

Form 62-103F1

REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS

Item 1 – Security and Reporting Issuer

- 1.1 *State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.*

Honey Badger Exploration Inc. (the "**Issuer**")
1001-145 Wellington Street West
Toronto, Ontario
M5J 1H8

Units comprised of one common share and one share purchase warrant of the Issuer (the "**Units**").

- 1.2 *State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.*

The units were acquired in a private transaction.

Item 2 – Identity of the Acquiror

- 2.1 *State the name and address of the acquiror.*

Chad Williams (the "**Acquiror**")
#4808, 180 University, Toronto, Ontario, M5H 0A2

- 2.2 *State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.*

On August 21, 2020, the Acquiror and his joint actor acquired 7,187,500 Units from treasury of the Issuer pursuant to a private placement offering of the Issuer (the "**Offering**").

- 2.3 *State the names of any joint actors.*

Red Cloud Mining Capital Inc.

Item 3 – Interest in Securities of the Reporting Issuer

- 3.1 *State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's securityholding percentage in the class of securities.*

On August 21, 2020, the Acquiror and his joint actor acquired 7,187,500 Units, comprised of 7,187,500 common shares ("**Shares**") and 7,187,500 share purchase warrants (the "**Warrants**", and together with the Shares, the "**Acquired Securities**") from the Issuer at a price of \$0.04 per Unit. Each common share partially comprising the Units is entitled to one vote per share. Each warrant partially comprising the Units is convertible into one common share of the Issuer at a price of \$0.05 per share for a period of 24 months following closing of the Offering. The Shares acquired in the Offering represent approximately 7.74% of the class of outstanding Shares on an

undiluted basis and the Warrants acquired in the Offering represent approximately 14.36% of the class of Shares on a partially diluted basis).

Immediately prior to the completion of the Offering, the Acquiror and his joint actor owned or controlled 4,895,000 Shares (representing approximately 6.11% of the class prior to the completion of the Financing on an undiluted basis) and 2,050,000 warrants exercisable into Shares (together with the Shares, representing approximately 8.45% of the class prior to completion of the Financing on a partially diluted basis).

Immediately following completion of the Offering, the Acquiror and his joint actor now own or control 12,082,500 Shares (representing approximately 13.01% of the class on an undiluted basis) and 9,237,500 warrants exercisable into Shares (together with the Shares, representing approximately 20.88% of the class on a partially diluted basis).

- 3.2 *State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.*

The Acquiror and his joint actor acquired ownership and control of 7,187,500 Shares and 7,187,500 Warrants in the Offering. See section 3.1 above.

- 3.3 *If the transaction involved a securities lending arrangement, state that fact.*

Not applicable.

- 3.4 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.*

See 3.1 above.

- 3.5 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which*

- (a) *the acquiror, either alone or together with any joint actors, has ownership and control,*

See 3.1 above.

- (b) *the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and*

Not applicable.

- (c) *the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.*

Not applicable.

- 3.6 *If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.*

Not applicable.

- 3.7 *If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement. State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.*

Not applicable.

- 3.8 *If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.*

Not applicable.

Item 4 – Consideration Paid

- 4.1 *State the value, in Canadian dollars, of any consideration paid or received per security and in total.*

The 7,187,500 Units were acquired at a cost of \$0.04 per Unit, for aggregate consideration of \$287,500.

- 4.2 *In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.*

See Sections 3.1 and 4.1 above.

- 4.3 *If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.*

Not applicable.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) *the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;*
- (b) *a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;*
- (c) *a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;*
- (d) *a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;*

- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

The Units were acquired for investment purposes. The Acquiror may from time to time acquire additional securities, dispose of some or all of the existing or additional securities, or continue to hold the securities of the Issuer.

The Acquiror currently has no other plans or intentions that relate to or would result in any of the actions listed in (a) through (k) above, but depending on market conditions, general economic or industry conditions, trading prices of the Issuer's securities, the Issuer's business, financial condition and prospects and/or other relevant factors, the Acquiror may develop such plans or intentions in the future.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

The Acquiror entered into a standstill agreement in favour of the TSX Venture Exchange ("TSXVE") pursuant to which the Acquiror agreed not to exercise any convertible securities to the extent such exercise would result in the Acquiror holding more than 20% of the outstanding voting securities of the Issuer until such time as the Issuer has obtained shareholder approval for the creation of a new control person, within the meaning of such term in applicable TSXVE policies.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

The acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his or her authorized representative.

It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

Certificate

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

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Date : August 24, 2020

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Signature: *(signed) "Chad Williams"*

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Name/Title: Chad Williams