

PEDRO RESOURCES LTD.

**CSE FORM 2A
LISTING STATEMENT**

October 29, 2021

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1. INTRODUCTION

This Listing Statement is furnished by and on behalf of management of Pedro Resources Ltd. (the “**Issuer**”) in connection with its application to list its common shares on the CSE.

Forward-Looking Statements

Unless otherwise indicated, use of the term “**Issuer**” refers to Pedro Resources Ltd. The information provided in this Listing Statement, including information incorporated by reference, may contain “forward-looking statements” in respect of the Issuer.

Cautionary Statement Regarding Forward-Looking Information

Forward-looking statements are based on the beliefs of the Issuer’s management, as well as on assumptions, which management believes to be reasonable based on information currently available at the time such statements were made. However, by their nature, forward-looking statements are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements are subject to a variety of risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation those risks outlined in Section 17 of this Listing Statement.

The list of risk factors set out in this Listing Statement is not exhaustive of the factors that may affect any forward-looking statements of the Issuer. Forward-looking statements are statements about the future and are inherently uncertain. Actual results could differ materially from those projected in the forward-looking statements as a result of the matters set out or incorporated by reference in this Listing Statement generally and certain economic and business factors, some of which may be beyond the control of the Issuer. In addition, events in the world economy and global financial and credit markets have resulted in high market and commodity volatility and a contraction in debt and equity markets, which could have a particularly significant, detrimental and unpredictable effect on forward-looking statements. The Issuer does not intend, and does not assume any obligation, to update any forward-looking statements, other than as required by applicable law. For all of these reasons, the Issuer’s securityholders should not place undue reliance on forward-looking statements. The Issuer undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation (see Section 17 – *Risk Factors*).

Units and Currency

All units of measurement in this Listing Statement are metric unless otherwise stated. Some historical records and figures that are disclosed in the Listing Statement are stated in Imperial measurements. Currencies are stated in Canadian dollars unless otherwise stated.

The term “ppm” refers to parts per million, which is equivalent to 1 gram per metric tonne (g/tonne); the term “ppb” refers to parts per billion. Some historic precious metal grades are reported in “oz/ton” which is ounces per short ton. “Ma” refers to million years, “Ga” refers to billion years. The symbol “%” refers to weight percent unless otherwise stated.

GLOSSARY

The following terms used in this Listing Statement have the meanings set forth below:

“**Acquisition**” means the share acquisition transaction between the Issuer, Voisey’s Bay and the shareholders of Voisey’s Bay pursuant to which the Issuer acquired all of the issued and outstanding common shares of Voisey’s Bay.

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

“**Board**” means the board of directors of the Issuer;

“**Closing**” means the completion of the purchase and sale of all of the Vendors Shares and other transactions contemplated in the Share Purchase Agreement in accordance with the terms and conditions of the Share Purchase Agreement.

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

“**Consideration Shares**” means the 8,000,000 Common Shares issued in consideration for the Vendors’ Shares, pursuant to the terms of the Share Purchase Agreement in connection with the Acquisition.

“**COVID-19**” means the novel strain of coronavirus, the outbreak of which began in 2019. See Section 3.3 “*Trends, Commitments Events or Uncertainties*” and Section 17 “*Risk Factors – COVID-19*”.

“**CSE**” or “**Exchange**” means the Canadian Securities Exchange.

“**Effective Date**” means the date the Exchange issues a final bulletin accepting the listing application.

“**Financing**” means the non-brokered private placement of 3,878,000 Units at a price of \$0.15 per Unit for gross proceeds of \$581,700. Each Unit is comprised of one Common Share and one-half of one Financing Warrant. Each Financing Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.30 per Common Share for a period of two (2) years from the closing of the Financing.

“**Financing Broker Warrants**” means the 96,780 Common Share purchase warrants of the Issuer exercisable to purchase 96,780 Common Shares at a price of CDN\$0.30 for a period of two (2) years from the date of issuance.

“**Financing Warrants**” means the 1,939,000 Common Share purchase warrants of the Issuer exercisable to purchase 1,939,000 Common Shares at a price of CDN\$0.30 for a period of two (2) years from the date of issuance.

“**Issuer**” or “**Pedro**” means Pedro Resources Ltd.

“**Issuer Property**” means the 13 prospective mineral licenses, comprising 721 claims (18,025 hectares) located in Newfoundland and Labrador, Canada acquired from Voisey’s Bay on closing of the Acquisition.

“**Listing Statement**” means this listing statement and including all information incorporated by reference herein together with all Schedules hereto.

“**Listing Date**” means the date of listing of the common shares of the Issuer.

“**Name Change**” means the name change of the Issuer from “Pedro Resources Ltd.” to “Voisey’s Bay West Nickel & Cobalt Corp.”, in accordance with the provisions of the BCBCA, to be effected by the Issuer following the Listing Date.

“**Named Executive Officer**” or “**NEO**” has the meaning attributed to those terms at “15. *Executive Compensation*” and “15.1 *Compensation of Executive Officers – A. Named Executive Officers*”, respectively;

“**OBCA**” means the *Business Corporations Act* (Ontario).

“**Option Plan**” means the stock option plan of the Issuer approved and confirmed by the shareholders at the annual and special meeting of shareholders held on March 26, 2021.

“**Share Purchase Agreement**” means the share purchase agreement dated November 27, 2020 between the Issuer, Voisey’s Bay and the shareholders of Voisey’s Bay.

“**Transfer Agent**” means Computershare Investor Services Inc.

“**Technical Report**” means National Instrument 43-101 technical report entitled “Technical Report on the Voisey’s Bay West Property, Labrador NTS Sheets 042D01, D02 and D07 56°17’ N. Lat., 062°50’ W. Long., for Pedro Resources Ltd.”, prepared by Mark Fekete, P. Geo and Derek Wilton, P. Geo.

“**Units**” mean the 3,878,000 units issued in connection with the Financing. Each Unit is comprised of one Common Share and one-half of one whole Financing Warrant.

“**Vale’s Property**” means the property located to the southwest of Vale’s Voisey’s Bay Mine in the province of Newfoundland and Labrador, Canada.

“**Vendors**” means collectively, the Voisey’s Bay Shareholders.

“**Vendors Shares**” means the 8,000,000 Voisey’s Bay Shares held collectively by the Vendors.

“**Voisey’s Bay**” means Voisey’s Bay West Nickel & Cobalt Corp., a private company formed under the laws of Ontario, whose sole asset is a 100% interest in the Issuer Property prior to completion of the Acquisition.

“**Voisey’s Bay Shares**” means the issued and outstanding common shares in the capital of Voisey’s Bay prior to the completion of the Acquisition.

“**Voisey’s Bay Shareholders**” means the shareholders of Voisey’s Bay prior to the completion of the Acquisition.

2. CORPORATE STRUCTURE

2.1 Corporate Name and Head and Registered Office

Pedro was incorporated under the name “Dessir Resources Ltd.” (“**Dessir**”) on February 3, 1988 under the laws of the BCBCA. On June 8, 1993, Dessir changed its name to Taurus Exploration Ltd. (“**Taurus**”). On November 26, 1997 Taurus changed its name to Trans Asia Resources Inc. (“**Trans Asia**”). On January 14, 2002, Trans Asia changed its name to Municipal Solutions Group, Inc. (“**Municipal**”). On October 16, 2009, Municipal changed its name to Cloudbench Applications, Inc. (“**Cloudbench**”). On December 24, 2009, Cloudbench changed its name to Basicgov Systems, Inc. (“**Basicgov**”). On September 29, 2010, Basicgov changed its name to “Pedro Resources Ltd.”, the Issuer’s current name. In each case, the name

changes were pursuant to notice of articles filed pursuant to the BCBCA. In connection with the Acquisition, the Pedro intends to change its name to “Voisey’s Bay West Nickel & Cobalt Corp.”. Pedro’s head office is located at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8. Pedro’s registered and records office is located at 1200 Waterfront Centre, 200 Burrard Street, P.O. Box 48600, Vancouver, British Columbia, V7X 1T2.

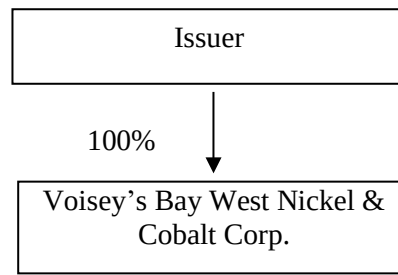
2.2 Jurisdiction of Incorporation

The Issuer was incorporated pursuant to the BCBCA as noted above.

Inter-corporate Relationships

Prior to the completion of the Acquisition, the Issuer had no subsidiaries.

Following the completion of the Acquisition described below in Section 3 – General Development of the Business, Voisey’s Bay will become a wholly-owned subsidiary of the Issuer. The corporate structure of the Issuer following completion of the Acquisition will be as follows:



2.4 Fundamental Change

The Issuer is not seeking to requalify for listing on the CSE. The organization chart of the Issuer and its subsidiaries following completion of the Acquisition is set out above in Section 2.3 – Inter-corporate Relationships.

2.5 Non-Corporate Issuers and Issuers Incorporated Outside of Canada

This section is not applicable to the Issuer as the Issuer is neither a non-corporate issuer nor an issuer incorporated outside of Canada.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development of the Issuer’s Business

The Issuer is a Canadian exploration company focused on mineral exploration and development.

Recent Developments

Following the entering of the Share Purchase Agreement, the Issuer completed the Acquisition and the Financing, all as described below in Section 3.2 – Significant Acquisitions and Dispositions. The Issuer will effect the Name Change following the Listing Date.

Events Occurring Subsequent to December 31, 2020 and Prior to Date of this Listing Statement

On March 26, 2021, the Issuer held an annual and special meeting of shareholders. At the meeting, shareholders approved, among other things, the appointment of Conan Taylor to the Board, and the Issuer making an application to voluntarily delist the Common Shares of the Issuer from the NEX board of the TSX Venture Exchange and to apply to list the Issuer's Common Shares on the CSE.

On June 29, 2021, the Issuer announced that it had applied to the NEX board of the TSX Venture Exchange to voluntarily delist the Common Shares of the Issuer. The Common Shares of the Issuer were delisted from the TSX Venture Exchange at the close of business on June 30, 2021.

On July 14, 2021, the Issuer announced that it had closed the Acquisition to acquire Voisey's Bay Shares pursuant to the terms of the Share Purchase Agreement. Voisey's Bay is a private company formed under the laws of Ontario, whose sole asset is a 100% interest in the Issuer Property. As consideration for the Acquisition, the Issuer issued the Consideration Shares at a deemed price of \$0.08 per Consideration Share to the Vendors. The Consideration Shares shall be subject to contractual resale restrictions providing that the Consideration Shares may only be sold, transferred, optioned, encumbered, pledged or hypothecated in any way, except as follows: (i) as to 1/6 on the date which is six months from the date of issuance; (ii) as to 1/6 on the date which is twelve months from the date of issuance; (iii) as to 1/6 on the date which is eighteen months from the date of issuance; (iv) as to 1/6 on the date which is twenty-four months from the date of issuance; (v) as to 1/6 on the date which is thirty months from the date of issuance; and (vi) as to 1/6 on the date which is thirty-six months from the date of issuance. In addition to the Consideration Shares, as consideration for the Acquisition, the Issuer will make three (3) equal cash payments in the amount of \$155,000 on each of the first three anniversaries of the closing date (the "**Cash Payments**"). The Cash Payments may be accelerated at the discretion of the Pedro Board. In connection with the Acquisition, the Issuer granted a 2.5% net smelter returns royalty ("**NSR**") in favour of a syndicate, subject to the ability of the Issuer to purchase 1% of the NSR (resulting in the remaining NSR being 1%) for a purchase price of \$1,500,000 at any time before fifth anniversary of the date of grant.

On September 15, 2021, the Issuer announced that it had closed the Financing through the issuance of 3,878,000 Units for aggregate gross proceeds of \$581,700.

Three Year History

Financial Year Ended December 31, 2020

On February 6, 2020, the Issuer announced that the transaction to acquire all of the assets of Enercube Switchgear Systems Inc. ("**Enercube**") and PowerHaz Energy Mobile Solutions Inc. ("**PowerHaz**"), from Cellcube Energy Storage Systems Inc. had been terminated due to Enercube filing for Bankruptcy on December 17, 2019, and the transaction was unable to proceed.

On May 10, 2020, the Issuer announced the resignation of John Dyer as a Director and Chief Financial Officer.

On May 29, 2020, the Issuer announced the appointment of Randy Koroll as the interim Chief Financial Officer and the appointment of Rejean Gosselin, M.Sc. as a director.

On June 25, 2020, the Issuer announced the appointment of Mr. Wesley Thompson as a director.

On August 26, 2020, the Issuer announced the resignation of Mr. Randy Koroll as the Interim Chief Financial Officer and Director, and the appointment of Ms. Fiona Fitzmaurice, CPA; ACCA; BA as the Issuer's new Chief Financial Officer. The Issuer further announced that current Director, Wesley Thompson, will be serving as Business Development advisor.

On November 27, 2020, the Issuer entered into a share purchase agreement (the "**Share Purchase Agreement**") with Voisey's Bay West Nickel & Cobalt Corp. ("**Voisey's Bay**") and the shareholders of Voisey's Bay (collectively, the "**Vendors**") pursuant to which the Issuer would acquire all of the issued and outstanding common shares of Voisey's Bay.

Financial Year Ended December 31, 2019

On January 15, 2019 the Issuer announced that the definitive purchase agreement entered into with Colorado Vanadium Corp. ("**Colorado Vanadium**"), and its shareholders, was terminated. In connection with the proposed acquisition of Colorado Vanadium, no funds were advanced to Colorado Vanadium or any of its related parties and the Issuer did not assume any contingent liabilities or guarantees.

On May 28, 2019, the Issuer announced the appointment of Brian Stecyk as Chief Executive Officer and member of the Board of Directors.

On August 9, 2019, the Issuer announced the appointment of Mr. Randy Koroll to the Board of Directors and the resignation of Ms. Glenda Kelly as a director of the Company.

On October 3, 2019 the Issuer announced entering into a non-binding term sheet (the "**Term Sheet**") pursuant to which, among other things, the Issuer agreed to purchase all of the assets of Enercube Switchgear Systems Inc. ("**Enercube**") and PowerHaz Energy Mobile Solutions Inc. ("**PowerHaz**"), subsidiaries of CellCube Energy Storage Systems Inc. (the "**Proposed Transaction**"), such assets being comprised of intellectual property, patents, trademarks, equipment and commercialization rights used in connection with the production of large and small vanadium redox flow batteries (the "**Assets**"). The Proposed Transaction is a Non-Arm's Length Transaction as the two companies share the same CFO, John Dyer. Consideration for the Assets consist of cash payment of \$1,750,000.00 and securities to be determined to acquire the Assets (the "**Purchase Price**"). The majority of the funds to satisfy the Purchase Price will come from a financing.

Financial Year Ended December 31, 2018

On February 16, 2018, the Issuer announced the appointment of Glenda Kelly to the Board of Directors and the resignation of John McCleery as a director.

On March 14, 2018, the Issuer announced the resignation of Lawrence Talbot as a director.

On July 16, 2018, the Issuer announced the acquisition of the Graysill Mine property ("**Graysill**") in the Colorado Plateau of Colorado, USA, consisting of 40 unpatented lode mining claims with a total area of 800 acres, and that it was working to update the existing 2014 NI 43-101 report on the Graysill property.

On October 17, 2018, 8,092,734 warrants were exercised at \$.125 per warrant for aggregate proceeds of \$1,011,683 to the Company.

3.2 – Significant Acquisitions and Dispositions

Overview of Acquisition

The closing of the Acquisition was completed on July 14, 2021 (the “**Closing Date**”) pursuant to which the Issuer acquired all of the issued and outstanding Voisey’s Bay Shares in accordance with the terms of the Share Purchase Agreement pursuant to which the Issuer agreed to:

- (1) issue to the Vendors an aggregate of 8,000,000 Consideration Shares on Closing;
- (2) grant pro-rata to the Vendors, or as they may each respectively direct, a two-and-one half percent (2.5%) net smelter return royalty, of which one-and-one half percent (1.5%) (such that the remaining royalty shall be reduced to one percent (1%)) may be purchased by the Issuer at any time, on or before the fifth (5th) anniversary of the Effective Date, in consideration of a \$1,500,000 cash payment; and
- (3) pay to the Vendors \$465,000, in 3 equal annual payments of \$155,000 each. These payments may be accelerated at the discretion of the Pedro Board.

Prior to Closing of the Acquisition, the Issuer’s Common Shares were listed and posted for trading on the NEX, and the Issuer was a reporting issuer in the Provinces of Alberta and British Columbia. Upon becoming listed on the CSE, the Issuer will be a reporting issuer in the Provinces of Alberta and British Columbia and Ontario.

Financing

On September 13, 2021, the Issuer completed the Financing of 3,878,000 Units at a price of \$0.15 per Unit for gross proceeds of \$581,700.

3.3 – Trends, Commitments, Events or Uncertainties

The Issuer’s main focus is on the exploration and development of the Issuer Property. The Issuer may continue to negotiate and acquire additional mineral properties which may be located in Canada or elsewhere. Also, depending upon the Issuer’s ability to continue to obtain necessary funding to conduct exploration and development activities on its mineral properties and upon the results from its exploration activities, it may consider “optioning”, disposing or abandoning any or a portion of these properties. The financing, exploration and development of any properties the Issuer proposes to acquire will be subject to a number of factors including the price of nickel, cobalt, copper or other minerals, applicable laws and regulations, political conditions, currency fluctuations, the hiring of qualified people and obtaining necessary services in jurisdictions where the Issuer operates. The current trends relating to these factors could change at any time and negatively affect the Issuer’s operations and business. Section 17 - *Risk Factors* for risk factors affecting the Issuer.

In addition to the risks outlined in Section 17 – *Risk Factors*, the outbreak of a novel strain of coronavirus (“**COVID-19**”) in December 2019 initially reported in China and subsequently spread to numerous other countries, including Canada, may have a material impact on the Issuer’s business. In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. The extent to which the coronavirus global pandemic impacts the business of the Issuer is highly uncertain and cannot be accurately predicted and will depend on future developments that are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of COVID-19 and the actions required to contain COVID-19 or remedy its impact, among others. As a result of COVID-19, unfavourable global conditions could adversely affect the Issuer’s business, financial condition or results

of operations. Results of operations could be adversely affected by general conditions in the global economy and in the global financial markets. The most recent global financial crisis caused extreme volatility and disruptions in the capital and credit markets. A severe or prolonged economic downturn, such as the most recent global financial crisis, could result in a variety of risks to the Issuer's business, including ability to obtain necessary funding to conduct exploration and development activities, the results from its exploration activities, and ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy could strain the Issuer's suppliers, possibly resulting in supply disruption, or cause delays in payments for the Issuer's services by third-party payors or the Issuer's collaborators. Any of the foregoing could harm the Issuer's business and it cannot anticipate all of the ways in which the current economic climate and financial market conditions could adversely impact the Issuer's business.

Other than as stated above, there are no trends, commitments, events or uncertainties known to management which could reasonably be expected to have a material effect on the Issuer's business, financial condition or results of operations. Further, there are significant risks associated with the business of the Issuer (see Section 17 – *Risk Factors*).

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 – Narrative Description of the Issuer's Business

Business Objectives and Milestones

The primary business objective of the Issuer is to explore and further develop the Issuer Property. Furthermore, the Issuer intends to continue to increase its portfolio of mineral assets through acquisitions that are expected to be comprised of other base and precious metal projects with the ultimate goal being bringing one of such projects into production.

The Issuer will use its available capital to finance exploration and development on the Issuer Property as further described in the "Summary of Technical Report – Recommendations". and for general working capital purposes. The Issuer's immediate short-term objectives will be to undertake Phase 1 and Phase 2 of the exploration plan outlined in the Technical Report (*See 4.3 Mineral Properties—Technical Report Recommendations*).

The Issuer's long-term objectives will be to:

- (a) determine if an economic mineral deposit exists on the Issuer Property;
- (b) find one or more economic mineral deposits and bring them to commercial production; and
- (c) deliver a return on capitalization to shareholders.

The Board may, in its discretion, approve asset or corporate acquisitions or investments (including acquisitions outside the mining industry) that do not conform to these guidelines based upon the Board's discretion, in accordance with prescribed legal requirements.

On November 27, 2020 the Issuer entered into the Share Purchase Agreement with Voisey's Bay and the Vendors to acquire all of the shares of Voisey's Bay, an Ontario company that owned 100% of the Issuer Property. The Issuer's business objectives and timeframes that it expects to accomplish in the forthcoming 12-month period are as follows:

Timeframe	Business Objectives	Estimated Costs
0 to 6 months	Undertake Phase 1: Geologist Data Review, Stream Sediments-ICP-AES Geochemistry and SEM-MLA, to identify targets for a next phase airborne survey and ground geological work (seasonal access only)	\$81,000
6 to 12 months	Data analysis and preparation for Year 2 exploration plan	\$25,000

Milestones

During the last 36 months, Voisey's Bay has spent approximately \$100,050 on the Issuer Property. To pursue the foregoing business objectives, the Issuer will target the milestones and conduct the recommended exploration programs set forth in the Technical Report.

Use of Available Funds

The following funds are available to the Issuer:

Description of Funds	Amount
Estimated working capital of as of September 30, 2021	\$369,408 ⁽¹⁾
Less expenses and costs of the Acquisition	(\$155,000)
Total available funds:	\$214,408

Note:

- (1) The net proceeds from the Financing were \$566,883 after the deduction of approximately \$14,817 in finder's fees and expenses.

The Issuer will use the funds available to it to further its business objectives. Specifically, the Issuer will use the funds available to it as follows:

Principal Purpose of Funds	Amount
Exploration Expenses – Geophysical and Geochemical	\$106,000
General and administrative expenses	\$92,700
Unallocated working capital ⁽¹⁾	\$15,708
Total	\$214,408

A summary of the estimated annual general and administrative costs for the 12 months immediately following the listing of the Issuer on the Exchange is as follows:

Item	Amount
Professional fees (legal, accounting, tax)	\$60,000
Consulting fees (management and administration)	\$15,000
Corporate and shareholder communications	\$5,000
Rent	\$Nil
Office (supplies, services, travel)	\$3,000
Marketing and promotion	\$3,500
Transfer agent and regulatory fees	\$5,000
Insurance	\$1,200
Director Fees	\$Nil
Total	\$92,700

Management's intention is to proceed with the recommended exploration at the Issuer Property. It is possible, however, that some portion of the Issuer's available funds allocated for such work programs will be devoted to other acquisition, development or exploration opportunities identified by the Issuer from time to time. Due to the nature of the business of mineral exploration, budgets are regularly reviewed with respect to both the success of the exploration program and other opportunities which may become available to the Issuer. Accordingly, the Issuer may abandon in whole or in part any of its property interests or may, as work progresses, alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for the purpose of conducting work or examining other properties acquired by the Issuer, although the Issuer has no present plans in this respect.

4.2 – Asset Backed Securities

The Issuer does not have any asset-backed securities outstanding.

4.3 – Mineral Properties

Overview

Issuer Property

The Issuer Property is located to the southwest of the Vale's Property. The Vale's Property has been in production since 2005 as an open pit (Ovoid) with underground operations (Eastern Deepes and Reid Brook) to commence 2021. The mine has proven and probable geological resources (2018) of 32.4 million tonnes ore grading 2.13 % Ni (691 kilotonnes (kt)), 0.96% Cu (312 kt) and 0.13% Co (42 kt). The mineral resources and mineral reserves reported above are with respect to a property adjacent to the Issuer Property. These mineral resources and mineral reserves are not consistent with current CIM definitions for mineral resources and mineral reserves as required for disclosure by NI 43-101. The Qualified Persons have not completed sufficient work to verify the historic information on the adjacent property, particularly with regards to historical sampling and regional government-mapped geology and are not aware of the code(s) employed

in the estimates of the mineral resources and mineral reserves on the adjacent property. As a result, the Qualified Persons cannot comment of the differences between those codes and current CIM definitions for mineral resources and mineral reserves. The information with respect to the adjacent property is not necessarily indicative of mineralization on the Issuer Property.

The Issuer Property was proposed by a consortium of former senior Vale employees and consultants who had worked on the Issuer Property deposit and is based on regional compilations of geological and geophysical data incorporating the most recent Vale's Property models. Portions of package had been explored in a reconnaissance manner between 1995 and 1998.

As part of due diligence for the Acquisition, the Company commissioned the Technical Report. The Authors noted that, although at a preliminary stage, the Issuer Property merits additional exploration based on:

- the Issuer Property is located in an area with lithologies and regional structures favourable for Vale's Property-type Ni-Cu-Co deposits but has not had seen any property-wide systematic mapping or rock sampling;
- compilations of historic airborne magnetic and electromagnetic surveys have identified numerous geophysical anomalies that remain untested by surface sampling or drilling; and
- rock types favourable for the style of mineralization typical of the Vale's Property deposits have been identified on the property.

Both nickel and cobalt are key components in clean energy technologies particularly in the production of electric vehicles (EV's).

Technical Report

Upon completion of the Acquisition, the Issuer Property is the only material property of the Issuer. Unless otherwise indicated, the following summary is extracted from, and qualified in its entirety with reference to the full text of, the National Instrument 43-101 Technical Report entitled "Technical Report on the Voisey's Bay West Property, Labrador NTS Sheets 042D01, D02 and D07 56°17' N. Lat., 062°50' W. Long., for Pedro Resources Ltd.", which is incorporated by reference herein.

The Technical Report has been filed with certain Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review on the System for Electronic Document Analysis and Retrieval ("SEDAR") developed by Canadian Securities Administrators, which is accessible to investors online at www.sedar.com. A copy of the Technical Report may be inspected during normal business hours at the Toronto offices of the Issuer at 145 Wellington Street West, Toronto, Ontario, M5J 1H8.

The scientific and technical information contained in this Listing Statement concerning the Issuer Property, including under the heading "*Summary of Technical Report*", below, has been reviewed and approved by Mark Fekete, P. Geo. and Derek Wilton, P. Geo., each of whom is a "qualified person" for purposes of NI 43-101, and is independent of the Issuer and Voisey's Bay.

Summary of Technical Report

The Issuer Property is the material property of the Issuer, as summarized in the technical report (the “**Report**”) on the Voisey’s Bay West Property (the “**Property**”) which was prepared for Pedro by Mark Fekete, P. Geo. (“**Mr. Fekete**”), an independent “Qualified Person” under the terms and definitions of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”), and by Derek Wilton, P. Geo. (“**Dr. Wilton**”), a non-independent “Qualified Person” under the terms and definitions of NI 43-101 (Mr. Fekete and Dr. Wilton are collectively referred to as the “**Authors**”). The Report was prepared according to the criteria of the Canadian Securities Administrators’ of NI 43-101.

The purpose of the Report is to provide the Issuer with:

- a) an independent technical review of historical and current exploration work on the Property;
- b) an evaluation of the exploration potential of the Property; and
- c) recommendations for further exploration on the Property.

The “**Effective Date**” of the Report is November 12, 2020 based on information known to the Authors as of that date. Seasonal weather conditions and travel restrictions related to the Covid-19 pandemic prevented a site visit by Mr. Fekete. Dr. Wilton inspected the Property in July 2019. Mr. Fekete prepared all sections of the Report except those sections related to the site inspection done by Dr. Wilton over a five-day period ending July 24, 2019. The site visit included field checks for access, the inspection of historic drill pads, geological examinations at various outcrops/gossans at or near the Property and the collection of stream sediment samples.

The Property is in Labrador about 60km southwest of the Village of Nain, and 390km north-northwest of Happy Valley-Goose Bay in the Province of Newfoundland and Labrador (“**NL**”). It covers parts of NTS Sheets 042D01, D02 and D07 and is geographically centered 56°17’ North latitude, 062°50’ West Longitude at an elevation of roughly 285 m above sea level. Currently the Property consists of 721 claims comprising 13 Licences which are all in good standing. Pedro plans to acquire the property from Voisey’s Bay West Nickel & Cobalt Corp. and this Report is part of its due diligence.

The Voisey’s Bay West Property is remote and is generally accessible only by helicopter. At this stage, exploration work is conducted out of Nain, an Inuit village located 60km northeast of the Property. The climate and physiography limit surface surveys to early June until late September, whereas diamond drilling and airborne geophysical surveys may be completed at any time of the year.

Portions of the Voisey’s Bay West Property have been intermittently explored by various companies beginning in 1995 until 2008, following the discovery of the Voisey’s Bay nickel-copper-cobalt deposits. This work consisted mainly of airborne geophysical surveys followed by limited prospecting, mapping and ground geophysical surveys and shallow diamond drilling.

The Property straddles the Mid-Proterozoic Nain Plutonic Suite and Tasiuyak paragneiss of the Churchill Province. The Nain Plutonic Suite is characterized predominantly by anorthosite and granitoid rocks. It includes a small percentage troctolitic and gabbroic rocks which are an important host to mineralization at the Voisey’s Bay deposits. Locally the property is underlain mainly by quartzo-feldspathic gneiss and migmatite to the west and Fe-rich gabbros and diorites to the east. Mineralization found on the Property to date consists of disseminated to semi-massive pyrite and pyrrhotite with small amounts of chalcopyrite and pentlandite. Several of these mineralized zones have returned anomalous but not economically significant copper and nickel values.

Exploration on the Property is directed generally at magmatic Ni-Cu-Co-PGE type deposits and specifically for Ni-Cu-Co-PGE deposits like the Voisey's Bay deposits located 20km northeast of the Property. Current exploration over the Property includes:

- a) a PhotoSat satellite survey that produced high resolution orthophotographic image and a high accuracy digital terrain map in 2018;
- b) a compilation of 33 individual previously flown frequency domain HEM surveys that identified and classified numerous EM anomalies according to apparent conductivity in 2018; and
- c) a stream sediment sampling program in 2019.

The Authors have reviewed and analyzed data provided by the Issuer as well as publicly available assessment reports by previous workers on or in the vicinity of the current Property. The Authors have taken reasonable steps to verify the information where possible.

Although it is at a preliminary stage, the property merits additional exploration based on the following:

- a) the Property is located in an area with lithologies and regional structures favourable for Voisey's Bay-type Ni-Cu-Co-PGE deposits but has not had seen any property-wide systematic mapping or rock sampling;
- b) previous surface sampling and drilling has located numerous sulphide-bearing zones; although these zones have not returned economic metal grades, some have returned anomalous copper and nickel values;
- c) compilation of historic airborne magnetic and electromagnetic surveys has identified numerous geophysical anomalies that remain untested by surface sampling or drilling;
- d) the merged frequency domain-type EM surveys provide limited detection and depth penetration; a time-domain EM survey such as VTEM™ will provide better detection and depth penetration; a single airborne survey over the entire Property will avoid the assumptions required to level and merge data from multiple small surveys;
- e) stream sediment and till sample geochemistry has proved effective in the Voisey's Bay area; SEM-MLA analysis provides enhanced data for these samples beyond geochemical analysis; and
- f) further exploration using more refined, technologically advanced methods such VTEM™ and SEM-MLA not previously available could reasonably be expected to generate new exploration targets.

A two-phase program is recommended further exploration of the Property consisting of:

- a) Phase 1: continued compilation of previous geophysical and geochemical work, and ICP-AES geochemistry and SEM-MLA analysis of the 2019 stream sediment samples with the goal of generating prospecting targets for Phase 2; and
- b) Phase 2: a VTEM™ survey over the entire Property to detect more surface geophysical targets for prospecting, and to identify EM conductors at depth for future testing by diamond drilling, and also a two-week program of prospecting, geological and geochemical surveys to test the surface targets generated by the Phase 1 work and the VTEM™ survey.

The proposed expenditures for the first phase of exploration are estimated at \$120,175, and \$548,780 for the second phase."

Property Location and Description

Location

The Property is in Labrador about 60km southwest of the Village of Nain, and 390km north-northwest of Happy Valley-Goose Bay (Figure 1) in the Province of Newfoundland and Labrador (“**NL**”). It covers parts of NTS Sheets 042D01, D02 and D07 and is geographically centered 56°17’ North latitude, 062°50’ West Longitude at an elevation of roughly 285 m above sea level.

The Property lies within Labrador Inuit Settlement Area, which is a 56,721 km² land claims area under joint control of the government of Newfoundland and Labrador and the Nunatsiavut Government. Nunatsiavut (“**Our Beautiful Land**” in Inuktitut) is the autonomous area of Northern Labrador governed by the Nunatsiavut Government (“**NG**”). Exploration permits will be required from both NG and NL government. An Exploration Permit will be required to complete the work proposed in section 18.0 of this report.

To the Authors’ knowledge, there are no significant environmental liabilities on the Property nor is there any record that historical mining has occurred on the Property.

Mineral Lands Administration

The acquisition of mineral rights in NL is by online map staking by accessing the staking section of the Province’s Mineral Rights Administration System (MIRIAD, n.d.). The basic unit in map staking is the “Claim”, which is 500 metres by 500 meters square, and approximately 25 hectares in size. The application for a “Licence” can be for a maximum of 256 claims, with all claims coterminous.

The Newfoundland and Labrador Mineral Act (“**Mineral Act**”) provides the licence holder of the claims with exclusive right to explore for all minerals, in, on or under the area of land described in the licence from the date of issuing for the period of five years. The licence may be held for a maximum of twenty years provided the required annual assessment work is completed and reported on and the mineral exploration licence is renewed every five years.

The minimum annual assessment work required to be done on a licence is:

- a) \$200/claim in the first year;
- b) \$250/claim in the second year;
- c) \$300/claim in the third year;
- d) \$350/claim in the fourth year;
- e) \$400/claim in the fifth year;
- f) \$600/claim for years six to ten inclusive;
- g) \$900/claim for years eleven to fifteen inclusive; and
- h) \$1200/claim for years sixteen to twenty inclusive.

The renewal fees are:

- a) \$35/claim for year five;
- b) \$50/claim for year ten; and
- c) \$100/claim for year fifteen.

It should be noted that the Mineral Act is applied in conjunction with the Labrador Inuit Land Claims Agreement Act. Mineral exploration in Labrador Inuit Lands must also follow Newfoundland and Labrador Regulation 39/07 Mineral Exploration Regulations under the Labrador Inuit Land Claims Agreement Act.

This includes prior notice with a detailed description of the exploration activity and consultations with the Newfoundland and Labrador Department of Natural Resources and the Department of Lands and Natural Resources of the Nunatsiavut Government with regard to the impact of planned exploration on water, historic sites and wildlife resources. An exploration program that may cause disturbance to wildlife or wildlife habitat must have an Exploration Approval before the activity can be undertaken.

If a mineral resource is identified, the licence holder can apply to the Minister of Natural Resources for Mining Leases and Surface Leases to facilitate development activities. The Mineral Act also requires that companies incur annual work expenditures or make cash payments in lieu of such work expenditures to maintain mineral claims in good standing.

Property Description

The Property consists of 721 claims comprising 13 Licences (Figure 2). Pedro plans to acquire the Property from Voisey's Bay West Nickel & Cobalt Corp. and this Report is part of its due diligence for that acquisition. None of the Licences or claims that comprise the Property have undergone a legal survey. It is important to note that the Property is located to the southwest of nickel-copper-cobalt deposits owned and operated by Vale Canada Limited (Figure 1).

A portion of the Property includes eight Licences totaling 174 Claims that were acquired in August of 2017 through online map-staking by a Newfoundland-based syndicate known as the North Atlantic Mineral Group. These Licences were sold by North Atlantic Mineral Group to Voisey's Bay West Nickel & Cobalt Corp. in the spring of 2018, for cash consideration of \$50,000 and a 2.5 percent net smelter royalty ("NSR") of which 1.5 percent may be purchased back for \$1.5 million for a period of five years following commercial mining. These Licences are registered in the name of Voisey's Bay West Nickel & Cobalt Corp. (Table 1). Following this transaction, Voisey's Bay West Nickel & Cobalt Corp. staked additional Licences under the same agreement with North Atlantic Mineral Group. In 2019 these additional Licences were allowed to lapse. In November 2019, Voisey's Bay West Nickel & Cobalt Corp. proceeded to stake some of the key claims that had lapsed for a total of 547 new claims. These five new Licences are registered in the name of Dawn Evans-Lamswood (Table 1).

Current Mineral Licence Tenure

Eight of the 13 Licences have had their first year of work costs filed, using a report on the PhotoSat surveys completed in 2018. These eight licences also had second year assessment work filed on them. A report, based on a 2019 silt sampling program, has been also been filed. Assessment credits have been updated online for Year-2 with excess credits applied to Year-3. Interim assessment reports and application for Covid-19 assessment credits from the Department of Natural Resources has been filed.

To maintain the Property claims in good standing beyond their respective expiry dates of October 15, 2021 and January 6, 2022, the Company must complete expenditures as detailed in Table 2. The Authors caution that Pedro will be required on acquisition of the Property to conduct timely filing and approval of assessment filings and exploration permits from the Department of Natural Resources, as outlined above, in order to maintain the property claims/licences in good standing. It is anticipated that, assuming the assessment report and associate costs are approved, the Property licences will remain in good standing until late 2020 or early 2021 without further work or payments. The Authors are not aware of any other significant factors or risks potentially affecting access, title, or the right or ability to perform exploration on the Property.

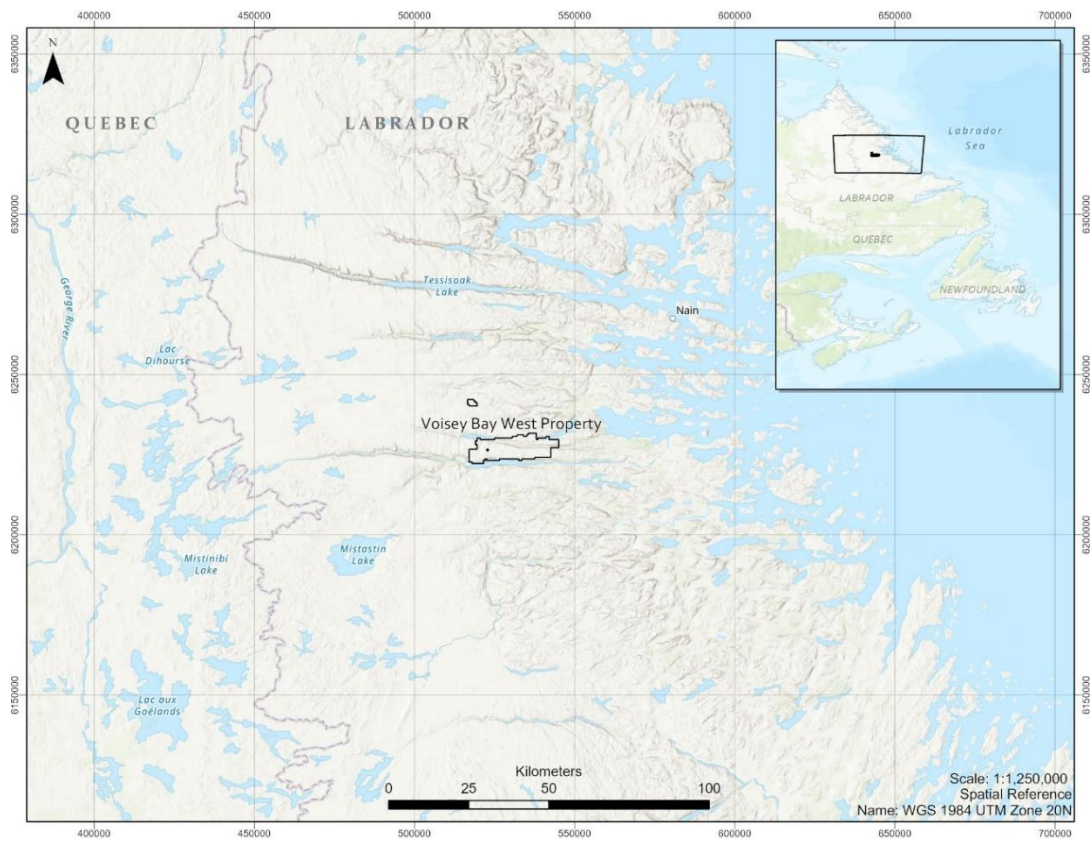


Figure 1: Property location

Table 1: Property Mineral Licences

Licence	Claim Holder	Location	# Claims	Issue Date	Report Due	NTS Sheet
025330M	Voisey's Bay West Nickel & Cobalt Corp.	Ikadlivik Brook	20	2017-08-14	2021-10-14	14D07
025331M	Voisey's Bay West Nickel & Cobalt Corp.	Konrad Brook	24	2017-08-14	2021-10-14	14D02
025327M	Voisey's Bay West Nickel & Cobalt Corp.	Konrad Brook	30	2017-08-14	2021-10-14	14D01
025333M	Voisey's Bay West Nickel & Cobalt Corp.	Cabot Lake	30	2017-08-14	2021-10-14	14D02
025328M	Voisey's Bay West Nickel & Cobalt Corp.	Konrad Brook	30	2017-08-14	2021-10-14	14D01
025332M	Voisey's Bay West Nickel & Cobalt Corp.	Cabot Lake	18	2017-08-14	2021-10-14	14D02
025334M	Voisey's Bay West Nickel & Cobalt Corp.	Cabot Lake	10	2017-08-14	2021-10-14	14D02
025329M	Voisey's Bay West Nickel & Cobalt Corp.	Konrad Brook	12	2017-08-14	2021-10-14	14D01
027462M	Evans-Lamswood, Dawn	Cabot Lake	47	2019-11-07	2022-01-06	14D02
027463M	Evans-Lamswood, Dawn	Konrad Brook	182	2019-11-07	2022-01-06	14D01,02
027465M	Evans-Lamswood, Dawn	Konrad Brook/ Cabot Lake	203	2019-11-07	2022-01-06	14D01
027466M	Evans-Lamswood, Dawn	Konrad Brook/ Cabot Lake	34	2019-11-07	2022-01-06	14D01
027467M	Evans-Lamswood, Dawn	Cabot Lake	81	2019-11-07	2022-01-06	14D01,02

Table 2: Current Mineral Licence Tenure

Licence	Issue Date	Next Report Due	Year 1 Expenditures Applied	Year 2 Expenditures Applied	Year 3 Expenditures Amount Due	Year 4 Expenditures Amount Due
			2018	2019	2020	2021
025327M	2017-08-14	2020-10-14	\$6,000	\$11,246.89	\$9,000	-\$6,753.11
025328M	2017-08-14	2020-10-14	\$6,000	\$11,246.89	\$9,000	-\$6,753.11
025329M	2017-08-14	2020-10-14	\$2,400	\$4,498.76	\$3,600	-\$2,701.24
025330M	2017-08-14	2020-10-14	\$4,000	\$7,497.93	\$6,000	-\$4,502.07
025331M	2017-08-14	2020-10-14	\$4,800	\$8,997.51	\$7,200	-\$5,402.49
025332M	2017-08-14	2020-10-14	\$3,600	\$6,748.14	\$5,400	-\$4,051.86
025333M	2017-08-14	2020-10-14	\$6,000	\$11,246.89	\$9,000	-\$6,753.11
025334M	2017-08-14	2020-10-14	\$2,000	\$3,748.96	\$3,000	-\$2,251.04
			2020	2021		
027462M	2019-11-07	2021-01-06	\$9,400	-\$11,750		
027463M	2019-11-07	2021-01-06	\$36,400	-\$45,500		
027465M	2019-11-07	2021-01-06	\$40,600	-\$50,750		
027466M	2019-11-07	2021-01-06	\$6,800	-\$8,500		
027467M	2019-11-07	2021-01-06	\$16,200	-\$20,250		

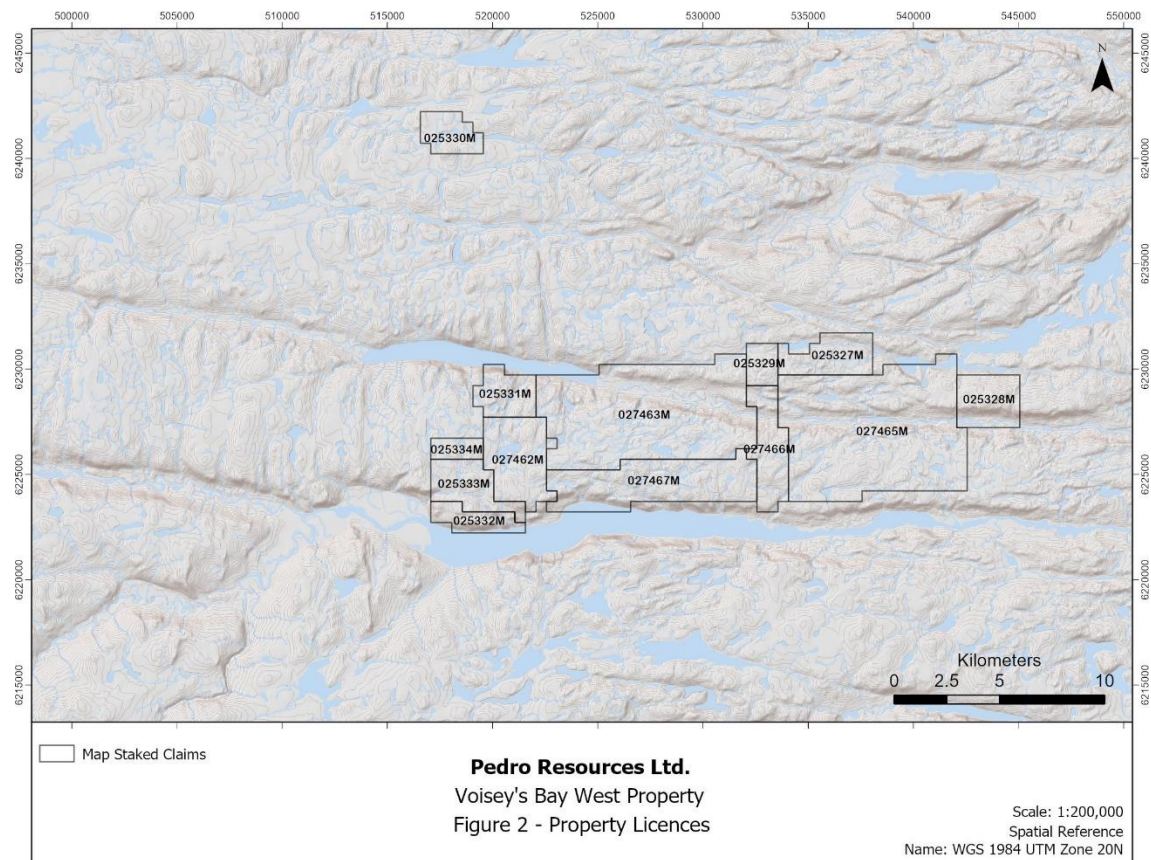


Figure 2: Property mineral licences

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access

For practical purposes, the Property is accessible only by helicopter. Float planes and boats may be utilized on a few of the deep lakes such as Cabot Lake. The centre of the Property is located approximately 60km to the southwest of the town of Nain (population 1,125; 2016 census) and 390km from the city of Happy Valley-Goose Bay (population 8,109; 2016 census). Nain is an Inuit community and hosts most government departments of the Nunatsiavut Government and is among the oldest permanent Inuit settlements in Canada.

Climate

The climate in the project area is comprised of four distinct seasons. Spring and Fall are characterized by a mix of warm and sunny days and cool nights. Summers (July-August) are moderately cool with average daily temperatures in the range of 5 to 15°C. Winters can be very cold, typically dropping below -20°C with extremes down to -39°C. The average daily temperatures in Nain in July and January are 10.1°C and -17.6°C, respectively. Record extremes for summer and winter are 33.3°C and -41.5°C, respectively. Precipitation in Nain is moderate, varying from 57.0mm to 98.6mm per month, and averaging 925.4mm per year (source (Environment and Natural Resources, Canada, n.d.)). The typical surface geological and prospecting field season extends from early June until late September, but diamond drilling and geophysical surveys may be completed during winter. Wind and fog can exacerbate weather conditions.

Local Resources and Infrastructure

Infrastructure in the area is limited and mostly restricted to Vale's Voisey's Bay mine site and port, located immediately to the northeast. Scheduled commercial flights to Nain are available from Happy Valley-Goose Bay with Air Borealis. Between mid-June and mid-November, a weekly ferry service is available from Happy Valley-Goose Bay. Happy Valley-Goose Bay is a full-service community with grocery and fuel services, a hospital, a government serviced airport with air traffic control, motel accommodations, drilling contractors, geophysical contractors, expediting, and heavy equipment services.

The large size of the Property is sufficient to accommodate potential mining facilities, mill processing sites, and waste disposal sites. There is enough water to supply exploration camps, including potential drilling, and mining and milling operations.

Physiography

The outstanding topographic features of the Property area are two deeply incised, narrow east-trending valleys that form major river and lake systems (Figure 2). These are specifically, the Kogaluk River and Cabot Lake to the south, and Konrad Brook and Lake to the north.

The Property is in an area comprised of largely bare exposed bedrock. Outcropping rock is very abundant at higher elevations on the plateaux and along the valley walls of the rivers and lakes. Outcrop is poor in low-lying valley areas due to till and vegetation cover.

Elevations range from approximately 40 metres above sea level along lake shores to 400-500 m above sea level on the plateaux above the lakes/ivers. At higher elevations vegetation is rare and consists of moss and small shrubbery. At lower elevations, vegetation is typical of northern Labrador and consists of locally thick undergrowth of alders and tuckamore.

History

Exploration Work Prior to Current Property

Portions of the Voisey's Bay West Property have been intermittently explored by various companies beginning in 1995, following the discovery of the Voisey's Bay nickel-copper-cobalt deposits. Most of these exploration works were completed between 1995 and 2001. A total of 52 assessment reports covering the area of, and including, the current Property were reviewed for the purposes of this Report. Table 3 summarizes each assessment report reviewed. Due to the large size of the Property and surrounding areas of interest as well as the number of scattered and sometimes brief exploration campaigns, only the salient and most prospective exploration programs are summarized below and listed in the reference section. Where applicable, the assessment file reference number is cited rather than the report author.

Dates of the work completed in assessment reports span over 10 years, from 1995 to 2008. Work completed in the early years of the Voisey's Bay discovery was dominantly prospecting and sampling of gossans (Table 3). Grab, chip and channel sampling conducted by various companies during this period exposed gossans, mafic dykes and sulphide lenses within exposed gabbro and gneissic layers, and returned anomalous assay results for nickel, copper, cobalt, zinc, gold and silver.

Geophysical surveys have been completed to some degree adjacent to and throughout the area of the Property (Table 3) including airborne frequency domain EM, MAG and GRAV surveys, and ground MAG, UTEM, HLEM (MAX-MIN) and VLF surveys. Limited IP_RES and ground GRAV surveying was also done.

In the Cabot Lake area, 20 confirmed diamond drill holes were completed from 1996 to 2001 (Table 3). In 1996, Cartaway Resources Corp. drilled 396.6m in two DDH to test a prominent limonitic gossan with coincident ground MAG and MAX-MIN anomalies (AR 014D_0193). Gallery Resources Ltd. completed three drill campaigns in the Cabot lake area from 1997 to 2000. In 2000, the company drilled 1,804.8m in 13 DDH to test targets generated by surface sampling and geophysical surveys. The drilling intersected numerous intervals of sulphide mineralization generally without significant copper, nickel or cobalt values except for one sample that returned 0.27% copper in hole CL-09 (AR 14D_092 and AR 14D_092). The width of this sample and its depth in the hole are not indicated in the drill log. Gallery also reported 2100.0m of drilling in an uncertain number of holes (1996 AR 014D_103). This drilling could not be confirmed because several pages including drill hole maps and summary tables are missing from the assessment report. In 1996, Western Premium Resources Ltd. drilled 1090.5m in five DDH on its property, and another 600.0m in one hole as a joint venture with Gallery Resources Ltd. on the property boundary (AR 014_0269). The drilling was done to test the extent and tenor of pyrrhotite and chalcopyrite mineralization found on surface associated to geophysical anomalies within the Cabot Lake intrusion. Numerous sulfide-bearing horizons were intersected but assayed only weak concentrations of copper, nickel and cobalt.

In the Konrad Lake area, 12 confirmed drill holes were completed from 1996 to 2008 (Table 3). In 1995, International CanAlaska Resources Ltd. drilled 614.0m in six DDH to test the “West Gossan” and “Eastern EM Anomaly” (AR 014_0165). An 8.0m wide interval of pyrrhotite was intersected at the West Gossan. This interval returned slightly anomalous copper values but only weak values for nickel and cobalt. In 1996, Columbia Yukon Resources Ltd. drilled 722m in six DDH drill holes near the northeastern quadrant of the current Property to test surface mineralization and ground MG and MAX_MIN anomalies. Although numerous intervals of disseminated to semi-massive sulphides were encountered, only two notable intersections were reported in DDH 1866-01 including 0.20% zinc over 4.9m from 6.0m, and 0.29% zinc over 2.4m from 18.6m (Lab_1332).

In the Makhavinek Lake area, 17 confirmed drill holes were completed from 1996 to 2007 (Table 3). Columbia Yukon Resources and partner International CanAlaska Resources Ltd. drilled 850.0m in nine DDH in 1997. Sampling was focused on gold and silver mineralization, rather than copper, nickel and cobalt mineralization. Assay results returned a range of silver values from 0.5 to 4.5 g/tonne with gold ranging from 1.0 to 5.0 g/tonne within the intersected mineralized hanging wall (014D_0179). In 2006, Celtic Minerals Ltd. drilled 2897.3m in four holes (AR 014D_0308), and in 2007 drilled 1,512.0m in two drill holes (AR 014D_0319). These six holes targeted deep geophysical targets. None of them intersected significant sulfides and no core samples were collected.

Voisey’s Bay West Nickel & Cobalt Corp., 2018 to 2019

Upon acquiring the Property in the spring of 2018, Voisey’s Bay West Nickel & Cobalt Corp. completed a PhotoSat satellite survey to produce a high resolution orthophotographic image and a high accuracy digital terrain map over the then current Voisey’s Bay West property. A report of this work was submitted to Department of Natural Resources as a first-year assessment report. In the same year B-Field Geophysics Ltd. was engaged to prepare a regional geophysical compilation using data from 33 individual frequency domain HEM surveys previously flown by a variety of companies to identify and classify EM anomalies according to apparent conductivity (Bengert, 2018). This compilation was presented with a merged dataset of the many MAG surveys that were flown since the discovery of the Voisey’s Bay prepared by the Department of Natural Resources (Kilfoil, 2002). In 2019, Voisey’s Bay West Nickel & Cobalt Corp. commenced a stream sediment sampling program on the current claim block and surrounding area. The above work is presented in greater detail in section 9.0.

Table 3: Summary of exploration history on or adjacent to property

Year	Current Licence No.	File Ref. No.	Operator	Work History
1995	Off Property	014D_0209	Int. CanAlaska Res. All North Res.	AEM, AMAG Prospecting, Mapping 18 rock, 4 lake sediment samples
1996	Off Property	014D_0269	Western Premium Res.	1,090m in 5 DDH, 600m in 1DDH
1996	025333M 025332M	014D_0193	Cartaway Res.	396.6m in 2 DDH
1996	025332M 024333M	014D_0133	Cartaway Container Corp.	AEM, AMAG
1996	025328M	014D_0215	NDT Ventures	AEM, AMAG Prospecting, 26 rock samples
1996	Off Property	014D_0088	NDT Ventures	AEM, AMAG, VLF & MAX_MIN Prospecting
1996	Off Property	014D_0169	NDT Ventures Lucero Res.	Prospecting, 29 rock samples
1996	Off Property	014D_0080	NDT Ventures	AEM, AMAG Prospecting, Mapping 4 rock, 5 lake sed. samples
1996	Off Property	LAB_1350	First Western Minerals	Prospecting, Mapping, 5 rock samples
1996	Off Property	014D_0194	Cartaway Container Corp.	AEM, AMAG
1996	Off Property	014D_0202	Ivory Oils & Minerals	AEM, AMAG Prospecting, 16 rock, 19 silt samples
1996	Off Property	014D-0275	Castle Rock Exploration	AEM, AMAG, VLF Prospecting, 59 rock samples
1996	Off Property	Lab_1353	Castle Rock Exploration	AEM, AMAG
1996	Off Property	014D_0165	Int. CanAlaska Res.	AEM, AMAG, Landsat, MAX_MIN Prospecting, 442 soil, 37 lake sediment samples 614m in 6 DDH
1996	026051M	014D_0159	NDT Ventures First Western Minerals	AEM, AMAG Mapping, Prospecting, 49 rock samples
1996	026051M 026050M	014D_0116	Columbia Yukon Res.	AEM, AMAG Prospecting Lake sediment, gossan sampling
1996	025330M Off Property	Lab_1332	Columbia Yukon Res. Yanks Peak Cons. Venturex	MAG, MAX_MIN Prospecting 614m in 6 DDH
1996	Off Property	014D_02_0087	Cartaway Res. Corp. Cartaway Container Corp. Int. Silveridge	Mapping, Prospecting, 50 rock samples
1997	Off Property	014D_02_0103	Gallery Res.	Airborne MAG, EM, 8 rock samples
1997	Off Property	LAB_1342	First Western Minerals Augusta Minerals	AEM, AMAG
1997	025327M Off Property	014D_0124	Kernow Res. & Dev. Tellis Gold Mining Co.	Prospecting, 20 till & stream, 10 rock samples
1997	025331M	Lab_1225	Westpine Minerals	Prospecting
1997	Off Property	014D_0123	Celtic Minerals Jilbey Exploration	Prospecting, mapping, 39 rock samples
1997	Off Property	014D_0175	NDT Ventures	Prospecting, 15 rock samples
1997	Off Property	014D_0182	NDT Ventures Takla Star Res.	Prospecting, mapping, 6 rock samples
1997	Off Property	014D_0179 014D_0252	Columbia Yukon Res. Int. CanAlaska Res.	MAX_MIN, MAG Mapping, 31 rock, 275 soil samples 850m in 9 DDH
1997	Off Property	014D_0237	NDT Ventures First Western Minerals	VLF, UTEM, MAG Prospecting, Mapping, 25 rock samples
1997	Off Property	LAB_1194	Noranda Mining & Exploration	Prospecting, Mapping, 35 rock samples AEM, AMAG, VLF
1998	Off Property	014D_0185	NDT Ventures Newcoast Silver Mines	Prospecting, 9 rock samples
1998	Off Property	014D_0178	NDT Ventures Lucero Res	Prospecting, Mapping, 30 rock samples
1998	Off Property	014D_0221 014D_0196	Ivory Oils & Minerals Leader Mining	GRAV, Remote Sensing
1998	Off Property	014D_0203	Ivory Oils & Minerals	UTEM

Year	Current Licence No.	File Ref. No.	Operator	Work History
1998	025329M 025327M Off Property	014D_0177	NDT Ventures Layfield Res.	Prospecting, 26 rock samples
1998	Off Property	Lab_1289	Pacific North West Capital Corp.	Prospecting, 57 rock, 3 silt samples
2000 2002	Off Property	014D_0292 014D_0293	Gallery Res.	TEM, MAG, VLF, GRAV Prospecting, Mapping 1,804.8 m in 13 DDH, Borehole UTEM
2001	Off Property	014D_0290	Gallery Res.	Prospecting, 77 rock samples
2004	Off Property	014D_0291	Gallery Res.	Compilation
2005	025330M Off Property	014D_0297	Cornerstone Res. Falconbridge Corp.	Compilation, Prospecting
2005	Off Property	014D_0300	Cornerstone Res.	AEM, AMAG, UTEM, Prospecting, Mapping
2006	Off Property	014D_0308	Celtic Minerals	MAG, UTEM, GRAV, MT, BHEM 2755m in 4 DDH
2006	Off Property	014D_0299	Celtic Minerals	Mapping, MT
2006	Off Property	014D_0306	CanAlaska Venture	AEM, AMAG
2007	Off Property	014D_0311	Celtic Minerals	Compilation, Remote Sensing
2007	Off Property	Lab_1493	Vale Inco Ltd.	TDEM, IP_RES Mapping, 9 rock samples
2007	Off Property	014D_0312	Celtic Minerals	Interpretation of AEM, AMAG, FTG GRAV
2007	Off Property	014D_0309	CanAlaska Ventures Celtic Minerals	UTEM, GRAV
2008	Off Property	014D_0319	Celtic Minerals	1,512m in 2 DDH, Borehole UTEM
2008	Off Property	014D_0315	Cornerstone Res.	Compilation, FTG GRAV, MT
2008	Off Property	014D_1525	Altius Res.	Compilation, Prospecting 4 rock, 5 stream sed, 4 till samples

Geological Setting and Mineralization

Regional Geology

On a regional scale (Figure 3), the Property straddles the Nain Plutonic Suite (NPS) and Tasiuyak paragneiss of the Churchill Province. The Mid-Proterozoic NPS comprises a variety of mafic magmas intruded along the boundary between the Early Proterozoic rocks of the Churchill Province in the west and the Mid- to Late Archean rocks of the Nain Province in the east. The NPS is regionally significant with an areal extent of about 19,000 km². Compositionally, the NPS is characterized predominantly by anorthosites and granitoids, with a much smaller proportion (<10%) of troctolite, olivine gabbro, gabbro-norite, ferrodiorite and other mafic rocks (Emslie et al., 1994). Troctolitic and gabbroic rocks constitute a small percentage of the rocks within the NPS, but they are an important host to mineralization at the Voisey's Bay deposits.

Local Geology

On the local scale (Figure 4), the Property covers a wide range of geology as defined by Ryan (1990). The western third of the Property is underlain by quartzo-feldspathic gneiss and migmatite with bands of pelitic gneiss. The central and eastern portions of the Property are underlain by the Cabot Lake Fe-rich gabbro and diorite of the NPS. These rocks are intruded by several Makhavinek Suite bodies of varying size and composition including gneissic tonalite, granodiorite and granitoid. The northeastern corner of the Property is underlain by quartz-feldspar-biotite-garnet-sillimanite gneiss of the Tasiuyak Gneiss.

The Property is partially covered by glacial or alluvial sediments. The area has been subjected to several glacial events which have acted to expose most of the bedrock at higher elevations.

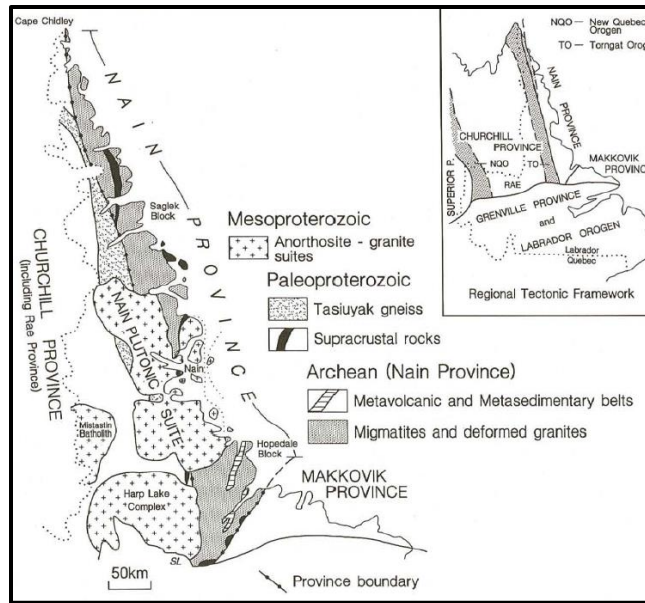


Figure 3: Regional Geology

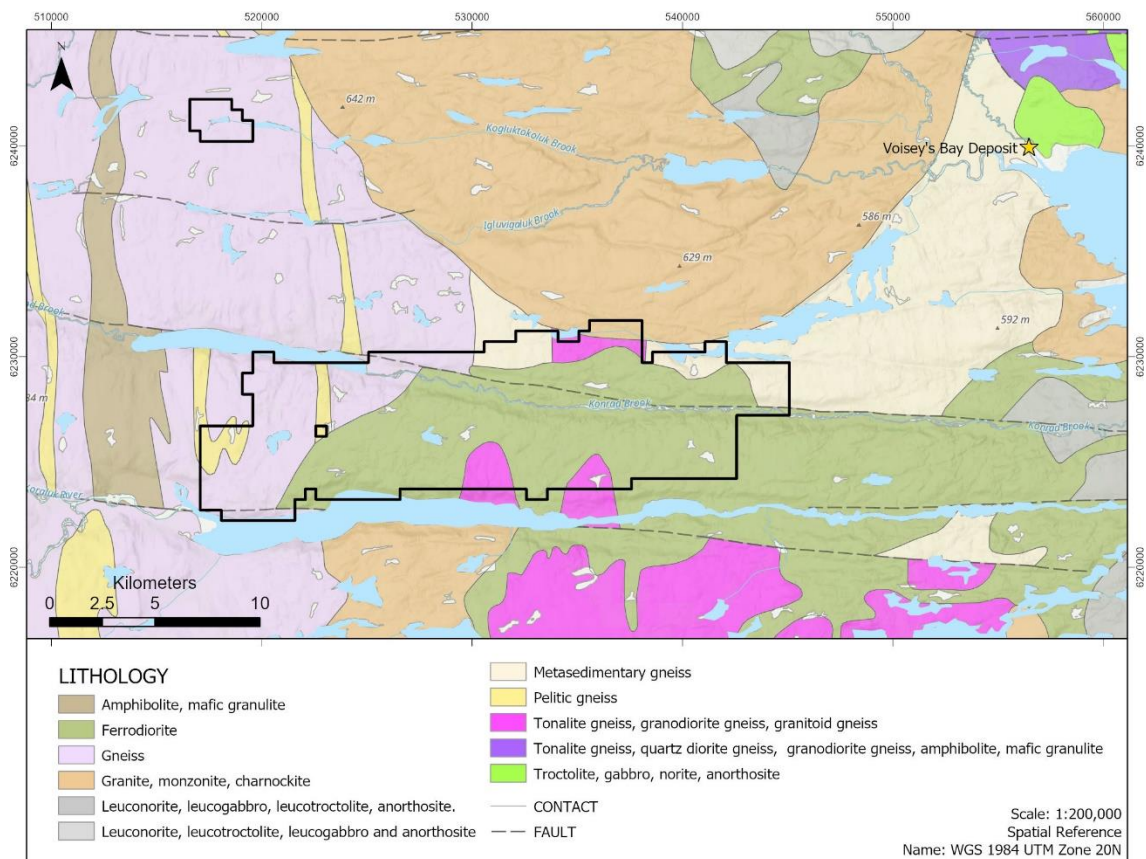


Figure 4: Local Geology (after Ryan, 1990)

Mineralization

Past work on the Property has used airborne geophysical surveys to locate MAG highs and EM conductors, followed by detailed ground geophysical, geological and geochemical examinations of these anomalies for mineralization and geological settings analogous to the Voisey's Bay Ni-Cu-Vo-PGE deposits described in section 8.0.

The assessment reports filed by previous workers (Table 3) document dozens of sulphide occurrences on and within the immediate area of the Property both on surface and in drill holes. Typically, sulphide mineralization occurs in foliation bands and consists of disseminated to semi-massive pyrite and pyrrhotite with small amounts of chalcopyrite and pentlandite. These sulphide zones are often marked by dark orange to red gossans and are readily detectable by airborne and surface MAG or EM geophysical methods. To date, several of these mineralized zones have returned anomalous but not economically significant copper, nickel or cobalt values. However, rock types favourable for the style of mineralization typical of the Voisey's Bay deposits have been identified on the Property.

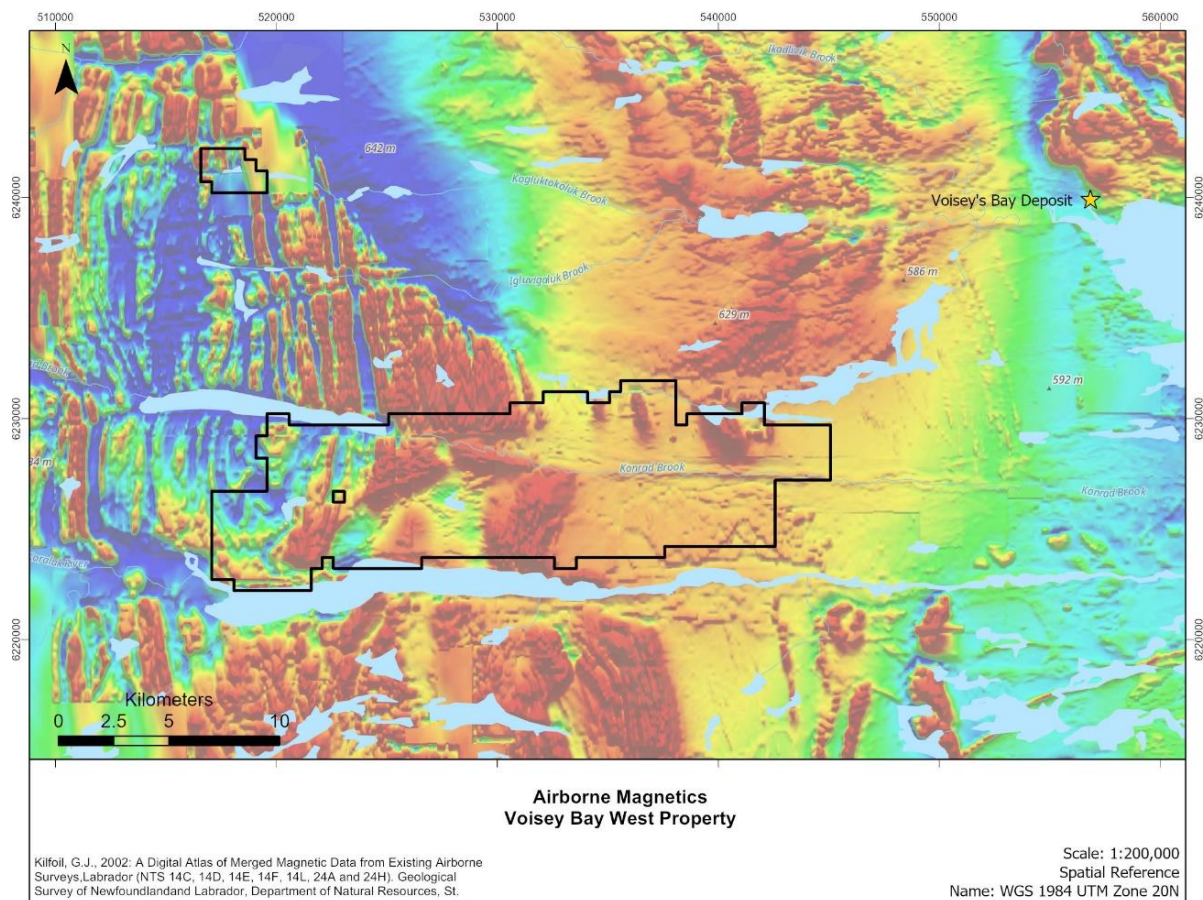


Figure 5: Merged magnetic data Voisey's Bay Region (after Kilfoil, 2020)

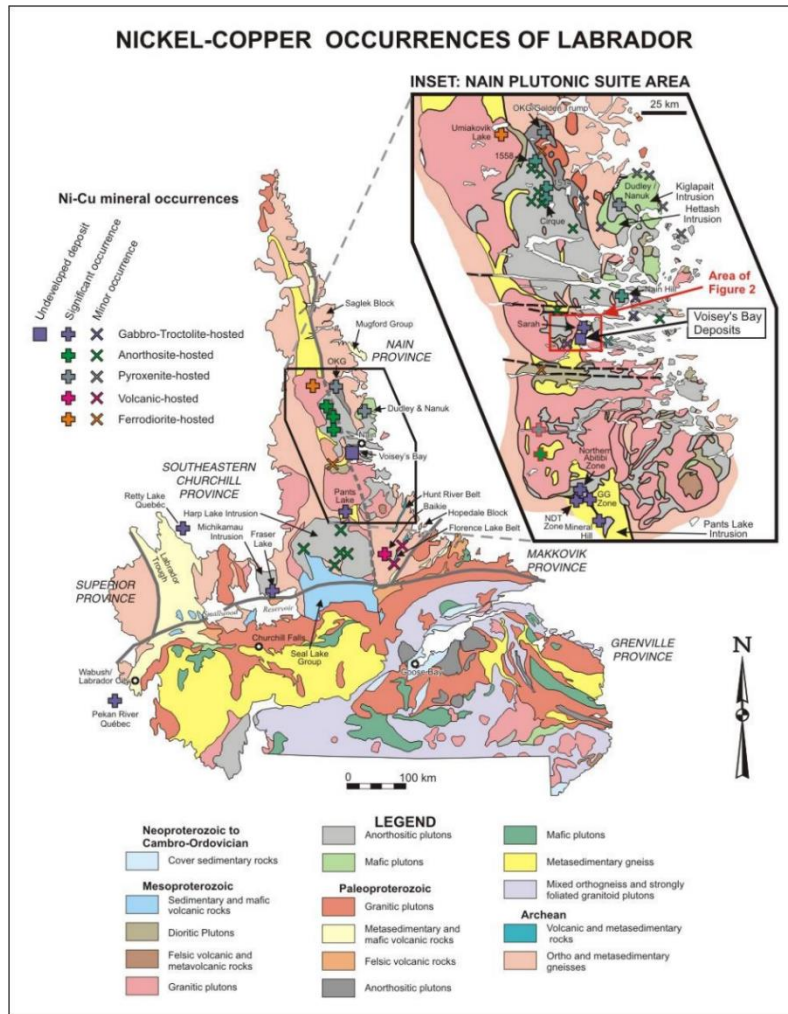


Figure 6: Regional geology and significant NI-Cu occurrences of Labrador with significant inset showing area of Property (after Kerr, 2006)

Deposit Types

Magmatic Ni-Cu-Co-PGE

Major nickel, copper, cobalt and platinum group element or “Ni-Cu-Co-PGE” deposits in the world are associated with igneous rocks that are formed by partial melting of the mantle. This magmatic Ni-Cu-Co-PGE deposit type is the primary target on the Property. These deposits are found in several locales across Canada, most famously in the Voisey’s Bay area of Labrador, the Raglan belt of Northern Quebec, and the Thompson belt in Northern Manitoba.

The general mode of occurrence of this deposit type is relatively well understood. Within a mafic to ultramafic intrusion or flow, immiscible sulphide droplets can form, often through contamination of the magma by sulphur or silica from adjacent rock units such as older pyritic volcanic and sedimentary rocks surrounding the magmatic complex. Sulphide droplets can move by convection through the magma and collect or scavenge nickel, copper, cobalt and PGE due to the strong chemical affinity that these elements have for sulphides. Eventually the sulphide droplets become metalliferous, settle and form deposits of metal-rich sulphides.

Recent work by Lightfoot and Evans-Lamswood (2015) indicates that magmatic Ni-Cu-Co-PGE sulphide ore bodies are often not just the product of simple in-situ gravity settling of metal-laden sulphide droplets within a magma chamber. A sub-type of magmatic sulphide deposits is related to magma conduits is demonstrated by certain deposits at Voisey's Bay (Evans-Lamswood et al, 2000). In this sub-type, sulphide-laden magma ascends through a sub-vertical conduit system, possibly controlled by a structural feature, from a parental source chamber at depth (Figure 7).

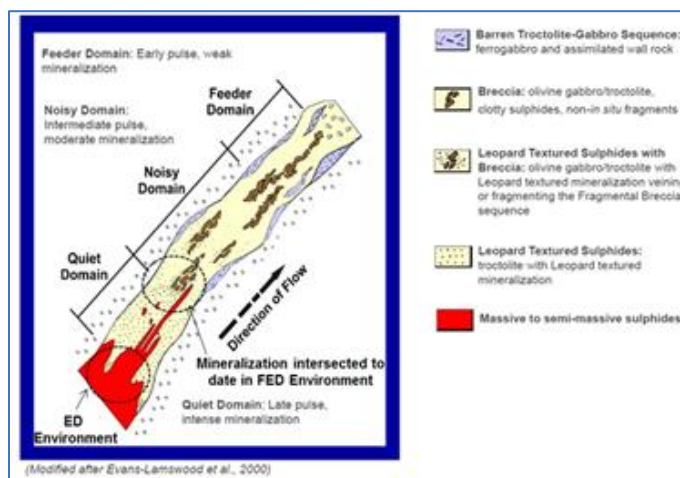


Figure 7: Formation and transportation of sulphide (from Evans-Lamswood et al, 2000)

The conduit morphology may be controlled through the intersection of regional structures that create space (Lightfoot and Evans-Lamswood, 2015). Sulphide droplets coalesce and are localized and eventually cool in economic concentrations of metalliferous sulphide minerals by mechanical processes related to dilations and traps created by trans-extension in strike-slip fault (Figure 8).

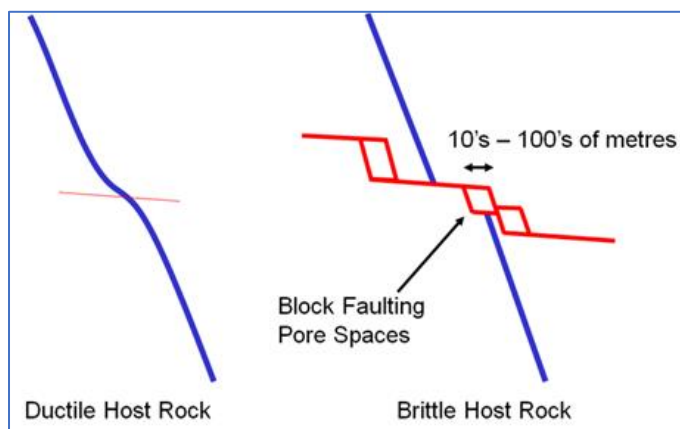


Figure 8: Extensional tectonics and dilatancies (from Lightfoot and Evans-Lamswood, 2015)

Voisey's Bay Deposit Model

The Voisey's Bay Ni-Cu-Co-PGE deposit was discovered by prospectors Albert Chislett and Chris Verbiski in 1993 and was quickly developed by into a producing mine by 2005. Two separate deposits known as "Reid Brook" and "Eastern Deeps" are currently being developed as part of the Voisey's Bay Mine Expansion (Vale, n.d.).

The Voisey's Bay troctolite, which hosts the Vale Canada Limited nickel-copper-cobalt deposits northeast of the Property has been dated at about 1.34 Ga and was emplaced along the 1.85 Ga suture between the Churchill and Nain Provinces (Lightfoot and Naldrett, 1999). The distribution of nickel and copper mineralization within the troctolite can be divided into three general settings (Figure 9), with the bulk of the mineralization occurring in a troctolitic intrusion.

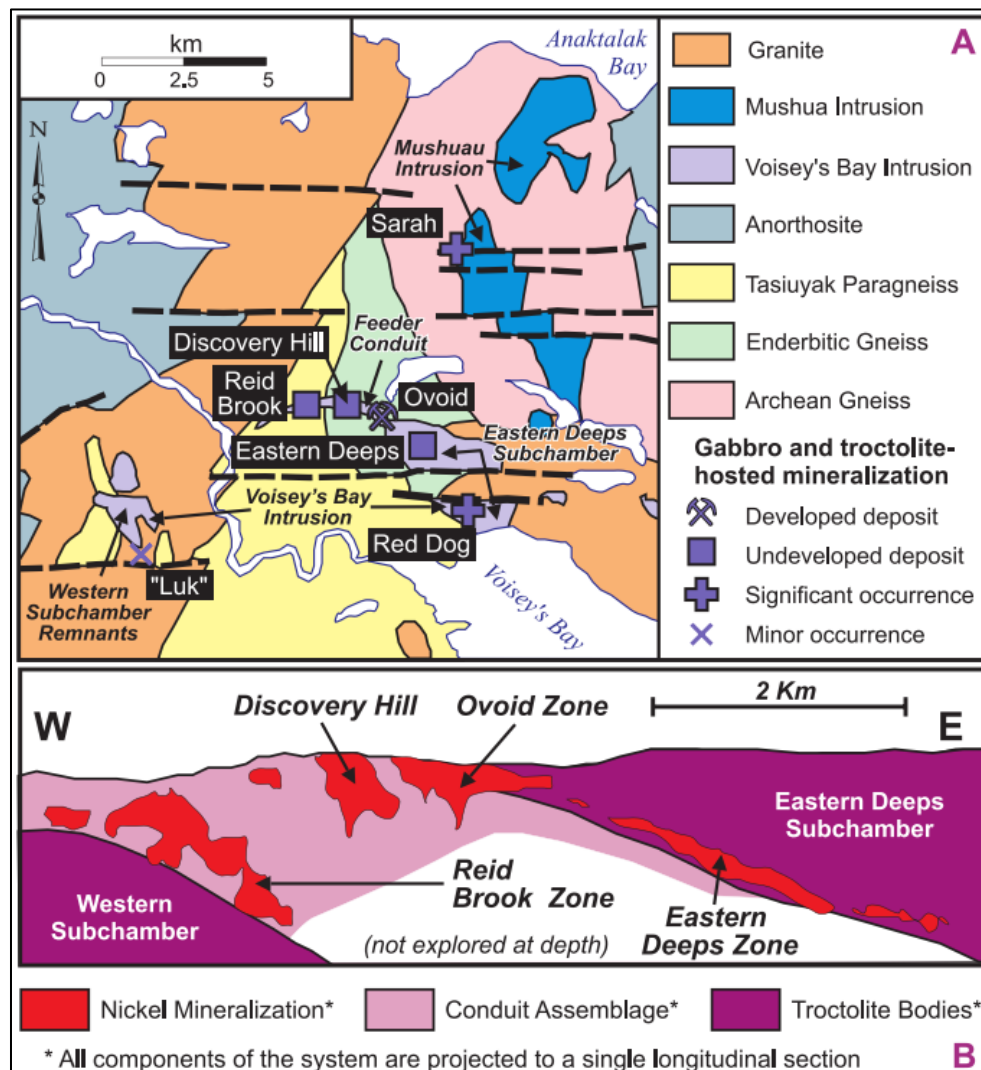


Figure 9: Schematic geology and mineralization of the Voisey's Bay Ni-Cu-Co-PGE deposits (from Kerr (2006); adapted from Li and Naldrett (1999) and Lightfoot and Naldrett (1999))

The first setting is within a narrow conduit dyke in the western part of the intrusion, which hosts the Reid Brook, Discovery Hill, Mini-Ovoid and Ovoid orebodies. The second setting is at the margins of the Eastern Deeps intrusion, specifically where the feeder dyke enters the intrusion (Barnes and Lightfoot, 2005). Geometric changes within the conduits restrict magmatic flow and act as traps to preferentially concentrate sulphide mineralization. Of importance in exploring for these types of deposits is the identification of significant changes in intrusion geometries that could be amenable to trapping significant amounts of nickel-copper bearing sulphides (Evans-Lamswood et al., 2001). The third setting occurs in the Reid Brook zone where massive sulphides are in structurally controlled offshoots from the conduit dyke into the Tasiuyak gneiss.

Sulphide mineralization styles vary within the Voisey's Bay deposits from disseminated to semi-massive to massive and is dependent on the spatial distribution within the conduit. The "Ovoid" and "Mini-Ovoid" are the most robust orebodies and are dominated by massive sulphides that may be enveloped by disseminated sulphides or have disseminated sulphides intermittently along the footwall. The Reid Brook zone in the west is characterized by disseminated to semi-massive sulphides that may be cross-cut by more massive sulphides.

The richest body, the Ovoid zone was estimated in 1999 to contain a resource of 32 million tonnes of 2.83% nickel, 1.68% copper and 0.12% cobalt. Sulphide mineralization within the Voisey's Bay system is dominantly pyrrhotite, with 10 to 15% pentlandite and irregular chalcopyrite, cubanite and magnetite concentrations (Kerr, 2006). The mineral resources and mineral reserves reported above are with respect to a property adjacent to the Issuer Property. These mineral resources and mineral reserves are not consistent with current CIM definitions for mineral resources and mineral reserves as required for disclosure by NI 43-101. The Qualified Persons have not completed sufficient work to verify the historic information on the adjacent property, particularly with regards to historical sampling and regional government-mapped geology and are not aware of the code(s) employed in the estimates of the mineral resources and mineral reserves on the adjacent property. As a result, the Qualified Persons cannot comment of the differences between those codes and current CIM definitions for mineral resources and mineral reserves. The information with respect to the adjacent property is not necessarily indicative of mineralization on the Issuer Property.

Exploration

2018 Satellite Imagery

In August 2018, Voisey's Bay West Cobalt & Nickel Corp. contracted PhotoSat of Vancouver, British Columbia, to generate high resolution satellite survey products over the then current Voisey's Bay West Property using WorldView-2 and WorldView-3 (updated versions of older WorldView-1 and QuickBird satellites) are commercial satellites owned by DigitalGlobe. WorldView-2 was launched in 2009, and WorldView-3 was launched in 2014. The photos from WorldView-2 were collected on July 27, 2018, and the photos from WorldView-3 were collected on July 13, 2018.

Two separate products were delivered including a high resolution orthophotographic image and a high accuracy digital terrain map. The 12-panel unprocessed satellite image dataset covers a 615 km² area that covers all the former Voisey's Bay West Property. The 30-panel digital terrain dataset covers a 379 km² area which includes the current Property and all except one of the highest priority EM targets. The digital terrain mapping was calculated from the same image dataset used for the orthophotography survey, so this modelling can be applied to the larger 615 km² satellite image dataset.

The orthophotographic image (Figure 10) was produced at a 50cm resolution. The digital terrain map (Figure 11) is a 1.0m² resolution model of the topography, that is expected to have an absolute accuracy that is within 3.0m and a relative accuracy of 1.0m over a distance of 5.0km. This terrain mapping was produced by PhotoSat's proprietary orthoscopic algorithms. According to PhotoSat, processes have been verified by comparing their results to tens of thousands of ground control points over the years. The accuracy of the PhotoSat products could be improved if ground control becomes available in the Property area.

2018 Geophysical Data Compilation

Also in 2018, B-Field Geophysics Ltd. (Bengert, 2018) prepared a regional geophysical compilation for Voisey's Bay West Nickel & Cobalt Corp using data from 33 individual frequency domain HEM surveys flown by a variety of companies (Figure 12). Sixteen of the survey's obtained for this study were not publicly available. Each line-kilometre of the HEM data was processed to identify and classify EM anomalies according to apparent conductivity. The anomalies identified were grouped and given an additional priority weighting based on their structural or geological significance. These anomaly groupings helped define the basis of the staking and provide a starting point for ongoing exploration of the Property.

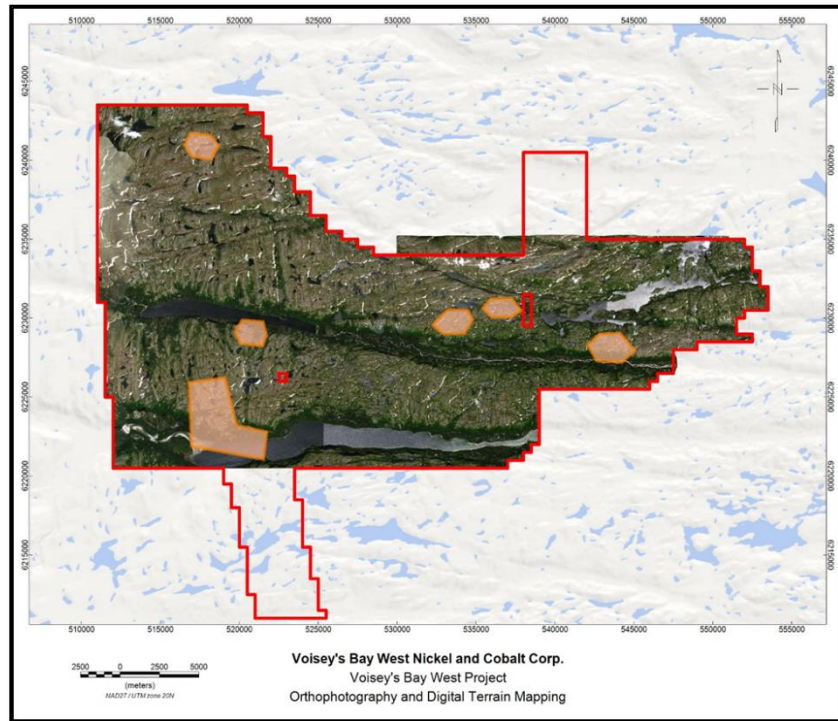


Figure 10: Orthophotographic image of Property; red line indicates previous Property boundary

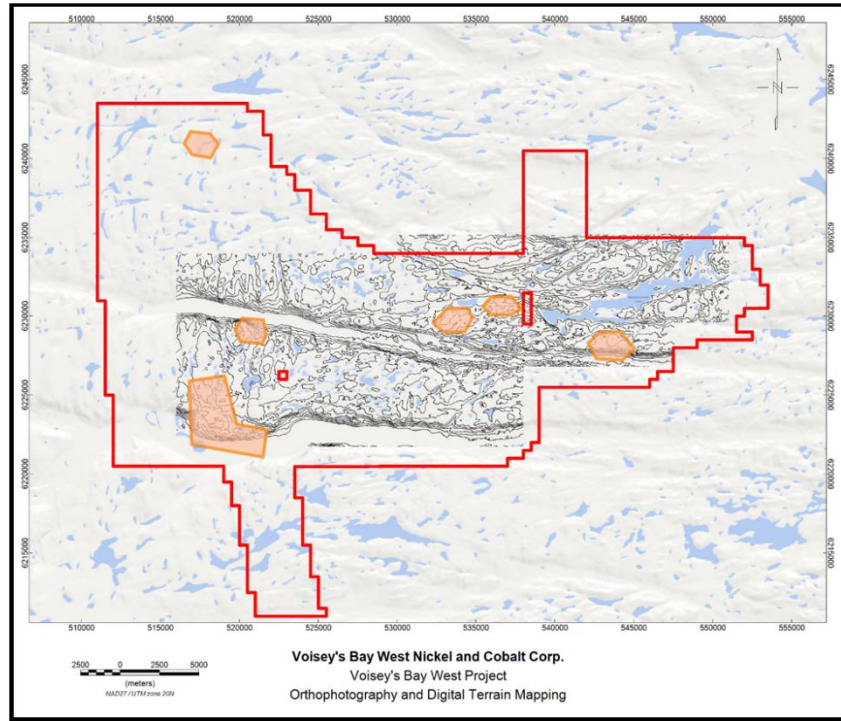


Figure 11: Digital terrain map of Property; red line indicates previous Property boundary

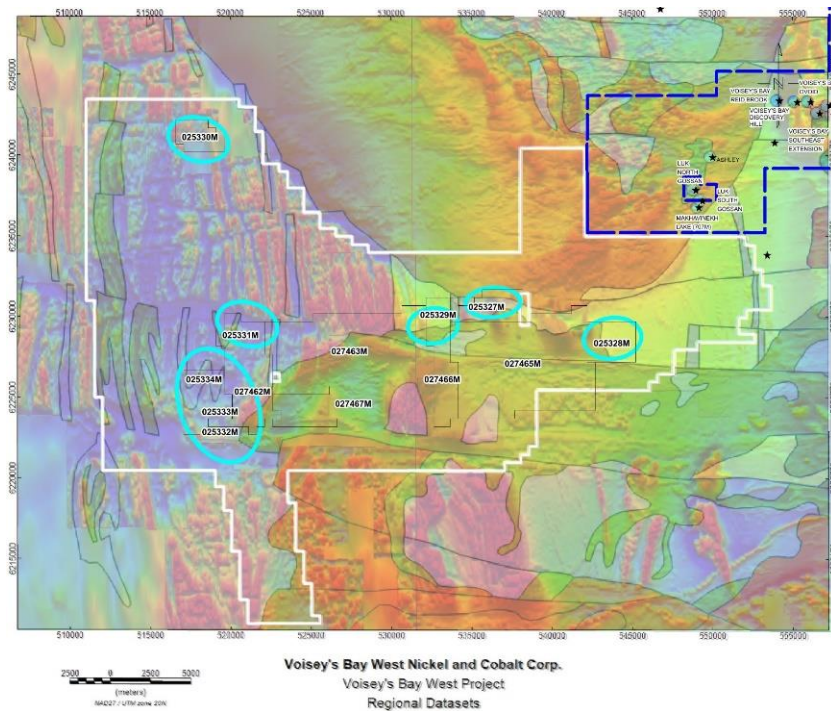


Figure 12: EM-based targets (Bengert, 2018) over merged magnetic data (Kilfoil, 2020); white line indicates previous Property boundary

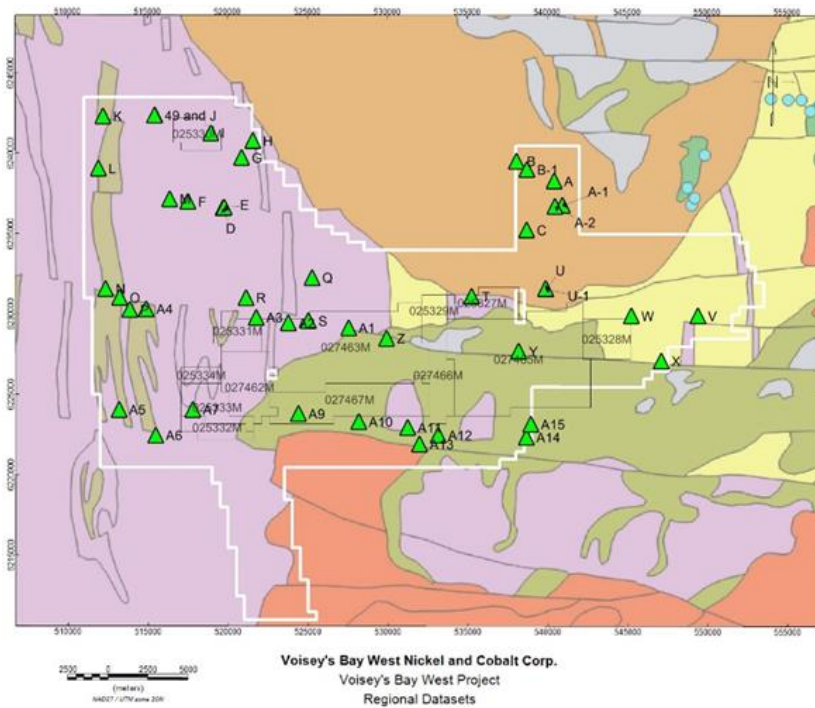
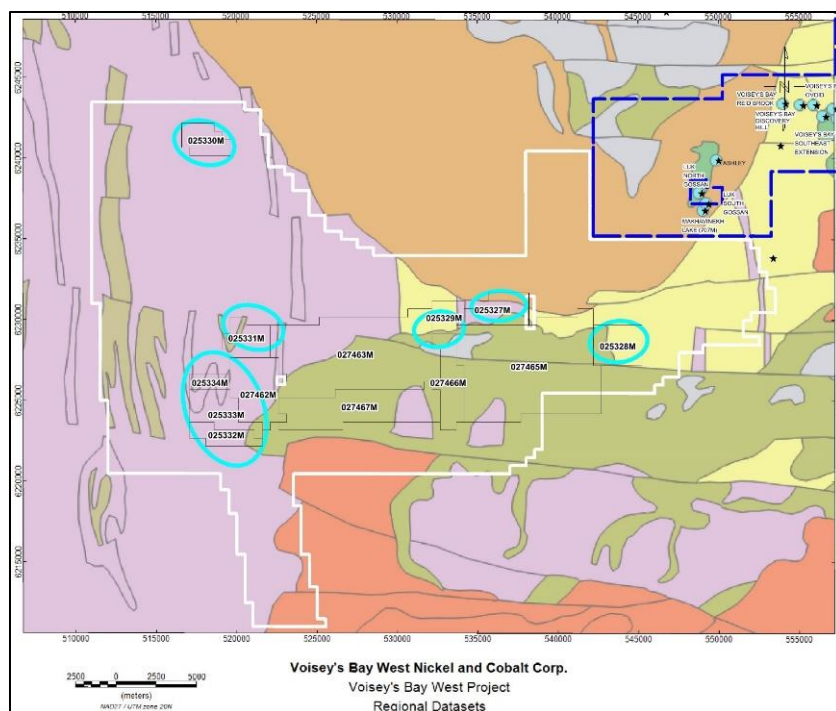
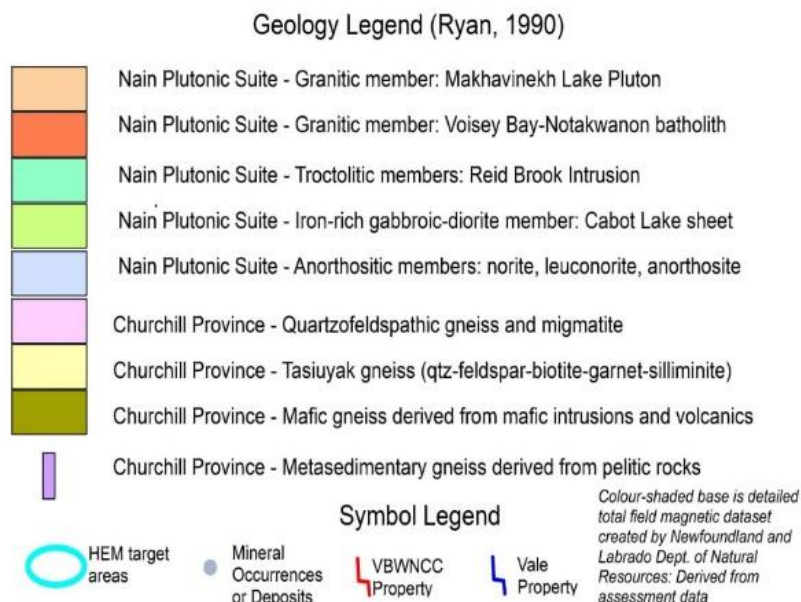


Figure 14: Stream sediment samples 2019 over local geology (after Ryan, 1990); white line indicates previous Property boundary

Table 4: Legend for Figures 12, 13 and 14



2019 Stream Sediment Sampling

Till, stream sediment and other surficial material has been used for decades to vector in on buried or poorly exposed mineralization. Approximately 10kg of material is taken in the field and then processed using sieves, tabling equipment, heavy liquids or dense media separation in order to produce a heavy mineral concentrate. The minerals within the concentrate can be identified visually and further studied by various analytical techniques.

A technique recently developed by Altius Minerals Inc. uses a Scanning Electron Microscope-Mineral Liberation Analyzer (“SEM-MLA”). The SEM spectra of heavy mineral concentrate particles are compared to a library of spectra to identify the range of mineral particles within each sample. In this way SEM-MLA can define what indicator minerals are present in both ore, ore-associated rock and alteration haloes which have been eroded and now forms part of the down-ice or down-stream surficial sediments (Wilton et al, 2017). Particles can be inclusions within a larger grain. Particles can also be precisely located on the epoxy puck for future analysis such as Laser Ablation ICP-MS.

The SEM-MLA technique was applied to examine indicator minerals in stream sediment and till in the Voisey’s Bay region in 2009 (Wilton et al, 2017), as well as surficial sediments in the vicinity of the Voisey’s Bay Cu-Co deposit (Evans et al. 2000; Lightfoot et al. 2012). It proved useful to characterize pyrrhotite-pentlandite intergrowths and provide abundance data for chalcopyrite and pentlandite.

A stream sediment sampling program was undertaken on the Issuer Property by Dr. Wilton, PGeo., in the summer of 2019 (Figure 14). Limited reconnaissance helicopter outcrop examination was also carried out. No data has yet been generated from this work, but the 26 samples are in storage in St. John’s, NL. Each sample will be split, with one half of the sample submitted to an accredited laboratory for multi element analysis. The other half of the sample will be processed using SEM-MLA analysis.

Drilling

No drilling has been completed on the Property since it was initially acquired by Voisey’s Bay West Cobalt & Nickel Corp.

Sample Preparation, Analyses and Security

The 2019 silt samples were collected using a helicopter based out of Nain (July 23) and Hopedale (July 24). Lower energy portions of the streams were preferred but not always available to be sampled to obtain suitable finer sand-sized material. No screening of material was done at the sample site. Sample weights ranged from 0.5 to 2 kg. Samples were stored securely at Nain helicopter base until they were flown south by helicopter to Happy Valley-Goose Bay and stored at the Canadian Helicopters hanger on July 24. Dr. Wilton retrieved the samples on July 25, packaged them in plastic pails and transported them to the Air Borealis cargo hanger for shipment to St. John's. Dawn Evans-Lamswood picked the shipment of samples up in St. John's at the Air Borealis hanger and the samples are currently stored securely at her home. Processing has not yet taken place.

Data Verification

The Authors have reviewed and analyzed data provided by the Issuer as well as publicly available assessment reports by previous workers on or in the vicinity of the current Property. The Authors have taken reasonable steps to verify the information where possible.

Some relevant information on the Property presented in this Report is based on data derived from reports written by geologists and/or engineers who may or may not have been "qualified persons" (as defined in NI 43-101). The Authors have made every attempt to accurately evaluate and convey the content of those reports, and it is believed that the reports were written with the objective of presenting the results of the work performed, without any promotional or misleading intent. The Authors have not verified QAQC data from historical exploration programs. Much of these programs were completed prior to the implementation of NI43-101. The Authors have assumed that the previous historic work followed best practice industry standards in place at the time the work was done. It is the Authors' opinion the historic information and other data provided are reasonable and of sufficient quality to support the conclusions and recommendations reached in this Report.

Seasonal weather conditions and travel restrictions related to the Covid-19 pandemic prevented a site visit by Mr. Fekete. Dr. Wilton inspected the Issuer Property most recently over a five-day period ending July 24, 2019. The site visit included field checks for access, the inspection of historic drill pads, geological examinations at various outcrops/gossans at or near the Issuer Property and the collection of stream sediment samples.

Requirements for Advanced Properties

The Property is at an early stage of exploration and is not considered by the Authors to be an advanced project. Therefore, this Report does not discuss the following topics:

- a) Mineral Processing and Metallurgical Engineering
- b) Mineral Resource Estimates
- c) Mineral Reserve Estimates
- d) Mining Methods
- e) Recovery Methods
- f) Project Infrastructure
- g) Market Studies and Contracts
- h) Environmental Studies, Permitting and Social or Community Impact
- i) Capital and Operating Costs
- j) Economic Analysis

Adjacent Properties

The reader is cautioned that the Authors have not been able to verify the information on the adjacent properties and **that the information on the adjacent properties is not necessarily indicative of the mineralization on the Property.** Exploration work on the property is based on the Ni-Cu-Co-PGE deposits found at Voisey's Bay located 20 km northwest of the Property.

The Voisey's Bay Mine property hosts several massive, semi-massive and disseminated nickel-copper-cobalt sulfide deposits. Voisey's Bay, operated by Vale Canada Limited, has been in operation, using open pit mining methods, since 2005. In June of 2018, Vale announced a significant infrastructure investment for underground mining operations to access the Reid Brook and Eastern Deeps deposits, which could extend the mine life of the project to 2034. The total estimated underground mineral reserves are 23.6 million tonnes grading 2.17% nickel, 0.9% copper and 0.14% cobalt (Vale Press Release, June 11, 2018). The mineral resources and mineral reserves reported above are with respect to a property adjacent to the Issuer Property. These mineral resources and mineral reserves are not consistent with current CIM definitions for mineral resources and mineral reserves as required for disclosure by NI 43-101. The Qualified Persons have not completed sufficient work to verify the historic information on the adjacent property, particularly with regards to historical sampling and regional government-mapped geology and are not aware of the code(s) employed in the estimates of the mineral resources and mineral reserves on the adjacent property. As a result, the Qualified Persons cannot comment of the differences between those codes and current CIM definitions for mineral resources and mineral reserves. The information with respect to the adjacent property is not necessarily indicative of mineralization on the Issuer Property.

Other Relevant Data and Information

As of the Effective Date, the Authors are not aware of any other additional information or explanation necessary to make this Report more understandable and not misleading.

Interpretation and Conclusions

A review of government, company and assessment reports in the area of the Voisey's Bay West Property indicates that, although it is at a preliminary stage of exploration, the property merits further exploration directed at Ni-Cu-Co-PGE deposits. The Authors believe that additional exploration is warranted on the Property based on the following:

- a) the Property is located in an area with lithologies and regional structures favourable for Voisey's Bay-type Ni-Cu-Co-PGE deposits but has not had seen any property-wide systematic mapping or rock sampling;
- b) previous surface sampling and drilling has located numerous sulphide-bearing zones; although these zones have not returned economic metal grades, some have returned anomalous copper and nickel values;
- c) compilation of historic airborne magnetic and electromagnetic surveys has identified numerous geophysical anomalies that remain untested by surface sampling or drilling;
- d) the merged frequency domain-type EM surveys provide limited detection and depth penetration; a time-domain EM survey such as VTEM™ will provide better detection and depth penetration; a single airborne survey over the entire Property will avoid the assumptions required to level and merge data from multiple small surveys;
- e) stream sediment and till sample geochemistry has proved effective in the Voisey's Bay area; SEM-MLA analysis provides enhanced data for these samples beyond geochemical analysis; and

- f) further exploration using more refined, technologically advanced methods such VTEM™ and SEM-MLA not previously available could reasonably be expected to generate new exploration targets.

Recommendations

It is recommended that further exploration of the Property proceed in two phases. In the first quarter of 2021, it is recommended that compilation of previous geophysical and geochemical work continue. Also, the stream sediment samples collected in Summer 2019 should be analyzed by ICP-AES geochemistry and SEM-MLA. The results of this work can be integrated into the existing geochemical database. The goal of this first phase will be to generate prospecting targets for the second phase.

For the second phase, it is recommended that a VTEM™ survey be completed over the entire Property in the second quarter of 2021 to detect more surface geophysical targets for prospecting, and to identify EM conductors at depth for future testing by diamond drilling, and also a two-week program of prospecting, geological and geochemical surveys to test the surface targets generated by the Phase 1 work and the VTEM™ survey. Diamond drilling as a third phase may be contemplated contingent upon positive results in second phase.

The proposed expenditures for the first phase of exploration are estimated at \$120,175, and \$548,780 for the second phase as outlined in the following table:

Table 5: Cost estimate two-phase exploration program

Phase 1					
Data Review - Geologist	60	days @	\$12,000	\$72,000	
Stream Sediments - ICP-AES geochemistry and SEM-MLA	26	Samples @	\$1,250	\$32,500	
Subtotal					\$104,500
Contingency 15%					\$15,675
Total Phase 1					\$120,175
Phase 2					
Airborne Survey					
VTEM™	1,200	km @	\$150	\$180,000	
Mobilization to Property				\$60,000	
Subtotal					\$240,000
Contingency 15%					\$36,000
Total Airborne					\$276,000
Mapping and prospecting					
Crew Chief	15	days @	\$1,200	\$18,000	
Geologist	15	days @	\$900	\$13,500	
Geologist	15	days @	\$900	\$13,500	
Prospector	15	days @	\$700	\$10,500	
Food and Lodgings in Nain	15	days @	\$1,500	\$22,500	
Supplies and Rentals				\$5,000	
Mobilization to Nain				\$15,000	
Helicopter with fuel - Nain to Property daily	42	hours @	\$2,100	\$88,200	
Samples - assays and mineralogy	600	samples @	\$85	\$51,000	
Subtotal					\$237,200
Contingency 15%					\$35,580
Total Mapping and prospecting					\$272,780
Total Phase 2					\$548,780

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 – 5.2 Annual and Quarterly Information

Annual Information for the Issuer

The following is a summary of selected financial information for the Issuer for the periods indicated, which should be read in conjunction with the audited consolidated financial statements of the Issuer for the years ended December 31, 2020, 2019 and 2018.

Selected Statement of Financial Position Data

	December 31, 2020 (audited) (\$)	December 31, 2019 (audited) (\$)	December 31, 2018 (audited) (\$)
Total Revenue	nil	nil	nil
Net income (loss)	(244,010)	(796,709)	(537,556)
Total comprehensive income (loss)	(244,010)	(796,709)	(537,556)
Net income (loss) per share (basic and diluted)	(0.01)	(0.04)	(0.04)
Current assets	31,334	203,348	1,039,450
Current liabilities	185,070	113,074	152,467
Total assets	31,334	203,348	1,039,450
Total liabilities	185,070	113,074	152,467

Quarterly Information for the Issuer

The below selected quarterly information summarizes selected financial information for the eight most recently completed quarterly financial periods ending at the end of the most recently completed financial year for the Issuer.

	Q2 Jun-21 \$	Q1 Mar-21 \$	Q4 Dec-20 \$	Q3 Sep-20 \$	Q2 Jun-20 \$	Q1 Mar-20 \$	Q4 Dec-19 \$	Q3 Sep-19 \$
Revenue	nil	nil	nil	nil	nil	nil	nil	nil
Net income from continuing operations	(53,572)	(32,932)	(86,026)	(36,204)	(66,821)	(54,959)	(536,618)	(55,009)
Net income (loss) on per share basis	nil	nil	nil	nil	nil	nil	(0.03)	nil

5.3 – Dividends

There are no restrictions in the Issuer's articles or elsewhere, other than customary general solvency requirements under applicable laws, which would prevent the Issuer from paying dividends following the completion of the Acquisition.

It is anticipated that all available funds will be invested to finance the growth of the Issuer's business and accordingly it is not contemplated that any dividends will be paid on the Issuer's Common Shares in the immediate or foreseeable future. The directors of the Issuer will determine if, and when, dividends will be declared and paid in the future from funds properly applicable to the payment of dividends based on the Issuer's financial position at the relevant time.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

6.1 – Management's Discussion and Analysis

Please refer to Schedule "A" for the Issuer's Management's Discuss and Analysis for the year ended December 31, 2020, as well as for the six months ended June 30, 2021.

7. MARKET FOR SECURITIES

7.1 – Listings

The Issuer's Common Shares were listed and posted for trading on the NEX Board of the TSX Venture Exchange ("NEX") under the symbol "PED.H" on September 30, 2010. The Common Shares of the Issuer were voluntarily delisted from the NEX at the close of business on June 30, 2021. The Issuer intends to list its Common Shares on the CSE upon acceptance of its application in connection with this Listing Statement.

8. CONSOLIDATED CAPITALIZATION

8.1 – Consolidated Capitalization – Issuer

The following table sets forth the capitalization of the Issuer, as of the date of this Listing Statement:

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding as of the date of this Listing Statement⁽¹⁾
Common Shares	Unlimited ⁽²⁾	31,814,630
Options	3,181,463	nil
Financing Warrants	1,939,000	1,939,000
Financing Broker Warrants	96,780	96,780

Notes:

- (1) This figure represents the total issued and outstanding Common Shares as at the date of this Listing Statement on a non-diluted basis.
(2) The Issuer is authorized to issue unlimited common shares, without par value.

9. OPTIONS TO PURCHASE SECURITIES

9.1 – Stock Option Plan – Issuer

The Option Plan was approved by the Board of Directors of the Issuer and adopted by the Issuer's shareholders on March 26, 2021. The purpose of the Option Plan is to assist the Issuer in attracting, retaining and motivating directors, officers, employees, consultants, and advisors (together "service providers") of the Issuer and of its affiliates and to closely align the personal interests of such service providers with the interests of the Issuer and its shareholders. The Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance will be 10% of the number of Shares issued and outstanding from time to time.

The Option Plan is administered by the Board of Directors, which has full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Option Plan to such service providers of the Issuer and its affiliates, if any, as the Board may from time to time determine, subject to Exchange policies. The exercise prices shall be determined by the Board of Directors, but shall, in no event, be less than the closing market price of the Common Shares on the Exchange, less the maximum discount permitted under the Exchange policies, if such is permitted, on the date the options are granted. The Option Plan provides that the number of Common Shares issuable on the exercise of options granted to all persons together with all of the Issuer's other previously granted options may not exceed 10% of the number of Common Shares issued and outstanding at the time of grant. In addition, the number of Common Shares which may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the number of issued and outstanding Common Shares on a yearly basis. Subject to earlier termination in the event of dismissal for cause, termination other than for cause or in the event of death, all options granted under the Option Plan will expire on the date of expiry set by the Board of Directors at the time of grant, which may not be later than ten years from the date that such options are granted. Options granted under the Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

As at the date hereof, the Issuer has no Options outstanding.

10. DESCRIPTION OF THE SECURITIES

10.1 - Description of the Issuer's Securities

The Issuer is authorized to issue an unlimited number of Common Shares without par value. As of the date hereof, 31,814,630 Common Shares are issued and outstanding as fully paid and non-assessable shares. In addition, 1,939,000 Financing Warrants and 96,780 Financing Broker Warrants are reserved for issuance pursuant to the exercise of the Financing Warrants and Financing Broker Warrants of the Issuer. The holders of Common Shares are entitled to dividends, if, as and when declared by the Board of Directors; to one vote per share at meetings of the shareholders of the Issuer; and, upon dissolution, to share equally in such assets of the Issuer as are distributable to the holders of Common Shares.

10.2 – 10.6 – Miscellaneous Securities Provisions

None of the matters set out in Sections 10.2 to 10.6 of CSE - Form 2A are applicable to the Common Shares.

10.7 – Prior Sales

Other than described below, there were no Common Shares or securities of the Issuer issued within 12 months of the date of this Listing Statement:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price Per Security	Value Received (\$)	Type of Transaction
July 14, 2021	Common Shares	8,000,000	\$0.08	N/A	Acquisition
September 13, 2021	Common Shares comprising the Units	3,878,000	\$0.15	\$581,700	Financing
September 13, 2021	Financing Warrants comprising the Units	1,939,000	\$0.30	N/A	Financing
September 13, 2021	Financing Broker Warrants	96,780	\$0.30	N/A	Financing

10.8 – Stock Exchange Price

Prior to listing on the CSE, the Issuer's Common Shares were listed and posted for trading on the NEX under the trading symbol "PED.H". The following table sets out the average high and low trading price and volume of trading of the Issuer's Common Shares on the NEX during the periods indicated.

Period	High (\$)	Low (\$)	Volume
June 2021 ⁽¹⁾⁽²⁾	0.125	0.125	nil
May 2021 ⁽¹⁾	0.125	0.125	nil
April 2021 ⁽¹⁾	0.125	0.125	nil
March 2021 ⁽¹⁾	0.125	0.125	nil
February 2021 ⁽¹⁾	0.125	0.125	nil
January 2021 ⁽¹⁾	0.125	0.125	nil
December 2020 ⁽¹⁾	0.125	0.125	nil
November 2020 ⁽¹⁾	0.135	0.10	272,515
October 2020	0.145	0.10	811,505
September 2020	0.14	0.095	4,801,722
August 2020	0.17	0.12	1,030,881
July 2020 ⁽³⁾	0.185	0.115	1,807,200
June 2020 ⁽³⁾	0.10	0.10	nil
May 2020 ⁽³⁾	0.10	0.10	nil
April 2020 ⁽³⁾	0.10	0.10	nil

Period	High (\$)	Low (\$)	Volume
March 2020 ⁽³⁾	0.10	0.10	nil

Note:

- (1) Trading halted on November 27, 2020 in connection with the announcement of the Acquisition.
- (2) The Common Shares of the Company were delisted from the TSX Venture Exchange at the close of business on June 30, 2021.
- (3) Trading halted on October 3, 2019 in connection with the proposed transaction with Cellcube Energy Storage Systems Inc.'s subsidiaries, which was subsequently terminated (See General History of the Business – Recent Developments and Three Year History of the Business). The closing price of the Issuer's Common Shares on the NEX on October 2, 2019, being the last trading day before the trading halt, was \$0.10. On July 14, 2020, the Issuer announced that trading would resume on July 15, 2020.

The closing price of the Issuer's Common Shares on the NEX on November 27, 2020, being the last trading day before the announcement of the Acquisition, was \$0.125.

11. ESCROWED SECURITIES

Other than the securities listed in this section, no securities of the Issuer are subject to any escrow requires. The Consideration Shares are subject to contractual resale restrictions providing that the Consideration Shares may only be sold, transferred, optioned, encumbered, pledged or hypothecated in any way, except as follows: (i) as to 1/6 on the date which is six months from the date of issuance; (ii) as to 1/6 on the date which is twelve months from the date of issuance; (iii) as to 1/6 on the date which is eighteen months from the date of issuance; (iv) as to 1/6 on the date which is twenty-four months from the date of issuance; (v) as to 1/6 on the date which is thirty months from the date of issuance; and (vi) as to 1/6 on the date which is thirty-six months from the date of issuance. In addition, the securities issued in connection with the Financing are subject to a four month hold period in accordance with applicable securities laws, from the date of issuance.

12. PRINCIPAL SHAREHOLDERS

12.1 and 12.2 – Principal Shareholders

Principal Securityholders

To the best of the knowledge of the directors and officers of the Issuer, there are no persons or companies that beneficially own, directly or indirectly, or exercise control or direction over, Common Shares carrying more than 10% of the voting rights attached to the Common Shares.

12.3 – Voting Trusts

To the knowledge of the Issuer, no voting trust exists such that more than 10% of any class of voting securities of the Issuer are held, or are to be held, subject to any voting trust or other similar agreement.

13. DIRECTORS AND OFFICERS

13.1 – 13.5, 13.11 – Directors and Officers

The Issuer Board is currently comprised of five directors, each of whom has been appointed to hold office until his successor is elected or appointed, or unless he first resigns.

The following table sets forth the name and residence of each director and executive officer of the Issuer, as well as such individual's position with the Issuer, period of service as a director and/or officer (as applicable), and principal occupation(s) within the five preceding years.

Name, Address, Occupation and Security Holdings

Name, province or state and country of residence	Position with the Issuer	Principal Occupation during last 5 years	Served as Director of the Issuer since ⁽¹⁾	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present ⁽¹⁾	Percentage of Voting Shares Owned or Controlled ⁽⁴⁾
Brian Stecyk Alberta, Canada	Chief Executive Officer and Director	Consultant	May 28, 2019	nil	n/a
Fiona Fitzmaurice Ontario, Canada	Chief Financial Officer	Consultant	n/a	100,000	0.31
Rejean Gosselin ⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada	Director	Consultant	May 29, 2020	38,000	0.12%
Wesley Thompson ⁽²⁾⁽³⁾ Ontario, Canada	Director	Consultant	June 25, 2020	30,000	0.09%
Conan Taylor ⁽²⁾ Alberta, Canada	Director	Managing Partner of Taylor Janis LLP, a law firm	March 26, 2021	nil	n/a

Notes:

- 1) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Issuer, has been furnished by the respective nominees individually.
- 2) Member of the Audit Committee. Rejean Gosselin is the Chair of the Audit Committee.
- 3) Member of the Compensation Committee. Rejean Gosselin is the Chair of the Compensation Committee.
- 4) The Common Shares are held by Onyx Management Inc., a corporation controlled by Mr. Gosselin.
- 5) Based on 31,814,630 common shares issued and outstanding.
- 6) Ms. Fitzmaurice was appointed Chief Financial Officer of the Company on August 26, 2020.

As at the date of this Listing Statement, the directors and executive officers of the Issuers as a group own beneficially, directly or indirectly, or exercise control or direction over 168,000 Common Shares, or 0.53% of the outstanding Common Shares.

Management and Directors

Set forth below is a description of the background of the officers and directors of the Issuer:

Brian Stecyk – Chief Executive Officer and Director, 73 years old

Mr. Stecyk owned and operated an advertising and public relations company for 35 years, working mainly in business to business marketing, political campaigns, government communications, and professional association communications. Mr. Stecyk has served as a director and officer in several public companies, including Stina Resources (director/CEO), Cellcube Energy Storage (director); Regency Gold (director), Integrated Energy Storage Corp. (director/CEO), SBD Capital Corp. (director) and Gold Rush Cariboo (director). He is also involved with several private companies: Secret Barrel Distillery Corp. (CEO); Integrated Life Care (Board Chair); and 360349 Alberta Ltd. (President). Mr. Stecyk intends to devote 30% of his time to the Issuer.

Rejean Gosselin – Director, 68 years old

Mr. Gosselin graduated from Laval University in 1979 with a M.Sc. in Geology. He has worked as a consulting geologist on uranium, gold and base metals mining exploration projects in Canada, United States, and South America since 1979. For the past 35 years, Mr. Gosselin acted as founder and promoter of numerous junior mining companies exploring for different commodities in Canada, West Africa, and Mexico. Mr. Gosselin is responsible for gold and base metals discoveries in Canada and Mexico. Recent involvements include Dia Bras Exploration Inc. (now Sierra Metals Inc.) as President and Chief Executive Officer from 2003 to 2008, Chairman of the Board of Maya Gold and Silver Inc. (now Aya Gold and Silver Inc.) from 2003 to 2008 and most recently as President and Chief Executive Officer of Origin Gold Corporation (now O2GOLD Inc.) from 2017 to 2020. Mr. Gosselin intends to devote 25% of his time to the Issuer.

Wesley Thompson – Director, 31 years old

Mr. Thompson is an experienced investor and advisor to junior resource companies in the areas of investor relations, marketing, and raising capital. Mr. Thompson is currently an advisor to Nobel Mineral Exploration and is an experienced investor with an in-depth understanding of junior resource capital, stocks markets and the commodities futures markets. Mr. Thompson is a diploma graduate of Sheridan College. Mr. Thompson intends to devote 10% of his time to the Issuer.

Conan Taylor – Director, 61 years old

Mr. Taylor holds a BA (Honours) with First Class Honours in Philosophy from the University of Alberta (1993), and an LLB/JD from Queens University (1996). He has been a member of the Alberta Law Society since 1997. He worked with several law firms in Calgary and Edmonton until forming his own law firm, Taylor Janis LLP, in January 2014. The firm has now grown to 23 lawyers, with offices in Edmonton and Calgary. He is the Managing Partner. Over the past years he has been involved in a number of public company start-ups, both mining and technology related, serving as a director and in a legal advisor capacity. Mr. Taylor intends to devote 10% of his time to the Issuer.

As at the date hereof, none of the above individuals have entered into non-competition or non-disclosure agreements with the Issuer.

Board Committees of the Issuer

The Issuer has constituted two committees. The following directors are the current members of the following committees:

- *Audit Committee*: Rejean Gosselin (Chair), Wesley Thompson and Conan Taylor
- *Compensation Committee*: Rejean Gosselin (Chair) and Wesley Thompson

Other committees of the board of directors of the Issuer may be constituted as the Issuer deems necessary or advisable.

Audit Committee

The Issuer's Audit Committee Charter is included in Schedule "B" attached hereto.

The mandate of the Audit Committee is to ensure the Issuer effectively maintains the necessary management systems and controls to allow for timely and accurate reporting of financial information to safeguard shareholder value, to meet all relevant regulatory requirements and to provide recommendations to the board of directors in the areas of management systems and controls.

The Board has adopted a written charter setting forth the responsibilities, powers and operations of the Audit Committee consistent with NI 52-110. The principal duties and responsibilities of the Issuer's Audit Committee are to assist the Board in discharging the oversight of:

- (1) the integrity of the Issuer's consolidated financial statements and accounting and financial processes and the audits of our consolidated financial statements;
- (2) the Issuer's compliance with legal and regulatory requirements;
- (3) the Issuer's external auditors' qualifications and independence;
- (4) the work and performance of the Issuer's financial management and its external auditors; and
- (5) the Issuer's system of disclosure controls and procedures and system of internal controls regarding finance, accounting, legal compliance, and risk management established by management and the Board.

The Audit Committee has access to all books, records, facilities, and personnel and may request any information about the Issuer as it may deem appropriate. It also has the authority to retain and compensate special legal, accounting, financial and other consultants, or advisors to advise the Audit Committee. The Audit Committee is responsible to review and approve all related-party transactions and prepare reports for the Issuer's Board on such related-party transactions as well as be responsible for the pre-approval of all non-audit services to be provided by our auditors.

The Issuer is a "venture issuer" for the purposes of NI 52-110. Accordingly, the Issuer is relying upon the exemption in section 6.1 of NI 52-110 providing that the Issuer is exempt from the application of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Compensation Committee

The Compensation Committee is composed of two directors, both are "independent". The Compensation

Committee is responsible for: (i) reviewing and approving corporate goals and objectives relevant to the compensation of the Named Executive Officers of the Corporation, evaluating the performance of the Named Executive Officers of the Corporation in light of those corporate goals and objectives, and determining (or making recommendations to the Board with respect to the compensation level of the Named Executive Officers of the Corporation based on this evaluation); (ii) making recommendations to the Board with respect to directors' compensation and incentive-compensation plans; and, (iii) reviewing the executive compensation disclosure before the Corporation publicly discloses this information.

Relevant Education and Experience and Independence

The education and experience of each member who is to serve on the Audit Committee during the current financial year that is relevant to the performance of his responsibilities provided in the bios of each of Conan Taylor, Rejean Gosselin and Wesley Thompson above.

The Audit Committee is comprised of three "independent" directors as defined in NI 52-110. All the members of the Committee are "financially literate" and have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity that can reasonably expected to be raised by the Company's financial statements.

13.6 – 13.9 Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as set forth below, at the time of this Listing Statement, none of the directors of the Issuer (or any of their personal holding companies) of the Issuer:

- (a) is, or during the ten years preceding the date of this Listing Statement has been, a director, chief executive officer or chief financial officer of any Issuer, including the Issuer, that:
 - (i) was subject to an order that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, or during the ten years preceding the date of this Listing Statement has been, a director or executive officer of any Issuer, including the Issuer, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets; or
- (c) has, within the ten years preceding the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

For the purposes of paragraphs (a)(i) and (a)(ii) above, an "order" means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant Issuer access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

None of the directors (or any of their personal holding companies) has been subject to:

1. any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
2. any other penalties or sanctions imposed by a court or regulatory body which would likely be considered important to a reasonable security holder of the Issuer in deciding whether to vote for a director.

Brian Stecyk

Mr. Stecyk was a director of CellCube Energy Storage Systems Inc. (“**CellCube**”) from March 2017 to March 2019, and was the Chief Executive Officer of CellCube from March 2017 to June 2018. CellCube was subject to a cease trade order resulting from a failure to file financial statements as issued on November 2, 2018 by the Ontario Securities Commission (“**OSC**”) and the British Columbia Securities Commission (“**BCSC**”). These cease trade orders were revoked on December 11, 2018.

Mr. Stecyk was a director of Range Gold Corp. (“**Range Gold**”) from May 2010 to December 2011. Range Gold was subject to a cease trade order resulting from a failure to file financial statements as issued on May 10, 2011 by the BCSC, May 11, 2011 by the Alberta Securities Commission and May 25, 2011 by the OSC. These cease trade orders were partially revoked on July 17, 2012 by the BCSC.

Rejean Gosselin

Mr. Gosselin was a director of Jourdan Resources Inc. (“**Jourdan**”) from November 11, 2013 to June 12, 2018. Jourdan was subject to a management cease trade order resulting from a failure to file financial statements as issued on May 25, 2015 by the Ontario Securities Commission (“**OSC**”). This management cease trade order was revoked on July 3, 2015 by the OSC. Jourdan was subject to a cease trade order resulting from a failure to file financial statements as issued on July 3, 2015 by the British Columbia Securities Commission, on July 6, 2015 by the Autorité des marchés financiers and on July 15, 2015 by the OSC. These cease trade orders were revoked on February 21, 2017.

13.10 – Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Issuer may be subject in connection with the operations of the Issuer. Some of the directors and officers are engaged and will continue to be engaged, directly or indirectly, in other businesses and situations may arise where some of the directors and officers will be in direct competition with the Issuer. No conflicts of interest currently exist between the Issuer and a director or officer of the Issuer.

The directors and officers of the Issuer are required by law to act in the best interests of the Issuer. They have the same obligations to the other companies in respect of which they act as directors and officers. Any decision made by any of such officers or directors involving the Issuer will be made in accordance with their duties and obligations under the applicable laws.

The following table sets out the directors and officers of the Issuer that are, or have been within the last five years, directors, officers or promoters of other reporting issuers.

Director/Officer	Other Reporting Issuer(s)
Rejean Gosselin	Urbangold Minerals Inc. and Puma Exploration Inc.
Conan Taylor	SBD Capital Corp. and Gold Rush Cariboo Corp.
Brian Stecyk	Gold Rush Cariboo Corp., SBD Capital Corp., CellCube Energy Storage Systems Inc., Integrated Energy Corp., and Regency Gold Corp.
Fiona Fitzmaurice	Pasofino Gold Limited, Mojave Jane Brands Inc., MacDonald Mines Ltd., Honey Badger Silver Inc., Graph Blockchain Inc., Provenace Gold Corp., Agra ventures Ltd.
Wesley Thompson,	Provenance Gold Corp.

14. CAPITALIZATION

14.1 – Issued Capital

As at the date of this Listing Statement, the Issuer has the following issued and outstanding securities according to the below table:

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	31,814,630	33,850,410	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	168,000	218,000	0.53%	0.64%
Total Public Float (A-B)	31,646,630	33,632,410	99.47%	99.35%

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
<u>Freely-Tradable Float</u>				
Number of outstanding securities, subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	11,878,000	13,913,780	37.33%	41.10%
Total Tradable Float (A-C)	19,936,630	19,936,630	100%	100%

Public Securityholders (Registered)

Class of Security		
<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities⁽¹⁾</u>
1 – 99 securities	88	2,361
100 – 499 securities	13	2,715
500 – 999 securities	3	1,800
1,000 – 1,999 securities	2	2,000
2,000 – 2,999 securities	nil	nil
3,000 – 3,999 securities	1	3,351
4,000 – 4,999 securities	nil	nil
5,000 or more securities	6	19,924,403
	113	19,936,630

Note:

(1) All shares registered in the name of CDS & Co. and CEDE & CO are treated as “beneficially” owned and excluded from these numbers.

Public Securityholders (Beneficial)

Class of Security		
<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	186	4,464
100 – 499 securities	80	23,311

500 – 999 securities	15	10,016
1,000 – 1,999 securities	24	29,608
2,000 – 2,999 securities	17	38,754
3,000 – 3,999 securities	7	23,090
4,000 – 4,999 securities	7	29,388
5,000 or more securities	128	35,881,158
Total Public Securityholders (Registered and Beneficial)	464	36,039,789

Non-Public Securityholders (Registered)

Class of Security		
<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	nil	nil
100 – 499 securities	nil	nil
500 – 999 securities	nil	nil
1,000 – 1,999 securities	nil	nil
2,000 – 2,999 securities	nil	nil
3,000 – 3,999 securities	nil	nil
4,000 – 4,999 securities	nil	nil
5,000 or more securities	43	11,878,000
Total Public Securityholders (Registered and Beneficial)	43	11,878,000

14.2 – Convertible Securities

The Issuer has 1,939,000 Financing Warrants and 96,780 Financing Broker Warrants issued and outstanding, each entitling the holder to purchase one fully-paid and non-assessable Common Share for the exercise price and until the expiry date set out in the following table.

Exercise Price	Number of Outstanding Warrants or Options	Expiry Date
\$0.30	1,939,000	September 13, 2023
\$0.30	96,780	September 13, 2023

14.3 – Other Securities reserved for Issuance

There are no securities of the Issuer reserved for issuance.

15. EXECUTIVE COMPENSATION

Statement of Executive Compensation

The following provides a summary of the Statement of Executive Compensation and also provides information concerning compensation paid to the directors of the Issuer.

For the purposes of this section, the Named Executive Officers are the Chief Executive Officer and Chief Financial Officer of the Issuer and each of the three most highly compensated executive officers of the Issuer for the for the two most recently completed financial years. Based on the above criteria, the Named Executive Officers for the Issuer are Brian Stecyk (Chief Executive Officer) and Fiona Fitzmaurice (Chief Financial Officer).

Compensation Discussion and Analysis

When determining compensation policies and individual compensation levels for the Issuer's executive officers, a variety of factors, will be considered including: the overall financial and operating performance of the Issuer, each executive officer's individual performance and contribution towards meeting corporate objectives; each executive officer's level of responsibility and length of service; and industry comparables.

The Issuer's compensation philosophy for its executive officers will follow three underlying principles: to provide compensation packages that encourage and motivate performance; to be competitive with other companies in the industry in which it operates, which are of similar size and scope of operations, so as to attract and retain talented executives; and to align the interests of its executive officers with the long-term interests of the Issuer and its shareholders through stock related programs.

Summary Compensation Table

The following Summary Compensation Table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years of the Issuer to the Named Executive Officers and the directors of the Corporation. The following Summary Compensation Table does not disclose any information regarding Mr. Conan Taylor, a director of the Issuer, as he was appointed to his position with the Issuer after the financial year of the Corporation ended December 31, 2020.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES ⁽¹⁾							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Brian Stecyk ⁽²⁾ Chief Executive Officer and Director	2020 2019	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Fiona Fitzmaurice ⁽³⁾ Chief Financial Officer	2020 2019	17,000 nil	nil nil	nil ni	nil ni	nil ni	17,000 nil
Randy Koroll ⁽⁴⁾ Former Chief Financial Officer and Director	2020 2019	28,750 23,750	nil nil	nil nil	nil nil	nil nil	28,750 23,750
John Dyer ⁽⁵⁾ Former President, Chief Executive Officer and Director	2020 2019	27,750 18,000	nil nil	nil nil	nil nil	nil nil	27,750 18,000
Chris Hopkins ⁽⁶⁾ Former Chief Financial Officer and Director	2020 2019	nil 12,515	nil nil	nil nil	nil nil	nil nil	nil 12,515
John McCleery ⁽⁷⁾ Former Executive Officer and Director	2020 2019	nil n/a	nil nil	nil nil	nil nil	nil nil	nil n/a
Rejean Gosselin ⁽⁸⁾ Director	2020 2019	nil n/a	nil nil	nil nil	nil nil	nil nil	nil n/a
Wesley Thompson ⁽⁹⁾ Director	2020 2019	nil n/a	nil nil	nil nil	nil nil	nil nil	nil n/a
R. Brian Murray ⁽¹⁰⁾ Former Director	2020 2019	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil
Glenda Kelly ⁽¹¹⁾ Former Director	2020 2019	nil nil	nil nil	nil nil	nil nil	nil nil	nil nil

Notes:

- (1) This table does not include any amount paid as reimbursement for expenses.
- (2) Mr. Stecyk was appointed Chief Executive Officer and a Director on May 28, 2019.
- (3) Ms. Fitzmaurice was appointed Chief Financial Officer on August 26, 2020.
- (4) Mr. Koroll resigned as Chief Financial Officer and Director on August 26, 2020.
- (5) Mr. Dyer resigned as Chief Financial Officer and Director on May 11, 2020.
- (6) Mr. Hopkins resigned as Chief Financial Officer and a Director on March 12, 2019.
- (7) Mr. McCleery resigned as President, Chief Executive Officer and a Director of the Corporation on February 16, 2018.
- (8) Mr. Gosselin was appointed on May 29, 2020.
- (9) Mr. Thompson was appointed on June 25, 2020.
- (10) Mr. R. Brian Murray resigned as a Director on June 12, 2019. Consulting fees paid to Murcon Ltd., a company owned by Mr. Murray for financial consulting.
- (11) Ms. Kelly resigned as a Director on August 9, 2019. Consulting fees paid to Ms. Kelly for investor relations consulting.

Stock Options

The Issuer currently has no stock options issued to date as noted above and intends to grant stock options to its directors, officers and consultants pursuant to the Option Plan; however, details respecting any such option grants will be at the discretion of the Board.

Pension Plan Benefits

The Issuer does not intend to implement any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Termination of Employment and Change of Control Benefits

The Issuer does not intend to provide any compensation to any Named Executive Officers as a result of a

change of control of the Issuer.

Management Contracts

Fiona Fitzmaurice, Chief Financial Officer

The Issuer entered into a consulting services agreement with Longford Consulting Inc., a company controlled by Ms. Fitzmaurice, for her services as the Chief Financial Officer of the Issuer on August 26, 2020 (the “**Fitzmaurice Agreement**”). Pursuant to the Fitzmaurice Agreement, Ms. Fitzmaurice receives remuneration in the amount of \$4,000 per month commencing on September 1, 2020 and \$5,000 per month commencing on December 1, 2020. The Fitzmaurice Agreement is automatically renewed on a monthly basis, continues from year to year and may be terminated by the Issuer or Ms. Fitzmaurice by mutual agreement or by Ms. Fitzmaurice providing 60 days’ written notice.

Compensation of Directors

The Issuer may pay compensation to its directors in the form of annual fees for attending meetings of the Board of Directors or for acting as chairs of committees of the Board of Directors. Subject to the discretion of the Board of Directors, directors will be entitled to receive stock options in accordance with the terms of the Option Plan and the Exchange requirements, subject to the discretion of the Board of Directors. Directors will be reimbursed for any out-of-pocket travel expenses incurred in order to attend meetings of the Board of Directors, committees of the Board of Directors or meetings of the shareholders of the Issuer. It is also anticipated that the Issuer will obtain customary insurance for the benefit of its directors and enter into indemnification agreements with its directors pursuant to which the Issuer will agree to indemnify its directors to the extent permitted by law.

Gender Diversity in Executive Officer Positions

The Issuer has not adopted a formal policy which specifies targets regarding the representation of women in executive officer positions or on its Board of Directors. While the Issuer believes that diversity, including gender diversity, is an important consideration in determining the makeup of its executive team, it is only one of a number of factors (which include merit, talent, experience, expertise, leadership capabilities, innovative thinking and strategic agility), that are considered in selecting the best candidates for executive positions. At the present time, the Issuer has one woman on its executive team.

Equity Compensation Plan Information

The following table sets forth aggregated information as at the date of this Listing Statement with respect to compensation plans of the Issuer under which equity securities of the Issuer are authorized for issuance.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options (#)	Weighted-average Exercise Price of Outstanding Options(\$)	Number of Securities remaining available for Future Issuance under Equity Compensation Plans (#)
Equity compensation plans approved by Security holders	nil	n/a	3,181,463

Equity compensation plans not approved by security holders	n/a	n/a	n/a
Total	nil	n/a	3,181,463

Note:

- (1) The Stock Option Plan is a “rolling” stock option plan whereby the maximum number of Common Shares that may be reserved for issue pursuant to the Stock Option Plan will not exceed 10% of the outstanding Common Shares of the Issuer at the time of the stock option grant. As at the date of this Listing Statement, 3,181,463 stock options are authorized for issue under the Stock Option Plan and no stock options are outstanding.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or officers of the Issuer, nor any of affiliate or associate of the directors or officers of the Issuer is or was indebted to the Issuer at any time since its incorporation.

17. RISK FACTORS

17.1 – Description of Risk Factors

There are a number of risks and uncertainties that may have a material and adverse impact on the future operating and financial performance of the Issuer and could cause the Issuer’s proposed plans, prospects, strategies, events, operating and financial performance and results to differ materially from the estimates described in forward-looking statements and forward-looking information in this Listing Statement related to the Issuer. These include widespread risks associated with any form of business and specific risks associated with the Issuer’s business and its involvement in the early-stage exploration and development industry. An investment in the Common Shares, as well as the Issuer’s prospects, is highly speculative due to the high-risk nature of its business and the early stage of its exploration and development activities, as well as due to the limited assets and cash resources of the Issuer. Shareholders of the Issuer may lose their entire investment. The risks described below are not the only ones facing the Issuer. Additional risks not currently known to the Issuer, or that the Issuer currently deems immaterial, may also impair the Issuer’s proposed plans, prospects, strategies, events, business, operations, financial performance and results. If any of the following risks actually occur, the Issuer’s plans, strategies, events, business, financial performance and condition, results and prospects could be adversely affected.

Exploration, Development and Operating Risks

Mining operations generally involve a high degree of risk. The Issuer’s operations are subject to all the hazards and risks normally encountered in the exploration, development and production of nickel, base metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. The financing, exploration, development and mining of any of the Issuer’s exploration properties is furthermore subject to a number of macroeconomic, legal and social factors, including the price of nickel and other metals, laws and regulations, political conditions, currency fluctuations, the ability to hire and retain qualified people, the inability to obtain suitable adequate machinery, equipment or labour and obtaining necessary services in jurisdictions in which the Issuer operates. Unfavourable changes to these and other factors have the potential to negatively affect the Issuer’s business, plans, prospects, strategies, financial performance and condition and results.

The exploration for and development of mineral deposits is a speculative venture involving significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate or even mitigate. While the discovery of a commercially viable ore body may result in an increase in value for shareholders, few mineral properties which are explored are ultimately developed into producing mines. At present, none of the Issuer's properties have a known body of bankable commercial ore and the proposed exploration programs are exploratory. There is no certainty that the expenditures made by the Issuer towards the exploration and evaluation of mineral deposits on its properties will result in discoveries or production of commercial quantities of nickel or other minerals.

Substantial expenditures may be required to locate, evaluate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site, and substantial additional financing will be required. It is impossible to ensure that the Issuer will be able to secure the necessary financing needed to pursue the exploration or development activities planned by the Issuer or that its activities will result in an economically viable or profitable commercial mining operation. The decision as to whether a particular property contains a commercial mineral deposit and should or could be brought into production will depend on the results of exploration programs and/or geological and other studies, and the recommendations of duly qualified engineers and geologists. Several significant factors will be considered, including, but not limited to: (i) the particular attributes of the deposit, such as size, grade, metallurgical characteristics, and proximity to infrastructure; (ii) mineral prices, which are highly cyclical; (iii) government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, permitting, importing and exporting of minerals and environmental protection; (iv) available working capital and ongoing costs of exploration and development; (v) availability, terms and cost of additional funding; and (vi) local community and landowner opposition to access mineral rights. The exact effect of these factors cannot be accurately predicted, but one or any combination of these factors may result in the Issuer not being able to pursue its business plans or strategy or its shareholders not receiving an adequate return on invested capital.

Dependence on the Issuer Property

The Issuer will be solely focused on the exploration and development of the Issuer Property. Unless the Issuer acquires additional property interests, any adverse developments affecting the Issuer Property could have a material adverse effect upon the Issuer and would materially and adversely affect any profitability, financial performance and results of operations of the Issuer. There is no assurance that the Issuer's mineral exploration and development programs at the Issuer Property will result in the definition of bodies of commercial mineralization. There is also no assurance that even if commercial quantities of mineralization are discovered that Issuer Property will be brought into commercial production. Failure to do so will have a material adverse impact on the Issuer's operations and potential future profitability. The discovery of bodies of commercial mineralization is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade and proximity to infrastructure), metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Most of the above factors are beyond the Issuer's control.

Early Stage Status and Nature of Exploration

The terms "Resource(s)" or "Reserve(s)" cannot be used to describe any of the Issuer's exploration properties due to the early stage of exploration at this time. Any reference to potential quantities and/or grade is conceptual in nature, as there has been insufficient exploration to define any mineral resource and it is uncertain if further exploration will result in the determination of any mineral resource. Any information, including quantities and/or grade, described in this Listing Statement should not be interpreted

as assurances of a potential resource or reserve, or of potential future mine life or of the viability or profitability of future operations.

Few properties that are explored are ultimately developed into producing mines. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

The economics of exploring and developing mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, fluctuations in the concentrate sales markets, which may be independent of metals prices, costs of mining and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current planned exploration and development programs of the Issuer will result in economically viable or profitable commercial mining operations. The profitability of the Issuer's operations will be, in part, directly related to the costs and success of its exploration and development programs, which may be affected by a number of factors. Substantial expenditures are required to establish mineral reserves that are sufficient to support commercial mining operations and to construct, complete and install mining and processing facilities on those properties that are actually developed.

No assurance can be given that any particular level of recovery of minerals will be realized or that any potential quantities and/or grade will ever qualify as a resource, or that any such mineral resource will ever qualify as a commercially viable (or mineable) deposit which can be legally and economically exploited. Where expenditures on a property have not led to the discovery of mineral reserves, incurred expenditures will generally not be recoverable.

Ability to Continue as a Going Concern is Highly Uncertain

The financial statements relating to the Issuer have been prepared on a going concern basis, which assumes the realization of assets and discharge of liabilities and commitments in the normal course of business for the foreseeable future. The Issuer is an early-stage exploration company with no source of operating cash flow, no recorded revenues and nor does it expect to generate any revenues for several years. The Issuer has experienced significant consecutive losses, has had negative operating cash flow, has excess of current liabilities over current assets, has not yet achieved profitable operations and expects to incur further losses in the future. The Issuer may not have adequate cash resources to fund its operations over the next twelve months and will require additional financing in order to conduct its planned work programs on the Issuer Property, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. The Issuer will require financing to support future investing and operating activities. There can be no certainty as to the ability of the Issuer to raise sufficient financing in order to continue to operate and, accordingly, there is material uncertainty that may cast significant doubt about the Issuer's ability to continue as a going concern. In addition, the financial statements attached at Schedule "A" – Financial Statements of Pedro Resources Ltd. to this Listing Statement do not contain any adjustments to the amounts, recoverability or classification of assets and liabilities that may be necessary should the Issuer be unable to implement its strategy and plans to obtain additional financing and continue operating as a going concern. Such adjustments could be material.

Additional Capital

The Issuer plans to focus on evaluating its properties and exploring for minerals and will use its working

capital to carry out such activities. However, the exploration and development of the Issuer's exploration properties is expected to require substantial additional financing. The ability of the Issuer to arrange such additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business and performance of the Issuer. Failure to obtain additional financing could result in delaying or indefinite postponement of exploration, development or production on any or all of the Issuer's exploration properties or a loss of a property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Issuer. If additional financing is raised by the Issuer through the issuance of securities from treasury, control of the Issuer may change and security holders may suffer potentially significant dilution.

Joint Ventures and Subsidiaries

The Issuer may, in the future, operate some of its activities and properties through joint ventures, subsidiaries, earn-ins or similar arrangements in order to fully exploit the exploration and production potential of its exploration assets. There can be no assurance that the Issuer will be able to identify and successfully negotiate joint venture or similar arrangements with third parties on terms that are favourable to the Issuer, or at all. The Issuer may, in the future, be unable to meet its share of costs incurred under such arrangements and may have its property interests subject to such arrangements reduced as a result or even face termination of such arrangements.

The Issuer is also subject to the typical risks associated with joint ventures and similar arrangements, including disagreement on how to develop, operate or finance the properties and activities and contractual and legal remedies of the Issuer's partners in the event of such disagreements. In addition, any limitation on the transfer of cash or other assets between the Issuer and such entities, or among such entities, could restrict the Issuer's ability to fund its activities efficiently. Any such limitations or the perception that such limitations may exist now or in the future, could have an adverse impact on the Issuer's business, plans, prospects, value and stock price.

No History of Operations

The Issuer is an early-stage exploration and development Issuer and has no history of exploration, development, mining or refining mineral products. As such, the Issuer is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that the Issuer will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

No History of Earnings

The Issuer has not yet commenced operations in the mineral resource sector and therefore has no history of earnings or of a return on investment in this sector, and there is no assurance that any of its property interests or other assets will be economically viable or will be advanced to generate earnings, operate profitably or provide a return on investment in the future. No operating revenues are anticipated until one of the Issuer's projects comes into production, which may or may not occur. The Issuer will continue to experience losses unless and until it can successfully develop and begin profitable commercial production at one of its properties. There can be no assurance that the Issuer will be able to do so.

No History of Profitability

The Issuer is an early exploration and development stage Issuer with no history of revenues or profitability

in the mineral resource sector. There can be no assurance that the activities of the Issuer will be economically viable or profitable in the future. The Issuer will require additional financing to further explore, develop, acquire, and achieve commercial production on its property interests and, if financing is unavailable for any reason, the Issuer may become unable to acquire and retain its property interests and carry out its business plan.

Industry and Economic Factors Affecting the Issuer

The Issuer is a junior resource Issuer focused primarily on the evaluation, exploration and development of mineral properties and potential acquisition of mineral properties in the future. The Issuer's future performance is largely tied to the financial markets related to junior resource companies, which is often cyclical. The Issuer will continuously monitor several economic factors including the uncertainty regarding the price of nickel, cobalt, copper and the availability of equity financing for the purposes of mineral exploration and development. The Issuer's future performance is largely tied to its ability to raise additional financing needed to fund its ongoing exploration and operating activities and to pursue the exploration and the development of its mineral property interests and the overall financial markets. Financial markets in the mining sector are likely to continue to be volatile reflecting ongoing concerns about the global economy, and the general pessimistic outlook in the mining sector. Companies worldwide have been affected negatively by these trends. As a result, the Issuer may have difficulties raising equity financing needed for the purposes of mineral exploration and development, particularly without excessively diluting the interests of its current shareholders. With continued market volatility expected, the Issuer's current strategy is to continue a modest exploration program on its properties using existing cash and funds generated through equity financings if and when available and to seek out other prospective business opportunities, including entering into option arrangements and/or joint ventures. The Issuer believes that this focused strategy will enable it to pursue its business strategy and plans in the near term. These trends may limit the Issuer's ability to develop and/or further explore its properties, and/or acquire other property interests that could be acquired in the future. Management will monitor economic conditions and estimate their impact on the Issuer's plans, strategies and activities and incorporate these estimates in short-term operating and longer-term strategic decisions.

Reliance on a Limited Number of Properties

The only material property interests of the Issuer are its interests in the Issuer Property. As a result, unless the Issuer acquires additional property interests, any adverse developments affecting any one of these properties would likely have an adverse effect upon the Issuer and would adversely affect the potential mineral resource development, profitability, financial performance and condition and results of the Issuer and its strategies and plans. While the Issuer may seek to acquire additional mineral properties that are consistent with its business objectives, there can be no assurance that the Issuer will be able to identify suitable additional mineral properties or, if it does identify suitable properties, that it will have sufficient financial resources to acquire such properties or that such properties will be available on terms acceptable to the Issuer or at all.

Commodity Prices

The price of the Issuer's securities, its financial condition and results, and its access to the capital required to finance its exploration activities may in the future be adversely affected by declines in the price of base metals and, in particular, the price of nickel. Base and precious metal prices fluctuate widely and are affected by numerous factors beyond the Issuer's control such as the sale or purchase of base and precious metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand, production and consumption patterns, speculative activities, increased production due to improved mining and production

methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection, and international political and economic trends, conditions and events. If these or other factors continue to adversely affect the price of base and precious metals, the market price of the Issuer's securities may decline. A severe decline in the price of a mineral being explored or produced or expected to be explored or produced by the Issuer would have a material adverse effect on the Issuer, and could result in the suspension of exploration or development of properties by the Issuer.

Insurance and Uninsured Risks

The Issuer's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment, natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties, personal injury or death, environmental damage to the Issuer's exploration properties or the properties of others, delays in the ability to undertake exploration, monetary losses and possible legal liability.

The Issuer does not currently maintain insurance in respect of such risks. Although the Issuer may in the future maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, such insurance even if obtained will not cover all the potential risks associated with a mining Issuer's operations. The Issuer may also be unable to obtain and maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration, development and production is not generally available to the Issuer or to other companies in the resource industry on acceptable terms. The Issuer might also be subject to liability for pollution or other hazards which it may not be insured against or which the Issuer may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Issuer to incur significant costs that could have a material adverse effect upon its business, plans, prospects, financial performance and condition and results. The payment of such liabilities could reduce or eliminate the Issuer's available funds or could exceed the funds available to the Issuer to pay such liabilities and result in bankruptcy.

Environmental Risks and Hazards

The mining and mineral processing industries are subject to extensive environmental regulation for the protection of the environment. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. These regulations may adversely affect the Issuer or require it to expend significant funds. There is also a risk that environmental and other laws and regulations may become more onerous, making it costlier for the Issuer to remain in compliance with such laws and regulations.

There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Issuer's operations. Environmental hazards may exist on the properties on which the Issuer holds interests which are unknown to the Issuer at present and which have been caused by previous or existing owners or operators of the properties or by current or previous surface rights owners.

The Issuer cannot give any assurances that breaches of environmental laws (whether inadvertent or not) or environmental pollution will not materially and adversely affect its business, plans and financial condition. There is no assurance that any future changes to environmental regulation, if any, will not adversely affect the Issuer.

Significant liabilities may exist on the lands where its material property is located in the form of historic mine construction and development infrastructure, tailings dam(s), waste dump site, a mill site, a camp site, and other mining related infrastructure, disturbance, and equipment located on the property. The Issuer cannot guarantee that its estimation of the amount of these liabilities is accurate. The cost of addressing exiting liabilities may be significantly higher than as currently estimated by the Issuer.

Permitting

The Issuer's current and anticipated future activities will require approvals and permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, exploration, development, mining, production, taxes, labour standards, health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. There is no assurance that delays will not occur in connection with obtaining all such necessary approvals and permits for the existing activities or additional approvals or permits for any possible future changes to operations. Prior to any development on any of its properties, the Issuer must receive permits from appropriate governmental authorities. There can be no assurance that the Issuer will obtain or continue to hold all permits necessary to develop or continue its activities at any particular property. Delays in obtaining or a failure to obtain any licenses or permits or extensions thereto, challenges to the issuance of such licences or permits, whether successful or unsuccessful, changes to the terms of such licences or permits or a failure to comply with the terms of any such licences or permits that the Issuer has obtained, could have a material adverse effect on the Issuer by delaying or preventing or making more expensive exploration and/or development.

The acquisition of the right to explore and/or exploit mineral properties is a detailed and time consuming process. Although the Issuer has reviewed title for the Issuer Property, there is no guarantee that title to such property interests will not be challenged or impugned. The Issuer's mineral properties may be subject to prior registered or unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects and land claims. A successful challenge to the validity of, or the precise area and location of, these claims could result in the Issuer being unable to operate on its properties as permitted or being unable to enforce its rights with respect to its properties.

Infrastructure

Development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, and government or other interference in the maintenance or provision of such infrastructure could adversely affect the Issuer's business, plans, prospects, financial condition and results. Significant liabilities exist on the Project lands in the form of historic mine construction and development infrastructure, waste dump and stockpiles sites, a camp site, and other mining related infrastructure, disturbance, and equipment located on the property. The Issuer cannot guarantee that its estimation of the amount of these liabilities is accurate. The cost of addressing exiting liabilities may be significantly higher than as currently estimated by the Issuer.

Competition

The resource and mining exploration industry is intensely competitive in all of its phases. As a result of this competition, some of which is with significantly larger, established mining companies with substantial capabilities and greater financial and technical resources than the Issuer, the Issuer may be unable to continue to explore and develop its existing properties, or to acquire additional mineral properties in the future. The Issuer may also encounter increasing competition from other resource and mining companies, many of which are significantly larger with significantly greater resources, in its efforts to hire experienced mining professionals.

Community Relations

The Issuer's relationships with the communities in which it operates and other stakeholders are critical to ensure the future success of its existing operations and the construction and development of its projects. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Publicity adverse to the Issuer's operations, or the mining industry generally, could have an adverse effect on the Issuer and may impact relationships with the communities in which the Issuer operates and other stakeholders. While the Issuer is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk.

Government Regulation

The mineral exploration activities (as well as the potential for eventual mining, processing and development activities) of the Issuer will be subject to extensive laws and regulations governing prospecting, exploration, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, waste disposal, water use, land claims of local people, protection of historic and archaeological sites, mine development, protection of endangered and protected species and other matters.

Government approvals, approval of the local population and permits are currently, and may in the future be required in connection with the Issuer's proposed activities. To the extent such approvals are required and not obtained, the Issuer may be curtailed or prohibited from continuing its exploration or development activities or from proceeding with planned exploration or development of mineral properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing activities to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in the exploration or development of mineral properties or mining operations may be required to compensate those suffering loss or damage by reason of their activities and may have civil or criminal fines or penalties imposed for violations of applicable laws.

The Issuer's mineral exploration and development activities may be adversely affected in varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase royalties payable or the costs related to the Issuer's activities or maintaining its properties. Operations may also be affected in varying degrees by government regulations with respect to restrictions on exploration, development, production, price controls, government-imposed royalties, claim fees, export controls, income taxes, and expropriation of property, environmental legislation and mine safety. The effect of these factors cannot be accurately predicted. Although the Issuer's exploration and development activities are expected to be carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

Furthermore, any shift in political attitudes, or amendments to current laws and regulations governing activities of exploration, development, mining or milling or more stringent implementation thereof are beyond the control of the Issuer and could have a substantial adverse impact on the Issuer.

Foreign Operations

The Issuer Property is currently located in Canada. However, the Issuer may in the future acquire additional properties located outside of Canada that are subject to that jurisdiction's Laws. As such, the Issuer's activities may be exposed to various levels of political, economic and other risks and uncertainties, and investors should assess the political risks of investing in a foreign country. These risks and uncertainties vary from country to country and include, but are not limited to: terrorism; hostage taking; military repression; fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risks of war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; changes in taxation policies; and changing political conditions and governmental regulations, including changing environmental legislation.

In addition, in the event of a dispute arising from foreign operations, the Issuer may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. It is not possible for the Issuer to accurately predict such developments or changes in Laws or the extent to which any such developments or changes may have a material adverse effect on the Issuer's business.

Influence of Third-Party Stakeholders

Some of the lands in which the Issuer holds an interest, or the exploration equipment and roads or other means of access which the Issuer intends to utilize in carrying out its work programs or general business activities, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims or do not consent to the Issuer carrying on activities on lands subject to their interests or claims, the Issuer's work programs may be delayed or prevented, even if such claims are not meritorious. Such claims or delays may result in significant financial loss and loss of opportunity for the Issuer.

The Issuer may need to enter into negotiations with landowners and other groups in local communities in order to conduct further exploration and development work on its properties. There is no assurance that future discussions and negotiations will result in agreements with landowners and other local community groups or if such agreements will be on terms acceptable to the Issuer so that the Issuer may continue to conduct exploration and development activities on these properties.

Acquisitions and Integration

From time to time, the Issuer may examine opportunities to acquire additional exploration and/or mining assets and businesses. Any acquisition that the Issuer may choose to complete may be of a significant size relative to the size of the Issuer, may change the nature or scale of the Issuer's business and activities, and may expose the Issuer to new geographic, political, operating, financial and geological risks. The Issuer's success in its acquisition activities, if any, depends upon its ability to obtain additional sources of financing, identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate any acquired operations successfully with those of the Issuer. Any acquisitions would be accompanied by risks. In the event that the Issuer chooses to raise debt capital to finance any such acquisitions, the Issuer's leverage will be increased. If the Issuer chooses to use equity as consideration for such acquisitions, existing shareholders may suffer significant dilution. There can be no assurance that the Issuer would be successful in obtaining additional sources of financing or in overcoming these risks or any other problems encountered in connection with such acquisitions.

Management of Growth

The Issuer may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Issuer to manage growth effectively will require it to continue to implement and improve its operations and financial systems and to expand, train and manage its employee base. The inability of the Issuer to deal with this growth could have a material adverse impact on its business, plans, operations and prospects.

Dilution

Financing the development of a mineral property through to production, should feasibility studies show it is recommended, would be expensive and the Issuer would require additional monies to fund development and exploration programs and potential acquisitions. The Issuer cannot predict the size of future issuances of the Issuer Common Shares or the issuance of debt instruments or other securities convertible into the Issuer Common Shares. Likewise, the Issuer cannot predict the effect, if any, that future issuances and sales of the Issuer's securities will have on the market and market price of the Common Shares. If the Issuer raises additional funds by issuing additional equity securities, such financing may substantially dilute the interests of existing shareholders. Sales of substantial numbers of the Issuer securities, or the availability of such the Issuer securities for sale, could adversely affect the market, liquidity and any prevailing market prices for the Issuer's securities.

Dividend Policy

No dividends on the Issuer Common Shares have been paid by the Issuer to date. Payment of any future dividends will be at the discretion of the Board after taking into account many factors, including the Issuer's operating results, financial condition and current and anticipated cash needs. At this time, the Issuer has no source of cash flow and anticipates using all available cash resources towards its stated business objectives and retaining all earnings, if any, to finance its business activities.

Key Personnel

The Issuer's development will be dependent on the efforts of key management and potentially other key

personnel. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The loss of any of these people, particularly to competitors, could have a material adverse effect on the Issuer's business. Further, with respect to the future development of the Issuer's exploration properties, it may become necessary to attract both international and local personnel for such development. The marketplace for key skilled personnel is highly competitive, which means the cost of hiring, training and retaining such personnel may increase. Factors outside the Issuer's control, including competition for human capital and the high level of technical expertise and experience required to execute this development, will affect the Issuer's ability to identify and retain the specific personnel required.

Due to the relatively small size of the Issuer, the loss of key personnel or the Issuer's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business, activities and future plans. The Issuer does anticipate carrying any "key person" life insurance in respect of any of its directors, officers or other employees.

Risk of Litigation

The Issuer may become involved in disputes with other parties in the future which may result in litigation or other legal proceedings. The results of legal proceedings cannot be predicted with certainty. If the Issuer is unable to resolve these disputes favourably, it may have a material adverse impact on the ability of the Issuer to carry out its business plan.

Internal Controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Conflicts of Interest

Certain of the directors and officers of the Issuer also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Issuer will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Issuer and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the BCBCA and other applicable laws.

Markets for Securities

There can be no assurance that an active trading market in the common shares of the Common Shares will be established and sustained. The market price for the Common Shares could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of the Issuer's peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of Issuer. The stock market has from time to time experienced extreme price and volume fluctuations, particularly in the mining sector.

Covid-19

The Issuer's activities may be affected by potential medical pandemic issues, such as the novel coronavirus (COVID-19), as a result of the potential related impact to employees, disruption to operations, supply chain delays, travel and trade restrictions, impact on economic activity in affected countries or regions and local government response to such issues. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce in the technology industry and could be a major health-care challenge for the Issuer. There can be no assurance that the Issuer's personnel will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. The issuers operating and capital costs may increase in order to implement necessary precautions as required by local laws or as determined by the Issuer. As well, there can be no assurance that the Issuer will not be impacted by adverse consequences that may be brought about by pandemics on global financial markets which may reduce resources, share prices and financial liquidity that may severely limit the financing capital available in the industry that the Issuer operates in and the mining industry generally.

17.2 – Additional Securityholder Risk

There is no risk that securityholders of the Issuer may become liable to make an additional contribution beyond the price of the security.

17.3 – Other Risks

The risk factors material to the Issuer that a reasonable investor would consider relevant to an investment in the Common Shares are described above and elsewhere in this Listing Statement.

18. PROMOTERS

There are no persons or companies that have, or that would have been within the two years immediately preceding the date of this Listing Statement, a promoter of the Issuer or of a subsidiary of the Issuer.

19. LEGAL PROCEEDINGS

19.1-19.2 – Legal Proceedings and Regulatory Actions

As of the date hereof, the Issuer is not a party to any legal proceedings or regulatory actions and is not currently contemplating any legal proceedings other than as described below. Management of the Issuer is currently not aware of any legal proceedings or regulatory actions contemplated against the Issuer, which are material to its business.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth below, no director or executive officer of the Issuer, or any person who has direct or indirect beneficial ownership of, or who exercises control or direction over, more than 10% of the Issuer's outstanding shares, nor any associate or affiliate of any of such persons or companies, has had any interest in any transaction within the three years preceding the date of this Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer.

During the year ended December 31, 2019, the Issuer advanced \$342,177 to four companies which had common directors. At the time when these intercompany advances were made on those specified terms, there were other pending opportunities and proposed transactions that might have occurred, such that the Issuer was comfortable at that time, that the advances had a reasonable expectation of being repaid. However, when it became obvious that the other companies were not likely to be able to repay these loans,

a provision for write-off was recorded. Accordingly, the Issuer wrote off the following loans to the following recipients, totaling \$342,177.35:

Name of Company	Name of Director⁽¹⁾	Amount Advanced
CellCube Energy Storage Systems Inc.	John Dyer and Brian Stecyk ⁽²⁾	\$308,252.50
Gold Rush Cariboo Corp.	John Dyer and Brian Stecyk	\$33,924.85
Total:		\$342,177.35

Notes:

(1) As at December 31, 2019.

(2) Brian Stecyk resigned as a director in March 2019, and was not a director or involved with the company when the loan arrangement was made.

21. AUDITORS, TRANSFER AGENTS AND REGISTRARS

21.1 – Auditors

The Issuer's auditor is RSM Canada LLP, Chartered Professional Accountants, of Suite 700, 11 King St. W., Box 27, Toronto, Ontario M5H 4C7. The Issuer's transfer agent and registrar is Computershare Investor Services Inc. of 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1.

22. MATERIAL CONTRACTS

22.1 – Material Contracts of the Issuer

The Issuer has not entered into any other material contracts within the two years before the date of this Listing Statement, other than contracts entered into in the ordinary course of business, except for the Share Purchase Agreement.

The material contracts described above may be inspected without further charge at the offices of the Issuer, located at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, during ordinary business hours for a period of 30 days after the date of this Listing Statement, and are available on SEDAR.

22.2 – Special Agreements

The Issuer is not a party to any co-tenancy, unitholders' or limited partnership agreements.

23. INTEREST OF EXPERTS

23.1 – Interest of Experts – Issuer

No person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement holds any beneficial interest, direct or indirect, in any securities or property of the Issuer or of an Associate or Affiliate of the Issuer and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Issuer or of an Associate or Affiliate of the Issuer and no such person is a promoter of the Issuer or an Associate or Affiliate of the Issuer.

24. OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein that are necessary to be disclosed in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the Common Shares.

25. FINANCIAL STATEMENTS

Financial Statements of the Issuer

Enclosed as Schedule “A” is a copy of:

- (1) the audited consolidated financial statements of the Issuer for the year ended December 31, 2020 and a copy of the Management’s Discussion and Analysis related to such financial statements; and
- (2) the unaudited consolidated financial statements of the Issuer for the six month period ended June 30, 2021 and a copy of the Management’s Discussion and Analysis related to such financial statements.

SCHEDULE “A”
CONSOLIDATED FINANCIAL STATEMENTS AND MANAGEMENT DISCUSSION AND
ANALYSIS’ OF THE ISSUER

PEDRO RESOURCES LTD.

FINANCIAL STATEMENTS

For the years ended December 31, 2020 and December 31, 2019

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Pedro Resources Ltd.

Opinion

We have audited the financial statements of Pedro Resources Ltd., (the "Company"), which comprise the statement of financial position as at December 31, 2020 and 2019 and the statements of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Entity incurred a net loss of \$244,010 during the year ended December 31, 2020 (\$2019 - \$796,709) and a cumulative deficit of \$9,789,580 (2019 - \$9,545,570), and as of that date, the Company's current liabilities exceeded its total assets by \$153,736 (2019 - \$90,274). As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the report prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Octavio Cabral.

RSM Canada LLP

PEDRO RESOURCES LTD
Statements of Financial Position
As at December 31, 2020 and December 31, 2019
(Expressed in Canadian Dollars)

	2020	2019
Assets		
Current		
Cash	\$ 3,194	\$ 180,895
HST receivable	23,406	19,213
Prepaid expenses	4,734	3,240
	\$ 31,334	\$ 203,348
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 78,937	\$ 31,669
Due to related party (Note 4)	106,133	81,405
	185,070	113,074
Shareholders' Equity (Deficiency)		
Share capital (Note 8)	8,005,913	8,005,913
Reserves	1,629,931	1,629,931
Deficit	(9,789,580)	(9,545,570)
	(153,736)	90,274
	\$ 31,334	\$ 203,348

Nature of Operations and Going Concern (Note 1)

Subsequent events (Note 11)

Approved by the Board

"Brian Stecyk"

Director (Signed)

"Rejean Gosselin"

Director (Signed)

PEDRO RESOURCES LTD**Statements of Loss and Comprehensive Loss****For the years ended December 31, 2020 and December 31, 2019****(Expressed in Canadian Dollars)**

	2020	2019
Expenses		
Bank charges	\$ 850	\$1,313
Computer and internet expenses	-	6,501
Consulting (Note 9)	135,260	280,462
Insurance	5,705	10,800
Office and general	450	10,566
Professional fees	31,338	77,507
Bad debt expense (Note 5)	44,698	367,177
Regulatory and transfer agent fees	10,315	16,659
Rent	7,069	12,606
Shareholder communications	8,325	13,118
	244,010	796,709
Net Loss and Comprehensive Loss for the Year	\$ 244,010	\$ 796,709
Basic and diluted loss per common share	\$ (0.01)	\$ (0.04)
Weighted average number of common shares outstanding	19,936,630	19,936,630

PEDRO RESOURCES LTD**Statements of Cash Flows****For the years ended December 31, 2020 and December 31, 2019****(Expressed in Canadian Dollars)**

	2020	2019
Cash provided by (used in)		
Operations		
Net loss and comprehensive loss	\$ (244,010)	\$ (796,709)
Items not affecting cash		
Bad debt expense	44,698	367,177
Net changes in non-cash working capital		
HST receivable	(4,193)	46,572
Prepaid expenses	(1,494)	(3,240)
Accounts payable and accrued liabilities	47,268	(120,798)
Cash (used in) Operations	(157,731)	(506,998)
Investing		
Due from related party	(44,698)	(248,272)
Cash (used in) Investing	(44,698)	(248,272)
Financing		
Due to related party	24,728	81,405
Cash provided by Financing	24,728	81,405
Net (decrease) increase in Cash	(177,701)	(673,865)
Cash, beginning of year	180,895	854,760
Cash, end of year	\$ 3,194	\$ 180,895

PEDRO RESOURCES LTD**Statements of Changes in Shareholders' Equity (Deficiency)****For the years ended December 31, 2020 and December 31, 2019****(Expressed in Canadian Dollars)**

	Number of common shares	Share Capital	Share-based payment reserve	Contributed surplus	Deficit	Total
Balance at December 31, 2018	19,936,630	\$8,005,913	\$308,906	\$1,321,025	\$(8,748,861)	\$886,983
Loss for the year	-	-	-	-	(796,709)	(796,709)
Balance at December 31, 2019	19,936,630	\$8,005,913	\$308,906	\$1,321,025	\$(9,545,570)	\$90,274
Balance at December 31, 2019	19,936,630	\$8,005,913	\$308,906	\$1,321,025	\$(9,545,570)	\$90,274
Loss for the year	-	-	-	-	(244,010)	(244,010)
Balance at December 31, 2020	19,936,630	\$8,005,913	\$308,906	\$1,321,025	\$(9,789,580)	\$(153,736)

1. Nature of Business and Going Concern

Pedro Resources Ltd. (“the Company”) is transitioning to mineral exploration and is currently reviewing prospects which may be suitable for its current level of operations. The address of the Company’s corporate office and principal place of business is Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

On November 27, 2020 the Company announced that it had entered into an arm’s length share purchase agreement with Voisey’s Bay West Nickel & Cobalt Corp. (“Voisey’s Bay”) and the shareholders of Voisey’s Bay, pursuant to which the Company has agreed to acquire all of the issued and outstanding shares of Voisey’s Bay. Voisey’s Bay is a private company formed under the laws of Ontario, whose sole asset is a 100% interest in 13 prospective mineral licenses, comprising 721 claims (18,025 hectares), 4.5 km south of Vale’s Voisey Bay Mine in the province of Newfoundland and Labrador, Canada. As consideration for the acquisition, the Company will issue an aggregate of 8,000,000 common shares in the capital of the Company to the vendors.

These financial statements have been prepared on the assumption that the Company is a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. The Company incurred a net loss of \$244,010 for the year ended December 31, 2020 (December 31, 2019 – \$796,709), has an accumulated deficit of \$9,789,580 (December 31, 2019 - \$9,545,570) and has a working capital deficit of \$153,736 (December 31, 2019 – \$90,274). There are several conditions that cast significant doubt on the Company’s ability to continue as a going concern, including that the Company has incurred significant operating losses over the past fiscal years, has limited resources, has no source of operating cash flow and no assurances that sufficient funding will be available; all of which may be impacted by the uncertainties arising from the COVID-19 pandemic.

The application of the going concern concept is dependent upon the Company’s ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Management is actively engaged in the review and due diligence on new projects, is seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that management’s plan will be successful. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

2. Basis of Presentation

(a) Statement of Compliance

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee. The financial statements for the year ended December 31, 2020 were authorized for issue by the Board of Directors on May 3, 2021.

(b) Basis of Measurement

These financial statements have been prepared under the historical cost convention, except for certain financial instruments which are measured at fair value.

2. Basis of Presentation (Cont'd)

(c) Critical Accounting Estimates, Judgments, and Assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

(i) Stock-based compensation expense:

The Company uses the Black-Scholes option pricing model to determine the fair value of options in order to calculate stock-based compensation expense. The Black-Scholes model involves six key inputs to determine the fair value of an option: risk-free interest rate, exercise price, market price at the date of issue, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates that involve considerable judgment and are or could be affected by significant factors that are out of the Company's control. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of stock-based compensation expense.

(ii) Valuation of warrants:

The Company uses the Black-Scholes option pricing model to calculate the value of warrants issued using the relative Fair Value method as part of the Company's private placements. The Black-Scholes model requires six key inputs to determine a value for a warrant: risk free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life and expected volatility. Certain of the inputs are estimates which involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. For example, a longer expected life of the warrant or a higher volatility number used would result in an increase in the warrant value.

The significant areas of judgment considered by management in preparing the financial statements are as follows:

(i) Going concern:

The Company's management has made an assessment of the Company's ability to continue as a going concern and the financial statements continue to be prepared on a going concern basis. However, management does not believe the Company has sufficient cash on hand to meet the Company's operating expenditures beyond December 31, 2020 which may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. Basis of Presentation (Cont'd)

(ii) Deferred tax assets:

Deferred tax assets are recognized in respect of tax losses and other temporary differences to the extent it is probable that taxable income will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and level of future taxable income together with future tax planning strategies.

3. Significant Accounting Policies

a) Loss per share

Basic loss per share is computed by dividing loss available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the loss per share. The calculation proved to be anti-dilutive for the years ended December 31, 2020 and 2019.

b) Stock-based compensation

The Company grants stock options to buy common shares of the Company to directors, officers, employees and service providers. The board of directors grants such options for periods of up to five years, with vesting periods determined at its sole discretion and at prices equal to or greater than the closing market price on the day preceding the date the options were granted. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value of options granted to employees is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period during which the share purchase options vest. The fair value of the share purchase options granted is measured taking into account the terms and conditions upon which the share purchase options were granted. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share purchase options that are expected to vest.

c) Impairment

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the statement of loss for the period. For an asset that does not generate independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

3. Significant Accounting Policies (Cont'd)

d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

i) Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss); and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are either recorded in profit or loss or OCI.

At present, the Company classifies all financial assets as held at amortized cost. Cash is classified as a financial asset.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its financial assets:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

3. Significant Accounting Policies (Cont'd)

d) Financial instruments (Cont'd)

Fair value through OCI (FVOCI): Debt instruments that are held for collection of contractual cash flows and for selling the debt instruments, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the debt instrument is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these debt instruments is included as finance income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of loss and comprehensive loss in the period in which it arises.

ii) Financial liabilities

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: where the Company optionally designates financial liabilities at FVTPL the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

At present, the Company classifies all of its financial liabilities as held at amortized cost. These financial liabilities are classified as current liabilities as the payment is due within 12 months.

e) Valuation of Units

The Company follows the relative fair value method with respect to the measurement of common shares and warrants issued as private placement units. The proceeds from the issuance of units are allocated between share capital and warrants. Unit proceeds are allocated to shares and warrants using the Black-Scholes option pricing model and the share price at the time of financing.

If and when the warrants are exercised, the applicable relative fair value recognized in warrants is transferred to share capital. Any consideration paid on the exercise of the warrants is credited to share capital. For those warrants that expire unexercised on maturity, the recorded value is transferred to deficit.

3. Significant Accounting Policies (Cont'd)

f) Deferred taxes

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income (loss) in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

4. Due to Related Party

The amount due to related party of \$106,133 represents funds received from a company with common directors and funds received from a shareholder. The amounts are non-interest bearing and have no fixed terms of repayment.

5. Due from Related Party

During the year ended December 31, 2020 the Company advanced funds in the amount of \$44,698 to three companies which had common directors at the time of the advances. The amounts were non-interest bearing and had no fixed terms of repayment. As at December 31, 2020, the Company has made a provision for the full amount of \$44,698 as uncollectible.

6. Capital Management

The capital structure of the Company consists of shareholders' equity. The Company's objectives when managing capital are to ensure sufficient liquidity for operations and adequate funding for growth and capital expenditures while maintaining an efficient balance between debt and equity.

The Company makes adjustments to its capital structure upon approval from its Board of Directors, in light of economic conditions and the Company's working capital requirements. There were no changes in the Company's approach to capital management during the period. The Company does not presently utilize any quantitative measures to monitor its capital. There are no external restrictions on capital.

7. Financial Instruments

The Company is exposed in varying degrees to a variety of financial instrument related risk. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a. Fair Values

For the Company's financial instruments, including cash, due from related parties, due to related parties, accounts payable and accrued liabilities, the carrying amounts approximate fair value due to their immediate or short-term maturity.

PEDRO RESOURCES LTD
Notes to the Financial Statements
December 31, 2020
(Expressed in Canadian Dollars)

7. Financial Instruments (Cont'd)

b. Currency Risk

The Company currently does not have any significant exposure to foreign currency risk.

c. Credit Risk

Credit risk arises from cash held with banks and financial institutions, and credit exposure to clients, including outstanding receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. To reduce credit risk, cash is held at major financial institutions.

d. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company tries to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Currently, the Company's main source of funding is from the issuance of equity securities for cash, primarily through private placements and from unsecured non-interest-bearing loans from directors. As at December 31, 2020, the Company had cash of \$3,194 (December 31, 2019 - \$180,895) and accounts payable and accrued liabilities of \$78,937 (December 31, 2019 - \$31,669) and due to related party of \$106,133 (December 31, 2019 - \$81,405).

8. Share Capital and Reserves

a. Authorized

Unlimited number of common shares without par value.

b. Share purchase options

In fiscal 2011, the Company adopted a stock option plan ("SOP") pursuant to which the Company is able to grant to directors, officers, employees and service providers options to purchase common shares of the Company. The maximum number of options which may be granted at any point in time is 10% of the Company's then outstanding common shares. Generally, options granted have a maximum term of ten years, a vesting period determined by the directors and the exercise price may not be less than the discounted market price, as prescribed by the policies of the TSX Venture Exchange.

c. Stock Options exercised

The following is a summary of stock option transactions:

	2020		2019	
	Number of Options	Weighted Ave Exercise Price	Number of Options	Weighted Ave Exercise Price
Opening balance	401,000	0.19	1,010,000	\$ 0.20
Granted	-	-	131,000	0.17
Expired	(31,000)	0.17	(740,000)	0.20
Ending balance	370,000	\$0.19	401,000	\$0.19
Options exercisable	370,000	\$0.19	401,000	\$0.19

Expiry Date	Number of Options		Exercise Price
	2020	2019	
April 6, 2021	270,000	270,000	\$ 0.20
June 12, 2021	100,000	131,000	0.17
Outstanding	370,000	401,000	
Weighted average remaining life	1.50 years	2.50 years	

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Notes to the Financial Statements
December 31, 2020
(Expressed in Canadian Dollars)

8. Share Capital and Reserves (Cont'd)

d. Share-based payment reserve

The share-based payment reserve records items recognized as share-based compensation expense until such time that the stock options or compensatory warrants are exercised, at which time the corresponding amount will be transferred to share capital. If the options or compensatory warrants expire unexercised or are cancelled, the amount recorded is transferred to deficit.

e. Warrants

	Number	Weighted Average Exercise Price	Expiry Date
Balance – December 31, 2018	1,858,000	\$0.50	
Balance – December 31, 2019 and 2020	1,858,000	\$0.50	June 10, 2021

9. Key Management Personnel and Related Party Transaction

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors as well as corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer and/or their companies.

Key management personnel compensation included above is as follows:

	December 31, 2020	December 31, 2019
Short term compensation	\$ 92,500	\$ 179,290

In addition to related party transactions noted elsewhere in the financial statements, the Company incurred rent expense of \$7,069 paid to a company which has common directors with the Company.

10. Income Taxes

(a) Income Tax Expense

Major items causing the Company's income tax rate to vary from the Canadian statutory rate of approximately are as follows:

	December 31, 2020	December 31, 2019
Loss before income taxes	\$ (239,325)	\$ (769,709)
Statutory rate	26.5%	26.5%
Income tax provision at statutory rate	(63,421)	(211,128)
Effect of income of:		
Changes in deferred taxes not recognized	63,421	211,128
Provision for income taxes	-	-

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Notes to the Financial Statements
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10. Income Taxes (Cont'd)

(b) Deferred Income Taxes

The following deferred tax assets are not recognized in the financial statements due to the unpredictability of future income:

	December 31, 2020	December 31, 2019
	\$	\$
Non-capital losses carried forward	786,000	722,000
Equipment, intangibles and other assets	1,000	1,000
Share issue costs	2,000	2,000
	789,000	725,000
Less: Deferred taxes not recognized	(789,000)	(725,000)
	-	-

The Company estimates that it will have approximately \$2,726,000 of non-capital losses carried forward which may be utilized to reduce Canadian taxable income in future years. To the extent they are not utilized, the non-capital losses carried forward expire as follows:

	\$
2030	14,000
2031	284,000
2032	240,000
2033	188,000
2034	168,000
2035	142,000
2036	116,000
2037	229,000
2038	543,000
2039	802,000
2040	239,000
	<u>\$ 2,965,000</u>

11. Commitments

The Company has agreements with consultants to provide services at an aggregate rate of \$4,000 month until November 2021.

12. COVID-19

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation in future periods.



Management's Discussion and Analysis

For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

PEDRO RESOURCES LTD.

Management's Discussion and Analysis

For the years ended December 31, 2020 and December 30, 2019

BACKGROUND

This discussion and analysis has been prepared as at May 3, 2021 and should be read in conjunction with the financial statements for the years ended December 31, 2020 and 2019 of Pedro Resources Ltd. (the "Company" or "Pedro"). All dollar figures included in the following Management's Discussion and Analysis ("MD&A") are quoted in Canadian dollars unless otherwise indicated. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Certain information in this MD&A or incorporated by reference, and in other public announcements by the Company is forward-looking and is subject to important risks and uncertainties. Words such as "may", "will", "believe", "expect", "anticipate", "estimate" and similar expressions identify forward-looking statements. This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and US securities legislation. Forward-looking statements relate to future events or activities or future performance and reflect management's expectations or beliefs regarding future events. All statement in this MD&A, other than statements of historical fact, are forward-looking statements, and include, but are not limited to, statements with respect to the potential acquisition of mineral properties of merit and the subsequent exploration and, if warranted, development of and production from, any such properties; the ability of the Company to carry out and complete one or more private placements; the Company's expectation that it will receive additional loans from directors; the Company's expectation that it will be able to secure the necessary funding in order to be able to remain in operation; and the Company's overall proposed business and financing plans. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or "does not believe", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, by their very nature 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. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, the inability of the Company to raise the required funding for any proposed mineral property acquisitions, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, the Company's inability to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, or accidents, labour disputes and other risks of the mineral exploration and mining industry. Since there can be no assurance that forward-looking statements will prove to be accurate, and as actual results and future events could differ materially from those anticipated in such statements, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on our behalf, except as required by law.

The Company's is a reporting issuer in British Columbia and Alberta trading on the NEX Board of the TSX Venture Exchange under the symbol "PED.H". In accordance with TSX Venture Exchange policies the Company's listing will remain as an NEX listing until it acquires a qualifying business and meets the related TSX Venture Board requirements.

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For the years ended December 31, 2020 and December 30, 2019

HIGHLIGHTS FOR THE PERIOD ENDED DECEMBER 31, 2020

On May 10, 2020, the Company announced the resignation of John Dyer as a Director and Chief Financial Officer of the Company

On May 15, 2020, the Company announced that Randy Koroll had been appointed as Chief Financial Officer of the Company.

On August 26, 2020, The Company announced the appointment of Ms. Fiona Fitzmaurice as the new Chief Financial Officer of the Company and the resignation of Randy Koroll. The Company also announced that current Director, Wesley Thompson, will be serving as Business Development advisor.

Summary of Quarterly Results

The following table sets out selected financial information, presented in Canadian dollars and prepared in accordance with IFRS. The information contained herein is drawn from interim financial statements of the Company for each of the aforementioned eight quarters.

	Dec 31, 2020	Sept 30, 2020	June 30, 2020	Mar 31, 2020
	\$	\$	\$	\$
Revenue			-	-
Net Loss	(86,026)	(36,204)	(66,821)	(54,959)
Net Loss per share (basic and diluted)		(0.01)	(0.01)	(0.00)

	Dec 31, 2019	Sept 30, 2019	June 30, 2019	Mar 31, 2019
	\$	\$	\$	\$
Revenue	-	-	-	-
Net Loss	(536,618)	(55,009)	(118,085)	(86,997)
Net Loss per share (basic and diluted)	(0.03)	(0.00)	(0.01)	(0.00)

RESULTS OF OPERATIONS

Comparison of the years ended December 31, 2020 and December 31, 2019

The Company sustained a loss of \$244,010 for the year ended December 31, 2020 versus a loss of \$796,709 for the same period ended December 31, 2019. The year to year changes are affected by many factors such as variations in capital markets, the timing of any write-down or write-off of capitalized expenditures, the accrual of share-based compensation costs, tax recoveries and legal matters.

The Company has yet to generate any revenues as the operating results for the period ended December 31, 2020 continue to reflect the Company's ongoing listing and project review costs.

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Management's Discussion and Analysis
For the years ended December 31, 2020 and December 30, 2019

General and administrative expenses decreased compared to the 2019 comparable period due to a reduction in general office expenses. Rent expense increased in this period compared to 2019. The Company shares a corporate office in Toronto. Insurance expense is for Directors and Officers insurance.

Consulting fees consists of management consultants, business development consultants, and communication consultants. During the year ended December 31, 2020, consulting fees were lower than the comparable prior period due to a decrease in the use of direct consultants.

Legal and audit costs are related to compliance, government relations and other legal costs related to business development initiatives. During the year ended December 31, 2020, fees were lower than the comparable prior period due to the decreased in the use of general legal services.

FINANCING/USE OF PROCEEDS

During the year ended December 31, 2020, the Company financed operations in part through cash resources and working capital.

FINANCIAL CONDITION, LIQUIDITY AND SOLVENCY AND CAPITAL RESOURCES

Financial Condition and Operations

During the year ended December 31, 2020, the Company incurred a loss of \$\$\$ compared to a loss of \$796,709 for the comparative period ended December 31, 2019. These losses reflect the Company's ongoing activities as it maintained its public listing, evaluated opportunities, sought funding along with efforts at repositioning the Company for future project activities. The decrease in the losses for 2020 compared to 2019 is largely due to 2020's lower consulting fees and general administrative expenses.

At December 31, 2020, the Company had a working capital deficit of \$146,264 (December 31, 2019 – (\$90,274)).

Liquidity and Capital Resources

To date, the Company's operations have been predominantly financed by the sale of its securities and the exercise of warrants, stock options and, more recently, non-interest-bearing loans from directors. The future exercise of stock options or the sale of securities by way of private placement is largely dependent on the market prices and the market liquidity of the Company's securities and there can be no guarantee that warrants and options will be exercised or that security sales may be realized.

Operating Activities

The Company's operating activities used \$157,731 of cash during the year ended December 31, 2020 (December 31, 2019 - \$506,998).

CHANGES IN ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Nature of Business and Continuance of Operations

The Company is transitioning to mineral exploration and is currently reviewing mineral projects of merit which may be suitable for acquisition given its current level of operations.

During 2020 the majority of the Company's activities were related to operating during the difficulties of the Covid-19 pandemic which curtailed some activities related to the conversion from a technology company to a mineral exploration and development company.

PEDRO RESOURCES LTD.

Management's Discussion and Analysis

For the years ended December 31, 2020 and December 30, 2019

The Company evaluated several resource-based opportunities and in December 2020 issued a news release announcing a project in Newfoundland & Labrador. The Company entered into an arm's length share purchase agreement with Voisey's Bay West Nickel & Cobalt Corp. (Voisey's Bay). The Company agreed to acquire all the issued and outstanding shares of the Voisey's Bay a private company whose sole asset is a 100% interest in 13 prospective mineral licenses comprising 721 claims (18,025 hectares) located 4.5 km south of Vale's Voisey Bay nickel and Cobalt mine.

As consideration for the Transaction, the Company will issue an aggregate of 8,000,000 common shares in the capital of the Company (the "Consideration Shares") at a deemed price of \$0.08 per Consideration Share to the Vendors issued in six (6) equal allotments over a period of three (3) years, and cash payments of \$165,000 payable on each of the first three anniversaries of the closing of the Transaction. All securities issued pursuant to the Acquisition will be subject to a statutory hold period of four months and one day from the issuance thereof, as applicable, in accordance with applicable securities laws.

The Company selected this opportunity upon the recommendation of former senior Vale employees and consultants who had worked on the property and is based upon regional compilation of geological and geophysical data incorporating the most recent Vale models.

Vale's Property has been in production since 2005 as an open pit (Ovoid) with underground operations (Eastern Deeps and Reid Brook) to commence 2021. The mine has proven and probable geological resources (2018) of 32.4 million tonnes ore grading 2.13 % Ni (691 kilotonnes (kt)), 0.96% Cu (312 kt) and 0.13% Co (42 kt). The Company cautions investors that mineralization hosted on nearby or adjacent properties are not necessarily indicative of mineralization hosted on the Property.

Portions of package had been explored in a reconnaissance manner between 1995 and 1998. As part of due diligence for the transaction, the Company commissioned a NI 43-101 technical report prepared by Mark Fekete, P. Geo and qualified person, entitled "Technical Report on the Voisey's Bay West, Labrador NTS Sheets 042D01, D02 and D07 56°17' N. Lat., 062°50' W. Long., for Pedro Resources Ltd.". Mr. Fekete's report noted that, although at a preliminary stage, the property merits additional exploration based upon: The Property is located in an area with lithologies and regional structures favourable for Vale's Property-type Ni-Cu-Co deposits but has not had seen any property-wide systematic mapping or rock sampling. Compilations of historic airborne magnetic and electromagnetic surveys have identified numerous geophysical anomalies that remain untested by surface sampling or drilling.

Rock types favourable for the style of mineralization typical of the Vale's Property deposits have been identified on the Property.

The Company recognizes that both nickel and cobalt are key components in clean energy technologies particularly in the production of electric vehicles (EV's) and in the Company's view it is very fortunate to be able to acquire a property of this magnitude, in such close proximity to a major producer.

The acquisition is subject to review and approval by regulatory agencies which is expected to occur in 2012.

The Company's financial statements have been prepared on the assumption that the Company is a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations.

The Company is looking to secure additional funding in 2021 so that its capital resources will be sufficient to carry its operations through the next twelve months. However, there are several conditions that cast significant doubt on the Company's ability to continue as a going concern.

The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Management is actively engaged in the review and due

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Management's Discussion and Analysis

For the years ended December 31, 2020 and December 30, 2019

diligence on new projects, is seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that management's plan will be successful.

These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used. Such adjustments could be material.

PEDRO RESOURCES LTD.**Management's Discussion and Analysis****For the years ended December 31, 2020 and December 30, 2019**

Significant Accounting Estimates and Judgments

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The most significant accounts that require the use of judgment and assumptions as a basis for determining the stated amounts include the depreciation of equipment, carrying values of assets, the determination of share-based payments and any amounts recognized with respect to deferred tax amounts.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and further periods.

Critical accounting estimates relate to, but are not limited to, the following:

- * The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments and warrants. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates and forfeiture rates. Changes in input assumptions can materially affect the fair value of estimate and the Company's earnings and equity reserves;
- * The recognition of deferred tax assets is determined on whether it is more probable than not that these assets will be recovered.

The Company's significant accounting policies are presented in the notes to the audited financial statements for the year ended December 31, 2019.

Changes in Accounting Standards**IFRS 16 – Leases**

Effective for annual periods commencing on or after January 1, 2019, this new standard eliminates the classification of leases as either operating or finance leases and introduces a single lessee accounting model which requires the lessee to recognize assets and liabilities for all leases with a term of longer than 12 months. The Company has no leases longer than 12 months and therefore IFRS 16 has had no impact on the December 31, 2020 and 2019 interim financial statements.

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Management's Discussion and Analysis
For the years ended December 31, 2020 and December 30, 2019

OUTSTANDING SHARE DATA

Authorized: Unlimited common shares without par value

Issued and Outstanding: 19,936,630 common shares

As of December 31, 2020, the Company had 370,000 options and 1,858,000 warrants outstanding.

There have been no share issuances in the period ended December 31, 2020 and no changes to the shares, warrants, or options outstanding from July 1, 2020 through April 30, 2021.

TRENDS, RISKS AND UNCERTAINTIES

The Company is currently in the process of identifying and evaluating opportunities in the natural resource sector and until such a time as it completes an acquisition there can be no guarantee that such a transaction will be completed. The following risk factors should be given special consideration:

Going Concern

The Company's financial statements have been prepared on the assumption that the Company is a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. The Company has incurred a deficit of \$9,789,580 at December 31, 2020 (December 31, 2019 - \$9,545,570) and has no current source of revenue. The Company's continuation as a going concern is dependent on its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. There can be no assurances that management's future plans for the Company will be successful.

These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. The Company's financial statements do not include any adjustments to the recoverability and classification of assets and classification of liabilities that might be necessary, should the Company be unable to continue as a going concern.

Substantial Capital Requirements; Liquidity

The Company anticipates that it will be required to make substantial capital expenditures for the future acquisition of mineral properties of merit and for the subsequent exploration and development of, and any production from, any of such mineral properties. The Company currently has no revenue and limited ability to expend the capital necessary to acquire any mineral properties of merit and to undertake or complete future programs of exploration on any such properties. There can be no assurance that debt or equity financing, or cash generated will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly. The inability of the Company to access sufficient capital for its operations would have a material adverse effect on the Company's financial condition, results of operations or prospects.

Issuance of Debt

From time to time the Company may enter into transactions which may be financed partially or wholly with debt, and the completion of any such transactions may increase the Company's debt levels above industry standards. The Company's articles do not limit the amount of indebtedness that the Company may incur. The level of the Company's indebtedness from time to time could impair the Company's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise. The Company's ability to service its debt obligations will depend on the Company's future operations, which are subject to prevailing industry conditions and other factors, many of which are beyond the control of the Company.

PEDRO RESOURCES LTD.**Management's Discussion and Analysis****For the years ended December 31, 2020 and December 30, 2019**

TRENDS, RISKS AND UNCERTAINTIES (CONT'D)***Dilution***

It is likely that the Company will issue common shares or securities exercisable or convertible into common shares in the future, either to raise funding for its ongoing operations or in connection with one or more acquisitions. The Company may issue securities on less than favorable terms to raise sufficient capital to fund its business plan. Any transaction involving the issuance of equity securities or securities convertible into common shares would result in dilution, possibly substantial, to present and prospective holders of common shares, could adversely affect the trading prices of the Company's common shares, and could impair the Company's ability to raise capital through future offerings of securities.

Insurance

The Company's future operations, particularly with respect to the exploration, development and operation of mineral projects, may result in the Company becoming subject to liability for pollution, property damage, personal injury or other hazards. Insurance has limitations on liability that may not be sufficient to cover the full extent of such liabilities. In addition, such risks may not, in all circumstances, be insurable or, in certain circumstances, the Company may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of any such uninsured liabilities would reduce the funds available to the Company for its operations. The occurrence of a significant event that the Company is not fully insured against, or the insolvency of the insurer of such event, could have a material adverse effect on the Company's financial position, results of operations or prospects.

Dividends

The Company has not paid dividends on its common shares to date and may not be in a position to pay dividends for the foreseeable future. The Company's ability to pay dividends will depend on its ability to successfully acquire and develop to production one or more mineral projects and to generate earnings from the operation thereof. Further, the Company's initial earnings, if any, will likely be retained to finance its operations. Any future dividends will depend upon the Company's earnings, its then-existing financial requirements and other factors, and will be at the discretion of the Company's board of directors.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's board of directors approves and monitors the risk management processes, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is as follows:

Fair Values

For certain of the Company's financial instruments, including receivables, accounts payable and accrued liabilities and loans payable, the carrying amounts approximate fair value due to their immediate or short-term maturity. Cash is measured at fair value using level 1 inputs.

Currency Risk

The Company currently does not have any significant exposure to foreign currency risk.

Credit Risk

Credit risk arises from cash held with banks and financial institutions, and credit exposure to clients, including outstanding receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. To reduce credit risk, cash is held at major financial institutions.

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FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONT'D)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Currently, the Company's main source of funding is from the issuance of equity securities for cash, primarily through private placements, and from unsecured non-interest-bearing loans from directors. At December 31, 2020, the Company had cash of \$23,528 (December 31, 2019 – \$180,795) to meet obligations of \$163,820 (December 31, 2019 – \$113,074). Management believes that the Company's sources of liquidity, combined with the continued financial support of the Company's directors and lenders, will be sufficient to meet the Company's requirements and to finance its operations in the near term.

CAPITAL DISCLOSURES/MANAGEMENT OF CAPITAL

The capital structure of the Company consists of shareholders' deficiency. The Company's objectives when managing capital are to ensure sufficient liquidity for operations and adequate funding for growth and capital expenditures while maintaining an efficient balance between debt and equity.

The Company makes adjustments to its capital structure upon approval from its Board of Directors, in light of economic conditions and the Company's working capital requirements. There were no changes in the Company's approach to capital management during the period. The Company does not presently utilize any quantitative measures to monitor its capital. There are no external restrictions on capital.

KEY MANAGEMENT PERSONNEL

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors as well as corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer and/or their companies.

Key management personnel compensation included above is as follows:

	December 31, 2020		December 31, 2019
Compensation	\$	79,500	\$ 179,290

COVID-19

On January 30, 2020, the World Health Organization declared the coronavirus outbreak (COVID-19) a "Public Health Emergency of International Concern" and on March 11, 2020, declared COVID-19 a pandemic. The current COVID-19 pandemic is significantly impacting the global economy and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices and has raised the prospect of an extended global recession. As well, as efforts are undertaken to slow the spread of the COVID-19 pandemic, the operation and development of projects may be impacted as governments have declared a state of emergency or taken other actions. If the operation or development of one or more of the operations or projects of the Company is suspended, it may have a material adverse impact on the Company's profitability, results of operations, and financial condition. The broader impact of the COVID-19 pandemic on investors, businesses, the global economy or financial and commodity markets may also have a material adverse impact on the Company's profitability, results of operations and financial conditions. The extent to which the coronavirus impacts the Company's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others.

PEDRO RESOURCES LTD.**Management's Discussion and Analysis****For the years ended December 31, 2020 and December 30, 2019**

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The Company has not filed an Annual Information Form "AIF". Additional disclosure concerning the Company's general and administrative expenses is provided in the Company's Statement of Loss and Comprehensive Loss contained in its Financial Statements for the years ended December 31, 2020 and December 31, 2019 that are available either on the Company's website at www.pedroresources.ca or on its SEDAR Page Site.

INTERNAL CONTROLS OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

In accordance with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"), the CEO and CFO file a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements and accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification includes a "Note to Reader" stating that the CEO and CFO do not make any representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as defined in NI 52-109.

As part of our corporate governance practices, ICFR and DC&P have been designed. There has been no formal evaluation of the operation of these controls. The Company has designed its ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance IFRS.

Management works to mitigate the risk of a material misstatement in financial reporting; however, a control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

The Company's DC&P have been designed to ensure that information required to be disclosed by the Company is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

It should be noted that while the Company's CEO and CFO believe that the Company's DC&P provide a reasonable level of assurance that they are effective, they do not expect that the DC&P or ICFR will prevent all errors or fraud. There have been no material changes to the internal controls of the Company for the period ended December 31, 2020.



**CONDENSED INTERIM UNAUDITED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021 AND 2020
(EXPRESSED IN CANADIAN DOLLARS)**

(Amended)

Notice to Reader

These amended interim financial statements for the six months ended June 30, 2021 and 2020 replace and supersede the previously filed interim financial statements for the same period filed on August 30, 2021. These amended interim financial statements are being refiled for the correction of errors. Expenses were restated to correctly account for professional fees which were reduced by \$17,750, and reserves and deficit were restated to account for options and warrants that expired during the period. Accounts payable and accrued liabilities, and net loss and comprehensive loss for the period also decreased by \$17,750.

The above noted corrections are the only amendments to the financial statements.

Condensed **Pedro Resources Ltd.**
Condensed Interim Statements of
Financial Position
(Expressed in Canadian dollars)
(Unaudited)

		June 30, 2021		December 31, 2020
Assets				
Current Assets				
Cash	\$	65,753	\$	3,194
HST receivable		34,351		23,406
Prepaid expenses		1,164		4,734
Total Assets	\$	101,268	\$	31,334
Liabilities and Shareholders' (Deficit)				
Current Liabilities				
Accounts payable and accrued liabilities	\$	251,758	\$	78,937
Due to related party (Note 4)		20,000		106,133
Total Current Liabilities		271,758		185,070
Shareholders' Equity (Deficiency)				
Share capital (Note 8)		8,005,913		8,005,913
Unit subscriptions received (Note 8)		69,750		-
Reserves		-		1,629,931
Accumulated deficit		(8,246,153)		(9,789,580)
Total Shareholders' (Deficit)		(170,490)		(153,736)
Total Liabilities and Shareholders' (Deficit)	\$	101,268	\$	(31,334)

Nature of Operations and Going Concern (Note 1)

Approved by the Board

"Brian Stecyk"

Director (Signed)

"Rejean Gosselin"

Director (Signed)

Pedro Resources Ltd.
Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	For the three months ended June 30		For the six months ended June 30	
	2021	2020	2021	2020
	\$	\$	\$	\$
Expenses				
Consulting (Note 9)	24,500	47,147	39,500	78,830
General and administration	1,874	5,578	3,764	11,577
Professional fees	22,685	11,400	32,100	23,928
Regulatory and transfer agent fees	3,588	2,696	10,215	5,120
Shareholder communications	925	-	925	2,325
Net Loss and Comprehensive loss for the period	(53,572)	(66,821)	(86,504)	(121,780)
Loss per share – basic and diluted	(0.00)	(0.00)	(0.00)	(0.01)
Weighted average number of common shares outstanding – basic and diluted	19,936,630	19,936,630	19,936,630	19,936,630

Pedro Resources Ltd.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	For the six months ended June 30	
	2021	2020
	\$	\$
Operating activities		
Net loss and comprehensive loss	(86,504)	(121,780)
Net changes in non-cash working capital items:		
HST receivable	(10,945)	(1,273)
Prepaid expenses	3,570	3,240
Accounts payable and accrued liabilities	71,688	1,378
Cash (used in) operating activities	(22,191)	(118,435)
Financing activities		
Share subscriptions received	69,750	-
Advances from related party	15,000	(24,970)
Cash provided by financing activities	84,750	-
Increase in cash	62,559	(143,405)
Cash, beginning of year	3,194	180,895
Cash, end of period	65,753	37,490

Pedro Resources Ltd.
Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian dollars)
(Unaudited)

	Common Shares	Share Capital	Unit Subscriptions Received	Share-based payment reserve	Contributed Surplus	Accumulated Deficit	Total Equity (Deficiency)
	#	\$	\$	\$	\$	\$	\$
Balance at December 31, 2019	19,936,630	8,005,913	-	308,906	1,321,025	(8,748,943)	886,983
Net loss for the period	-	-	-	-	-	(121,780)	(121,780)
Balance at June 30, 2020	19,936,630	8,005,913	-	308,906	1,321,025	(9,667,350)	(31,506)
 Balance at December 31, 2020	 19,936,630	 8,005,913	 -	 308,906	 1,321,025	 (9,789,580)	 (153,736)
Unit subscriptions received	-	-	69,750				69,750
Transfer on expiry of stock options	-	-	-	(308,906)	-	308,906	-
Transfer on expiry of warrants	-	-	-	-	(1,321,025)	1,321,025	-
Net loss for the period	-	-	-	-	-	(86,504)	(86,504)
Balance at June 30, 2021	19,936,630	8,005,913	69,750	-	-	(8,246,153)	(170,490)

Pedro Resources Ltd.
Notes to Condensed Interim Financial Statements
(Expressed in Canadian dollars, unless otherwise noted)
(Unaudited)
For the six months ended June 30, 2021 and 2020

1. Nature of Business and Going Concern

Pedro Resources Ltd. ("the Company") is transitioning to mineral exploration and is currently reviewing prospects which may be suitable for its current level of operations. The address of the Company's corporate office and principal place of business is Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

On November 27, 2020 the Company announced that it had entered into an arm's length share purchase agreement with Voisey's Bay West Nickel & Cobalt Corp. ("Voisey's Bay") and the shareholders of Voisey's Bay, pursuant to which the Company has agreed to acquire all of the issued and outstanding shares of Voisey's Bay. Voisey's Bay is a private company formed under the laws of Ontario, whose sole asset is a 100% interest in 13 prospective mineral licenses, comprising 721 claims (18,025 hectares), 4.5 km south of Vale's Voisey Bay Mine in the province of Newfoundland and Labrador, Canada. As consideration for the acquisition, the Company will issue an aggregate of 8,000,000 common shares in the capital of the Company to the vendors.

These financial statements have been prepared on the assumption that the Company is a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. The Company incurred a net loss of \$104,254 for the six months ended June 30, 2021 (June 30, 2020 – \$121,780), has an accumulated deficit of \$9,893,834 (December 31, 2020 – \$9,789,580) and has a working capital deficit of \$188,240 (December 31, 2020 – \$(153,736)). There are several conditions that cast significant doubt on the Company's ability to continue as a going concern, including that the Company has incurred significant operating losses over the past fiscal years, has limited resources, has no source of operating cash flow and no assurances that sufficient funding will be available; all of which may be impacted by the uncertainties arising from the COVID-19 pandemic.

The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and/or receive continued financial support from its creditors and shareholders. These financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Management is actively engaged in the review and due diligence of new projects, is seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that management's plan will be successful. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used. Such adjustments could be material.

The rapid spread of the COVID-19 virus, which was declared by the World Health Organization to be a pandemic on March 11, 2020, and actions taken globally in response to COVID-19 have significantly disrupted business activities throughout the world. The Company's business relies, to a certain extent, on free movement of goods, services, and capital within Canada, which has been significantly restricted as a result of the COVID-19 pandemic. Given the ongoing and dynamic nature of the circumstances surrounding COVID-19, it is difficult to predict how significant the impact of COVID-19, including any responses to it, will be on the economy and the Company's business in particular, or for how long any disruptions are likely to continue. The extent of such impact will depend on future developments, which are highly uncertain, rapidly evolving and difficult to predict, including new information which may emerge concerning the severity of COVID-19 and additional actions which may be taken to contain COVID-19, as well as the timing of the re-opening of the economy in Canada. Such further developments could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

2. Basis of Presentation

(a) Statement of Compliance

These condensed interim unaudited financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), including International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee. The financial statements for the six months ended June 30, 2021 were authorized for issue by the Board of Directors on October 21, 2021.

Pedro Resources Ltd.
Notes to Condensed Interim Financial Statements
(Expressed in Canadian dollars, unless otherwise noted)
(Unaudited)
For the six months ended June 30, 2021 and 2020

2. Basis of Presentation (Cont'd)

(b) Basis of Measurement

These financial statements have been prepared under the historical cost convention, except for certain financial instruments which are measured at fair value.

(c) Critical Accounting Estimates, Judgments, and Assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The significant areas of estimation uncertainty considered by management in preparing the financial statements are as follows:

(i) Stock-based compensation expense:

The Company uses the Black-Scholes option pricing model to determine the fair value of options in order to calculate stock-based compensation expense. The Black-Scholes model involves six key inputs to determine the fair value of an option: risk-free interest rate, exercise price, market price at the date of issue, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates that involve considerable judgment and are or could be affected by significant factors that are out of the Company's control. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of stock-based compensation expense.

(ii) Valuation of warrants:

The Company uses the Black-Scholes option pricing model to calculate the value of warrants issued using the relative Fair Value method as part of the Company's private placements. The Black-Scholes model requires six key inputs to determine a value for a warrant: risk free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life and expected volatility. Certain of the inputs are estimates which involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. For example, a longer expected life of the warrant or a higher volatility number used would result in an increase in the warrant value.

The significant areas of judgment considered by management in preparing the financial statements are as follows:

(i) Going concern:

The Company's management has made an assessment of the Company's ability to continue as a going concern and the financial statements continue to be prepared on a going concern basis. However, management does not believe the Company has sufficient cash on hand to meet the Company's operating expenditures beyond December 31, 2021 which may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

(ii) Deferred tax assets:

Deferred tax assets are recognized in respect of tax losses and other temporary differences to the extent it is probable that taxable income will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and level of future taxable income together with future tax planning strategies.

Pedro Resources Ltd.
Notes to Condensed Interim Financial Statements
(Expressed in Canadian dollars, unless otherwise noted)
(Unaudited)
For the six months ended June 30, 2021 and 2020

3. Significant Accounting Policies

a) Loss per share

Basic loss per share is computed by dividing loss available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the loss per share. The calculation proved to be anti-dilutive for the six months ended June 30, 2021 and 2020.

b) Stock-based compensation

The Company grants stock options to buy common shares of the Company to directors, officers, employees and service providers. The board of directors grants such options for periods of up to five years, with vesting periods determined at its sole discretion and at prices equal to or greater than the closing market price on the day preceding the date the options were granted. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value of options granted to employees is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period during which the share purchase options vest. The fair value of the share purchase options granted is measured taking into account the terms and conditions upon which the share purchase options were granted. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share purchase options that are expected to vest.

c) Impairment

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the statement of loss for the period. For an asset that does not generate independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Pedro Resources Ltd.
Notes to Condensed Interim Financial Statements
(Expressed in Canadian dollars, unless otherwise noted)
(Unaudited)
For the six months ended June 30, 2021 and 2020

3. Significant Accounting Policies (Cont'd)

d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

i) Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss); and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses are either recorded in profit or loss or OCI.

At present, the Company classifies all financial assets as held at amortized cost. Cash is classified as a financial asset.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its financial assets:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

Pedro Resources Ltd.
Notes to Condensed Interim Financial Statements
(Expressed in Canadian dollars, unless otherwise noted)
(Unaudited)

For the six months ended June 30, 2021 and 2020

3. Significant Accounting Policies (Cont'd)

d) Financial instruments (Cont'd)

Fair value through OCI (FVOCI): Debt instruments that are held for collection of contractual cash flows and for selling the debt instruments, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the debt instrument is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these debt instruments is included as finance income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the statement of loss and comprehensive loss in the period in which it arises.

ii) Financial liabilities

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The fair value changes to financial liabilities at FVTPL are presented as follows: where the Company optionally designates financial liabilities at FVTPL the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of the change in the fair value is presented in profit or loss. The Company does not designate any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

At present, the Company classifies all of its financial liabilities as held at amortized cost. These financial liabilities are classified as current liabilities as the payment is due within 12 months.

e) Valuation of Private Placement Units Issued

The Company follows the relative fair value method with respect to the measurement of common shares and warrants issued as private placement units. The proceeds from the issuance of units are allocated between share capital and warrants. Unit proceeds are allocated to shares and warrants using the Black-Scholes option pricing model and the share price at the time of financing.

If and when the warrants are exercised, the applicable relative fair value recognized in warrants is transferred to share capital. Any consideration paid on the exercise of the warrants is credited to share capital. For those warrants that expire unexercised on maturity, the recorded value is transferred to deficit.

Pedro Resources Ltd.
Notes to Condensed Interim Financial Statements
(Expressed in Canadian dollars, unless otherwise noted)
(Unaudited)
For the six months ended June 30, 2021 and 2020

3. Significant Accounting Policies (Cont'd)

f) Deferred taxes

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income (loss) in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

4. Due to Related Party

The amount due to related parties represents funds received from a shareholder. The balance at year included amounts received from a company with common directors who are no longer involved with the Company and, as a result, the amount has been reclassified to accounts payable. The amounts are non-interest bearing and have no fixed terms of repayment.

5. Capital Management

The capital structure of the Company consists of shareholders' equity or deficit. The Company's objectives when managing capital are to ensure sufficient liquidity for operations and adequate funding for growth and capital expenditures while maintaining an efficient balance between debt and equity.

The Company makes adjustments to its capital structure upon approval from its Board of Directors, in light of economic conditions and the Company's working capital requirements. There were no changes in the Company's approach to capital management during the period. The Company does not presently utilize any quantitative measures to monitor its capital. There are no external restrictions on capital.

6. Financial Instruments

The Company is exposed in varying degrees to a variety of financial instrument related risk. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a. Fair Values

For the Company's financial instruments, including cash, due from related parties, due to related parties, accounts payable and accrued liabilities, the carrying amounts approximate fair value due to their immediate or short-term maturity.

b. Currency Risk

The Company currently does not have any significant exposure to foreign currency risk.

c. Credit Risk

Credit risk arises from cash held with banks and financial institutions, and credit exposure to clients or tax authorities, including outstanding receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. To reduce credit risk, cash is held at major financial institutions.

Pedro Resources Ltd.
Notes to Condensed Interim Financial Statements
(Expressed in Canadian dollars, unless otherwise noted)
(Unaudited)

For the six months ended June 30, 2021 and 2020

7. Financial Instruments (Cont'd)

d. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company tries to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Currently, the Company's main source of funding is from the issuance of equity securities for cash, primarily through private placements and from unsecured non-interest-bearing loans from directors. As at June 30, 2021, the Company had cash of \$65,753 (December 31, 2020 - \$3,194) and accounts payable and accrued liabilities of \$251,758 (December 31, 2020 - \$78,937) and due to related party of \$20,000 (December 31, 2020 - \$106,133).

8. Share Capital and Reserves

a. Authorized

Unlimited number of common shares without par value.

During the period ended June 30, 2021, the Company announced a non-brokered private placement of up to 4,000,000 units (each, a "Unit") at a purchase price of \$0.15 per Unit for aggregate gross proceeds of up to \$600,000. Each Unit shall be comprised of one common share (each, a "Common Share") and on-half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant shall entitle the holder thereof to purchase one Common Share at a price of \$0.30 for a period of two years from the date of closing. See subsequent events (Note 11).

b. Share purchase options

In fiscal 2011, the Company adopted a stock option plan ("SOP") pursuant to which the Company is able to grant to directors, officers, employees and service providers options to purchase common shares of the Company. The maximum number of options which may be granted at any point in time is 10% of the Company's then outstanding common shares. Generally, options granted have a maximum term of ten years, a vesting period determined by the directors and the exercise price may not be less than the discounted market price, as prescribed by the policies of the TSX Venture Exchange.

c. Stock Options outstanding

The following is a summary of stock option movements during the six months ended June 30, 2021 and 2020:

	2021		2020	
	Number of Options	Weighted Avg Exercise Price	Number of Options	Weighted Avg Exercise Price
Opening Balance- January 1	401,000	\$ 0.19	1,010,000	\$ 0.20
Granted	-	-	131,000	\$ 0.17
Expired	(401,000)	\$ 0.19	(740,000)	\$ 0.20
Ending balance- June 30	-	-	401,000	

Number of Options Outstanding			
Expiry Date	2021	2020	Exercise Price
April 6, 2021	-	270,000	\$ 0.20
June 12, 2021	-	131,000	\$ 0.17
Outstanding	-	401,000	
Weighted average remaining life	-	0.8 years	

Pedro Resources Ltd.
Notes to Condensed Interim Financial Statements
(Expressed in Canadian dollars, unless otherwise noted)
(Unaudited)

For the six months ended June 30, 2021 and 2020

8. Share Capital and Reserves (Cont'd)

d. Share-based payment reserve

The share-based payment reserve records items recognized as share-based compensation expense until such time that the stock options or compensatory warrants are exercised, at which time the corresponding amount will be transferred to share capital. If the options or compensatory warrants expire unexercised or are cancelled, the amount recorded is transferred to deficit.

e. Warrants

	Number outstanding	Weighted Average Exercise Price	Expiry Date
Balance – Dec. 31, 2020	1,858,000	\$0.50	June 10, 2021
Expired during the period	(1,858,000)	\$0.50	
Balance – June 30, 2021	-	-	

9. Key Management Personnel and Related Party Transaction

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors as well as corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer and/or their companies.

Key management personnel compensation for the six months ended June 30, 2021 and 2020 was as follows:

	2021	2020
Short term compensation	\$ 30,000	\$ 29,975

10. Commitments

The Company has agreements with a consultant to provide services at an aggregate rate of \$5,000 per month until November 2021.

11. Subsequent Events

On September 15, 2021 the Company announced the closing of the non-brokered private placement through the issuance of 3,878,000 Units at a price of \$0.15 per Unit for aggregate gross proceeds of \$581,700.

In connection with the offering the Company paid a cash commission of \$14,517 and issued a total of 98,670 broker warrants ("Broker Warrants"). Each Broker Warrant entitles the holder to purchase one Common Share at a price of \$0.30 for a period of two years from the date of closing.



Management's Discussion and Analysis

For the six months ended June 30, 2021 and 2020

(Expressed in Canadian Dollars)

(Amended)

Notice to Reader

The MD&A is being refiled as a result of the financial statements for the six months ended June 30, 2021 being restated and refiled.

PEDRO RESOURCES LTD.
Management's Discussion and Analysis
For the six months ended June 30, 2021 and June 30, 2020

BACKGROUND

This discussion and analysis has been prepared as at October 21, 2021 and should be read in conjunction with the financial statements for the six months ended June 30, 2021 and 2020 of Pedro Resources Ltd. (the "Company" or "Pedro"). All dollar figures included in the following Management's Discussion and Analysis ("MD&A") are quoted in Canadian dollars unless otherwise indicated. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Certain information in this MD&A or incorporated by reference, and in other public announcements by the Company is forward-looking and is subject to important risks and uncertainties. Words such as "may", "will", "believe", "expect", "anticipate", "estimate" and similar expressions identify forward-looking statements. This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and US securities legislation. Forward-looking statements relate to future events or activities or future performance and reflect management's expectations or beliefs regarding future events. All statement in this MD&A, other than statements of historical fact, are forward-looking statements, and include, but are not limited to, statements with respect to the potential acquisition of mineral properties of merit and the subsequent exploration and, if warranted, development of and production from, any such properties; the ability of the Company to carry out and complete one or more private placements; the Company's expectation that it will receive additional loans from directors; the Company's expectation that it will be able to secure the necessary funding in order to be able to remain in operation; and the Company's overall proposed business and financing plans. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or "does not believe", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, by their very nature 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. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, the inability of the Company to raise the required funding for any proposed mineral property acquisitions, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, the Company's inability to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, or accidents, labour disputes and other risks of the mineral exploration and mining industry. Since there can be no assurance that forward-looking statements will prove to be accurate, and as actual results and future events could differ materially from those anticipated in such statements, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on our behalf, except as required by law.

The Company's is a reporting issuer in British Columbia and Alberta trading on the NEX Board of the TSX Venture Exchange under the symbol "PED.H". In accordance with TSX Venture Exchange policies the Company's listing will remain as an NEX listing until it acquires a qualifying business and meets the related TSX Venture Board requirements.

PEDRO RESOURCES LTD.
Management's Discussion and Analysis
For the six months ended June 30, 2021 and June 30, 2020

Summary of Quarterly Results

The following table sets out selected financial information, presented in Canadian dollars and prepared in accordance with IFRS. The information contained herein is drawn from interim financial statements of the Company for each of the aforementioned eight quarters.

	June 30, 2021	Mar 31, 2021	Dec 31, 2020	Sept 30, 2020
	\$	\$	\$	\$
Revenue	-	-	-	-
Net Loss	(53,572)	(32,932)	(86,026)	(36,204)
Net Loss per share (basic and diluted)	(0.00)	(0.00)	(0.00)	(0.00)

	June 30, 2020	Mar 31, 2020	Dec 31, 2019	Sept 30, 2019
	\$	\$	\$	\$
Revenue	-	-	-	-
Net Loss	(66,821)	(54,959)	(536,618)	(55,009)
Net Loss per share (basic and diluted)	(0.00)	(0.00)	(0.03)	(0.00)

RESULTS OF OPERATIONS

Comparison of the six months ended June 30, 2021 and June 30, 2020

The Company sustained a loss of \$ 86,504 for the six months ended June 30, 2021 versus a loss of \$ 121,780 for the same period ended June 30, 2020 lower than the prior year comparable period due to decreased activity.

The Company has yet to generate any revenues as the operating results for the period ended June 30, 2021 continue to reflect the Company's ongoing listing and project review costs.

General and administrative expenses decreased compared to the 2020 comparable period due to a reduction in general office expenses.

Consulting fees consists of management consultants, business development consultants, and communication consultants. During the six months ended June 30, 2021, consulting fees were lower than the comparable prior period due to a decrease in the use of direct consultants.

Legal and audit costs are related to compliance, government relations and other legal costs related to business development initiatives. During the six months ended June 30, 2021 fees were lower than the comparable prior period due to the decreased in the use of general legal services.

FINANCING/USE OF PROCEEDS

During the six months ended June 30, 2021, the Company financed operations in part through cash resources and working capital.

FINANCIAL CONDITION, LIQUIDITY AND SOLVENCY AND CAPITAL RESOURCES

Financial Condition and Operations

During the six months ended June 30, 2021 the Company incurred a loss of \$ 86,504 compared to a loss of \$ 121,780 for the comparative period ended June 30, 2020. These losses reflect the Company's ongoing activities as it maintained its public listing, evaluated opportunities, sought funding along with efforts at repositioning the Company for future project activities. The decrease in the losses for the six months ended June 30, 2021 compared to the prior year comparable period due to 2020's lower consulting fees and general administrative expenses.

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At June 30, 2021, the Company had a working capital deficit of \$ 170,490 (June 30, 2020 – \$35,306).

Liquidity and Capital Resources

To date, the Company's operations have been predominantly financed by the sale of its securities and the exercise of warrants, stock options and, more recently, non-interest-bearing loans from directors. The future exercise of stock options or the sale of securities by way of private placement is largely dependent on the market prices and the market liquidity of the Company's securities and there can be no guarantee that warrants and options will be exercised or that security sales may be realized.

Operating Activities

The Company's operating activities used \$22,191 of cash during the six months ended June 30, 2021 (June 30, 2020 - \$118,435).

CHANGES IN ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Nature of Business and Continuation of Operations

The Company is transitioning to mineral exploration and is currently reviewing mineral projects of merit which may be suitable for acquisition given its current level of operations.

During the six months ended June 30, 2021 the majority of the Company's activities were related to operating during the difficulties of the Covid-19 pandemic which curtailed some activities related to the conversion from a technology company to a mineral exploration and development company.

The Company evaluated several resource-based opportunities and in December 2020 issued a news release announcing a project in Newfoundland & Labrador. The Company entered into an arm's length share purchase agreement with Voisey's Bay West Nickel & Cobalt Corp. (Voisey's Bay). The Company agreed to acquire all the

issued and outstanding shares of the Voisey's Bay a private company whose sole asset is a 100% interest in 13 prospective mineral licenses comprising 721 claims (18,025 hectares) located 4.5 km south of Vale's Voisey Bay nickel and Cobalt mine.

As consideration for the Transaction, the Company will issue an aggregate of 8,000,000 common shares in the capital of the Company (the "Consideration Shares") at a deemed price of \$0.08 per Consideration Share to the Vendors issued in six (6) equal allotments over a period of three (3) years, and cash payments of \$165,000 payable on each of the first three anniversaries of the closing of the Transaction. All securities issued pursuant to the Acquisition will be subject to a statutory hold period of four months and one day from the issuance thereof, as applicable, in accordance with applicable securities laws.

The Company selected this opportunity upon the recommendation of former senior Vale employees and consultants who had worked on the property and is based upon regional compilation of geological and geophysical data incorporating the most recent Vale models.

Vale's Property has been in production since 2005 as an open pit (Ovoid) with underground operations (Eastern Deepes and Reid Brook) to commence 2021. The mine has proven and probable geological resources (2018) of 32.4 million tonnes ore grading 2.13 % Ni (691 kilotonnes (kt)), 0.96% Cu (312 kt) and 0.13% Co (42 kt). The Company cautions investors that mineralization hosted on nearby or adjacent properties are not necessarily indicative of mineralization hosted on the Property.

Portions of package had been explored in a reconnaissance manner between 1995 and 1998. As part of due diligence for the transaction, the Company commissioned a NI 43-101 technical report prepared by Mark Fekete, P. Geo and qualified person, entitled "Technical Report on the Voisey's Bay West, Labrador NTS Sheets 042D01, D02 and D07

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56°17' N. Lat., 062°50' W. Long., for Pedro Resources Ltd.” Mr. Fekete’s report noted that, although at a preliminary stage, the property merits additional exploration based upon:

The Property is located in an area with lithologies and regional structures favourable for Vale’s Property-type Ni-Cu-Co deposits but has not had seen any property-wide systematic mapping or rock sampling. Compilations of historic airborne magnetic and electromagnetic surveys have identified numerous geophysical anomalies that remain untested by surface sampling or drilling. Rock types favourable for the style of mineralization typical of the Vale’s Property deposits have been identified on the Property.

The Company recognizes that both nickel and cobalt are key components in clean energy technologies particularly in the production of electric vehicles (EV’s) and in the Company’s view it is very fortunate to be able to acquire a property of this magnitude, in such close proximity to a major producer.

The acquisition is subject to review and approval by regulatory agencies which is expected to occur in 2012.

The Company’s financial statements have been prepared on the assumption that the Company is a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations.

The Company is looking to secure additional funding in 2021 so that its capital resources will be sufficient to carry its operations through the next twelve months. However, there are several conditions that cast significant doubt on the Company’s ability to continue as a going concern.

The application of the going concern concept is dependent upon the Company’s ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Management is actively engaged in the review and due diligence on new projects, is seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that management’s plan will be successful.

These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. If the going concern assumption were not appropriate for these financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used. Such adjustments could be material.

Significant Accounting Estimates and Judgments

The preparation of the Company’s financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The most significant accounts that require the use of judgment and assumptions as a basis for determining the stated amounts include the depreciation of equipment, carrying values of assets, the determination of share-based payments and any amounts recognized with respect to deferred tax amounts.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and further periods.

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Critical accounting estimates relate to, but are not limited to, the following:

- * The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments and warrants. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates and forfeiture rates. Changes in input assumptions can materially affect the fair value of estimate and the Company's earnings and equity reserves;
- * The recognition of deferred tax assets is determined on whether it is more probable than not that these assets will be recovered.

The Company's significant accounting policies are presented in the notes to the audited financial statements for the year ended December 31, 2019.

Changes in Accounting Standards

IFRS 16 – Leases

Effective for annual periods commencing on or after January 1, 2019, this new standard eliminates the classification of leases as either operating or finance leases and introduces a single lessee accounting model which requires the lessee to recognize assets and liabilities for all leases with a term of longer than 12 months. The Company has no leases longer than 12 months and therefore IFRS 16 has had no impact on the December 31, 2020 and 2019 interim financial statements.

OUTSTANDING SHARE DATA

Authorized: Unlimited common shares without par value

Issued and Outstanding: 19,936,630 common shares

As of June 30, 2021, the Company had zero warrants or options outstanding.

There have been no share issuances for the six months ended June 30, 2021. During the six months ended June 30, 2021 401,000 stock options and 1,858,000 warrants expired.

TRENDS, RISKS AND UNCERTAINTIES

The Company is currently in the process of identifying and evaluating opportunities in the natural resource sector and until such a time as it completes an acquisition there can be no guarantee that such a transaction will be completed. The following risk factors should be given special consideration:

Going Concern

The Company's financial statements have been prepared on the assumption that the Company is a going concern, meaning that it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. The Company has incurred a deficit of \$8,246,153 at June 30, 2021 (December 31, 2020- \$9,789,580) and has no current source of revenue. The Company's continuation as a going concern is dependent on its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. There can be no assurances that management's future plans for the Company will be successful.

These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. The Company's financial statements do not include any adjustments to the recoverability and classification of assets and classification of liabilities that might be necessary, should the Company be unable to continue as a going concern.

Substantial Capital Requirements; Liquidity

The Company anticipates that it will be required to make substantial capital expenditures for the future acquisition of mineral properties of merit and for the subsequent exploration and development of, and any production from, any of

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such mineral properties. The Company currently has no revenue and limited ability to expend the capital necessary to acquire any mineral properties of merit and to undertake or complete future programs of exploration on any such properties. There can be no assurance that debt or equity financing, or cash generated will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly. The inability of the Company to access sufficient capital for its operations would have a material adverse effect on the Company's financial condition, results of operations or prospects.

Issuance of Debt

From time to time the Company may enter into transactions which may be financed partially or wholly with debt, and the completion of any such transactions may increase the Company's debt levels above industry standards. The Company's articles do not limit the amount of indebtedness that the Company may incur. The level of the Company's indebtedness from time to time could impair the Company's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise. The Company's ability to service its debt obligations will depend on the Company's future operations, which are subject to prevailing industry conditions and other factors, many of which are beyond the control of the Company.

TRENDS, RISKS AND UNCERTAINTIES (CONT'D)***Dilution***

It is likely that the Company will issue common shares or securities exercisable or convertible into common shares in the future, either to raise funding for its ongoing operations or in connection with one or more acquisitions. The Company may issue securities on less than favorable terms to raise sufficient capital to fund its business plan. Any transaction involving the issuance of equity securities or securities convertible into common shares would result in dilution, possibly substantial, to present and prospective holders of common shares, could adversely affect the trading prices of the Company's common shares, and could impair the Company's ability to raise capital through future offerings of securities.

Insurance

The Company's future operations, particularly with respect to the exploration, development and operation of mineral projects, may result in the Company becoming subject to liability for pollution, property damage, personal injury or other hazards. Insurance has limitations on liability that may not be sufficient to cover the full extent of such liabilities. In addition, such risks may not, in all circumstances, be insurable or, in certain circumstances, the Company may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of any such uninsured liabilities would reduce the funds available to the Company for its operations. The occurrence of a significant event that the Company is not fully insured against, or the insolvency of the insurer of such event, could have a material adverse effect on the Company's financial position, results of operations or prospects.

Dividends

The Company has not paid dividends on its common shares to date and may not be in a position to pay dividends for the foreseeable future. The Company's ability to pay dividends will depend on its ability to successfully acquire and develop to production one or more mineral projects and to generate earnings from the operation thereof. Further, the Company's initial earnings, if any, will likely be retained to finance its operations. Any future dividends will depend upon the Company's earnings, its then-existing financial requirements and other factors, and will be at the discretion of the Company's board of directors.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's board of directors approves and monitors the risk management processes, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is as follows:

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Fair Values

For certain of the Company's financial instruments, including receivables, accounts payable and accrued liabilities and loans payable, the carrying amounts approximate fair value due to their immediate or short-term maturity. Cash is measured at fair value using level 1 inputs.

Currency Risk

The Company currently does not have any significant exposure to foreign currency risk.

Credit Risk

Credit risk arises from cash held with banks and financial institutions, and credit exposure to clients, including outstanding receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. To reduce credit risk, cash is held at major financial institutions.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Currently, the Company's main source of funding is from the issuance of equity securities for cash, primarily through private placements, and from unsecured non-interest-bearing loans from directors. At June 30, 2021, the Company had cash of \$65,753 (June 30, 2020 – \$37,490) to meet obligations of \$289,508 (June 30, 2020 – \$89,482). Management believes that the Company's sources of liquidity, combined with the continued financial support of the Company's directors and lenders, will be sufficient to meet the Company's requirements and to finance its operations in the near term.

CAPITAL DISCLOSURES/MANAGEMENT OF CAPITAL

The capital structure of the Company consists of shareholders' deficiency. The Company's objectives when managing capital are to ensure sufficient liquidity for operations and adequate funding for growth and capital expenditures while maintaining an efficient balance between debt and equity.

The Company makes adjustments to its capital structure upon approval from its Board of Directors, in light of economic conditions and the Company's working capital requirements. There were no changes in the Company's approach to capital management during the period. The Company does not presently utilize any quantitative measures to monitor its capital. There are no external restrictions on capital.

KEY MANAGEMENT PERSONNEL

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors as well as corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer and/or their companies.

Key management personnel compensation included above is as follows:

	30-Jun-21	June 30 2020
Compensation	30,000	29,975

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COVID-19

On January 30, 2020, the World Health Organization declared the coronavirus outbreak (COVID-19) a "Public Health Emergency of International Concern" and on March 11, 2020, declared COVID-19 a pandemic. The current COVID-19 pandemic is significantly impacting the global economy and commodity and financial markets. The full extent and

impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices and has raised the prospect of an extended global recession. As well, as efforts are undertaken to slow the spread of the COVID-19 pandemic, the operation and development of projects may be impacted as governments have declared a state of emergency or taken other actions. If the operation or development of one or more of the operations or projects of the Company is suspended, it may have a material adverse impact on the Company's profitability, results of operations, and financial condition. The broader impact of the COVID-19 pandemic on investors, businesses, the global economy or financial and commodity markets may also have a material adverse impact on the Company's profitability, results of operations and financial conditions. The extent to which the coronavirus impacts the Company's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The Company has not filed an Annual Information Form "AIF". Additional disclosure concerning the Company's general and administrative expenses is provided in the Company's Statement of Loss and Comprehensive Loss contained in its Financial Statements for the six months ended June 30, 2021 and June 30, 2020 that are available either on the Company's website at www.pedroresources.ca or on its SEDAR Page Site.

INTERNAL CONTROLS OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

In accordance with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"), the CEO and CFO file a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements and accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification includes a "Note to Reader" stating that the CEO and CFO do not make any representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as defined in NI 52-109.

As part of our corporate governance practices, ICFR and DC&P have been designed. There has been no formal evaluation of the operation of these controls. The Company has designed its ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance IFRS.

Management works to mitigate the risk of a material misstatement in financial reporting; however, a control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

The Company's DC&P have been designed to ensure that information required to be disclosed by the Company is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

It should be noted that while the Company's CEO and CFO believe that the Company's DC&P provide a reasonable level of assurance that they are effective, they do not expect that the DC&P or ICFR will prevent all errors or fraud. There have been no material changes to the internal controls of the Company for the period ended June 30, 2021.

SCHEDULE “B”
CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

1. PURPOSE

1.1 The primary functions of the Audit Committee of **PEDRO RESOURCES LTD.** (the “**Company**”) are to fulfill its responsibilities in relation to reviewing the integrity of the Company’s financial statements, financial disclosures and internal controls over financial reporting; monitoring the system of internal control; monitoring the Company’s compliance with legal and regulatory requirements; selecting the external auditors for shareholder approval; and reviewing the qualifications, independence and performance of the external auditors.

2. MEMBERSHIP AND ORGANIZATION

2.1 **Composition** - Subject to paragraph 2.6, the Audit Committee shall consist of not less than three independent members of the Board. At the invitation of the Audit Committee, members of the Company’s management and others may attend Audit Committee meetings as the Audit Committee considers necessary or desirable.

2.2 **Appointment and Removal of Audit Committee Members** - Each member of the Audit Committee shall be appointed by the Board on an annual basis and shall serve at the pleasure of the Board, or until the earlier of (a) the close of the next annual meeting of shareholders of the Company at which the member’s term of office expires, (b) the death of the member or (c) the resignation, disqualification or removal of the member from the Audit Committee or from the Board. The Board may fill a vacancy in the membership of the Audit Committee.

2.3 **Chair** - At the time of the annual appointment of the members of the Audit Committee, the Board shall appoint a Chair of the Audit Committee. The Chair shall be a member of the Audit Committee, preside over all Audit Committee meetings, coordinate the Audit Committee’s compliance with this mandate, work with management to develop the Audit Committee’s annual work-plan and provide reports of the Audit Committee to the Board. The Chair may vote on any matter requiring a vote and shall provide a second vote in the case of a tie vote.

2.4 **Independence** - Subject to paragraph 2.6, each member of the Audit Committee shall be an “independent” (as such term is used in National Instrument 52-110 - Audit Committees (“**NI 52-110**”)).

2.5 **Financial Literacy** - Subject to paragraph 2.6, members of the Audit Committee shall be financially literate or agree to become financially literate within a reasonable period of time following the member’s appointment. An individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

2.6 **Venture Issuer** - For so long as the Company is a “venture issuer” as defined in NI 52-110, it is not required to comply with the provisions of paragraph 2.1 “Composition”, 2.4 “Independence” or 2.4 “Financial Literacy” above. In the event the Company cannot comply with all or a part of these provisions, then the Committee shall be comprised of not less than three members of the Board, a majority of whom are not officers or employees of the Company or a subsidiary of the Company.

3. MEETINGS

3.1 **Meetings** - The members of the Audit Committee shall hold meetings as are required to carry out this mandate, and in any case no less than four meetings annually. The external auditors are entitled to attend and be heard at each Audit Committee meeting. The Chair, any member of the Audit Committee, the external auditors, the Chairman of the Board or the President and CEO may call a meeting of the Audit Committee. The Chair shall chair all Audit Committee meetings that he or she attends, and in the absence of the Chair, the members of the Audit Committee present may appoint a Chair from their number for a meeting.

3.2 **Secretary and Minutes** - The Secretary, his or her designate or any other person the Audit Committee requests, shall act as secretary at Audit Committee meetings. Minutes of Audit Committee meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Audit Committee for approval.

3.3 **Quorum** - A majority of the members of the Audit Committee shall constitute a quorum. If a quorum cannot be obtained for an Audit Committee meeting, members of the Board who would qualify as members of the Audit Committee may, at the request of the Chair or the Chairman of the Board, serve as members of the Audit Committee for that meeting.

3.4 **Access to Management and Outside Advisors** - The Audit Committee shall have unrestricted access to management and employees of the Company, and, from time to time may hold meetings with the external auditor, the CFO or the President and CEO. The Audit Committee shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective compensation for these advisors without consulting or obtaining the approval of the Board or any officer of the Company. The Company shall provide appropriate funding, as determined by the Audit Committee, for the services of these advisors.

3.5 **Meetings Without Management** - The Audit Committee shall hold unscheduled or regularly scheduled meetings, or portions of regularly scheduled meetings, at which management is not present.

4. FUNCTIONS AND RESPONSIBILITIES

The Audit Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Audit Committee by the Board. In addition to these functions and responsibilities, the Audit Committee shall perform the duties required of an audit committee by applicable corporate securities laws, the binding requirements of the stock exchanges on which the securities of the Company are listed, and all other applicable laws.

4.1 Financial Reports

(a) **General** - The Audit Committee is responsible for reviewing the integrity of the Company's financial statements and financial disclosures. Management is responsible for the preparation, presentation and integrity of the Company's financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the Company. The external auditors are responsible for auditing the Company's annual consolidated financial statements and, if requested by the Company, for reviewing the Company's unaudited interim financial statements.

(b) **Review of Annual Financial Reports** - The Audit Committee shall review the annual consolidated audited financial statements of the Company, the external auditors' report thereon and the related management's discussion and analysis of the Company's financial condition and results of operation to determine whether they present fairly, in all material respects in accordance with Canadian generally accepted accounting principles, or any other generally accepted accounting principles in which the financial statements of the Company are prepared from time to time, the financial condition, results of operations and cash flows of the Company. After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the annual financial statements and the related MD&A.

(c) **Review of Interim Financial Reports** - The Audit Committee shall review the interim consolidated financial statements of the Company, the external auditors review report thereon, if applicable, and the related MD&A to determine whether they present fairly, in all material respects in accordance with IFRS, the financial condition, results of operations and cash flows of the Company. After completing its review, if advisable, the Audit Committee shall, if so authorized by the Board, approve the interim financial statements and the related MD&A, or if not authorized by the Board, then approve and recommend for Board approval.

(d) **Review Considerations** - In conducting its review of the annual financial statements or the interim financial statements, the Audit Committee shall:

- (i) meet with management and the external auditors to discuss the financial statements and MD&A;
- (ii) review the disclosures in the financial statements;
- (iii) review the audit report or review report prepared by the external auditors;
- (iv) discuss with management, the external auditors and legal counsel, as requested, any litigation claim or other contingency that could have a material effect on the financial statements;
- (v) review critical accounting and other significant estimates and judgments underlying the financial statements as presented by management;
- (vi) review any material effects of regulatory accounting initiatives or off-balance sheet structures on the financial statements as presented by management;
- (vii) review any material changes in accounting policies and any significant changes in accounting practices and their impact on the financial statements as presented by management;

- (viii) review management's report on the effectiveness of internal controls over financial reporting;
- (ix) review results of the Company's whistleblowing program; and
- (x) review any other matters, related to the financial statements, that are brought forward by the external auditors, management or which are required to be communicated to the Audit Committee under accounting policies, auditing standards or applicable law.

4.2 Approval of Other Financial Disclosures - The Audit Committee shall review and, if advisable, approve and recommend for Board approval financial disclosure in a prospectus or other securities offering document of the Company, press releases disclosing financial results of the Company and any other material financial disclosure, including in Management Information Circulars and Annual Information Forms

4.3 External Auditors

a) **General** -The Audit Committee shall be responsible for oversight of the work of the external auditors in auditing and reviewing the Company's financial statements and internal controls over financial reporting.

b) **Appointment and Compensation** - The Audit Committee shall review and, if advisable, select and recommend (i) for shareholder approval, the appointment of the external auditors and (ii) for shareholder or Board approval, as applicable, the compensation of the external auditors.

c) **Annual Review Report** - At least annually, the Audit Committee shall obtain and review a report by the external auditors describing: (i) their internal quality-control procedures and (ii) any material issues raised by their most recent internal quality-control review, peer review or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the external auditors and any steps taken to deal with any of these issues.

d) **Audit Plan** - At least annually, the Audit Committee shall review a summary of the external auditors' annual audit plan. The Audit Committee shall consider and review with the external auditors any material changes to the scope of the plan.

e) **Quarterly Review Report** - If the external auditors review the Company's unaudited interim financial statements, then the Audit Committee shall review a quarterly review report prepared by the external auditors in respect of each of the interim financial statements of the Company.

f) **Independence of External Auditors** - At least annually, and before the external auditors issue their report on the annual financial statements, the Audit Committee shall obtain from the external auditors a formal written statement describing all relationships between the external auditors and the Company, discuss with the external auditors any disclosed relationships or services that may affect the objectivity and independence of the external auditors, and obtain written confirmation from the external auditors that they are objective and independent within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which it belongs.

g) **Evaluation and Rotation of Lead Partner** - At least annually, the Audit Committee shall review the qualifications and performance of the lead partners of the external auditors. The Audit Committee shall obtain a report from the external auditors annually verifying that the lead partner of the external auditors has served in that capacity for no more than five fiscal years of the Company and that the engagement team collectively possesses the experience and competence to perform an appropriate audit.

h) **Pre-Approval of Non-Audit Services** - The Audit Committee shall pre-approve any retainer of the external auditors for any non-audit service to the Company in accordance with applicable law and Board approved policies and procedures. The Audit Committee may delegate pre-approval authority to a member of the Audit Committee. The decisions of any member of the Audit Committee to whom this authority has been delegated must be presented to the full Audit Committee at its next scheduled Audit Committee meeting.

i) **Hiring Practices** - The Audit Committee shall review and approve guidelines regarding the hiring of employees or former employees of the external auditors.

4.4 **Internal Controls**

(a) **General** - The Audit Committee shall monitor the system of internal control.

(b) **Establishment, Review and Approval** - The Audit Committee shall require management to implement and maintain appropriate systems of internal control in accordance with applicable laws, regulations and guidance, including internal control over financial reporting and disclosure and to review, evaluate and approve these procedures. At least annually, the Audit Committee shall consider and review with management and the external auditors: (i) the effectiveness of, or weaknesses or deficiencies in: the design or operation of the Company's internal controls (including computerized information system controls and security); the overall control environment for managing business risks; and accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non financial controls, and legal and regulatory controls and the impact of any identified weaknesses in internal controls on management's conclusions; (ii) any significant changes in internal control over financial reporting that are disclosed, or considered for disclosure, including those in the Company's periodic regulatory filings; (iii) any material issues raised by any inquiry or investigation by the Company's regulators; (iv) any related significant issues and recommendations of the external auditors together with management's responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.

4.5 **Whistleblowing Procedures** - The Audit Committee shall review and approve the establishment by management of procedures for the receipt, retention and treatment of complaints received by the Company from employees or others, regarding accounting, internal accounting controls, or auditing matters.

4.6 **Succession Planning** - In consultation with the Board, the Audit Committee shall review succession plans for the CFO and the Chief Accountant or Controller of the Company. The Audit Committee shall review candidates for the position of CFO of the Company and make recommendations to the Board with respect to the appointment of a CFO.

4.7 **Adverse Investments and Transactions** - The Audit Committee shall review any investments and transactions that could adversely affect the well-being of the Company.

4.8 **Audit Committee Disclosure** - The Audit Committee shall review and approve any audit committee disclosures required by securities regulators in the Company's disclosure documents.

4.9 **Assessment of Regulatory Compliance** - The Audit Committee shall review management's assessment of compliance with laws and regulations as they pertain to responsibilities under this mandate, report its findings to the Board and recommend changes it considers appropriate.

4.10 **Delegation** - The Audit Committee may designate a sub-committee to review any matter within this mandate as the Audit Committee deems appropriate.

5. REPORTING TO THE BOARD

5.1 The Chair shall report to the Board, as required by applicable law or as deemed necessary by the Audit Committee or as requested by the Board, on matters arising at Audit Committee meetings and, where applicable, shall present the Audit Committee's recommendation to the Board of Directors.

CERTIFICATE OF PEDRO RESOURCES LTD.

Pursuant to a resolution duly passed by its Board, Pedro Resources Ltd. hereby applies for the listing of the above-mentioned securities on CSE. The foregoing contains full, true and plain disclosure of all material information relating to Pedro Resources Ltd. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, this 29th day of October, 2021.

“Brian Stecyk”

Chief Executive Officer

“Fiona Fitzmaurice”

Chief Financial Officer

“Wesley Thompson”

Director

“Conan Taylor”

Director