# GOLD TERRA RESOURCE CORP.

## ANNUAL INFORMATION FORM
## For the Financial Year Ended December 31, 2022

April 28, 2023

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual information form ("**AIF**") of Gold Terra Resource Corp. ("**Gold Terra**" or the "**Company**") contains "forward-looking statements" or "forward-looking information" within the meaning of applicable Canadian securities legislation (collectively, "**forward-looking statements**"). Forward-looking statements are included to provide information about management's current expectations and plans that allows investors and others to get a better understanding of the Company's operating environment, the business operations and financial performance and condition.

Forward-looking statements include, but are not limited to, statements regarding planned exploration and development programs and expenditures, the estimation of mineral resources and mineral reserves; proposed exploration and drilling plans and expected results of exploration and drilling at the YP (as defined herein); Gold Terra's ability to obtain licenses, permits and regulatory approvals required to implement expected future exploration plans; changes in commodity prices and exchange rates; currency and interest rate fluctuations; and the impacts of the coronavirus ("**COVID-19**") pandemic or future pandemics, rising inflation, risks related to unstable global financial conditions, the invasion of Ukraine by Russia and other events on the global economy and the Company. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objections, assumptions or future events or performance often, but not always, identified by words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved (or the negative of any of these terms and similar expressions) are not statements of fact and may be forward-looking statements.

Forward-looking statements are necessarily based upon a number of factors and assumptions that, if untrue, could cause actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such statements. Forward-looking statements are based upon a number of estimates and assumptions that, while considered reasonable by the Company at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies that may cause the Company's actual financial results, performance or achievements to be materially different from those expressed or implied herein. Some of the material factors or assumptions used to develop forward-looking statements include, without limitation, the future price of gold, anticipated costs and the Company's ability to fund its programs, the Company's ability to carry on exploration and development activities, the timing and results of drilling programs, the discovery of additional mineral resources on the Company's mineral properties, the timely receipt of required approvals and permits, including those approvals and permits required for successful project permitting, construction and operation of projects, the costs of operating and exploration expenditures, the Company's ability to operate in a safe, efficient and effective manner and the Company's ability to obtain financing as and when required and on reasonable terms.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Certain important factors that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others: (i) no revenue and negative cash flow; (ii) no history of mineral production on mining operations; (iii) the Company may not perform its obligations under the Newmont Option Agreement (as defined herein); (iv) external economic factors that could adversely affect profitability; (v) no assurance on title of property; (vi) limited exploration prospects; (vii) speculation inherit to the development of mineral properties; (viii) uncertainty in mineral resource estimates; (ix) fluctuations in mineral prices, particularly gold; (x) volatility in the market price of the Common Shares (as defined herein); (xi) regulatory requirements; (xii) relationship with indigenous communities; (xiii) inflation risks; (xiv) climate change risks; (xv) dependence on key members of management; (xvi) environmental risks and hazards; (xvii) land reclamation risks; (xviii) risks related to amendments of applicable laws; (xix) dilution of the Common Shares (as defined herein); (xx) global financial risks; (xxi) macro-economic risks; (xxii) global financial risks; (xxiii) risk related to infrastructure; (xxiv) insurance risks; (xxv) competition; (xxvi) influence of third-party stakeholders; (xxvii) risks related to the Canadian Extractive Sector Transparency Measures Act; (xxviii) conflicts of interest; (xxix) risks related to acquisitions and joint ventures; (xxx) legal and litigation risks; (xxxi) risks related to information technology; (xxxii) risks related to ongoing or future pandemics; (xxxiii) risks related to the invasion of Ukraine by Russia; (xxxiv) no payment of dividends; and (xxxv) risks related to disclosure controls and procedures.

This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Although the Company believes its expectations are based upon reasonable assumptions and have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. See the section entitled "Risk Factors" below for additional risk factors that could cause results to differ materially from forward-looking statements.

Investors are cautioned not to put undue reliance on forward-looking statements. The forward-looking statements contained herein are made as of the date of this AIF and, accordingly, are subject to change after such date. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. Investors are urged to read the Company's filings with Canadian securities regulatory authorities, which can be viewed online under the Company's profile on SEDAR at www.sedar.com.

## INTRODUCTION

### Currency

Unless otherwise indicated, all references to "**$**" in this AIF are to Canadian dollars.

### Scientific and Technical Information

Unless otherwise indicated, scientific and technical information in this AIF relating to the Yellowknife Project (the "**YP**") has been reviewed and approved by Joseph Campbell, P.Geo., Senior Technical Advisor to the Company, and a "Qualified Person" as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**").

In this AIF, the terms mineral resources and inferred mineral resources have the meanings ascribed to those terms by the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**"), as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council, as amended.

## CORPORATE STRUCTURE

### Name, Address and Incorporation

Gold Terra was incorporated under the *Business Corporations Act* (British Columbia) on August 1, 2007 under the name TerraX Resource Corp. On March 31, 2008, the Company amended its notice of articles to change its name to TerraX Minerals Inc. On February 13, 2020, the Company amended its notice of articles to change its name to Gold Terra Resource Corp.

The Company's head office is located at 410 – 325 Howe Street, Vancouver, British Columbia, V6C 1Z7. The registered and records office of the Company is located at 2200 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

### Intercorporate Relationships

Gold Terra has one wholly-owned subsidiary, Gold Matter Corporation ("**Gold Matter**"), that was incorporated under the *Business Corporations Act* (Ontario).

Unless otherwise noted or inconsistent with the context, references to Gold Terra or the Company in this AIF are references to Gold Terra Resource Corp. and its subsidiary, Gold Matter.

## GENERAL DEVELOPMENT OF THE BUSINESS

### Overview

Gold Terra is a mineral exploration company engaged in the acquisition, exploration and development of mineral properties in Canada. Its principal asset is the YP, a mineral exploration project located in the Northwest Territories. The Company originally acquired the core 121 mining leases for the YP in January 2013, totaling 35.6 square kilometres. Since 2013, the Company has conducted extensive exploration on the property and, as a result, acquired additional mining leases and claims around those original leases so that the YP now consists of 137 mining leases and 162 mineral claims covering a total of 787.7 square kilometres. The entire YP is wholly-owned by Gold Terra, subject to certain net smelter return ("**NSR**") royalties.

On November 19, 2021, the Company entered into an option agreement (the "**Newmont Option Agreement**") with Newmont Canada FN Holdings ULC ("**Newmont FN**") and Miramar Northern Mining Ltd. ("**MNML**"), both wholly-owned subsidiaries of Newmont Corporation ("**Newmont**"), which grants Gold Terra the option, upon meeting certain minimum requirements, to purchase MNML from Newmont FN, which includes 100% of all the assets, mineral leases, Crown mineral claims and surface rights comprising the former Con Mine, as well as the areas immediately adjacent to the former Con Mine (the "**Con Mine Option Property**" or the "**CMO**"). See the section entitled "General Development of the Business – 11-months ended December 31, 2021 – Con Mine Option Property" for more details.

Gold Terra also holds mineral exploration properties in the provinces of Newfoundland and New Brunswick which are not considered to be material at this time.
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The Company trades on the TSX Venture Exchange ("**TSXV**") under the symbol of "YGT" and OTCQX Market under the symbol "YGTFF".

All references herein to "Common Shares" are common shares in the capital of the Company.

### Three Year History

#### ***Financial year ended January 31, 2021***

*Exploration Agreement*

On September 8, 2020, the Company entered into an exploration agreement with a joint venture option (the "**Exploration Agreement**") with Newmont on certain mineral leases and mineral claims adjacent to the former Con Mine. The Exploration Agreement was subsequently replaced and superseded by the Newmont Option Agreement.

During the 2021 winter drill program, the Company drilled 7,252 metres in 13 holes on the property, testing over 1.4 kilometres of strike extension of the Campbell Shear at greater than 150 metre spacing along strike and to vertical depths between 250 and 600 metres. Holes were extended through to the footwall of the shear to cross the entire width of the mineralized structure.

*Financing*

On July 14, 2020, the Company completed a bought deal prospectus offering for aggregate gross proceeds of $7,130,000, pursuant to which 12,700,000 Common Shares, including the exercise in full of the underwriter's over-allotment option, were issued at a price of $0.30 per share and 8,000,000 charity flow-through Common Shares were issued at a price of $0.415 per share.

***11-months ended December 31, 2021***

*Con Mine Option Property*

On November 19, 2021, the Company entered into the Newmont Option Agreement with Newmont FN and MNML, both wholly-owned subsidiaries of Newmont, which grants Gold Terra the option, upon meeting certain minimum requirements, to purchase MNML from Newmont FN, which includes 100% of all the assets, mineral leases, Crown mineral claims and surface rights comprising the former Con Mine, as well as the areas immediately adjacent to the former Con Mine (the "**Con Mine Option Property**"). The Newmont Option Agreement replaced and superseded the Exploration Agreement and allowed Gold Terra to fully explore 100% of the Campbell Shear structure at the former Con Mine and south of it.

*Transaction highlights:*

- The initial Exploration Agreement has been replaced and superseded by the Newmont Option Agreement to include all (100%) of MNML.
- Gold Terra has agreed to incur a minimum of $8 million in exploration expenditures over a period of four years, which will include all exploration expenditures incurred to date under the initial Exploration Agreement.
- Gold Terra and Newmont agreed that Gold Terra spent approximately $3.2 million in exploration expenditures to October 31, 2021.
- Gold Terra has also agreed to:
    - Complete a prefeasibility study with a minimum of 1.5 million ounces in all mineral resource categories;
    - Obtain all necessary regulatory approvals for the purchase and transfer of MNML's assets and liabilities to Gold Terra; and
    - Post a cash bond to reflect the status of the Con Mine Property reclamation plan at the time of closing.

To exercise the option, and thereby complete the transaction, Gold Terra is required to make a final cash payment of $8 million.

Newmont will retain a 2% NSR on minerals produced from the Con Mine Option Property. The NSR may be reduced by 50% by the Company paying Newmont the sum of $10 million, for a period of two years following the announcement of commercial production.

After Gold Terra exercises its option, Newmont will have a period of two years to exercise its back-in right of a 51% participating interest in the Con Mine Option Property, which can be triggered by Gold Terra delineating a minimum of 5 (five) million ounces of gold in the measured mineral resource and indicated mineral resource categories supported by a technical report prepared in accordance with 43-101. To be eligible to exercise the back-in right, Newmont will:

- Reimburse Gold Terra three times the amount of all of the expenditures incurred on the Con Mine Property from September 4, 2020;
- Refund to Gold Terra the $8 million cash payment;
- Pay US$30 per ounce of gold for 51% of the total ounces reported in the technical report; and
- Assume 51% of the environmental liability and its share of the posted bond.

If exercised, the back-in right is expected to be completed by a new joint venture led by Newmont. At such time, the 2% NSR would also be eliminated.

*Financings*

On March 4, 2021, the Company completed a non-brokered private placement of 8,000,000 flow-through Common Shares at a price of $0.36 per share for gross proceeds of $2,880,000.

On December 3, 2021, the Company completed the strategic investment by Newmont, issuing 7,142,857 Common Shares at a price of $0.21 per share for gross proceeds of $1.5 million, resulting in Newmont holding less than 5% of the issued and outstanding Common Shares. The proceeds from this investment were used primarily for exploration expenditures on the Con Mine Property (see section entitled "General Development of the Business – 11-months ended December 31, 2021 – Con Mine Option Property" above).

*Director and Officer Changes*

Effective August 16, 2021, Patsie Ducharme was appointed to the board of directors of the Company (the "**Board**") and Elif Lévesque resigned from the Board.

Effective December 31, 2021, David Suda, resigned from the positions of President, Chief Executive Officer and a director of the Company. Mr. Suda remains with the Company as a consultant. Effective January 1, 2022, Gerald Panneton assumed the role of Chief Executive Officer of the Company in addition to Chairman.

***Financial year ended December 31, 2022***

*Financings*

On February 28, 2022, the Company completed a bought deal prospectus offering for aggregate gross proceeds of $5.6 million, pursuant to which the Company sold (i) 8,912,500 charitable flow-through Common Shares, including the exercise in full of the underwriters' over-allotment option, at a price of $0.30 per share, (ii) 8,046,700 traditional flow-through Common Shares at a price of $0.24 per share, and (iii) 4,761,966 Common Shares at a price of $0.21 per share.

On November 22, 2022, the Company completed a non-brokered private placement for aggregate gross proceeds of $3,782,717 from the sale of 12,055,585 flow-through Common Shares at a price of $0.20 per share and 8,572,500 non-flow-through Common Shares at a price of $0.16 per share.

*Director and Officer Changes*

Effective August 31, 2022, Stuart Rogers resigned from the Board.

Effective December 1, 2022, Joseph Campbell, P.Geo., retired from the position of Chief Operating Officer of the Company. Mr. Campbell remains with the Company as Senior Technical Advisor.

*Mineral Resources Update*

On September 7, 2022, the Company announced an initial mineral resource estimate on the Con Mine Option Property, comprised of an underground indicated mineral resource of 109,000 gold ounces and inferred mineral resource of 432,000 gold ounces. In addition, the Company has inferred mineral resources of 1.2 million gold ounces on its adjacent 100% owned YP.

***Subsequent to the financial year ended December 31, 2022***

*Option on Critical Minerals*

On April 4, 2023, the Company signed a non-binding letter of agreement with Midas Minerals Ltd. (ASX: MM1) ("**Midas**") pursuant to which it has granted until May 31, 2023 (extended as permitted), exclusivity rights to Midas to enter into a definitive option agreement with the Company. The definitive agreement, among other things, will provide that Midas can earn an up to 80% participating interest in two stages for only the critical minerals (pegmatite-hosted lithium, tantalum and tin, lithium-cesium-tantalum (LCT), and rare earths or other rare earth deposits) contained within the Company's Quyta-Bell and Eastbelt properties, totaling approximately 544.7 square kilometres on the Company's 100%-owned Yellowknife property holdings, excluding the potential gold belt area.

To earn a 51% participating interest, over a period that ends on September 30, 2026, Midas must pay to the Company the sum of $1.2 million in cash, must deliver to the Company 2.2 million common shares of Midas currently worth approximately $400,000, must incur exploration expenditures of $5.0 million and must grant the Company a 1% gross revenue royalty ("**GRR**") on the basis of 100% production of critical minerals. Midas may purchase one-half of the 1% GRR (in whole but not in part) for the sum of $5.0 million. Out of the foregoing earn-in requirements, Midas is committed to pay $100,000 in cash (paid), issue 2.2 million Midas common shares, and incur exploration expenditures of $250,000 on or before September 30, 2023, with the rest of the earn-in requirements being optional.

If Midas exercises the option to earn a 51% participating interest, then Midas can elect to earn an additional 29% participating interest by incurring by no later than September 30, 2028, an additional $5.0 million in exploration expenditures. If Midas does not elect to earn the additional 29% participating interest (after having earned the 51% participating interest), then Midas must transfer a 2% participating interest to Gold Terra so that the participating interests between Gold Terra and Midas will be 51%/49%.

Gold Terra and Midas will form a critical mineral joint venture upon the exercise by Midas of the first option (to acquire the 51% participating interest).

If Midas earns the 80% participating interest, the interest of Gold Terra in the critical mineral joint venture will be fully carried until the critical mineral joint venture has approved a bankable feasibility study for the development of a critical mineral project on any part of the Quyta-Bell and Eastbelt properties.

The execution and delivery of the definitive agreement are subject to standard conditions precedent, including, without limitation, the receipt by Gold Terra and Midas of all requisite regulatory and stock exchange approvals and third party consents, approvals and waivers, and it is currently expected to be executed prior to May 31, 2023. Additionally, the definitive agreement, the joint venture agreement and the GRR agreement must be negotiated by the parties, and must be mutually acceptable to Gold Terra and Midas.

## DESCRIPTION OF THE BUSINESS

### Overview

The primary focus of the Company is the advancement of the YP and the Con Mine Option Property, both adjacent to the City of Yellowknife in the historic Yellowknife City Gold district, Northwest Territories.

Gold Terra does not own any producing properties and, consequently, has no current operating income or cash flow from the properties it holds, nor has it had any income from operations in the past three financial years. As a consequence, operations of Gold Terra are primarily funded by equity financings.

### Specialized Skills

Gold Terra's business requires specialized skills and knowledge in the areas of geology, drilling, planning, implementation of exploration programs and compliance. To date, Gold Terra has been able to readily locate and retain such professionals in Canada, and believes it will be able to continue to do so.

### Competitive Conditions

Gold Terra operates in a very competitive industry, and competes with other companies, many of which have greater technical and financial capabilities for the acquisition and development of mineral properties, as well as for the recruitment and retention of qualified employees and consultants.

**Business Cycles**

The mining business is subject to mineral price and investment climate cycles. The marketability of minerals and mineral concentrates is also affected by worldwide economic and demand cycles. Historically, prices and demand for minerals and mineral concentrates have been subject to wide fluctuations which can be material and can occur over short periods of time, and are affected by numerous factors beyond the Company's control, including international economic and political conditions such as such the invasion of Ukraine by Russia, government stimulus or austerity measures, the cyclicality of consumer and industrial consumption, actual or perceived changes in levels of supply, the availability and costs of substitutes, inventory levels maintained by suppliers, actions of participants in the commodities markets, interest rates and expectations, global pandemics, inflation or deflation and expectations, and currency exchange rates, among other factors. The Company cannot predict whether, and to what extent, metal prices and demand will rise or fall in the future in response to situations and other factors beyond the control of the Company.

If the global economy stalls and commodity prices decline as a consequence, a continuing period of lower prices could significantly affect the economic potential of the YP and any other properties the Company may acquire or have an interest in and result in the Company determining to cease work on, or drop its interest in, some or all of such properties.

In addition to commodity price cycles and recessionary periods, exploration activity may also be affected by seasonal and irregular weather conditions in the Northwest Territories.

**Environmental Protection**

Gold Terra's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, and the use of cyanide which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. Certain types of operations may also require the submission and approval of environmental impact assessments.

Environmental legislation is evolving in a manner that means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies including its directors, officers and employees.

The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

**Employees**

As at December 31, 2022, Gold Terra had six employees. Field work and drilling services are provided by contractors on a seasonal and as-needed basis.

**Social and Environmental Policies**

Gold Terra recognizes environmental, social and governance best practices as key components to a responsible mineral exploration and mining sector. The Company's exploration programs are conducted to comply with environmental regulations, while respecting the communities and environments in which Gold Terra operates. Gold Terra strives to earn its social license wherever it is active, endeavouring to meet regularly with local communities, regulators and other stakeholders before, and during, exploration work to understand issues important to local and Indigenous communities. Gold Terra's approach is based on transparency, open communication, inclusivity and respect, to better enable social and economic benefit for communities as well as value for investors.

The Company's current exploration activities, as well as any future operation or development projects, are subject to environmental laws and regulations in the jurisdictions in which it operates. These laws address such matters as protection of the natural environment, employee health and safety, waste disposal, remediation of environmental sites, reclamation, mine safety, control of toxic substances, air and water quality and emissions standards. See "Risk Factors" for a description of reclamation obligations at the YP.

## RISK FACTORS

An investment in the Common Shares is highly speculative due to the high-risk nature of its business and the present stage of its development. Shareholders of the Company may lose their entire investment. The risks described below are not the only risks facing the Company. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. If any of the following risks actually occur, the Company's business, financial condition and operating results could be adversely affected. If any of the Company's properties move to a development stage, the Company would be subject to additional risks respecting any development and production activities.

### Limited Business History; No Revenue and Negative Cash Flow

The Company has negative cash flow from operating activities, has no history of earnings, has earned no revenue since commencing operations, has no source of operating cash flow, and there is no assurance that additional funding will be available to it for continued exploration and development. In addition, the Company has fixed payment obligations to maintain its properties but no source of revenue. The only sources of future funds presently available to the Company are the sale of equity capital, or the offering by the Company of an interest in its properties. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be acceptable. Failure to obtain such financing could result in delay or indefinite postponement of further exploration and development of the YP. There is also no assurance that the Company can generate revenues, operate profitably, or provide a return on investment or that it will successfully implement its plans.

### No History of Mineral Production or Mining Operations

The Company has never had a gold producing property. There is no assurance that commercial quantities of gold will be discovered nor is there any assurance that the Company's exploration programs will yield positive results. Even if commercial quantities of gold are discovered, there can be no assurance that the YP or the Con Mine Option Property will ever be brought to a stage where gold can profitably be produced therefrom. Factors which may limit the ability to produce gold resources include, but are not limited to, the spot price of gold, availability of additional capital and financing and the nature of any mineral deposits. The Company does not have a history of mining operations that would guarantee it will produce revenue, operate profitably or provide a return on investment in the future.

### Option on the Con Mine Property

The Company currently does not own an interest in the Con Mine Option Property. If the Company does not perform its obligations under the Newmont Option Agreement or decides to withdraw from the option at its own leisure for whatever reason, the Company may not acquire the Con Mine Option Property.

### Factors Beyond the Control of the Company

The potential profitability of the YP is dependent upon many factors beyond the Company's control. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of minerals from mined deposits (assuming that such mineral deposits are known to exist) may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, environmental compliance or other production inputs. Such costs will fluctuate in ways the

Company cannot predict and are beyond the Company's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for advancing mineral projects and other costs have become increasingly difficult, if not impossible, to project. Any of these changes and events could have a material adverse effect on the Company.

The Company's potential future revenues will be directly related to the price of gold as its potential revenues are expected to be derived from gold mining. Demand for gold can be influenced by economic conditions, the attractiveness of gold as an investment vehicle and the strength of the US dollar and local investment currencies. Other factors include the level of interest rates, exchange rates, inflation and political stability. The aggregate effect of these factors is impossible to predict with accuracy. Gold prices are also affected by worldwide production levels. In addition, the price of gold has on occasion been subject to very rapid short-term changes because of speculative activities. Fluctuations in gold prices may adversely affect the Company's financial performance and results of operations. The effect of these factors, individually or in the aggregate, is impossible to predict with accuracy. A decline in gold prices may also require the Company to reduce the mineral resources at the YP, which would have a material adverse effect on its potential earnings and potential profitability.

**No Assurance of Title to Property**

There may be challenges to title to the YP. If there are title defects with respect to the YP, the Company might be required to compensate other persons or perhaps reduce its interest in the YP. Also, in any such case, the investigation and resolution of title issues would divert management's time from ongoing exploration and advancement programs at the YP.

The Company may be subject to the rights or asserted rights of various community stakeholders, including Indigenous Peoples, through legal challenges relating to ownership rights.

**Limited Exploration Prospects**

The YP and the Con Mine Option Property are the Company's most advanced properties. Accordingly, the Company does not have a diversified portfolio of advanced exploration prospects either geographically or by mineral targets. The Company's operations could be significantly affected by fluctuations in the market price of gold as the economic viability of the Company's main projects are heavily dependent upon the market price for this commodity.

**Economics of Developing Mineral Properties**

Mineral exploration and development is speculative and involves a high degree of risk. While the discovery of an ore body may result in substantial rewards, few properties which are explored are commercially mineable and ultimately developed into producing mines. There is no assurance that the Company's gold deposits are commercially mineable.

Should any mineral resources and mineral reserves exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (i) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (ii) availability and costs of financing; (iii) ongoing costs of production; (iv) gold prices, which are historically cyclical; (v) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (vi) political climate and/or governmental regulation and control. Development projects are also subject to the successful completion of engineering studies, issuance of necessary governmental permits, and availability of adequate financing. Development projects have no operating history upon which to base estimates of future cash flow.

The ability to sell, and profit from the sale of any eventual mineral production from its projects will be subject to the prevailing conditions in the minerals marketplace at the time of sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of a mining company and therefore represent a market risk which could impact the long-term viability of the Company and its operations.

**Uncertainty of Mineral Resource Estimates**

Mineral resource figures are only estimates. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. While management believes that the mineral resource estimates included are established and reflect the Company's best estimates, the estimating of mineral resources is a subjective process and the accuracy of mineral resource estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from the Company's estimates. Estimated mineral resources may have to be re-estimated based on changes in the price of gold, further exploration or advancement activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource estimates. Mineral resources are not mineral reserves and there is no assurance that any mineral resource estimate will ultimately be reclassified as proven mineral reserves or probable mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

**Mineral Price Volatility**

The mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a mineral are discovered, a profitable market will exist or develop for the sale of same. There can be no assurance that mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond the control of the Company may affect the marketability of any minerals discovered at the YP. Mineral prices are subject to volatile price changes due to a variety of factors including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods.

**Fluctuation in Market Value of Common Shares**

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility. Accordingly, the market price of the Common Shares, as publicly traded shares, may be affected by many variables not directly related to the corporate performance of the Company, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments and the breadth of the public market for the stock. The effect of these and other factors on the market price of the Common Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of the Common Shares.

**Regulatory Requirements**

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

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

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

The development of mines and related facilities is contingent upon governmental approvals that are complex and time consuming to obtain and which, depending upon the location of the project, involve multiple governmental agencies. The duration and success of such approvals are subject to many variables outside the Company's control. Any significant delays in obtaining or renewing such licenses or permits in the future could have a material adverse effect on the Company.

**Indigenous People**

Various national and provincial laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of First Nations and Métis ("**Indigenous Peoples**"). The Company operates in an area presently or previously inhabited or used by Indigenous Peoples. Many of these materials impose obligations on government to respect the rights of Indigenous People. Some mandate that government consult with Indigenous Peoples regarding government actions which may affect Indigenous People, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various national materials pertaining to Indigenous Peoples continue to evolve and be defined. The Company's current and future operations are subject to a risk that one or more groups of Indigenous Peoples may oppose continued operation, further development, or new development of the Company's projects or operations. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against the Company's activities. Opposition by Indigenous Peoples to the Company's operations may require modification of, or preclude operation or development of, the Company's projects or may require the Company to enter into agreements with Indigenous Peoples with respect to the Company's projects.

Additional uncertainty with respect to Indigenous Peoples has arisen in Canada due to the decision of the Supreme Court of Canada in *Tsilhqot'in Nation v. British Columbia* (2014 SCC 44), which recognized the Tsilhqot'in Nation as holding aboriginal title to approximately 1,900 square kilometers of territory in the interior of British Columbia. This decision represents the first successful claim for aboriginal title in Canada and may lead other Indigenous Peoples in Canada to pursue aboriginal title in their traditional land-use areas. Such claims, if successful, may impact those projects or operations in Canada on which the Company holds an interest or delay or even prevent exploration or mining activities on Canadian land which is covered by the Company's mining rights.

**Inflation Risk**

Inflation rates in the jurisdictions in which the Company operates have continued to increase. This upward pressure can be largely attributed to the rising cost of labour and energy, as well as continuing global supply-chain disruptions, with global energy costs increasing significantly following the invasion of Ukraine by Russia in February 2022. These inflationary pressures may affect the Company’s input costs and such key pressures may not be transitory. Any continued upward trajectory in the inflation rate for the Company’s inputs may have a material adverse effect on the Company’s operating and capital expenditures for the development of its projects as well as its financial condition and results of operations.

**Climate Change**

The Company’s operations could be exposed to a number of physical risks from climate change, such as changes in rainfall rates or patterns, reduced process water availability, higher temperatures and extreme weather events. Such events or conditions, including flooding or inadequate water supplies, could disrupt mining and transport operations, mineral processing and rehabilitation efforts, create resources or energy shortages, increase energy costs, damage the Company’s property or equipment, increase health and safety risks at the Company’s assets, and adversely impact the Company’s ability to access financing and/or adequate insurance provision. Such events or conditions could have other adverse effects on the Company’s workforce and on the communities surrounding the Company’s exploration sites, such as an increased risk of food insecurity, water scarcity and prevalence of disease. The Company is also at risk of reputational damage if key external stakeholders perceive that the Company is not adequately responding to the threat of climate change. Any of the aforementioned risks related to climate change could have a material adverse effect on the Company’s business, financial condition and results of operations.

**Dependence on Key Individuals**

The success of the Company depends to a large extent upon its abilities to retain the services of its senior management and key personnel. The Company is dependent on a relatively small number of key personnel, particularly Gerald Panneton, its Chief Executive Officer and Chairman, the loss of which could have a material adverse effect on the Company. At this time, the Company does not maintain key-person insurance on the lives of any of its key personnel. In addition, while certain of the Company’s officers and directors have experience in the exploration of mineral producing properties, the Company will remain highly dependent upon contractors and third parties in the performance of its exploration and advancement activities at the YP and the Con Mine Option Property. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Company or be available upon commercially acceptable terms.

**Environmental Risks and Hazards**

All phases of the Company’s operations are subject to environmental regulation. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their directors, officers and employees. Environmental hazards which are unknown to the Company at present and which have been caused by previous owners or operators of the properties may exist on the YP and the CMO. Failure to comply with applicable environmental laws and regulations may result in enforcement actions thereunder and may include corrective measures that require capital expenditures or remedial actions. There is no assurance that future changes in environmental laws and regulations and permits governing operations and activities of mining companies, if any, will not materially adversely affect the Company’s operations or result in substantial costs and liabilities to the Company in the future.

**Costs of Land Reclamation Risk**

The laws governing the determination of the scope and cost of the closure and reclamation obligations and the amount and forms of financial assurance are complex. As of December 31, 2022, the Company has provided the appropriate regulatory authorities with $152,540 in financial assurance in the form of a reclamation deposit for its reclamation obligations at the YP. The amount and nature of the financial assurances are dependent upon a number of factors, including the Company’s financial condition and reclamation cost estimates. Changes to these amounts, as well as the nature of the collateral to be provided, could significantly increase the Company’s costs. To the extent that the value of the collateral provided to regulatory authorities is or becomes insufficient to cover the amount of financial assurance the Company is required to post, the Company would be required to replace or supplement the existing security with more expensive forms of security, which might include additional cash deposits, which would reduce its cash available for operations and financing activities. Although the Company has currently made provisions for certain of its reclamation obligations, there is no assurance that these provisions will be adequate in the future. Failure to provide regulatory authorities with the required financial assurances could result in a material adverse effect on its operating results and financial condition.

**Risk of Amendments to Laws**

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse effect on the Company and cause increases in capital expenditures or production costs or require abandonment or delays in the advancement and growth of the YP and the CMO.

**Additional Financing and Dilution**

The Company is focused on advancing the YP and the Con Mine Option Property, and will use its working capital to carry out such advancement and growth. However, the Company will require additional funds to further such activities. To obtain such funds, the Company may sell additional securities including, but not limited to, its Common Shares or some form of convertible security, the effect of which would result in a substantial dilution of the equity interests of the Company's shareholders.

There is no assurance that additional funding will be available to the Company for additional exploration or for the substantial capital that is typically required in order to bring a mineral project, such as the YP and the CMO, to the production decision and into commercial production. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be acceptable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration, advancement and growth of the YP and the CMO.

The Company may encounter difficulty sourcing future financing in light of the recent economic downturn. The current financial equity market conditions and the inhospitable funding environment make it difficult to raise capital through the issuance of Common Shares. The junior resource industry has been severely affected by the world economic situation and the effects of COVID-19 as it is considered speculative and high-risk in nature, making it even more difficult to fund.

**Global Financial Risk**

Global financial conditions have been subject to continued volatility, most recently when considering the numerous interest rate hikes in Canada and the US and the significant fluctuations in fuel, energy costs and metal prices. Government debt, the risk of sovereign defaults, political instability and wider economic concerns in many countries have been causing significant uncertainties in the markets. Disruptions in the credit and capital markets can have a negative impact on the availability and terms of credit and capital. Uncertainties in these markets could have a material adverse effect on the Company's liquidity, ability to raise capital and cost of capital. High levels of volatility and market turmoil could adversely affect commodity prices, demand for metals, including gold and copper, exchange rates and interest rates and have a detrimental effect on the Company's business, financial condition and financial performance including a possible negative impact on the market price of the Company's securities.

**Macro-Economic Risk**

Economic and geopolitical events may create uncertainty in global financial and equity markets. The global debt situation may cause increased global and political financial instability resulting in downward price pressure for many asset classes and increased volatility and risk spreads. Additionally, if a public health crisis, such as an epidemic or pandemic related to COVID-19 or another virus, terrorist activity, armed conflict or political instability, including as a result of the invasion of Ukraine by Russia in February 2022, or natural disasters occurring in Canada, the US or other locations, such events could cause macro-economic conditions to deteriorate, cause supply chain shortages or otherwise negatively impact the Company's operations. Difficult, or worsening general economic conditions, including on account of recessions or increased inflation, could have a material adverse effect on the Company's business, financial condition and operating results. Such disruptions could also make it more difficult for the Company to obtain financing for its operations, or increase the cost of such financing, among other things. If the Company is unable to raise capital when needed or access capital on reasonable terms, it could have a material adverse effect on the Company's business.

**Global Financial Risk**

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**Infrastructure**

Mining, processing, development and exploration activities depend 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, or community, government or other interference in the maintenance or provision of such infrastructure could result in a material adverse effect to the Company's operations, financial condition and results of operations.

**Insurance**

The Company's business is capital intensive and subject to a number of risks and hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, labour disputes, changes in the regulatory environment, natural phenomena (such as inclement weather conditions, earthquakes, pit wall failures and cave-ins) and encountering unusual or unexpected geological conditions. Many of the foregoing risks and hazards could result in damage to, or destruction of, the YP or any future processing facilities, personal injury or death, environmental damage, delays in or interruption of or cessation of its exploration or advancement activities, delay in or inability to receive regulatory approvals to transport its gold concentrates, or costs, monetary losses and potential legal liability and adverse governmental action. The Company may be subject to liability or sustain loss for certain risks and hazards against which it does not or cannot insure or which it may reasonably elect not to insure because of the cost. This lack of insurance coverage could result in a material adverse effect to the Company.

**Competition**

The mineral exploration and mining business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than the Company, in the search for and the acquisition of attractive mineral properties. The Company's ability to acquire royalties or properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for mineral exploration. There is no assurance that the Company will continue to be able to compete successfully with its competitors in acquiring such properties or prospects.

### Influence of Third Party Stakeholders

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

### Canada's Extractive Sector Transparency Measures Act

The Canadian Extractive Sector Transparency Measures Act ("**ESTMA**"), which became effective June 1, 2015, requires public disclosure of payments to governments by entities engaged in the commercial development of oil, gas and minerals who are either publicly listed in Canada or with business or assets in Canada. Mandatory annual reporting is required for extractive companies with respect to payments made to foreign and domestic governments at all levels, including entities established by two or more governments, including Indigenous groups. ESTMA requires reporting on the payments of any taxes, royalties, fees, production entitlements, bonuses, dividends, infrastructure improvement payments and any other prescribed payment over $100,000. Failure to report, false reporting or structuring payments to avoid reporting may result in fines of up to $250,000 (which may be concurrent). The Company has not yet been required to begin ESTMA reporting as it believes that it has not yet exceeded the threshold at which reporting is required. If the Company becomes subject to an enforcement action or in violation of ESTMA, this may result in significant penalties, fines and/or sanctions imposed resulting in a material adverse effect on the Company's reputation.

### Conflicts of Interest

Some of the directors and officers of the Company are directors and officers of other companies. Some of the Company's directors and officers will continue to pursue the acquisition, exploration and, if warranted, the development of mineral resource properties on their own behalf and on behalf of other companies, some of which are in the same business as the Company, and situations may arise where such companies will be in direct competition with the Company. The Company's directors and officers are required by law to act honestly and in good faith with a view to the best interests of the Company. They may have the same obligations to the other companies in respect of which they act as directors and officers. Discharge of their obligations to the Company may result in a breach of their obligations to the other companies and, in certain circumstances, this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

### Acquisitions and Joint Ventures

The Company will evaluate from time to time opportunities to acquire and joint venture mining assets and businesses. These acquisitions and joint ventures may be significant in size, may change the scale of the Company's business and may expose it to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition and joint venture activities will depend on its ability to identify suitable acquisition and joint venture candidates and partners, acquire or joint venture them on acceptable terms and integrate their operations successfully with those of the Company. Any acquisitions or joint ventures would be accompanied by risks, such as the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of the Company's ongoing business; the inability of management to maximize the financial and strategic position of the Company through the successful incorporation of acquired assets and businesses or joint ventures; additional expenses associated with amortization of acquired intangible assets; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; dilution of the Company's present shareholders or of its interests in its subsidiaries or assets as a result of the issuance of shares to pay for acquisitions or the decision to grant earning or other interests to a joint venture partner; and the potential unknown liabilities associated with acquired assets and businesses. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions or joint ventures. There may be no right for shareholders to evaluate the merits or risks of any future acquisition or joint venture undertaken except as required by applicable laws and regulations.

**Legal and Litigation**

All industries, including the mining industry, are subject to legal claims, with and without merit. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company may become subject could have a material adverse effect on the Company's business, prospects, financial condition, and operating results. There are no current claims or litigation outstanding against the Company.

**Information Systems ("IT") and Cybersecurity Threats**

The Company's operations depend, in part, on how well the Company and any third parties that the Company does business with protect networks, equipment, IT systems and software against damage from threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, phishing schemes, computer viruses, vandalism, fraud and theft. While the Company has certain preventative measures in place, there can be no assurances that the Company will not be subject to external attacks, leaking of the Company's confidential information, wire payment fraud, misappropriation of funds or erroneous payments. Any of these and other events could result in information systems failures, delays, increases in capital expenses and/or otherwise negatively impact the Company's ability to operate. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

**Impact of Pandemics Risk**

All of the Company's operations are subject to the risk of emerging infectious diseases or the threat of viruses or other contagions or pandemic diseases, including COVID-19. The significant ongoing global uncertainty surrounding the long-term effects of COVID-19 could have an adverse impact on the Company's ability to complete its current and future exploration and development activities and impact its ability to raise financing. A material spread of COVID-19 or other infectious disease could impact the timing and ability of the Company to proceed with planned exploration programs. An outbreak could cause governmental agencies to close for prolonged periods of time causing delays in regulatory permitting processes. Governments may introduce new or modify existing laws, regulations, orders or other measures that could impede the Company's ability to manage the Company's operations. The extent to which COVID-19 continues to affect the Company's business will depend on future events which are highly uncertain and cannot be predicted.

Similarly, the Company cannot estimate whether, or to what extent, a potential outbreak, government responses to it, and the potential financial impact may extend to countries outside of those currently impacted, such public health crises can result in volatility and disruptions in the supply and demand for copper, gold and other metals and minerals, global supply chains and government and consumer responses to them, and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, exchange rates, credit ratings, credit risk, share prices, inflation and the Company's ability to raise additional financing.

Finally, the risks to the Company of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest. At this point, the extent to which a potential pandemic, including COVID-19 will or may further impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that potential pandemic, including COVID-19, related impacts may have a material adverse effect on the Company's business, results of operations and financial condition and the market price of the Common Shares.

**Impact of the Russia-Ukraine Conflict Risk**

On February 24, 2022, Russian military forces launched a full-scale military invasion of Ukraine. In response, Ukrainian military personnel and civilians are actively resisting the invasion. The outcome of the conflict is uncertain and is likely to have wide ranging consequences on the peace and stability of the region and the world economy. Certain countries, including Canada and the United States, have imposed strict financial and trade sanctions against Russia and such sanctions may have far reaching effects on the global economy. As Russia is a major exporter of oil and natural gas, the disruption of supplies of oil and natural gas from Russia could cause a significant worldwide supply shortage of oil and natural gas and significantly impact pricing of oil and gas worldwide. A lack of supply and high prices of oil and natural gas could have a significant adverse impact on the world economy. The long-term impacts of the conflict and the sanctions imposed on Russia remain uncertain.

**Dividends**

No dividends on the Common Shares have been paid by the Company to date, and the Company does not expect to pay any cash dividends in the future in favor of utilizing cash to support the development of our business. Any future determination relating to the Company's dividend policy will be made at the discretion of the Board of Directors and will depend on a number of factors, including future operating results, capital requirements, financial condition and the terms of any credit facility or other financing arrangements the Company may obtain or enter into, future prospects and other factors the Board of Directors may deem relevant at the time such payment is considered. As a result, shareholders will have to rely on capital appreciation, if any, to earn a return on their investment in the Common Shares for the foreseeable future.

**Disclosure Controls and Procedures**

TSXV listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of: (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's IFRS. The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement, on a cost-effective basis, DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

## MINERAL PROJECT DISCLOSURE – YELLOWKNIFE PROJECT AND CON MINE OPTION PROPERTY

The Company's only material mineral properties are the YP and the CMO. More details regarding the YP and the CMO are detailed in the technical report with an effective date of September 2, 2022 and a report date of October 21, 2022 entitled "Technical Report on the Initial Mineral Resource Estimate for the Con Mine Option Property, Yellowknife City Gold Project, Yellowknife, Northwest Territories, Canada" prepared by Allan Armitage, Ph.D., P.Geo., SGS Geological Services (the "**Technical Report**"), which has been prepared pursuant to NI 43-101 and filed with Canadian securities regulatory authorities and is available for review under the Company's issuer profile on SEDAR at www.sedar.com. Attached as Schedule "A" to this AIF is a reproduction of the summary contained in the Technical Report. The entire Technical Report is incorporated by reference in this AIF.

## DIVIDENDS

Gold Terra has not paid any dividends on the Common Shares since incorporation and currently intends to retain future earnings, if any, to finance further business development. The declaration of dividends on Common Shares will be dependent on a number of factors, including earnings, capital requirements, operating and financial condition and a number of other factors that the Board considers to be appropriate. There are no restrictions in the Company's Articles on the ability of Gold Terra to pay dividends in the future.

## DESCRIPTION OF CAPITAL STRUCTURE

### Common Shares

The Company's authorized share capital consists of an unlimited number of Common Shares without par value, of which 238,900,745 Common Shares are issued and outstanding as of the date of this AIF.

All of the issued Common Shares rank equally as to voting rights, participation and a distribution of Gold Terra's assets on liquidation, dissolution or winding-up and the entitlement to dividends. Holders of Common Shares are entitled to receive notice of, attend and vote at all meetings of shareholders of Gold Terra. Each Common Share carries one vote at such meetings. Holders of Common Shares are entitled to dividends if and when declared by the Board and, upon liquidation, to receive such portion of the assets of Gold Terra as may be distributable to such holders. There are currently no other series or class of shares which rank senior, in priority to, or *pari passu* with the Common Shares. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

## MARKET FOR SECURITIES

### Trading Price and Volume

The Common Shares are listed and posted for trading on the TSXV under the symbol "YGT". The following table sets forth trading information for the Common Shares on the TSXV for the financial year ended December 31, 2022.

| | Price Range | | |
|---|---|---|---|
| **Month** | **High ($)** | **Low ($)** | **Trading Volume** |
| | | | |
| January 2022 | 0.285 | 0.220 | 3,293,179 |
| February 2022 | 0.265 | 0.215 | 1,820,935 |
| March 2022 | 0.280 | 0.205 | 3,512,657 |
| April 2022 | 0.255 | 0.205 | 6,517,384 |
| May 2022 | 0.260 | 0.190 | 2,907,138 |
| June 2022 | 0.195 | 0.150 | 2,258,814 |
| July 2022 | 0.190 | 0.110 | 2,031,913 |
| August 2022 | 0.220 | 0.145 | 2,372,909 |
| September 2022 | 0.185 | 0.135 | 2,455,184 |
| October 2022 | 0.190 | 0.150 | 2,202,211 |
| November 2022 | 0.205 | 0.155 | 2,081,962 |
| December 2022 | 0.180 | 0.145 | 2,527,363 |

### Prior Sales

The following table summarizes details of stock options granted by the Company during the financial year ended December 31, 2022.

| Month of Issuance | Security | Price per Security | Number of Securities |
|---|---|---|---|
| June 2022 | Stock Options (1) | n/a | 943,750 |
| December 2022 | Stock Options (2) | n/a | 1,000,000 |

(1) These stock options are exercisable at a price of $0.24 per Common Share until June 10, 2027.
(2) These stock options are exercisable at a price of $0.20 per Common Share until December 30, 2027.

## DIRECTORS AND OFFICERS

### Name, Occupation and Security Holding

The following table sets out the names, province or state and country of residence of each of the directors and executive officers of Gold Terra as of the date of this AIF, as well as their present position(s) and office(s) within Gold Terra, their principal occupations during the last five years and, for the directors, their date of appointment.

All directors of Gold Terra have been elected to serve until the next annual meeting of shareholders of Gold Terra, subject to earlier resignation.

As at the date of this AIF, Gold Terra's directors and executive officers beneficially owned, or controlled or directed, directly or indirectly, an aggregate of 7,775,000 Common Shares, representing approximately 3.25% of the issued and outstanding Common Shares.

| Name and Place of Residence | Current Office with Gold Terra | Principal Occupation During the Preceding Five Years | Date of Appointment as Director |
|---|---|---|---|
| Gerald Panneton<br>Ontario, Canada | Chairman, Chief Executive Officer and Director | Chairman and Chief Executive Officer, Gold Terra (since January 2022)<br><br>Chairman and Chief Executive Officer, Canadian Metals Inc. (from June 2019 to November 2019)<br><br>President and Chief Executive Officer, Prophecy Development Corp. (from October 2018 to February 2019)<br><br>President and Chief Executive Officer, NewCastle Gold Ltd. (from September 2016 to October 2017)<br><br>Founder, President and Chief Executive Officer, Detour Gold Corp. (from July 2006 to November 2013) | October 21, 2019 |
| Louis Dionne (1)(2)(3)<br>Ontario, Canada | Director | Corporate Director,<br>Professional Mining Engineer | October 21, 2019 |
| Patsie Ducharme, CPA (1)<br>Quebec, Canada | Director | Patsie Ducharme, CPA Consulting Service; Chief Financial Officer, Alliance Magnesium (April 2020 to June 2022) | August 16, 2021 |
| Laurie Gaborit (2)<br>Ontario, Canada | Director | Chief Executive Officer, LG IRServices Inc.<br><br>VP Investor Relations, Doré Copper Mining Corp. (September 2020 to present)<br><br>VP Investor Relations, Detour Gold Corp. (from January 2007 to June 2019) | December 17, 2019 |
| Hellen Siwanowicz (1)(2)<br>Ontario, Canada | Director | Corporate Director and Legal Consultant<br>Partner, McMillan LLP (formerly Lang Michener LLP) (1996 to 2016) | August 11, 2020 |

| Name and Place of Residence | Current Office with Gold Terra | Principal Occupation During the Preceding Five Years | Date of Appointment as Director |
|---|---|---|---|
| Mark T. Brown<br>British Columbia, Canada | Chief Financial Officer | President of Pacific Opportunity Capital Ltd. | N/A |

(1) Audit Committee consists of Patsie Ducharme (Chair), Hellen Siwanowicz and Louis Dionne. With Mr. Dionne not standing for re-election at the Company's upcoming shareholder meeting, Mr. Panneton will be the third member of the Audit Committee following such meeting.
(2) Corporate Governance, Nomination and Compensation Committee consists of Laurie Gaborit (Chair), Hellen Siwanowicz and Louis Dionne. With Mr. Dionne not standing for re-election at the Company's upcoming shareholder meeting, Mrs. Ducharme will be the third member of the Corporate Governance, Nomination and Compensation Committee following such meeting.
(3) Mr. Dionne is not standing for re-election at the Company's upcoming shareholder meeting on June 14, 2023.

## Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of management, no director or executive officer of Gold Terra is, as at the date of this AIF, or was, within the 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including Gold Terra), that was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Other than disclosed below, to the knowledge of management, no director or executive officer of Gold Terra, or shareholder holding a sufficient number of securities of Gold Terra to affect materially the control of Gold Terra, is, as of the date of this AIF, or has been within the 10 years before the date of this AIF, a director or executive officer of any company (including Gold Terra) that, while the 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.

Mark Brown, the Chief Financial Officer of the Company, was formerly a director of Sutter Gold Mining Inc. ("**SGM**"), a company listed on the TSXV. Mr. Brown resigned as a director of SGM on May 21, 2019. On May 6, 2019, SGM received a cease trade order issued by the British Columbia Securities Commission for failure to file audited financial statements and Management's Discussion & Analysis for the year ended December 31, 2018. SGM's listing on the TSXV remains suspended until SGM meets the TSXV's requirements and upon the revocation of the cease trade order. Pursuant to an order of the Supreme Court of British Columbia dated May 17, 2019, a receiver was appointed over all of the assets, undertakings and properties of SGM.

From August 9, 2018 until February 13, 2019, Mark Brown was a director of Ascent Industries Corp. ("**Ascent**"), a company listed on the Canadian Securities Exchange. On March 1, 2019, the Supreme Court of British Columbia issued an order granting Ascent's application for creditor protection under the Companies' Creditors Arrangement Act (Canada) to address near term liquidity issues. In March 2020, Ascent was discharged from CCAA protection and resumed trading on the Canadian Securities Exchange in May 2020 under the new name Luff Enterprises Ltd.

To the knowledge of management, no director or executive officer of Gold Terra, or shareholder holding a sufficient number of securities of Gold Terra to affect materially the control of Gold Terra, is, as of the date of this AIF, or has been within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Other than as disclosed below, to the knowledge of management, no director or executive officer of Gold Terra, or shareholder holding a sufficient number of securities to affect materially the control of Gold Terra, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

On March 15, 2017, Mr. Panneton entered into a settlement agreement with Detour Gold Corp. ("**Detour Gold**") and a representative plaintiff under a class action which alleged the class suffered damages as a result of misrepresentations in Detour Gold's continuous public disclosure. Under the settlement agreement, Detour Gold agreed to pay or cause to be paid $6 million for the benefit of the proposed class. Mr. Panneton did not pay any amount personally and it was determined that there were no misrepresentations found in Detour Gold's continuous public disclosure.

### Conflicts of Interest

To the best of Gold Terra's knowledge, information and belief, and other than as disclosed herein, there are no known existing or potential conflicts of interest among Gold Terra and its directors, officers or other members of management as a result of their outside business interests except that certain of Gold Terra's directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to Gold Terra and their duties as a director or officer of such other companies. As required by law, each of the directors of Gold Terra is required to act honestly, in good faith and in the best interests of Gold Terra. In the event of a conflict of interest, Gold Terra will follow the requirements and procedures of applicable corporate and securities legislation and applicable exchange policies, including the relevant provisions of the *Business Corporations Act* (British Columbia).

## AUDIT COMMITTEE

The primary function of the audit committee of the Board (the "**Audit Committee**") is to assist the Board in fulfilling its financial reporting and controls responsibilities to the shareholders of Gold Terra. In accordance with National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), information with respect to the Audit Committee is contained below. The full text of the Audit Committee Mandate, as passed unanimously by the Board, is attached to this AIF as Schedule "A".

### Composition of the Audit Committee

| Audit Committee Member | Independence | Financial Literacy |
|---|---|---|
| Patsie Ducharme (1) | Independent (2) | Financially literate (2) |
| Louis Dionne (3) | Independent (2) | Financially literate (2) |
| Hellen Siwanowicz | Independent (2) | Financially literate (2) |

(1) Chair of the Audit Committee.
(2) As defined by NI 52-110.
(3) Upon Mr. Dionne not standing for re-election at the Company's upcoming shareholder meeting, Mr. Panneton will sit on the Audit Committee. Mr. Panneton is not independent and is financially literate.

### Relevant Education and Experience

The following describes the relevant education and experience of the members of the Audit Committee:

**Patsie Ducharme** is a financial executive who brings over 25 years of experience in projects, mergers and acquisitions, financing, operations and strategic development in the mining, pulp, paper, forestry, and packaging sectors. Ms. Ducharme is a chartered professional accountant and has over 15 years of experience as a chief financial officer. She is currently providing consulting chief financial officer services to companies, as well as acting as a board member and audit committee member to Kruger Specialty Papers and Kruger Packaging. Ms. Ducharme has a strong background in the development and execution of strategic plans that include large construction projects and major capital expenditures.

**Louis Dionne** was an instrumental part of the Detour Gold team from 2006 to 2014 that helped build the Detour Lake mine as one of today's largest Canadian gold mine. Mr. Dionne spent over 20 years in the operations and development of gold properties, as Senior Vice President, Underground Operations for Barrick. In this capacity, he had operating responsibility for Barrick's underground operations. He developed the high grade Meikle mine and Rodeo project in Nevada and the Holt-McDermott Mine in Ontario. Mr. Dionne also provided technical input and leadership in the area of corporate mergers and acquisitions for Barrick. Following his tenure at Barrick, Mr. Dionne became President and CEO of Richmont Mines Inc., a junior gold producer with operations in Quebec and Newfoundland. Mr. Dionne is a graduate of Laval University in Quebec where he holds a bachelor's degree in Mining Engineering.

**Hellen Siwanowicz** brings over 25 years of business law experience. Ms. Siwanowicz is currently a corporate director and legal consultant. From 1991 to 2016, Ms. Siwanowicz practiced law at McMillan LLP and its predecessor, Lang Michener LLP, with an emphasis on securities law. She has significant experience advising public companies on corporate finance, mergers and acquisitions, regulatory compliance and corporate governance matters. Ms. Siwanowicz received her LLB degree from the University of Toronto and was named one of The Best Lawyers in Canada in 2017: Mining Law and was named to The Legal 500 Canada in 2015.

**Audit Committee Oversight**

At no time since the commencement of Gold Terra's most recently completed financial year did the Board decline to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

**Reliance on Certain Exemptions**

During the most recently completed financial year, the Company has not relied on any of the following exemptions in NI 52-110: section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) (*Events Outside Control of Member*), subsection 6.1.1(6) (*Death, Incapacity or Resignation*) and any exemption, in whole or in part, granted under Part 8 (*Exemptions*).

**Pre-Approval Policies and Procedures for Non-Audit Services**

All other non-audit services shall be approved or disapproved by the Audit Committee as a whole.

The pre-approval requirement is waived with respect to the provision of non-audit services if:

- the aggregate amount of all such non-audit services provided to the Company constitutes not more than ten percent of the total amount of fees paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
- such services were not recognized by the Company at the time of the engagement to be non-audit services; and
- such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Audit Committee.

The Chief Financial Officer of the Company shall maintain a record of non-audit services approved by the Audit Committee for each financial year, and shall provide a report to the Audit Committee no less frequently than on a quarterly basis.

**External Auditor Service Fees (By Category)**

The following table sets out, by category, the fees billed by Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, the Company's current external auditor, for the financial years ended December 31, 2021 and December 31, 2022.

| Financial Year Ended | Audit Fees (1) ($) | Audit Related Fees (2) ($) | Tax Fees (3) ($) | All Other Fees (4) ($) |
|---|---|---|---|---|
| December 31, 2021 | $35,000 | $9,500 | $2,100 | $13,500 |
| December 31, 2022 | $38,000 | $21,903 | $2,100 | Nil |

(1) The aggregate fees billed by the Company's auditor for audit fees.
(2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit Fees" column.
(3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning.
(4) The aggregate fees billed for professional services other than those listed in the other three columns.

**Exemption**

Pursuant to section 6.1 of NI 52-110, the Company is exempt from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110 because it is a venture issuer.

## LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Since the beginning of the most recently completed financial year ended December 31, 2022, there have been no legal proceedings to which Gold Terra is or was a party or of which any of its projects is or was the subject of, nor are any such proceedings known by Gold Terra to be contemplated.

Since the beginning of the most recently completed financial year ended December 31, 2022, Gold Terra has not had any penalties or sanctions imposed on it by, or entered into any settlement agreements with, a court or a securities regulatory authority relating to securities laws, nor has Gold Terra been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No (a) director or executive officer, (b) person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Common Shares, or (c) associate or affiliate of any of the persons or companies referred to in (a) or (b) has, or has had within the three most recently completed financial years ended December 31, 2022, any material interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect the Company.

## TRANSFER AGENT AND REGISTRAR

Computershare Investor Services Inc. acts as the transfer agent and registrar for the Common Shares at its offices in Vancouver and Toronto, located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9; and 100 University Avenue, 11th Floor, Toronto, Ontario, M5J 2Y1.

## MATERIAL CONTRACTS

As at the date of this AIF, there are no contracts of the Company, other than contracts entered into in the ordinary course of business, that are material to the Company and that were entered into by the Company within the most recently completed financial year or were entered into prior to such time and are still in effect.

## INTERESTS OF EXPERTS

Information relating to the YP and the CMO in this AIF and the documents incorporated by reference herein has been derived from reports, statements or opinions prepared or certified by Allan E. Armitage, Ph.D., P.Geo., and this information has been included in reliance on such person's expertise. Mr. Armitage is a qualified person as such term is defined in NI 43-101 and he has not received a direct or indirect interest in the Company's property or the property of any of the Company's associates or affiliates. Mr. Armitage did not hold an interest in any of the Company's securities or the securities of any associate or affiliate of the Company when he prepared the Technical Report and after the preparation of such report, and he did not receive any direct or indirect interest in any of the Company's securities or the securities of any associate or affiliate of the Company in connection with the preparation of the Technical Report. He is not currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

Certain scientific and technical information in this AIF, including the documents incorporated by reference herein, has been reviewed and approved by Joseph Campbell, Senior Technical Advisor (former Chief Operating Officer) of the Company, who is a qualified person as such term is defined in NI 43-101. As of the date hereof, Mr. Campbell holds, directly or indirectly, 2,107,625 Common Shares and 800,000 stock options.

Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, of Vancouver, Canada are the independent auditors of the Company and are independent of the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

## ADDITIONAL INFORMATION

Additional information relating to Gold Terra may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, is contained in the management information circular dated May 2, 2022 prepared in connection with the annual general and special meeting of the Company held on June 7, 2022, which is available on SEDAR at www.sedar.com. Additional financial information about Gold Terra can be found in Gold Terra's financial statements and management's discussion and analysis for the financial year ended December 31, 2022.

**GOLD TERRA RESOURCE CORP.**

**Schedule "A"**
**Audit Committee Mandate**

## MANDATE

The primary mandate of the audit committee (the "**Audit Committee**") of the Board of Directors of the Corporation (the "**Board**") is to assist the Board in overseeing the Corporation's financial reporting and disclosure. This oversight includes:

a) reviewing the financial statements and financial disclosure that is provided to shareholders and disseminated to the public;

b) reviewing the systems of internal controls to ensure integrity in the financial reporting of the Corporation; and

c) monitoring the independence and performance of the Corporation's external auditors and reporting directly to the Board on the work of the external auditors.

## COMPOSITION AND ORGANIZATION OF THE COMMITTEE

1. The Audit Committee must have at least three directors.

2. The majority of the Audit Committee members must be independent. A member of the Audit Committee is independent if the member has no direct or indirect material relationship with an issuer. A material relationship means a relationship which could, in the view of the issuer's board of directors, reasonably interfere with the exercise of a member's independent judgment.[1]

3. Every Audit Committee member must be financially literate. Financial literacy is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.[2]

4. The Board will appoint from themselves the members of the Audit Committee on an annual basis for one year terms. Members may serve for consecutive terms.

5. The Board will also appoint a chair of the Audit Committee (the "**Chair of the Audit Committee**") for a one year term. The Chair of the Audit Committee may serve as the chair of the committee for any number of consecutive terms.

6. A member of the Audit Committee may be removed or replaced at any time by the Board. The Board will fill any vacancies in the Audit Committee by appointment from among members of the Board.

## MEETINGS

1. The Audit Committee will meet at least four (4) times per year. Special meetings may be called by the Chair of the Audit Committee as required.

2. Quorum for a meeting of the Audit Committee will be two (2) members in attendance.

3. Members may attend meetings of the Audit Committee by teleconference, videoconference, or by similar communication equipment by means of which all persons participating in the meeting can

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[1] National Instrument 52-110 *Audit Committees* section 1.4
[2] National Instrument 52-110 *Audit Committees* section 1.5

communicate with each other.

4. The Audit Committee Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to Audit Committee members for members to have a reasonable time to review the materials prior to the meeting.

5. Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee. Minutes of each meeting must be distributed to members of the Board, the Chief Executive Officer, the Chief Financial Officer and the external auditor.

**RESPONSIBILITIES OF THE COMMITTEE**

The Audit Committee will perform the following duties:

**External Auditor**

a) select, evaluate and recommend to the Board, for shareholder approval, the external auditor to examine the Corporation's accounts, controls and financial statements;

b) evaluate, prior to the annual audit by external auditors, the scope and general extent of their review, including their engagement letter, and the compensation to be paid to the external auditors and recommend such payment to the Board;

c) obtain written confirmation from the external auditor that it is 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;

d) recommend to the Board, if necessary, the replacement of the external auditor;

e) meet at least annually with the external auditors, independent of management, and report to the Board on such meetings;

f) pre-approve any non-audit services to be provided to the Corporation by the external auditor and the fees for those services;

**Financial Statements and Financial Information**

g) review and discuss with management and the external auditor the annual audited financial statements of the Corporation and recommend their approval by the Board;

h) review and discuss with management, the quarterly financial statements and recommend their approval by the Board;

i) review and recommend to the Board for approval the financial content of the annual report;

j) review the process for the certification of financial statements by the Chief Executive Officer and Chief Financial Officer;

k) review the Corporation's management discussion and analysis, annual and interim earnings or financial disclosure press releases, and audit committee reports before the Corporation publicly discloses this information;

l) review annually with external auditors, the Corporation's accounting principles and the reasonableness of managements judgments and estimates as applied in its financial reporting;

m) review and consider any significant reports and recommendations issued by the external auditor, together with management's response, and the extent to which recommendations made by the external auditors have been implemented;

**Risk Management, Internal Controls and Information Systems**

n) review with the external auditors and with management, the general policies and procedures used by the Corporation with respect to internal accounting and financial controls;

o) review adequacy of security of information, information systems and recovery plans;

p) review management plans regarding any changes in accounting practices or policies and the financial impact thereof;

q) review with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Corporation and the manner in which these matters are being disclosed in the financial statements;

r) discuss with management and the external auditor correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Corporation's financial statements or disclosure;

s) assisting management to identify the Corporation's principal business risks;

t) review the Corporation's insurance, including directors' and officers' coverage, and provide recommendations to the Board;

**Other**

u) review Corporation loans to employees/consultants; and

v) conduct special reviews and/or other assignments from time to time as requested by the Board.

**PROCESS FOR HANDLING COMPLAINTS REGARDING FINANCIAL MATTERS**

The Audit Committee shall establish a procedure for the receipt, retention and follow-up of complaints received by the Corporation regarding accounting, internal controls, financial reporting, or auditing matters.

The Audit Committee shall ensure that any procedure for receiving complaints regarding accounting, internal controls, financial reporting, or auditing matters will allow the confidential and anonymous submission of concerns by employees.

**REPORTING**

The Audit Committee will report to the Board on:

a) the external auditor's independence;

b) the performance of the external auditor and the Audit Committee's recommendations;

c) regarding the reappointment or termination of the external auditor;

d) the adequacy of the Corporation's internal controls and disclosure controls;

e) the Audit Committee's review of the annual and interim financial statements;

f) the Audit Committee's review of the annual and interim management discussion and analysis;

g) the Corporation's compliance with legal and regulatory matters to the extent they affect the financial statements of the Corporation; and

h) all other material matters dealt with by the Audit Committee.

**AUTHORITY OF THE COMMITTEE**

The Audit Committee will have the resources and authority appropriate to discharge its duties and responsibilities. The Audit Committee may at any time retain outside financial, legal or other advisors at the expense of the Corporation without approval of management.

The external auditor will report directly to the Audit Committee.

**Schedule “B”**
**Summary from Technical Report**

The following is a reproduction of the summary contained in the Technical Report. The entire Technical Report is incorporated by reference in this AIF.

# 1. SUMMARY

SGS Geological Services. (“SGS”) was contracted by Gold Terra Resources Corp. (“Gold Terra” or the “Company”) to complete an initial Mineral Resource Estimate (“MRE”) for the Con Mine Option Property (“CMO Property”), part of the Yellowknife City Gold Project (“YP Project” or “Project”) located near Yellowknife, Northwest Territories, Canada, and to prepare a technical report written in support of the current initial MRE.

On November 22, 2021, Gold Terra announced it had entered into a definitive option agreement with Newmont Canada FN Holdings ULC ("Newmont FN") and Miramar Northern Mining Ltd. ("MNML"), both wholly owned subsidiaries of Newmont Company ("Newmont"), which grants Gold Terra the option, upon meeting certain minimum requirements, to purchase MNML from Newmont FN, which includes 100% of all the assets, mineral leases, Crown mineral claims, and surface rights comprising the Con Mine, as well as the areas immediately adjacent to the Con Mine ("CMO Property"). The Transaction will add to Gold Terra’s land position in the Yellowknife Gold Belt.

The Option Agreement will immediately replace and supersede the initial Exploration Agreement (the "Exploration Agreement") dated September 4, 2020 (as announced by the Company on September 8, 2020) and will allow Gold Terra to fully explore 100% of the Campbell Shear structure at the Con Mine and south of it.

Gold Terra is a Canadian public company involved in mineral exploration and development. Gold Terra’s common shares are listed on the Toronto Stock Exchange Venture Exchange (“TSX-V”) under the symbol “YGT”. Their current business address is Suite 410 - 325 Howe Street Vancouver, B.C. V6C 1Z7.

This technical report will be used by Gold Terra in fulfillment of their continuing disclosure requirements under Canadian securities laws, including National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). The technical report is written in support the initial MRE for the CMO Property released by Gold Terra on September 7, 2022.

**The current report also includes a high level summary of Mineral Resource Estimates (“MREs”) for several gold deposits on the YP Project (Northbelt Property), released by Gold Terra on March 16, 2021, including the Crestaurum, Barney, Sam Otto and Mispickel deposits. Gold Terra reported that deposits of the YP Project, contain a total Inferred resource of 1,207,000 ounces of gold including a pit constrained Inferred resource of 21.8 million tonnes averaging 1.25 g/t for 876,000 ounces of contained gold and an underground Inferred resource of 2.55 million tonnes averaging 4.04 g/t for 331,000 ounces of contained gold. The pit constrained resource is reported at a base case cut-off grade of 0.4 g/t Au and the underground resource is reported at a base case cut-off grade ranging from 1.4 to 2.5 g/t. The effective date of the MREs is March 14, 2021.**

There has been limited drilling completed elsewhere on the YP Property (limited to the Mispickel Deposit) by Gold Terra since the release of the MREs and the MREs for Crestaurum, Barney, Sam Otto and Mispickel deposits are considered current.

The current report is authored by Allan Armitage, Ph.D., P. Geo., (“Armitage” or the “Author”) of SGS, and the MREs presented in this report were estimated by Armitage. Armitage is an independent Qualified Person as defined by NI 43-101 and is responsible for all sections of this report.

## 1.1 Property Description, Location, Access, and Physiography

The YP Project extends for 10 to 60 km north, south, and east of the city of Yellowknife in the Northwest Territories. It occurs in NTS map sheets 85/J08-09 and J/16 centered at approximately 114°18'W latitude and 62°39'N longitude, or 638333E/6949983N in UTM co-ordinates (NAD83 Zone 11).

The YP Project, exclusive of the Newmont Option (Con Mine Option Property), consists of 138 mining leases (8,589.22 ha) and 165 claims (70,456.96 ha) covering a total area of 79,046.18 hectares or 790.5 km$^2$. All are 100% owned by Gold Terra (subject to certain net smelter return ("NSR") royalties), formerly TerraX Minerals Inc ("TerraX"). On February 14, 2020, TerraX announced a corporate rebranding and name change to Gold Terra. The Newmont Option consists of 19 mining leases (2,172.26 ha) and 15 claims (311 ha) covering a total area of 2,483.26 ha or 24.8 km$^2$. All claims and leases of the CMO Property are currently 100% owned by Miramar Northern Mining Ltd.

All claims and leases are in good standing.

Walt Humphries (local prospector) retains a 2% "NSR" on the Walsh Lake Property, 1.5% of which can be purchased by Gold Terra. Panarc Resources Ltd. ("Panarc") has a 1% "NSR" on the UBreccia Property, 0.5% of which can be purchased by Gold Terra. Walt Humphries and Dave Smith jointly hold a 2% NSR on the Burwash leases, 1.5% of which can be purchased by Gold Terra. Altamira Gold Corp. has a 2% NSR on the Sickle and Tom leases. Walt Humphries and Dave Smith jointly hold a 2% NSR on the Aurora 1 and 2 claims (Section 4.2.2).

Osisko Gold Royalties has an option to purchase at any time a 3% NSR on all Gold Terra property and an area of interest covering a 1000 km$^2$ area surrounding the property, subject to decreasing NSR interest from ground subject to any of the underlying NSR agreements listed above, so that no part of the property exceeds a 3% NSR in total. Osisko's option includes the right to all the buy back options that TerraX Minerals has on the underlying royalties. The option can be exercised for 2% NSR for C$ 2M, and a further payment of C$ 2M for an additional 1% NSR.

The YP Project extends from the city limits to 60 km north and 10 km south of Yellowknife, capital city of the Northwest Territories, and home to almost 20,000 people.

Portions of the YP Project can be accessed via a well maintained, all-weather road that trends north from Yellowknife (Highway 4/Ingraham Trail) to the Vee Lake Road, continuing eastward and south to Dettah. From Vee Lake, a secondary gravel road runs north to the Crestaurum shaft. North of Crestaurum, the road becomes an ATV trail which bisects southern portions of the YP Property. Other portions of the YP Property are best accessed by lake, using boats in the summer and snowmobiles or trucks (ice road) in the winter. Because of its proximity to Yellowknife and the Yellowknife airport, the YP Property can also be efficiently accessed by helicopter and float plane.

Yellowknife has a long mining history and contains personnel and businesses with the skills and equipment to support activities ranging from early exploration up to mining. Water is abundant in the region. Suitable locations for constructing mineral processing facilities are abundant on the YP Property. The 6.5-Megawatt Bluefish hydro dam is located on a small subsurface lease controlled by the NWT Power Company and is surrounded by the YP Property.

On the Con Mine Option Property, there exists a water treatment plant as well as a large warehouse/office facility, which includes an operating dry/washroom area. The building contains a significant amount of supplies and equipment inventory. There are large rollup drive through-doors and plenty of space for the setup of an exploration core logging and sampling facility. The site also has abundant area for storage of exploration core.

There are at least two loaders (966 size and an IT-28), 2 ¾ ton trucks, a bobcat with attachments in the warehouse, and a skid-steer in the yard. The site location in Yellowknife offers abundant "for hire" heavy equipment that is available on quick notice.

The main Robertson Shaft collar was left in place and was properly capped. The dropping of the winder cables down the shaft will likely have created some damage to the guides and framing at the levels, but the shaft could be fairly easily re-established if enough potential ore was discovered to make future mining economic. It is unknown what condition the other shaft accesses are in (Con, Negus/Rycon), although Newmont is using the Con shaft area for their mine water pumping, so it is likely in good shape.

Yellowknife's climate is subarctic in nature, with cold winters (-10 to -45°C) and mild to warm summers (+10 to +30°C). Because of the high latitude, there is a large variation in daylight hours, from five hours of daylight in December to twenty in June. The region averages approximately 30 cm of precipitation annually, most of which falls between June and October. The YP Property is typically snow covered from early to mid-November until late April. Seasonal variations affect exploration to some extent (geological mapping cannot be done in the winter, geophysics and drilling are best done at certain times of the year etc.), but the climate would not significantly hamper mining operations.

The YP Property has gently rolling topography with a maximum relief of approximately 75 m. Elevation varies from 156 to 293 m Above Sea Level. Many lakes of variable size occur on the Property. In addition to lakes, the Property is dominated by a mix of sparsely treed forests, lichen covered outcrops and lesser swampy ground. Overburden thickness is typically low (0-1 m), and outcrop density is high (10-40% apart from lakes and swamps).

## 1.2 **History**

The YP Property has historically been the subject of intermittent, mostly localized, exploration by various companies. Sporadic exploration occurred in the 1920s, but concerted exploration commenced in the late 1930s as part of a semi-regional land rush due to the Yellowknife gold discoveries.

The presence of the nearby Giant and to a lesser extent Con deposits in similar rocks to the YP Property has strongly influenced exploration. In 1935, a mapping party lead by A.W. Jolliffe of the Geological Survey of Canada ("GSC") discovered gold on the west side of Yellowknife Bay in the Yellowknife Greenstone Belt near Yellowknife. This led to a staking rush and staking of the claims that would eventually host the Con and Giant mines. The Con mine produced its first gold bar in 1938 under Cominco ownership. Apart from three years during World War II, the deposit was in continuous production until mine closure in 2003; it was purchased in 1986 by Nerco Minerals Inc. and then again in 1993 by Miramar Mining Company ("Miramar"). Total production from Con was 6.1 Moz. Production from the Giant deposit commenced in 1948 under the ownership of Giant Yellowknife Mines Limited ("Giant") and continued until 2004. The mine was sold to Jimberlana NL in 1986, which restructured to become Giant Resources Ltd. In 1990 Giant Resources passed into receivership and the deposit was sold to Royal Oak Mines Inc. ("Royal Oak"). In 1999, Royal Oak was placed into receivership and the mining rights to the Giant deposit were acquired by Miramar, who exploited the deposit until 2004. Total production from Giant was just over 8.1 Moz. The network of structures comprising the Giant deposit continues north as far as Supercrest. The main structure is then offset by the Akaitcho Fault and is manifested by the GKP lens to the north of this fault. Limited mining of the GKP Zone took place between 1986 and 1988 (Mossop, 1988); mining of Giant-type structures thus occurred within 1 km of the Northbelt Property.

Detailed geological mapping was conducted by several companies over the years, notably by Giant and Nebex. Page size compilation maps were produced at various times, but only Royal Oak produced a full-size geological compilation map. Giant commissioned a photogeological structural study of the region encompassing Northbelt to south of the Giant deposit.

A Questor INPUT/VLF-EM/magnetic survey was flown over Northbelt in 1977 on ~200 m spaced lines trending 295°. This survey was followed up in the field in 1978, but nothing of major interest was noted. A 900-line km, helicopter-borne DIGHEM EM/resistivity/magnetic/VLF survey on 100 m spaced lines was flown in 1985. Magnetic data from this survey clearly shows the predominant NNE structural grain within Northbelt, as well as ENE trending diabase dikes, local magnetic highs, and the Akaitcho Fault to the south of Northbelt.

In 1985 Giant conducted a Property-wide lithogeochemical sampling project (Hall, 1985). 243 samples of mafic volcanic rocks were taken at 800' intervals on 120° trending lines spaced 3200' apart. Unfortunately, Gold Terra has not been able to find reports documenting the results of this work.

Upon optioning the south half of the Northbelt Property in 1993, Nebex documented the highlights of previous work and compiled a map of known mineralized structures (Kelly, 1993).

### *1.2.1 Crestaurum*

Crestaurum has seen more concentrated drilling than anywhere else on Northbelt and is the only place that hosts a historical resource. Transcontinental Resources Limited ("Transcontinental") excavated four trenches on the Crestaurum No. 1 Shear in 1944 and discovered high grade gold. Transcontinental drilled 89 holes into the shear from 1945 to 1947; they also incorporated Crestaurum Mines Limited in late 1945 to develop the property. A 128 m shaft was sunk and two crosscuts totaling 110 m were completed, one of which partially exposed the shear zone. In addition, several buildings were constructed, including a warehouse, assay office, bunkhouses etc. Underground development ceased in early 1947 and the shaft flooded shortly thereafter.

Most of the buildings had been burnt down by 1964, at which time Giant became involved. No buildings presently exist on site, and the shaft is enclosed by a chain link fence. Giant drilled nine holes at Crestaurum in 1965 and four more in 1976, and in 1973 conducted local geochemical and geophysical (magnetics, VLF, EM) surveys. A large drilling program was planned for 1980, but only three holes were drilled because of a strike at the Giant mine. In 1985, Giant drilled 74 holes into the Crestaurum deposit for a total of 7,787 m. The Crestaurum Shear was intersected in all holes and consists of a chlorite to sericite schist from 2.5 to 15 m wide containing one or more quartz veins. The shear strikes at approximately 035° and dips at 45° to 55° to the southeast. 52 holes had intersections of at least 3.5 g/t Au, and 20 had visible gold.

### *1.2.2 Walsh Lake Area*

The Walsh Lake area was explored by a variety of small junior companies early in its history. Since the mid-1970s the bulk of the Walsh Lake Property has been under the control of local prospector Walt Humphries, who sold the Walsh Lake Property to Gold Terra. From the mid-1980s to 2001 Humphries optioned the Walsh Lake Property to a succession of companies including Kelmet Resources Ltd. ("Kelmet"), Nebex, Barrick Gold Company ("Barrick") and Inmet Mining ("Inmet"). Prospecting and other activities over the years have resulted in the discovery of several mineralized showings.

Nib North is described as a 275 m long x 50 m zone of quartz stringers in a shear zone. Pyrite, arsenopyrite and pyrrhotite are present, and one trench returned an intersection of 1.52 m @ 80.5 g/t Au. 20 shallow holes tested this area; one returned 3.05 m @ 10.6 g/t Au. The Nib Central zone is exposed in four trenches over a length of 100 m and is up to 15 m wide. It was tested by seven x-ray holes that encountered only low values. Five trenches were excavated into the Samex North zone, exposing a 6 m wide zone with gold values up to 17.8 g/t. 13 x-ray and several deeper holes were drilled on this zone; results are not known. The Samex South zone contains one trench with low gold values. Kelly (1985) states that this drilling was completed in 1944-45 by Nib Yellowknife ML.

Humphries sampled historical trenches in 1977. He obtained 2.43 m @ 8.98 g/t Au from a trench at Samex and 0.61 m @ 6.34 g/t Au from a trench at Nib North.

Kelmet conducted reconnaissance work over the Walsh Lake Property in 1985. Grab samples up to 15.1 g/t Au at Nib North, 10.63 g/t Au from Mispickel, 4.59 g/t Au from Samex and 0.87 g/t Au from Sam Otto were obtained. Kelmet optioned the ground in 1986 and conducted a campaign of geological mapping. In 1987 they conducted a ground magnetic and VLF survey over the central part of the property. Kelmet drilled holes W89-1 to W89-7 on the Sam Otto Zone in 1989. Numerous intercepts in excess of 1 g/t Au were encountered, with a best intersection of 15.85 m @ 2.59 g/t Au in hole W89-1. Detailed sampling of trenches in the Sam Otto Zone was also conducted. Kelmet also completed a VLF survey over the Mos claims in the southeastern part of the Walsh Lake Property in 1989.

The northern part of the Walsh Lake Property was examined in 1989. Sample results included up to 2 g/t Au in sheared felsic volcanics from the Eagle Zone just northeast of Banting Lake.

In 1990/91 Kelmet collected 200 surface samples in the Sam Otto zone, defining a "*package of felsic metavolcanics containing conformable, stratiform gold-enriched horizons. This package appears to be about 1500 meters long and 200-300 meters wide…*" Unfortunately, the locations and results of these samples are not available. Nebex drilled holes W-93-1 and W-93-2 on the Sam Otto Zone in 1993 (Anonymous, 1993; available documentation incomplete). The best result was 10.08 m @ 3.09 g/t Au from drill hole W-93-1.

Nebex optioned the Walsh Lake Property to Lac Minerals ("Lac") in 1994; Lac was taken over by Barrick in 1995. Lac commissioned Quantec Geosciences to conduct a deep penetration IP survey over the northern half of Sam Otto and completed an airborne magnetic survey over the YP Property in 1994 (Bailey, 1995). Barrick drilled 35 holes totaling 8,886 m in early 1995. These holes tested the Sam Otto Zone and its northerly strike extension, Dave's Pond area west of Sam Otto, underneath Banting Lake, and the strike extensions of the Mispickel Island zone. Best results include 4.16m @ 5.17 g/t Au (W95-2) and 4.75m @ 5.61 g/t Au (W95-29).

Nebex drilled seven holes (1,864 m) in early 1997, mostly testing the Sam Otto/Dave's Pond area, with one hole northwest of Mispickel Island. The best results were 2.5 m @ 3.50 g/t Au from Mispickel Northwest and 1.84 m @ 8.31 g/t Au from north of Sam Otto. They also conducted ground magnetic, VLF and soil surveying later in 1997.

In 1998, Inmet optioned the Walsh Lake Property. In early 1999 they conducted ground magnetic, VLF and IP surveys, and followed this up by drilling six holes totaling 1,097 m. The holes were targeted on geophysical anomalies, and results were disappointing. In 2000 Inmet drilled two holes to test the down-dip extent of the Sam Otto Zone. One of the holes intersected 11.5 m @ 2.47 g/t Au.

### *1.2.3 CMO Property*

The Con Mine was active from 1938 to 2003, from which 12,195,585 tons of ore were milled for a total of 5,276,363 oz of gold. Mining terminated at the Con Mine in November of 2003 as result of continued poor mining performance. The Con Mine operated with two primary shafts to a depth of 6,200 feet (1,890 m), two internal winzes, and vent shafts. The operations at the Con Mine evolved as the property was changing hands over time.

Information regarding mineral resources and mineral reserves of the Con Mine are limited. According to a Miramar Mining Company Annual Report for 2002, remaining mineral resources and reserves (reserves calculated at a gold price of US$308 per ounce), at the Con Mine as of December 31, 2002, are shown in Table 0-1.

*This mineral reserves and mineral resources presented in* Table 0-1 *are considered historical in nature. The 2002 mineral reserves and mineral resources were not prepared and disclosed in compliance with all current disclosure requirements for mineral resources or reserves set out in the NI 43-101 Standards of Disclosure for Mineral Projects (2016). A qualified person has not done sufficient work to classify the historical mineral reserves and mineral resources as current mineral reserves or mineral resources and Gold Terra is not treating the historical mineral reserves and mineral resources as current mineral reserves and mineral resources.*

**Table 0-1 Con Mine Historical Mineral Resources and Reserves as of December 31, 2002 (Miramar Mining Company Annual Report 2002)**

| | Category | Tonnes | Grade (g/t) | Contained oz |
|---|---|---|---|---|
| Mineral Reserves | | | | |
| | Proven | 171,000 | 11.31 | 62,000 |
| | Probable | 340,000 | 11.66 | 126,000 |
| Mineral Resources | | | | |
| | Measured | 408,000 | 12.03 | 158,000 |
| | Indicated | 875,000 | 10.97 | 304,000 |

## 1.3 **Geology and Mineralization**

The YP Property occurs on and in proximity to of the Yellowknife Greenstone Belt (YGB) which occupies the southwest corner of the Archean Slave craton. The Slave craton contains several significant mineral deposits including VMS (Izok, Hackett River, and High Lake), iron formation-hosted gold (Lupin, George Lake, Goose Lake, and Damoti Lake), mesothermal gold (Giant, Con, and Boston), rare earth elements (Nechalacho) and diamonds (Ekati, Diavik).

The YGB is a north-south trending metavolcanic sequence that consists of mafic and felsic volcanic and intrusive bodies, unconformably overlain by a conglomeratic package. The belt is a steeply to near vertically dipping homoclinal sequence that youngs to the southeast. The belt developed over a time span of 200 million years or more, which includes syn- and post-volcanic intrusions and sedimentation. The area has undergone regional metamorphism to greenschist-amphibolite grades and deformation that has resulted in folding and faulting.

The YGB is part of the Yellowknife Domain. This domain consists of (from west to east) the Anton Complex, the YGB, the Burwash Formation, the Cameron River and Beaulieu River greenstone belts, and the Sleepy Dragon Complex. Within the YGB, the basement rocks have been termed the Central Slave Basement Complex (CSBC). The supracrustal rocks are the Central Slave Cover Group (CSCG) and the Yellowknife Supergroup. Within the Yellowknife Supergroup are the Kam, Banting and Duncan Lake Groups, which are unconformably overlain by the Jackson Lake Formation; the contact occurs as an unconformity or locally as a disconformity. The basement and supracrustal rocks were intruded by the Ryan Lake pluton, the Defeat Plutonic Suite, the Duckfish Granite, and the Prosperous Suite in succession.

### *1.3.1 Mineralization*

The Con and Giant deposits are hosted by the same stratigraphy that underlies the Northbelt Property. Some have argued that the two deposits were once linked, and that their present separation is due to movement along the West Bay Fault. The Giant ore system is interpreted to be offset by the Akaitcho Fault and is manifested by the GKP deposit north of this fault. Kelly (1993) believes that this system continues northwards to the Property in the form of the North Giant Extension ("NGX") structure. Thus, the argument can be made that the Con-Giant system persists at least to the southern boundary of the YP Property.

The gold in the deposits is hosted in shear zones that transect mafic volcanic and metasedimentary rocks and are considered orogenic gold deposits. Metamorphically-driven processes are considered part of ore formation in the YGB, forming as metamorphic fluids passed through the shear zones and deposited gold in dilation zones and chemical traps in the shear zones. However, there is also an observed spatial association between gold mineralization and QFP in the belt, as well as an early intrusion-related metal enrichment. Finally, there is evidence that the ore at the Giant mine was enriched by fluids derived from proximal metasediments. The enrichment includes As, S, and Sb, which correlate with gold ore bodies in the Giant mine. The hydrothermal fluids containing these metals and gold encountered Ti-rich tholeiitic basalts which caused the reduction of fluids and deposition of gold. It appears that there were multiple mineralizing events.

Gold mineralization in the YGB is structurally controlled and exhibits similar geological, structural, and metallogenic characteristics to other Archean Greenstone-hosted quartz-carbonate vein (lode) deposits. These deposits are also known as mesothermal, orogenic, lode gold, shear-zone-related quartz-carbonate or gold-only deposits.

**Campbell Shear (Yellorex, Yellorex North and Kam Point) – CMO Property**

The Campbell Shear is a major shear zone locally over several hundred metres wide with a strike length of several 10s of kilometers encompassing the previous Con Mine and the Giant Mine as well as north and south strike extensions from these mines where Gold Terra controls the mineral rights. In the Con Mine Option area the shear varies in strike from N-S to 015° and dips vary from 045º to the west to vertical. Mineralization is concentrated in relatively small discrete lenses (1-15 metre widths) where ductile deformation occurs, marked by alteration minerals such as chlorite, carbonate, sericite and locally biotite. The mineralized zones reported here, including the Yellorex, Yellorex North, and Kam Point deposts are essentially the same zone offset by major faults, forming 3 fault blocks (West Bay to Pud (Yellorex North), Pud to Kam (Yellorex), and South of the Kam fault (Kam Point).

Zones of sericitic alteration with minor quartz veining contain 1-5 g/t Au, and surround or intercalate with higher grade gold lenses (up to >50 g/t Au) that occur within Intense veining zones (>50% veins) consisting of thick ankerite and quartz veins developed parallel / sub-parallel to the main shear with late veins cross-cutting the shear. Sericite alteration is often associated with the earlier veins (sub-parallel to the shear), Veins are boudinaged and dislocated by the shear as well as locally folded. Mineralization consists of pyrite bands and stringers as well as dense networks of arsenopyrite stringers and needles. Locally, the arsenopyrite occurs as fine laminations parallel to the main shearing. High grade of gold occurs in smoky quartz veins with arsenopyrite, minor pyrite, stibnite and whitish-yellow sphalerite. Visible gold is rare.

**Crestaurum**

Crestaurum is a narrow discrete shear hosting multi-stage quartz (ankerite) veining within mafic volcanics and mafic intrusive hosts (i.e. Con Mine style). Strike of shears is generally NNE (020°-030°) to northerly, and dips are vertical to -50° east. Mineralization consists of low to moderate pyrite, arsenopyrite, visible gold, stibnite, (chalcopyrite, sphalerite, galena) and other minerals associated with the quartz veining. Alteration in the shear zone consists of quartz, muscovite (sericite) and chlorite outward from the centre of mineralization with pervasive moderate carbonate. High grade gold (up to multi-ounce) is restricted to quartz veining over <1m to 5m intervals, typically averaging 1-3 m. Sericite altered zones can contain up to 5 g/t Au, but typically average 1-3 g/t Au. Chlorite altered zones are generally sub-gram Au. Unaltered and deformed rocks typically have non-detectable Au. High grade 'lodes' or 'shoots' generally plunge steeply and appear to be controlled by poorly understood crossing features. Narrow (5-20cm) off-angle quartz veins trending NNW may reflect the crossing structures and have returned sporadic gold values up to >800 g/t Au.

**Barney**

Barney Shear is a wide (up to >200m) and long-lived strike trend (multi-kilometre) deformation zone containing wide shears (10s of m) with abundant carbonate-quartz veins containing moderate to high levels of coarse sulphide (arsenopyrite, pyrite, galena, (chalcopyrite, pyrrhotite, sphalerite)). The mineralized zone strikes north-south but appears to be affected by crossing structures trending NE, which have an undetermined dip (possibly sub-vertical). Dip of the Barney structure varies from sub-vertical to 50°. The best mineralization occurs in a flexure in the shear creating bulges that are interpreted to plunge shallowly (<5°). As thickness increases sulphide content and veining also increase.

A felsic intrusion below the Barney Shear is also mineralized, hosting quartz vein stockworks with ubiquitous carbonate alteration and sericitic selvages on veins up to 1 metre wide and grading up to 30 g/t Au that have been intersected proximal to the interpreted intersection of the Barney Shear with the intrusion. Associated sulphides and precious metals include significant molybdenum, chalcopyrite and silver. A limited number of drill intersections have been obtained, but there appears to be a consistent pattern of gold bearing veins within 20 m of the contact between the porphyry and the mafic volcanic rocks.

**Sam Otto**

Sam Otto is a wide (up to 120 m) shear containing sericitic alteration and finely disseminated sulphides (pyrite, arsenopyrite) with a range of 0.10-5.0 g/t Au, averaging 0.50-1.50 g/t Au over 30-120 metre drill widths. The mineralized zone is hosted in mixed intermediate to felsic fragmental volcanic rocks.

Sam Otto is the largest mineralized system yet discovered on the YP Project. It is unusual for its consistent low grade gold relative to the other mineralized zones discovered on the YP Project. Wide zones (10s of m) grade >1 g/t Au yet assays greater than 3 g/t Au are rare, and no assays to date have been greater than 20 g/t Au.

The zone dips sub-vertically (steeply east) and strikes north-south but appears to have interference structures trending 020°-030° that deflect the dominant north-south deformation. These deflections appear to create slightly higher-grade vertical shoots that have indications of increasing in grade with depth.

Sam Otto West (Dave's Pond) consists of narrow discrete shear hosted multi-stage quartz (ankerite) veining with moderate sulphides (arsenopyrite, pyrite, stibnite) with core zone sericite alteration changing outward to chlorite. The host rocks are felsic to intermediate volcanics. Veins grade up to 30 g/t Au.

The zone has a well-defined recessive topography with a pond (Dave's Pond) in its centre. Relatively wide spaced drilling (50-100 metre centres) has taken place over approximately 600 m of strike (020°). The zone dips steeply to the east (~60°) with several mineralized structures interpreted to be splaying off the main Dave's Pond zone along north-south striking trends.

**Mispickel**

Mispickel is contained within a wide (up to >200m) deformation zone containing shears with abundant narrow (1-50 cm) quartz veins containing coarse-grained visible gold and low to moderate sulphides (arsenopyrite, pyrite, pyrrhotite) within subtle chloritic to sericitic alteration. The zone is hosted in turbiditic sediments of the Walsh Lake Formation. On weathered outcrops 2-7 metre-wide oxidized and highly fissile shear zones are evident. Quartz veins have biotite (salt and pepper veins) and can be up to 300 g/t Au.

### 1.4 Exploration and Drilling

The YP Project began in the winter of 2013 with the acquisition of a property historically previously referred as the Northbelt Property. This Northbelt Property was in receivership and covers the recognized extension of the geology (approximately 15 km of strike), deformation zones and mineralized shears that hosts the Giant and Con Mines on the west side of the 'main break' in the gold district. This initial property totaled approximately 37 sq km and remains part of the core exploration area for Gold Terra.

Once initial research and compilation was completed on the Northbelt Property it was recognized that there were significant areas of potential outside the initial property, specifically along the eastern side of the main break and to the south of the Con Mine where the strike of the host geology and mineralized shears from the Con mine appeared to continue for several km.

The second major acquisition was the Walsh Lake Property in late 2013, covering the eastern side of the main break. In late 2015 Gold Terra staked the southern strike extension of the Con Mine (the Southbelt Property), and Gold Terra has subsequently expanded this area, including staking under Yellowknife Bay along the strike extension of the Campbell Shear, which was the largest producer for the Con Mine (5 Moz Au). During the winter of 2016-2017 Gold Terra staked a large area (Eastbelt) along the eastern side of the main break from south of Yellowknife to the top of the known contiguous greenstone at the point where it becomes disarticulated along the main break. Eastbelt is contiguous with the Northbelt-Walsh Lake Properties. Ground was also expanded out along the western extension of the mafic volcanics in the northwest of the Northbelt Property, and into felsic intrusive terrain adjacent to the mafic volcanics. Subsequently in late 2017 and January 2018 Gold Terra made several smaller property purchases which included the Burwash and Ptarmigan mine areas, and strike extensions of the Ptarmigan gold bearing structure. In March of 2018 Gold Terra announced a major claim staking acquisition that was contiguous with the northern extension of the Northbelt Property. This staking followed positive 2017 exploration results up to the previous northern boundary of the YP Project, and a recognition that the gravity anomaly associated with the deep crustal feature (the main break) extended for several 10s of kilometres north.

In September 2018 Gold Terra purchased a 100% interest in the Sickle and Tom claims from Altamira Gold Corp. These claims cover the potential extension of the Mispickel deposit in the Walsh Lake sediments, and the former Tom mine north of the Ptarmigan mine. Subsequently in 2019 smaller blocks of ground were purchased or staked over prospective geology, and as of the writing of this report the property stands at 791 $km^2$.

Since acquisition, Gold Terra has carried out a number of airborne magnetic, electromagnetic and radiometric surveys and ground magnetic and induced polarization surveys, an extensive digital compilation of much of the historical surface geological and geochemical data and surface historical drill data, targeted geological mapping, prospecting and channel sampling, and extensive re-sampling of historical drill core.

To date, Gold Terra has completed 374 diamond drill holes for a total of 84,813.96 m of core on the YP Project outside of the CMO Property, and includes 18 holes totalling 5,433.76 m targeting the Mispickel in 2022. Drill holes in 2014 were completed by Northtech Drilling Ltd.; all drill holes since 2015 have primarily been completed by Foraco International SA.

Since acquiring the Property in 2013, Gold Terra has maintained a comprehensive and consistent system for the sample preparation, analysis and security of all surface samples and drill core samples, including the implementation of an extensive QA/QC program.

### *1.4.1 CMO Property*

In May 2020, Gold Terra conducted compilation work, extending the EXTECH III compilation by adding all the available historical drill holes from the Con Mine up to the Mirage islands, located about 20km to the south of the city of Yellowknife. Using scanned logs and location maps from historical reports, Gold Terra added another 229 drill holes to the EXTECH III database for a grand total of 13,699 holes (12,247 underground DDH on the Campbell Shear, 755 underground DDH for the CON Shear and 697 DDH from surface). As drill data was cleaned and verified it was loaded into 3D software: both Geovia GEMS and Seequent Leapfrog packages. Cross sections were generated from GEMS software along the length of the Campbell Shear, from the North end of the Con Mine to the Southwest end of the Gold Terra property.

On the ground optioned from Newmont, the Campbell Shear extends for another 2.3 km. It was tested at Yellorex from surface to about 600 m vertical - historical drill hole MY1 intersected the Campbell Shear at that level and returned 2.8 g/t Au over 13.4 m. It was also tested at Kam Point North from surface to about 250 m vertical - historical drill hole KC054 intersected 4.21 g/t Au over 7.0 m and KC069 intersected 1.92 g/t over 11.32 m. All historical drilling from Yellorex to Kam Point North indicated the presence of the Campbell Shear, showing intense shearing and gold mineralization and is the focus of Gold Terra's recent work.

Since entering into an Exploration Agreement with Newmont on mineral leases and mineral claims adjacent to the former Con Mine, Gold Terra has completed 43 diamond drill holes for a total of 22,511 m, completed between November, 2020 and May, 2022. In 2020 two holes were drilled totalling 1,472 m (GTSB20-007 and 008); in the winter of 2021, 12,695 m were completed in 26 holes (GCTM21-001 to 026); fifteen (15) diamond drill holes were completed for a total of 8,344.15 m between January 20 and May 13, 2022 (GCTM22-027 to 041).

Significant drill intercepts include:

- Hole GTCM21-003 intersected 10.85 g/t Au over 4.35 m, including 25.4 g/t Au over 1.55 m.
- Hole GTCM21-005 intersected 5.77 g/t Au over 12.35 m, including 14.09 g/t Au over 4.65 m.
- Hole GTCM21-007 intersected 1.14 g/t Au over 11.05 m, including 2.99 g/t Au over 3.30 m.
- Hole GTCM21-009 intersected 238 m of the Campbell Shear and a good alteration halo that graded 0.6 g/t Au over 7.5 m, including 1.18 g/t Au over 2.5 m, as well as other narrow zones of 0.5 to 1.5 g/t Au in the hanging wall and footwall of the Campbell Shear.
- Hole GTCM21-011 intersected 1.32 g/t Au over 9.20 m including 5.99 g/t Au over 1.45 m within the Campbell Shear structure.
- Hole GTCM21-014 intersected 5.22 g/t over 17.86 m including 11.2 g/t gold over 4.57 m in a very strongly altered and sericitized sheared portion of the Campbell Shear, and approximately 80 m below hole GTCM-21-05.
- Hole GTCM21-16 intersected 5.07 g/t over 8.35 m including 11.87 g/t gold over 3.08 m in a strongly strained and sericitized portion of the Campbell Shear.
- Hole GTCM21-015 which was drilled to target the Campbell Shear mineralized zone around 300 m vertical depth and test the northern extent of the zone did intersect visible gold at 351.60 to 352.60 m within a zone of intense white quartz and ankerite veining, followed by a weaker mineralized 13.0 metre zone.
- Hole GTCM21-21 intersected 1.24 g/t over 11.00 m extending the north-east limit of the Yellorex gold-bearing zone by about 50 m along strike.
- Drill hole GTCM21-20 intersected 2.38 g/t over 4.70 m including 12.95 g/t gold over 0.55 m.
- Drill hole GTCM21-19 intersected 2.46 g/t over 4.70 m including 5.13 g/t gold over 1.90 m in strong sericite alteration on a deeper portion of the southern limit of the Yellorex zone.
- Drill hole GTCM21-017, a shallow hole drilled on the south limit of the Yellorex zone intersected 1.94 g/t over 3.00 m including 10.40 g/t gold over 0.50 m in strong sericite alteration.
- Hole GTCM21-022 intersected two zones of 19.74 g/t Au over 5.44 m at 273.34 m down the hole (includes only one assay above 30 g/t Au, or 43.2 g/t over 1 metre), and a second wider zone of 4.16 g/t Au over 11.23 m including 10.12 g/t over 3.73 m at 251.77 m.
- GTCM22-028 intersecting 6.21g/t gold over 1.5 m.
- GTCM22-029 intersected 3.61g/t gold over 4.55 m including 15.75 g/t over 0.75 m.
- GTCM22-030 intersected 6.41g/t gold over 26.50 m including 9.05 g/t over 4.00 m and including 10.66 g/t gold over 3.0 m and including 14.15 g/t gold over 5.50 m.
- TCM22-037 intersected the Campbell shear as planned with the main zone carrying of 1.60 g/t gold (Au) over 14.57 m, including two gold zones of 1.97 g/t Au over 6.50 m from 1,263.30 to 1,269.80 m and 2.00 g/t Au over 4.50 m from 1,256.08 to 1,260.58 m.
- GTCM22-040 was drilled on Yellorex to test a gap in the drilling and confirmed two mainhigh-grade zones returning 8.00 g/t gold (Au) over 11.00 m including 18.79 g/t Au over 4.00 m, and 14.42g/t Au over 4.00 m including 27.75 g/t Au over 2.00 m.

## 1.5 2022 Metallurgical Test Work – CMO Property

Initial metallurgical tests on core samples from the Yellorex zone was completed for Gold Terra by SGS Lakefield in 2022.

Metallurgical testwork was performed by SGS Lakefield on core reject samples obtained from drill hole GTCM22-030 (6.41/t gold over 26.50 m including 9.05 g/t over 4.00 m; 10.66 g/t gold over 3.0 m; and 14.15 g/t gold over 5.50 m). This hole was designed to cross the Yellorex Zone obliquely to obtain a representative sample of the deposit. Core rejects were composited from high grade lodes (approximately 10 g/t Au), and a second composite generated from low grade material (approximately 1.5 g/t Au) adjacent to the high-grade composites.

The SGS metallurgical test program consisted of a coarser grind (80% passing approximately 100 microns) with an initial gravity recovery, followed by a sulphide flotation concentration of the gravity tails. This was followed by a finer grind of the flotation concentrate to 80% passing 28 microns, and a pressure oxidation (POX) of the reground concentrate.

Conditions that prevailed for current testwork are as follows:

- 30% solids (w/w), 1 gram/liter NaCN (cyanide), pH between 10.5 and 11.0;
- dissolved oxygen between 8-9 ppm;
- 24 hours retention time, and 4 grams of carbon added.

Overall recovery means including gravity, flotation, regrind, pressure oxidation, and cyanide.

Flotation rougher concentrate with a recovery of 95% for the high-grade composite graded up to 41 g/t Au with approximately up to a 7.0 % sulphide component.

Preliminary results of this initial testwork is very encouraging, with a combined total gold recovery of POX and cyanide leach of the sulphide concentrate of up to 92.1% in the high-grade composite samples. The high-grade composite gold recovery in the sulphide concentration of the gravity tails reported 93% gold recovery with up to 98.8% recovery in POX within 24 hours. These results provide Gold Terra with two potential product paths for Yellorex mineralization, either to produce a saleable concentrate, or to produce gold on site through the POX process.

The main advantage/disadvantages of the float and flog option are:

- Lower capex and simpler operation by avoiding POX/CIL etc.
- Lower gold recovery in flotation when making a high-grade concentrate for sale to a smelter (reduce shipping costs etc).
- Potential risk on gold losses to custom smelting charges.

The main advantage/disadvantages of the float/POX/CIL option are:

- Higher gold recovery by allowing for higher mass pull in flotation.
- Possibly lower grinding costs with a coarser primary grind.
- Flexibility to treat lower gold grade feed to POX/CIL and recover gold from lower grade ore zones of the deposit
- Higher capex and potential operational complexity.

### 1.6 2022 CMO Property Mineral Resource Statement

Completion of the initial MRE for the CMO Property involved the assessment of a drill hole database, which included data for surface and underground historical drilling (holes drilled before 2003) and all data for surface drilling completed by Gold Terra through the end of May, 2022. The Author was also provided with three-dimensional (3D) mineral resource models, a topographic surface model (LiDAR), an overburden surface model, fault surface models and 3D models of the underground drifts.

The database used for the current MRE comprise data for 515 surface and underground drill holes totaling 135,504 m completed on the CMO Property area between 1946 and 2022. The database totals 12,817 drill core assay samples representing 12,322 m of drilling (0.96 m).

All available geological data has been reviewed and verified by Author as being accurate to the extent possible and to the extent possible all geologic information was reviewed and confirmed. The Author is of the opinion that the database is of sufficient quality to be used for the initial CMO Property MRE.

For the 2022 MRE for the CMO Property, 3D grade controlled wireframe models, representing separate mineralized structures and vein clusters within the Campbell shear, including the Yellorex Main, Yellorex North and Kam Point Zones were constructed by Gold Terra, and reviewed by the Author. Minor edits were made where required.

The 3D grade-controlled models were built in Leapfrog Geo 3D Modelling Software ("Leapfrog"), tightly constrained to gold intersections, using a 1g/t cut-off and 1.5 m minimum width. This brought in sub-economic (<1 g/t) intersections that tied the higher grade zones together. Models were initially generated as full sheets, to represent the Campbell Shear structure, then clipped out. As best as possible, models were limited to 200 m to any drilling, and areas below 1 g/t Au were clipped out. The modeling exercise provided broad controls of the dominant mineralizing direction for each Zone. The current models reflect the limited drilling of the Campbell shear in this area.

Three fault surfaces were modeled which subdivide the zones into 3 blocks: Yellorex North is north of the Pud Fault, Yellorex Main and Kam Point are separated by an un-named ~E-W fault, and Kam Point is closed off in the south by the Kam fault. Additional mineralization has been intersected in the deeper historical underground drilling north of the Yellorex Main Zone, however, Gold Terra has yet to complete drilling in this area. It was decided not to include this mineralization until Gold Terra can drill some verification drill holes.

The CMO Property models extend northward for roughly 3.2 km, extend down plunge for a maximum depth of roughly 1,700 m (Yellorex Main Zone), and dip generally -65° (Yellorex) to -70° (Kam Point) to the west. The current models reflect the limited drilling of the Campbell shear in this area. All zones are open along strike and to depth.

Inverse Distance Cubed ("ID3") restricted to mineralized domains was used to Interpolate gold grades (g/t Au) into a block model. Indicated and Inferred mineral resources are reported in the summary table below and includes the Kam Point, Yellorex North and Yellorex Main zones. The current MRE takes into consideration that the COM Property Deposit may be mined by underground mining methods.

The general requirement that all mineral resources have "reasonable prospects for eventual economic extraction" implies that the quantity and grade estimates meet certain economic thresholds and that the mineral resources are reported at an appropriate cut-off grade taking into account extraction scenarios and processing recoveries. In order to meet this requirement, the gold mineralization of the CMO Property is considered amenable to underground extraction. It should be noted that past mining of the Con Mine mineralization was a combination of narrow vein (shrinkage), longhole and mechanized / conventional cut and fill.

In order to determine the quantities of material offering "reasonable prospects for eventual economic extraction" by underground mining methods, reasonable mining assumptions to evaluate the proportions of the block model (Inferred blocks) that could be "reasonably expected" to be mined from underground are used. A review of the size, geometry and continuity of the current defined mineralization of the CMO Property deposit, and review of past mining of Con Mine mineralization was conducted to determine the underground mineablility of the Deposit. The deposits of the CMO Property at this stage is considered a high-grade selective mining deposit and a 3.5 g/t cut-off grade is used with a mining cost of US$98.00/tonne with US$63.00/tonne processing and G&A cost. The underground parameters used are summarized in Table 0-2. Metalurgical recoveries are based on preliminary studies for samples from the CMO Property, and the assumption that with a more systematic metallurgical study (samples from various parts of the deposit) to optimize the process conditions and to determine the corresponding design parameters will improve recoveries.

The reader is cautioned that the reporting of the underground resources are presented undiluted and in situ (no minimum thickness), constrained by 3D wireframe models, and are considered to have reasonable prospects for eventual economic extraction. There are no underground mineral reserves reported at this time.

The 2022 MRE for the CMO Property is presented in Table 0-3.

Con Mine Option Property initial MRE:

- Underground Indicated Mineral Resource of 0.45 million tonnes averaging 7.55 g/t for 109,000 ounces of contained gold
- Underground Inferred Mineral Resource of 2.0 million tonnes averaging 6.74 g/t for 432,000 ounces of contained gold

**Table 0-2 Parameters Used to Estimate the Underground CMO Property Mineral Resource Estimate**

| Parameter | Unit | Underground Selective |
|---|---|---|
| **Gold Price** | US$ per ounce | $1,750 |
| **Gold Recovery** | Percent (%) | 92 |
| **Mining Cost** | US$ per tonne mined | $98.00 |
| **Processing Cost** | US$ per tonne milled | $33.00 |
| **General and Administrative** | US$ per tonne milled | $30.00 |
| **Mining Recovery** | Percent (%) | 90 |
| **Cut-Off Grade** | **g/t Au** | **3.50** |

**Table 0-3 CMO Property Mineral Resource Estimates, September 2, 2022**

| Area | Category | Cut-off Grade (g/t Au) | Tonnes | Grade (g/t Au) | Contained Gold Ounces |
|---|---|---|---|---|---|
| **CMO PProperty** | | | | | |
| Yellorex Main | Indicated /UG | 3.5 | 821,000 | 7.55 | 109,000 |
| | Inferred/UG | 3.5 | 993,000 | 6.89 | 220,000 |
| Yellorex North | Inferred/UG | 3.5 | 463,000 | 7.42 | 111,000 |
| Kam Point | Inferred/UG | 3.5 | 536,000 | 5.83 | 101,000 |
| **Total:** | **Indicated/UG** | **3.5** | **821,000** | **7.55** | **109,000** |
| | **Inferred/UG** | **3.5** | **1,992,000** | **6.74** | **432,000** |

*(1) The classification of the current Mineral Resource Estimate into Indicated and Inferred is consistent with current 2014 CIM Definition Standards - For Mineral Resources and Mineral Reserves*
*(2) All figures are rounded to reflect the relative accuracy of the estimate.*
*(3) Mineral Resources are presented undiluted and in situ, constrained by 3D wireframe models within broader shear zone models, and are considered to have reasonable prospects for eventual economic extraction.*
*(4) Mineral resources which are not mineral reserves do not have demonstrated economic viability. An Inferred Mineral Resource has a lower level of confidence than that applying to a Measured and Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.*
*(5) Resource modelling, based on historical (holes drilled before 2003) and recent drilling (2020 to 2022) by Gold Terra, was completed by Gold Terra geologists and reviewed by Armitage. Minor revisions were made based on the review.*
*(6) It is envisioned that the Yellorex-Kam (Campbell Shear) deposits may be mined using selective underground mining methods. A selected base case cut-off grade of 3.5 g/t Au is used to determine the underground mineral resource.*

*(7) High grade capping was done on 1.0 m composite data. A capping value of 28 g/t Au was applied.*
*(8) A Specific gravity value of 2.80 was determined based on physical specific gravity test work from other similar deposits on the YP Project.*
*(9) Gold was estimated for the Yellorex-Kam deposits using the the inverse distance cubed ($ID^3$) interpolation method. Blocks within each mineralized domain were interpolated using only composites assigned to that domain.*
*(10) The base case cut-off grade is based on a gold price of US$1,750 per ounce, a gold recovery of 92%, processing and G&A cost of $US63.00 per tonne milled, and a mining cost of $US98.00 for underground. The cut-off grade should be re-evaluated in light of future prevailing market conditions (metal prices, exchange rates, mining costs etc.).*
*(11) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues*

## 1.7 **Recommendations**

Gold Terra previously proposed a program and budget for 2022 for the CMO Property and YP Project (Armitage, 2022). The 2022 proposed program is on going. To date in 2022, Gold Terra has completed fifteen diamond drill holes for a total of 8,344.15 m between January 20 and May 13, 2022 (GCTM22-027 to 041) on the CMO Property and 19 holes totalling 6,011 m on its 100% owned Northbelt property including 18 holes totalling 5,433.76 m targeting the Mispickel area.

As well, Gold Terra has completed initial Metallurgical testwork, performed by SGS Lakefield, on core reject samples obtained from drill hole GTCM22-030 (6.41/t gold over 26.50 m including 9.05 g/t over 4.00 m; 10.66 g/t gold over 3.0 m; and 14.15 g/t gold over 5.50 m) from the CMO Property. This hole was designed to cross the Yellorex Zone obliquely to obtain a representative sample of the deposit. Core rejects were composited from high grade lodes (approximately 10 g/t Au), and a second composite generated from low grade material (approximately 1.5 g/t Au) adjacent to the high-grade composites.

The Author considers that the Project has significant potential for delineation of additional Mineral Resources and that further exploration is warranted. Gold Terra is currently planning a fall-winter 2022-2023 drilling program which will include testing all zones mentioned in the initial MRE at depth and along strike, south of the Mine. If budget permits, the Company also will be testing the Campbell shear at depth of up to 2,000 m below surface.

Based on the results to date, the Author is recommending Gold Terra continue to conduct their proposed exploration for 2022, subject to funding and any other matters which may cause the proposed exploration program to be altered in the normal course of its business activities or alterations which may affect the program as a result of exploration activities themselves.

### *1.7.1 2022 Program and Budget*

For 2022, a total of 40,000 m of drilling was originally budgeted for the YGC Property, including the CMO Property. To date, Gold Terra has completed a total of 13,778 m. This program and budget is on-going.

The total cost of the recommended 2022 work program is estimated at C$9.67 million and includes on-going systematic metallurgical studies.