS</b>		<b>11,884,435</b>	<b>5,411,878</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payables and accrued liabilities		165,885	127,891
Share based payment liabilities - current	8	328,125	-
		494,010	127,891
<b>Non-current liabilities</b>			
Share based payment liabilities - long term	8	164,062	-
<b>TOTAL LIABILITIES</b>		<b>658,072</b>	<b>127,891</b>
<b>EQUITY</b>			
Share capital	9b	13,743,031	6,243,031
Special warrants	9d	75,534	-
Contributed surplus	9c,9d,9e,9f	3,082,919	3,060,552
Accumulated deficit		(5,703,168)	(4,019,596)
Foreign currency translation reserve		28,047	-
<b>TOTAL EQUITY</b>		<b>11,226,363</b>	<b>5,283,987</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>11,884,435</b>	<b>5,411,878</b>

**Nature of Operations** (Note 1)

**Going Concern** (Note 2)

**Commitments** (Note 7)

**Subsequent Events** (Note 14)

Approved by the Board of Directors:

/s/ "Gary Thompson"  
**Gary Thompson**  
Director

/s/ "David Netherway"  
**David Netherway**  
Director

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

**Silver47 Exploration Corp.**  
**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss (Unaudited)**  
(Expressed in Canadian dollars)

	Note	Three months ended		Nine months ended	
		April 30, 2024	April 30, 2023	April 30, 2024	April 30, 2023
		\$	\$	\$	\$
<b>Operating expenses</b>					
General and administrative expenses	10	255,155	148,004	613,581	681,541
Share-based compensation	8 9c	308,733	-	514,554	88,433
Exploration expenses	7	182,000	161,781	588,413	673,344
		745,888	309,785	1,716,548	1,443,318
<b>Other items</b>					
Interest income		(7,688)	(17,018)	(32,539)	(52,952)
Flow through share premium	9e	-	(129,631)	-	(195,367)
Foreign exchange gain		(26,950)	-	(437)	-
		(34,638)	(146,649)	(32,976)	(248,319)
<b>Net loss</b>		<b>711,250</b>	<b>163,136</b>	<b>1,683,572</b>	<b>1,194,999</b>
Other comprehensive (income)/loss		182,592	-	(28,047)	-
<b>Comprehensive loss</b>		<b>893,842</b>	<b>163,136</b>	<b>1,655,525</b>	<b>1,194,999</b>
<b>Weighted average number of shares</b>		<b>43,746,467</b>	<b>33,629,613</b>	<b>39,445,097</b>	<b>30,535,857</b>
<b>Loss per share – basic and fully diluted</b>		<b>\$0.02</b>	<b>\$0.00</b>	<b>\$0.04</b>	<b>\$0.04</b>

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

**Silver47 Exploration Corp.**  
**Condensed Interim Consolidated Statements of Changes in Equity (Unaudited)**  
(Expressed in Canadian dollars)

Note	Number of Common Shares	Number of Special Warrants	Share Capital	Special Warrants	Contributed Surplus		Foreign Currency Translation Reserve	Accumulated Deficit	Total
					Share-based payment reserve	Warrant Reserve			
			\$	\$	\$	\$	\$	\$	\$
<b>Balance at July 31, 2022</b>	<b>28,328,200</b>	<b>5,218,267</b>	<b>4,201,442</b>	<b>3,779,059</b>	<b>1,637,192</b>	<b>54,757</b>	<b>-</b>	<b>(3,136,027)</b>	<b>6,536,423</b>
Issued capital for special warrants conversion	5,218,267	(5,218,267)	1,889,089	(3,779,059)	-	1,280,170	-	-	(609,800)
Issued capital for acquisition	200,000	-	152,500	-	-	-	-	-	152,500
Stock based compensation	-	-	-	-	88,433	-	-	-	88,433
Net loss for the year	-	-	-	-	-	-	-	(1,194,999)	(1,194,999)
<b>Balance at April 30, 2023</b>	<b>33,746,467</b>	<b>-</b>	<b>6,243,031</b>	<b>-</b>	<b>1,725,625</b>	<b>1,334,927</b>	<b>-</b>	<b>(4,331,026)</b>	<b>4,972,557</b>
<b>Balance at July 31, 2023</b>	<b>33,746,467</b>	<b>-</b>	<b>6,243,031</b>	<b>-</b>	<b>1,725,625</b>	<b>1,334,927</b>	<b>-</b>	<b>(4,019,596)</b>	<b>5,283,987</b>
Issued capital for acquisition	10,000,000	-	7,500,000	-	-	-	-	-	7,500,000
Stock based compensation	-	-	-	-	22,367	-	-	-	22,367
Special warrants issuance	-	94,417	-	75,534	-	-	-	-	75,534
Comprehensive loss for the year	-	-	-	-	-	-	28,047	(1,683,572)	(1,655,525)
<b>Balance at April 30, 2024</b>	<b>43,746,467</b>	<b>94,417</b>	<b>13,743,031</b>	<b>75,534</b>	<b>1,747,992</b>	<b>1,334,927</b>	<b>28,047</b>	<b>(5,703,168)</b>	<b>11,226,363</b>

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

**Silver47 Exploration Corp.**  
**Condensed Interim Consolidated Statements of Cash Flows (Unaudited)**  
(Expressed in Canadian dollars)

	Nine months ended	
	April 30, 2024	April 30, 2023
	\$	\$
Net loss	(1,683,572)	(1,194,999)
Adjusted for		
Interest income	(32,539)	(52,952)
Items not involving cash		
Stock-based compensation expense	514,554	88,433
Flow through share premium	-	(195,367)
Foreign exchange gain	(437)	-
Net change in non-cash working capital items:		
Tax and other receivables	(2,246)	61,955
Prepaid expenses	812	(16,500)
Accounts payable and accrued liabilities	11,994	(606,977)
Due to related parties	-	(8,199)
<b>Net cash flows used in operating activities</b>	<b>(1,191,434)</b>	<b>(1,924,606)</b>
<b>Cash flows used in investing activities</b>		
Interest income received	32,576	52,952
Investment in acquisition of exploration and evaluation assets <sup>1</sup>	(543,040)	(74,000)
<b>total change in investing activities</b>	<b>(510,464)</b>	<b>(21,048)</b>
<b>Cash flows from financing activities</b>		
Proceeds from private placement of special warrants	101,534	-
<b>total change in financing activities</b>	<b>101,534</b>	<b>-</b>
Increase/(decrease) in cash and cash equivalents during the period	(1,600,364)	(1,945,654)
Effect of exchange rate changes on cash	(13,181)	-
<b>Cash and cash equivalents, beginning of period</b>	<b>2,047,003</b>	<b>4,413,344</b>
<b>Cash and cash equivalents, end of period</b>	<b>433,458</b>	<b>2,467,690</b>

<sup>1</sup>The company issued 10,000,000 common shares at a price of \$0.75 for total value of \$7,500,000 for acquisition of the exploration and evaluation assets.

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

**Silver47 Exploration Corp.**

**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

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**1. Nature of Operations**

Silver47 Exploration Corp. (“S47” or “the Company”) is a company amalgamated in Canada on January 29, 2021. On September 11, 2023, the Company incorporated a 100% owned subsidiary, Silver47 USA Inc. (“S47 US” or “the Sub Company”) under the law of the State of Delaware.

The Company is engaged in mineral exploration of precious metal in Canada and USA. The Company’s head office is located at Suite 551, 409 Granville Street, Vancouver, British Columbia, V6C 1T2, Canada.

**2. Going Concern**

The condensed interim consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations in the normal course of business. At present, the Company's operations do not generate cash flows. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company incurred a net loss of \$711,250 and \$1,683,572 (2023 - \$163,136 and \$1,194,999) for the three- and nine- months periods ended April 30, 2024 and had negative cash flows relating to operating activities of \$1,191,434 (2023 - \$1,924,606) for the nine- months periods ended April 30, 2024. These conditions indicate the existence of a material uncertainty which may cast significant doubt related to the Company’s ability to continue as a going concern. The continuation of the Company as a going concern is dependent on the ability of the Company to achieve positive cash flow from operations and/or obtain necessary equity or other financing to continue exploration on its exploration and evaluation assets. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities, reported expenses, and balance sheet classifications that would be necessary should the Company be unable to continue as a going concern, and these adjustments could be material. The Company intends to raise the required funds through the issuance of equity, by securing strategic partners or issuing debt.

**3. Basis of Preparation**

**3.1 Statement of compliance**

These unaudited condensed interim consolidated financial statements as at and for the three and nine months ended April 30, 2024 and 2023 have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (“IFRICs”).

These condensed interim consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended July 31, 2023.

The Board of Directors approved these condensed interim consolidated financial Statements on August 23, 2024.

**3.2 Basis of presentation**

The Company's condensed interim consolidated financial statements have been prepared on an accrual basis and are based on historical cost basis, except for financial instruments which are classified as fair value through profit or loss, or fair value through other comprehensive income. The Company's condensed interim consolidated financial statements are presented in Canadian dollars (“CAD”) which is the Company’s functional currency. The Sub Company has US Dollar (“USD”) as functional currency.

**Silver47 Exploration Corp.**

**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

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**4. Material Accounting Policies**

The accounting policies and methods of computation applied by the Company in these condensed interim consolidated financial statements are the same as those applied in the Company's audited annual consolidated financial statements for the year ended July 31, 2023 except for the following:

***Consolidation***

The condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Silver47 USA Inc., from the date of incorporation of September 11, 2023. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

***Foreign currency translation and transactions***

***Transactions in foreign currency***

The Company and the Sub Company record transactions using its functional currency, being the currency of the primary economic environment in which it operates. Foreign currency transactions are translated into the respective functional currency of each entity using the foreign currency rates prevailing at the date of the transaction. Period-end balances of monetary assets and liabilities in foreign currency are translated to the respective functional currencies using period-end foreign currency rates. Foreign currency gains and losses arising from the settlement of foreign currency transactions are recognized in profit or loss.

***Foreign operations translation***

The assets and liabilities of foreign operations are translated into CAD at period-end foreign currency rates. Revenues and expenses of foreign operations are translated into CAD at average rates for the period. Foreign currency translation gains and losses are recognized in other comprehensive gain/loss.

***Share based payment liabilities***

Share based payment liabilities are the liabilities arising from the cash-settled share-based payment transactions.

Restricted Stock Units ("RSU"s) are stock-based awards that may be granted by the Company to certain eligible participants pursuant to its Share Compensation Plan (the "Plan"). RSUs are accounted for as a liability which have cash-settled share-based payment feature as the settlement is at the option of the holder, is measured at fair value on the grant date and is subsequently adjusted at each financial position reporting date for changes in fair value. Participants have the choice to settle the RSU by cash, common shares, or combination of cash and common shares.

The liability is recognized over the vesting period with a corresponding charge as a share-based compensation expense.

**5. Cash and cash equivalents**

Cash and cash equivalents include cash in the bank and short term GIC (Guaranteed Investment Certificate). As at April 30, 2024, the short term GIC carry interest rate from 5.15% to 5.45% per annum. A summary of cash and cash equivalents is as follow:

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	<b>April 30, 2024</b>		<b>July 31, 2023</b>	
Cash	\$	62,116	\$	247,003
Short term GIC		371,342		1,800,000
<b>Total</b>	\$	433,458	\$	2,047,003

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**Silver47 Exploration Corp.**

**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

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**6. Prepaid expenses**

As at April 30, 2024, the Company has \$149,963 (2023 - \$136,055) prepaid general and administrative expenses and \$146,439 prepaid exploration expenses (2022 - \$160,000).

**7. Exploration and Evaluation Assets**

Exploration and Evaluation (“E&E”) assets consist of costs to acquire the Corporation’s projects which are pending determination of technical feasibility and commercial viability in Canada and USA.

**Michelle Project**

On November 2, 2021, the Company finalized assets purchase agreement with Silver Range Resources Ltd. (“Silver Range”) to acquire 100% interest in the Michelle Silver-Zinc-Lead Project (“Michelle Property”) located in central Yukon.

On November 15, 2021, the Company issued 5,650,000 common shares to Silver Range at a price of \$0.50 per share with total cost of \$2,825,000 to close the purchase transaction as below:

- The Company own 100% interest in the Michelle Property
- Granting Silver Range a 1% Net Smelter Return. The Company will have a right of first refusal on the sale of the royalty.

**Adams Plateau Project**

From August 30, 2022 to May 18, 2023, the Company has signed 4 Mineral Claims Purchase Sales Agreement (the “AP Agreements”) with 6 beneficiary owners of Adams Plateau Property (the “AP Property”) located in Kamloops, British Columbia to acquire the AP property.

Pursuant to the AP Agreements, the Company obtained 100% interest in the AP Property with total cost of \$230,500 and commitments as below:

- From August 30, 2022 to May 18, 2023, the Company paid 6 beneficiary owners total of \$78,000 in cash;
- On March 24, 2023, the Company issued 200,000 common shares to 3 beneficiary owners at a price of \$0.75 to \$0.80 with total value of \$152,500;
- Granting 1 beneficiary owner a 1% Net Smelter Return (the “Royalty”) on all minerals produced from the AP property; and
- Silver47 holds the option to purchase the 1% Royalty from the beneficiary owner at any time prior to commercial production for \$500,000 payable in cash or shares or any combination thereof.

**Red Mountain Project**

On October 6, 2023, the Company closed purchase transactions under the Mineral Property Purchase and Sales Agreement with White Rock and its subsidiary companies, Atlas Resources Pty Ltd., and White Rock (RM) Inc. (collectively, the “Sellers”) to acquire 100% of Red Mountain VMS Project (the “RM Property”) located in central Alaska, USA with cost of \$8,048,400 including below:

- USD \$400,000 in cash.
- 10,000,000 common shares of the Company issued at a price of \$0.75 (the “Deemed Issue Price”) for total value of \$7,500,000.

The Company and Sellers also agreed to the following responsibilities which arise post-closing:

**Silver47 Exploration Corp.****Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

**7. Exploration and Evaluation Assets (continued)**

- The Company shall be responsible for payment of the rental fees due to the State of Alaska Department of Natural Resources by November 30, 2023, for the rental year beginning September 1, 2023, to maintain the Property. The Company made payment of USD \$268,220 on time.
- Carry forward work credits for the Property of USD \$385,100 each year from September 1, 2023 through September 26, 2026 will be available to apply for the Company.
- When the Company list its common shares on a recognized stock exchange or receive shares of another company listed on a recognized stock exchange in exchange for the its common shares, and the issue price per Company's common share is less than the Deemed Issue Price, the Company shall issue additional Consideration Shares to the Sellers, such that equals the Consideration Shares Value should have been received by Sellers at Deemed Issue Price.

As at April 30, 2024, the Company has invested as below to acquire various projects as a result of the above transactions:

	<b>Michelle Project</b>	<b>Admas Plateau Project</b>	<b>Red Mountain Project</b>	<b>Total</b>
Acquisition cost	2,825,000	230,500	8,048,400	11,103,900
Foreign currency translation adjustment	-	-	35,146	35,146
<b>Total E&amp;E Assets</b>	<b>2,825,000</b>	<b>230,500</b>	<b>8,083,546</b>	<b>11,139,046</b>

During the three- and nine- month periods ended April 30, 2024 and 2023, the Company incurred the following exploration expenditures:

	<b>April 30, 2024</b>	<b>April 30, 2023</b>	<b>April 30, 2024</b>	<b>April 30, 2023</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Exploration expenses	-	-	-	232
Geology data and software	5,488	167	16,359	167
Mapping	-	-	7,030	-
Outsource drilling and exploration expenses	8,710	92,919	147,540	454,448
Permitting	120,940	24,215	277,630	74,809
Salary expense	44,339	44,371	127,812	132,950
Sponsorship and events	-	-	-	7,008
Travel	2,523	109	12,042	3,730
<b>Total</b>	<b>182,000</b>	<b>161,781</b>	<b>588,413</b>	<b>673,344</b>

**8. Share based payment liabilities**

Under the Company's Share Compensation Plan (the "Plan"), the RSUs granted shall become vested in accordance with the following schedule: (i) 50% on the 12 month anniversary of the grant date; (ii) 50% on the 24 month anniversary of the grant date. At the option of the participant, the participant may choose to receive (i) a lump sum payment in cash equal to the number of vested RSUs multiplied by the market value of a common share on the payout date; (ii) the number of underlying common shares or; (iii) any combination of the foregoing.

The Company measures the cost of cash-settled share-based transactions by reference to the fair value of the equity instruments at the date at which they are granted.

Until the liabilities are settled, the Company remeasure the fair value of the liabilities at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

The changes in RSUs during the nine months ended April 30, 2024 are as follows:

**Silver47 Exploration Corp.****Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

**8. Share based payment liabilities (continued)**

	Number of RSUs
RSUs outstanding, as at July 31, 2022 and 2023	-
Granted	2,100,000
RSUs outstanding, as at April 30, 2024	2,100,000

Total share-based compensation expenses of \$295,313 and \$492,187 (2023 – \$Nil and \$Nil) for the three- and nine-months periods ended April 30, 2024 were recognized.

As at April 30, 2024, share based payment liabilities were \$492,187 based on the estimated fair value of \$0.75. The RSUs vest and are payable in equal tranches over a two-year period (1/2 per year). \$328,125 were included in share based payment liabilities – current and \$164,062 were included in share based payment – long term based on RSUs vest and payable date.

**9. Share Capital***a) Authorized*

Unlimited number of common shares with no par value.

*b) Issued and Outstanding*

As at April 30, 2024, the Company has the following common shares issued:

	Number of Common Shares	Share Capital \$
<b>Balance at July 31, 2022</b>	<b>28,328,200</b>	<b>4,201,442</b>
Issued capital for special warrants conversion	5,218,267	1,889,089
Issued capital for acquisition	200,000	152,500
<b>Balance at July 31, 2023</b>	<b>33,746,467</b>	<b>6,243,031</b>
Issued capital for acquisition	10,000,000	7,500,000
<b>Balance at April 30, 2024</b>	<b>43,746,467</b>	<b>13,743,031</b>

On November 28, 2022, the Company issued 5,218,267 common shares to exercise Special Warrants issued on April 14, May 31, and June 28, 2022 (Note 9d).

On March 24, 2023, the Company issued 200,000 common shares to the beneficiary owners of AP Property for acquisition. Total value of the share insurance is \$152,500 with 150,000 common shares at \$0.75 and 50,000 common shares at \$0.80 (Note 7).

On October 6, 2023, the Company issued 10,000,000 common shares to the beneficiary owners of RM Property for acquisition. Total value of the share insurance is \$7,500,000 with 10,000,000 common shares at \$0.75 (Note 7).

*c) Share Options*

On September 30, 2021, the Company has implemented a Share Compensation Plan (“the Plan”) in which 10% of the total number of common shares that are issued and outstanding can be granted.

**Silver47 Exploration Corp.****Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

**9. Share Capital (continued)***c) Share Options (continued)*

All stock options expire in ten years and vest based on terms and conditions set out in the stock option agreements. A summary of the Company's stock option plan activities is as follows:

	Number of Options	Weighted Average Exercise Price
Option outstanding, as at July 31, 2022 and 2023	1,850,000	\$0.50
Granted	100,000	\$0.75
Option outstanding, as at April 30, 2024	1,950,000	\$0.51

As April 30, 2024, the weighted-average life of the options outstanding was 7.53 years (July 31, 2023 – 8.16 years). Details of stock options outstanding as at April 30, 2024 were as follows:

Exercise price	Weighted average contractual life	Number of options outstanding	Number of options exercisable
\$0.50	7.42	1,850,000	1,850,000
\$0.75	9.59	100,000	-
<b>Total</b>	<b>7.53</b>	<b>1,950,000</b>	<b>1,850,000</b>

Total share-based compensation expenses of \$13,419 and \$22,367 (2023 – \$Nil and \$88,433) for the three- and nine-months periods ended April 30, 2024 were recognized based on the estimated fair value of the options on the grant date using the Black-Scholes option pricing model with the following assumptions:

Risk-free rate	3.56%
Weighted-average life	7.53 years
Dividend yield	nil
Annualized volatility	121.50%
Weighted-average fair value	\$0.72
Expected life	10 years

*d) Special Warrants*

The following was a summary of special warrant outstanding as at April 30, 2024:

	Number of Special Warrants	Special Warrants Capital \$
Special warrants outstanding and exercisable, as at July 31, 2022	5,218,267	\$3,779,059
Special warrants converted	(5,218,267)	(3,779,059)
Special warrants outstanding and exercisable, as at July 31, 2023	-	-
Special warrants issued	94,417	75,534
Warrants outstanding, as at April 30, 2024	94,417	\$75,534

On November 28, 2022, the Company issued 5,218,267 common shares and 3,998,667 warrants to exercise the 5,218,267 Special Warrants and Flow-Through Special Warrants outstanding as below:

For 1<sup>st</sup> and 2<sup>nd</sup> tranche of Special Warrants exercised, 3,998,667 common shares and 3,998,667 warrants are issued to the holders. The warrants entitle the holders to acquire one Common Share (each a "Warrant Share") at a price \$1.00 per Warrant Share for a period of 24 months from November 28, 2022.

**Silver47 Exploration Corp.**

**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

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**9. Share Capital (continued)**

d) *Special Warrants (continued)*

A fair value of \$1,280,170 has been attributed to the warrants based on the Black-Scholes option pricing model on the date of Special Warrants granted using the following assumptions:

Risk-free rate	2.42% - 2.67%
Weighted-average life	2 years
Dividend yield	nil
Annualized volatility	74.02% - 126.78%
Weighted-average fair value	\$0.25 – 0.44
Expected life	2 years

For Flow-Through Special Warrants exercised, the Company issued 1,219,600 Common Shares on a “CEE flow-through” basis pursuant to the *Income Tax Act* (Canada) and recognized \$609,800 as a flow-through liability at the time of share issuance.

Upon conversion of Special Warrants to Common Shares and Warrants, the Company recognized \$220,013 Special Warrants finder’s fees as share issuance cost.

On April 2, 2024, the board of the Company approved to complete a private placement of up to 6,250,000 Special Warrants of the Company, in one or more tranches, at a price of \$0.80 per Special Warrant for aggregate proceeds of up to \$5,000,000 (the “Private Placement”). Each Special Warrant entitles the holder to receive one unit of Common Share of the Company and one half of one common share purchase warrant (each whole common share purchase warrant, a “Warrant”). Each Warrant entitles the holder to purchase one Common Share at price of \$1.00 per share until the expire date.

As at April 30, 2024, the Company issued 94,417 Special Warrants for proceeds of \$75,534 under the terms of the Private Placement.

As at April 30, 2024, the Company has 94,417 (July 31, 2023 – Nil) Special Warrants outstanding.

e) *Flow-through shares*

On November 28, 2022, the Flow-Through Special Warrants was converted to CEE flow-through Common Shares, which \$609,800 flow through liabilities was recognized as the Company was required to incur a net total \$1,000,072 of qualifying expenditures to renounce the tax deductions to investors. During the year ended July 31, 2023, the Company meet its flow through share commitment.

During the three- and nine- months periods ended April 30, 2024, the Company recognized \$Nil (2023 - \$129,631 and \$195,367) flow-through share premium.

f) *Warrants*

In March 2023, the Company extended the exercise period of all of its common share purchase warrants by two (2) years from the effective date of listing of the Company’s common shares on the TSX Venture Exchange or other stock exchange in Canada (the “Extended Expiry Date”).

The Extended Expiry Date supersedes and replaces the expiry date set forth in the original warrant certificate. All other terms of the warrants remain the same and unamended.

During the period ended April 30, 2024, \$86,521 common shares purchase warrants expired and extended.

The following is a summary of warrant transactions for the period ended April 30, 2024:

**Silver47 Exploration Corp.****Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

**9. Share Capital (continued)**f) *Warrants (continued)*

	Number of Options
Warrants outstanding, as at July 31, 2022	3,109,376
Granted	3,998,667
Warrants outstanding, as at July 31, 2023 and April 30, 2024	7,108,043

The following warrants were outstanding and exercisable as at April 30, 2024:

Expire Date	Exercise Price \$	Number of Warrants Outstanding	Weighted Average Contractual Life (years)
May 31, 2024	1.00	12,283	0.08
June 28, 2024	1.00	85,372	0.16
July 08, 2024	0.50	85,200	0.19
July 08, 2024	0.75	2,840,000	0.19
November 28, 2024	1.00	3,998,667	0.58
April 14, 2027	1.00	86,521	2.96
		<b>7,108,043</b>	<b>0.44</b>

During the year ended July 31, 2023, the Company recorded fair value of \$1,280,170 for the warrants granted.

The fair value of the share warrants granted was estimated to be \$0.25 - \$0.44 per warrant at the date of grant using Black-Scholes option pricing model with following assumptions:

Risk-free rate	2.42% - 2.67%
Weighted-average life	2 years
Dividend yield	nil
Annualized volatility	74.02% - 126.78%
Expected life	2 years

**10. General and administrative expenses**

General and administrative details for the three- and nine-months periods ended April 30, 2024 and 2023:

	Three months ended		Nine months ended	
	April 30, 2024	April 30, 2023	April 30, 2024	April 30, 2023
Audit and accounting fees	\$26,328	\$669	\$28,254	\$36,239
Consulting fees	-	50,250	50,250	110,250
Office and administrative	7,526	2,667	28,477	31,603
Legal fees	21,328	23,641	132,733	269,832
Management and directors' fee	78,749	68,150	238,915	221,783
Marketing and investor relation fees	120,473	-	131,824	-
Transfer agent and filing fees	751	2,627	3,128	11,834
<b>Total</b>	<b>\$255,155</b>	<b>\$148,004</b>	<b>\$613,581</b>	<b>\$681,541</b>

**Silver47 Exploration Corp.**

**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

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**11. Capital Risk Management**

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements and future acquisitions of mineral properties, and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, debt, acquire or dispose of assets or adjust the amount of cash.

At April 30, 2024, the Company's capital structure consists of the equity of the Company. The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends.

**12. Financial Instruments**

**12.1 Financial risk management objectives and policies**

The financial risk arising from the Company's operations are credit risk and liquidity risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how the Company mitigates these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

**12.2 Fair value of financial instruments**

The fair value hierarchy established by IFRS 13 Fair Value Measurement has three levels to classify the inputs to valuation techniques used to measure fair value as described below:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted market prices that are observable for the assets or liabilities either directly or indirectly; and

Level 3 – inputs that are not based on observable market data.

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<b>Financial Instruments</b>	<b>Classification</b>
Cash and cash equivalents	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Share based payment liabilities	Fair value through profit and loss

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The fair value of Company's financial instruments carried at amortized cost approximate their carrying values due to their short-term nature.

**12.3 Credit risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is primarily associated with the Company's bank balances. The Company mitigates credit risk associated with its bank balance by holding cash with large, reputable financial institutions.

**Silver47 Exploration Corp.****Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**

For the three and nine months ended April 30, 2024 and 2023

(Expressed in Canadian dollars)

**13. Financial Instruments (continued)****12.4 Liquidity risk**

Liquidity risk is the risk that the Company will not be able to settle or manage its obligations associated with financial liabilities. To manage liquidity risk, the Company closely monitors its liquidity position and ensures it has adequate sources of funding to finance its projects and operations. The Company's working capital as at April 30, 2024 was \$251,379 (2023 - \$2,228,487). The Company's accounts payable and accrued liabilities are expected to be realized or settled, respectively, within a one-year period.

**13. Related Party Transactions***Transaction with Key Management Personnel*

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity. The remuneration of directors and key management personnel during the periods were as follows:

	Three months ended		Nine months ended	
	April 30, 2024	April 30, 2023	April 30, 2024	April 30, 2023
Management consulting fees	\$ 68,749	\$ 68,750	\$ 208,915	\$ 221,983
Director's fees	10,000	10,000	30,000	31,600
Share-based compensation	182,813	-	304,688	88,433
<b>Total</b>	<b>\$ 261,562</b>	<b>\$ 78,750</b>	<b>\$ 543,603</b>	<b>\$ 342,016</b>

As at April 30, 2024, there was \$24,325 (July 31, 2023 - \$Nil) due to related parties included in accounts payables and accrued liabilities.

**14. Subsequent Events**

After April 30, 2024 to the reporting date, the Company has issued 6,202,976 Special Warrants for proceeds of \$4,962,380 under the terms of the Private Placement. (Note 9d)

On June 4 and June 6, 2024, the Company issued an aggregate of 103,005 finder's warrants for the Private Placement.

On July 8, 2024, the Company amended RSU agreement with executives to decrease 250,000 shares of RSU issued on November 30, 2023.

On July 8, 2024, the Company issued 500,000 shares of RSU to consultant.

After April 30, 2024, Company filed a final long form prospectus in order to qualify for listing on the TSX Venture Exchange.

**SCHEDULE B**

**MANAGEMENT DISCUSSION & ANALYSIS FOR THE COMPANY**

# **SILVER47 EXPLORATION CORP.**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JULY 31, 2023 AND 2022  
(EXPRESSED IN CANADIAN DOLLARS)

DATED: OCTOBER 11, 2024

**Silver47 Exploration Corp.  
Management's Discussion and Analysis  
For the year ended July 31, 2023 and 2022**

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**Background**

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of the operations of Silver47 Exploration Corp.'s ("Silver47" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended July 31, 2023 and 2022. This MD&A should be read in conjunction with the audited financial statements and the accompanying notes for the year ended July 31, 2023 and 2022. Additional information regarding the Company is available on SEDAR at [www.sedar.ca](http://www.sedar.ca).

As of January 29, 2021, date of inception, the Company adopted International Reporting Standards ("IFRS"). All dollar figures included herein and in the audited financial statements are quoted in Canadian dollars unless otherwise stated. The audited financial statements for the year ended July 31, 2023 and 2022 have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of focused common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

**Forward Looking Statements**

*Certain information in this MD&A is forward-looking within the meaning of applicable securities laws, and is subject to important risks, uncertainties and assumptions. The forward-looking information is based on certain assumptions, which could change materially in the future. The forward-looking information in this MD&A describes the Company's expectations as of the date of this MD&A. The results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date.*

**Company Overview and Performance**

Silver47 is a precious metal-focused exploration company amalgamated in British Columbia on January 29, 2021. Silver47's head office is located at Suite 551 - 409 Granville Street, Vancouver, BC, Canada and the registered and records office is located at 2700 Melville Street, Vancouver, BC, Canada.

The Company's principal business activity is the acquisition and exploration of mineral properties in the natural resources sector with the long-term goal of divesting its investment assets at a profit. The Company's mandate is to acquire in mining natural resource opportunity, primarily in Canada.

As at July 31, 2023, the Company obtained the two mineral properties in Canada:

**Michelle Project**

On November 2, 2021, the Company finalized assets purchase agreement with Silver Range Resources Ltd. ("Silver Range") to acquire 100% interest in the Michelle Silver-Zinc-Lead Project ("Michelle Property") located in central Yukon.

On November 15, 2021, the Company issued 5,650,000 common shares to Silver Range at a price of \$0.50 per share with total cost of \$2,825,000 to close the purchase transaction as below:

- The Company own 100% interest in the Michelle Property
- Granting Silver Range a 1% Net Smelter Return. The Company will have a right of first refusal on the sale of the royalty.

**Admas Plateau Project**

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From August 30, 2022 to May 18, 2023, the Company has signed 4 Mineral Claims Purchase Sales Agreement (the "AP Agreements") with 6 beneficiary owners of Admas Plateau Property (the "AP Property") located in Kamloops, British Columbia to acquire the AP property.

Pursuant to the AP Agreements, the Company obtained 100% interest in the AP Property with total cost of \$230,500 and commitments as below:

- From August 30, 2022 to May 18, 2023, the Company paid 6 beneficiary owners total of \$78,000 in cash;
- On March 24, 2023, the Company issued 200,000 common shares to 3 beneficiary owners at a price of \$0.75 to \$0.80 with total value of \$152,500;
- Granting 1 beneficiary owner a 1% Net Smelter Return (the "Royalty") on all minerals produced from the AP property; and
- Silver47 holds the option to purchase the 1% Royalty from the beneficiary owner at any time prior to commercial production for \$500,000 payable in cash or shares or any combination thereof.

As at July 31, 2023, the Company has invested \$3,055,500 including cash and common shares to acquire the above two projects.

**Going Concern**

The Company incurred a net loss of \$883,569 (2022 - \$2,670,549) and had negative cash flows relating to operating activities of \$2,398,192 (2022 - \$954,365) for the year ended July 31, 2023. These conditions indicate the existence of a material uncertainty which may cast significant doubt related to the Company's ability to continue as a going concern. The continuation of the Company as a going concern is dependent on the ability of the Company to achieve positive cash flow from operations and/or obtain necessary equity or other financing to continue exploration on its exploration and evaluation assets. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities, reported expenses, and balance sheet classifications that would be necessary should the Company be unable to continue as a going concern, and these adjustments could be material. The Company intends to raise the required funds through the issuance of equity, by securing strategic partners or issuing debt.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead and maintain its mineral interests. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets.

**Subsequent Events**

On August 10, 2023, the Company entered assignment agreement (the "Assignment Agreement") with Access Wealth Corporation (the "Assignor"). Under the Assignment Agreement, the Company shall issue 5,000,000 common shares to the Assignor to obtain all its rights and obligations in the Letter of Intend (the "Assignment") between Assignor and White Rock Minerals Ltd. ("White Rock") dated July 27, 2023, pursuant to which the Assignor agreed to purchase from White Rock, the Red Mountain VMS Project (the "Red Mountain Property") located in central Alaska, USA by 5,000,000 common shares and USD \$400,000 in cash.

On September 11, 2023, the Company incorporated a 100% owned subsidiary, Silver47 USA Inc. (the "Sub Company") under the law of the State of Delaware.

On October 6, 2023, pursuant to the Assignment, the Company and Sub Company (the "Purchaser Sub") entered into Mineral Property Purchase and Sales Agreement (the "Agreement") with White Rock and its subsidiary companies, Atlas Resources Pty Ltd., and White Rock (RM) Inc. (collectively, the "Sellers") to acquire Red Mountain Property (the "Property").

The Sellers shall sell, assign and transfer to the Purchaser Sub, all right, title and interest of the Sellers in and to the Property, the Property Permits and the Property Records. The Company shall pay purchase price on behalf of the Purchaser Sub to the Sellers for the Property as follows:

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- USD \$400,000 in cash
- Issue 10,000,000 common shares of the Company (the “Consideration Shares”) at a deemed issue price of \$0.75 (the “Deemed Issue Price”) for total value of \$7,500,000 (the “Consideration Shares Value”).

The Company and Sellers also agreed to the following responsibilities which arise post-closing:

- The Company shall be responsible for payment of the rental fees due to the State of Alaska Department of Natural Resources by November 30, 2023, for the rental year beginning September 1, 2023, to maintain the Property.
- Carry forward work credits for the Property of USD \$385,100 each year from September 1, 2023 through September 26, 2026 will be available to apply for the Company.
- When the Company list its common shares on a recognized stock exchange or receive shares of another company listed on a recognized stock exchange in exchange for the its common shares, and the issue price per Company’s common share is less than the Deemed Issue Price, the Company shall issue additional Consideration Shares to the Sellers, such that equals the Consideration Shares Value should have been received by Sellers at Deemed Issue Price.

On October 6, 2023, the Company closed the acquisition by:

- Paying USD \$400,000 in cash to the Sellers.
- Issuing 5,000,000 common shares to the Sellers.
- Issuing 5,000,000 common shares to the Assignor.

On November 30, 2023, the Company 100,000 shares of stock options to a consultant and 1,850,000 shares of RSU to executives, directors and consultants of the Company.

On April 2, 2024, the board of the Company approved the private placement of Special Warrants of the Company, in one or more tranches, at a price of \$0.80 per Special Warrant (the “Private Placement”). Each Special Warrant entitles the holder to receive one unit of Common Share of the Company and one half of one common share purchase warrant (each whole common share purchase warrant, a “Warrant”). Each Warrant entitles the holder to purchase one Common Share at price of \$1.00 per share until the expire date.

During the year ended July 31, 2024, the Company issued 6,297,393 Special Warrants for proceeds of \$5,037,915 under the terms of the Private Placement. Finder’s fee consists of \$82,403 in cash and 103,005 Warrants valued at \$41,271 using Black-Scholes pricing model. The Company also incurred \$67,810 in expenses related to share issuance costs.

On July 8, 2024, the Company amended RSU agreements with executives to decrease RSUs issued to the Company’s CEO and CFO by 250,000. These RSUs were initially issued on November 30, 2023.

On July 8, 2024, the Company issued 500,000 RSUs to a consultant.

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**Financial Information Highlights**

<b>For the year ended July 31,</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Net revenues	\$ -	\$ -	\$ -
Cash flows related to financing activities	-	3,908,816	1,517,467
Cash flows relating to operating activities	(2,398,192)	(954,365)	(80,172)
Net loss	<b>883,569</b>	2,670,549	465,478
Loss per share - basic and diluted	<b>0.03</b>	0.10	0.03

<b>As at July 31,</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Total assets	<b>5,411,878</b>	7,458,443	1,557,295
Total liabilities	<b>127,891</b>	922,020	65,306
Current assets	<b>2,356,378</b>	4,633,443	1,557,295
Current liabilities	<b>127,891</b>	922,020	65,306
Working capital	<b>2,228,487</b>	3,711,423	1,491,989
Common shares outstanding	<b>33,746,467</b>	28,328,200	22,389,000

**Summary of Quarterly Results**

<b>Three-month periods ended</b>	<b>July 31</b>		<b>April 30</b>		<b>January 31</b>		<b>October 31</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>
Expenses								
General and administrative	\$ 578	\$ 320,149	\$ 148,004	\$ 47,471	\$ 347,076	\$ 23,650	\$ 186,461	\$ 65,391
Share-based compensation	-	140,170	-	136,089	-	140,170	88,433	555,138
Exploration expenses	160,749	787,740	161,781	68,764	185,947	8,923	325,616	398,492
<b>Loss before other items</b>	<b>\$ 161,327</b>	<b>\$ 1,248,059</b>	<b>\$ 309,785</b>	<b>\$ 252,324</b>	<b>\$ 533,023</b>	<b>\$ 172,743</b>	<b>\$ 600,510</b>	<b>\$ 1,019,021</b>
Interest income	(58,324)	(19,338)	(17,018)	(1,170)	(18,978)	(1,090)	(16,956)	-
Flow through share premium	(414,433)	-	(129,631)	-	(65,736)	-	-	-
<b>Net loss/(income) from Operations</b>	<b>\$ (311,430)</b>	<b>\$ 1,228,721</b>	<b>\$ 163,136</b>	<b>\$ 251,154</b>	<b>\$ 448,309</b>	<b>\$ 171,653</b>	<b>\$ 583,554</b>	<b>\$ 1,019,021</b>
<b>Loss/(gain) per share – basic and diluted</b>	<b>(\$ 0.01)</b>	<b>\$ 0.04</b>	<b>\$ 0.00</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>	<b>\$ 0.02</b>	<b>\$ 0.04</b>

**Variances quarter over quarter can be explained as follows:**

- For the quarter ended July 31, 2023, the net income comparing with net loss of the same quarter of 2022 is related to lower general and administrative expenses, stock-based compensation expenses for stock options granted and exploration expenses, plus higher interest income and flow through shares premium.
- For the quarter ended April 30, 2023, the lower net loss is related to less stock-based compensation expenses for stock options granted, higher flow through share premium and interest income offset by higher exploration expenses and general and administrative expenses.
- For the quarter ended January 31, 2023, the higher net loss is related to higher general and administration expenses, and exploration expenses offset by less share-based compensation for stock options granted, higher flow through share premium and interest income.
- For the quarter ended October 31, 2023, the lower net loss is related to less stock-based compensation expenses for stock options granted offset by higher general and administrative expenses.

**Discussion of Operations**

***General and administrative expenses***

The Company's general and administrative expenses for the year ended July 31, 2023 were \$682,119 (2022 - \$456,661).

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<b>For the year ended July 31,</b>	<b>2023</b>	<b>2022</b>
Audit & Accounting fees	\$58,239	\$52,227
Consulting fees	110,250	19,400
Office and administrative	55,124	42,436
Legal fees	146,849	224,026
Management and directors' fee	289,933	68,325
Marketing and investor relation fees	7,981	43,500
Transfer agent and filing fees	13,743	6,747
<b>Total</b>	<b>\$682,119</b>	<b>\$456,661</b>

General and administrative expenses increased during the year ended July 31, 2023, over the prior comparative period principally due to the effect of the following:

- Consulting fees increased to \$110,250 (2022 – \$19,400) as a result of increase needs for third party consultants.
- Legal fees decreased to \$146,849 (2022 – \$224,026) as a result of decreased needs for legal services.
- Management and directors' fees increase to \$289,933 (2022 - \$68,325) as a result of increased executive management services.
- Marketing and investor relation fees decreased to \$7,981 (2022 – \$43,500) as a result of decreased activities for business development.

***Exploration expenses***

The Company's exploration expenses for the year ended July 31, 2023 were \$834,093 (2022 - \$1,263,919).

<b>For the year ended July 31,</b>	<b>2023</b>	<b>2022</b>
Exploration expenses	374	15,057
Community affairs	-	19,484
Sponsorship and events	7,008	10,500
Exploration management fee	-	29,119
Mapping	(4,813)	20,000
Outsource drilling and exploration expenses	469,955	1,110,572
Geology data and software	22,953	4,951
Permitting	147,638	-
Travel	16,350	11,032
Salary expense	174,628	43,204
<b>Total</b>	<b>834,093</b>	<b>1,263,919</b>

Exploration expenses decreased during the year ended July 31, 2023, over the prior comparative period principally due to the effect of the following:

- Outsource drilling and exploration expenses decrease to \$469,955 (2022 - \$1,110,572) due to less exploration and drilling activities.
- Permitting increased to \$147,638 (2022 – \$Nil) as a result of increased permit fees for property obtained.
- Salary expenses increased to \$174,628 (2022 - \$43,204) due to VP of exploration hired to lead the exploration activities.

**Total Operating Expenses**

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Total operating expenses decreased to \$1,604,645 (2022 - \$2,692,147) for the year ended July 31, 2023 due to decreased share-based compensation expenses for stock option granted, and decreased general and administrative expenses and exploration expenses as elaborated above.

**Financial Instruments, Liquidity and Capital**

The Company's financial instruments, consisting of cash and cash equivalents, accounts receivables, and accounts payables. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions and to maintain the development program for the Company's properties. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity, by securing strategic partners or assuming debt. The Company is exposed to liquidity risk. Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

As at July 31, 2023, the Company had cash and cash equivalents of \$2,047,003 compared with \$4,413,344 at July 31, 2022. The Company continues to experience negative operating cash flow as a result of no revenue coupled with the Company's ongoing expenses related to its exploration and business development activities. The Company anticipates a negative operating cash flow will continue until such time as production begins on its existing properties.

The Company incurred a net loss of \$883,569 (2022 - \$2,670,549) and had negative cash flows relating to operating activities of \$2,398,192 (2022 - \$954,365) for the year ended July 31, 2023. The continuation of the Company as a going concern is dependent on the ability of the Company to achieve positive cash flow from operations and/or obtain necessary equity or other financing to continue exploration on its exploration and evaluation assets. The Company's financial statements for the year ended July 31, 2023 and 2022 do not reflect any adjustments to the carrying values of assets and liabilities, reported expenses, and balance sheet classifications that would be necessary should the Company be unable to continue as a going concern, and these adjustments could be material. The Company intends to raise the required funds through the issuance of equity, by securing strategic partners or assuming debt.

The Company defines capital to include equity, comprised of share capital including common shares, warrants, special warrants, contributed surplus and deficit.

**Off-Balance Sheet Arrangements**

The Company has not engaged in any off-balance sheet arrangements such as obligations under guarantee contracts, a retained or contingent interest in assets transferred to an unconsolidated entity, any obligation under derivative instruments or any obligation under a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Company or engages in leasing or hedging services with the Company.

**Cash and cash equivalents**

Cash and cash equivalents include cash in the bank and short term GIC (Guaranteed Investment Certificate). As at July 31, 2023, the short term GIC carry interest rate from 5% to 5.25% per annum. A summary of cash and cash equivalents as at July 31, 2023 and 2022 is as follow:

	<b>July 31</b>		<b>July 31</b>	
	<b>2023</b>		<b>2022</b>	
Cash	\$	247,003	\$	613,344
Short term GIC		1,800,000		3,800,000
<b>Total</b>	\$	2,047,003	\$	4,413,344

**Prepays expenses**

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As at July 31, 2023, the Company has \$136,055 (2022 - \$132,758) prepaid general and administrative expenses and \$160,000 prepaid exploration expenses (2022 - \$Nil).

**Share Capital**

*a) Authorized*

Unlimited number of common shares with no par value.

*b) Issued and Outstanding*

On August 18, 2021, the Company issued 19,200 common shares at \$0.50 per share to a consultant to settle the recruitment fee or valued at \$9,600.

On August 18, 2021, the Company issued 120,000 common shares at \$0.50 per share to its CFO for providing the services in fiscal year 2022 that were valued at \$60,000. These shares are subject to reverse vesting agreement which is amortized at 10,000 share or \$5,000 per month. As at July 31, 2022, all share compensation were amortized.

In October 2021, the Company issued 150,000 common shares and received \$75,000 cash from the exercise of 150,000 share options. \$74,415 was reallocated from contributed surplus to share capital as a result of option exercise (Note 9c).

On November 2, 2021, the Company has amended the asset purchase agreement (“Agreement”) previously signed on February 23, 2021 with Silver Range (“Silver Range”) to acquire 100% interest in the Michelle Silver-Zinc-Lead Project located in central Yukon.

On November 15, 2021, the Company issued 5,650,000 common shares, which equal to 19.9% of the issued and outstanding shares on the day, to Silver Range at a deemed price of \$0.50 per share or valued at \$2,825,000 to purchase 100% interest in the Michelle Property and granted Silver Range a 1% Net Smelter Return.

On November 28, 2022, the Company issued 5,218,267 common shares to exercise Special Warrants issued on April 14, May 31, and June 28, 2022 (Note 9d).

On March 24, 2023, the Company issued 200,000 common shares to the beneficiary owners of AP Property for acquisition. Total value of the share insurance is \$152,500 with 150,000 common shares at \$0.75 and 50,000 common shares at \$0.80.

As at July 31, 2023, the Company has issued a total of 33,746,467 common shares.

*c) Share Options*

On September 30, 2021, the Company has implemented a share compensation plan (“the Plan”) in which 10% of the total number of common shares that are issued and outstanding can be granted. In connection with the adoption of the Plan, the Company granted 2,000,000 options to its directors and officers with exercise price of \$0.50 per share, exercisable for 10 years until September 30, 2031. 50% of the options are vested immediately, and the other 50% will be vested on September 30, 2022. The fair value of the share options granted was estimated to be \$0.50 per stock option at the date of grant using Black-Scholes option pricing model with following assumptions of a risk-free interest rate of 1.47%, expected live of 10 years and expected volatility of 169.75%.

A summary of the Company’s stock option plan activity is as follows:

	Number of options	Weighted average exercise price \$
Options outstanding, as at July 31, 2021	-	-
Issued	2,000,000	0.50
Exercised	(150,000)	0.50
Options outstanding, as at July 31, 2022 and 2023	1,850,000	0.50

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As at July 31, 2023, 1,850,000 (2022 – 1,850,000) stock option is exercisable, and the weighted average life of options outstanding is 8.16 years (2022 – 9.16 years).

During the year ended July 31, 2023, the Company recorded stock-based compensation expense of \$88,433 (2022 - \$971,567) against contributed surplus.

*d) Special Warrants*

The following was a summary of special warrant outstanding as at July 31, 2023:

	Number of Special Warrants	Special Warrant Capital \$
Special warrants issued 1st tranche	2,522,334	1,891,750
Special warrants finder's fee 1st tranche	-	(97,232)
Special warrants issued 2nd tranche	1,476,333	1,107,250
Special warrants finder's fee 2nd tranche	-	(16,920)
Flow-through Special warrants issued	1,219,600	1,000,072
Special warrants finder's fee	-	(105,861)
Warrants outstanding and exercisable, as at July 31, 2022	5,218,267	3,779,059
Warrants exercised	(5,218,267)	(3,779,059)
Warrants outstanding and exercisable, as at July 31, 2023	-	-

On April 14, 2022, the Company closed the 1<sup>st</sup> tranche of a non-brokered private placement of 2,522,334 Special Warrants at a price of \$0.75 per Special Warrant for aggregate gross proceeds of \$1,891,750. Each Special Warrant entitles the holder to acquire one Qualifying Unit immediately upon the completion of the filing of a prospectus to become a reporting issuer in Canada (“IPO”) and without payment of additional consideration.

Each Qualifying Unit consists of one Common Share and one Warrant, with each Warrant entitling the holder thereof to acquire one additional Common Share at a price of \$1.00 per Warrant Share until the date that is 24 months after distribution of the Qualifying Warrants. Finder’s fee consists of \$58,748 in cash and 78,330 Warrants valued at \$12,219 using Black-Scholes pricing model. Due diligence fee consists of \$3,850 in cash and 8,191 Warrants valued at \$1,278 using Black-Scholes pricing model. The Company also incurred \$21,137 in related share issuance costs.

On May 31, 2022, the Company closed the 2<sup>nd</sup> tranche of a non-brokered private placement of 1,476,333 Special Warrants at a price of \$0.75 per Special Warrant to certain arm’s length investors for aggregate gross proceeds of \$1,107,250. Each Special Warrant entitles the holder to acquire one Qualifying Unit immediately upon the completion of the IPO and without payment of additional consideration.

Each Qualifying Unit consists of one Common Share and one Warrant, with each Warrant entitling the holder thereof to acquire one additional Common Share at a price of \$1.00 per Warrant Share until the date that is 24 months after distribution of the Qualifying Warrants. Finder’s fee consists of \$11,516 in cash and 12,283 Warrants valued at \$5,404 using Black-Scholes pricing model.

On June 28, 2022, the Company closed a flow-through private placement of 1,219,600 Flow-Through Special Warrants at a price of \$0.82 per Flow-Through Special Warrant to certain arm’s length investors for aggregate gross proceeds of \$1,000,072. Each Flow-Through Special Warrant entitles the holder to acquire one Common Share immediately upon the completion of the IPO and without payment of additional consideration. The Company also issued 85,372 Warrants to finders in connection with the distribution.

Each Qualifying Unit consists of one Common Share and one Warrant, with each Warrant entitling the holder thereof to acquire one additional Common Share at a price of \$1.00 per Warrant Share until the date that is 24 months after distribution of the Qualifying Warrants. Finder’s fee consists of \$70,005 in cash and 85,372 Warrants valued at \$35,856 using Black-Scholes pricing model.

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On November 28, 2022, the Company issued 5,218,267 common shares and 3,998,667 warrants to exercise above 1<sup>st</sup> and 2<sup>nd</sup> tranche of Special Warrants, Flow-Through Special Warrants:

For 1<sup>st</sup> and 2<sup>nd</sup> tranche of Special Warrants exercised, 3,998,667 common shares and 3,998,667 warrants are issued to the holders. The warrants entitle the holders to acquire one Common Share (each a "Warrant Share") at a price \$1.00 per Warrant Share for a period of 24 months from November 28, 2022.

A fair value of \$1,280,170 has been attributed to the warrants based on the Black-Scholes option pricing model on the date of Special Warrants granted using the following assumptions:

Risk-free rate	2.42% - 2.67%
Weighted-average life	2 years
Dividend yield	nil
Annualized Volatility	74.02% - 126.78%
Weighted-average fair value	\$0.25 – 0.44
Expected Life	2 years

For Flow-Through Special Warrants exercised, the Company issued 1,219,600 Common Shares on a "CEE flow-through" basis pursuant to the *Income Tax Act* (Canada) and recognized \$609,800 as a flow-through liability at the time of share issuance.

Upon conversion of Special Warrants to Common Shares and Warrants, the Company recognized \$220,013 Special Warrants finder's fees as share issuance cost.

As at July 31, 2023, the Company has Nil (2022 – 5,218,267) Special Warrants outstanding.

*d) Flow-through shares*

During the year ended July 31, 2022, the Company raised \$1,000,072 on a CEE flow-through Special Warrants basis. On November 28, 2022, the Flow-Through Special Warrants was converted to CEE flow-through Common Shares, which \$609,800 flow through liabilities was recognized as the Company was required to incur a net total \$1,000,072 of qualifying expenditures to renounce the tax deductions to investors. During the year ended July 31, 2023, the Company meet its flow through share commitment, and recognized \$609,800 (2022 - \$Nil) flow-through share premium during the year.

*e) Warrants*

The following is a summary of warrant transactions for the years ended July 31, 2023 and 2022:

	Number of Warrants	Weighted average exercise price \$
Warrants outstanding and exercisable, as of July 31, 2021	2,925,200	0.74
Issued on April 14, 2022	86,521	1.00
Issued on May 31, 2022	12,283	1.00
Issued on June 28, 2022	85,372	1.00
Warrants outstanding and exercisable, as at July 31, 2022	3,109,376	0.78
Issued on November 28, 2022	3,998,667	1.00
Warrants outstanding and exercisable, as at July 31, 2023	7,108,043	0.89

The following warrants were outstanding and exercisable as at July 31, 2023:

Expiry date	Exercise Price \$	Number of warrants outstanding and exercisable	Weighted average contractual life (years)
July 8, 2024	0.75	2,840,000	0.94
July 8, 2024	0.50	85,200	0.94
April 14, 2024	1.00	86,521	0.71

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May 31, 2024	1.00	12,283	0.84
June 28, 2024	1.00	85,372	0.91
November 28, 2024	1.00	3,998,667	1.33
	0.89	7,108,043	1.16

The fair value of the share warrants granted was estimated to be \$0.25 - \$0.44 per warrant at the date of grant using Black-Scholes option pricing model with following assumptions:

Risk-free rate	2.42% - 2.67%
Weighted-average life	2 years
Dividend yield	nil
Annualized Volatility	74.02% - 126.78%
Expected Life	2 years

During the year ended July 31, 2023, the Company recorded fair value of \$1,280,170 (2022 - \$54,757) for the warrants granted.

**Related Party Transactions**

*Transaction with Key Management Personnel*

The Company's directors and key management personnel, being the Chief Executive Officer, and Chief Financial Officer, are considered related parties of the Company as they have authority and responsibility for overseeing, planning, directing and controlling the activities of the Company. The remuneration of directors and key management personnel during the years were as follows:

		<b>July 31</b>		<b>July 31</b>
		<b>2023</b>		<b>2022</b>
Management consulting fees paid to a company controlled by CEO and director	\$	184,333	\$	29,119
Management consulting fees paid to a company controlled by CFO		106,400		44,408
Director's fees		41,600		23,917
Share-based compensation		88,433		971,567
<b>Total</b>	<b>\$</b>	<b>420,766</b>	<b>\$</b>	<b>1,069,011</b>

Director's fees including \$20,800 (2022 - \$11,583) payable to Mr. Netherway and \$20,800 (2022 - \$12,334) payable to Mr. Goodman.

As at July 31, 2023, there was \$Nil (2022 - \$8,199) due to related parties. \$8,199 due to related parties as at July 31, 2022 includes \$1,857 payable to a company controlled by the Company's CEO and \$6,342 payable to a company controlled by the Company's CFO.

**Control and Internal Controls Over Financial Reporting**

Management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for the design and evaluation of internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and in the financial statements for the year ended July 31, 2023 and 2022.

**Critical Accounting Policies and Estimates**

The preparation of the financial statements is in conformity with IFRS. Preparing the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management continually evaluates these judgments, estimates and assumptions based on experience and other factors, including expectations of future events that are believed to be reasonable

**Silver47 Exploration Corp.**  
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**For the year ended July 31, 2023 and 2022**

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under the circumstances. Actual results could differ from these estimates. Note 3 and Note 4 of the Company's audited financial statements for the years ended July 31, 2023 and 2022 provide greater detail regarding use of estimates and judgments, and all of the significant accounting policies

**Business Risks and Uncertainties**

The Company's exploration activities are concentrated in Western Canada where activity is highly competitive and includes companies ranging from smaller junior exploration companies to the much larger integrated mining companies. The Company is subject to various types of business risks and uncertainties, including:

- Finding and developing mineral reserves at economic costs
- Commodity risk
- Production of minerals in commercial quantities
- Marketability of minerals produced
- Substantial capital requirements and access to capital markets
- Environmental risks
- Reliance on operators and key employees
- Third party credit risk
- Insurance
- Changes in legislation and incentive programs

The Company is not in a position to predict these risks or uncertainties, nor evaluate their impact, as the case may be, on its activities. The following summary of risks and uncertainties applicable to the Company are not comprehensive, and there may be other factors, or a combination of factors, that can cause actual results to differ from those presented in the Company's forward-looking statements.

*Commodity Risk*

The value of the Company's exploration and evaluation of assets are related to the price of silver and other mineral commodities, and the outlook for the minerals. The Company's business could be affected by commodity market price movements and their impact on the future economic viability of the Company's projects and the ability of the Company to raise capital. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operating and exploration budgets accordingly.

*Exploration Risk*

The Company operates as a mineral explorer in the mining industry which involves considerable financial and technical risk. Substantial time and expenditures are usually required to make discoveries and to establish economic reserves. It is impossible to ensure that the current properties and programs of the Company will result in economic discoveries and development. Accordingly, success in achieving the objectives of the Company is affected by some circumstances over which the Company has no control.

In order to reduce exploration risk, the Company strives to employ highly qualified and motivated professional employees and third party consultants with a demonstrated ability to generate quality proprietary geological and geophysical prospects. To help maximize drilling success, the Company combines exploration in areas that afford multi-zone prospect potential, targeting a range of low to moderate risk prospects with some exposure to select high risk, high reward opportunities.

*Additional Financing*

The business of the Company depends, in part, on its ability to raise funds by issuing securities of the Company. The Company is exposed to financing risks such as not being able to raise sufficient funds to meet the required option payments on the Company's properties. To mitigate this risk, the Company has intermediaries with valuable commercial relationships actively searching for ways to raise funds. The Company intends to raise the required funds through issuance of equity by securing strategic partners or assuming debt. The exercise of stock options, warrants and special warrants, as well as any new equity financings, represent dilution factors for present and future shareholders.

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*Credit Risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is primarily associated with the Company's bank balances. The Company mitigates credit risk associated with its bank balance by holding cash with large, reputable financial institutions.

*Liquidity Risk*

Liquidity risk rises from the Company's general funding needs and in the management of the Company's assets, liabilities and mineral property expenditure requirements. The Company manages its liquidity risk to maintain sufficient liquid financial resources to meet its commitments and obligations as they come due in a cost-effective manner.

*Environmental Risks*

Mining can involve environmental risks such as pollution of the environment and destruction of natural habitat, as well as safety risks such as personal injury. In order to mitigate such risk, the Company conducts its operations at high standards and follows safety procedures intended to reduce the potential for personal injury to employees, contractors and the public at large.

The Company mitigates its risk related to producing hydrocarbons and minerals through the utilization of the most appropriate technology and information systems. In addition, the Company seeks to maintain operational control of the majority of its prospects.

*Management and Employees*

The Company depends on the skills and experience of its management team and other key employees. The Company also relies on its ability to attract and retain skilled personnel in a competitive environment. A failure to recruit and retain employees in order to assist the Company's business may adversely affect the Company's business or financial condition.

**Directors and Officers**

Gary Thompson, CEO and Director

Kevin Chen, CFO

David G. Netherway, Director

Ryan Goodman, Director

# **SILVER47 EXPLORATION CORP.**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE THREE AND NINE MONTHS ENDED APRIL 30, 2024  
(EXPRESSED IN CANADIAN DOLLARS)

DATED: OCTOBER 11, 2024

**Silver47 Exploration Corp.**  
**Management's Discussion and Analysis**  
**For the three and nine months ended April 30, 2024 and 2023**

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**Background**

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of the operations of Silver47 Exploration Corp.'s ("Silver47" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and nine months ended April 30, 2024 and 2023. This MD&A should be read in conjunction with the audited financial statements and the accompanying notes for the year ended July 31, 2023. Additional information regarding the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

As of January 29, 2021, date of inception, the Company adopted International Reporting Standards ("IFRS"). All dollar figures included herein and in the audited financial statements are quoted in Canadian dollars unless otherwise stated. The audited financial statements for the year ended July 31, 2023 have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of focused common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

**Forward Looking Statements**

*Certain information in this MD&A is forward-looking within the meaning of applicable securities laws, and is subject to important risks, uncertainties and assumptions. The forward-looking information is based on certain assumptions, which could change materially in the future. The forward-looking information in this MD&A describes the Company's expectations as of the date of this MD&A. The results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date.*

**Company Overview and Performance**

Silver47 is a precious metal-focused exploration company amalgamated in British Columbia on January 29, 2021. Silver47's head office is located at Suite 551 - 409 Granville Street, Vancouver, BC, Canada and the registered and records office is located at 2700 Melville Street, Vancouver, BC, Canada.

On September 11, 2023, the Company incorporated a 100% owned subsidiary, Silver47 USA Inc. under the law of the State of Delaware.

The Company's principal business activity is the acquisition and exploration of mineral properties in the natural resources sector with the long-term goal of divesting its investment assets at a profit. The Company's mandate is to acquire in mining natural resource opportunity, primarily in Canada and United States.

As at April 30, 2024, the Company obtained the following three mineral properties in Canada and United States:

**Michelle Project**

On November 2, 2021, the Company finalized assets purchase agreement with Silver Range Resources Ltd. ("Silver Range") to acquire 100% interest in the Michelle Silver-Zinc-Lead Project ("Michelle Property") located in central Yukon.

On November 15, 2021, the Company issued 5,650,000 common shares to Silver Range at a price of \$0.50 per share with total cost of \$2,825,000 to close the purchase transaction as below:

- The Company own 100% interest in the Michelle Property
- Granting Silver Range a 1% Net Smelter Return. The Company will have a right of first refusal on the sale of the royalty.

**Silver47 Exploration Corp.**  
**Management's Discussion and Analysis**  
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**Adams Plateau Project**

From August 30, 2022 to May 18, 2023, the Company has signed 4 Mineral Claims Purchase Sales Agreement (the “AP Agreements”) with 6 beneficiary owners of Adams Plateau Property (the “AP Property”) located in Kamloops, British Columbia to acquire the AP property.

Pursuant to the AP Agreements, the Company obtained 100% interest in the AP Property with total cost of \$230,500 and commitments as below:

- From August 30, 2022 to May 18, 2023, the Company paid 6 beneficiary owners total of \$78,000 in cash;
- On March 24, 2023, the Company issued 200,000 common shares to 3 beneficiary owners at a price of \$0.75 to \$0.80 with total value of \$152,500;
- Granting 1 beneficiary owner a 1% Net Smelter Return (the “Royalty”) on all minerals produced from the AP property; and
- Silver47 holds the option to purchase the 1% Royalty from the beneficiary owner at any time prior to commercial production for \$500,000 payable in cash or shares or any combination thereof.

**Red Mountain Project**

On October 6, 2023, the Company closed purchase transactions under the Mineral Property Purchase and Sales Agreement with White Rock and its subsidiary companies, Atlas Resources Pty Ltd., and White Rock (RM) Inc. (collectively, the “Sellers”) to acquire 100% of Red Mountain VMS Project (the “RM Property”) located in central Alaska, USA with cost of \$8,048,400 including below:

- USD \$400,000 in cash.
- 10,000,000 common shares of the Company issued at a price of \$0.75 (the “Deemed Issue Price”) for total value of \$7,500,000.

The Company and Sellers also agreed to the following responsibilities which arise post-closing:

- The Company shall be responsible for payment of the rental fees due to the State of Alaska Department of Natural Resources by November 30, 2023, for the rental year beginning September 1, 2023, to maintain the Property. The Company made payment of USD \$268,220 on time.
- Carry forward work credits for the Property of USD \$385,100 each year from September 1, 2023 through September 26, 2026 will be available to apply for the Company.
- When the Company list its common shares on a recognized stock exchange or receive shares of another company listed on a recognized stock exchange in exchange for the its common shares, and the issue price per Company’s common share is less than the Deemed Issue Price, the Company shall issue additional Consideration Shares to the Sellers, such that equals the Consideration Shares Value should have been received by Sellers at Deemed Issue Price.

As at April 30, 2024, the Company has invested as below to acquire the three projects:

	<b>Michelle Project</b>	<b>Admas Plateau Project</b>	<b>Red Mountain Project</b>	<b>Total</b>
Acquisition cost	2,825,000	230,500	8,048,400	11,103,900
Foreign currency translation adjustment	-	-	35,146	35,146
<b>Total E&amp;E Assets</b>	<b>2,825,000</b>	<b>230,500</b>	<b>8,083,546</b>	<b>11,139,046</b>

**Going Concern**

The Company incurred a net loss of \$711,250 and \$1,683,572 (2023 - \$163,136 and \$1,194,999) for the three- and nine- months period ended April 30, 2024, and had negative cash flows relating to operating activities of \$1,191,434 (2023 - \$1,924,606) for the nine- months periods ended April 30, 2024. These conditions indicate the existence of a material uncertainty which may cast significant doubt related to the Company’s ability to continue as a going concern. The continuation of the Company as a going concern is dependent on the ability of the Company to achieve positive cash flow from operations and/or obtain necessary equity or other financing to continue exploration on its exploration and evaluation assets. These financial statements do not reflect any adjustments to the carrying values of assets and liabilities, reported expenses, and balance sheet classifications that

**Silver47 Exploration Corp.**  
**Management's Discussion and Analysis**  
**For the three and nine months ended April 30, 2024 and 2023**

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would be necessary should the Company be unable to continue as a going concern, and these adjustments could be material. The Company intends to raise the required funds through the issuance of equity, by securing strategic partners or issuing debt.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead and maintain its mineral interests. The recoverability of amounts shown for exploration and evaluation assets is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets.

**Corporate Updates**

On July 2, 2024, the Company initiated its 2024 Red Mountain VMS summer field program consisting of core drilling and surface geochemical sampling. XRF soil and talus fine sample grids will be completed over early-stage prospects to generate future drilling targets. A minimum of 1,000m of diamond drilling is planned for confirmation holes at both West Tundra Flats and Dry Creek, and exploration holes at the Kiwi Target. Additional exploration drilling may be completed pending field sample results at the Galleon and Sheep Creek target zones. Drilling is expected to commence on July 12, 2024, and conclude by early August.

On April 2, 2024, the board of the Company approved to complete a private placement of up to 6,250,000 Special Warrants of the Company, in one or more tranches, at a price of \$0.80 per Special Warrant for aggregate proceeds of up to \$5,000,000 (the "Private Placement"). Each Special Warrant entitles the holder to receive one unit of Common Share of the Company and one half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant entitles the holder to purchase one Common Share at price of \$1.00 per share until the expire date.

As at April 30, 2024, the Company issued 126,917 Special Warrants for proceeds of \$101,534 under the terms of the Private Placement.

**Subsequent Events**

After April 30, 2024 to the reporting date, the Company has issued 6,202,976 Special Warrants for proceeds of \$4,962,380 under the terms of the Private Placement. Finder's fee consists of \$82,403 in cash and 103,005 Warrants valued at \$41,271 using Black-Scholes pricing model. The Company also incurred \$67,810 in expenses related to share issuance costs..

On July 8, 2024, the Company amended RSU agreement with executives to decrease 250,000 shares of RSU issued on November 30, 2023.

On July 8, 2024, the Company issued 500,000 shares of RSU to consultant.

After April 30, 2024, Company filed a final long form prospectus in order to qualify for listing on the TSX Venture Exchange.

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**Financial Information Highlights**

	Three months ended		Nine months ended	
	April 30, 2024	April 30, 2023	April 30, 2024	April 30, 2023
	\$	\$	\$	\$
Net revenues	-	-	-	-
Net loss	(711,250)	(163,136)	(1,683,572)	(1,194,999)
Loss per share - basic and diluted	0.02	0.00	0.04	0.04

	Nine months ended	
	April 30, 2024	April 30, 2023
	\$	\$
Cash flows relating to operating activities	(1,191,434)	(1,924,606)
Cash flows relating to investing activities	(510,464)	(21,048)
Cash flows related to financing activities	101,534	-
(Decrease) in cash and cash equivalents	(1,600,364)	(1,945,654)

As at	April 30, 2024	April 30, 2023	July 31, 2022
Total assets	\$ 11,884,435	\$ 5,693,834	\$ 7,458,443
Total liabilities	632,072	721,275	922,020
Current assets	745,389	2,642,334	4,633,443
Current liabilities	494,010	721,275	922,020
Working capital	251,379	1,921,059	3,711,423
Common shares outstanding	43,746,467	33,746,467	28,328,200

**Summary of Quarterly Results**

Three-month periods ended	April 30		January 31		October 31		July 31	
	2024	2023	2024	2023	2023	2022	2023	2022
Expenses								
General and administrative	\$ 255,155	\$ 148,004	\$ 153,541	\$ 347,076	\$ 204,885	\$ 186,461	\$ 578	\$ 320,149
Share-based compensation	308,733	-	205,821	-	-	88,433	-	140,170
Exploration expenses	182,000	161,781	258,017	185,947	148,396	325,616	160,749	787,740
<b>Loss before other items</b>	<b>\$ 745,888</b>	<b>\$ 309,785</b>	<b>\$ 617,379</b>	<b>\$ 533,023</b>	<b>\$ 353,281</b>	<b>\$ 600,510</b>	<b>\$ 161,327</b>	<b>\$ 1,248,059</b>
Interest income	(7,688)	(17,018)	(6,347)	(18,978)	(18,504)	(16,956)	(58,324)	(19,338)
Flow through share premium	-	(129,631)	-	(65,736)	-	-	(414,433)	-
Foreign exchange (gain)/loss	(26,950)	-	32,382	-	(5,869)	-	-	-
<b>Net loss/(income) from Operations</b>	<b>\$ 711,250</b>	<b>\$ 163,136</b>	<b>\$ 643,414</b>	<b>\$ 448,309</b>	<b>\$ 328,908</b>	<b>\$ 583,554</b>	<b>\$ (311,430)</b>	<b>\$ 1,228,721</b>
<b>Loss/(gain) per share - basic and diluted</b>	<b>\$ 0.02</b>	<b>\$ 0.00</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>	<b>\$ 0.02</b>	<b>(\$ 0.01)</b>	<b>\$ 0.04</b>

**Variances quarter over quarter can be explained as follows:**

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- For the quarter ended April 30, 2024, the higher net loss is related to higher stock-based compensation expenses for Restricted Share Units (the “RSUs”) and stock options granted, higher general and administrative expenses and lower flow through shares premium.
- For the quarter ended January 31, 2024, the higher net loss is related to higher stock-based compensation expenses for RSUs and stock options granted, and higher exploration expenses offset by lower flow through share premium and lower general and administrative expenses.
- For the quarter ended October 31, 2023, the lower net loss is related to less share-based compensation for stock options granted and lower exploration expenses, offset by higher general and administration expenses.
- For the quarter ended July 31, 2023, the gain comparing with net loss of the same quarter of 2022 is related to higher flow through share premium, higher interest income, lower general and administrative expenses and lower exploration expenses.

**Discussion of Operations**

***General and administrative expenses***

The Company’s general and administrative expenses in the three and nine months ended April 30, 2024 were \$255,155 and \$613,581 (2023 - \$148,004 and \$681,541).

	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>April 30, 2024</b>	<b>April 30, 2023</b>	<b>April 30, 2024</b>	<b>April 30, 2023</b>
Audit and accounting fees	\$26,328	\$669	\$28,254	\$36,239
Consulting fees	-	50,250	50,250	110,250
Office and administrative	7,526	2,667	28,477	31,603
Legal fees	21,328	23,641	132,733	269,832
Management and directors' fee	78,749	68,150	238,915	221,783
Marketing and investor relation fees	120,473	-	131,824	-
Transfer agent and filing fees	751	2,627	3,128	11,834
<b>Total</b>	<b>\$255,155</b>	<b>\$148,004</b>	<b>\$613,581</b>	<b>\$681,541</b>

General and administrative expenses increased during the three months ended April 30, 2024, over the prior comparative period principally due to the effect of the following:

- Audit and accounting fees increased to \$26,328 (2023 – \$669) as a result of increase needs for financial reports preparation and review services.
- Marketing and investor relation fees increased to \$120,473 (2023 – \$Nil) as a result of increased activities for business development.
- Consulting fees decreased to \$Nil (2023 – \$50,250) as a result of decrease needs for third party consultants.

General and administrative expenses decreased during the nine months ended April 30, 2024, over the prior comparative period principally due to the net effect of the following:

- Consulting fees decreased to \$50,250 (2023 – \$110,250) as a result of decrease needs for third party consultants.
- Legal fees decreased to \$132,733 (2023 – \$269,832) as a result of reduced legal service.
- Marketing and investor relation fees increased to \$131,824 (2023 – \$Nil) as a result of increased activities for business development.

***Exploration expenses***

The Company’s exploration expenses in the three and nine months ended April 30, 2024 were \$182,000 and \$588,413 (2023 - \$161,781 and \$673,344).

**Silver47 Exploration Corp.**  
**Management's Discussion and Analysis**  
**For the three and nine months ended April 30, 2024 and 2023**

	Three-months ended		Nine-months ended	
	April 30, 2024	April 30, 2023	April 30, 2024	April 30, 2023
	\$	\$	\$	\$
Exploration expenses	-	-	-	232
Geology data and software	5,488	167	16,359	167
Mapping	-	-	7,030	-
Outsource drilling and exploration expenses	8,710	92,919	147,540	454,448
Permitting	120,940	24,215	277,631	74,809
Salary expense	44,339	44,371	127,812	132,950
Sponsorship and events	-	-	-	7,008
Travel	2,523	109	12,042	3,730
<b>Total</b>	<b>182,000</b>	<b>161,781</b>	<b>588,413</b>	<b>673,344</b>

Exploration expenses increased during the three months ended April 30, 2024, over the prior comparative period principally due to the effect of the following:

- Permitting increased to \$120,940 (2023 – \$24,215) as a result of increased permit fees for RM property obtained on Oct 6, 2023.
- Outsource drilling and exploration expenses decrease to \$8,710 (2023 - \$92,919) due to less exploration and drilling activities.

Exploration expenses decreased during the nine months ended April 30, 2024, over the prior comparative period principally due to the net effect of the following:

- Outsource drilling and exploration expenses decrease to \$147,540 (2023 - \$454,448) due to less exploration and drilling activities.
- Permitting increased to \$277,630 (2023 – \$74,809) as a result of increased permit fees for RM property obtained on Oct 6, 2023.

**Total Operating Expenses**

Total operating expenses increased to \$745,888 (2023 - \$309,785) for the three months ended April 30, 2024 due to increased share-based compensation expenses for stock option and RSUs granted in November, 2023 and increased general and administrative expenses as elaborated above.

Total operating expenses increased to \$1,716,548 (2023 - \$1,443,318) due to increased share-based compensation expenses for stock option and RSUs granted in November 2023, offset by decreased general and administrative expenses and exploration expenses as elaborated above.

**Financial Instruments, Liquidity and Capital**

The Company's financial instruments, consisting of cash and cash equivalents, accounts receivables, trade payables, and share based payment liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions and to maintain the development program for the Company's properties. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity, by securing strategic partners or assuming debt. The Company is exposed to liquidity risk. Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

As at April 30, 2024, the Company had cash and cash equivalents of \$433,458 compared with \$2,047,003 at July 31, 2023. The Company continues to experience negative operating cash flow as a result of no revenue coupled with the Company's ongoing expenses related to its exploration and business development activities. The Company anticipates a negative operating cash flow will continue until such time as production begins on its existing properties.

**Silver47 Exploration Corp.**  
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**For the three and nine months ended April 30, 2024 and 2023**

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The Company incurred a net loss of \$711,250 and \$1,683,572 (2023 - \$163,136 and \$1,194,999) for the three- and nine- months period ended April 30, 2024 and had negative cash flows relating to operating activities of \$334,887 and \$1,191,434 (2023 - \$385,383 and \$1,924,606) for the nine- months periods ended April 30, 2024. The continuation of the Company as a going concern is dependent on the ability of the Company to achieve positive cash flow from operations and/or obtain necessary equity or other financing to continue exploration on its exploration and evaluation assets. The Company's condensed interim consolidated financial statements for the three and nine months ended April 30, 2024 and 2023 do not reflect any adjustments to the carrying values of assets and liabilities, reported expenses, and balance sheet classifications that would be necessary should the Company be unable to continue as a going concern, and these adjustments could be material. The Company intends to raise the required funds through the issuance of equity, by securing strategic partners or assuming debt.

The Company defines capital to include equity, comprised of share capital including common shares, warrants, special warrants, contributed surplus and deficit.

**Off-Balance Sheet Arrangements**

The Company has not engaged in any off-balance sheet arrangements such as obligations under guarantee contracts, a retained or contingent interest in assets transferred to an unconsolidated entity, any obligation under derivative instruments or any obligation under a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Company or engages in leasing or hedging services with the Company.

**Cash and cash equivalents**

Cash and cash equivalents include cash in the bank and short term GIC (Guaranteed Investment Certificate). As at April 30, 2024, the short term GIC carry interest rate from 5.15% to 5.45% per annum. A summary of cash and cash equivalents is as follow:

	<b>April 30, 2024</b>		<b>July 31, 2023</b>
Cash	\$	62,116	\$ 247,003
Short term GIC		371,342	1,800,000
<b>Total</b>	<b>\$</b>	<b>433,458</b>	<b>\$ 2,047,003</b>

**Prepaid expenses**

As at April 30, 2024, the Company has \$149,963 (2023 - \$136,055) prepaid general and administrative expenses and \$146,439 prepaid exploration expenses (2022 - \$160,000).

**Share based payment liabilities**

Under the Company's Share Compensation Plan (the "Plan"), the RSUs granted shall become vested in accordance with the following schedule: (i) 50% on the 12 month anniversary of the grant date; (ii) 50% on the 24 month anniversary of the grant date. At the option of the participant, the participant may choose to receive (i) a lump sum payment in cash equal to the number of vested RSUs multiplied by the market value of a common share on the payout date; (ii) the number of underlying common shares or; (iii) any combination of the foregoing.

The Company measures the cost of cash-settled share-based transactions by reference to the fair value of the equity instruments at the date at which they are granted.

Until the liabilities are settled, the Company remeasure the fair value of the liabilities at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

The changes in RSUs during the nine months ended April 30, 2024 are as follows:

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	Number of RSUs
RSUs outstanding, as at July 31, 2022 and 2023	-
Granted	2,100,000
RSUs outstanding, as at April 30, 2024	2,100,000

Total share-based compensation expenses of \$295,313 and \$492,187 (2023 – \$Nil and \$Nil) for the three- and nine-months periods ended April 30, 2024 were recognized.

As at April 30, 2024, share based payment liabilities were \$492,187 based on the estimated fair value of \$0.75. The RSUs vest and are payable in equal tranches over a two-year period (1/2 per year). \$328,125 were included in share based payment liabilities – current and \$164,062 were included in share based payment – long term based on RSUs vest and payable date.

**Share Capital**

*a) Authorized*

Unlimited number of common shares with no par value.

*b) Issued and Outstanding*

As at April 30, 2024, the Company has the following common shares issued:

	Number of Common Shares	Share Capital \$
<b>Balance at July 31, 2022</b>	<b>28,328,200</b>	<b>4,201,442</b>
Issued capital for special warrants conversion	5,218,267	1,889,089
Issued capital for acquisition	200,000	152,500
<b>Balance at July 31, 2023</b>	<b>33,746,467</b>	<b>6,243,031</b>
Issued capital for acquisition	10,000,000	7,500,000
<b>Balance at April 30, 2024</b>	<b>43,746,467</b>	<b>13,743,031</b>

On November 28, 2022, the Company issued 5,218,267 common shares to exercise Special Warrants issued on April 14, May 31, and June 28, 2022 (Note 9d).

On March 24, 2023, the Company issued 200,000 common shares to the beneficiary owners of AP Property for acquisition. Total value of the share insurance is \$152,500 with 150,000 common shares at \$0.75 and 50,000 common shares at \$0.80.

On October 6, 2023, the Company issued 10,000,000 common shares to the beneficiary owners of RM Property for acquisition. Total value of the share insurance is \$7,500,000 with 10,000,000 common shares at \$0.75.

*c) Share Options*

On September 30, 2021, the Company has implemented a Share Compensation Plan (“the Plan”) in which 10% of the total number of common shares that are issued and outstanding can be granted.

All stock options expire in ten years and vest based on terms and conditions set out in the stock option agreements. A summary of the Company’s stock option plan activities is as follows:

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	<b>Number of Options</b>	<b>Weighted Average Exercise Price</b>
Option outstanding, as at July 31, 2022 and 2023	1,850,000	\$0.50
Granted	100,000	\$0.75
Option outstanding, as at April 30, 2024	1,950,000	\$0.51

As April 30, 2024, the weighted-average life of the options outstanding was 7.53 years (July 31, 2023 – 8.16 years). Details of stock options outstanding as at April 30, 2024 were as follows:

<b>Exercise price</b>	<b>Weighted average contractual life</b>	<b>Number of options outstanding</b>	<b>Number of options exercisable</b>
\$0.50	7.42	1,850,000	1,850,000
\$0.75	9.59	100,000	-
<b>Total</b>	<b>7.53</b>	<b>1,950,000</b>	<b>1,850,000</b>

Total share-based compensation expenses of \$13,419 and \$22,367 (2023 – \$Nil and \$88,433) for the three- and nine-months periods ended April 30, 2024 were recognized based on the estimated fair value of the options on the grant date using the Black-Scholes option pricing model with the following assumptions:

Risk-free rate	3.56%
Weighted-average life	7.53 years
Dividend yield	nil
Annualized volatility	121.50%
Weighted-average fair value	\$0.72
Expected life	10 years

d) *Special Warrants*

The following was a summary of special warrant outstanding as at April 30, 2024:

	<b>Number of Special Warrants</b>	<b>Special Warrants Capital</b>
		<b>\$</b>
Special warrants outstanding and exercisable, as at July 31, 2022	5,218,267	\$3,779,059
Special warrants converted	(5,218,267)	(3,779,059)
Special warrants outstanding and exercisable, as at July 31, 2023	-	-
Special warrants issued	94,417	75,534
Warrants outstanding, as at April 30, 2024	94,417	\$75,534

On November 28, 2022, the Company issued 5,218,267 common shares and 3,998,667 warrants to exercise the 5,218,267 Special Warrants and Flow-Through Special Warrants outstanding as below:

For 1<sup>st</sup> and 2<sup>nd</sup> tranche of Special Warrants exercised, 3,998,667 common shares and 3,998,667 warrants are issued to the holders. The warrants entitle the holders to acquire one Common Share (each a “Warrant Share”) at a price \$1.00 per Warrant Share for a period of 24 months from November 28, 2022.

A fair value of \$1,280,170 has been attributed to the warrants based on the Black-Scholes option pricing model on the date of Special Warrants granted using the following assumptions:

Risk-free rate	2.42% - 2.67%
Weighted-average life	2 years
Dividend yield	nil
Annualized volatility	74.02% - 126.78%

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Weighted-average fair value	\$0.25 – 0.44
Expected life	2 years

For Flow-Through Special Warrants exercised, the Company issued 1,219,600 Common Shares on a “CEE flow-through” basis pursuant to the *Income Tax Act* (Canada) and recognized \$609,800 as a flow-through liability at the time of share issuance.

Upon conversion of Special Warrants to Common Shares and Warrants, the Company recognized \$220,013 Special Warrants finder’s fees as share issuance cost.

On April 2, 2024, the board of the Company approved to complete a private placement of up to 6,250,000 Special Warrants of the Company, in one or more tranches, at a price of \$0.80 per Special Warrant for aggregate proceeds of up to \$5,000,000 (the “Private Placement”). Each Special Warrant entitles the holder to receive one unit of Common Share of the Company and one half of one common share purchase warrant (each whole common share purchase warrant, a “Warrant”). Each Warrant entitles the holder to purchase one Common Share at price of \$1.00 per share until the expire date.

As at April 30, 2024, the Company issued 94,417 Special Warrants for proceeds of \$75,534 under the terms of the Private Placement.

As at April 30, 2024, the Company has 94,417 (2023 – Nil) Special Warrants outstanding.

*e) Flow-through shares*

On November 28, 2022, the Flow-Through Special Warrants was converted to CEE flow-through Common Shares, which \$609,800 flow through liabilities was recognized as the Company was required to incur a net total \$1,000,072 of qualifying expenditures to renounce the tax deductions to investors. During the year ended July 31, 2023, the Company meet its flow through share commitment.

During the three- and nine- months periods ended April 30, 2024, the Company recognized \$Nil (2023 - \$129,631 and \$195,367) flow-through share premium.

*f) Warrants*

In March 2023, the Company extended the exercise period of all of its common share purchase warrants by two (2) years from the effective date of listing of the Company’s common shares on the TSX Venture Exchange or other stock exchange in Canada (the “Extended Expiry Date”).

The Extended Expiry Date supersedes and replaces the expiry date set forth in the original warrant certificate. All other terms of the warrants remain the same and unamended.

During the period ended April 30, 2024, \$86,521 common shares purchase warrants expired and extended.

The following is a summary of warrant transactions for the period ended April 30, 2024:

	Number of Options
Warrants outstanding, as at July 31, 2022	3,109,376
Granted	3,998,667
Warrants outstanding, as at July 31, 2023 and April 30, 2024	7,108,043

The following warrants were outstanding and exercisable as at April 30, 2024:

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<b>Expire Date</b>	<b>Exercise Price \$</b>	<b>Number of Warrants Outstanding</b>	<b>Weighted Average Contractual Life (years)</b>
May 31, 2024	1.00	12,283	0.08
June 28, 2024	1.00	85,372	0.16
July 08, 2024	0.50	85,200	0.19
July 08, 2024	0.75	2,840,000	0.19
November 28, 2024	1.00	3,998,667	0.58
April 14, 2027	1.00	86,521	2.96
		<b>7,108,043</b>	<b>0.44</b>

During the year ended July 31, 2023, the Company recorded fair value of \$1,280,170 for the warrants granted.

The fair value of the share warrants granted was estimated to be \$0.25 - \$0.44 per warrant at the date of grant using Black-Scholes option pricing model with following assumptions:

Risk-free rate	2.42% - 2.67%
Weighted-average life	2 years
Dividend yield	nil
Annualized volatility	74.02% - 126.78%
Expected life	2 years

**Related Party Transactions**

***Transaction with Key Management Personnel***

The Company's directors and key management personnel, being the Chief Executive Officer and Chief Financial Officer, are considered related parties of the Company as they have authority and responsibility for overseeing, planning, directing and controlling the activities of the Company. The remuneration of directors and key management personnel during the periods were as follows:

	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>April 30, 2024</b>	<b>April 30, 2023</b>	<b>April 30, 2024</b>	<b>April 30, 2023</b>
Management consulting fees paid to a company controlled by CEO and director	\$ 43,750	\$ 43,750	\$ 131,250	\$ 140,583
Management consulting fees paid to a company controlled by CFO	24,999	25,000	77,665	81,400
Director's fees	10,000	10,000	30,000	31,600
Share-based compensation	182,813	-	304,688	88,433
<b>Total</b>	<b>\$ 261,562</b>	<b>\$ 78,750</b>	<b>\$ 543,603</b>	<b>\$ 342,016</b>

Director's fees include \$5,000 and \$15,000 (2023 - \$5,000 and \$15,800) payable to Mr. Netherway and Mr. Goodman each for the three and nine months ended April 30, 2024.

As at April 30, 2024, there was \$24,325 (July 31, 2023 - \$Nil) due to related parties included in accounts payables and accrued liabilities. \$24,325 due to related parties as at April 30, 2024 includes \$15,313 payable to a company controlled by the Company's CEO and \$9,012 payable to a company controlled by the Company's CFO.

**Control and Internal Controls Over Financial Reporting**

Management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for the design and evaluation of internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and in the condensed interim consolidated financial statements for three and nine months ended April 30, 2024 and 2023.

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**Critical Accounting Policies and Estimates**

The preparation of the financial statements is in conformity with IFRS. Preparing the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Management continually evaluates these judgments, estimates and assumptions based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates. Note 3 and Note 4 of the Company's audited financial statements for the years ended July 31, 2023 and 2022 provide greater detail regarding use of estimates and judgments, and all of the significant accounting policies. Note 3 and Note 4 of the Company's condensed interim consolidated financial statements for the three and nine months ended April 30, 2024 and 2023 provide incremental to those included in the audited financial statements for the year ended July 31, 2023 and 2022.

**Business Risks and Uncertainties**

The Company's exploration activities are concentrated in Western Canada and United States where activity is highly competitive and includes companies ranging from smaller junior exploration companies to the much larger integrated mining companies. The Company is subject to various types of business risks and uncertainties, including:

- Finding and developing mineral reserves at economic costs
- Commodity risk
- Production of minerals in commercial quantities
- Marketability of minerals produced
- Substantial capital requirements and access to capital markets
- Environmental risks
- Reliance on operators and key employees
- Third party credit risk
- Insurance
- Changes in legislation and incentive programs

The Company is not in a position to predict these risks or uncertainties, nor evaluate their impact, as the case may be, on its activities. The following summary of risks and uncertainties applicable to the Company are not comprehensive, and there may be other factors, or a combination of factors, that can cause actual results to differ from those presented in the Company's forward-looking statements.

*Commodity Risk*

The value of the Company's exploration and evaluation of assets are related to the price of silver and other mineral commodities, and the outlook for the minerals. The Company's business could be affected by commodity market price movements and their impact on the future economic viability of the Company's projects and the ability of the Company to raise capital. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operating and exploration budgets accordingly.

*Exploration Risk*

The Company operates as a mineral explorer in the mining industry which involves considerable financial and technical risk. Substantial time and expenditures are usually required to make discoveries and to establish economic reserves. It is impossible to ensure that the current properties and programs of the Company will result in economic discoveries and development. Accordingly, success in achieving the objectives of the Company is affected by some circumstances over which the Company has no control.

In order to reduce exploration risk, the Company strives to employ highly qualified and motivated professional employees and third party consultants with a demonstrated ability to generate quality proprietary geological and geophysical prospects. To help maximize drilling success, the Company combines exploration in areas that afford multi-zone prospect potential, targeting a range of low to moderate risk prospects with some exposure to select high risk, high reward opportunities.

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*Additional Financing*

The business of the Company depends, in part, on its ability to raise funds by issuing securities of the Company. The Company is exposed to financing risks such as not being able to raise sufficient funds to meet the required option payments on the Company's properties. To mitigate this risk, the Company has intermediaries with valuable commercial relationships actively searching for ways to raise funds. The Company intends to raise the required funds through issuance of equity by securing strategic partners or assuming debt. The exercise of stock options, warrants and special warrants, as well as any new equity financings, represent dilution factors for present and future shareholders.

*Credit Risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is primarily associated with the Company's bank balances. The Company mitigates credit risk associated with its bank balance by holding cash with large, reputable financial institutions.

*Liquidity Risk*

Liquidity risk rises from the Company's general funding needs and in the management of the Company's assets, liabilities and mineral property expenditure requirements. The Company manages its liquidity risk to maintain sufficient liquid financial resources to meet its commitments and obligations as they come due in a cost-effective manner.

*Environmental Risks*

Mining can involve environmental risks such as pollution of the environment and destruction of natural habitat, as well as safety risks such as personal injury. In order to mitigate such risk, the Company conducts its operations at high standards and follows safety procedures intended to reduce the potential for personal injury to employees, contractors and the public at large.

The Company mitigates its risk related to producing hydrocarbons and minerals through the utilization of the most appropriate technology and information systems. In addition, the Company seeks to maintain operational control of the majority of its prospects.

*Management and Employees*

The Company depends on the skills and experience of its management team and other key employees. The Company also relies on its ability to attract and retain skilled personnel in a competitive environment. A failure to recruit and retain employees in order to assist the Company's business may adversely affect the Company's business or financial condition.

**Directors and Officers**

Gary Thompson, CEO and Director

Kevin Chen, CFO

David G. Netherway, Director

Ryan Goodman, Director

## SCHEDULE C

### AUDIT COMMITTEE CHARTER

#### 1.0 PURPOSE

1.1 The Audit Committee (the “**Committee**”) is a standing committee of the board of directors (the “**Board**”) of Silver47 Exploration Corp. (the “**Company**”) charged with assisting the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

- (a) serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements;
- (b) review and appraise the performance of the Company’s external auditors; and
- (c) provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board.

#### 2.0 COMMITTEE MEMBERSHIP

2.1 The Board shall annually elect a minimum of three (3) directors to the Committee, a majority of whom shall be financially literate, independent of management and free from any material relationship with the Company, that in the opinion of the Board, would interfere with the director’s exercise of independent judgment as a member of the Committee. Unless a chair of the Committee (“**Chair**”) is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

2.2 If the Company ceases to be a “venture issuer” (as that term is defined in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”)), then all of the members of the Committee shall be independent (as that term is defined in NI 52-110).

2.3 If the Company ceases to be a “venture issuer” (as that term is defined in NI 52-110), then all members of the Committee shall be financially literate. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of this Charter of the Audit Committee (the “**Charter**”), the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

#### 3.0 MEETINGS

3.1 The Committee shall meet at least four (4) times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the external auditors.

3.2 A quorum for the transaction of business at any meeting of the Committee shall be two (2) members.

#### **4.0 RESPONSIBILITIES AND DUTIES**

To fulfill its responsibilities and duties, the Committee shall:

##### **4.1 Documents/Reports Review**

- (a) review this Charter annually and recommend any changes to the Board; and
- (b) review the Company's financial statements, management discussion and analysis and any annual and interim earnings press releases before the Company publicly discloses this information, and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

##### **4.2 External Auditors**

- (a) annually review the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company;
- (b) annually obtain a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard No. 1 – *Independence Discussions with Audit Committees*;
- (c) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- (d) take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- (f) recommend to the Board the compensation to be paid to the external auditors;
- (g) at least once per year, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- (i) review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- (j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto;
- (k) review and pre-approve any non-audit services provided by the Company's external auditors, subject to the following:
  - (i) the pre-approval requirement shall be satisfied with respect to the provision of non-audit services if the following criteria (as set forth in Section 2.4 of NI 52-110) are met:
    - (A) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of fees paid by the Company (and its subsidiary entities) to its external auditors during the fiscal year in which the non-audit services are provided;

- (B) such services were not recognized by the Company (or the subsidiary entity) at the time of the engagement to be non-audit services;
  - (C) such services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee (with such delegation being in compliance with Section 2.5 of NI 52-110); and
- (ii) the Committee may delegate to the Chair or any other independent member of the Committee the authority to pre-approve non-audit services, provided such pre-approved non-audit services are presented to the Committee at the next scheduled Committee meeting following such pre-approval.

#### **4.3 *Financial Reporting Processes***

- (a) in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
- (d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to the appropriateness of such judgments;
- (e) following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- (g) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- (j) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

#### **4.4 *Internal Control***

- (a) consider the effectiveness of the Company's internal control system;
- (b) understand the scope of external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses;
- (c) review external auditors' management letters and management's responses to such letters;

- (d) as requested by the Board, discuss with management and the external auditors the Company's major risk exposures (whether financial, operational or otherwise), the adequacy and effectiveness of the accounting and financial controls, and the steps management has taken to monitor and control such exposures;
- (e) annually review the Company's disclosure controls and procedures, including any significant deficiencies in, or material non-compliance with, such controls and procedures; and
- (f) discuss with the Chief Financial Officer and, as is in the Committee's opinion appropriate, the President and Chief Executive Officer, all elements of the certification required pursuant to National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings*.

**4.5 Other**

- (a) review any related-party transactions;
- (b) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (c) set and pay compensation for any independent counsel and other advisors employed by the Committee; and
- (d) communicate directly with the internal and external auditors.

**CERTIFICATE OF THE COMPANY**

Dated: October 25, 2024

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

*"Gary R. Thompson"*

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Gary R. Thompson  
*Chief Executive Officer*

*"Kevin Chen"*

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Kevin Chen  
*Chief Financial Officer*

On Behalf of the Board of Directors

*"Ryan Goodman"*

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Ryan Goodman  
*Director*

*"David Netherway"*

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David Netherway  
*Director*