

This prospectus supplement, together with the short form base shelf prospectus dated May 11, 2022 to which it relates, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference herein or therein, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

Information has been incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus dated May 11, 2022 to which it relates from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Jorge Estepa, Vice President and Corporate Secretary of Eloro Resources Ltd. at 20 Adelaide Street East, Suite 200, Toronto, Ontario, M5C 2T6, Canada, telephone (416) 868-9168, and are also available electronically at www.sedar.com.

This prospectus supplement, together with the short form base shelf prospectus dated May 11, 2022 to which it relates, as amended or supplemented, and the information herein or therein, may contain material that is interpreted as a "financial promotion" for the purposes of the Financial Services and Markets Act 2000 (the "FSMA"). Such documents have been prepared and issued by the Company (as defined herein). The Company is not authorised or regulated in the conduct of its business by the UK Financial Conduct Authority. The distribution of such documents by the Company and its communication of the information they contain is provided only for and is directed only at persons in the United Kingdom which it reasonably believes to be of a kind to whom such promotions may be communicated by an unauthorised person pursuant to an exemption under the FSMA (Financial Promotion) Order 2005 (the "FPO"). Such persons include, but are not limited to: (i) persons who have professional experience in matters relating to investments and who are investment professionals as specified in article 19(5) of the FPO; and (ii) high net worth companies, unincorporated associations and other persons who fall within the provisions of article 49 of the FPO. If you are not such a person, you should not read these documents, rely on them or take any other action in consequence of them. Any recipient of such documents in jurisdictions outside the UK should inform themselves about and observe any applicable legal requirements. These securities are not protected by the Financial Services Compensation Scheme (the "FSCS"). Accordingly, neither the FSCS nor anyone else will pay any investor compensation upon the failure of the Company. If the Company goes out of business or becomes insolvent, you may lose all or part of your investment in these securities.

The securities offered under this prospectus supplement have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and such securities may not be offered, sold or otherwise delivered, directly or indirectly, in the United States, its territories or possessions, any state of the United States or the District of Columbia (collectively, the "United States") except in transactions exempt from registration under the U.S. Securities Act and under the securities laws of any applicable state. This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See "Plan of Distribution".

PROSPECTUS SUPPLEMENT to the Short Form Base Shelf Prospectus dated May 11, 2022

NEW ISSUE

May 16, 2022



Cdn\$8,500,050

2,615,400 Units

This prospectus supplement (this "**Prospectus Supplement**") of Eloro Resources Ltd. (the "**Company**" or "**Eloro**"), together with the short form base shelf prospectus dated May 11, 2022 (the "**Prospectus**"), qualifies the distribution (the "**Offering**") of an aggregate of 2,615,400 units of the Company (the "**Units**") at an offering price of Cdn\$3.25 per Unit (the "**Offering Price**") pursuant to an underwriting agreement (the "**Underwriting Agreement**") dated as of May 16, 2022 between the Company and Cormark Securities Inc. (the "**Underwriter**"). The Offering Price was determined by arm's length negotiations between the Company and the Underwriter, with reference to the prevailing market price of the common shares of the Company (the "**Common Shares**").

Each Unit is comprised of one Common Share (each, a "**Unit Share**") and one-half of one Common Share purchase warrant of the Company (each whole Common Share purchase warrant, a "**Warrant**"). Each Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one Common Share (each, a "**Warrant Share**") at an exercise price of Cdn\$4.75 for a period of 24 months following the Closing Date (as defined herein). The Warrants will be governed by a warrant indenture to be entered into on the Closing Date (as defined herein) between the Company and TSX Trust Company, as warrant agent. The Units will immediately separate into Unit Shares and Warrants upon issuance.

The Common Shares are listed for trading on the TSX Venture Exchange (the "**TSX-V**") under the trading symbol "ELO". The Common Shares also trade on the OTCQX in the United States under the symbol "ELRRF" and on the Frankfurt Stock Exchange (the "**FSE**") under the symbol "P2QM". On May 13, 2022, the last trading day prior to the date hereof, the closing price of the Common Shares on the TSX-V was Cdn\$3.45, on the OTCQX was US\$2.661 and on the FSE was €2.574. The Company has applied to list the Unit Shares, Warrant Shares, Additional Unit Shares (as defined herein), Additional Warrant Shares (as defined below) and Compensation Shares (as defined herein) on the TSX-V. The TSX-V has not conditionally approved the Company's

listing application and there is no assurance the TSX-V will approve the listing application. Listing will be subject to the Company fulfilling all of the requirements of the TSX-V.

The Company has not applied and does not intend to apply to list the Warrants on the TSX-V or any other securities exchange. There is no market through which the Warrants may be sold and purchasers may not be able to resell Warrants purchased under this Prospectus Supplement. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation. See “Risk Factors”.

Price: Cdn\$3.25 per Unit

	Price to the Public	Underwriting Commission⁽¹⁾	Net Proceeds to the Company
Per Unit	Cdn\$3.25	Cdn\$0.195	Cdn\$3.055
Total ⁽³⁾	Cdn\$8,500,050	Cdn\$510,003	Cdn\$7,990,047 ⁽²⁾

Notes:

- (1) Pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriter an aggregate cash fee (the “**Underwriting Commission**”) of Cdn\$510,003, representing 6% of the aggregate gross proceeds of the Offering, or Cdn\$586,503.45 after taking into account the full exercise of the Over-Allotment Option (as defined herein) for Additional Units (as defined herein). The Company has also agreed to issue to the Underwriter Compensation Warrants (as defined herein) equal to 6% of the aggregate number of Units sold under the Offering. This Prospectus Supplement also qualifies the issuance of the Compensation Warrants. See “Plan of Distribution” and “Use of Proceeds”.
- (2) After deducting the Underwriting Commission, but before deducting expenses related to the Offering estimated at Cdn\$250,000, which will be paid from the proceeds of the Offering. See “Use of Proceeds”.
- (3) The Company has granted to the Underwriter an option (the “**Over-Allotment Option**”), exercisable in whole or in part in the sole discretion of the Underwriter at any time until the date which is 30 days following the Closing Date (as defined herein), to purchase up to an additional 392,310 Units (the “**Additional Units**”) at a price of Cdn\$3.25 per Additional Unit, with each Additional Unit being comprised of one Unit Share (each, an “**Additional Unit Share**”) and one-half of one Warrant (each whole Warrant, an “**Additional Warrant**”). Each Additional Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one Warrant Share (each, an “**Additional Warrant Share**”) at an exercise price of Cdn\$4.75 for a period of 24 months following the Closing Date. The Over-Allotment Option may be exercised by the Underwriter: (a) to acquire Additional Units at the Offering Price, or (b) to acquire Additional Warrants at a price of \$0.34 per Additional Warrant, or (c) to acquire any combination of Additional Units and Additional Warrants, so long as the aggregate number of Additional Warrants that may be issued under such Over-Allotment Option does not exceed 196,155 Additional Warrants. If the Over-Allotment Option is exercised in full for Additional Units, the total “Price to the Public”, the “Underwriting Commission” and the “Net Proceeds to the Company” (before deducting expenses of the Offering) will be Cdn\$9,775,057.50, Cdn\$586,503.45 and Cdn\$9,188,554.05, respectively.

This Prospectus Supplement and the Prospectus also qualify the grant of the Over-Allotment Option and the distribution of the Additional Units and/or Additional Warrants upon exercise of the Over-Allotment Option. Any purchaser who acquires Additional Units or Additional Warrants forming part of the over-allotment position of the Underwriter pursuant to the Over-Allotment Option acquires such securities under this Prospectus Supplement and the Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “Plan of Distribution”.

Unless the context otherwise requires, when used herein, all references to “**Units**”, “**Unit Shares**” and “**Warrants**” include the Additional Units, Additional Unit Shares and Additional Warrants, as applicable, issuable upon exercise of the Over-Allotment Option.

The Underwriter, as principal, conditionally offer the Units, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriter in accordance with the conditions contained in the Underwriting Agreement referred to under “Plan of Distribution” and subject to approval of certain legal matters on behalf of the Company by Dickinson Wright LLP and on behalf of the Underwriter by Cassels Brock & Blackwell LLP.

The Offering is being made concurrently in each of the provinces of Canada, excluding Québec. The Units will be offered in Canada through the Underwriter either directly or through their agents, as applicable. Offers and sales of Units outside of Canada will be made in accordance with applicable laws in such jurisdictions. See “Plan of Distribution”.

Closing is expected to take place on or about May 19, 2022 or such other date as may be agreed between the Company and the Underwriter (the “**Closing Date**”).

An instant deposit through the non-certificated inventory (“**NCI**”) system representing the Unit Shares and Warrants comprising the Units will be issued and deposited with CDS Clearing and Depository Services Inc. (“**CDS**”). Except as set forth herein, a subscriber who purchases Units will receive only a customer confirmation from the registered dealer who is a CDS participant (a

“CDS Participant”) from or through whom Units are purchased. CDS will record the CDS participants who hold the Unit Shares and Warrants on behalf of owners who have purchased or transferred Unit Shares or Warrants in accordance with the book entry only system of CDS. Physical certificates evidencing Unit Shares and Warrants will not be issued except in limited circumstances and unless a request for a certificate is made to the Company.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. In connection with the Offering and subject to applicable laws, the Underwriter may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares in accordance with applicable market stabilization rules. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*”.

The Units sold by the Underwriter to the public will initially be offered at the Offering Price. After the Underwriter has made a reasonable effort to sell all of the Units at the Offering Price specified on the cover page, the Underwriter may change the Offering Price to an amount not greater than the Offering Price set forth on the cover page, and the compensation realized by the Underwriter will be decreased by the amount that the aggregate price paid by the purchasers for the Units is less than the gross proceeds paid by the Underwriter to the Company. The Underwriter may decrease the price at which the Units are distributed from the Offering Price. See “*Plan of Distribution*”.

The following table sets forth (a) the number of Additional Units and Additional Warrants issuable under the Over-Allotment Option, and (b) the number of Compensation Shares (as defined herein) that may be issued by the Company to the Underwriter:

<u>Underwriter’s Position</u>	<u>Maximum Size</u>	<u>Exercise Period</u>	<u>Exercise Price</u>
Over-Allotment Option	392,310 Additional Units or 196,155 Additional Warrants	Up to 30 days from and including the Closing Date	Cdn\$3.25 per Additional Unit Cdn\$0.34 per Additional Warrant
Compensation Warrants (as defined herein)	180,462 Compensation Shares upon exercise of 180,462 Compensation Warrants	24 months following the Closing Date	Cdn\$3.25 per Compensation Share

The Company’s head and registered office is located at 20 Adelaide Street East, Suite 200, Toronto, Ontario, M5C 2T6, Canada.

Financial information in this Prospectus Supplement, including trading prices, is, unless otherwise indicated, presented in Canadian dollars. On May 13, 2022, the closing exchange rate for Canadian dollars, as quoted by the Bank of Canada, was US\$1.00 = Cdn\$1.2953 or Cdn\$1.00 = US\$0.7720.

Investment in the securities being offered under this Prospectus Supplement is highly speculative and involves significant risks that you should consider before purchasing such securities. You should carefully review the “*Risk Factors*” section of this Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein as well as the information under the heading “*Cautionary Note Regarding Forward-Looking Information*” and consider such risks and information in connection with an investment in the securities. See “*Risk Factors*”.

Prospective investors should be aware that the acquisition of the Units described herein may have tax consequences, depending on each prospective investor’s specific circumstances. Prospective investors should consult with their own tax advisors with respect to such tax considerations and read the tax discussion contained in this Prospectus Supplement. See “*Eligibility for Investment*” and “*Certain Canadian Federal Income Tax Considerations*”.

Neither the United States Securities and Exchange Commission (the “SEC”) nor any state or Canadian securities regulator has approved or disapproved of the securities offered hereby, passed upon the accuracy or adequacy of this Prospectus Supplement or determined if this Prospectus Supplement is truthful or complete. Any representation to the contrary is a criminal offence.

TABLE OF CONTENTS FOR THIS PROSPECTUS SUPPLEMENT

	Page No.
IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT	1
CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION	1
DOCUMENTS INCORPORATED BY REFERENCE	4
MARKETING MATERIALS	6
BUSINESS OF THE COMPANY	6
RISK FACTORS	7
CONSOLIDATED CAPITALIZATION	9
USE OF PROCEEDS	9
DESCRIPTION OF SECURITIES BEING DISTRIBUTED	10
PRIOR SALES	13
PRICE RANGE AND TRADING VOLUME	14
CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	14
PLAN OF DISTRIBUTION	18
LEGAL MATTERS	20
INTEREST OF EXPERTS	21
TRANSFER AGENT AND REGISTRAR	21
STATUTORY AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION	21
ELIGIBILITY FOR INVESTMENT	22
CERTIFICATE OF THE COMPANY	C-1
CERTIFICATE OF THE UNDERWRITER	C-2

TABLE OF CONTENTS FOR THE BASE SHELF PROSPECTUS

	Page No.
ABOUT THIS PROSPECTUS	1
CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION	1
FINANCIAL INFORMATION	3
DOCUMENTS INCORPORATED BY REFERENCE	4
THE COMPANY	6
RECENT DEVELOPMENTS	8
RISK FACTORS	8
CONSOLIDATED CAPITALIZATION	20
USE OF PROCEEDS	21
PLAN OF DISTRIBUTION	21
CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	22
DESCRIPTION OF THE SECURITIES	22
PRIOR SALES	25
TRADING PRICE AND VOLUME	25
MINERAL PROPERTY	25
AUDITOR, TRANSFER AGENT AND REGISTRAR	25
LEGAL MATTERS	25
INTERESTS OF EXPERTS	25
STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION	26
CERTIFICATE OF THE COMPANY	C-1

IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this Prospectus Supplement, which describes the terms of the Units being offered and also adds to and updates information contained in the Prospectus and the documents incorporated by reference therein. The second part, the Prospectus, gives more general information, some of which may not apply to the Units being offered under this Prospectus Supplement. This Prospectus Supplement is deemed to be incorporated by reference into the Prospectus solely for the purpose of the Offering constituted by this Prospectus Supplement. Other documents are also incorporated, or are deemed to be incorporated by reference, into the Prospectus and reference should be made to the Prospectus for full particulars thereof.

Investors should rely only on the information contained in or incorporated by reference in this Prospectus Supplement and the Prospectus. The Company has not authorized anyone to provide investors with different information. Neither the Company nor the Underwriter are making an offer of the Units in any jurisdiction where such offer is not permitted. An investor should assume that the information appearing in this Prospectus Supplement or the Prospectus is accurate only as of the date on the front of those documents and that information contained in any document incorporated by reference herein or therein is accurate only as of the date of that document unless specified otherwise. The Company's business, financial condition, results of operations and prospects may have changed since those dates.

To the extent that any statements made in this Prospectus Supplement differs from those in the Prospectus, the statements made in the Prospectus and the information incorporated by reference therein are deemed modified or superseded by the statements made in this Prospectus Supplement and the information incorporated by reference herein. If the description of the Units varies between this Prospectus Supplement and the Prospectus, investors should rely on the information in this Prospectus Supplement.

Market data and certain industry forecasts used in this Prospectus Supplement and the Prospectus and the documents incorporated by reference herein and therein were obtained from market research, publicly available information and industry publications. The Company believes that these sources are generally reliable, but the accuracy and completeness of this information is not guaranteed. The Company has not independently verified such information, and it does not make any representation as to the accuracy of such information.

The Company's annual consolidated financial statements that are incorporated by reference into this Prospectus Supplement and the Prospectus have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and are reported in Canadian dollars.

Unless otherwise indicated, all information in this Prospectus Supplement assumes no exercise of the Over-Allotment Option.

In this Prospectus Supplement, unless the context otherwise requires, references to "we", "us", "our" or similar terms, as well as references to "Eloro" or the "Company", refer to Eloro Resources Ltd. together with its subsidiaries.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Information and statements contained in this Prospectus Supplement and the documents incorporated by reference in this Prospectus Supplement that are not historical facts are forward-looking information or forward-looking statements within the meaning of Canadian securities legislation (hereinafter collectively referred to as "**forward-looking statements**") that involve risks and uncertainties. This Prospectus Supplement and the documents incorporated by reference in this Prospectus Supplement contain forward-looking statements such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Examples of forward-looking statements in this Prospectus Supplement and the documents incorporated by reference herein include, but are not limited to, statements with respect to:

- the Company's ability to comply with permitting and regulatory requirements related to exploration, and development of its projects in Bolivia, Peru and Canada;

- the volatility of the novel coronavirus ("**COVID-19**") outbreak as a global pandemic and the potential impact of COVID-19 on the Company's operations;
- the Company's drill program at the Iska Iska Project (as defined herein) for 2022 and beyond;
- the Company's exploration and development program at the Iska Iska Project;
- the effect of the new Mining and Metallurgy Law (*Ley de Minería y Metalurgia*) enacted by Law No. 535 on May 28, 2014 by the Bolivian government on the Company's current and future operations at the Iska Iska Project;
- the anticipation that mineral resources at the Iska Iska Project can be developed with limited, systematic, underground drilling and channel sampling;
- the Company's ability to meet the requirements for the maintenance of each of its mining concessions;
- the Company's ability to continue accessing the surface lands overlying its concessions;
- the Company's ability to secure required permitting approvals from relevant regulatory bodies in Bolivia, Peru and Canada;
- the Company's ability to manage and/or mitigate any environmental and/or social risks associated with the development of any of its projects to the mining stage, as well as through mine construction and operation;
- the estimated capital and operating costs associated with the exploration, development, construction and operation of a mine, processing plant and other facilities required to start up a mine at any of its projects;
- the Company's ability to continue as a going concern;
- the Company's going-forward strategy;
- commodity prices;
- the adequacy of the Company's working capital;
- the Company's expectation that it will incur operating losses in future periods due to ongoing expenses associated with the holding, exploration and development of the Company's mineral property interests;
- the Company's ability, through the application of legal norms in the respective jurisdiction, and with the support of the relevant government authorities, to prevent illegal mining activity on its concessions;
- the mining assets optioned or acquired by the Company being and remaining attractive investment opportunities;
- the Company's intention to retain any future earnings and other cash resources for the future development and operation of its business;
- the Company's intention not to declare or pay any cash dividends in the foreseeable future;
- the completion and closing of the Offering, and the timing thereof; and
- the use of proceeds from the Offering.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "is expected", "scheduled", "estimates", "intends", "anticipates", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", or "might" occur or be achieved. Any such forward-looking statements are based, in part, on assumptions and factors that may change, thus causing actual results or achievements to differ materially from those expressed or implied by the forward-looking statements. Such factors and assumptions may include, but are not limited to: assumptions concerning base and precious metal prices; cut-off grades; accuracy of any mineral resource estimates and resource modeling; timing and reliability of sampling and assay data; representativeness of mineralization; timing and accuracy of any metallurgical test work; anticipated political and social conditions; impact of the COVID-19 pandemic on the Company's business and results of operations; expected government policy, including reforms; the ability to successfully raise additional capital; and other assumptions used as a basis for the preparation of the National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") technical report of Micon International Limited titled "*Technical Report on the Exploration and Diamond Drilling of the Iska Iska Polymetallic Project, Sud Chichas Province, Department of Potosí, Bolivia*", with an effective date of March 31, 2022 and dated May 1, 2022 (the "**Technical Report**").

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, and without limitation:

- risks relating to price fluctuations for gold, silver, copper, tin and other precious and base metals;
- risks inherent in mineral resource estimation (the Company currently does not have any mineral resources);
- risks relating to government expropriation or termination of the Company's mineral property interests;

- risks relating to inaccurate geological and engineering assumptions;
- risks relating to all of the Company's mineral concessions and projects being located in Bolivia, Peru and Canada, including political, social, economic, security and regulatory instability;
- risks relating to changes in Bolivia, Peru and Canada's national, provincial and local political leadership, including impacts these may have on general and mining specific public policies, administrative agencies and social stability;
- risks relating to local political and social unrest, including opposition to mining, pressure for economic benefits such as employment or social investment programs, access to land for agricultural or artisanal or illegal mining purposes, claims by aboriginal or indigenous peoples or other demands;
- risks relating to the social, political, administrative, environmental and geological conditions in areas in proximity to the concessions under development;
- risks relating to the Company's rights or activities being impacted by litigation or administrative processes including administrative refusal to approve registration of transfers of corporate interests and mining agreements;
- risks relating to the Company's ability to access concession surface areas and other properties needed to advance its exploration and development programs;
- risks relating to the Company's operations being subject to environmental requirements, including remediation;
- risks relating to the Company's ability to source qualified human resources, including managers, employees, consultants, attorneys, and sub-contractors, as well as to the performances of all such resources (including human error and actions outside of the control of the Company, such as negligence or malfeasance of its counterparties or agents, accidents and labour disputes);
- risks of title disputes or claims affecting mining concessions or surface ownership rights;
- risks relating to adverse changes to laws, regulations or other norms placing increased regulatory burdens or extending timelines for regulatory approval processes, including environmental, safety, social, taxation and other matters;
- risks associated with the Company's community relationships, anti-development or anti-mining non-governmental organizations;
- risks relating to delays in obtaining governmental agreements, approvals or permits necessary for the execution of exploration, development or construction activities;
- risks relating to competition inherent in the mining exploration industry, in Bolivia, Peru, Canada and elsewhere;
- risks of impacts from unpredictable natural occurrences, such as adverse weather conditions, fire, natural erosion, landslides, and geological activity, including earthquakes and volcanic activity;
- risks related to climate change, civil unrest, public health concerns (including health epidemics or pandemics or outbreaks of communicable diseases such as COVID-19) and other geopolitical uncertainties (including the military conflict in Ukraine);
- risks relating to inadequate insurance or inability to obtain insurance;
- risks relating to the Company's ability to obtain necessary funding for its operations, at all or on terms acceptable to the Company;
- risks relating to the Company's working capital and requirements for additional capital;
- risks relating to currency exchange fluctuations or changes in national currency;
- risks relating to fluctuations in interest and inflation rates;
- risks relating to restrictions on access to and movement of capital;
- risks relating to the value of the Company's common shares fluctuating based on market factors;
- risks relating to the Company's dependence on key personnel; and
- other risks of the mining industry.

Forward-looking statements and other information contained herein, including general expectations concerning the mining industry, are based on estimates and forecasts prepared by the Company employing data from publicly available industry sources, as well as from market research and industry analysis, and on assumptions based on data and knowledge of this industry and the operating environments in Bolivia, Peru and Canada which the Company believes to be reasonable. Although generally indicative of relative market positions, market shares and performance characteristics, this data is inherently imprecise. While the Company is not aware of any misstatements regarding any data presented herein, the mining industry involves risks and uncertainties and the data is subject to change based on various factors.

In addition, all disclosure contained herein concerning future plans for the Iska Iska Project is subject to the assumptions and qualifications set forth in the Technical Report.

Readers of this Prospectus Supplement are cautioned not to put undue reliance on forward-looking information due to its inherent uncertainty. The Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, except in accordance with applicable securities legislation. This forward-looking information should not be relied upon as representing management's views as of any date subsequent to the date of this Prospectus Supplement.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference in the Prospectus solely for the purpose of the Offering.

Information has been incorporated by reference in this Prospectus Supplement from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Jorge Estepa, Vice President and Corporate Secretary of Eloro, at 20 Adelaide Street East, Suite 200, Toronto, Ontario, M5C 2T6, Canada, telephone (416) 868-9168, or by accessing the disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**"), at www.sedar.com. The Company's filings through SEDAR are not incorporated by reference in this Prospectus Supplement except as specifically set forth herein.

The following documents filed with the securities commissions or similar authorities in Canada are incorporated by reference in this Prospectus Supplement:

- a) the annual information form (the "**AIF**") of the Company dated July 29, 2021 for the year ended March 31, 2021;
- b) the audited consolidated statements of financial position of the Company as at March 31, 2021 and March 31, 2020 and the audited consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years ended March 31, 2021 and March 31, 2020, together with the auditor's report thereon and the notes thereto;
- c) management's discussion and analysis of the Company for the year ended March 31, 2021;
- d) the unaudited condensed interim consolidated financial statements of the Company as at and for the three and nine months ended December 31, 2021, together with the notes thereto;
- e) management's discussion and analysis of the Company for the nine months ended December 31, 2021;
- f) the management information circular of the Company dated August 30, 2021 filed in connection with the annual and special meeting of the Company's shareholders held on September 30, 2021;
- g) the Technical Report;
- h) the material change report of the Company filed May 5, 2022 in connection with reporting drilling results from the Company's Iska Iska Project;
- i) the material change report of the Company filed March 28, 2022 in connection with reporting drilling results from the Company's Iska Iska Project;
- j) the material change report of the Company filed March 3, 2022 in connection with reporting drilling results from the Company's Iska Iska Project;

- k) the material change report of the Company filed March 2, 2022 in connection with reporting drilling results from the Company's Iska Iska Project;
- l) the material change report of the Company dated February 10, 2022 filed in connection with reporting drilling results from the Company's Iska Iska Project;
- m) the material change report of the Company dated November 29, 2021 filed in connection with reporting drilling results from the Company's Iska Iska Project;
- n) the material change report of the Company dated October 8, 2021 filed with respect to the Company advancing an aggregate of US\$3 million as property option payments, pursuant to the Private Option Agreement (the "**Agreement**") to acquire a 99% interest in Company's Iska Iska Project (which Agreement grants Eloro the option to acquire a 99% interest in Iska Iska for consideration consisting of 500,000 Common Shares (these Common Shares have been issued now) and the payment of US\$10 million, of which US\$3 million has been paid to date, with the remaining US\$7 million due on or before January 6, 2024);
- o) the material change report of the Company filed May 6, 2021 in connection with reporting drilling results from the Company's Iska Iska Project;
- p) the material change report of the Company dated April 1, 2021 filed in connection with the closing of a bought deal financing relating to the issuance of 6,670,000 units of the Company at a price of Cdn\$3.75 per unit;
- q) the warrant indenture between the Company and TSX Trust Company dated March 26, 2021;
- r) the warrant indenture between the Company and TSX Trust Company dated January 5, 2021; and
- s) the "template version" (as defined in National Instrument 41-101 – *General Prospectus Requirements* ("**NI 41-101**") of the Canadian Securities Administrators)) of the term sheet dated May 12, 2022, filed on SEDAR in connection with the Offering (the "**Original Term Sheet**") and the "template version" of the amended term sheet dated May 13, 2022 filed on SEDAR in connection with the Offering (the "**Amended Term Sheet**" and, together with the Original Term Sheet, the "**Marketing Materials**").

Any document of the type referred to in item 11.1 of Form 44-101F1 of National Instrument 44-101 - *Short Form Prospectus Distributions* of the Canadian Securities Administrators (excluding confidential material change reports and excluding those portions of documents that are not required pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference herein) filed by the Company after the date of this Prospectus Supplement and before the termination of the distribution are deemed to be incorporated by reference in this Prospectus Supplement. Information on the Company's website does not constitute part of this Prospectus Supplement or the Prospectus.

Documents incorporated by reference in this Prospectus Supplement contain drill results which include references to equivalent grades of one mineral by combining other minerals based on their respective grades and metal prices. The equivalent grade calculations included in the drill results disclosed by the Company to date are based on the stated metal prices. Metallurgical tests are in progress to establish levels of recovery for each element reported, such that the equivalent grade calculations do not account for differing recoveries of the component metals. The Company intends to disclose recovery-weighted equivalent grades once metallurgical tests have been completed.

Any statement contained in this Prospectus Supplement, the Prospectus or a document incorporated or deemed to be incorporated by reference herein or therein shall be deemed to be modified or superseded for the purposes of this Prospectus Supplement to the extent that a statement contained herein or in the Prospectus or in any subsequently filed document which also is or is deemed to be incorporated by reference herein or in the Prospectus modifies or supersedes that prior statement. The modifying or superseding statement need not state

that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be considered in its unmodified or superseded form to constitute a part of this Prospectus Supplement, except as so modified or superseded. Without limiting the foregoing, each document incorporated by reference into the Prospectus prior to the date hereof shall be deemed to have been superseded in its entirety unless such document is also listed above as being incorporated by reference into this Prospectus Supplement.

Information contained on the Company's website, www.elororesources.com, is not part of this Prospectus Supplement, is not incorporated herein by reference and the Company disclaims any such incorporation by reference.

MARKETING MATERIALS

Any "template version" of any "marketing materials" (as such terms are defined in NI 41-101) that are utilized by the Underwriter in connection with the Offering, including the Marketing Materials, will not form part of this Prospectus Supplement to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this Prospectus Supplement. Any template version of any marketing materials that are filed on SEDAR at www.sedar.com after the date of this Prospectus Supplement and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) will be deemed to be incorporated by reference into this Prospectus Supplement.

The Original Term Sheet has been modified by the Amended Term Sheet to reflect: (i) the upsize of the base amount of the Offering from 1,538,480 Units to 2,615,400 Units and the corresponding upsize of the gross proceeds from \$5,000,060 to \$8,500,050; and (ii) the upsize of the Over-Allotment Option from 230,772 Additional Units or 115,386 Additional Warrants to 392,310 Additional Units or 196,155 Additional Warrants and the corresponding upsize of the gross proceeds in the event that the Over-Allotment Option is exercised in full for Additional Units, from \$5,750,069 to \$9,775,057.50. The Issuer has prepared the Original Term Sheet and the Amended Term Sheet, both of which can be viewed under the Issuer's SEDAR profile at www.sedar.com.

BUSINESS OF THE COMPANY

Eloro is a resource exploration company, headquartered in Toronto, Canada with a portfolio of gold and base-metal properties in Bolivia, Peru and Québec. The Company's focus is on the exploration and development of the Iska Iska Project in Bolivia, which Eloro considers to be its only material mineral project.

The Company owns 98%, together with an option to acquire an additional 1%, of Minera Tupiza SRL which has an option to acquire from Empresa Minera Villegas SRL ("**Empresa Minera**") a 99% interest in the Iska Iska project (the "**Iska Iska Project**", "**Iska Iska**", the "**Property**" or the "**Project**"), which can be classified as a polymetallic epithermal-porphyry complex, a significant mineral deposit type in the Potosi Department, in southern Bolivia. In order to acquire its interest in Iska Iska pursuant to the said option, the Company is required to: (a) issue 250,000 Common Shares to Empresa Minera within 30 days of the date of the agreement which granted the option (these Common Shares have been issued); (b) issue a further 250,000 Common Shares to Empresa Minera by January 6, 2022 (these Common Shares have also been issued); and (c) pay US\$10 million to Empresa Minera by January 6, 2024 (US\$3 million of the said US\$10 million has been paid by the Company to date). The Technical Report with respect to the Iska Iska Project is available under the Company's filings on SEDAR at www.sedar.com.

For further information regarding the Company and the Iska Iska Project, including recent developments since the beginning of the Company's current financial year on April 1, 2021 to the date of this Prospectus Supplement, see the documents incorporated by reference in this Prospectus Supplement available under the Company's filings on SEDAR at www.sedar.com.

RISK FACTORS

Investing in securities of the Company is speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of its development. The following risk factors, as well as risks currently unknown to the Company, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company, or its business, property or financial results, each of which could cause purchasers of securities of the Company to lose part or all of their investment. The risks set out below are not the only risks faced by the Company; risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial may also materially and adversely affect its business, financial condition, results of operations and prospects. In addition to the other information contained in this Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein, investors should carefully consider the risks described below, as well as the risks described under the "Risk Factors" section of the Prospectus and the AIF before purchasing the Units.

Volatility

In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations, which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of the Company's securities, including the Units and the Unit Shares and Warrants, and the price may decline below their acquisition cost. As a result of this volatility, investors may not be able to sell their securities at or above their acquisition cost.

Securities of resource exploration companies such as Eoro have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in the countries where these companies carry on business and globally, and market perceptions of the attractiveness of particular industries. The price of the securities of the Company is also likely to be significantly affected by short-term changes in commodity prices, other precious metal prices or other mineral prices, currency exchange fluctuation and the political environment in the countries in which the Company does business and globally.

In the past, following periods of volatility in the market price of a company's securities, shareholders have often instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial costs and diversion of management attention and resources, which could significantly harm the Company's development and reputation.

Investors may lose their entire investment

There is no guarantee that an investment in the Units will earn any positive return in the short term or long term. A purchase of Units under the Offering involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the Units is speculative and 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.

Discretion over use of proceeds

The Company currently intends to allocate the net proceeds it will receive from the Offering as described under "Use of Proceeds" in this Prospectus Supplement; however, the Company will have discretion in the actual application of the net proceeds. The Company may elect to allocate the net proceeds differently from that described in "Use of Proceeds" in this Prospectus Supplement if the Company believes it would be in the Company's best interests to do so. The Company's investors may not agree with the manner in which the Company chooses to allocate and spend the net proceeds from an Offering. The failure by the Company to apply these funds effectively could have a material adverse effect on the business of the Company.

Liquidity of Common Shares

Shareholders of the Company may be unable to sell significant quantities of Common Shares into the public trading markets without a significant reduction in the price of their Common Shares, or at all. There can be no assurance that there will be sufficient liquidity of the Common Shares on the trading market, and that the Company will continue to meet the listing requirements of the TSX-V, OTCQX or FSE, or achieve listing on any other public listing exchange.

Dilution from exercise or conversion of stock options, restricted share units and share purchase warrants (including the Warrants)

The Company has outstanding stock options, restricted share units and share purchase warrants, in each case representing a right to receive Common Shares upon the exercise or conversion of such stock options, restricted share units and share purchase warrants. The exercise or conversion of such stock options, restricted share units and share purchase warrants or the Warrants and the subsequent resale of any Common Shares issued upon the exercise thereof in the public market could adversely affect the prevailing market price of the Common Shares and the Company's ability to raise equity capital in the future at a time and price which deems it appropriate. The Company may also enter into commitments in the future which would require the issuance of additional Common Shares or may grant additional share purchase warrants, and the Company is expected to grant additional stock options and restricted share units. Any Common Share issuances from the Company's treasury will result in immediate dilution to existing shareholders' percentage interest in the Company.

Dilution from equity financing could negatively impact holders of Common Shares

The Company may from time to time raise funds through the issuance of Common Shares or the issuance of debt instruments or other securities convertible into Common Shares. The Company cannot predict the size or price of future issuances of Common Shares or the size or terms of future issuances of debt instruments or other securities convertible into Common Shares, or the effect, if any, that future issuances and sales of the Company's securities will have on the market price of the Common Shares. Sales or issuances of substantial numbers of Common Shares, or the perception that such sales could occur, may adversely affect prevailing market prices of the Common Shares. With any additional sale or issuance of Common Shares, or securities convertible into Common Shares, investors will suffer dilution to their voting power and the Company may experience dilution in any earnings per share.

Warrants will not be listed for trading

There is no market in which the Warrants may be sold, and purchasers may not be able to resell the Warrants that are purchased hereunder. The Warrants will not be listed on a stock exchange. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation.

Negative Operating Cash Flows and Potential Need for Additional Financing

During the year ended March 31, 2021, and during the interim period ended December 31, 2021, the Company had negative cash flow from operating activities. The Company anticipates it will continue to have negative cash flow from operating activities in future periods. Despite the anticipated net proceeds from the Offering, the Company anticipates requiring additional financing, including through issue and sale of equity and/or debt securities or the sale of assets to satisfy its business objectives. There can be no assurance that the Company will be able to obtain necessary financing in a timely manner or on acceptable terms, if at all. If sufficient capital is not available, the Company may be required to delay the expansion of its business and operations, which could have a material adverse effect on the Company's business, financial condition, prospects or results of operations.

CONSOLIDATED CAPITALIZATION

The following table shows the effect of the Offering on the Company's share capital as at the most recent financial period for which the most recently filed interim financial statements have been filed. This table should be read in conjunction with the Company's most recently filed interim financial statements and associated management's discussion and analysis, incorporated by reference herein:

	As at December 31, 2021 before giving effect to the Offering	As at December 31, 2021, after giving effect to the Offering, other than the exercise of the Over- Allotment Option ⁽¹⁾⁽²⁾	As at December 31, 2021, after giving effect to the Offering, including the full exercise of the Over- Allotment Option for Additional Units ⁽¹⁾⁽³⁾
Common Shares (authorized: unlimited)	62,562,882 Common Shares ⁽⁴⁾	65,178,282 Common Shares ⁽⁴⁾	65,570,592 Common Shares ⁽⁴⁾

Notes:

- (1) Assumes that none of the Warrants and Compensation Warrants issued under the Offering are exercised.
- (2) 1,307,700 Warrants (exercisable for a total of 1,307,700 Common Shares) and 156,924 Compensation Warrants (exercisable for a total of 156,924 Common Shares) will also be issued under the Offering.
- (3) 1,503,855 Warrants (exercisable for a total of 1,503,855 Common Shares) and 180,462 Compensation Warrants (exercisable for a total of 180,462 Common Shares) will also be issued under the Offering.
- (4) Since December 31, 2021 to the date hereof, an aggregate of 1,680,425 Common Shares have also been issued. See "Prior Sales".

USE OF PROCEEDS

The gross proceeds to the Company from the Offering will be Cdn\$8,500,050 and the net proceeds to the Company from the Offering are estimated to be Cdn\$7,740,047, not including the exercise of the Over-Allotment Option, after deducting the Underwriting Commission and the expenses of the Offering (including the out-of-pocket expenses of the Underwriter, the Underwriter's legal expenses, and the legal and other expenses of the Company), which are estimated to be Cdn\$250,000.

Business Objectives

The Company has outlined an extensive mineralized system at the Iska Iska Project that has not yet been fully defined. As a result of the recent discovery of extensive high-grade mineralization in the southern part of the Santa Barbara target area, the Company needs to carry out more drilling to more fully define the mineralized zone for an estimation of an inaugural mineral resource for Iska Iska. In addition, recent drilling has indicated the potential for a significant tin porphyry in the Porco area in the southern part of the Property and this target has the potential to become a second major discovery at Iska Iska. The Company is currently completing the remaining (as of April 30, 2022) 4,628 metres of drilling outlined in the Company's March 2021 prospectus. Upon completing this drilling, which is expected to occur on or about June 10, 2022, the Company will commence the recommended phase I work program set out in the Technical Report with an estimated completion date of October 2022. The activities contemplated by this phase 1 program include 15,000 metres of additional drilling and the completion of a maiden mineral resource estimate for Iska Iska, which is the Company's next significant milestone. The recommended phase II work program set out in the Technical Report, contingent on successful completion of phase I, is planned to be completed by June 2025. The estimated cost of the phase I program is Cdn\$5,000,000 with the phase II program estimated at Cdn\$50,000,000. If sufficient financing is available, the Company does not anticipate any barriers to completing the business objective of carrying out the said phase I and II work programs.

Principal Purposes

The Company intends to use the net proceeds from the Offering on exploration and development activities at Iska Iska as follows:

Principal Purpose	Amount (Cdn\$)
Commence and complete phase I work program under the Technical Report	\$5,000,000
Commence phase II work program under the Technical Report	\$1,490,047
Payment of US\$1,000,000 pursuant to an option to acquire 99% interest in Iska Iska for US\$10,000,000	\$1,250,000 ⁽¹⁾
TOTAL:	\$7,740,047

Note:

1. Based on an exchange rate of US\$1.00 = Cdn\$1.25.

Dr. William (Bill) Pearson, P. Geo, Executive Vice President Exploration of the Company and a qualified person within the meaning of NI 43-101, has recommended the exploration program to be undertaken and has reviewed and approved all technical disclosures in this Prospectus Supplement and the documents incorporate by reference herein.

The above table does not take into account the exercise of the Over-Allotment Option. If the Over-Allotment Option is exercised in full for Additional Units, the Company will receive approximately Cdn\$8,938,554.05 in net proceeds, after deducting the Underwriting Commission of approximately Cdn\$586,503.45 in connection therewith and the estimated expenses of the Offering of Cdn\$250,000. The Company intends to use the estimated additional net proceeds from the exercise of the Over-Allotment Option for additional exploration and development work on the Iska Iska Project.

The use of the net proceeds of the Offering by the Company described above is consistent with the accomplishment of the Company's stated business objective of focusing its exploration efforts on the exploration and development of its Iska Iska Project. While the Company believes that it has the skills and resources necessary to accomplish its stated business objectives, participation in the exploration for and development of mineral properties has a number of inherent risks. See the risk factors described under the "Risk Factors" section of the Prospectus, this Prospectus Supplement and the Company's AIF for factors that may impact the timing and success of the Company's exploration programs in connection with its properties.

Pending expenditure, the Company intends to invest the proceeds of the Offering in short-term investments with high credit quality Canadian financial institutions. The Company currently intends to spend the funds available as stated in this Prospectus Supplement. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary. The actual amount that the Company spends in connection with each of the intended uses of proceeds will depend on a number of factors, including those referred to under the "Risk Factors" section of the Prospectus, this Prospectus Supplement and the Company's AIF.

The Company generates no operating revenue from the exploration activities on its property interests and has negative cash flow from operating activities. The Company anticipates that it will continue to have negative cash flow until such time that commercial production is achieved at a particular project. To the extent that the Company has negative operating cash flows in future periods in excess of amounts disclosed above in the Use of Proceeds table, it may need to deploy a portion of its existing working capital to fund such negative cash flow. See "Risk Factors – Negative Operating Cash Flows and Potential Need for Additional Financing".

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value and an unlimited number of special shares ("Special Shares") without par value. As of the date of this Prospectus Supplement, there were 64,493,307 Common Shares and no Special Shares issued and outstanding.

In addition, as of the date of this Prospectus Supplement, there were 4,650,000 Common Shares issuable upon the exercise of outstanding stock options at exercise prices between Cdn\$0.40 and Cdn\$4.65 per share, 7,141,941

Common Shares issuable upon the exercise of outstanding warrants at exercise prices between Cdn\$0.50 and Cdn\$5.25 per share, and subject to performance-related vesting conditions, up to 2,350,000 Common Shares issuable upon the settlement and redemption of 2,350,000 outstanding restricted share units.

Offering

The Offering consists of Units, each of which is comprised of one Unit Share and one-half of one Warrant. The Units will separate into Unit Shares and Warrants immediately upon the closing of the Offering. The Units are offered at the Offering Price of Cdn\$3.25 per Unit. This Prospectus Supplement and the Prospectus qualifies the distribution of the Units, including the Unit Shares and the Warrants.

Common Shares

Holders of Common Shares are entitled to receive notice of all meetings of shareholders and to attend and vote the Common Shares at the meetings, except meetings at which only holders of a specified class of shares are entitled to vote, and holders of Common Shares shall be entitled to one vote for each Common Share held and, subject to the rights privilege restrictions and conditions attaching to any other class of shares of the Company, to receive the remaining property of the Company upon dissolution. The Common Shares carry no pre-emptive or conversion rights.

Warrants

The Warrants issued under the Offering will be governed by a warrant indenture (the “**Warrant Indenture**”) to be entered into on the Closing Date between the Company and TSX Trust Company, as agent for the holders of the Warrants (the “**Warrant Agent**”). The following is a summary of the principal attributes of the Warrants and certain anticipated provisions of the Warrant Indenture mentioned herein. The summary does not purport to be complete and is qualified in its entirety by the detailed provisions of the Warrant Indenture. A copy of the Warrant Indenture may be obtained on request from the Company and will be available electronically at www.sedar.com and reference should be made to the Warrant Indenture for the full text of the attributes of the Warrants. Each whole Warrant entitles its holder, subject to adjustments in certain circumstances, upon the payment of the exercise price of Cdn\$4.75, to purchase one Warrant Share for a period of 24 months following the Closing Date. See “*Plan of Distribution*”.

The Warrants will be governed by the Warrant Indenture. The Company will designate the Warrant Agent as agent for the Warrants. Prior to the closing of the Offering, the Company may name any other agent with respect to the Warrants. The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

- a) the issuance of Common Shares or securities convertible into Common Shares to all or substantially all of the holders of Common Shares by way of a stock dividend or other distribution (other than a dividend paid in the ordinary course or a distribution of Common Shares upon the exercise of any outstanding warrants or options);
- b) the subdivision, redivision or change of the Common Shares into a greater number of shares;
- c) the consolidation, reduction or combination of the Common Shares into a lesser number of shares;
- d) the issuance to all or substantially all of the holders of Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per Common Share to the holder (or at an exchange or conversion price per share) of less than 95% of the “current market price”, as defined in the Warrant Indenture, of Common Shares on such record date; and
- e) the issuance or distribution to all or substantially all of the holders of Common Shares of securities, including rights, options or warrants to acquire shares of any class or securities exchangeable for or convertible into Common Shares, any cash, property or assets, or any evidences of indebtedness.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities or other property issuable upon the exercise of the Warrants and/or the exercise price per security upon the occurrence of the following additional events:

- a) the reclassification of the Common Shares;
- b) the amalgamation, arrangement or merger with or into any other corporation or other entity (other than an amalgamation, arrangement or merger which does not result in any reclassification of the Company's outstanding Common Shares or a change of the Common Shares into other shares); or
- c) the transfer of the Company's undertakings or assets as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the exercise price or number of Warrant Shares will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the exercise price or a change in the number of Warrant Shares purchasable upon exercise by at least one one-hundredth ($1/100^{\text{th}}$) of a Common Share, as the case may be.

The Company will covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, the Company will give notice to Warrant holders of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 10 business days prior to the record date or effective date, as the case may be, of such event.

No fraction of a Warrant Share will be issued upon the exercise of a Warrant and no cash payment will be made in lieu thereof. Warrant holders are not entitled to any voting rights or pre-emptive rights or any other rights conferred upon a person as a result of being a holder of Common Shares.

From time to time, the Company and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by "extraordinary resolution", which will be defined in the Warrant Indenture as a resolution either (1) passed at a meeting of the holders of Warrants at which there are present in person or represented by proxy at least two holders of Warrants representing at least 25% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66 $\frac{2}{3}$ % of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll for such resolution, or (2) adopted by an instrument in writing signed by the holders of not less than 66 $\frac{2}{3}$ % of the aggregate number of all then outstanding Warrants.

The Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and the Warrants will not be exercisable by or on behalf of a person in the United States or a U.S. Person, unless registered under the U.S. Securities Act or an exemption from such registration is available, and the Warrants will bear a legend stating such. Certificates representing the Warrant Shares will not be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable state securities laws is available and the Company has received an opinion of counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Company. At the time of exercise of the Warrants, the holder of the Warrant will be required to provide certification pursuant to the terms of the Warrants that the holder is not a U.S. person and the Warrant is not being exercised on behalf of a U.S. person, or provide the required opinion of counsel. A holder who is a "Qualified Institutional Buyer" or an "accredited investor" (as defined in Rule 501 under the U.S. Securities Act) at the time of exercise of the Warrants who purchased Units in the Offering to, or for the account or benefit of, persons in the United States or U.S. Persons will not be required to deliver an opinion of counsel or such other evidence in connection with the exercise of Warrants that are a part of those Units.

Compensation Warrants

The “Compensation Warrants” (as defined below under “*Plan of Distribution*”) will be created and issued pursuant to the terms and conditions set out in the form of certificate representing the Compensation Warrants approved by the Company and the Underwriter. Each whole Compensation Warrant entitles its holder, subject to adjustment in certain circumstances, upon the payment of the exercise price of Cdn\$3.25, to purchase one Common Share for a period of 24 months from the Closing Date. See “*Plan of Distribution*”. The Compensation Warrants shall be non-transferable.

PRIOR SALES

No class of securities of the Company, other than the Common Shares, are listed for trading on a marketplace. The following table summarizes the issuance of Common Shares and other securities convertible into or exercisable for Common Shares by the Company during the 12-month period prior to the date of this Prospectus Supplement.

Date of Issuance	Purchase/Exercise Price per Security (Cdn\$)	Number of Securities
Common Shares		
May 20, 2021	\$3.75	2,225 ⁽¹⁾
May 21, 2021	\$0.40	40,000 ⁽²⁾
May 21, 2021	\$0.50	1,960 ⁽¹⁾
May 26, 2021	\$0.40	200,000 ⁽²⁾
May 28, 2021	\$0.40	233,215 ⁽²⁾
June 8, 2021	\$0.50	40,000 ⁽²⁾
June 14, 2021	\$0.60	200,000 ⁽³⁾
June 22, 2021	\$0.55	100,000 ⁽³⁾
August 12, 2021	\$2.00	6,000 ⁽²⁾
October 4, 2021	\$0.50	30,000 ⁽²⁾
October 26, 2021	\$1.55	3,834 ⁽¹⁾
November 4, 2021	\$0.50	190,000 ⁽²⁾
November 8, 2021	\$0.50	25,000 ⁽²⁾
November 16, 2021	\$0.50	370,000 ⁽²⁾
November 18, 2021	\$0.50	60,000 ⁽²⁾
November 18, 2021	\$0.50	2,520 ⁽¹⁾
November 19, 2021	\$0.50	32,500 ⁽²⁾
January 5, 2022	\$0.55	50,000 ⁽³⁾
January 19, 2022	\$0.55	125,000 ⁽³⁾
January 27, 2022	\$0.55	575,000 ⁽³⁾
February 4, 2022	\$0.77	100,000 ⁽³⁾
February 9, 2022	\$0.50	15,000 ⁽²⁾
March 8, 2022	\$1.55	87,925 ⁽¹⁾
March 16, 2022	\$2.00	15,000 ⁽²⁾
March 24, 2022	\$0.50	25,000 ⁽²⁾
April 12, 2022	\$0.70	15,000 ⁽³⁾
	\$0.40	100,000 ⁽³⁾
	\$0.60	150,000 ⁽³⁾
April 21, 2022	\$2.00	322,500 ⁽²⁾
April 25, 2022	\$0.40	100,000 ⁽³⁾
Stock Options		
March 3, 2022	\$4.65	1,525,000
Restricted Share Units		
January 19, 2022	-	2,350,000

Notes:

1. These Common Shares were issued in connection with the exercise of compensation options;
2. These Common Shares were issued in connection with the exercise of warrants; and
3. These Common Shares were issued in connection with the exercise of stock options.

PRICE RANGE AND TRADING VOLUME

The Common Shares are listed for trading on the TSX-V under the trading symbol “ELO”. The Common Shares also trade on the OTCQX in the United States under the symbol “ELRRF” and on the Frankfurt Stock Exchange under the symbol “P2QM”. The following table sets forth information relating to the trading price and volume of trading of the Common Shares on the TSX-V for the months indicated.

Month	High (Cdn\$)	Low (Cdn\$)	Volume
May 2021	\$5.40	\$4.04	4,210,334
June 2021	\$5.25	\$4.21	2,227,242
July 2021	\$4.75	\$3.06	2,879,947
August 2021	\$4.90	\$3.39	2,150,562
September 2021	\$4.00	\$3.19	1,745,356
October 2021	\$4.11	\$3.29	1,602,701
November 2021	\$4.48	\$3.25	2,122,992
December 2021	\$4.09	\$3.08	2,023,870
January 2022	\$3.98	\$3.28	1,995,657
February 2022	\$4.05	\$3.41	1,813,794
March 2022	\$5.39	\$3.92	4,554,524
April 2022	\$5.27	\$4.12	2,340,545
May 2022 ⁽¹⁾	\$4.57	\$3.31	1,952,981

Note:

(1) From May 1 to May 13, 2022.

At the close of business on May 13, 2022, the last trading day prior to the date of this Prospectus Supplement, the closing price of the Common Shares on the TSX-V was Cdn\$3.45.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a general summary of certain of the Canadian federal income tax considerations generally applicable to a prospective purchaser of the Units pursuant to the Offering under the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations thereunder (the “**Regulations**”) generally applicable to an investor who acquires Units pursuant to the Offering. For purposes of this summary, references to a Common Share includes a Unit Share and a Warrant Share unless otherwise indicated. This summary applies only to a purchaser who is a beneficial owner of Common Shares and Warrants acquired pursuant to the Offering and who, for the purposes of the Tax Act, and at all relevant times: (i) deals at arm’s length with the Company and the Underwriter, (ii) is not affiliated with the Company or the Underwriter; and (iii) acquires and holds the Common Shares, Warrants and any Common Shares acquired on the exercise of the Warrants as capital property (a “**Holder**”).

Common Shares and Warrants will generally be considered to be capital property to a Holder unless they are held in the course of carrying on a business of trading or dealing in securities or were acquired in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder (i) that is a “specified financial institution” as defined in the Tax Act; (ii) that is a “financial institution” within the meaning of the “mark-to-market” rules in the Tax Act; (iii) an interest in which constitutes, or for whom a Common Share or Warrant would be, a “tax shelter investment” within the meaning of the Tax Act; (iv) whose “functional currency” for the purposes of the Tax Act is a currency of a country other than Canada; (v) that is exempt from tax under Part I of the Tax Act; (vi) that has entered into or will enter into a “synthetic disposition arrangement” or a “derivative forward agreement” (as those terms are defined in the Tax Act) in respect of Common Shares or Warrants; or (vii) that receives dividends on Common Shares under or as part of a “dividend rental arrangement” (as defined in the Tax Act). This summary does not address the deductibility of interest by a Holder who has borrowed money to acquire Units. Such Holders should consult their own tax advisors.

Additional considerations, not discussed herein, may apply to a Holder that is a corporation resident in Canada, and is or becomes (or does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that is or becomes), as part of a transaction or event or series of transactions or events that includes the acquisition of the Units, controlled by a non-resident person or a group of persons comprised of any combination of non-resident corporations, non-resident individuals or non-resident trusts that do not deal with each other at arm's length for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such Holders should consult their own tax advisors with respect to the consequences of purchasing Units pursuant to the Offering.

This summary is based on the current provisions of the Tax Act and the Regulations, all specific proposals to amend the Tax Act or the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Prospectus Supplement (the "**Tax Proposals**") and counsel's understanding of the current administrative practices and assessing policies of the Canada Revenue Agency (the "**CRA**") publicly available prior to the date hereof. This summary assumes that the Tax Proposals will be enacted in the form proposed. However, no assurances can be given that the Tax Proposals will be enacted as proposed or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in the law or in the administrative practices or assessing policies of CRA, whether by legislative, governmental, administrative or judicial decision or action, nor does it take into account or consider other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from the Canadian federal income tax considerations discussed in this summary.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Units. The following description of income tax matters is of a general nature only and is not intended to be, nor should it be construed to be, legal or income tax advice to any particular Holder. Holders are urged to consult their own income tax advisors with respect to the tax consequences applicable to them based on their own particular circumstances.

Allocation of Offering Price

A Holder who acquires Units pursuant to the Offering will be required to allocate the purchase price paid for each Unit on a reasonable basis between the Unit Share and the one-half of one Warrant comprising each Unit in order to determine their respective costs to such Holder for the purposes of the Tax Act.

For its purposes, the Company has advised counsel that, of the Cdn\$3.25 Offering Price for each Unit, it intends to allocate Cdn\$3.08 to each Unit Share and Cdn\$0.17 to each one-half of one Warrant and believes that such allocation is reasonable. The Company's allocation, however, is not binding on the CRA or on a Holder and the CRA may not be in agreement with such allocation. Counsel express no opinion with respect to such allocation.

The adjusted cost base to a Holder of each Unit Share (comprising a part of a Unit acquired pursuant to the Offering) will be determined by averaging the cost of such Unit Share with the adjusted cost base to such Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the acquisition.

Exercise of Warrants

No gain or loss will be realized by a Holder of a Warrant upon the exercise of such Warrant to acquire a Warrant Share. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be equal to the adjusted cost base of the Warrant to such Holder, plus the amount paid on the exercise of the Warrant. For the purpose of computing the adjusted cost base to a Holder of each Warrant Share acquired on the exercise of a Warrant, the cost of such Warrant Share must be averaged with the adjusted cost base to such Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the exercise of the Warrant.

Holders Resident in Canada

The following portion of this summary applies to a Holder who, for the purposes of the Tax Act, is or is deemed to be resident in Canada at all relevant times (a "**Resident Holder**"). A Resident Holder whose Common Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election permitted by subsection 39(4) of the Tax Act to deem the Common Shares, and every other "Canadian security" (as defined in the Tax Act), held by

such person, in the taxation year of the election and each subsequent taxation year to be capital property. This election does not apply to Warrants. Resident Holders should consult their own tax advisors regarding this election.

Expiry of Warrants

In the event of the expiry of an unexercised Warrant, a Holder generally will realize a capital loss equal to the Holder's adjusted cost base of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "*Capital Gains and Capital Losses*".

Dividends

Dividends received or deemed to be received by a Resident Holder on Common Shares will be included in computing the Resident Holder's income for the purposes of the Tax Act.

A Resident Holder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from "taxable Canadian corporations" (as defined in the Tax Act). Taxable dividends received from a taxable Canadian corporation which are designated by such corporation as "eligible dividends" will be subject to an enhanced gross-up and dividend tax credit regime in accordance with the rules in the Tax Act. There may be limitations on the ability of the Company to designate dividends as eligible dividends.

A Resident Holder that is a corporation will be required to include such dividends in computing its income and generally will be entitled to deduct the amount of such dividends in computing its taxable income for the taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received (or deemed to be received) by a Resident Holder that is a corporation as a capital gain or proceeds of disposition, to the extent and under the circumstances specified in the Tax Act. Such Resident Holders should consult their own tax advisors in this regard.

A Resident Holder that is a "private corporation" or "subject corporation" (within the meaning of the Tax Act) may be liable under Part IV of the Tax Act to pay an additional tax (refundable under certain circumstances) on dividends received or deemed to be received on the Common Shares to the extent such dividends are deductible in computing the Resident Holder's taxable income.

Disposition of Common Shares and Warrants

A disposition or deemed disposition of Common Shares (other than on a disposition to the Company that is not a sale in the open market in the manner in which shares would normally be purchased by any member of the public in an open market) or Warrants (other than on the exercise of a Warrant) by a Resident Holder will generally result in the Resident Holder realizing a capital gain (or capital loss) in the taxation year of the disposition to the extent that the Resident Holder's proceeds of disposition for such Common Shares or Warrants, as the case may be, exceed (or are less than) the aggregate of the Resident Holder's adjusted cost base thereof and any reasonable costs related to the disposition. See "*Capital Gains and Capital Losses*" below.

Capital Gains and Capital Losses

A Resident Holder will generally be required to include one-half of any capital gain (a "**taxable capital gain**") in computing its income for the taxation year of disposition or deemed disposition. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder will be required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year against taxable capital gains realized in such year. Allowable capital losses in excess of taxable capital gains in the taxation year in which they are realized may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against taxable capital gains realized in such years, to the extent and under the circumstances specified in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a Common Share by a Resident Holder that is a corporation may, in certain circumstances, be reduced by the amount of dividends received or deemed to have been received by it on such share to the extent and in the circumstances specified by the Tax Act. Similar rules may apply where a Resident Holder that is a corporation is a member of a partnership or is a beneficiary of a trust that owns Common Shares or where a partnership or trust, of which the corporate Resident Holder is a member or a

beneficiary, is a member of a partnership or a beneficiary of a trust that owns Common Shares. Resident Holders to whom these rules may be relevant should consult their own income tax advisors.

A Resident Holder that is, throughout the relevant taxation year, a Canadian-controlled private corporation for purposes of the Tax Act or a “substantive CCPC” (as proposed to be defined in the Tax Act as announced in the Federal Budget released by the Government of Canada on April 7, 2022) may be liable to pay an additional tax (refundable under certain circumstances) on its “aggregate investment income” for the year, which will generally include taxable capital gains.

Alternative Minimum Tax

Generally, a Resident Holder that is an individual (other than certain trusts) that receives or is deemed to have received taxable dividends on the Common Shares or realizes a capital gain on the disposition or deemed disposition of the Common Shares or Warrant may be liable for alternative minimum tax under the Tax Act. Resident Holders should consult their own tax advisors with respect to the application of alternative minimum tax.

Holders Not Resident in Canada

The following portion of this summary is generally applicable to Holders who, for the purposes of the Tax Act and at all relevant times: (i) are not resident or deemed to be resident in Canada, and (ii) do not use or hold Common Shares or Warrant in the course of a business carried on or deemed to be carried on in Canada (“**Non-Resident Holders**”). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or that is an “authorized foreign bank” (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors.

Dividends

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder on the Common Shares will generally be subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend, unless such rate is reduced by the terms of an applicable income tax treaty or convention. Under the *Canada-United States Tax Convention (1980)*, as amended (the “**Treaty**”), the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the U.S. for purposes of the Treaty, is the beneficial owner of the dividends, and is fully entitled to benefits under the Treaty (a “**U.S. Holder**”) is generally reduced to 15% of the gross amount of the dividend. The rate of withholding tax is further reduced to 5% if the beneficial owner of such dividend is a U.S. Holder that is a company that owns, directly or indirectly, at least 10% of the voting stock of the Company. Non-Resident Holders should consult their own tax advisors regarding the application of the Treaty or any other tax treaty.

Disposition of Common Shares and Warrants

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition or deemed disposition of a Common Shares or Warrant, nor will capital losses arising therefrom be recognized under the Tax Act, unless such securities, as the case may be, constitute “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident.

Provided the Common Shares are listed on a “designated stock exchange”, as defined in the Tax Act (which currently includes which currently includes Tier 2 of the TSX-V), at the time of disposition, the Common Shares generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60 month period immediately preceding the disposition the following two conditions are met concurrently: (i) one or any combination of (a) the Non-Resident Holder, (b) persons with whom the Non-Resident Holder does not deal at arm’s length, and (c) partnerships in which the Non-Resident Holder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships owned 25% or more of the issued shares of any class or series of shares of the Company; and (ii) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from one or any combination of (a) real or immovable property situated in Canada, (b) “Canadian resource property” (as defined in the Tax Act), (c) “timber resource property” (as defined in the Tax Act), or (d) an option in

respect of, an interest in, or for civil law rights in, property described in any of (a) through (c), whether or not such property exists. In the case of the Warrants, Warrants may be “taxable Canadian property” to a Non-Resident Holder at a particular time if, at any time in the previous 60 months: (a) the Non-Resident Holder held Warrants that provided such Non-Resident Holder with the right to acquire 25% or more of the outstanding Common Shares or the Non-Resident Holder held shares of the Company at that time that satisfy the requirement in paragraph (i) above; and (b) the requirement in paragraph (ii) above is satisfied at that time.

Notwithstanding the foregoing, the Common Shares and Warrant may also be deemed to be taxable Canadian property to a Non-Resident Holder for purposes of the Tax Act in certain other circumstances. Non-Resident Holders should consult their own tax advisors as to whether their Common Shares or Warrant constitute “taxable Canadian property” in their own particular circumstances.

A Non-Resident Holder’s capital gain (or capital loss) in respect of a disposition of Common Shares or Warrants that constitute or are deemed to constitute taxable Canadian property to a Non-Resident Holder (and are not “treaty-protected property” as defined in the Tax Act) will generally be computed in the manner described above under the subheading “*Holders Resident in Canada — Disposition of Common Shares and Warrants*” and “*Capital Gains and Capital Losses*” as though the Non-Resident Holder were a Resident Holder. Non-Resident Holders whose Common Shares or Warrants are taxable Canadian property should consult their own tax advisors regarding the tax and compliance considerations that may be relevant to them.

THE FOREGOING SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE DESCRIPTION OF ALL TAX CONSEQUENCES THAT MAY BE RELEVANT TO PARTICULAR HOLDERS OF UNITS AND IS NOT TAX OR LEGAL ADVICE. HOLDERS OF UNITS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF ACQUIRING, HOLDING AND DISPOSING OF UNITS.

PLAN OF DISTRIBUTION

Under the Underwriting Agreement, the Company has agreed to sell, and the Underwriter has agreed to purchase, on the Closing Date, 2,615,400 Units at the Offering Price, payable in cash to the Company, against delivery of the Units, subject to compliance with all necessary legal requirements and to the conditions contained in the Underwriting Agreement.

The obligations of the Underwriter under the Underwriting Agreement may be terminated at its discretion upon the occurrence of certain stated events as set out in the Underwriting Agreement, including on the basis of a “disaster out”, “regulatory out” and “material change out” and upon the occurrence of certain other stated events. The Underwriter is, however, obligated to take up and pay for all of the Units (other than the Additional Units) if any of the Units are purchased under the Underwriting Agreement.

The Offering Price was determined by arm’s length negotiations between the Company and the Underwriter, with reference to the prevailing market price of the Common Shares.

The Company has granted to the Underwriter the Over-Allotment Option, exercisable in whole or in part in the sole discretion of the Underwriter at any time until the date which is 30 days following the Closing Date, to purchase up to an additional 392,310 Additional Units at a price of Cdn\$3.25 per Additional Unit, with each Additional Unit being comprised of one Additional Unit Share and one-half of one Additional Warrant. Each Additional Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one Additional Warrant Share at an exercise price of Cdn\$4.75 for a period of 24 months following the Closing Date. The Over-Allotment Option may be exercised by the Underwriter: (a) to acquire Additional Units at the Offering Price, or (b) to acquire Additional Warrants at a price of \$0.34 per Additional Warrant, or (c) to acquire any combination of Additional Units and Additional Warrants, so long as the aggregate number of Additional Warrants that may be issued under such Over-Allotment Option does not exceed 196,155 Additional Warrants. If the Over-Allotment Option is exercised in full for Additional Units, the total “Price to the Public”, the “Underwriting Commission” and the “Net Proceeds to the Company” (before deducting expenses of the Offering) will be Cdn\$9,775,057.50, Cdn\$586,503.45 and Cdn\$9,188,554.05, respectively. This Prospectus Supplement and the Prospectus also qualify the grant of the Over-Allotment Option and the distribution of the Additional Units.

The Units sold by the Underwriter to the public will initially be offered at the Offering Price. After the Underwriter has made a reasonable effort to sell all of the Units at the Offering Price specified on the cover page, the Underwriter may change the Offering Price to an amount not greater than the Offering Price set forth on the cover page, and the compensation realized by the Underwriter will be decreased by the amount that the aggregate price paid by the purchasers for the Units is less than the gross proceeds paid by the Underwriter to the Company. The Underwriter may decrease the price at which the Units are distributed from the Offering Price. Pursuant to the Underwriting Agreement, the Underwriter is obligated to purchase the Units at the prices and upon the terms stated therein and, as a result, bear any risk associated with changing the Offering Price or other selling terms.

Subscriptions for the Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Except in limited circumstances, the Units will be delivered electronically through the NCI system of CDS. On the Closing Date, the Company, via its registrar and transfer agent, will electronically deliver the Units registered to CDS or its nominee. Transfers of ownership of Common Shares must be effected through a CDS participant, which includes securities brokers and dealers, banks and trust companies. All rights of shareholders who hold securities in CDS must be exercised through, and all payments or other property to which such shareholders are entitled, will be made or delivered by CDS or the CDS participant through which the shareholder holds such securities. A holder of Units participating in the NCI system will not be entitled to a certificate or other instrument from the Company or the Company's registrar and transfer agent evidencing that person's interest in or ownership of securities, nor, to the extent applicable, will such holder be shown on the records maintained by CDS, except through an agent who is a CDS participant. The ability of a beneficial owner of securities to pledge such securities or otherwise take action with respect to such owner's interest in such securities (other than through a CDS participant) may be limited due to the lack of a physical certificate.

The Offering is being made concurrently in each of the provinces of Canada, excluding Québec. The Units will be offered in Canada through the Underwriter either directly or through its agents, as applicable. Offers and sales of Units outside of Canada will be made in accordance with applicable laws in such jurisdictions.

The Units, Unit Shares, Warrants and Warrant Shares have not been and will not be registered under the U.S. Securities Act or any United States state securities laws, and accordingly may not be offered, sold or delivered, directly or indirectly, in the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriter may offer and resell the Units that they have acquired pursuant to the Underwriting Agreement in the United States to, or for the account or benefit of, persons who are "qualified institutional buyers", as such term is defined in Rule 144A under the U.S. Securities Act, in compliance with Rule 144A thereunder and in compliance with applicable United States state securities laws. The Underwriter will offer and sell the Units outside the United States only in accordance with Rule 903 of Regulation S under the U.S. Securities Act. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Units, Unit Shares, Warrants and Warrant Shares, in the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Units, Unit Shares, Warrants and Warrant Shares in the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made other than in accordance with an exemption from such registration requirements. Any Units, Unit Shares, Warrants and Warrant Shares offered or sold in the United States will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and applicable United States state securities laws.

The Company has applied to list the Unit Shares, Warrant Shares, Additional Unit Shares, Additional Warrant Shares and Compensation Shares (as defined herein) on the TSX-V. The TSX-V has not conditionally approved the Company's listing application and there is no assurance the TSX-V will approve the listing application. Listing will be subject to the Company fulfilling all of the requirements of the TSX-V.

The Company has not applied and does not intend to apply to list the Warrants on the TSX-V or any other securities exchange. **There is no market through which the Warrants may be sold and purchasers may not be able to resell Warrants purchased under this Prospectus Supplement. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation.**

Pursuant to the Underwriting Agreement, the Company has agreed to (a) pay to the Underwriter the Underwriting Commission, being a cash commission equal to 6% of the aggregate gross proceeds from the issue and sale of the Units (including any Additional Units issued and sold pursuant to the exercise of the Over-Allotment Option) and issue to the Underwriter non-transferable compensation warrants (the “**Compensation Warrants**”) equal to 6% of the aggregate number of Units sold under the Offering (including any Additional Units issued and sold pursuant to the exercise of the Over-Allotment Option), and (b) pay the reasonable fees and expenses of the Underwriter in connection with the Offering. Each Compensation Warrant is exercisable into one Common Share (each, a “**Compensation Share**”) at the Offering Price for a period of 24 months following the Closing Date. This Prospectus Supplement also qualifies the distribution of the Compensation Warrants. Other than the Underwriter’s Commission and the Compensation Warrants, the Underwriter will not receive any other fee or commission from the Company in connection with the Offering.

The Company has agreed in the Underwriting Agreement that the Company will not, directly or indirectly, issue or sell any Common Shares or financial instruments convertible or exercisable into Common Shares or announce any intention to do so until the date which is 90 days after the Closing Date without the prior written consent of the Underwriter, such consent not to be unreasonably withheld or delayed, except in conjunction with: (i) the grant, conversion or exercise or vesting of stock options, restricted share units, deferred share units and other similar issuances pursuant to the equity incentive plans of the Company and other stock-based compensation arrangements including, for greater certainty the sale of any Common Shares issued thereunder; (ii) the exercise or conversion of outstanding warrants or convertible securities; or (iii) any obligation in respect of existing agreements.

The Company also agreed in the Underwriting Agreement that the Company will use its best efforts to cause each of its directors and officers to enter into lock-up agreements in a form satisfactory to the Company and the Underwriter, in both cases acting reasonably, which shall be negotiated in good faith and contain customary provisions, pursuant to which each such person agrees, among other things, to not, for a period of 90 days from the Closing Date, directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, or otherwise dispose of, or transfer, or announce any intention to do so, any Common Shares, now owned, directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of Common Shares, whether such transaction is settled by the delivery of Common Shares, other securities, cash or otherwise other than pursuant to a take-over bid or any other similar transaction made generally to all of the shareholders of the Company.

The Underwriting Agreement also provides that the Company will reimburse the Underwriter for certain expenses incurred in connection with the Offering and will indemnify the Underwriter, its affiliates and subsidiaries and their directors, officers, employees, shareholders, partners, agents and advisors against certain liabilities and expenses and will contribute to payments that the Underwriter may be required to make in respect thereof.

Pursuant to rules and policy statements of certain Canadian securities regulators, the Underwriter may not, at any time during the period ending on the date the selling process for the Units ends, bid for or purchase Common Shares. The foregoing restrictions are subject to certain exceptions including: (i) a bid for or purchase of Common Shares permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities; (ii) a bid or purchase made for or on behalf of a client, other than certain prescribed clients, provided that the client’s order was not solicited by the Underwriter during the period of distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities; and (iii) a bid or purchase to cover a short position entered into prior to the commencement of the prescribed restricted period. Consistent with these requirements, and in connection with the Offering, the Underwriter may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. If these activities are commenced, they may be discontinued by the Underwriter at any time. The Underwriter may carry out these transactions on the TSX-V, in the over-the-counter market or otherwise.

LEGAL MATTERS

Certain legal matters of Canadian law in connection with the Offering will be passed upon on behalf of the Company by Dickinson Wright LLP and on behalf of the Underwriter by Cassels Brock & Blackwell LLP. As of the date of this

Prospectus Supplement, the partners and associates of Dickinson Wright LLP and Cassels Brock & Blackwell LLP beneficially own, directly or indirectly, in the aggregate less than 1% of the issued and outstanding Common Shares.

INTEREST OF EXPERTS

The following persons or companies, whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company, are named in this Prospectus Supplement as having prepared or certified a report, valuation, statement or opinion in this Prospectus Supplement either directly or in a document incorporated by reference herein.

Charley Murahwi, MSc., P.Geo., FAusIMM and Richard Gowans, P.Eng. of Micon International Limited, and William N. Pearson, Ph.D., P.Geo., FGC (who is Executive Vice President, Exploration of the Company) are the “qualified persons” (within the meaning of NI 43-101) under the Technical Report. Other than William N. Pearson, who is Executive Vice President, Exploration of the Company, none of the aforementioned persons is currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company. Charley Murahwi and Richard Gowans held less than 1% of the securities of the Company or of any associate or affiliate of the Company when they prepared the Technical Report, did not receive any direct or indirect interest in any securities of the Company or of any associate or affiliate of the Company in connection with the preparation of such report and, as at the date hereof, held less than 1% of the securities of the Company. William N. Pearson held, when he prepared the Technical Report and as at the date hereof, an aggregate of 654,789 Common Shares, 300,000 stock options and 400,000 restricted share units of the Company. William N. Pearson did not receive any direct or indirect interest in any securities of the Company or of any associate or affiliate of the Company in connection with the preparation of such report.

RSM Canada LLP, Chartered Professional Accountants and Licensed Public Accountants, is the auditor of the Company and is independent of the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

TRANSFER AGENT AND REGISTRAR

TSX Trust Company is the transfer agent and registrar for the Common Shares, located at 301 - 100 Adelaide Street West, Toronto, Ontario, Canada, M5H 4H1.

STATUTORY AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus or a prospectus supplement relating to the securities purchased by a purchaser and any amendments thereto. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revision of the price or damages if the prospectus or a prospectus supplement relating to the securities purchased by a purchaser and any amendments thereto contain a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal adviser.

In an offering of Units, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in this Prospectus Supplement is limited, in certain provincial securities legislation, to the Offering Price. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the Warrants, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of this right of action for damages or consult with a legal adviser.

Under the Warrant Indenture, original Canadian purchasers of Warrants pursuant to the Offering will have a contractual right of rescission against the Company following the issuance of Common Shares to such original

purchasers upon the exercise of such Warrants. The contractual right of rescission will entitle such original purchasers to receive the amount paid for the Warrants and the amount paid upon exercise thereof upon surrender of the Common Shares gained thereby, in the event that this Prospectus Supplement or an amendment thereto contains a misrepresentation, provided that: (i) the exercise takes place within 180 days of the date of the purchase of the Warrants under this Prospectus Supplement; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the Warrants under this Prospectus Supplement. This contractual right of rescission will be consistent with the statutory right of rescission described under section 130 of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers under section 130 of the *Securities Act* (Ontario) or otherwise at law.

ELIGIBILITY FOR INVESTMENT

In the opinion of Dickinson Wright LLP, counsel to the Company, and Cassels Brock & Blackwell LLP, counsel to the Underwriter, based on the current provisions of the **Tax Act** and the Regulations, the Unit Shares, Warrants and Warrant Shares, if issued on the date hereof, would be qualified investments under the Tax Act and the Regulations for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan, a registered disability savings plan, a tax-free savings account (collectively referred to as the “**Plans**”) or a deferred profit sharing plan (a “**DPSP**”), each as defined in the Tax Act, provided that:

- (i) in the case of the Unit Shares and the Warrant Shares, the Unit Shares or Warrant Shares, as applicable, are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes Tier 2 of the TSX-V) or the Company qualifies as a “public corporation” (as defined in the Tax Act); and
- (ii) in the case of Warrants, the Warrant Shares are qualified investments as described in (i) above and neither the Company, nor any person with whom the Company does not deal at arm’s length for the purposes of the Tax Act, is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, the particular Plan or DPSP.

Notwithstanding the foregoing, the holder or subscriber of, or annuitant under, a Plan, as the case may be, (the “**Controlling Individual**”) will be subject to a penalty tax in respect of Unit Shares, Warrants or Warrant Shares held in the Plan if such securities are a “prohibited investment” (as defined in subsection 207.01(1) of the Tax Act) for the particular Plan. A Unit Share, Warrant or Warrant Share will generally be a prohibited investment for a Plan if the Controlling Individual does not deal at arm’s length (within the meaning of the Tax Act) with the Company or has a “significant interest” (as defined in subsection 207.01(4) of the Tax Act) in the Company. However, the Unit Shares and Warrant Shares will generally not be a “prohibited investment” if such shares are “excluded property” (as defined in subsection 207.01(1) of the Tax Act) for the Plan. Prospective investors to whom these rules may apply should consult their own tax advisors having regard to their particular circumstances.

CERTIFICATE OF THE COMPANY

May 16, 2022

The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada, other than Québec.

(Signed) “*Thomas Larsen*”
Chief Executive Officer

(Signed) “*Miles Nagamatsu*”
Chief Financial Officer

On behalf of the Board of Directors

(Signed) “*Alexander S. Horvath*”
Director

(Signed) “*Richard Stone*”
Director

CERTIFICATE OF THE UNDERWRITER

May 16, 2022

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated in this prospectus by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces of Canada, other than Québec.

CORMARK SECURITIES INC.

(Signed) “*Tyron Breytenbach*”

By: _____

Tyron Breytenbach

Managing Director, Investment Banking