



BUNKER HILL MINING CORP.

ANNUAL INFORMATION FORM

For the six-month transition period ended December 31, 2020

Dated: December 30, 2021

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1. PRELIMINARY NOTES

In this Annual Information Form (“AIF”), “Bunker Hill” or the “Company” refers to Bunker Hill Mining Corp.

All information contained herein is as at December 30, 2021 unless otherwise stated.

1.1 Documents Incorporated

The information contained in the “Technical Report and Preliminary Economic Assessment for Underground Milling and Concentration of Lead, Silver and Zinc at the Bunker Hill Mine, Coeur d’Alene Mining District, Shoshone County, Idaho, USA”, dated December 29, 2021, with an effective date of November 29, 2021, prepared by Scott Wilson, C.P.G., of Resource Development Associates Inc., Robert Todd, P.E., of Minetech USA LLC, and Deepak Malhotra, SME, of Pro Solv LLC, (the “**Bunker Hill Technical Report**”) is incorporated by reference as part of this AIF. The Bunker Hill Technical Report is available for viewing at Bunker Hill’s website <https://bunkerhillmining.com> and under Bunker Hill’s profile on SEDAR at www.sedar.com.

1.2 Financial Statements

Bunker Hill’s financial statements for six-month transition period ended December 31, 2020 were prepared in accordance with accounting principles generally accepted in the United States of America. The consolidated financial statements are expressed in U.S. dollars, the functional currency.

This AIF should be read in conjunction with Bunker Hill’s audited annual financial statements and notes thereto, as well as the management’s discussion and analysis for the six-month transition period ended December 31, 2020. The financial statements and management’s discussion and analysis are available at Bunker Hill’s website <https://bunkerhillmining.com> and under Bunker Hill’s profile on SEDAR at www.sedar.com.

1.3 Currency

All sums of money which are referred to in this AIF are expressed in lawful money of the United States, unless otherwise specified. References to “C\$” are to Canadian Dollars.

1.4 Cautionary Statement Regarding Forward-Looking Information

This AIF contains “forward-looking information” and “forward-looking statements” (referred to together herein as “forward-looking information”). Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “continue”, “plans” or similar terminology. Forward-looking statements and information are not historical facts, are made as of the date of AIF, and include, but are not limited to, statements regarding discussions of results from operations (including, without limitation, statements about the Company’s opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company’s available cash resources and other statements about future events or results), performance (both operational and financial) and business prospects, future business plans and opportunities and statements as to management’s expectations with respect to, among other things, the activities contemplated in this AIF.

Forward-looking statements included or incorporated by reference in this AIF include, without limitation, statements related to the following:

- the Company’s ability to restart production at the Bunker Hill Mine (as defined herein);
- the closing of the Project Financing Package (as defined herein);
- the Project Financing Package being sufficient for the purpose described herein;
- the Company’s ability to purchase the Bunker Hill Mine;
- the planned and future exploration on the Bunker Hill Mine and other mineral properties;
- the Company’s goals regarding exploration and potential development of its projects;
- the ability to generate free cash flow from the Bunker Hill Mine;

- the Company's ability to complete payments under the Amended Settlement (as defined herein);
- future business plans;
- expectations regarding the ability to raise further capital;
- the market price of lead, silver, zinc or other metals;
- 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 Company's ability to retain and/or maintain any required permits, licenses or other necessary approvals for the exploration or development of its mineral properties;
- government regulation of mineral exploration and development operations in the State of Idaho;
- the Company's compensation policy and practices;
- reliance on key management personnel, advisors and consultants; and
- the effects of the novel COVID-19 outbreak as a global pandemic.

These forward-looking statements involve numerous risks and uncertainties and other factors which may cause the actual results, performance or achievements of Bunker Hill to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Important factors that may cause actual results to vary include without limitation, the following:

- closing of the Project Financing Package;
- closing of the purchase of Bunker Hill Mine;
- mineral exploration and development are inherently risky;
- no mineral reserves on any of the properties in which the Company has an interest;
- the Company's plans may be adversely affected by the Company's reliance on historical data compiled by previous parties involved with its mineral properties;
- additional financing may not be available to the Company when required or, if available, the terms of such financing may not be favourable to the Company;
- financial statements have been prepared on a going concern basis;
- compliance with environmental regulations can be costly;
- exploration and development activities are dependent upon the grant of appropriate licenses, concessions, leases, permits and regulatory consents, which may be withdrawn or not granted;
- title to the properties in which the Company has a material interest will not be challenged or impugned;
- the success of the Company is largely dependent on the performance of its directors and officers;
- the Company and/or its directors and officers may be subject to a variety of legal proceedings, the results of which may have a material adverse effect on the Company's business;
- future profitability may depend upon the world market prices of lead, silver, zinc and other metals;
- the Company's limited operating history and its properties are exploration stage properties;
- operations could be adversely affected by possible future government legislation, policies and controls or by changes in applicable laws and regulations;
- mining exploration may not be insurable or may be the subject of insurance which is not commercially feasible for the Company;
- public health crises such as the COVID-19 pandemic may adversely impact the Company's business;
- the mineral exploration industry is intensely competitive;
- dependence upon capital markets to raise additional financing;
- the Company is subject to various risks associated with climate change;
- social and environmental activism can negatively impact exploration, development and mining activities;
- the Company may enter into joint ventures, partnership agreements or offtake agreements;
- the Company may be adversely affected if potential conflicts of interests involving its directors and officers are not resolved in favour of the Company;
- the Company's history of no earnings and negative cash flow from operating since inception;
- compliance with reporting requirements, under applicable security laws, can increase legal and financial costs making activities more difficult, time consuming and costly;
- the Company may not be able to identify, negotiate or finance any future acquisitions successfully, or to integrate such acquisitions with its current business;

- failure to adequately meet infrastructure requirements could have a material adverse effect on the Company's business;
- the Company's projects now or in the future may be adversely affected by risks outside the control of the Bunker Hill;
- the acquisition of additional mineral properties may not be approved by applicable security exchanges;
- operations depend on information technology;
- high degree of risk and speculative nature of the Company's securities;
- dilution from future equity financing could negatively impact holders of the Company's securities;
- the Company has not paid any dividends on the outstanding Common Shares;
- Common Shares have experienced substantial volatility in the past;
- market price of the Common Shares (as defined within) may not directly relate to the corporate performance of the Company;
- trading market of the Common shares may be influenced by securities or industry analysts;
- the Company could be delisted from stock exchanges;
- operating and reclamation costs varying significantly from estimates and the other risks involved in mineral exploration and development industry; and
- other factors discussed under "*Risk Factors*" or set out in the Company's public disclosure documents filed on SEDAR;

In making the forward-looking statements in this AIF, Bunker Hill has applied several material assumptions, including without limitation, the assumptions that: the ability to raise any necessary additional capital on reasonable terms to advance exploration and development of the Company's mineral properties; future prices of lead, silver, zinc and other metal prices; the timing and results of exploration and drilling programs; the demand for, and price of lead, silver, zinc and other metals; that 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 Bunker Hill Mine as described in the Bunker Hill Technical Report (as such term is defined herein); the accuracy of budgeted exploration and development costs and expenditures; 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; 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; sustained labour stability; stability in financial and capital goods markets; expectations regarding the level of disruption to exploration at the Bunker Hill Mine as a result of COVID-19 and availability of equipment.

The actual results or performance by Bunker Hill could differ materially from those expressed in, or implied by, any forward-looking statements relating to those matters. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or financial condition of the Company. Bunker Hill is under no obligation, and expressly disclaim any obligation, to update, alter or otherwise revise any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise, except as may be required by law and under applicable securities laws.

2. CORPORATE STRUCTURE

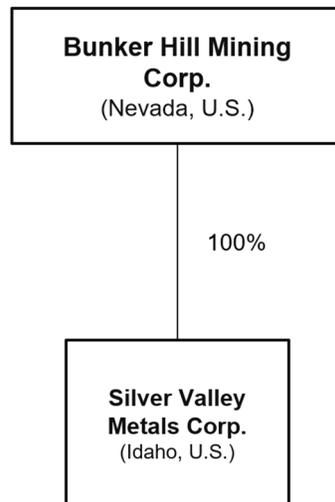
2.1 Name, address and incorporation

Bunker Hill Mining Corp. was incorporated under the *Nevada Revised Statutes, Chapter 78, et seq.* on February 20, 2007 under the name Lincoln Mining Corp. Pursuant to a Certificate of Amendment dated February 11, 2010, the Company changed its name to Liberty Silver Corp., and on September 29, 2017 the Company changed its name to Bunker Hill Mining Corp.

The Company's head office is located at 82 Richmond Street East, Toronto, Ontario, M5C 1P1, Canada. The Company's registered office is located 1802 N. Carson Street, Suite 212, Carson City Nevada, 89701, USA.

2.2 Intercorporate Relationship

As the following chart illustrates, as of the date of this AIF, Bunker Hill has one wholly-owned subsidiary, Silver Valley Metals Corp. (“**Silver Valley**”) (formerly American Zinc Corp.), a corporation, formed in Idaho, created to facilitate the work being done at the Bunker Hill Mine.



3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 Overview of the Company

3.1.1 General

Bunker Hill was incorporated for the purpose of engaging in sustainable mineral exploration, development and mining activities. The Company’s sole focus is the Bunker Hill mine located in the cities of Kellogg and Wardner of Shoshone County, Idaho, United States (the “**Bunker Hill Mine**”).

Since incorporation, the Company has taken the following steps in developing its business: (i) identified and acquired mineral properties with merit to warrant exploration; (ii) exercised its option to purchase the Bunker Hill Mine under the Amended Lease and Option Agreement (as defined herein) as described herein; (iii) raised funds to progress the Company’s exploration activities on its mineral properties, as described herein; (iv) completed the Bunker Hill Technical Report in accordance with National Instrument 43-101 – *Standard of Disclosure for Mineral Projects* (“**NI 43-101**”) on the Bunker Hill Mine; and (v) retained directors, officers and employees with the skills required to operate a public mineral exploration and development company.

The Company currently trades on the Canadian Security Exchange (the “**CSE**”) under the symbol “**BNKR**” and on the OTCQB Venture Market (the “**OTCQB**”) under the symbol “**BHLL**”.

3.2 Business of the Company

3.2.1 Principal Operations

Bunker Hill is a mineral exploration company, headquartered in Toronto Canada. It is engaged in sustainable mineral, exploration and mining activities with its primary focus being the restart of the Bunker Hill lead, silver and zinc mine located in the Silver Valley, Idaho, USA. As of the date hereof, the Company has exercised its option to purchase the Bunker Hill Mine under the Amended Lease and Option Agreement (as defined herein) and intends to restart and development the Bunker Hill Mine in the near future. For more information regarding the purchase of the Bunker Hill Mine see “*Three Year History – Purchase of the Bunker Hill Mine*”.

3.2.2 Our Strategy

The Company is focused on creating value and positive impact through the regeneration and optimization of closed or under-performing mines within North America. Using modern techniques, technology, disciplined capital allocation and an impact-focused approach to community engagement the Company intends to not only supply essential metals through recycling of under-performing or closed mines but also help build a diverse set of socio-economic opportunities for its surrounding communities.

Once the acquisition of the Bunker Hill Mine has closed and the mine has been restarted successfully as a modern and sustainable underground mine, the Company intends to build upon this platform and create further value and positive impacts via:

- the exploration and development of the Bunker Hill Mine, with a particular focus on the deeper higher-grade Galena-Quartz veins; and
- the acquisition, development, and optimization of other mining projects in North America.

Targeting over time a diversified product mix with at least 50% of metal produced being precious (Gold and Silver) with the majority being metals that can usefully support the on-going global energy transformation away from fossil fuels.

3.2.3 Products

The Company is in the mineral exploration business, does not have any marketable products at this time and is not distributing any products at this time.

3.2.4 Competitive Conditions

The mineral exploration and mining industry is competitive in all phases of exploration, development and production. The Company competes with other mining and exploration companies in connection with the acquisition of mining claims and leases on lead, silver, zinc and other base and precious metals prospects as well as in connection with the recruitment and retention of qualified employees. Many of these companies are much larger than the Company, have greater financial resources and have been in the mining business for much longer than the Company has. As such, these competitors may be in a better position through size, finances and experience to acquire suitable exploration and development properties. The Company may not be able to compete against these companies in acquiring new properties and/or qualified people to work on its current project, or any other properties that may be acquired in the future.

Given the size of the world market for base and precious metals such as silver, lead and zinc, relative to the number of individual producers and consumers, it is believed that no single company has sufficient market influence to significantly affect the price or supply of these metals in the world market. See “*Risk Factors – Competition and Mineral Exploration*”.

3.2.5 Specialized Skills and Knowledge

Various aspects of the Company’s business require specialized skills and knowledge. Such skills and knowledge include, but are not limited to, expertise related to mineral exploration and development, geology, drilling, permitting, metallurgy, logistical planning, and implementation of exploration programs, as well as legal compliance, finance and accounting. The Company expects to rely upon various legal and financial advisors, consultants and others in the operation and management of its business. See “*Risk Factors – Dependence on Management and Key Personnel*”.

3.2.6 Cycles

The Company’s mineral exploration and development activities may be subject to seasonality due to seasonal and irregular adverse weather conditions including, without limitation, inclement weather, frozen ground and restricted access due to snow, ice or other weather-related factors. In addition, the mining and mineral exploration and

development business is subject to global economic cycles effecting, among other things, the marketability and price of lead, silver and zinc products in the global marketplace.

3.2.7 Economic Dependence

The Company is dependent on the Amended Lease and Option Agreement (as defined herein), pursuant to which the Company holds its only property. If the Amended Lease and Option Agreement were to be terminated prior to closing of the purchase of Bunker Hill Mine, the Company would not have a business and the Company cannot be sure that it would be able to find or acquire a suitable alternative property. See *“Three-Year History – Bunker Hill Mine Lease and Option to Purchase”*.

3.2.8 Employees

At December 31, 2020, the Company had one employee in an executive position. At the date of this AIF, the Company has two employees in executive positions. The balance of the Company’s operations is contracted for as consultants.

3.2.9 Environmental Protection

The Company is currently engaged in exploration activities on the Bunker Hill Mine and any future exploration or development activities are subject to various laws, rules and regulations governing the protection of the environment. Corporate obligations to protect the environment under the various regulatory regimes in which the Company operates may affect the financial position, operational performance and earnings of the Company. A breach of such legislation may result in imposition of fines and penalties. Bunker Hill’s management believes all of the Company’s activities are in material compliance with all applicable environmental legislation. See *“Risk Factors – Environmental Risks”*.

3.2.10 Foreign Operations

The Company is incorporated under the laws of the State of Nevada, USA and is a reporting issuer in British Columbia and Ontario and a Registrant under the United States Securities and Exchange Commission (the “SEC”). The Company’s principal assets are located in the United States, and as such, is exposed to various levels of political, economic and other risks and uncertainties with operating in a foreign jurisdiction.

3.2.11 Social or Environmental Policies

The Company is committed to conducting its operations in accordance with sound social and environmental practices. At present, the scale of operations has not required the adoption of formal policies. The Company will reevaluate this position if and when necessary.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation.

3.3 **Three-Year History**

3.3.1 Financings and Issuances of the Company’s Securities

2018 Hummingbird Loan

On June 13, 2018, the Company entered into a loan and warrant agreement with Hummingbird Resources PLC (“**Hummingbird**”), an arm’s length investor, for an unsecured convertible loan in the aggregate sum of \$1,500,000, bearing interest at 10% per annum, maturing in one year (the “**Hummingbird Loan**”). Contemporaneously, the Company agreed to issue 229,464 share purchase warrants entitling Hummingbird to acquire 229,464 common shares of the Company (the “**Common Shares**”), at a price of C\$8.50 per Common Share, for two years. Under the terms of the Hummingbird Loan, Hummingbird had the right, at any time prior to maturity, to convert any or all of the principal

amount of the loan and accrued interest thereon, into Common Shares at a price of C\$8.50 per Common Share. In the event that a notice of conversion would result in the lender holding 10% or more of the Company's issued and outstanding shares, then, in the alternative, and under certain circumstances, the Company would have been required to pay cash to the lender in an amount equal to C\$8.50 multiplied by the number of shares intended to be issued upon conversion. Further, in the event that the lender held more than 5% of the issued and outstanding shares of the Company subsequent to the exercise of any of its convertible securities held under the placement, Hummingbird had the right to appoint one director to the board of the Company. Lastly, among other things, the Hummingbird Loan further provided that for as long as any amount is outstanding under the convertible loan, the investor retained a right of first refusal on any Company financing or joint venture, strategic partnerships, or disposal of assets.

In August 2018, the amount of the Hummingbird convertible loan payable was increased to \$2,000,000 from its original \$1,500,000 loan, net of \$45,824 of debt issue costs. An additional 116,714 warrants, with each warrant exercisable at C\$4.50, were issued. Under the terms of the amended and restated loan agreement (the "**Amended Hummingbird Loan**"), Hummingbird had the right, at any time prior to maturity, to convert any or all of the principal amount of the loan and accrued interest thereon, into Common Shares as follows: (i) \$1,500,000, being the original principal amount (the "**Principal Amount**"), could have been converted at a price of C\$8.50 per Common Share; (ii) 229,464 Common Shares could have been acquired upon exercise of warrants at a price of C\$8.50 per warrant for a period of two years from the date of issuance; (iii) \$500,000, being the additional Principal Amount (the "**Additional Amount**"), could have been converted at a price of C\$4.50 per Common Share; and (iv) 116,714 Common Shares could have been acquired upon exercise of warrants at a price of C\$4.50 per warrant for a period of two years from the date issuance. In the event that Hummingbird acquired Common Shares in excess of 9.999% through the conversion of the Principal Amount or the Additional Amount, including interest accruing thereon, or on exercise of the warrants as disclosed herein, the Company would have been required to pay to Hummingbird a cash amount equal to the Common Shares exercised in excess of 9.999%, multiplied by the conversion price.

During the year ended June 30, 2019, Hummingbird agreed to extend the scheduled maturity date of the loan to June 30, 2020.

In June 2019, Hummingbird acquired 2,660,000 June 2019 Units (as defined herein) for \$100,000 (C\$133,000), which was applied to reduction of the principal amount owing under the Amended Hummingbird Loan. Each June 2019 Unit consisted of one Common Share and one Common Share purchase warrant exercisable at C\$0.25 until August 1, 2021. In December 2020, the warrant exercise price was amended to C\$0.59 per Common Share and expiry date extended until December 31, 2025.

In February 2020, the Company settled \$300,000 of the Additional Amount by issuing 696,428 Common Shares.

In June 2020, Hummingbird agreed to extend the scheduled maturity date of the loan to July 31, 2020.

In October 2020, the Company settled the full amount of the outstanding loan by issuing 5,572,980 Common Shares at a deemed price of C\$0.49 based on the fair value of the shares issued.

As of the date of this AIF, Hummingbird holds 2,600,000 Common Share purchase warrants exercisable at a price of C\$0.59 per Common Share until December 31, 2025.

August 2018 Private Placement

In August 2018, the Company closed a private placement, issuing 160,408 units to Gemstone 102 Ltd. ("**Gemstone**") at a price of C\$4.50 per unit, for gross proceeds of C\$721,834 (\$549,333) and incurring financing costs of \$25,750 (the "**August 2018 Private Placement**"). Each unit entitled Gemstone to acquire one Common Share and one Common Share purchase warrant with each unit warrant entitling Gemstone to acquire one Common Share of the Company at a price of C\$4.50 per Common Share for a period of three years (the "**August 2018 Units**"). Prior to the issuance of the August 2018 Units, Gemstone held 400,000 Common Shares and 200,000 warrants (the "**Prior Warrants**") exercisable at a price of C\$20.00 per Common Share. Immediately prior to closing, the Prior Warrants were early terminated by mutual agreement of the Company and Gemstone. Upon issuance of the 160,408 August 2018 Units to Gemstone, Gemstone beneficially owned and exercised control or direction over 560,408 Common Shares of the Company. Assuming exercise of the August 2018 Units, Gemstone would hold 720,816 of the

outstanding Common Shares of the Company. Gemstone's participation in the August 2018 Private Placement constituted a "related party transaction" under Multilateral Instrument 61-101 – *Protection of Minority Share Holders in Special Transactions* ("MI 61-101").

November 2018 Private Placement

Given the urgent need to secure financing to meet certain new lease obligations, the board of directors of the Company (the "**Board**") approved an equity private placement of units to be sold at C\$0.75 per unit with each unit consisting of one Common Share and one Common Share purchase warrant (the "**November 2018 Units**"). On November 28, 2018, the Company closed on a total of 645,866 November 2018 Units for gross proceeds of C\$484,400 (\$365,341) and incurring financing costs of \$10,062, with each purchase warrant exercisable into a Common Shares at C\$1.00 per Common Share for a period of thirty-six months.

June 2019 Private Placement

On June 27, 2019, the Company closed the first tranche (the "**June 2019 First Tranche**") of a non-brokered private placement, issuing 11,660,000 units (the "**June 2019 Units**") at a price of C\$0.05 per June 2019 Unit for gross proceeds of C\$583,000 (\$436,608) and incurring financing costs of \$19,640. Each June 2019 Unit consisted of one Common Share of the Company and one Common Share purchase warrant (the "**June 2019 Warrant**"). Each whole June 2019 Warrant entitled the holder to acquire one Common Share at a price of C\$0.25 per Common Share for a period of two years. As a part of the June 2019 First Tranche, Hummingbird acquired 2,660,000 June 2019 Units for C\$133,000 (\$100,000) which was applied to reduction of the principal amount owing under the Amended Hummingbird Loan.

On August 1, 2019, the Company closed the second and final tranche of a non-brokered private placement, issuing 6,042,954 units (the "**August 2019 Units**") at C\$0.05 per August 2019 Unit for gross proceeds of C\$302,148 (\$228,202) and incurring financing costs of \$36,468. Each August 2019 Unit consisted of one Common Share and one Common Share purchase warrant, which entitled the holder to acquire one Common Share at a price of C\$0.25 per Common Share for a period of two years. The Company also issued 16,962,846 August 2019 Units to settle \$640,556 of debt at a deemed price of C\$0.09 based on the fair value of the Common Shares issued.

August 2019 Private Placement

On August 23, 2019, the Company closed the first tranche of a non-brokered private placement, issuing 27,966,002 Common Shares at C\$0.05 per Common Share for gross proceeds of C\$1,398,300 (\$1,049,974) and incurring financing costs of \$28,847. The Company also issued 2,033,998 Common Shares to settle \$77,117 of debt at a deemed price of C\$0.18 based on the fair value of the Common Shares issued.

On August 30, 2019, the Company closed the second and final tranche of a non-brokered private placement, issuing 1,000,000 Common Shares at C\$0.05 per Common Share for gross proceeds of C\$50,000 (\$37,550).

November 2019 Promissory Note

On November 13, 2019, the Company issued a promissory note in the amount of \$300,000 (the "**Samper Note**"). The Samper Note was unsecured, bore interest of 1% monthly, and was due on demand after 90 days from issuance. In consideration for the loan, the Company issued 400,000 Common Share purchase warrants to the lender (the "**Samper Warrants**"). Each whole Samper Warrant entitled the lender to acquire one Common Share of the Company at a price of C\$0.80 per Common Share for a period of two years.

On April 24, 2020, the Company extended the maturity date of the Samper Note to August 1, 2020. In consideration, the Company issued 400,000 Common Share purchase warrants to the lender at an exercise price of C\$0.50, which expired on November 13, 2021.

During the six months ended December 31, 2020, the Company repaid \$110,658 of the Samper Note and settled the remaining balance of \$218,281 (C\$288,000), which included interest payable of \$28,939, in full by issuing 822,857 August 2020 Units (as defined herein).

December 2019 Promissory Note

On December 31, 2019, the Company issued a promissory note in the amount of \$82,367 (C\$107,000) (the “**December 2019 Note**”). The December 2019 Note was repaid during the year ended June 30, 2020.

January 2020 Promissory Note

On January 29, 2020, the Company issued a promissory note in the amount of \$75,727 (C\$100,000) (the “**January 2020 Note**”). The January 2020 Note was repaid during the year ended June 30, 2020.

February 2020 Private Placement

On February 26, 2020, the Company closed a non-brokered private placement, issuing 2,991,073 Common Shares at C\$0.56 per Common Share for gross proceeds of C\$1,675,000 (\$1,256,854) and incurring financing costs of \$95,763 and issuing 239,284 broker warrants (the “**February Broker Warrants**”). Each February Broker Warrant entitles the holder to acquire one Common Share at a price of C\$0.70 per Common Share for a period of two years. The Company also issued 696,428 Common Shares for \$300,000 which was applied to reduce the principal amount owing under the Amended Hummingbird Loan.

May 2020 Private Placement

On May 12, 2020, the Company closed a non-brokered private placement, issuing 107,143 Common Shares at C\$0.56 per Common Share for gross proceeds of C\$60,000 (\$44,671).

May 2020 Promissory Notes

On May 12, 2020, the Company issued a promissory note in the amount of \$362,650 (C\$500,000) (the “**May 2020 Promissory Note 1**”). The May 2020 Promissory Note 1 bore no interest and was due on demand after 90 days after the issue date. Subsequent to June 30, 2020, C\$288,000 was settled by Common Shares and the remaining balance was repaid in full.

On May 12, 2020, the Company issued a promissory note in the amount of \$141,704 (C\$200,000) (the “**May 2020 Promissory Note 2**”). The May 2020 Promissory Note 2 bore no interest and was due on demand after 90 days after the issue date. The May 2020 Promissory Note 2 was settled in full subsequent to June 30, 2020.

June 2020 Promissory Notes

On June 30, 2020, the Company issued a promissory note in the amount of \$75,000 (C\$103,988) (the “**June 2020 Promissory Note 1**”). The June 2020 Promissory Note 1 bore no interest and was due on demand. The June 2020 Promissory Note 1 was repaid in full subsequent to June 30, 2020.

On June 30, 2020, the Company issued a promissory note in the amount of \$75,000 (C\$103,988) to a director of the Company (the “**June 2020 Promissory Note 2**”). The note bore no interest and was due on demand. The June 2020 Promissory Note 2 was repaid in full subsequent to June 30, 2020.

July 2020 Promissory Notes

On July 13, 2020, the Company issued a promissory note in the amount of \$1,200,000, net of \$360,000 debt issue costs (the “**July 2020 Promissory Note**”). The July 2020 Promissory Note bore no interest and was due on August 31, 2020. This July 2020 Promissory Note was repaid in full subsequent to July 12, 2020.

August 2020 Offering

On August 14, 2020, the Company closed the first tranche of a brokered private placement (the “**August 2020 Offering**”), issuing 35,212,142 units of the Company at C\$0.35 per unit (the “**August 2020 Units**”) for gross proceeds of C\$12,324,250 (\$9,301,321). Each August 2020 Unit consisted of one Common Share and one warrant, which

entitles the holder to acquire a Common Share C\$0.50 per Common Share until August 31, 2023. In connection with the first tranche, the Company incurred financing costs of C\$849,978 (\$709,488) and issued 2,112,729 compensation options (the “**August 2020 Compensation Options**”). Each August 2020 Compensation Option is exercisable into one August 2020 Unit at an exercise price of C\$0.35 until August 31, 2023.

On August 25, 2020, the Company closed the second tranche of the August 2020 Offering, issuing 20,866,292 August 2020 Units at C\$0.35 per August 2020 Unit for gross proceeds of C\$7,303,202 (\$5,510,736). In connection with the second tranche, the Company incurred financing costs of C\$314,512 (\$238,140) and issued 1,127,178 August 2020 Compensation Options.

February 2021 Offering

On February 24, 2021, the Company closed a non-brokered private placement (the “**February 2021 Offering**”) of 19,994,080 units of the Company at C\$0.40 per unit for gross proceeds of C\$7,997,632 (the “**February 2021 Units**”). Each February 2021 Unit consists of one Common Share and one Common Share purchase warrant, which entitles the holder to acquire one Common Share at a price of C\$0.60 per Common Share for a period of five years. In connection with the financing, the Company paid a cash commission of C\$140,400 and issued 351,000 finder options, which are exercisable into February 2021 Units at an exercise price of C\$0.40 for a period of three years. Pursuant to the February 2021 Offering, certain directors and officers of the Company acquired 626,580 February 2021 Units. This issuance of such February 2021 Units in connection with the offering was considered a “related party transaction” as such term is defined under MI 61-101.

September 2021 Promissory Note

On September 22, 2021, the Company issued a non-convertible promissory note in the amount of \$2,500,000 bearing interest of 15% per annum and payable at maturity (the “**2021 Promissory Note**”). The 2021 Promissory Note is scheduled to mature on the earlier of March 15, 2022, or the date at which the Company raises more than \$10,000,000 in equity financing in aggregate, beginning September 22, 2021.

Project Financing Package

On December 20, 2021, the Company announced that it had executed a non-binding term sheet with Sprott Private Resource Streaming and Royalty Corp. (“**SRSR**”) outlining a \$50,000,000 non-dilutive project financing package that the Company expects to fulfill the majority of its funding requirements to restart the Bunker Hill Mine. The financing package consisted of a \$8,000,000 royalty convertible debenture (the “**Royalty Convertible Debenture**”), a \$5,000,000 convertible debenture (the “**Convertible Debenture**”), and a multi-metals stream of up to \$37,000,000 (the “**Stream**”), together with the Royalty Convertible Debenture and the Convertible Debenture, (the “**Project Financing Package**”). The closing for Royalty Convertible Debenture, the Convertible Debenture and the Stream are conditional on a number of matters, including the finalization of definitive documentation, regulatory and stock exchange approvals, and closing of the purchase of Bunker Hill Mine.

Subject to the settlement of definitive documentation with SRSR, the Company expects that \$8,000,000 will be advanced under the Royalty Convertible Debenture in January 2022. The Royalty Convertible Debenture will initially bear interest at an annual rate of 9.0% payable in cash or Common Shares at the Company’s option, until such time that SRSR elects to convert a royalty, with such conversion option expiring at the earlier of advancement of the Stream or 18 months. In the event of conversion, the Royalty Convertible Debenture will cease to exist and the Company will grant a royalty for 1.85% of life-of-mine gross revenue from mining claims considered to be historically worked, contiguous to current accessible underground development, and covered by the Company’s 2021 ground geophysical survey. A 1.35% rate will apply to claims outside of these areas. The Royalty Convertible Debenture will initially be secured by a share pledge of the Company’s operating subsidiary, Silver Valley, until such time that a full security package is put in place. In the event of non-conversion, the principal of the Royalty Convertible Debenture will be repayable in cash.

Subject to the settlement of the definitive documentation with SRSR, the Company expects that an aggregate amount of \$5,000,000 will be advanced under the Convertible Debenture in January 2022. The Convertible Debenture will initially bear interest at an annual rate of 7.5%, payable in cash or shares at the Company’s option, and a maturity of

18 months from the closing of the Royalty Convertible Debenture. Until the closing of the Stream, the Convertible Debenture is convertible into Common Shares at a price of C\$0.30 per Common Share, subject to stock exchange approval. Alternatively, SRSR may elect to retire the Convertible Debenture with the cash proceeds from the Stream. The Company may elect to repay the Convertible Debenture early; if SRSR elects not to exercise its conversion option at such time, a minimum of 12 months of interest would apply.

Subject to SRSR internal approvals, further technical and other diligence, and satisfactory definitive documentation, the Company expects to close the Stream concurrent with a formal construction decision being made by early Q2 2022. A minimum of \$27,000,000 and a maximum of \$37,000,000 (the “**Stream Amount**”) will be made available under the Stream, at the Company’s option, once the conditions of availability of the Stream have been satisfied. Assuming the maximum funding of \$37,000,000 is drawn, the Stream would apply to 10% of payable metals sold until a minimum quantity of metal is delivered consisting of, individually, 55 million pounds of zinc, 35 million pounds of lead, and 1 million ounces of silver. Thereafter, the Stream would apply to 2% of payable metals sold. If the Company elects to draw less than \$37,000,000 under the Stream, the percentage and quantities of payable metals streamed will adjust pro-rata. The delivery price of streamed metals will be 20% of the applicable spot price. The Company may buy back 50% of the Stream Amount at a 1.40x multiple of the Stream Amount between the second and third anniversary of the date of funding, and at a 1.65x multiple of the Stream Amount between the third and fourth anniversary of the date of funding. The Company will be permitted to incur additional indebtedness of \$15,000,000 and a cost over-run facility of \$13,000,000 from other financing counterparties.

3.3.2 Bunker Hill Mine Lease and Option to Purchase

Lease and Option to Purchase

On August 28, 2017, the Company announced that it signed a definitive agreement with Placer Mining Corporation (“**Placer Mining**”), the current owners of the Bunker Hill Mine, for the lease and option to purchase the Bunker Hill Mine (the “**Lease Agreement**”).

Under the terms of the Lease Agreement, the Company was required to make a \$1,000,000 bonus payment to Placer Mining no later than October 31, 2017, which payment was made, along with two additional \$500,000 bonus payments in December 2017. The 24-month lease commenced November 1, 2017. During the term of the lease, the Company was to make \$100,000 monthly mining lease payments, paid quarterly.

Additionally, the Company had an option to purchase the Bunker Hill Mine at any time before the end of the lease and any extension for a purchase price of \$45,000,000 with purchase price payments to be made over a ten-year period to Placer Mining. Under the terms of the Lease Agreement, there was a 3% net smelter return royalty on sales during the lease and a 1.5% net smelter return royalty on the sales after the purchase option is exercised, which post-acquisition net smelter return royalty is capped at \$60,000,000 (the “**NSR**”).

On October 2, 2018, the Company announced that it was in default of the Lease Agreement. The default arose as a result of missed lease and operating cost payments, totaling \$400,000, which were due at the end of September and on October 1, 2018. As per the Lease Agreement, the Company had 15 days, from the date the notice of default was provided (September 28, 2018), to remediate the default by making the outstanding payment. While management worked with urgency to resolve this matter, management was ultimately unsuccessful in remedying the default.

On November 13, 2018, the Company announced that it had entered into a new Lease Agreement (the “**Renewed Agreement**”), effectively with the original Lease Agreement terms intact, except that the monthly payments were reduced to \$60,000 per month for 12 months, with the accumulated reduction in payments of \$140,000 per month (the “**Deferred Payments**”) being accrued. These Deferred Payments would be waived if the Company had chosen to exercise its option.

On November 1, 2019, the Renewed Agreement was amended (the “**Amended Agreement**”). Under the terms of the Amended Agreement, the Company had an option to purchase the marketable assets of the Bunker Hill Mine for a purchase price of \$11,000,000 at any time prior to the expiration of the Amended Agreement, payable \$6,200,000 in cash, and \$4,800,000 in unregistered Common Shares (calculated using the market price at the time of exercise of the purchase option) (the “**Purchase Option**”). Upon signing the Amended Agreement, the Company paid a one-time,

non-refundable cash payment of \$300,000 to Placer Mining. This payment will be applied to the cash portion of the purchase price upon execution of the Purchase Option. In the event the Company elects not to exercise the Purchase Option, the payment shall be treated as an additional care and maintenance payment. An additional term of the Amended Agreement provided for the elimination of the NSR that was to be paid to Placer Mining.

Under the terms of the Amended Agreement, during the term of the lease, the Company had to make care and maintenance payments in the amount of \$60,000 monthly plus other expenses, including taxes, utilities and mine rescue payments.

On July 27, 2020, the Company announced that it had secured, for a \$150,000 cash payment, a further extension to the Amended Agreement to purchase the Bunker Hill Mine from Placer Mining (the “**Second Extension**”). The Second Extension is for a further 18 months. This Second Extension expires on August 1, 2022.

On November 20, 2020, the Company renegotiated the Amended Agreement (the “**Amended Lease and Option Agreement**”). Under the new terms of the Amended Lease and Option Agreement, the purchase price under the Purchase Option has been decreased from \$11,000,000 to \$7,700,000, with \$5,700,000 payable in cash (with an aggregate of \$300,000 to be credited toward the purchase price of the Bunker Hill Mine as having been previously paid by the Company and an aggregate of \$5,400,000 payable in cash outstanding) and \$2,000,000 in Common Shares. The reference price for the payment in Common Shares will be based on the share price of the last equity raise before the option is exercised. The Company will continue to make a monthly care and maintenance payment of \$60,000 to Placer Mining in return for on-going technical support to the Company. Under the Amended Lease and Option Agreement, the Company’s contingent obligation to settle \$1,787,300 of accrued payments due to Placer Mining has been waived. Further, under the Amended Lease and Option Agreement, the Company is to make an advance payment of \$2,000,000 to Placer Mining, which shall be credited toward the purchase price of the Bunker Hill Mine when the Company elects to exercise the Purchase Option. In the event that the Company irrevocably elects not to exercise the Purchase Option, the advance payment of \$2,000,000 will be repaid to the Company within twelve months from the date of such election. The Company made this advance payment, which had the effect of decreasing the remaining amount payable to purchase the Bunker Hill Mine to an aggregate of \$3,400,000 payable in cash and \$2,000,000 in Common Shares.

On December 20, 2021, the Company announced that it exercised its option to purchase the Bunker Hill Mine from Placer Mining and a definitive agreement has been signed by both parties. The payment terms of the purchase were modified to \$5,400,000 all payable in cash. The closing of the transaction is expected in January 2022. For more information regarding the purchase of the Bunker Hill Mine see “*Three Year History – Purchase of the Bunker Hill Mine*”.

Settlement Agreement

As a part of the purchase price, the Amended Lease and Option Agreement also requires payments pursuant to an agreement with the U.S. Environmental Protection Agency (the “**EPA**”) whereby for so long as the Company leases, owns and/or occupies the Bunker Hill Mine, the Company will make payments to the EPA on behalf of Placer Mining in satisfaction of the EPA’s claim for cost recovery (the “**Settlement Agreement**”). These payments, if all were made, would total \$20,000,000. In addition to these payments, the Company was to make semi-annual payments each year to cover the EPA’s estimated costs of maintaining and treating water at the water treatment facility with a true-up to be paid by the Company once the actual costs are determined.

The Settlement Agreement was reached in 2018 in order for the EPA to gain confidence that it will be repaid for historical environmental response costs it had incurred for Bunker Hill Mine. The costs up to that point had been unpaid by the owner of the mine since 1994. The Company agreed to become a responsible party for these liabilities in exchange for the EPA and US Department of Justice eliminating all other potential historical environmental liabilities related to the Bunker Hill Mine.

As a result of the Company’s inability to meet their payment obligations under the Settlement Agreement, Bunker Hill began discussions with the EPA in an effort to reschedule these payments in ways that would enable the sustainable operation of the Bunker Hill Mine as a viable long-term business. Prior to entering into an amended

agreement, the Company was in arrears for \$11,000,000 in cost recovery payments and over \$2,900,000 in unpaid water treatment costs.

Amended EPA Settlement Agreement

On December 20, 2021, the Company entered into an amended Settlement Agreement, effective December 19, 2021, between the Company, Idaho Department of Environmental Quality, US Department of Justice and the EPA (the “**Amended Settlement**”). Upon entering the Amended Settlement, the Company is now fully compliant with the Settlement Agreement (now the Amended Settlement). The Amended Settlement modifies the payment schedule and payment terms for recovery of historical environmental response costs at Bunker Hill Mine by the EPA. A total of \$19,000,000 remains to be paid by the Company. The new payment schedule includes a \$2,000,000 payment to the EPA within 30 days of the execution of this Amended Settlement. The remaining \$17,000,000 will be paid on the following dates:

<u>Date</u>	<u>Amount</u>
November 1, 2024	\$3,000,000
November 1, 2025	\$3,000,000
November 1, 2026	\$3,000,000
November 1, 2027	\$3,000,000
November 1, 2028	\$3,000,000
November 1, 2029	\$2,000,000 plus accrued interest ⁽¹⁾

Notes:

(1) Interest is calculated at the rate specified for interest on investments of the EPA Hazardous Substance Superfund established by 26 U.S.C §9507 compounded annually on October 1 of each year, in accordance with 42.U.S.C. §9607(a).

The Amended Settlement includes additional payment for outstanding water treatment costs that have been incurred over the period from 2018 through 2020. This \$2,900,000 payment will be made within 90 days of execution of this Amended Settlement.

In addition to the changes in payment terms and schedule, the Company has committed to securing financial assurance in the form of performance bonds or letters of credit deemed acceptable to the EPA. The financial assurance will total \$17,000,000, corresponding to the Company’s obligations to be paid in the 2024-2029 period as outlined above, that can be drawn on by the EPA in the event of non-performance by the Company (the “**Financial Assurance**”). The amount of the bonds will decrease over time as individual payments are made. If the Company does not post the Financial Assurance within 90 days of execution of the Amended Settlement, it must issue an irrevocable letter of credit for \$9,000,000. The EPA may draw on this letter of credit after an additional 90 days if the Company is unable to either put the Financial Assurance in place or make payment for the full \$17,000,000 of remaining historical cost recovery sums. In the event neither occurs, the terms of the initial Settlement Agreement will be reinstated.

The Company has concluded the negotiation of commercial terms with two counterparties for the full \$17,000,000 Financial Assurance, with finalization, expected in early 2022, contingent on full project funding being in place, including the Stream.

Purchase of the Bunker Hill Mine

With the execution of the Amended Settlement and the expected receipt of \$8,000,000 proceeds from the Royalty Convertible Debenture, the Company has exercised its option to purchase the Bunker Hill Mine from Placer Mining. On December 15, 2021, a definitive agreement was signed by the Company’s wholly-owned subsidiary, Silver Valley, and Placer Mining. The terms of the purchase were modified to \$5,400,000 in cash, from \$3,400,000 of cash and \$2,000,000 of Common Shares.

Closing of the transaction is expected at the beginning of January 2022, concurrent with funding of the Royalty Convertible Debenture, approval of the transaction by Placer Mining shareholders, and satisfaction of other closing conditions.

3.3.3 Recent Events

On January 12, 2021, the Company released its news release titled “*Bunker Hill Appoints David Wiens as Chief Financial Officer & Corporate Secretary*” announcing the appointment of David Wiens as Chief Financial Officer & Corporate Secretary.

On January 26, 2021, the Company released its news release titled “*Bunker Hill Outlines Progress Towards Completing The PEA For Its Rapid Restart Program*” announcing progress toward completing its Preliminary Economic Assessment (the “**Restart PEA**”) at Bunker Hill Mine.

On February 1, 2021, the Company released its news release titled “*Bunker Hill Announces C\$5 Million Non-Brokered Private Placement*” announcing the February 2021 Offering.

On February 2, 2021, the Company released its news release titled “*Bunker Hill Upsizes Previously Announced Non-Brokered Private Placement to C\$8 Million*” announcing an increase to the February 2021 Offering.

On February 11, 2021, the Company released its news release titled “*Bunker Hill Mining Continues To Advance Its Rapid Restart Program With The Successful Commissioning Of Its Water Pre-Treatment Plant*” announcing the successful commissioning of its water pre-treatment plant designed to improve the quality of mine water discharge at Bunker Hill Mine.

On February 12, 2021, the Company released its news release titled “*Bunker Hill Announces Change in Fiscal Year-End*” announcing that it is changing its fiscal-year end to December 31, from its previous fiscal year of June 30.

On February 22, 2021, the Company released its news release titled “*Concurrent With Silver Exploration, Bunker Hill Reports Shallow, High-Grade Zinc Drill Results, Supporting the Rapid Restart Plan*” announcing that it had intercepted strong zinc mineralization over significant widths in the upper levels of the Bunker Hill Mine.

On February 24, 2021, the Company released its news release titled “*Bunker Hill Closes Previously Announced Private Placement*” announcing the closing of the February 2021 Offering.

On February 26, 2021, the Company released its news release titled “*Bunker Hill Mining Intercepts Near Surface, High-Grade Silver*” reporting that it has intercepted high grade mineralization in the UTZ area of the Bunker Hill Mine.

On March 15, 2021, the Company released its news release titled “*Bunker Hill Launches Its Web-Based Water Discharge Monitoring System In Support of Its Rapid Restart Program*” announcing the launch of its water quality tracking platform.

On March 19, 2021, the Company released its news release titled “*Bunker Hill Announces Updated Mineral Resources and Identifies New Silver Exploration Targets*” announcing a significant resource increase at Bunker Hill Mine.

On March 29, 2021, the Company released its news release titled “*Bunker Hill Announces 3.8 Meters at 997 AG EQ G/T Drill Intercept, Ten Channel Samples Above 900 AG EQ G/T Including 0.6 Meters at 3,000 AG EQ*” announcing multiple high grade silver mineralization results as part of its ongoing silver-focused drilling program and through chip-channel sampling.

On March 31, 2021, the Company released its news release titled “*Bunker Hill Files 10-KT Transition Report For The Six Months Ended December 31, 2020*” announcing the filing of the Form 10-KT transition report for the six months ended December 31, 2020.

On April 19, 2021, the Company released its news release titled “*Bunker Hill Mining to Announce PEA Results on Tuesday, April 20; Host Six Virtual Investor Event on Wednesday, April 21*” announcing that it will be releasing the Restart PEA for the Bunker Hill Mine.

On April 20, 2021, the Company released its news release titled “*Bunker Hill Announces Robust Restart PEA: \$101M NPV, 46% IRR, 2.5 Year Payback, \$42 Initial Capex, \$20M Average Annual Over FCF Over 10 Years*” announcing the results of its Restart PEA.

On April 27, 2021, the Company released its news release titled “*Bunker Hill Mining Engages Cutfield Freeman & Co. As Re-Start Financing Advisor*” announcing that it has engaged Cutfield Freeman & Co to provide independent advice on all aspects of restart mining finance related to Bunker Hill Mine.

On June 4, 2021, the Company released its news release titled “*Bunker Hill Mining Announces Filing of PEA Technical Report*” announcing the filing of the Restart PEA, dated June 4, 2021, for the Bunker Hill Mine.

On June 14, 2021, the Company released its news release titled “*Bunker Hill Achieves Milestone to Increase U.S. Trading Liquidity: Caveat Emptor Status Lifted, OTCQB Upgrade Underway*” announcing its listing on the OTC Markets (the “**OTC Markets**”) under symbol “BHLL” is no longer subject to the ‘caveat emptor’ classification as a result of clearance by Financial Industry Regulatory Authority (“**FINRA**”) and OTC Markets following an extensive regulatory review.

On June 16, 2021, the Company released its news release titled “*Bunker Hill Launches Extensive Ground Geophysics Program*” announcing the initiation of a ground geophysical survey over the previously untested southern extension of its claims package.

On July 29, 2021, the Company released its news release titled “*Bunker Hill Achieves U.S. Market Upgrade to OTCQB*” announcing the approval of its application for an upgrade to the OTCQB. Bunker Hill announced that it would begin trading on July 30, 2021, remaining under the symbol “BHLL”.

On August 23, 2021, the Company released its news release titled “*Bunker Hill Announces Updated Drill Results, Including High Grade Silver-Lead Vein Extensions Outside Current Resource*” announcing updated drill results.

On September 20, 2021, the Company released its news release titled “*Bunker Hill Announces Updated PEA: 42% Increase in NPV to \$143M, 29% Decrease in AISC, 41% Increase in FCF Over Extended 11 Year Mine Life*” announcing an update to the Updated Preliminary Economic Assessment (the “**Updated PEA**”) for the Bunker Hill Mine materially improved financial returns, free cash flow, and unit costs.

On September 23, 2021, the Company released its news release titled “*Bunker Hill Announces Completion of Geophysics Survey; Enters into US\$2,500,000 Bridge Loan Financing*” announcing the completion of the previously announced field portion of its ground geophysical survey previously and that it has entered into an agreement for a loan of \$2,500,000 to support near-term working capital requirements.

On October 4, 2021 the Company released its news release titled “*Bunker Hill Announces Exploration JV with Minewater on London Mining Gold District in Colorado*” announcing its intention to enter into a joint venture with MineWater Finance LLC to explore the mineral potential of the London gold mine, and the surrounding district, in Colorado, USA.

On October 18, 2021, the Company released its news release titled “*Bunker Hill Places ESG and Regeneration at the Core of Its Innovative Value Creation Strategy*” introducing its innovative environmental social and corporate governance vision and report significant progress with its ongoing sustainability and community impact programs.

On November 3, 2021, the Company released its news release titled “*Bunker Hill Files Updated PEA Technical Report and Provides Mine Restart Project Update*” announcing the filing of the Updated PEA.

On November 30, 2021, the Company released its news release title “*Bunker Hill Announces Mineral Resource Update, Including 59% Increase in M&I to 1.1 Billion Zinc and EQ Pounds At Higher Grades*” announcing the completion of an updated mineral resource estimate, effective November 29, 2021, for the Bunker Hill Mine.

On December 20, 2021, the Company released its news release title “*Bunker Hill Announces \$50 Million Project Finance Package, Mine Purchase, and US EPA Settlement Agreement Amendment*” announcing the Project Financing Package, the Amended Settlement and the purchase of Bunker Hill Mine.

On December 29, 2021, the Company released its news release titled “*Bunker Hill Mining Announces Filing of Updated Technical Report*” announcing the filing of the Bunker Hill Technical Report.

4. RISK FACTORS

The business and operations of Bunker Hill are speculative due to the high-risk nature of its business, which is the exploration and development of mineral properties. The risks listed below are not the only risks and uncertainties that Bunker Hill faces. Additional risks and uncertainties not presently known to Bunker Hill or that Bunker Hill currently considers immaterial may also materially impair its business. These risk factors could materially affect Bunker Hill’s business, financial condition and future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

If any of the following risks occur, Bunker Hill’s business, financial condition and operating results could be materially adversely affected.

4.1 Risks Related to the Company

4.1.1 Ability to Raise Financing

At the date of this AIF, the Company has no income producing assets. Until the Company is able to develop the Bunker Hill Mine, or another mineral property, and generate appropriate cash flow, the Company is dependent upon being able to obtain future equity or debt funding to support future mineral exploration and development.

Neither the Company nor any of the directors of the Company nor any other party can provide any guarantee or assurance that the Project Financing Package will be finalized or close, as the Project Financing Package remains subject to SRSR internal approvals, further technical and other due diligence and satisfactory documentation. If the Project Financing Package does not close there is no guarantee that capital can be raised on terms favourable to the Company, or at all. Any additional equity funding will dilute existing shareholders.

4.1.2 Purchase of Bunker Hill Mine

The purchase of the Bunker Hill Mine is subject to the closing of the Project Financing Package, approval of the transaction by Placer Mining shareholders, and satisfaction of other closing conditions. Neither the Company nor any of the directors of the Company nor any other party can provide any guarantee or assurance as to the satisfaction of these closing conditions or to the purchase of the Bunker Hill Mine as the closing is reliant on receiving the funds from the Royalty Convertible Debenture or raising capital by securing other financing.

If the Company is unable to secure adequate financing, there are no assurances the Company will be able to fulfill the payment conditions under the Amended Settlement, as the initial payment requires the funds from the Royalty Convertible Debenture or raising capital by securing other financing. There is no guarantee or assurance that the Company’s development activities at Bunker Hill Mine will result in the Company’s ability to restart the Bunker Hill Mine, the ability to generate free cash flow from the Bunker Hill Mine, or complete the payments to the EPA required by the Amended Settlement.

4.1.3 Mineral Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks 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. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other

factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and any development activities will result in any discoveries of commercial mineralization. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish mineral reserves through drilling and related activities and to develop the mining and processing facilities and infrastructure at any site chosen for mining and/or milling. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that mineralization will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Estimates of mineral reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of mineralized materials ultimately mined may differ from that indicated by drilling results. Short term factors relating to mineral reserves, such as the need for orderly mine development or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of said operations. Material changes in mineral reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

4.1.4 No Mineral Reserves

Currently, there are no mineral reserves (within the meaning of NI 43-101) on any of the properties in which the Company has an interest and the Company cannot give assurance that any mineral reserves will be identified. If the Company fails to identify any mineral reserves on any of its properties, its financial condition and results of operations will be materially adversely affected.

4.1.5 Reliability of Historical Information

The Company has relied on, and the disclosure in the Bunker Hill Technical Report is based, in part, upon, historical data compiled by previous parties involved with the Bunker Hill Mine. To the extent that any of such historical data is inaccurate or incomplete, the Company's exploration plans may be adversely affected.

4.1.6 Additional Funding

The exploration and development of the Company's mineral properties will require substantial additional capital. When such additional capital is required, the Company will need to pursue various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all. A failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations. Any future issuance of securities to raise required capital will likely be dilutive to existing shareholders. In addition, debt and other debt financing may involve a pledge of assets and may be senior to interests of equity holders. The Company may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the lead, silver and zinc industries in particular), the Company's status as a new enterprise with a limited history, the location of the Company's mineral properties, the price of commodities and/or the loss of key management personnel.

4.1.7 Going Concern Risk

The Company's financial statements have been prepared on a going concern basis under which an entity is considered to be able to realize its assets and satisfy its liabilities in the ordinary course of business. The Company's future operations are dependent upon the identification and successful completion of equity or debt financings and the

achievement of profitable operations at an indeterminate time in the future. There can be no assurances that the Company will be successful in completing equity or debt financings or in achieving profitability. The financial statements do not give effect to any adjustments relating to the carrying values and classifications of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

4.1.8 Environmental Risks

The Company's activities are subject to extensive laws and regulations governing environment protection. The Company is also subject to various reclamation related conditions. Although the Company closely follows and believes it is operating in compliance with all applicable environmental regulations, there can be no assurance that all future requirements will be obtainable on reasonable terms. Failure to comply may result in enforcement actions causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures. Intense lobbying over environmental concerns by non-governmental organizations has caused some governments to cancel or restrict development of mining projects. Current publicized concern over climate change may lead to carbon taxes, requirements for carbon offset purchases or new regulation. The costs or likelihood of such potential issues to the Company cannot be estimated at this time.

The legal framework governing this area is constantly developing, therefore the Company is unable to fully ascertain any future liability that may arise from the implementation of any new laws or regulations, although such laws and regulations are typically strict and may impose severe penalties (financial or otherwise). The proposed activities of the Company, as with any exploration company, may have an environmental impact which may result in unbudgeted delays, damage, loss and other costs and obligations including, without limitation, rehabilitation and/or compensation. There is also a risk that the Company's operations and financial position may be adversely affected by the actions of environmental groups or any other group or person opposed in general to the Company's activities and, in particular, the proposed exploration and mining by the Company within the state of Idaho and the United States.

Environmental hazards unknown to the Company, which have been caused by previous or existing owners or operators of the Bunker Hill Mine, may exist on properties in which the Company holds an interest. Many of its properties in which the Company has ownership rights are located within the Coeur d'Alene Mining District (the "**District**"), which is currently the site of a Federal Superfund cleanup project. It is possible that environmental cleanup and other environmental restoration procedures could remain to be completed or mandated by law, causing unpredictable and unexpected liabilities to arise.

4.1.9 Government or Regulatory Approvals

Exploration and development activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents, which may be withdrawn or made subject to limitations. There is no guarantee that, upon completion of any exploration, a mining licence will be granted with respect to exploration territory. There can also be no assurance that any exploration licence will be renewed or if so, on what terms. These licences place a range of past, current and future obligations on the Company. In some cases, there could be adverse consequences for breach of these obligations, ranging from penalties to, in extreme cases, suspension or termination of the relevant licence or related contract.

4.1.10 Permits and Government Regulation

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

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

Amendments or changes to current laws, regulations, government policies and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on Bunker Hill and cause increases in costs or require abandonment or delays in the advancement of the Bunker Hill Mine.

4.1.11 Title Risks

Although the Company has received title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company has not conducted surveys on all of the claims in which it holds direct or indirect interests. The Bunker Hill Mine is located in Northern Idaho and may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by unidentified or unknown defects. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claims to individual mineral properties or mining concessions may be constrained. A successful challenge to the Company's title to a property or to the precise area and location of a property could cause delays or stoppages to the Company's exploration, development or operating activities without reimbursement to the Company. Any such delays or stoppages could have a material adverse effect on the Company's business, financial condition and results of operations.

4.1.12 Dependence on Management and Key Personnel

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. As the Company's business activity grows, the Company will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that these efforts will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increase. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Company's operations and financial condition. In addition, the COVID-19 pandemic may cause the Company to have inadequate access to an available skilled workforce and qualified personnel, which could have an adverse impact on the Company's financial performance and financial condition.

4.1.13 Claims and Legal Proceedings

The Company, and/or its directors and officers may be subject to a variety of civil or other legal proceedings, with or without merit. From time to time in the ordinary course of its business, the Company may become involved in various legal proceedings, including commercial, employment and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Company's business, operating results or financial condition.

4.1.14 Metal Prices

If the Company's mineral properties are developed from exploration properties to full production properties, the majority of its revenue will be derived from the sale of lead, silver, zinc and other metals. Therefore, the Company's future profitability will depend upon the world market prices of lead, silver, zinc and other metals for which it is exploring. The price of lead, silver, zinc and other metals are affected by numerous factors beyond the Company's control, including levels of supply and demand, global or regional consumptive patterns, sales by government holders,

metal stock levels maintained by producers and others, increased production due to new mine developments and improved mining and production methods, speculative activities related to the sale of metals, availability and costs of metal substitutes.

Moreover, lead, silver, zinc and other metal prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of lead, silver, zinc and other metals as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. Additionally, the current COVID-19 pandemic and efforts to contain it, including restrictions on travel and other advisories issued may have a significant effect on lead, silver, zinc and other metals prices.

4.1.15 Limited Operating History

The Company has a limited operating history and its mineral properties are exploration stage properties. Since its inception, the Company has had no revenue from operations. The Company has no history of producing products from the Bunker Hill Mine. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The current state of the Company's mineral properties require significant additional expenditures before any cash flow may be generated. Although the Company possesses an experienced management team, there is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

An investment in the Company's securities carries a high degree of risk and should be considered speculative by purchasers. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of its success must be considered in light of its early stage of operations. You should consider any purchase of the Company's securities in light of the risks, expenses and problems frequently encountered by all companies in the early stages of their corporate development.

4.1.16 Laws and Regulation

The Company's exploration activities are subject to extensive federal, provincial, state and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters in all the jurisdictions in which it operates. These laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. The Company applies the expertise of its management, advisors, employees and contractors to ensure compliance with current laws.

4.1.17 Uninsured and Underinsured Risks

The Company faces and will face various risks associated with mining exploration and the management and administration thereof including those associated with being a public company. Some of these risks are not insurable; some may be the subject of insurance which is not commercially feasible for the Company. Those insurances which are purchased will have exclusions and deductibles which may eliminate or restrict recovery in the event of loss. In some cases, the amount of insurance purchased may not be adequate in amount or in limit.

The Company will undertake intermittent assessments of insurable risk to help ensure that the impact of uninsured/underinsured loss is minimized within reason. Risks may vary from time to time within this intermittent period due to changes in such things as operations operating conditions, laws or the climate which may leave the Company exposed to periods of additional uninsured risk.

In the event risk is uninsurable, at its reasonable and sole discretion, the Company may endeavor to implement policies and procedures, as may be applicable and/or feasible, to reduce the risk of related loss.

4.1.18 Public Health Crises such as the COVID-19 Pandemic

The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the current COVID-19 pandemic. To date, there have been a large number of restrictions, business closures, quarantines and a reduction in various activities in a number of countries and regions including Canada, the United States, Europe and China. The pandemic has resulted in travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial and other impacts cannot be reasonably estimated at this time. Such public health crises can result in volatility and disruptions in the supply and demand for metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk, share prices and inflation. The risks to the Company of such public health crises also include risks to employee health and safety, additional slowdowns or temporary suspensions of operations in geographic locations impacted by an outbreak, increased labor, transportation and fuel costs, regulatory changes, political or economic instabilities or civil unrest. The extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control. Any increase in the severity of the pandemic or future outbreaks of COVID-19 could have a material adverse effect on the Company's business, results of operations and financial condition.

4.1.19 Competition and Mineral Exploration

The mineral exploration industry is intensely competitive in all of its phases and the Company must compete in all aspects of its operations with a substantial number of large established mining companies with greater liquidity, greater access to credit and other financial resources, newer or more efficient equipment, lower cost structures, more effective risk management policies and procedures and/or greater ability than the Company to withstand losses. The Company's competitors may be able to respond more quickly to new laws or regulations or emerging technologies or devote greater resources to the expansion of their operations, than the Company can. In addition, current and potential competitors may make strategic acquisitions or establish cooperative relationships among themselves or with third parties. Competition could adversely affect the Company's ability to acquire suitable new mineral properties or prospects for exploration in the future. Competition could also affect the Company's ability to raise financing to fund the exploration and development of the Bunker Hill Mine or to hire qualified personnel. The Company may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Company's business, financial condition or results of operations.

4.1.20 Global Economy Risk

The Company may be dependent upon capital markets to raise additional financing in the future. As such, the Company is subject to liquidity risks in meeting its operating expenditure requirements and future development cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management. If there is an economic slowdown, the Company's operations, the Company's ability to raise capital and the trading price of the Company's securities could be adversely impacted.

In addition, the current outbreak of COVID-19, and any future emergence and spread of similar pathogens, could have a material adverse impact on global economic conditions, which may adversely impact the market price of the Common Shares, the Company's operations, its ability to raise debt or equity financing for the purposes of mineral exploration and development, and the operations of the Company's suppliers, contractors and service providers.

4.1.21 Climate Change Risks

The Company acknowledges climate change as an international and community concern and it supports and endorses various initiatives for voluntary actions consistent with international initiatives on climate change. However, in addition to voluntary actions, governments are moving to introduce climate change legislation and treaties at the international, national, provincial, state and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current

regulatory trend continues, the Company expects that this could result in increased costs at some of its operations in the future.

The Company and the mining industry are facing continued geotechnical challenges, which could adversely impact the Company's production and profitability. Unanticipated adverse geotechnical and hydrological conditions, such as landslides, floods, seismic activity, droughts and pit wall failures, may occur in the future and such events may not be detected in advance. Geotechnical instabilities and adverse climatic conditions can be difficult to predict and are often affected by risks and hazards outside of the Company's control, such as severe weather and considerable rainfall. Geotechnical failures could result in limited or restricted access to mine sites, suspension of operations, government investigations, increased monitoring costs, remediation costs, loss of ore and other impacts, which could cause one or more of the Company's projects to be less profitable than currently anticipated and could result in a material adverse effect on the Company's business results of operations and financial position.

4.1.22 Social and Environmental Activism

There is an increasing level of public concern relating to the effects of mining on the nature landscape, in communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the regions in which it operates, NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Company in respect to one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company's operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

4.1.23 Risks Associated with Joint Ventures and Other Partnerships

If appropriate opportunities present themselves, the Company may enter into joint ventures, partnership arrangements, or offtake agreements, with other parties in relation to the exploration, development, and production of the properties in which the Company has an interest. Any failure of such other companies to meet their obligations to Bunker Hill or to third parties, or any other disputes with respect to the parties' respective rights and obligations, could have material adverse effect on the Company, the development and production at its properties, including the Bunker Hill Mine, and on future joint ventures, if any, or their properties, and therefore could have a material adverse effect on its results of operations, financial performance, cash flow and the price of Common Shares.

4.1.24 Conflicts of Interest

Certain directors and officers of the Company are or may become associated with other mining and/or mineral exploration and development companies which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and officers are required to act honestly and in good faith with a view to the best interests of the Company. Some of the directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these directors and officers. Further, any failure of the directors or officers of the Company to address these conflicts in an appropriate manner or to allocate opportunities that they become aware of to the Company could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

4.1.25 Negative Cash Flow from Operating Activities

The Company has no history of earnings and has negative cash flow from operating activities since inception. The Company's mineral properties are in the exploration stage and there are no known mineral resources or reserves and the proposed exploration programs on the Company's mineral properties are exploratory in nature. Significant capital investment will be required to achieve commercial production from the Company's existing projects. There is no assurance that any of the Company's mineral properties will generate earnings, operate profitably or provide a return on investment in the future. Accordingly, the Company will be required to obtain additional financing in order to meet its future cash commitments.

4.1.26 Reporting Issuer Status

The Company is subject to reporting requirements under applicable securities law, the listing requirements of the CSE, the OTCQB, the SEC and other applicable securities rules and regulations. Compliance with these requirements can increase legal and financial compliance costs, make some activities more difficult, time consuming or costly, and increase demand on existing systems and resources. Among other things, the Company is required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight is required. As a result, management's attention may be diverted from other business concerns, which could harm the Company's business and results of operations. The Company may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

4.1.27 Risks Associated with Acquisitions

If appropriate opportunities present themselves, the Company may acquire mineral claims, material interests in other mineral claims, and companies that the Company believes are strategic. The Company currently has no understandings, commitments or agreements with respect to any material acquisition, other than as described in this AIF, and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired Company or mineral claims into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition.

4.1.28 Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including the price of lead, silver, zinc and other metals on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, pandemics, epidemics or quarantine restrictions.

4.1.29 Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Company's mineral properties. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Company's mineral properties will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect its operations.

Exploration operations depend on adequate infrastructure. In particular, reliable power sources, water supply, transportation and surface facilities are necessary to explore and develop mineral projects. Failure to adequately meet these infrastructure requirements or changes in the cost of such requirements could affect the Company's ability to carry out exploration and future development operations and could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

4.1.30 Acquisition of Additional Mineral Properties

If the Company loses or abandons its interests in its mineral properties, 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 CSE, OTCQB or any other applicable security exchanges. There is also no guarantee that the CSE, OTCQB or any other applicable security exchanges, will approve the acquisition of any additional properties by the Company, whether by way of an option or otherwise, should the Company wish to acquire any additional properties.

4.1.31 Information Systems and Cyber Security

The Company's operations depend on information technology ("IT") systems. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks, as well as disruptions resulting from incidents such as cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

4.2 **Risks Related to the Company's Securities**

4.2.1 Speculative Nature of Investment Risk

An investment in the Company's securities carries a high degree of risk and should be considered as a speculative investment. The Company has no history of earnings, limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the immediate or near future. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. An investment in the Company's securities may result in the loss of an investor's entire investment. Only potential investors who are experienced in high-risk investments and who can afford to lose their entire investment should consider an investment in the Company.

4.2.2 Dilution

Future sales or issuances of equity securities could decrease the value of the Common Shares, dilute shareholders' voting power and reduce future potential earnings per Common Share. Bunker Hill may sell additional equity securities in future offerings (including through the sale of securities convertible into Common Shares) and may issue additional equity securities to finance the Company's operations, development, exploration, acquisitions or other projects. Bunker Hill cannot predict the size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Common Shares. Common Shares or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional sale or issuance of equity securities,

investors will suffer dilution of their voting power and may experience dilution in the Company's earnings per Common Share.

4.2.3 Dividends

To date, the Company has not paid any dividends on the outstanding Common Shares. Any decision to pay dividends on the Common Shares of the Company will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions. See "*Dividends and Distributions*".

4.2.4 Price Volatility of Publicly Traded Securities

The Common Shares are listed on the CSE and the OTCQB. Securities of mineral exploration and development 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.

The price of the Common Shares is also likely to be significantly affected by short-term changes in lead, silver, zinc 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 the 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 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. Bunker Hill 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 market price of the Common Shares is affected by many other variables which are not directly related to the Company's success and are, therefore, not within Bunker Hill's control. These include other developments that affect the market for all resource sector securities, the breadth of the public market for the Common Shares and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common Shares is expected to make the price of the Common Shares volatile in the future, which may result in losses to investors.

4.2.5 Price May Not Represent the Company's Performance or Intrinsic Fair Value

The market price of a publicly-traded stock is affected by many variables not directly related to the corporate performance of the Company, including the market in which it is traded, the strength of the economy generally, the availability of the attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of the Common Shares on the CSE, the OTCQB and other applicable security markets in the future cannot be predicted.

4.2.6 Securities or Industry Analysts

The trading market for the Common Shares could be influenced by research and reports that industry and/or securities analysts may publish about the Company, its business, the market or its competitors. The Company does not have any control over these analysts and cannot assure that such analysts will cover the Company or provide favourable coverage. If any of the analysts who may cover the Company's business change their recommendation regarding the Company's stock adversely, or provide more favourable relative recommendations about its competitors, the stock price would likely decline. If any analysts who may cover the Company's business were to cease coverage or fail to regularly publish reports on the Company, it could lose visibility in the financial markets, which in turn could cause the stock price or trading volume to decline.

4.2.7 Securities Exchange Listing

The Company may fail to meet the continued listing requirements for the Common Shares to be listed on the CSE or the OTCQB. If the CSE or the OTCQB delists the Common Shares from trading on its exchange, the Company and investors could face significant material adverse consequences, including: a limited availability of market quotations for the Common Shares; reduced liquidity; a limited amount of news and analysts coverage for the Company; and a decreased ability to issue additional securities or obtain additional financing in the future.

5. **BUNKER HILL MINE**

The following summary is extracted from the Bunker Hill Technical Report. The Bunker Hill Technical Report is available for viewing at Bunker Hill's website <https://bunkerhillmining.com> and under Bunker Hill's profile on SEDAR at www.sedar.com.

The following information does not purport to be a complete summary of the Bunker Hill Technical Report, is subject to all the assumptions, qualifications and procedures set out in the Bunker Hill Technical Report and is qualified in its entirety with reference to the full text of the Bunker Hill Technical Report. Each of the authors of the Bunker Hill Technical Report is independent qualified person under NI 43-101 (each a "**Qualified Person**", and together the "**Qualified Persons**") and have approved the summary of the Bunker Hill Technical Report below.

5.1 **Summary**

The Bunker Hill Technical Report describes the mining and processing operations at the Bunker Hill Mine located near the town of Kellogg Idaho, for the Company. The Company has the exclusive rights to acquire 100% ownership of the Bunker Hill Mine.

The Bunker Hill Technical Report considers a processing approach at Bunker Hill Mine where lead ("**Pb**"), silver ("**Ag**") and zinc ("**Zn**") mineralization is mined and processed entirely underground. Mineralized material would be conventionally milled and then concentrated by flotation of PbAg followed by flotation of ZnAg. Metal rich concentrates could then be sold to smelters in North America or overseas. Mill tailings will be deposited underground in the historic mining voids located throughout the Bunker Hill Mine. The only envisioned surface facilities would be offices, warehouses and loading docks.

Highlights of the Bunker Hill Technical Report, including the preliminary economic assessment ("**Technical Report PEA**"), are listed in Table 1-2 and Table 1-3. Table 1-1 lists the Mineral Resource estimate for the Bunker Hill Mine. Mineral Resources are reported according to the CIM Definition Standards of May 10, 2014 ("**CIM**"). The guidance and definitions of CIM are incorporated by reference in NI 43-101. Mineral Resources are geologically constrained and defined at economic cutoff grades that demonstrate reasonable prospects of eventual economic extraction. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted into Mineral Reserves.

5.2 **Resource Estimate**

Geostatistics and estimates of mineralization were prepared by Mr. Scott Wilson, C.P.G., SME. Industry accepted grade estimation techniques were used to develop global mineralization block models for the Newgard, Quill and UTZ zones. The Mineral Resource estimate considers underground mining and mill processing as a basis for reasonable prospects of eventual economic extraction. The total Mineral Resource estimate for the Bunker Hill Mine is listed in Table 1-1 at a cutoff grade of NSR 70 \$/ton.

Table 1-1 Bunker Hill Mine Mineral Resource Estimate – NSR \$70/ton cut off – Ag selling price of \$20/oz (troy), Lead selling price of \$0.90/lb, Zn selling price of \$1.15/lb. Effective date of November 29, 2021)

Classification	Ton (x1,000)	NSR (\$/Ton)	Ag Oz/Ton	Ag Oz (x1,000)	Pb %	Pb Lbs. (x1,000)	Zn %	Zn Lbs. (x1,000)
Measured (M)	2,229	\$ 117.25	1.04	2,309	2.51	111,975	5.52	246,046
Indicated (I)	4,385	\$ 117.55	1.02	4,484	2.42	212,519	5.63	493,902
Total M & I	6,614	\$ 117.45	1.03	6,793	2.45	324,495	5.59	739,948
Inferred	6,749	\$ 125.22	1.54	10,410	2.91	392,757	5.01	669,358

Notes:

- (1) The Qualified Person for the above estimate is Scott Wilson, C.P.G., SME; effective November 29, 2021
- (2) Measured, Indicated and Inferred classifications are based on the 2014 CIM Definition Standards. The Company has chosen to no longer classify Mineral Resources as “ZnAg Resources” or “PbAg Resources”, as was done for the Mineral Resource Update effective March 22, 2021
- (3) Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability
- (4) Net smelter return (NSR) is defined as the return from sales of concentrates, expressed in US\$/t, ie: $NSR = (\text{Contained metal}) * (\text{Metallurgical recoveries}) * (\text{Metal Payability \%}) * (\text{Metal prices}) - (\text{Treatment, refining, transport and other selling costs})$. For the Mineral Resource Estimate, NSR values were calculated using updated open-cycle metallurgical results including recoveries of 92%, 82% and 88% for Zn, Ag and Pb respectively, and concentrate grades of 54.7% Zn in zinc concentrate, and 59.7% Pb and 14.18 oz/ton Ag in lead concentrate. All other relevant assumptions are as described in Table 16-1 of the Company’s Updated PEA filed on SEDAR on November 3, 2021
- (5) The Qualified Person for the above metallurgical data is Deepak Malhotra, SME of Pro Solv LLC
- (6) Mineral Resources are estimated using a zinc price of \$1.15 per pound, silver price of \$20.00 per ounce, and lead price of \$0.90 per pound.
- (7) Historic mining voids, stopes and development drifting have been accounted for in the mineral resource estimate
- (8) Columns may not add up due to rounding

5.3 Preliminary Economic Assessment

The summary of the current projected financial performance of the Bunker Hill Mine is listed in Table 1-2. Sensitivities are summarized in Table 1-3.

Table 1-2 Estimated Bunker Hill production for Life of Mine

Year		Life of Mine Total
Metal Prices		
Zinc (\$/lb)		1.15
Lead (\$/lb)		0.90
Silver (\$/oz)		20.00
Mine Plan		
Ore mined (kt)		6,377
Average annual mineralized material mined (kt) ⁽¹⁾		580
Zinc grade (%)		5.0%
Lead grade (%)		2.8%
Silver grade (oz/t)		1.5
Zinc eq grade (%) ⁽²⁾		8.7%
Silver eq grade (oz/t) ⁽³⁾		10.0
Metal Production⁽⁴⁾		
Zinc produced - Zn conc (klbs)		591,140
Lead produced - Pb conc (klbs)		323,116
Silver produced - Pb conc (koz)		8,418
Zinc eq produced (klbs) ⁽²⁾		990,416
Silver eq produced (koz) ⁽³⁾		56,949
Key Cost Metrics		
Opex - total (\$/t)		62
Sustaining capex (\$/t)		10
Cash costs: by-product (\$/lb Zn payable)		0.33
AISC: by-product (\$/lb Zn payable)		0.47
Cash costs: co-product (\$/lb Zn payable)		0.69
AISC: co-product (\$/lb Zn payable)		0.77
EBITDA	\$'000	383,378
Pre-tax free cash flow⁽⁵⁾	\$'000	284,999
Free cash flow⁽⁵⁾	\$'000	233,310
NPV (5%)		143,471
NPV (8%)		107,790
IRR (%)		35.2%
Payback (years)		2.6

Notes:

- (1) Annualize averages excluded the first and last years of mine life
 - (2) Zinc equivalency calculated using metal prices shown above.
 - (3) Silver equivalency calculated using metal prices shown above.
 - (4) Includes zinc produced in zinc concentrate, lead and silver produced in lead concentrate
 - (5) Life of mine ("LOM") includes initial capital expenditure
- Note: Cash Cost Includes mining, processing, G&A, smelter charges and freight.

Table 1-3 Economic Sensitivity to Zinc Price, Opex and Capex

		Metal Prices					Operating & Capital Costs							
		Zinc Price (\$/lb)					Operating Costs (+/- %)							
NPV (5%) (\$M)	Lead Price (\$/lb)	0.70	0.85	1.00	1.15	1.30	1.45	Total	-20%	-20%	-10%	0%	10%	20%
		0.80	19	66	110	154	198	Capital	-20%	210	185	159	133	107
		0.90	37	83	127	171	215	Costs	0%	203	177	151	125	100
		1.00	55	99	143	187	232	(+/- %)	0%	195	169	143	118	92
		1.10	72	116	160	204	249	20%	187	162	136	110	84	
IRR (%)	Lead Price (\$/lb)	0.70	0.85	1.00	1.15	1.30	1.45	Total	-20%	-20%	-10%	0%	10%	20%
		0.80	8%	18%	28%	40%	53%	Capital	-20%	63%	53%	43%	35%	28%
		0.90	11%	21%	32%	44%	57%	Costs	-10%	56%	47%	39%	32%	25%
		1.00	14%	24%	35%	47%	61%	(+/- %)	0%	51%	43%	35%	29%	23%
		1.10	18%	27%	39%	51%	65%	20%	46%	39%	32%	26%	20%	
		21%	31%	42%	55%	70%	20%	42%	35%	29%	23%	18%		

The preliminary economic assessment is preliminary in nature, and there is no certainty that the reported results will be realized. The Mineral Resource estimate used for the Technical Report PEA includes Inferred Mineral Resources which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the projected economic performance will be realized. The purpose of the Technical Report PEA is to demonstrate the economic viability of the Bunker Hill Mine, and the results are only intended as an initial, first-pass review of the Bunker Hill Mine economics based on preliminary information. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

5.4 Property Description and Ownership

The Bunker Hill Mine is located in the cities of Kellogg and Wardner of Shoshone County, Idaho. The Bunker Hill Mine is currently owned by Placer Mining. On August 17, 2017, Bunker Hill and Placer Mining, entered into a two-year mining Lease Agreement with option to purchase. The Lease Agreement became effective on November 1, 2017. The lease provides that Bunker Hill will operate the Bunker Hill Mine and make certain improvements on the Mine along with making monthly \$60,000 payments to Placer Mining over the term of the lease.

On November 1, 2019, Bunker Hill and the current owner signed an amendment to its Lease Agreement for the Bunker Hill Mine. Under the new Amended Agreement, the lease period has been extended for an additional period of nine months through August 1, 2020.

On July 27, 2020, this Amended Agreement was further extended until August 1, 2022.

On November 20, 2020, the parties amended the Amended Agreement. Under the Amended Lease and Option Agreement terms, the purchase price was decreased to \$7,700,000, with \$5,700,000 payable in cash (with an aggregate of \$300,000 to be credited toward the purchase price of the Bunker Hill Mine as having been previously paid by Bunker Hill and an aggregate of \$5,400,000 payable in cash outstanding) and \$2,000,000 in Common Shares. Further, under the Amended Lease and Option Agreement, Bunker Hill was to make an advance payment of \$2,000,000 to Placer Mining, which shall be credited toward the purchase price of the Bunker Hill Mine when Bunker Hill elects to exercise its purchase right. Bunker Hill made this advance payment, which had the effect of decreasing the remaining amount payable to purchase the Mine to an aggregate of \$3,400,000 payable in cash and \$2,000,000 in Common Shares.

Pursuant to the Amended Lease and Option Agreement, Bunker Hill has the exclusive right to purchase the Bunker Hill Mine during the lease term upon notice to Placer Mining and the United States.

5.5 Geology and Mineralization

The Northern Idaho Panhandle Region in which the Bunker Hill Mine is located is underlain by the Middle Proterozoic-aged Belt-Purcell Supergroup of fine-grained, dominantly siliciclastic sedimentary rocks which extends

from western Montana (locally named the Belt Supergroup) to southern British Columbia (locally named the Purcell Supergroup) and is collectively over 23,000 feet in total stratigraphic thickness.

Mineralization at the Bunker Hill Mine is hosted almost exclusively in the Upper Revett formation of the Ravalli Group, a part of the Belt Supergroup of Middle Proterozoic-aged, fine grained sediments. Geologic mapping and interpretation progressed by leaps and bounds following the recognition of a predictable stratigraphic section at the Bunker Hill Mine and enabled the measurement of specific offsets across major faults, discussed in the following section. From an exploration and mining perspective, there were two critical conclusions from this research: all significant mineralized shoots are hosted in quartzite units where they are cut by vein structures, and the location of the quartzite units can be projected up and down section, and across fault offsets, to target extensions and offsets of known mineralized shoots and veins.

Mineralization at Bunker Hill Mine falls in four categories, described below from oldest to youngest events:

Bluebird Veins (BB): W--NW striking, SW-dipping (Fig. 7-11), variable ratio of sphalerite-pyrite-siderite mineralization. Thick, tabular cores with gradational margins bleeding out along bedding and fractures. Detailed description in Section 7.2.2.

Stringer/Disseminated Zones: Disseminated, fracture controlled and bedding controlled blebs and stringer mineralization associated with Bluebird Structures, commonly as halos to vein-like bodies or as isolated areas where brecciated quartzite beds are intersected by the W-NW structure and fold fabrics.

Galena-Quartz Veins (GQ): E to NE striking, S to SE dipping (Fig. 7-11), quartz-argentiferous galena +/- siderite-sphalerite-chalcopyrite-tetrahedrite veins, sinuous-planar with sharp margins, cross-cut Bluebird Veins. Detailed description in Section 7.2.2.

Hybrid Zones: Formed at intersections where GQ veins cut BB veins (Fig. 7-11), with open space deposition of sulfides and quartz in the vein refraction in quartzite beds, and replacement of siderite in the BB vein structure by argentiferous galena from the GQ Vein.

5.6 Environmental Studies and Permitting

Because the mine is on patented mining claims (privately-owned land), only a limited number of permits are required for mining and milling operations. These relate to: (1) air quality and emissions from crushing, milling and processing and (2) any refurbishment of surface buildings that may require construction permits.

The Bunker Hill Mine is located within the Bunker Hill Superfund site (EPA National Priorities Listing IDD048340921). Cleanup activities have been completed in Operable Unit 2 of the Bunker Hill Superfund Site where the mine is located though water treatment continues at the Central Treatment Plant (the “CTP”) located near Bunker Hill Mine. The CTP is owned by the EPA and is operated by its contractors.

Bunker Hill entered into a Settlement Agreement and Order on Consent with the EPA on May 15, 2018. This agreement limits the Company’s exposure to CERCLA liability for past environmental damage to the mine site and surrounding area to obligations that include:

- Payment of \$20 million for historical water treatment cost recovery for amount paid by the EPA from 1995 to 2017.
- Payment of for water treatment services provided by the EPA at the CTP in Kellogg, Idaho until such time that Bunker Hill either purchases or leases the CTP or builds a separate EPA-approved water treatment facility.
- Conducting a work program as described in the Ongoing Environmental Activities section of this study

Bunker Hill will initiate a full Environmental, Social and Health Impact Assessment for the activities described in this Technical Report PEA and for its business model as a whole in 2021. This study is projected for completion in 2022.

5.7 Metallurgical Testing

RDi initiated metallurgical test work on three samples designated Newgard, Quill and Utz with the primary objective of determining the process flowsheet and the metal recoveries and concentrate grades. The test work is ongoing, and the highlights of the results so far indicate the following:

- Head grade assay of 49.7 g/mt Ag, 4.1% Pb, 6.42% Zn
- Bond's ball mill work index of 13.47 kWh/st indicating the rock to be relatively hard
- Grind size of 270 mesh for Zn flotation stream and 400 mesh for Pb flotation stream
- Concentrate grades of 54.7% Zn for the zinc concentrate and 59.7% Pb with 486 g/mt Ag for the lead concentrate

5.8 Mining Method

Long-hole stoping with fill (LHOS), cut-and-fill and possibly room-and-pillar mining with fill are the only methods viable for sustained operations today. LHOS is the preferred mining method with limited cut-and-fill mining at Bunker Hill Mine. Room-and-pillar mining is not in the current plan. Timbered ground support has been replaced with newer ground support technology of rock bolts, mesh, shotcrete and steel sets as required. Ground conditions are generally good to excellent at Bunker Hill Mine and the rest of the mines in the Silver Valley. Bunker Hill Mine does not have a history of rock burst events that are frequent in the deeper mines to the east.

5.9 Recovery Methods

Historical and on-going current test work at RDi indicates that sequential flotation process can produce marketable-grade Pb/Ag and Zn concentrates. A conceptual process flowsheet was developed based on limited test work, historical plant flowsheet and plants processing similar polymetallic mineralized material. Process flowsheets consist of two-stage crushing to produce a feed of P₈₀ of 0.5 inch for the milling circuit. Material will be ground in a ball mill to P₈₀ of 270 mesh with sodium cyanide and zinc sulfate. Resulting ground slurry will be subjected to rougher flotation of lead and silver minerals using xanthate and MIBC. Concentrates could be reground and cleaned up to three times to produce a lead/silver concentrate.

Lead rougher- and first-cleaner tailings will be combined and conditioned with copper sulfate and then pH adjusted, and zinc minerals floated with xanthate and MIBC. Zinc rougher concentrates could be reground and cleaned up to three times to produce marketable zinc concentrate.

5.10 Current Exploration and Development

Bunker Hill has a rare exploration opportunity available at the Bunker Hill Mine and has embarked on a new path to fully maximize the potential. A treasure trove of geologic and production data has been organized and preserved in good condition in the mine office since the shutdown of major mine operations in the early 1980s. This data represents 70+ years of proper scientific data and sample collection, with high standards of accuracy and precision that were generally at or above industry standards at the time.

The Company saw the wealth of information that was available but not readily usable and embarked on a scanning and digitizing program. From this they were able to build a 3D digital model of the mine workings and 3D surfaces and solids of important geologic features. To add to this, all of the historic drill core lithology logs and assay data (>2900 holes) was entered into a database and imported with the other data into Maptek Vulcan 3D software.

Exploration activities at the Bunker Hill Mine are focused on core drilling to confirm presence of silver-rich mineralization and wide bluebird style mineralization, as well as finding un-mined offset segments of known mineralized structures.

5.11 Conclusions

Bunker Hill continues investment in the advancement of the Bunker Hill Mine through drilling, tunnel refurbishment and technical evaluations both internally and with the assistance of reputable consulting firms. RDA is of the opinion

that the current Mineral Resources at Bunker Hill Mine are sufficient to warrant continued planning and effort to explore, permit and develop the Bunker Hill Mine, and that it supports the conclusions herein.

RDA is of the opinion that with a historic silver production of over 160 million ounces, silver mineralization should be investigated with vigorous exploration programs. While base metals are a very important component of the Bunker Hill Mine and drilling resources are recommended to be allocated to the further delineation and addition of base metal dominant resource, the recent selling price of silver demands attention. The confirmation drilling program identified intercepts of 10 to 20 ounces per ton of silver. The J vein and Francis stopes hosted high grade silver mineralization and the near-surface historic Caledonia and Sierra Nevada Mines were bonanza grade silver producers in the past. These and other known occurrences of silver must be followed up on to determine that economic silver occurrences exist on the Bunker Hill Mine land package.

5.12 Recommendations

Exploration programs should focus on the definition of silver resources. Silver resources that demonstrate the reasonable prospects of eventual economic extraction have been identified within the current mineral resource estimate. Significant silver mineralization encountered through exploration and past production suggests that these zones should be given as much weight as past Pb and Zn exploration and resource definition programs.

Metallurgical test work should be completed and the results thoroughly analyzed in order to further refine metallurgical recovery and concentrate grade assumptions, and optimize flowsheet characteristics.

Digitization of nearly 100 years of paper maps is nearing completion. In addition to unlocking the understanding of the geometry of the mineral deposit much of the information describes the mined-out portion of the Bunker Hill Mine. This will be critical for future mineral resource estimates as mined out voids need to be accurately defined.

Results from the Technical Report PEA indicate that the Bunker Hill Mine may support a Preliminary Feasibility Study. Plant and backfill engineering and metallurgical testing are recommended. Used equipment estimates should also be procured.

The Newgard, Quill and UTZ block model portion of the mine was initially scheduled based on a 5.0% zinc cutoff grade (not zinc equivalent) for the June 2021 Restart PEA in the upper majority zinc mineralization. The lower majority lead and silver mineralization used a 5.0% zinc equivalent. This lower section is not included in the block model and represents Bunker Hill Mine records at the time of closure. It is classified as inferred resource. The Newgard, Quill and UTZ block model has been updated with NSR values to better represent actual zinc, lead and silver revenues. The block model NSR valuation change and the majority use of longhole stoping methods are the subject of this report.

Additional drilling and mine block modeling should continue to increase the conversion of Inferred to Indicated Resources.

Based on the aforementioned, the authors are not recommending successive phases of the work for the advancement of the project.

Table 1-4 Proposed Budget for Project Advancement

Activity	Amount
Exploration Drilling (includes labor and assaying)	\$0.50M
Metallurgical definition characteristics	\$0.50M
Surface Geophysics	\$0.40M
Ongoing Digital compilation of historical information	\$0.25M
Environmental Studies as part of care and maintenance	\$0.80M
Rehabilitation and Infrastructure Improvements	\$1.30M
Plant Engineering	\$0.50M

Hydraulic Backfill and Tailing Placement Engineering	\$0.25M
Mine Rehabilitation, Care and Maintenance	\$0.75M
Total Recommended Budget	\$5.25M

6. DIVIDENDS AND DISTRIBUTIONS

6.1 Summary

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on its Common Shares, and does not currently have a policy with respect to the payment of dividends or other distributions. The Company does not currently pay dividends and does not intend to pay dividends in the foreseeable future. The declaration and payment of any dividends in the future is at the discretion of the Board and will depend on numerous factors, including compliance with applicable laws, financial performance, working capital requirements of the Company and its subsidiaries and such other factors as its directors consider appropriate. There can be no assurance that the Company will pay dividends under any circumstances. See “*Risk Factors – Risks Related to the Company – Dividends*”.

7. DESCRIPTION OF CAPITAL STRUCTURE

The Company’s total authorized share capital consists of 750,000,000 Common Shares with a par value of \$0.000001 per Common Share and 10,000,000 preferred shares with par value of \$0.000001 per preferred share (the “**Preferred Shares**”).

7.1 Common Shares

As at December 31, 2020, there were 143,117,068 Common Shares issued and outstanding. As of the date of this AIF, there are 164,435,442 Common Shares issued and outstanding.

All of the Common Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and entitlement to any dividends declared by the Company. 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 are entitled to receive ratably in all of the assets which are legally available after the payment of all the Company’s debts and other liabilities. 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. The Common Shares do not have pre-emptive rights, subscription, redemption or conversion rights.

7.2 Preferred Shares

As at December 31, 2020, there were no Preferred Shares issued and outstanding. As of the date of this AIF, there are no Preferred Shares issued and outstanding.

7.3 Share Options

Bunker Hill has an incentive share plan (the “**Share Plan**”) composed of two parts. The Share Plan is comprised of a share option plan (the “**Share Option Plan**”) and a share bonus plan (the “**Share Bonus Plan**”). The Share Bonus Plan allows the Board, at its discretion and determination, to issue Common Shares to directors, officers, employees, or consultants as a bonus, taking into consideration such person’s present and potential contribution to the success of the Company (the “**Share Options**”).

The Share Plan is a “rolling” stock option plan, under which the maximum number of Common Shares reserved for issuance under the Share Option Plan, together with the Share Bonus Plan, shall not exceed 10% of the Common Shares issued and outstanding (on a non-diluted basis) at any given time. The purpose of the Share Plan is to advance the interests of the Company by: (i) providing certain employees, senior officers, directors, persons conducting investor relations activities for the Company and consultants of the Company (collectively, the “**Optionees**”) with

additional performance incentives; (ii) encouraging Common Share ownership by the Optionees; (iii) increasing the proprietary interest of the Optionees in the success of the Company; (iv) encouraging the Optionees to remain with the Company; and (v) attracting new employees, officers, directors and consultants to the Company.

As at December 31, 2020, there were 8,015,159 Share Options outstanding. As of the date of his AIF, Bunker Hill had 9,053,136 Share Options outstanding.

7.4 Restricted Stock Units

Bunker Hill has a restricted stock unit incentive plan (the “**RSU Plan**”). The RSU Plan is available to directors, employees and consultants which are collectively referred to in the RSU Plan as “Service Providers of the Corporation”, as determined by the Board. The maximum number of Common Shares available for issuance under the RSU Plan shall be 7,249,278. The total number of Common Shares issuable to insiders under the RSU Plan, at any time, or within any one year period, shall not exceed 10% of the issued and outstanding Common Shares of the Company.

In the event that a grant of restricted stock units (the “**RSUs**”) under the RSU Plan (the “**Award**”) is exercised for Common Shares, the Common Shares reserved for issuance in connection with such Award will be returned to the pool of available Common Shares authorized for issuance under the RSU Plan and will be available for reservation pursuant to a new Award grant. If any Common Shares covered by an Award are forfeited, or if an Award terminates without delivery of any Common Shares subject thereto, then the number of Common Shares counted against the aggregate number of Common Shares available under the RSU Plan with respect to such Award shall, to the extent of any such forfeiture or termination, again be available for making Awards under the RSU Plan. Neither awards nor any rights under any such awards shall be assignable or transferable. The RSU Plan shall terminate automatically after ten years and may be terminated on any earlier date or extended by the Board.

As at December 31, 2020, there were 988,900 unvested RSUs. As of the date of this AIF, there were 618,000 RSUs unvested:

Each RSU shall represent one Common Share of the Company. The Board may, in its sole discretion, establish a period of time (the “**Vesting Period**”) applicable to such RSU’s. Each award of RSU’s may be subject to a different Vesting Period. The Board may, in its sole discretion, prescribe restrictions in addition to or other than the expiration of the Vesting Period, including the satisfaction of corporate or individual performance objectives, which may be applicable to all or any portion of the RSUs. The performance criteria will be established by the Board in its sole discretion. The Board may, in its sole discretion, revise the performance criteria.

Notwithstanding the foregoing, (i) RSUs shall vest in full from a period beginning on the date of grant of an RSU (the “**Grant Date**”) to the date which is not later than three years from the Grant Date; (ii) RSUs for which vesting may be accelerated by achieving performance targets shall vest in full from a period beginning on the Grant Date to the date which is not later than three years from the Grant Date; and (iii) at the election of an outside director at the time the Award is granted, RSUs may vest in full from a period beginning on the Grant Date to the date which is not later than three years from the Grant Date, and if no election is made, upon the earlier of a change of control or his or her resignation from the Board.

Restrictions on any RSUs shall lapse immediately and become fully vested in the grantee upon a change of control. If a grantee’s employment is terminated with cause, the Company may, within 30 days, annul an Award if the grantee is an employee of the Company or an affiliate thereof. If a grantee’s employment is terminated with or without cause, unless the Board otherwise provides in an award agreement or in writing after the award agreement is issued, any RSU’s that have not vested and will not vest within 30 days from the date of termination, or with respect to which all applicable restrictions and conditions have not lapsed, shall immediately be deemed forfeited. Upon the death of a grantee, any RSU’s granted to said grantee which, prior to the grantee’s death, have not vested, will immediately vest and the grantee’s estate shall be entitled to receive payment in accordance with the terms of the RSU Plan.

7.5 Deferred Share Units

Bunker Hill has a deferred share unit plan (the “**DSU Plan**”). The DSU Plan is available to any director of the Company (the “**Eligible Person**”). The DSU Plan provides that the committee of the Board to which the Board has delegated responsibility for the administration of the DSU Plan may grant deferred share units (the “**DSUs**”) set out in the DSU Plan to Eligible Persons in its sole discretion.

An Eligible Person may elect to defer all or any portion of the retainer or compensation that would otherwise be received by the Eligible Person in cash. An Eligible Person who elects to do so will be awarded the number of DSUs determined by dividing the dollar amount of the retainer or compensation to be deferred by the fair market value of a Common Share as at the award date.

Each DSU shall vest (become a “**Vested DSU**”) on the vesting date set out in the respective grant agreement. Eligible Persons shall elect a redemption date for DSUs as set out in the DSU Plan (the “**Redemption Date**”) and if a Redemption Date is not elected, the DSUs shall be redeemed on December 15 of the year following the year in which the Eligible Person ceases to hold all offices and employment with the Company.

The Company shall redeem the Vested DSUs elected to be redeemed on the redemption date by paying an amount equal to: (a) the number of Vested DSUs elected to be redeemed multiplied by (b) the fair market value minus (c) applicable withholdings (the “**Deferred Share Unit Amount**”). The Deferred Share Unit Amount shall be paid as a lump-sum by the Company within ten business days of the redemption date.

As of December 31, 2020, and as of the date of this AIF, there were 7,500,000 DSUs outstanding.

7.6 Warrants

As of the date of this AIF, there were 111,412,712 Common Share purchase warrants outstanding. The following table sets forth the aggregate number of warrants, outstanding as at the date of this AIF:

<u>Number outstanding</u>	<u>Exercise price per share (C\$)</u>	<u>Expiry date</u>
239,284	0.70	February 26, 2022
58,284,148	0.50	August 31, 2023
32,895,200	0.59	December 31, 2025
17,112,500	0.60	February 9, 2026
2,881,580	0.60	February 16, 2026
<hr/> 111,412,712		

7.7 Broker Compensation Options

Eligible agents and finders acting in connection with certain financings were issued broker compensation options (the “**Broker Compensation Options**”) as compensation for their services.

As of the date of this AIF, there were 3,590,907 Broker Compensation Options outstanding exercisable into units consisting of one Common Share and one Common Share purchase warrant. The following table sets forth the aggregate number of Broker Compensation Options, outstanding as at the date of this AIF:

<u>Number of Broker Compensation Options outstanding</u>	<u>Exercise price per Broker Compensation Option (C\$)</u>	<u>Expiry date</u>
3,239,907	0.35	August 31, 2023 ⁽¹⁾
351,000	0.40	February 16, 2024 ⁽²⁾
<hr/> 3,590,907		

Notes:

- (1) Exercisable into August 2020 Units at an exercise price of C\$0.35 per one unit until August 31, 2023. Each unit consists of one Common Share and one Common Share purchase warrant. Each warrant entitles its holder to acquire one Common Share at a price of C\$0.50 per Common Share until August 31, 2023.

- (2) Exercisable into February 2021 Units at an exercise price of C\$0.40 per one unit until February 16, 2024. Each unit consists of one Common Share and one Common Share purchase warrant. Each warrant entitles its holder to acquire one Common Share at a price of \$0.60 per Common Share until February 16, 2024.

7.8 Trading Price and Volume

Bunker Hill's Common Shares are currently listed for trading through the facilities of the CSE under the symbol "BNKR" and on the OTCQB under the symbol "BHLL". No other securities of Bunker Hill are traded or quoted on any marketplace.

During the period from January 2020 until the date of this AIF, the Common Shares traded on the Canadian Securities Exchange as follows, based on information available from Bloomberg:

<u>Month</u>	<u>Volume</u>	<u>High (C\$)</u>	<u>Low (C\$)</u>
January 2020	113,792	0.78	0.55
February 2020	596	0.58	0.58
March 2020	7,216	0.68	0.10
April 2020	133,505	0.80	0.50
May 2020	1,975	0.90	0.79
June 2020	66,120	1.01	0.85
July 2020	2,900,156	0.80	0.30
August 2020	1,999,885	0.70	0.49
September 2020	3,348,212	0.70	0.47
October 2020	2,054,568	0.57	0.42
November 2020	634,260	0.52	0.425
December 2020	2,147,966	0.60	0.43
January 2021	3,809,954	0.61	0.36
February 2021	6,082,510	0.43	0.28
March 2021	3,110,951	0.39	0.31
April 2021	1,536,916	0.36	0.30
May 2021	2,314,073	0.32	0.26
June 2021	1,098,550	0.34	0.28
July 2021	905,581	0.28	0.22
August 2021	850,094	0.25	0.20
September 2021	1,280,294	0.24	0.18
October 2021	1,142,118	0.24	0.17
November 2021	3,065,689	0.275	0.19
December 1 to 29 2021	4,367,290	0.42	0.21

7.9 Prior Sales

The following tables summarize the issuances of securities that are convertible or exchangeable into Common Shares from January 1, 2020 to the date of this AIF:

Share Options

<u>Issue Date</u>	<u>Number Issued</u>	<u>Exercise Price (C\$)</u>
April 20, 2020	5,957,659	0.55
September 30, 2020	200,000	0.60
October 30, 2020	235,000	0.50
February 19, 2021	1,037,977	0.335

RSUs

<u>Issue Date</u>	<u>Number Issued</u>	<u>RSU Value (C\$)</u>
April 14, 2020	400,000	0.73
April 20, 2020	200,000	0.50
November 16, 2020	168,000	0.49
December 6, 2020	220,990	0.51
January 1, 2021	735,383	0.52
July 1, 2021	17,823	0.28
August 5, 2021	595,228	0.21

DSUs

<u>Issue Date</u>	<u>Number Issued</u>	<u>DSU Value (C\$)</u>
April 21, 2020	7,500,000	0.65

Warrants

<u>Issue Date</u>	<u>Number Issued</u>	<u>Exercise Price (C\$)</u>
February 26, 2020	239,284	0.70
August 14, 2020	35,212,142	0.50
August 25, 2020	23,072,006	0.50
February 9, 2021	17,112,500	0.60
February 16, 2021	2,881,580	0.60

Broker Compensation Options

<u>Issue Date</u>	<u>Number Issued</u>	<u>Exercise Price (C\$)</u>
August 14, 2020	2,112,729	0.35
August 25, 2020	1,127,178	0.35
February 16, 2021	351,000	0.40

8. ESCROWED SECURITIES

8.1 Summary

Other than as described as follows, for the fiscal year ended December 31, 2020, and as of the date of this AIF, no securities of Bunker Hill are held in escrow or subject to a contractual restriction on transfer.

<u>Designation of Class</u>	<u>Number of securities held in escrow or that are subject to a contractual restriction on transfer</u>	<u>Percentage of class</u>
Common Shares	31,932,066 ⁽¹⁾	19.42%

Notes:

(1) On December 28, 2020, the Company entered into voluntary lock-up agreements with certain early-stage strategic investors pursuant to which the investors will not sell, transfer or pledge certain Common Shares held by them (the "Lock-Up Agreements"). The Lock-Up Agreements terminate on December 31, 2021.

9. DIRECTORS AND OFFICERS

9.1 Name, Occupation and Security Holding

The name, municipality of residence, positions held with the Company, and principal occupation within the five preceding years as at the date of this AIF each director and executive officer of Bunker Hill are as follows:

<u>Name and Residence</u>	<u>Position(s) and Office(s) with Bunker Hill</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Director Since</u>	<u>Number and Percentage of Common Shares Held</u>
SAM ASH, Idaho, United States	President and Chief Executive Officer and Director	Partner of Barrick Gold Corp.	May 14, 2020	286,003 (0.2%)
DICKSON HALL ⁽¹⁾⁽²⁾ ⁽³⁾⁽⁴⁾ , British Columbia, Canada	Director	Partner of Valuestone Advisors Ltd. (from August 2016 to present); consultant with Hunter Dickinson Inc.	January 5, 2018	150,000 (0.1%)
CASSANDRA JOSEPH ⁽²⁾⁽³⁾ , Nevada, United States	Director	Senior Vice President, General Counsel and Corporate Secretary for Nevada Copper Corp. (from May 2019 to present); Associate General Counsel for Tahoe Resources Inc.	November 2, 2020	Nil
WAYNE PARSONS ⁽¹⁾ ⁽³⁾ , Ontario, Canada	Director	Principal of Parsons Financial Consulting since 2010.	May 22, 2019	5,301,672 (3.2%)
PAMELA SAXTON ⁽¹⁾⁽²⁾ ⁽³⁾⁽⁴⁾ , Colorado, United States	Director	Director of Timberline Resources Corp. (from May 2021 to present); North American Advisory Board member for Damstra Holding Limited – Damstra Technology (from February 2021 to present); past Director of Aquila Resources Inc. (from June 2019 to December 2021); past Director of Pershing Gold Corp. (from November 2017 to April 2019); Vice-President and Trustee of Viola Vestal Coulter Foundation (from January 2017 to present); Executive VP and CFO of Thompson Creek Metals Company Inc. (August 2008 to October 2016).	October 30, 2020	Nil
RICHARD WILLIAMS, Ontario, Canada	Executive Chairman	Non-Executive Director of Trevali Mining Corporation (from June 2019 to present). Partner and Chief Operating Officer of Barrick Gold	March 27 2020	1,508,786 (0.9%)

<u>Name and Residence</u>	<u>Position(s) and Office(s) with Bunker Hill</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Director Since</u>	<u>Number and Percentage of Common Shares Held</u>
DAVID WIENS, British Columbia, Canada	Chief Financial Officer and Corporate Secretary	Corp. (until November 2017) Director, Corporate Finance at SSR Mining Inc. (from 2013 to 2019); Vice President, Corporate Finance & Treasury at Great Panther Mining Limited (from 2019 to 2020)	January 12, 2021	615,360 (0.4%)

Notes:

- (1) Member of the Audit Committee
- (2) Member of the Compensation Committee
- (3) Independent Director within the meaning of National Instrument 52-110 – *Audit Committees* (“NI 52-110”)
- (4) Corporate Governance and Nominating Committee Members

9.2 Directors’ Terms of Office

The term of office for each director of Bunker Hill expires at the next annual general meeting of shareholders of the Company.

The members of board committees are appointed by the Board of Directors as soon as possible following each annual general meeting of shareholders of the Company.

The officers of Bunker Hill are appointed by the Board of Directors and hold office for such period and on such terms as the Board of Directors may determine.

9.3 Audit Committee

9.3.1 Overview

The Company’s audit committee (the “**Audit Committee**”) is responsible for monitoring the Company’s accounting and financial reporting practices and procedures, the adequacy of internal accounting controls and procedures, the quality and integrity of financial statements and for directing the auditors’ examination of specific areas.

The Company has an Audit Committee that consists of Ms. Saxton, Mr. Hall and Mr. Parsons. Ms. Saxton serves as the Chair of the Audit Committee of the Company.

Although pursuant to section 6.1 of NI 52-110, the Company as a venture issuer is exempt from the requirement that each audit committee member be independent, a majority of the members of the Audit Committee of the Company, namely, Mr. Hall and Ms. Saxton, are independent within the meaning of independence set out in NI 52-110. Mr. Parsons is not considered independent, as he was an executive officer of the Company within the last three years.

Each member of the Audit Committee is considered to be “financially literate” within the meaning of NI 52-110, which includes 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 Company’s financial statements.

The full text of the Audit Committee Charter is attached to this AIF as Schedule “A”.

9.3.2 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.

Pamela Saxton

Pamela Saxton has served as CFO for Thompson Creek Metals Company and NewWest Gold Corporation, both in Colorado. Having started her professional life working as an auditor for Arthur Anderson LLP in Denver, her career has included senior finance appointments in the American Natural Resources Industry including serving as VP Finance for Franco-Nevada Corporation's US Operations. Ms. Saxton has a Bachelor of Science from the University of Colorado.

Dickson Hall

Dickson Hall is a partner in Valuestone Advisors Ltd. which manages Valuestone Global Resources Fund 1, a private equity mining fund, and has more than 40 years' experience in capital markets. He was Senior Vice President of Continental Minerals Corporation and is a director and Investment Committee member of Can-China Global Resources Fund. Mr. Hall is a graduate of the University of British Columbia (BA, MA) and has diplomas from Beijing University and Beijing Language Institute.

Wayne Parsons

Wayne Parsons has 30 years of investment industry experience, having served with numerous Canadian financial institutions, including Nesbitt Thomson Bongard, RBC Dominion Securities, and National Bank Financial Services. Previously Mr. Parsons served on boards of Intertainment Media Inc., American Paramount Gold Corp. and Yappn Corp. He is the owner and founder of Parsons Financial Consulting, a consulting company focused on the technology and mining sectors. Mr. Parsons has an HBA degree from University of Western Ontario.

9.3.3 Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services and makes determinations in respect of such services on an ad-hoc basis.

9.3.4 Reliance on Certain Exemptions

Since the Company is a "venture issuer" pursuant to NI 52-110, it is exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

9.3.5 Audit Committee Oversight

Since the Audit Committee was established, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor where such recommendation has not been adopted by the directors of the Company.

9.3.6 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:

Financial Year Ending	Audit Fees (C\$)⁽¹⁾	Audit Related Fees (C\$)⁽²⁾	Tax Fees (C\$)⁽³⁾	All Other Fees (C\$)⁽⁴⁾
December 31, 2020	\$126,040	\$97,900	\$42,000	\$12,200
June 30, 2020	\$71,000	\$74,450	Nil	\$4,000
June 30, 2019	\$45,000	\$36,542	Nil	Nil

Notes:

- (1) Fees billed by the Company’s external auditor.
- (2) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.
- (3) Fees charged for tax compliance, tax advice and tax planning services.
- (4) Fees for services other than disclosed in any other column.

9.4 Corporate Governance and Nominating Committee

The Board has established a corporate governance and nominating committee (the “**Corporate Governance and Nominating Committee**”) which is charged with performing an annual evaluation of the effectiveness of the board of directors as a whole, the committees of the Board and the contributions of individual directors. The Corporate Governance and Nominating Committee is currently comprised of Mses. Joseph (Chair) and Saxton and Mr. Hall. The full text of the charter of the Corporate Governance and Nominating Committee is attached as Schedule “B” to this AIF.

The Board seeks to achieve a balance of knowledge, experience and capability on the Board. When considering candidates for director, the Board takes into account a number of factors, including the following (although candidates need not possess all of the following characteristics and not all factors are weighted equally):

- Ability to attend regular and special board and committee meetings and willingness to perform the duties of a director;
- Fine moral character, good personal and business reputation;
- Industry knowledge and contacts in industries served by the Company;
- Ability to be responsible, fair-minded, reliable, ethical and possess high integrity;
- Prior experience on boards of directors;
- Senior-level management experience; and
- Possession of specific skills in electronic data processing, internal auditing, accounting, personnel, finance, etc., and/or demonstrated business or financial institution consulting expertise and experience.

The Board will periodically assess the appropriate size of the Board and whether any vacancies on the Board are expected due to retirement or otherwise. If vacancies are anticipated, or otherwise arise, or the size of the Board is expanded, the Board will consider various potential candidates for director. Candidates may come to the attention of the Board through current Board members or management, stockholders or other persons. These candidates will be evaluated at regular or special meetings of the Board, and may be considered at any point during the year.

The full text of the Corporate Governance and Nomination Committee Charter is attached to this AIF as Schedule “B”.

9.5 Compensation Committee

The Board has formed a compensation committee (the “**Compensation Committee**”) which is charged to review and recommend compensation policies and programs of the Company as well as salary and benefit levels of its executives. The Compensation Committee is currently comprised of comprised of Cassandra Joseph (Chair), Pamela Saxton and Dickson Hall. All members of the Compensation Committee are considered “independent” pursuant to NI 52-110.

Each member of the Compensation Committee has business and other experience which is relevant to their position as a member of the Compensation Committee. By virtue of their differing professional backgrounds, business experience, knowledge of the Company's industry, knowledge of corporate governance practices and, where appropriate, service on compensation committees of other reporting issuers and experience interacting with external consultants and advisors, the members of the Compensation Committee are able to make decisions on the suitability of the Company's compensation policies and practices.

The full text of the Compensation Committee Charter is attached to this AIF as Schedule "C".

9.6 Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than described in this AIF, the knowledge of the Company, none of the Company's directors or executive officers is, as of the date of this AIF, or was within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company) that (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation, that was in effect for a period or more than 30 consecutive days (an "**Order**") that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such issuer, or (b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

In October 2012, the SEC issued an order against the Company as a result of an alleged improper trading activity by a then principal shareholder of the Company. As a result, all market marking activities in the United States ceased until June 14, 2021. As a result, the Company is no longer subject to the 'caveat emptor' classification as a result of clearance by FINRA and the OTC Markets.

None of the Company's directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of the Company (a) is, as at the date of this AIF, or has been within the 10 years before the date of this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or shareholder.

None of the Company's directors or executive officers, nor, to its knowledge, any shareholder holding a sufficient number of its securities to affect materially the control of the Company, has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

9.7 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*".

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.

See also *“Risk Factors – Risks Related to the Company – The directors and officers may have conflicts of interest with the Company”*.

10. PROMOTERS

No person has acted as a promoter of the Company within the two most recently completed financial years or during the current financial year.

11. LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Other than described below, 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 the beginning of the financial year ended December 31, 2020, and no such proceedings or actions are known by the Company to be contemplated.

While the Company is not able to predict the outcome of these matters, it does not currently believe that they will result in material liability to the Company.

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, territorial, or federal securities legislation or with any securities regulatory authority, since its incorporation.

On or about June 14, 2021, a lawsuit was filed in the US District Court for the District of Idaho brought by a purported personal representative of the estate of a minority shareholder of Placer Mining. The named defendants include Placer Mining, certain of Placer Mining’s shareholders, the Company, and certain of the Company’s shareholders. The lawsuit alleges that Placer Mining entered into a series of transactions, including amendments to the Company’s lease with Placer Mining, in breach of an agreement dated August 31, 2018 which allegedly restricted the sale of shares in Placer Mining by certain shareholders. Compensatory damages of \$18,250,000 are claimed. In August 2021, the Company and other defendants filed motions to dismiss and agreed that Placer Mining should be dismissed for lack of jurisdiction. The Company, as well as other named defendants, filed replies in support of the motions to dismiss and argued that Placer Mining is an indispensable party and with dismissal of Placer Mining the lawsuit should be dismissed. The US District Court has not yet ruled on the motions to dismiss, but the Company believes the motion to dismiss will be granted and the lawsuit dismissed.

On July 28, 2021, a lawsuit was filed in the US District Court for the District of Idaho brought by Crescent Mining, LLC (“Crescent”). The named defendants include Placer Mining, Robert Hopper Jr., and the Company. The lawsuit alleges that Placer Mining and Robert Hopper Jr. intentionally flooded Crescent’s mine during the period from 1991 and 1994, and that the Company is jointly and severally liable with the other defendants for unspecified past and future costs associated with the presence of AMD in Crescent’s mine. The plaintiff has requested unspecified damages. On September 20, 2021, the Company filed a motion to dismiss Crescent’s claims against it, contending that such claims are facially deficient. On October 26, 2021, the Company asserted claims against Crescent in a separate lawsuit. *Bunker Hill Mining Corporation v. Venzee Technologies Inc. et al*, Case No. 2:21-cv-209-REP, filed in the same court on May 14, 2021. The Company originally filed this lawsuit on May 14, 2021 against other parties but has since filed an amended complaint to include its claims against Crescent.

The Company believes the above claims against the Company, as they relate to Bunker Hill, are without merit and intends to defend them vigorously.

12. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed in this AIF, to the knowledge of the Company, no director or executive officer, or person or company that beneficially owns, or controls and directs, directly or indirectly, more than 10 percent of the any class or series of the voting securities of the Company, or any associate or affiliate of the foregoing, have had any material

interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year prior to the date of this AIF that has materially affected or is reasonably expected to materially affect the Company.

Certain directors and/or executive officers have been granted share options of the Company.

13. TRANSFER AGENT AND REGISTRAR

Bunker Hill's transfer agent and registrar is Capital Transfer Agency ULC at its principal office in Toronto, Ontario, Canada.

14. MATERIAL CONTRACTS

Except for material contracts entered into in the ordinary course of business, set out below are material contracts to which Bunker Hill or any of its subsidiaries are a party to or entered into for the fiscal period ended December 31, 2020 or the date of this AIF.

- (1) Amended Lease and Option Agreement
- (2) the Purchase and Sale Agreement, dated December 15, 2021, between Silver Valley and Placer Mining (the "**Purchase and Sale Agreement**")
- (3) the Amended Settlement
- (4) the Share Plan
- (5) the RSU Plan
- (6) the DSU Plan

The Lease and Option Agreement

See "*Three-Year History – Bunker Hill Mine Lease and Option to Purchase*" for a summary of the key terms of the Amended Lease and Option Agreement.

The Purchase and Sale Agreement

See "*Three Year History – Purchase of the Bunker Hill Mine*" for a summary of the key terms of the Purchase and Sale Agreement.

The Amended Settlement

See "*Three-Year History – Amended EPA Settlement Agreement*" for a summary of the key terms of the Amended Settlement.

The Share Plan

See "*Description of Capital Structure – Options*" for a summary of the key terms of the Share Plan.

The RSU Plan

See "*Description of Capital Structure – Restricted Stock Units*" for a summary of the key terms of the RSU Plan.

The DSU Plan

See "*Description of Capital Structure – Deferred Share Units*" for a summary of the key terms of the DSU Plan.

Outside of the above, Bunker Hill is not aware of any material contracts of the Company that were entered into (a) within the last financial year and up to the date of this AIF, or (b) before the last financial year but still in effect, and that is required to be filed under Part 12 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) or that would be required to be filed under NI 51-102 but for the fact that it was previously filed.

15. INTERESTS OF EXPERTS

Information of a scientific or technical nature in respect of the Bunker Hill Mine is included in this AIF based upon the Bunker Hill Technical Report, dated December 29, 2021, with an effective date of November 29, 2021, was prepared by Scott Wilson, C.P.G., of Resource Development Associates Inc., Robert Todd, P.E., of Minetech USA LLC, and Deepak Malholtra, SME, of Pro Solv LLC, each are independent Qualified Person under NI 43-101.

To the best of the Company’s knowledge, after reasonable inquiry, as of the date hereof, the aforementioned individuals and their respective firms beneficially own, directly or indirectly, in the aggregate, less than one percent of Common Shares or other securities of the Company.

MNP LLP, the auditor of the annual financial statements of Bunker Hill referenced in this AIF, has advised the Company that it is a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“**PCAOB**”) and is independent of the Company in accordance with the U.S. federal securities laws and applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

16. ADDITIONAL INFORMATION

Additional information relating to Bunker Hill may be found on Bunker Hill’s website <https://bunkerhillmining.com> or under Bunker Hill’s profile on SEDAR at www.sedar.com or on the SEC’s website at www.sec.gov

Additional information, including directors’ and officers’ remuneration and indebtedness, principal holders of Bunker Hill’s securities and securities authorized for issuance under equity compensation plans, is contained in Bunker Hill’s financial statements and MD&A for its most recently completed financial year.

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

(See Attached)

AUDIT COMMITTEE CHARTER

This charter (the “**Charter**”) sets forth the purpose, composition, responsibilities and authority of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Bunker Hill Mining Corporation (“**Bunker**” or the “**Corporation**”).

1.0 MANDATE

1.1 The Committee shall:

- (a) Assist the Board in its oversight role with respect to the quality and integrity of the financial information.
- (b) Assess the effectiveness of the Corporation’s risk management and compliance practices.
- (c) Assess the independent auditor’s performance, qualifications and independence.
- (d) Assess the performance of the Corporation’s internal audit function.
- (e) Ensure the Corporation’s compliance with legal and regulatory requirements.
- (f) Prepare such reports of the Committee required to be included in any Management Information Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

2.0 COMPOSITION AND MEMBERSHIP

2.1 The committee shall be composed of not less than three members each of whom shall be a director of the Corporation. A majority of the members of the Committee shall not be an officer or employee of the Corporation. All members shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation’s securities are listed and applicable securities regulatory authorities.

2.2. Each member of the Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment.

2.3 Members of the Committee shall be appointed or reappointed at the annual meeting of the Corporation and in the normal course of business will serve a minimum of three years. Each member shall continue to be a member of the Committee until a successor is appointed, unless the member resigns, is removed or ceases to be a Director. The Board of Directors may fill a vacancy that occurs in the Committee at any time.

2.4 The Board of Directors or, in the event of its failure to do so, the members of the Committee, shall appoint or reappoint, at the annual meeting of the Corporation a Chairman among their number. The Chairman shall not be a former Officer of the Corporation. Such

Chairman shall serve as a liaison between members and senior management.

3.0 MEETING SCHEDULES AND REPORTS

3.1 The time and place of meetings of the Committee and the procedure at such meetings shall be determined from time to time by the members therefore provided that:

- (a) A quorum for meetings shall be at least three members.
- (b) The Committee shall meet at least quarterly.
- (c) Notice of the time and place of every meeting shall be given in writing or by telephone, facsimile, email or other electronic communication to each member of the Committee at least 24 hours in advance of such meeting.
- (d) A resolution in writing signed by all directors entitled to vote on that resolution at a meeting of the Committee is as valid as if it had been passed at a meeting of the Committee.

3.2 Reports. The Committee shall report to the Board of Directors on its activities after each of its meetings. This will include a review to assess the adequacy of this charter annually and, when necessary, recommend changes to the Board of Directors for its approval. The Secretary will circulate the minutes of each meeting of the Committee to the members of the Board.

3.3 Board Evaluations. The Committee shall undertake and review with the Board of Directors an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board of Directors may take the form of an oral report by the chairperson of the Committee or any other designated member of the Committee.

4.0 DUTIES AND RESPONSIBILITIES

4.1 Oversight of the Independent Auditor. With respect to the Independent Auditor, the Committee has:

- (a) Sole authority to appoint or replace the independent auditor (subject to shareholder ratification) and responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between Management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Committee.
- (b) Sole authority to pre-approve all audit services as well as non-audit services (including the fees, terms and conditions for the performance of such services) to

be performed by the independent auditor.

- (c) Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- (d) Obtain and review a report from the independent auditor at least annually regarding: the independent auditor's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the independent auditor and the Corporation.
- (e) Review and discuss with Management and the independent auditor prior to the annual audit the scope, planning and staffing of the annual audit.
- (f) Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.
- (g) Review as necessary policies for the Corporation's hiring of partners, employees or former partners and employees of the independent auditor.

4.2 Financial Reporting. The Committee is to:

- (a) Review and discuss with Management and the independent auditor the annual audited financial statements prior to the publication of earnings.
- (b) Review and discuss with Management the Corporation's annual and quarterly disclosures made in Management's Discussion and Analysis. The Committee shall approve any reports for inclusion in the Corporation's Annual Report, as required by applicable legislation.
- (c) Review and discuss with Management and the independent auditor management's report on its assessment of internal controls over financial reporting and the independent auditor's attestation report on management's assessment.
- (d) Review and discuss with Management the Corporation's quarterly financial statements prior to the publication of earnings.
- (e) Review and discuss with Management and the independent auditor at least annually significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including any

significant changes in the Corporation's selection or application of accounting principles, any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies.

- (f) Review and discuss with Management and the independent auditor at least annually reports from the independent auditors on: critical accounting policies and practices to be used; significant financial reporting issues, estimates and judgments made in connection with the preparation of the financial statements; alternative treatments of financial information within generally accepted accounting principles that have been discussed with Management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and other material written communications between the independent auditor and Management, such as any management letter or schedule of unadjusted differences.
- (g) Discuss with the independent auditor at least annually any "Management" or "internal control" letters issued or proposed to be issued by the independent auditor to the Corporation.
- (h) Review and discuss with Management and the independent auditor at least annually any significant changes to the Corporation's accounting principles and practices suggested by the independent auditor, internal audit personnel or Management.
- (i) Discuss with Management the Corporation's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance (if any) provided to analysts and rating agencies.
- (j) Review and discuss with Management and the independent auditor at least annually the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation's financial statements.
- (k) Review and discuss with the Chief Executive Officer and the Chief Financial Officer the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the annual filings with applicable securities regulatory authorities.
- (l) Review disclosures made by the Corporation's Chief Executive Officer and Chief Financial Officer during their certification process for the annual filing with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Corporation's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving Management or other employees who have a significant role in the Corporation's internal

controls.

- (m) Discuss with the Corporation's General Counsel at least annually any legal matters that may have a material impact on the financial statements, operations, assets or compliance policies and any material reports or inquiries received by the Corporation or any of its subsidiaries from regulators or governmental agencies.

4.3 Oversight of Risk Management. The Committee is to:

- (a) Review and approve periodically Management's risk philosophy and risk management policies.
- (b) Review with Management at least annually reports demonstrating compliance with risk management policies.
- (c) Review with Management the quality and competence of Management appointed to administer risk management policies.
- (d) Review reports from the independent auditor at least annually relating to the adequacy of the Corporation's risk management practices together with Management's responses.
- (e) Discuss with Management at least annually the Corporation's major financial risk exposures and the steps Management has taken to monitor and control such exposures, including the Corporation's risk assessment and risk management policies.

4.4 Oversight of Regulatory Compliance. The Committee is to:

- (a) Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- (b) Discuss with Management and the independent auditor at least annually any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Corporation's financial statements or accounting.
- (c) Meet with the Corporation's regulators, according to applicable law.
- (d) Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

4.5 Funding for the Independent Auditor and Retention of Other Independent Advisors. The Corporation shall provide for appropriate funding, as determined by the

Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Committee.

4.6 The Committee shall also have the authority to retain and, at Bunker's expense, to set and pay the compensation for such other independent counsel and other advisors as it may from time to time deem necessary or advisable for its purposes. The Committee also has the authority to communicate directly with internal and external auditors.

5.0 PROCEDURES FOR RECEIPT OF COMPLAINTS AND SUBMISSIONS RELATING TO ACCOUNTING MATTERS

5.1 The Corporation shall inform employees on the Corporation's intranet, if there is one, or via a newsletter or e-mail that is disseminated to all employees at least annually, of the officer (the "**Complaints Officer**") designated from time to time by the Committee to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters.

5.2 The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Committee or the Chair of the Committee.

5.3 The Complaints Officer shall be informed that he or she must report to the Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Committee called to approve interim and annual financial statements of the Corporation.

5.4 Upon receipt of a report from the Complaints Officer, the Committee shall discuss the report and take such steps as the Committee may deem appropriate.

5.5 The Complaints Officer shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

6.0 PROCEDURES FOR APPROVAL OF NON-AUDIT SERVICES

6.1 The Corporation's external auditors shall be prohibited from performing for the Corporation the following categories of non-audit services:

- (a) Bookkeeping or other services related to the Corporation's accounting records or financial statements.
- (b) Financial information systems design and implementation.
- (c) Appraisal or valuation services, fairness opinion or contributions-in-kind reports.
- (d) Actuarial services.
- (e) Internal audit outsourcing services.

- (f) Management functions.
- (g) Human resources.
- (h) Broker or dealer, investment adviser or investment banking services.
- (i) Legal services.
- (j) Expert services unrelated to the audit.
- (k) Any other service that the Canadian Public Accountability Board determines is impermissible.

6.2 In the event that the Corporation wishes to retain the services of the Corporation's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Committee, who shall have the authority to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.

6.3 The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.

7.0 ACCESS TO INFORMATION AND AUTHORITY

7.1 The Committee will be granted unrestricted access to all information regarding Bunker that is necessary or desirable to fulfill its duties and all directors, officers and employees will be directed to cooperate as requested by Members.

Dated: 26 August 2020
Approved by: Audit Committee
Board of Directors

SCHEDULE “B”

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

(See Attached)

BUNKER HILL MINING CORP. (the “Corporation”)

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE (the “Committee”)

CHARTER

ARTICLE 1: PURPOSE

1.1 The Committee has been established by the board of directors of the Corporation (the “Board”) to:

- a. identify individuals qualified to become Board members;
- b. to assess and report on the effectiveness of the Board and any committees thereof; and
- c. to develop and recommend to the Board a set of corporate governance policies and principles applicable to the Corporation in light of the corporate governance guidelines published by regulatory bodies having jurisdiction.

ARTICLE 2: COMPOSITION OF COMMITTEE, CHAIRPERSON

2.1 The Committee will be comprised of at least three directors, all of whom will:

- a. be independent as defined under Multilateral Instrument 52-110 of the Canadian Securities Administrators; and
- b. Members of the Committee, including the Chairperson, will be appointed and may be removed, with or without cause, by the Board on its own initiative or on the recommendation of the Committee.

ARTICLE 3: MEETINGS AND QUORUM

3.1 The Committee will meet, in person or by teleconference, at least once a year; provided that the Chairperson or any other member of the Committee may call a meeting at any time.

3.2 The Committee will report to the Board on its activities at the Board meeting next following each Committee meeting.

3.3 The Committee may specifically delegate to any one or more of its members authority to conclude any matter requiring the authority of the Committee. The outcome of any such delegation will be reported to the Committee at its next meeting.

3.4 The quorum at any meeting of the Committee will be a majority of the members of the Committee.

3.5 Unless otherwise determined by the Committee, the Corporation's Secretary will act as Secretary to the Committee.

ARTICLE 4: DUTIES AND RESPONSIBILITIES

4.1 The Committee will develop and facilitate an appropriate orientation program for newly elected directors of the Corporation to familiarize new directors with the Corporation's strategic plan, the business environment and market in which the Corporation operates, its significant financial, accounting and risk management issues, its compliance programs, its code of business conduct and ethics, and its principal officers. Such program will also include an understanding of what is expected from the director on appointment in terms of his/her contribution.

4.2 Subject to the powers and duties of the Board, the responsibilities of the Committee generally include, but are not limited to, undertaking the following:

- a. developing the approach of the Corporation to matters of corporate governance and making recommendations to the Board with respect to all such matters;

- b. preparing and recommending to the Board a set of governance principles and practices applicable to the Corporation and to be included in its public disclosure material;
- c. keeping abreast of best corporate governance practices, both locally and abroad and making recommendations to the Board on the need, where appropriate, for Board member participation in continuing education programs;
- d. evaluating the effectiveness of the Board and its committees and of management of the Corporation as a whole and reporting thereon to the Board;
- e. reviewing, from time to time, the structure, composition and size of the Board, with a view to determining the impact of the number of Board members upon its effectiveness and reporting thereon to the Board;
- f. developing and recommending to the Board criteria for the selection of candidates to serve on the Board;
- g. considering the advisability of, and any requirements for, rotation of members of the Board and making the appropriate recommendations to the Board in connection therewith;
- h. identifying and evaluating potential nominees for Board membership and, after assessing the credentials and fitness for office of each proposed nominee, recommending to the Board appropriate nominees for election to the Board at annual general meetings of the shareholders;
- i. considering the composition and mandates of the Board committees and the selection and rotation of committee members and chairmen, and submitting recommendations to the Board in connection therewith;

- j. reviewing Committee member qualifications and annually conducting a performance evaluation of the Committee;
- k. assessing the Corporation's current directors' and officers' insurance policy and making recommendations relating to its renewal or amendment or the replacement of the current insurer;
- l. consider or establish a plan of succession;
- m. subject to applicable laws and the articles and by-laws of the Corporation, formulating and administering all policies and practices of the Corporation with respect to the indemnification of directors and officers by the Corporation and approving all payments made pursuant thereto;
- n. reviewing and approving any corporate governance report to be made in accordance with applicable securities laws and stock exchange regulations for inclusion in the Corporation's annual information form, management proxy circular and/or annual report; and
- o. performing such other functions as may be designated in future resolutions of the Board.

ARTICLE 5: GENERAL

5.1 This Charter may from time to time be amended pursuant to corporate governance rules, regulations and trends as required, subject to the approval of the Board.

Approved by the Board of Directors of Bunker Hill Mining Corporation, November 10, 2020

SCHEDULE "C"

COMPENSATION COMMITTEE CHARTER

(See Attached)

BUNKER MINING CORPORATION (the “Corporation”)

COMPENSATION COMMITTEE (the “Committee”)

CHARTER

ARTICLE 1 - PURPOSE

1.1 The Committee has been established by the board of directors of the Corporation (the “Board”) to review and recommend compensation policies and programs to the Corporation as well as salary and benefit levels for its executives. The objective of the Committee will be to assist in attracting, retaining and motivating executives and key personnel in view of the Corporation’s goals.

ARTICLE 2 - COMPOSITION OF COMMITTEE, CHAIRPERSON

2.1 The Committee will be comprised of at least three directors, all of whom will be independent as defined under Multilateral Instrument 52-110 of the Canadian Securities Administrators.

2.2 Members of the Committee, including the chairperson, will be appointed by the Board and may be removed by the Board, with or without cause, on its own initiative or on the recommendation of the Committee.

ARTICLE 3 - MEETINGS AND QUORUM

3.1 The Committee will meet at least once a year, in person or by teleconference, provided that the Chairperson or any other member of the Committee may call a meeting at any other time.

3.2 The Committee will report to the Board on its activities at the Board meeting next following each Committee meeting.

3.3 The Committee may specifically delegate to any one or more of its members authority to conclude any matter requiring the authority of the Committee. The outcome of any such delegation will be reported to the Committee at its next meeting.

3.4 The quorum at any meeting of the Committee will be a majority of the members of the Committee.

3.5 Unless otherwise determined by the Committee, the Corporation’s Secretary/CFO will act as Secretary to the Committee.

ARTICLE 4 - DUTIES AND RESPONSIBILITIES

4.1 The responsibilities of the Committee will generally include, but are not restricted to, undertaking the following:

- (a) reviewing and making recommendations to the Board with respect to the overall compensation strategy and policies for directors, officers and employees of the Company;
- (b) reviewing and making recommendations to the independent members of the Board with respect to the corporate goals and objectives relevant to the compensation of the Chief Executive Officer and recommending to the independent members of the Board the compensation level of the Chief Executive Officer based on the annual performance evaluation of the Chief Executive Officer provided by the Executive Chairman with input from the Lead Independent Director in light of those goals and objectives;
- (c) reviewing and making recommendations to the independent members of the Board with respect to the compensation of the Executive Chairman;
- (d) reviewing and approving the compensation of the other named executive officers based on the performance evaluation of such executives provided by the Chief Executive Officer;
- (e) overseeing and approving awards under the Company's incentive compensation and equity-based plans including the Stock Option Plan, Long-Term Incentive Plan and Directors' Deferred Share Unit Plan in accordance with the terms of such Plans;
- (f) making recommendations to the Board with respect to the Company's incentive compensation and equity-based plans that are subject to Board approval;
- (g) considering the implications of the risks associated with the Company's compensation policies and practices;
- (h) considering feedback from shareholders with respect to the Company's overall compensation strategy;
- (i) reviewing and approving the annual disclosure relating to executive compensation contained in the Management Information Circular of the Company;
- (j) reporting regularly to the Board and, where appropriate, making recommendations to management of the Company and/or to the Board;
- (k) liaising with the Audit & Risk Committee of the Board, as appropriate, on matters relevant to the Company's management of enterprise risk;
- (l) reviewing and assessing its mandate and recommending any proposed changes to the Corporate Governance Committee of the Board; and
- (m) evaluating the functioning of the Committee on an annual basis, including with reference to the discharge of its mandate.

4.2 The Committee will have the sole authority to engage and compensate any outside advisor that it determines to be necessary to permit it to carry out its duties.

ARTICLE 5 - GENERAL

5.1 This Charter may from time to time be amended pursuant to regulatory rules, regulations and trends as required, subject to the approval of the Board.

Approved by the Board of Directors of Bunker Hill Mining Corporation

Dated: 01 June 2021