MINTO METALS CORP.

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2022

DATED: APRIL 5, 2023

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ITEM 1. GENERAL PROVISIONS

1.1 Glossary of Terms

Except as otherwise defined herein, the following terms used but not otherwise defined in this Annual Information Form have the meanings set out below. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

"**625 BC**" has the meaning ascribed to it under "*Item 3.1*".

"**778 BC**" means 1246778 B.C. Ltd., or the Company, prior to the completion of the RTO Transaction.

"**778 BC Common Shares**" means the post-788 BC Consolidation common shares in the capital of 778 BC (prior to completion of the RTO Transaction).

"778 BC Consolidation" means the consolidation of the 778 BC Common Shares on the basis of one (1) 778 BC Common Share for each 9.4 pre-778 BC Consolidation common shares in the capital of 778 BC (1:9.4), which occurred on November 23, 2021, immediately prior to the completion of the RTO Transaction.

"**778 BC Shareholders**" means the holders of 778 BC Common Shares prior to completion of the RTO Transaction.

"**778 BC Subscription Receipts**" means the subscription receipts issued by 778 BC pursuant to the RTO Financing, each of which was converted, for no additional consideration or action on the part of the holder thereof, into one 778 BC Common Share on November 23, 2021.

"**Agency Agreement**" means the amended and restated agency agreement among Minto Explorations, 778 BC and the Agents dated September 21, 2021, entered into in connection with the RTO Financing.

"**Agents**" means each of the Lead Agents, Haywood Securities Inc. and Echelon Wealth Partners Inc., as agents in connection with the RTO Financing.

"**Agents' Fee**" means a cash commission equal to 6% of the aggregate gross proceeds raised in the RTO Financing (other than in respect of up to $8,000,000 of gross proceeds raised in connection with a "president's list", in respect of which the Agents received a cash commission equal to 2% of the gross proceeds).

"**Amalgamation**" means the amalgamation of Minto Explorations and 778 BC to form the Company on the terms and conditions set forth in the Amalgamation Agreement.

"**Amalgamation Agreement**" means the amalgamation agreement dated effective December June 15, 2021, between Minto Explorations and 778 BC, together with the schedules attached thereto, as amended on November 5, 2021, and as may be further amended, restated or supplemented from time to time, pursuant to which the Amalgamation was effected.

"**Amended and Restated Wheaton Precious Metals Purchase Agreement**" means the amended and restated precious metals purchase agreement among the Company, Wheaton, Pembridge and Capstone dated October 27, 2022.

"**Amended and Restated Prepayment Facility Agreement**" means the amended and restated prepayment facility agreement between the Company and Sumitomo dated May 16, 2022.

"**Amending Agreement**" means the amending agreement among Capstone, the Company and Pembridge dated December 31, 2021, which amended the payment schedule pursuant to the Future Expenditures Agreement.

“**Annual Information Form**” means this Annual Information Form dated April 5, 2023 in respect of the fiscal year ended December 31, 2022.

“**Audit & Risk Committee**” means the audit & risk committee of the Company.

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

“**Board**” means the board of directors of the Company.

“**Capstone**” means Capstone Mining Corp.

“**Cedro Holdings**” means Cedro Holdings I, LLC, a principal securityholder of the Company.

“**CIM**” means the Canadian Institute of Mining, Metallurgy and Petroleum.

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

“**Company**” or “**Minto**” means Minto Metals Corp., a corporation existing under the laws of the Province of British Columbia.

“**Copper Holdings**” means Copper Holdings, LLC, a principal security holder of the Company.

“**Corpay Facility Agreement**” has the meaning ascribed to it under “*Item 3.1*”.

“**DC&P**” has the meaning ascribed to it under “*Item 5 – Risk Factors*”.

“**deposit**” means a mineralized body which has been physically delineated by sufficient drilling, trenching, and/or underground work, and found to contain a sufficient average grade of metal or metals to warrant further exploration and/or development expenditures. Such a deposit does not qualify as mineral resources, a commercially mineable ore body or as containing mineral reserves until final legal, technical and economic factors have been resolved.

“**Escrow Agent**” means TSX Trust, as escrow agent in respect of the Common Shares.

“**Flow-Through Shares**” means Common Shares which are “flow-through shares” as defined in subsection 66(15) of the Tax Act.

“**Future Expenditures Agreement**” means the future expenditures agreement entered into by Minto Explorations and Pembridge on November 23, 2021, whereby the obligations of Minto Explorations to fund the future agreed payments to Capstone and to make all payments to the Control Account (as defined therein) will continue.

“**g/t**” means grams per metric tonne.

“**GPS Capital Facility Agreement**” has the meaning ascribed to it under “*Item 3.1*”.

“**HSEC and Technical Committee**” has the meaning ascribed to it under "*Item 4.11*”.

“**ICFR**” has the meaning ascribed to it under “*Item 5 – Risk Factors*”.

“**IFRS**” means the International Financial Reporting Standards.

“**Inferred Mineral Resource**” or “**Inferred**” means that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

"**Lead Agents**" means, collectively, Stifel Nicolaus Canada Inc. and Raymond James Ltd.

"**Listing Application**" means the TSX-V Form 2B – Listing Application to list the Common Shares on the TSX-V dated November 12, 2021.

"**LTIP**" means the 2022 amended and restated long-term incentive plan of the Company and was adopted by the Company on May 16, 2022, and approved by the disinterested shareholders of the Company on June 28, 2022.

"**m**" means metres.

"**Mineral Resource**" or "**mineral resource**" means a concentration or occurrence of diamonds, natural, solid inorganic material, or natural fossilized organic material including base and precious metals, coal and industrial minerals, in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge. The terms "Mineral Resource" and "Inferred Mineral Resource" used in this Annual Information Form are Canadian mining terms as defined in accordance with NI 43-101 under the guidelines set out in the CIM Definition Standards for Mineral Resources and Reserves adopted by the CIM Council on May 10, 2014.

"**Minto Class A Shares**" means the post-Minto Consolidation class "A" common shares in the capital of Minto Explorations.

"**Minto Class B Shares**" means the post-Minto Consolidation class "B" common shares in the capital of Minto Explorations.

"**Minto Consolidation**" means the consolidation of the Minto Explorations Shares on the basis of one (1) Minto Explorations Share for each twelve (12) pre-Minto Consolidation common shares in the capital of Minto Explorations (1:12), which occurred on November 23, 2021, immediately prior to the completion of the RTO Transaction.

"**Minto Explorations**" means Minto Explorations Ltd., prior to completion of the RTO Transaction.

"**Minto Explorations Shareholders**" means the holders of Minto Explorations Shares prior to the completion of the RTO Transaction.

"**Minto Flow-Through Shares**" means post consolidation Minto Class A Shares offered and sold under the RTO Financing which are "flow-through shares" as defined in subsection 66(15) of the Tax Act.

"**Minto Explorations Shares**" means, collectively, the Minto Class A shares and Minto Class B shares prior to the completion of the RTO Transaction.

"**Minto Mine Property**" means the underground copper-gold-silver mine located in central Yukon, approximately 240 kilometres north of the capital Whitehorse along the Klondike Highway.

"**Minto Minerals**" means the mineral resources for the Minto Mine Property (including as used in the Minto Property Technical Report), which have been estimated in accordance with the CIM's Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014.

"**Minto Property Technical Report**" means the NI 43-101 compliant technical report, prepared for Minto Explorations and 778, relating to the Minto Mine Property entitled "NI 43-101 Preliminary Economic

Assessment, Technical Report, Minto Yukon, Canada", dated May 7, 2021 with an effective date of March 31, 2021 and prepared by JDS Energy & Mining Inc., including Dino Pilotto, P. Eng., Tysen Hantelmann, P. Eng., Mike Levy, P.E , Sue Bird, P. Eng., Carl Schulze, P. Geo., Tad Crowie, P. Eng., Cheibany Elemine, PhD, P.Geo., Sam Amiralaei, P.Eng. and John Kurylo, P. Eng., each of whom is a "qualified person" as such term is defined in NI 43-101, and filed on SEDAR on June 17, 2021.

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* issued by the Canadian Securities Administrators.

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations* issued by the Canadian Securities Administrators.

"**NI 52-109**" means National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* issued by the Canadian Securities Administrators.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees* issued by the Canadian Securities Administrators.

"**Notes**" has the meaning ascribed to it under "*Item 8.3*".

"**Option**" means a stock option granted by the Company to purchase Common Shares pursuant to the Company's LTIP.

"**Pembridge**" means Pembridge Resources PLC.

"**Pembridge Share Purchase Agreement**" means the share purchase agreement between Minto Explorations and Capstone dated June 3, 2019, pursuant to which Pembridge acquired all the issued and outstanding common shares of Minto Explorations for aggregate consideration of US$20,000,000.

"**Person**" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, governmental authority, and where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative.

"**Qualified Person**" has the meaning given to such term under NI 43-101, section 1.1, "*Definitions and Interpretations".*

"**Quartz Mining License**" has the meaning ascribed to it under "*Item 3.3 – 2022 – Reclamation Obligations*".

"**Registration Rights Agreement**" means the registration rights agreement among the Company, Cedro Holdings, Copper Holdings and Pembridge dated June 16, 2021.

"**RTO Financing**" means the: (i) brokered "best efforts" private placement offering and non-brokered private placement offering of 778 BC Subscription Receipts at a price of $2.60 per 778 BC Subscription Receipt for aggregate gross proceeds of $31,033,230.80, inclusive of gross proceeds raised from the sale of Minto Flow-Through Shares and 778 BC Common Shares, pursuant to the terms and conditions of the Agency Agreement, which closed on September 21, 2021 (tranche 1) and on October 22, 2021 (tranche 2); (ii) brokered "best efforts" private placement offering and non-brokered private placement offering of 2,459,906 Minto Flow-Through Shares at a price of $2.60 per Minto Flow-Through Share pursuant to the terms and conditions of the Agency Agreement, which closed immediately prior to the completion of the RTO Transaction; and (iii) non-brokered private placement offering of 3,173,076 778 BC Common Shares at a price of $2.60 per 778 BC Common Share in accordance the terms and conditions of the Agency Agreement, which closed immediately prior to the completion of the RTO Transaction.

"**RTO Transaction**" means the business combination of 778 BC and Minto Explorations completed on

November 23, 2021, and includes, collectively, as the context permits or requires, the 778 BC Consolidation, the Minto Consolidation, the Amalgamation, the reconstitution of the Board and such other transactions contemplated by the Amalgamation Agreement.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval available at www.sedar.com.

"**Shareholder**" means a holder of Common Shares.

"**Subscription Receipt Agreement**" means the subscription receipt agreement dated September 21, 2021 by and among the Subscription Receipt Agent, 778 BC, Minto Explorations and the Lead Agents (on behalf of the Agents) in connection with the RTO Financing.

"**Sumitomo**" means Sumitomo Canada Ltd.

"**Sumitomo Offtake Agreement**" means the offtake agreement between Minto Explorations and Sumitomo dated July 22, 2019, as amended on May 16, 2022.

"**Surplus Escrow Agreement**" means the escrow among the Escrow Agent, the Company and certain principals of the Company dated November 23, 2021.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**tpd**" means tonnes per day.

"**TSX**" means the Toronto Stock Exchange.

"**TSX Trust**" means TSX Trust Company.

"**TSX-V**" means the TSX Venture Exchange.

"**Value Escrow Agreement**" means the escrow agreement among the Escrow Agent, the Company and certain shareholders of 778 BC dated November 23, 2021.

"**Voting Agreement**" has the meaning ascribed to it under "*Item 3.2 – 2021 – RTO Transaction - Voting Agreement and Board Reconstitution*".

"**Wheaton**" means Wheaton Precious Metals Corp.

"**Wheaton Precious Metals Agreement**" means the precious metals purchase agreement between Minto Explorations, Silverstone Resources Corp., Sherwood Copper Corporation and Kutcho Copper Corp. dated November 20, 2008, as amended on March 11, 2009, October 13, 2017 and September 16, 2019 among Wheaton, Capstone, Pembridge, Minto Explorations and Kutcho Copper Corp.

1.2 Forward-Looking Information

This Annual Information Form may contain or incorporate by reference information that constitutes "forward-looking information" or "forward-looking statements" (collectively, "**forward-looking information**") within the meaning of the applicable securities legislation. All statements, other than statements of historical fact, contained or incorporated by reference in this Annual Information Form including, but not limited to, any information as to the future financial or operating performance of the Company, constitutes forward-looking information. Forward-looking information involves known and unknown risks, uncertainties, and other factors that may cause the actual results, performance or achievements of the Company to be materially different from the forward-looking information contained herein. When used in this Annual Information Form, such information uses words such as "plans", "expects" "does not expect", "is expected", "budget", "scheduled", "estimates", "targets", "forecasts", "intends", "anticipates", "does not anticipate", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur" or "be achieved" and any other similar terminology.

The forward-looking information contained herein reflects current expectations regarding future events and operating performance and speaks only as of the date of this Annual Information Form. Generally, forward-looking information involves significant risks and uncertainties; therefore, it should not be read as a guarantee of future performance or results and will not necessarily be an accurate indication of whether or not such results will be achieved. Undue reliance should not be placed on such statements. A number of factors could cause the actual results to differ materially from the results discussed in the forward-looking information, including but not limited to, the factors discussed under the heading entitled "Risk Factors" herein. Although the forward-looking information is based on what management of the Company believes are reasonable assumptions, the Company cannot assure readers that actual results will be consistent with the forward-looking information.

This Annual Information Form includes forward-looking information pertaining to, among other factors, the following:

- the size of the Company's mineral reserves and resources;
- the realization of the Company's mineral reserves and resources;
- the timing of development of undeveloped mineral reserves;
- the costs related to the exploration, development and production of the Company's projects;
- the results of future production;
- supply and demand for copper, gold and silver;
- expectations regarding the ability to raise capital and to continually add to reserves through acquisitions, exploration and development;
- treatment under governmental regulatory regimes, labour environment and tax laws;
- use of proceeds from the RTO Financing; and
- capital expenditure programs and the timing and method of financing thereof.

Forward-looking information is based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. With respect to forward-looking information contained herein, the assumptions made by the Company include but are not limited to:

- that regulatory requirements will be maintained;
- future prices of copper, gold and silver and other metals;
- future currency and interest rates;
- competitive conditions in the mining and metals industry;
- future prices for natural gas, fuel oil, electricity and other key supplies;
- the Company's ability to generate sufficient cash flow from operations and capital markets to meet its future obligations and continue as a going concern;
- there not being any significant disruption affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise;

- the Company's ability to obtain the necessary permits, including but not limited to, environmental and governmental permits to properly develop, operate and expand current and future projects;
- political developments in any jurisdiction in which the Company operates being consistent with the Company's current expectations;
- financing and funding requirements;
- the viability, economically and otherwise, of maintaining and developing the Minto Mine Property; and
- the Company's ability to obtain qualified staff and equipment in a timely and cost-efficient manner to meet the Company's demand.

Forward-looking information is based on current expectations, estimates and projections that involve a number of risks which could cause the actual results to vary and in some instances to differ materially from those described in the forward-looking information contained in this Annual Information Form. These material risks include, but are not limited to:

- geopolitical events and conflicts, such as the war in Ukraine;
- pandemics, epidemics and public health crises such as COVID-19;
- uncertainties relating to operations during the COVID-19 outbreak;
- volatility in the spot and forward price of copper, gold, silver or certain other commodities relevant to the Company's operation, such as diesel fuel and electricity;
- fluctuations in foreign exchange or interest rates and stock market volatility;
- changes in the copper, gold or silver lease rates which could impact the mark-to-market value of outstanding derivative instruments and ongoing payments/receipts under any interest rate swaps and variable rate debt obligations;
- change in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards associated with the business of mining and resource extraction, generally (including environmental hazards, industrial accidents, unusual or unexpected formations pressures, cave-ins and flooding);
- relationships with and claims by local communities and indigenous populations;
- inability to obtain adequate insurance to cover risks and hazards; risks related to outbreaks or threats of outbreaks of viruses, other infectious diseases or other similar health threats, such as the novel coronavirus outbreak;
- competition for, among other things, capital, acquisition of mining property, undeveloped lands and skilled personnel;
- operational and technical problems;
- the speculative nature of the metals extraction industry, including the risks of delays in obtaining required environmental and other licenses;
- title to properties;
- reclamation costs associated with the Minto Mine Property;
- risks associated with the Company's ability to meet its financial obligations as they fall due;
- risks associated with climate change;
- uncertainties and hazards associated with copper, gold and silver exploration, development and mining, including but not limited to, environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses; and
- other factors further discussed under the heading entitled "*Risk Factors*".

Readers are cautioned that the foregoing lists of factors are not exhaustive. There can be no assurances that forward-looking information will prove to be accurate. Forward-looking information is provided for the purpose of providing information about management's expectations and plans relating to the future. The forward-looking information included in this Annual Information Form is qualified by these cautionary statements and those made in the Company's other filings with the securities regulators of Canada including, but not limited to, the cautionary statements made in the "Risks Factors" section of the Company's Listing Application.

The forward-looking information contained herein is made as of the date of this Annual Information Form and the Company assumes no obligations to update or revise it to reflect new events or circumstances, other than as required by applicable securities laws.

1.3 General Matters

This Annual Information Form is for the year ended December 31, 2022. All information in this Annual Information Form is as of December 31, 2022, unless otherwise indicated.

Reference is made in this Annual Information Form to the consolidated audited financial statements (the "**Financial Statements**") and management's discussion and analysis of the Company for the fiscal year ended December 31, 2022, together with the auditor's report thereon.

The Financial Statements are available for review on the Company's SEDAR profile at www.sedar.com. All financial information in this Annual Information Form has been prepared in accordance with International Financial Reporting Standards unless otherwise expressly indicated.

In this Annual Information Form, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to "$" are to Canadian dollars.

All scientific and technical information contained in this Annual Information Form has been reviewed, verified and approved by David Benson, P.Geo, Vice President of Exploration for the Company. Mr. Benson is a Qualified Person within the meaning of NI 43-101.

The industry and other statistical data presented in this Annual Information Form, except where otherwise noted, have been compiled from sources and participants which, although not independently verified by the Company, are considered by the Company to be reliable sources of information. References in this Annual Information Form to research reports or articles should not be construed as depicting the complete findings of the entire referenced report or article and such report or article is expressly not incorporated by reference into this Annual Information Form.

For ease of reference, the following factors for converting Imperial measurements into metric equivalents are provided:

To Convert from Imperial	To Metric	Multiply by
Acres	Hectares	0.404686
Feet	Metres	0.30480
Miles	Kilometres	1.609344
Tons	Tonnes	0.907185
Ounces (troy)/ton	Grams/tonne	34.2857
Ounces	Grams	31.1035

Imperial Measurement	Metric
1 mile =	1.609 kilometres
1 yard =	0.9144 metre
1 acre =	0.405 hectare
2,204 pounds =	1 tonne (metric)
2,000 pounds/1 short ton =	0.907 tonnes

1.3.1 *Incorporation by Reference*

The Minto Property Technical Report relating to the Minto Mine Property bearing an effective date of March 31, 2021 and filed on SEDAR on June 17, 2021 entitled "NI 43-101 Preliminary Economic Assessment, Technical Report, Minto Yukon, Canada", has been prepared and filed in accordance with NI 43-101, is incorporated by reference into and forms part of this Annual Information Form. The Minto Property Technical Report may be accessed under the Company's profile on SEDAR at www.sedar.com.

1.3.2 *Exchange Rate Information*

1.3.2.1 United States Exchange Rate Information

The following table sets out: the rate of exchange for one Canadian dollar in U.S. dollars in effect at the end of each of the periods set out immediately below; the high and low rate of exchange during those periods; and the average rate of exchange for those periods, each based on the noon spot rate as published on the Bank of Canada's website. On April 4, 2023, the last business day preceding the date of this Annual Information Form, the exchange rate for one Canadian dollar in U.S. dollars as published by the Bank of Canada was $1.00 = US$0.7437.

	High	Low	Average	End of Period
Year ended December 31				
2022	0.8031	0.7217	0.7692	0.7383
2021	0.8306	0.7727	0.7980	0.7888
2020	0.7863	0.6898	0.7461	0.7854

1.3.3 *Special Note to Reader*

References in this Annual Information Form to "Minto Explorations" and "778 BC" refer to the Company prior to the completion of RTO Transaction and references to "the Company" refer to the Company following the completion of the RTO Transaction.

ITEM 2. CORPORATE STRUCTURE

2.1 Name, Address and Incorporation

The full corporate name of the Company is "Minto Metals Corp." The head office of the Company is located at Suite 800, 5940 Macleod Trail S.W, Calgary, AB T2H 2G4, and its registered office is located at 1900-1040 West Georgia Street, Vancouver, BC V6E 4H3.

Minto Explorations was incorporated under the BCBCA on April 20, 1993. 778 BC was incorporated under the BCBCA on April 8, 2020. On November 23, 2021, the Company completed the RTO Transaction pursuant to an amalgamation between Minto Explorations and 778 BC and continued under the BCBCA under the name "Minto Metals Corp." The Company was extra-provincially registered in the territory of Yukon on December 2, 2021 and in the Province of Alberta on January 7, 2022.

On November 23, 2021, Minto Explorations completed the Minto Consolidation, whereby the Minto Explorations Shares were consolidated on a one (1) for twelve (12) basis. Following the completion of the Minto Consolidation, there were 6,625,175 Minto Class A Shares and 53,603,688 Minto Class B Shares outstanding.

On November 23, 2021, 778 BC completed the 778 BC Consolidation, whereby the 778 BC Common Shares were consolidated on a one (1) for 9.4 basis. Following the completion of the 778 BC Consolidation, there were 327,129 778 BC Common Shares outstanding.

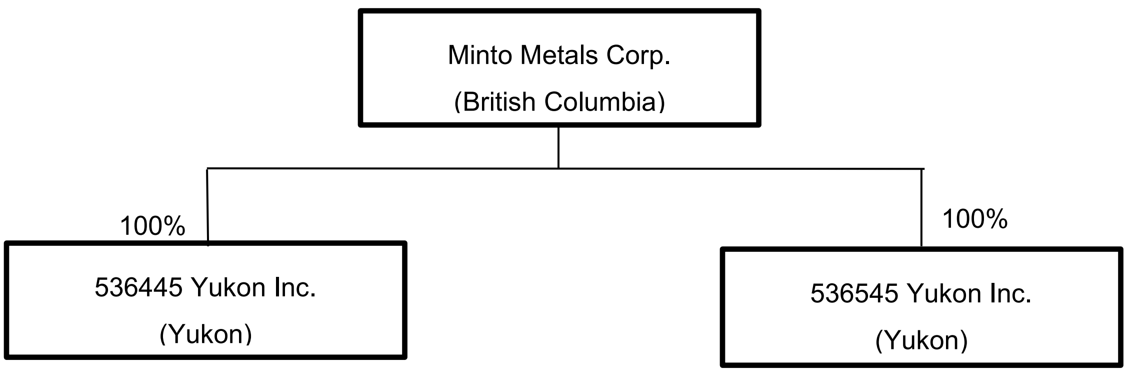
On November 23, 2021, the Company completed the RTO Transaction pursuant to the Amalgamation Agreement dated June 15, 2021, as amended on November 5, 2021, between Minto Explorations and 778 BC. Pursuant to the Amalgamation Agreement, Minto Explorations and 778 BC amalgamated and continued under the BCBCA as the Company, and each Minto Explorations Shareholder and 778 BC

Shareholder received one (1) Common Share in exchange for each Minto Explorations Share and 778 Common Share, respectively.

2.2 Intercorporate Relationships

The Company owns all of the issued and outstanding shares of 536445 Yukon Inc., a corporation existing under the *Business Corporations Act* (Yukon) and 536545 Yukon Inc., a corporation existing under the *Business Corporations Act* (Yukon).

The following chart illustrates the material subsidiaries of the Company, together with the jurisdiction of incorporation of each company and the percentage of voting securities beneficially owned or over which control or direction is exercised, directly or indirectly, by the Company as at the date hereof.



ITEM 3. GENERAL DEVELOPMENT OF THE BUSINESS

Prior to, and following the completion of the RTO Transaction, the principal business of Minto Explorations and the Company was, and is, the operation and development of, and exploration for, high grade copper, gold and silver concentrate from the Minto Mine Property located on Selkirk First Nations' lands in the Yukon Territory.

778 BC was incorporated for the sole purpose of participating in a reverse takeover or similar transaction and did not carry on any business other than in furtherance of the RTO Transaction and related matters.

3.1 2020

778 BC

Spin out of 778 BC

On June 25, 2020, the parent company of 778 BC, 1289625 B.C. Ltd. ("**625 BC**", formerly 2583262 Ontario Inc.), announced a statutory plan of arrangement involving its eight (8) wholly-owned subsidiaries. The statutory plan of arrangement involved, among other things, the distribution of common shares of 778 BC to current shareholders of 625 BC on the basis of 100,000 778 BC common shares per one outstanding common share of 625 BC.

On July 24, 2020, 625 BC completed the plan of arrangement, thereby resulting in 778 BC being spun out and becoming a non-listed reporting issuer.

Minto Explorations

Share Purchase

In June 2020, Copper Holdings and Cedro Holdings purchased an aggregate of 40,353,339 Minto Class B Shares for aggregate gross proceeds of $4,100,000, following which, Pembridge no longer held a majority interest in Minto Explorations.

Amendment to Articles

On July 2, 2020, Minto Explorations altered its Articles by deleting the existing Articles in their entirety and replacing them with the Articles set out in the special resolution of the shareholders of Minto Explorations dated June 29, 2020 approving such alteration.

On October 20, 2020, Minto Explorations altered its Articles by varying certain special rights and restrictions attached to the Minto Class A Shares, as set out in the unanimous resolution of the shareholders of Minto Explorations dated September 28, 2020.

Prepayment Facility Agreement

On September 8, 2020, Minto Explorations and Sumitomo entered into the Prepayment Facility Agreement, which provided for a facility limit of US$12,500,000 to be drawn against at any time upon giving notice in increments of US$1,000,000. Minto Interest under the Prepayment Facility Agreement is calculated quarterly on the outstanding balance at LIBOR for the applicable period. The loan under the Prepayment Facility Agreement is secured by a general and continuing security in the collateral; all accounts, inventory, equipment, intangibles, documents of title, money, chattel paper, instruments, securities, documents, proceeds, leaseholds and all present and future undertakings of Minto Explorations. In connection with the Sumitomo Offtake Agreement and pursuant to the Prepayment Facility Agreement, if mineral reserves for the Minto Mine Property are increased, Sumitomo will have the option to increase the minimum quantity of copper concentrate to be delivered up to 125,000 dry metric tons, from 90,000 dry metric tons of copper concentrate.

To receive an advance under the Prepayment Facility Agreement, Minto Explorations was required to meet certain non-financial covenants. The key covenants include the following:

(i) in the immediately preceding period of three full calendar months, Minto Explorations shall have produced more than 75% of the forecast figure for the Minto Mine Property, as set out in the 2020 Cash Flow Model (as defined therein);

(ii) successful establishment of flow-through ventilation and secondary egress (or any other appropriate vent system to support full production from the Copper Keel zone (as defined therein) at the Minto Mine Property) and commencement of ore production from the Copper Keel zone at the Minto Mine Property; and

(iii) readiness of equipment at the Minto Mine Property site to support 3,500 tonnes per day of ore production.

An initial draw of US$3,000,000 was made under the Prepayment Facility Agreement on November 30, 2020.

3.2 2021

Minto

Pembridge Share Purchase Agreement

On March 30, 2021, Minto Explorations paid US$5,000,000 to Capstone on behalf of Pembridge, in satisfaction of part of the US$20,000,000 purchase price pursuant to the Pembridge Share Purchase Agreement. The aggregate consideration of US$20,000,00 was to be paid out of future cash flows and realizations from Minto Explorations as follows: (i) US$5,000,000, which was paid by Minto Explorations, on behalf of Pembridge, on March 30, 2021; (ii) US$5,000,000, which was due once production on the Minto Mine Property had reached 60% of mill capacity and the copper price had averaged over US$3.00/lb for two consecutive quarters; and (iii) US$10,000,000, which was to be due upon the copper price achieving an average of US$3.50/lb for two consecutive calendar quarters.

Pursuant to the Pembridge Share Purchase Agreement, in order to secure certain reclamation obligations in respect of the Minto Mine Property until a new surety bond was obtained by Minto Explorations or Pembridge, Pembridge was required to make quarterly payments into the Control Account (as defined therein) for an aggregate amount of $10,000,000. Pembridge is obligated to, and is obligated to cause Minto Explorations to, use all commercially reasonable efforts to obtain or cause Minto Explorations to obtain a new surety bond with the Government of Yukon securing reclamation obligations in respect of the Minto Mine Property and releasing Capstone from its obligations and liabilities under the surety bond that is currently outstanding.

Prepayment Facility Agreement

Subsequent to the initial draw of US$3,000,00 under the Prepayment Facility Agreement, Minto Explorations received an additional US$3,000,000 million on March 3, 2021 and an additional US$2,000,000 on April 21, 2021. On June 30, 2021, Minto Explorations was unable to draw an additional US$4,500,000 due to non-compliance with certain required covenants under the Prepayment Facility Agreement. To facilitate this additional draw, on September 21, 2021, Copper Holdings, Cedro Holdings, Pembridge and Sumitomo entered into a guarantee agreement pursuant to which Copper Holdings, Cedro Holdings and Pembridge agreed to guarantee the amount of US$4,500,000 payable by Minto Explorations to Sumitomo should Sumitomo demand payment of the loan in accordance with the terms of the Prepayment Facility Agreement. As of October 6, 2021, Minto and Sumitomo reached an agreement to extend the Prepayment Facility Agreement and Minto received the remaining US$4,500,000. In connection with the RTO Transaction, the guarantee provided by Copper Holdings, Cedro Holdings and Pembridge was discharged.

Minto Property Technical Report

On June 17, 2021, Minto Explorations and 778 BC filed the Minto Property Technical Report on the Company's SEDAR profile at www.sedar.com. The Minto Property Technical Report is in respect of the Minto Mine Property and was prepared in accordance with NI 43-101.

RTO Transaction

RTO Financing

In connection with the RTO Transaction and pursuant to the Agency Agreement, 778 BC closed the first tranche of the brokered "best efforts" private placement offering and non-brokered private placement offering of the RTO Financing on September 21, 2021, pursuant to which 778 BC issued an aggregate of 5,857,938 778 BC Subscription Receipts at an issued price of $2.60 per 778 BC Subscription Receipt for aggregate gross proceeds of $15,230,638.80. On October 22, 2021, 778 BC closed the second tranche of the RTO Financing, pursuant to which 778 BC issued an aggregate of 444,798 778 BC Subscription Receipts at an issued price of $2.60 per 778 BC Subscription Receipt for aggregate gross proceeds of $1,156,474.80. Pursuant to the Subscription Receipt Agreement, each 778 BC Subscription Receipt was automatically exchanged for one (1) 778 BC Common Share upon satisfaction of the escrow release conditions and immediately prior to completion of the RTO Transaction.

In addition, immediately prior to completion of the RTO Transaction: (i) 778 BC completed a non-brokered private placement offering of 3,173,067 778 BC Common Shares at a price of $2.60 per 778 BC Common Share for aggregate gross proceeds of $8,249,997.60; and (ii) Minto Explorations completed a brokered “best efforts” private placement offering and non-brokered private placement offering of 2,459,906 Minto Flow-Through Shares at a price of $2.60 per Minto Flow-Through Share, pursuant to the terms and conditions of the Agency Agreement. Each Minto Flow-Through Share was automatically exchanged for one (1) Common Share on the completion of the RTO Transaction.

Upon completion of the RTO Financing and pursuant to the terms of the Agency Agreement, the Company received aggregate gross proceeds of $31,033,230.80, and in consideration for their services in connection with the brokered portion of the RTO Financing, the Agents received the Agents’ Fee in the amount of $1,504,087. The net proceeds of the RTO Financing will be used to fund operational improvements at the Minto Mine Property, near-mine exploration activities and for general corporate purposes including working capital.

Business Combination

On November 23, 2021, immediately prior to the completion of the RTO Transaction, Minto Explorations completed the Minto Consolidation, 778 BC completed the 778 BC Consolidation and each 778 BC Subscription Receipt automatically converted into one (1) 778 BC Common Share. Upon closing of the RTO Transaction and pursuant to the Amalgamation Agreement, Minto Explorations and 778 BC amalgamated to form an amalgamated entity called “Minto Metals Corp.”, whereby each Minto Explorations Share, 778 BC Common Share and Minto Flow-Through Share was exchanged for Common Shares on a one (1) for one (1) basis. Immediately following the completion of the RTO Transaction, there were 72,491,851 Common Shares issued and outstanding (on a non-diluted basis). Copper Holdings, Cedro Holdings and Pembridge, the Company’s principal shareholders, own, or exercise direction or control over, directly or indirectly, 26,801,844, 20,076,288 and 8,086,714 Common Shares, respectively, representing approximately 37.0%, 27.7% and 11.2% respectively, of the Company’s total issued and outstanding Common Shares on a non-diluted basis.

Registration Rights Agreement

Concurrently with the closing of the RTO Transaction, the Company entered into the Registration Rights Agreement with Pembridge, Cedro Holdings and Copper Holdings. Pursuant to the Registration Rights Agreement, certain Shareholders shall have the right (subject to certain limitations as set out in the Registration Rights Agreement), so long as they hold not less than 10% of the issued and outstanding Common Shares (on a non-diluted basis) to require the Company to file one or more prospectuses or take such other steps as may be reasonably necessary to facilitate an offering in Canada of all or any portion of the Common Shares held by such Shareholder.

Voting Agreement and Board Reconstitution

Additionally, Pembridge, Cedro Holdings and Copper Holdings entered into the Voting Agreement, pursuant to which and the Amalgamation Agreement, each of the foregoing Shareholders agreed to vote their Common Shares to cause the size of the Board to be set at seven directors, or such other number as may be recommended by the board and agreed to vote their Common Shares to cause the following persons to be elected as directors of the Company: (a) two persons designated by any of the foregoing Shareholders, provided such Shareholder (together with its affiliates) holds or exercises control over not less than 20% of the issued and outstanding Common Shares; or (b) one person designated by any of the foregoing Shareholders, provided such Shareholder (together with its affiliates) holds or exercises control over less than 20% but not less than 10% of the issued and outstanding Common Shares.

Each of the foregoing Shareholders also agreed to vote their Common Shares to ensure that no director of the Company elected pursuant to the Voting Agreement is removed, unless the appointing shareholder so directs or approves (provided that a director may be removed if they are no longer eligible to serve as a director of the Company), that if a director is removed, their replacement be chosen in accordance with the terms of the Voting Agreement, and that if an appointing shareholder requests the removal of a director, such director shall be removed.

See “*Directors and Officers*” for information about the Board.

Future Expenditures Agreement

The Pembridge Share Purchase Agreement further provides that Pembridge may direct Minto Explorations to make the future agreed payments to Capstone on behalf of Pembridge. On November 23, 2021, following completion of the RTO Transaction, the Company and Pembridge entered into the Future Expenditures Agreement whereby the Company agreed to continue its obligations to fund future agreed payments to Capstone and to make all payments to the Control Account (as defined therein). Pembridge contributed $4,000,000 into the Control Account and the Company recognized a $4,000,000 credit payable to Pembridge for the transfer of the Control Account to the Company. Pursuant to the Future Expenditures Agreement, once $10,000,000 has been funded to the Control Account, or in the event of the termination or replacement of the Control Account, the Company is obligated to make $1,000,000 quarterly payments to Pembridge until the Company has returned to Pembridge the initial $4,000,000, along with 8% annualized interest accrued from the respective dates of Pembridge’s funding to the Control Account. As at December 31, 2022, the Control Account had been funded to $10,000,000 and $3,000,00 million of the credit payable was paid to Pembridge in 2022.

In addition to the foregoing, the amount owed to Pembridge by the Company also includes an amount of $512,750 related to mineral claims held by the two wholly-owned subsidiaries, 536445 Yukon Inc. and 536545 Yukon Inc.

In accordance with the Future Expenditures Agreement, on November 23, 2021, Minto Explorations Ltd. issued a US$15,000,000 million (CAD$19.2 million) promissory note (the “**Note Payable**”) to Pembridge representing the remaining amount due to Capstone under the Pembridge Share Purchase Agreement. The amount due under the Note Payable is payable in US$5,000,000 million tranches based on the Minto Mine Property meeting certain milestones. All of the milestones were met as of November 23, 2021 and the full amount of the Note Payable became due to Capstone. Minto paid US$10,000,000 million to Capstone in December 2021 and negotiated with Capstone to extend the final US$5,000,000 million payment to no later than January 15, 2023. Minto is currently in negotiations with Capstone to further extend the final US$5,000,000 payment. The Note Payable bears no interest and there are no covenants.

As of the date of this Annual Information Form, Capstone is currently guaranteeing the $72.1 million reclamation bond in respect of the Minto Mine Property as per the terms of the Pembridge Share Purchase Agreement.

Listing of Common Shares on the TSX-V

On November 29, 2021, the Company received final listing approval from the TSX-V and resumed trading on that exchange as a Tier 1 Mining Issuer under the symbol “MNTO”.

Senior Secured Notes

On December 31, 2021, Cedro Holdings entered into a transaction to sell its portion of the Company’s long-term debt in the amount of US$5,000,000 to Stiftelsen Lejonudden. On April 11, 2022, Cedro Holdings completed the sale of its US$5,000,000 Note to Stiftelsen Lejonudden.

See “*Description of Share Capital – Notes*” for information about the Notes.

The Minto Mine Property

For the year ended December 31, 2021, the Company and Minto Explorations (prior to the completion of the RTO Transaction) produced and sold 25.6 million pounds of copper, 11,783 ounces of gold and 135,354 ounces of silver at the Minto Mine Property at an average realized price of approximately US$4.08 per pound of copper, approximately US$898.46 per ounce of gold and approximately US$3.20 per ounce of silver, respectively.

3.3 2022

Reclamation Obligations

On January 4, 2022, pursuant to section 5 of the Security Regulation (Yukon) under the Quartz Mining Act and the Quartz Mining License (QML-0001) (the "**Quartz Mining License**"), the Government of Yukon concluded its assessment of the outstanding closure liabilities at the Minto mine site. The Government of Yukon has requested Minto to increase and maintain the financial security amount for reclamation costs from $72.1 million to $104.2 million by no later than April 5, 2022. Subsequently, on April 1, 2022, the Company received a letter from the Yukon Government indicating that the Quartz Mining Licence had been amended to reflect the requirement to pay the determined security amount. The amount was staged to reflect that Minto would not be conducting certain mining activities before the next scheduled review in August 2022. Additionally, Minto was provided a list of conditions to enable continued operations until the security is furnished. These conditions require Minto to reduce environmental risks and closure liabilities. Minto has a plan that is being implemented to reduce these risks. The plan has been successful in managing water through the higher-risk period of freshet with Minto discharging more water than any of the previous 7 years and successfully treating mine-impacted water.

In June 2022, the Yukon Government provided framework for how to apply for security credits with a view to reducing the amount of security required to be furnished and maintained. A significant portion of the difference between the $72.1 million and the $104.3 million is related to contingency costs. Minto was addressing the contingency costs through a series of actions and investments by the Company leading to an application for credits in August 2022. A new reclamation and closure plan being submitted to the Yukon Government in September of 2022 focused on the Main Pit Dam and related changes to closure planning.

On August 19, 2022, pursuant to section 5 of the Yukon Security Regulation and the Quartz Mining License, the Government of Yukon issued a further amendment to the January 4th assessment of the outstanding closure liabilities at the Minto Mine Property. Pursuant to this further amendment, the Government of Yukon required Minto to increase and maintain the financial security amount for reclamation costs from $72.1 million to $93.2 million by no later than September 1, 2022. Credits were obtained for progressive reclamation activities and for reducing the risks associated with water treatment plant through Minto's investments in the plant to bring it back to operational status. Minto continues to work on water treatment and believes that further reductions will be possible in 2023. Additionally, the construction of the Main Pit Dam, once approved, will also reduce closure liabilities significantly.

On August 31, 2022, the Company sent a payment schedule proposal to the Yukon Government to furnish the additional $21.1 million in reclamation security costs. On September 11, 2022, the Government of Yukon sent a notice to the Company in response to the proposal, stating that the payment schedule, while not preferrable, is an acceptable approach.
On November 25, 2022, the Company sent an updated payment proposal to the Yukon Government which replaces the payment proposal set on August 31, 2022. Regardless of the revenue generated by the Company, the new proposal is outlined as follows:

1. Minimum cash payment of $360,000 on or before December 30, 2022; and

2. Minimum cash payment of $180,000 on or before the end of each month thereafter until the outstanding amount is paid.

The revised payment schedule will be revisited in April 2023 to determine any necessary adjustments to achieve full payment of the outstanding securities. The provision of the updated payment proposal does not impact the state of compliance with the Quartz Mining License.

While Minto is currently non-compliant with the security requirements in its Quartz Mining License, the Company is still authorized by the Yukon Government to continue operating in a restricted manner to reduce Yukon's exposure to environmental risks and liabilities. As of December 31, 2022, Minto had provided $2.4 million to the Yukon Government.

Minto continues to work with the Yukon Government, the Selkirk First Nation, and our surety business partners with respect to the increased security requirement and are in the process of reviewing the amount required to be furnished based on work completed by the Company to reduce environmental risk during the past twelve months. If Minto does not furnish security and Yukon Government does not provide an extension, Minto will be out of compliance with its Quartz Mining License. As a result of such non-compliance, the inspector could then direct Minto to take certain actions, including cessation of activity.

Sumitomo Offtake Agreement

On May 16, 2022, the Company and Sumitomo amended the Sumitomo Offtake Agreement, which provides for a four-year offtake extension and an increase of an aggregate of 200,000 dry metric tonnes of copper concentrate, for a total minimum quantity concentrate of 325,000 dry metric tonnes. For a description of the material terms of the Sumitomo Offtake Agreement, see "*Description of the Business – Production – Minto Mine Property Operations – Sumitomo Offtake Agreement*".

In connection with the amendment to the Sumitomo Offtake Agreement, Sumitomo and the Company entered into the Amended and Restated Prepayment Facility Agreement, pursuant to which the parties agreed to extend the facility limit under the Prepayment Facility Agreement to US$17.5 million, which is repayable during the four-year term or the remaining agreement term at the time of the draw. Loan repayments under the Amended and Restated Prepayment Facility Agreement are based on the amount of copper concentrate produced divided by the remaining amount of concentrate to deliver under the Sumitomo Offtake Agreement. Interest under the Amended and Restated Prepayment Facility Agreement is calculated at LIBOR Screen Rate +5.0% and drawdowns are in multiples of at least US$1.0 million.

The loan under the Amended and Restated Prepayment Facility Agreement is secured by a general and continuing security in certain collateral, including all accounts, inventory, equipment, intangibles, documents of title, money, chattel paper, instruments, securities, documents, proceeds, leaseholds and all present and future undertakings of the Company.

There are no covenants under the Amended and Restated Prepayment Facility Agreement, however, if Minto has drawn down US$12.5 million and is requesting an advance, the following must have occurred:

(i) any further requests for an advance under the Amended and Restated Prepayment Facility Agreement must be made after January 1, 2024;

(ii) average concentrate production for the three calendar month period before such advance shall exceed 3,500 dry metric tonnes per calendar month; and

(iii) Minto shall have provided the latest mine plan and financial plan for the period of the remaining minimum quantity and such plan shall not in Sumitomo's opinion, acting reasonably, include any fatal flaws and/or significant changes that may impact the production schedule.

On March 16, 2022, the outstanding loan balance under the Prepayment Facility Agreement was transferred to the new facility under the Amended and Restated Prepayment Facility Agreement. As of the date hereof, US$10.5 million has been drawn under the Amended and Restated Prepayment Facility Agreement.

Minto Mine Property

For the year ended December 31, 2022, the Company produced and sold 28.9 million pounds of copper, 12,168 ounces of gold and 135,878 ounces of silver at the Minto Mine Property at an average realized price of approximately US$3.86 per pound of copper, approximately US$1,325.86 per ounce of gold and approximately US$ 5.57 per ounce of silver, respectively.

On June 30, 2022 Minto received an amendment to its Quartz Mining License which supports the ongoing development and production activities at the Minto Mine Property. This will permit the Company to start developing the Ridgetop and Minto East 2 areas for future mining.

Facility Agreements

Corpay Facility Agreement

On July 13, 2022, the Company entered into a one-year facility term agreement (the "**Corpay Facility Agreement**") with Cambridge Mercantile Corp. ("**Corpay**"), pursuant to which the Company is authorized to enter into forward exchange contracts for up to CAD$40.0 million with Corpay. As of December 31, 2022, the Company has drawn down a total of CAD$14.4 million under the Corpay Facility Agreement.

GPS Capital Facility Agreement

On November 2, 2022, the Company entered into a master foreign exchange agreement (the "**GPS Capital Facility Agreement**") with GPS Capital Markets, LLC ("**GPS Capital**"), pursuant to which the Company is authorized to enter into forward exchange contracts for up to US$40.0 million with GPS Capital. As of December 31, 2022, the Company has drawn down a total of US$26.9 million under the GPS Capital Facility Agreement.

Amended and Restated Wheaton Precious Metals Agreement

On October 27, 2022, the Company, Wheaton, Pembridge and Capstone agreed to amend and restate the Wheaton Precious Metals Agreement. Pursuant to the Amended and Restated Wheaton Precious Metals Agreement, the Company is entitled to receive on sales of gold from gold production from the Minto Mine Property, the lower of 65% of the market price of gold or US$ 1,250 per ounce. For a description of the material terms of the Amended and Restated Wheaton precious Metals Agreement, see "*Description of the Business – Production – Minto Mine Property Operations – Amended and Restated Wheaton Precious Metals Agreement".*

3.4 Subsequent Developments

Minto

On February 28, 2023, Edie Hofmeister resigned from the Board.

On March 15, 2023, Greg McKnight, Chairman of the Board, resigned from the Board.

ITEM 4. DESCRIPTION OF THE BUSINESS

The Company is a Canadian-based public company engaged in the operation and development of, and exploration for, high grade copper, gold and silver concentrate from the Minto Mine Property located in Yukon, Canada. The Company's business activities are directed from its offices in Whitehorse, Yukon.

4.1 Production

The Company's principal product is copper. In addition to copper, the Company also produces gold and silver. It has one producing asset: the Minto Mine Property.

The Company performs underground mining using a longhole mining method. The longhole stopes are retreated from an extraction development drive with rib pillars left between stope lines for ground stability. Ore is extracted from the Minto Mine Property with 45-tonne haul trucks utilizing a 15% ramp to surface. The underground operations are currently producing approximately 3,000 tonnes per day and plans are in place to ramp up production levels. The current main mining area is Copper Keel and it utilizes the longhole stoping method.

Ore is trucked to the mill and then crushed down to a minus 3/4" to be fed into the primary SAG mill and subsequently into two smaller ball mills and into a flotation circuit. The mill produces a high grade concentrate which is stored on site until it is trucked to the port in Skagway, Alaska from which it is shipped by boat to the offtaker's smelter in Niihama, Japan. Minto has since ceased to ship its copper concentrate through the port in Skagway for at least the next two years due to a port redevelopment project. Minto is currently in discussions to explore other alternatives to shipping its concentrate, including the port at Stewart, British Columbia.

Minto has offtake agreements with Sumitomo and a precious metals agreement with Wheaton, pursuant to which all copper production is sold to Sumitomo, and all gold and silver production is sold to Wheaton.

Sumitomo Offtake Agreement

The Company entered into the Sumitomo Offtake Agreement with Sumitomo in respect of the Minto Mine Property on July 22, 2019.

Pursuant to the Sumitomo Offtake Agreement, Sumitomo agreed to purchase 100% of the annual copper production from the Minto Mine Property until a total of 90,000 dry metric tons of copper concentrates has been delivered. In connection with the Sumitomo Offtake Agreement and pursuant to the Prepayment Facility Agreement, if mineral reserves for the Minto Mine Property are increased, Sumitomo will have the option to increase the minimum quantity of copper concentrate to be delivered up to 125,000 dry metric tons.

Under the terms of the Sumitomo Offtake Agreement, Sumitomo is granted the exclusive right to purchase all copper concentrates, together with a right of first refusal over all other concentrates produced at the Minto Mine Property and is the exclusive recipient of the offtake of copper concentrates relating to the Minto Mine Property. Sumitomo makes monthly provisional payments to the Company for 90% of the estimated provisional invoice value of monthly copper production, which is paid once the production is delivered to the on-site shed at the Minto Mine Property. The remaining 10% of the payment is received following the delivery of the copper production to Sumitomo at the Port of Niihama, Japan, or an alternative agreed-upon location. The Company's shipments are subject to seasonal fluctuations as the Yukon River is only traversable during the summer and winter seasons by either barge or ice bridge. The Yukon River must be crossed in order to reach the Skagway Ore Terminal in Skagway, Alaska.

On May 16, 2022, the Sumitomo Offtake Agreement was amended to increase the minimum quantity of offtake to 325,000 dry metric tonnes of copper concentrate.

Amended and Restated Wheaton Precious Metals Agreement

In 2008, pursuant to the Wheaton Precious Metals Agreement, Minto Explorations agreed to sell 100% of its gold and silver production from the Minto Mine Property to Wheaton for a one-time payment of US$37,500,000, and a further payment equal to the lesser of US$300 per ounce of gold and US$3.90 per ounce of silver (subject to a 1.0% inflationary adjustment after three years and each year thereafter) and the prevailing market price for each ounce delivered. Additionally, if production from the Minto Mine Property exceeded 30,000 ounces of gold per year, Wheaton is entitled to purchase only 50% of the amount in excess of that threshold.

On September 16, 2019, the Wheaton Precious Metals Agreement was amended, pursuant to which Minto Explorations was entitled to receive 75% of the value on sales from gold production from the Minto Mine Property, up to a maximum of 11,000 ounces.

On October 27, 2022, the Company entered into the Amended and Restated Wheaton Precious Metals Agreement, pursuant which the Company is entitled to receive on sales of gold from gold production from the Minto Mine Property, the lower of 65% of the market price of gold or US$ 1,250 per ounce.

The Company is currently in negotiations with Wheaton to increase its share of the gold price receipts under the Amended and Restated Wheaton Precious Metals Agreement.

Cooperation Agreement with Selkirk First Nation

Under the terms of a revised co-operation agreement between Minto Explorations and the Selkirk First Nation ("**SFN**") dated October 15, 2009, Minto Explorations made various commitments to SFN to enhance SFN participation in the Minto Mine Property, including a variable net smelter return royalty on production from the Minto Mine Property that fluctuates from 0.5% to 1.5% depending on the variation of copper prices, as well as various commitments in respect of employment, contracting, training and scholarship opportunities. The variable net smelter return royalty pursuant to this agreement is currently 1.5%.

2021

For the year ended December 31, 2021, the Company and Minto Explorations (prior to the completion of the RTO Transaction) produced and sold 25.6 million pounds of copper, 11,783 ounces of gold and 135,354 ounces of silver at the Minto Mine Property at an average realized price of approximately US$ 4.08 per pound of copper, approximately US$ 898.46 per ounce of gold and approximately US$ 3.20 per ounce of silver, respectively.

2022

For the year ended December 31, 2022, the Company produced and sold 28.9 million pounds of copper, 12,168 ounces of gold and 135,878 ounces of silver at the Minto Mine Property at an average realized price of approximately US$3.86 per pound of copper, approximately US$1,325.86 per ounce of gold and approximately US$ 5.57 per ounce of silver, respectively.

4.2 Exploration

The Company conducts exploration at the Minto Mine Property in Yukon, Canada. In 2022, the Company completed 53 holes for 28,438 meters. The results from follow-up, step-out drilling at Minto North has confirmed the existence of a consistent, robust mineralized system west of the historical Minto North Pit. Drill hole 22EXP045 cut 1.91% Copper over 34.59 m, including 4.80% copper over 10.10 m drill width from 194.19 m downhole in follow-up, step-out drilling from drill hole 21EXP003 that cut 1.58% copper over 28 m.

On February 23, 2022, the Company announced the receipt of a 10-year Class 4 Quartz Mining Land Use Permit and subsequent exploration plan for 2022, consisting of 30,000 metres diamond drilling; borehole pulse electromagnetic surveys; a surface-based magnetotellurics survey; and satellite-based spectral mapping of all Minto properties.

4.3 Employees

As at the date of this Annual Information Form, the Company and its subsidiaries have 237 employees and 81 contractors across its operations in Yukon, Canada and offices in Calgary and Toronto.

4.4 Specialized Skill and Knowledge

All aspects of the Company's business activities require specialized skills and knowledge. Such skills and knowledge specifically include the fields of above and underground mining, metallurgy, geology and mill operations. Competition in the mining industry has made it more difficult to locate and retain competent employees in such fields. Further information is provided under the heading entitled "*Risk Factors – Reliance on Key Personnel*".

4.5 Competitive Conditions

Competition in the mining industry is intense. The Company competes with other mining companies located in the Yukon and North America generally, western South America, and Australia, many of which have greater financial resources and production facilities for the exploration, development and production of minerals, as well as for the recruitment and retention of qualified employees and consultants. Certain markets may have lower costs of production due to their milder climate, greater access to connected infrastructure, or lower costs of labour. The Company further competes with other mining companies in these regions for customer market share.

Due to the high level of investment in the Company that has occurred in the past, prior to the most recent investment, the Company believes it has a competitive advantage over many of its competitors, as its current operations can operate on a lower-cost basis than similar mines that have to cover all their historical costs. Furthermore, the Company has a competitive advantage in that it is an operating/cash-generating company with exploration potential that is greater than most purely exploration companies.

In addition, the Canadian and Yukon governments have been supportive of mining operations and provide employment standards and procedures that entities must follow. The Company believes that this is a competitive advantage over many of its competitors who operate in jurisdictions with less stability and governmental support and where ESG compliance is not treated as an important aspect of the business. Further information is provided under the heading entitled "*Risk Factors – Competitive Industry Environment*".

4.6 Business Cycles

Mining and milling occur at the Minto Mine Property year round. Operations in the Yukon create seasonality to the trucking of concentrate from the Minto Mine Property and production inventory to the Minto Mine Property. The use of an ice road enables heavy loads to be delivered to and from the Minto Mine Property over the Yukon River from late December or early January through end of March. A barge is then used for transportation to and from the Minto Mine Property from early June through October. Minto Mine Property access is restricted to flights for personnel and supplies during the intervening period.

4.7 Environmental Protection

The Company is required to have a comprehensive environmental monitoring program as is outlined in its Environmental Monitoring and Surveillance, Reporting Plan (EMSRP). This Plan includes: (a) surface and groundwater monitoring; (b) geochemical; (c) meteorological; (d) physical; (e) aquatic environment including requirements under the federal Metal and Diamond Mine Effluent Regulation; (f) terrestrial environment; and (g) progressive reclamation.

The Company ensures environmental protection by implementing its Operations Adaptive Management Plan whereby specific responses are staged according to specific performance thresholds that describe actions to be implemented if specific performance thresholds are crossed. The actions are in the following categories: (a) notification, (b) review, (c) evaluation and (d) action. The Company's focus is on the protection of aquatic resources through a number of actions including ensuring that where possible water is not impacted by mine activities and instead flows around the mine while impacted water is collected in the tailings management facilities. The sum of these environmental monitoring and protection measures costs approximately $2.6M per year, of which $0.85M is associated with assaying, consultants and monitoring supplies and are captured in the Company's operating budget. Capital expenditures for related infrastructure and reclamation projects are planned and budgeted on a project basis with sufficient funding reserved for these purposes each year. Further information is provided under the heading entitled "*Risk Factors – Environmental Risks and Hazards*".

4.8 Economic Dependence

The Company produces copper, gold, and silver ore from the Minto Mine Property. The Company sells concentrate mined from the Minto Mine Property to a single offtake, Sumitomo, pursuant to the Sumitomo Offtake Agreement, with Wheaton purchasing the gold and silver contained in such concentrate pursuant to the Amended and Restated Wheaton Precious Metals Agreement. The premium quality of the concentrate produced from the Minto Mine Property, along with increasing market demand, creates additional market opportunities for the Company thereby mitigating the risk of a single customer.

4.9 Changes to Contracts

The Company finalized an amendment to the Wheaton Precious Metals Agreement in October of 2022. In addition, the Company finalized a four-year extension to the Sumitomo Offtake Agreement in May of 2022.

4.10 Reorganizations

On September 26, 2019, Minto Explorations amended its authorized share structure by: (i) changing the identifying name of the common shares without par value to Class A common shares of Minto Explorations; (ii) creating an unlimited number of Class B common shares of Minto Explorations; and (iii) creating and attaching special rights and restrictions to the Class A common shares of Minto and Class B common shares of Minto.

On July 2, 2020, Minto Explorations altered its Articles by deleting the existing Articles in their entirety and replacing them with the Articles set out in the special resolution of the shareholders of Minto Explorations dated June 29, 2020 approving such alteration.

On July 24, 2020, 625 BC completed the plan of arrangement, thereby resulting in 778 BC being spun out and becoming a non-listed reporting issuer.

On October 20, 2020, Minto Explorations altered its Articles by varying certain special rights and restrictions attached to the Minto Class A Shares, as set out in the unanimous resolution of the shareholders of Minto Explorations dated September 28, 2020.

On June 15, 2021, Minto Explorations and 778 BC entered into the Amalgamation Agreement, pursuant to which 778 BC and Minto Explorations amalgamated and continued as the Company under the BCBCA on terms more particularly set forth in the Amalgamation Agreement. As a result of the Amalgamation, the former securityholders of Minto Explorations and the former securityholders of 778 BC became securityholders of the Company.

4.11 Environmental Social and Corporate Governance Policies

The Minto Mine Property and its expansion plans have been subject to numerous environmental and socio-economic assessments prior to licenses being issued and/or amended and the Minto Mine Property is subject to numerous other current and ongoing regulations and permits. Thus, the Company's focus is on compliance with applicable legal requirements. The Company is committed to developing the Minto Mine Property in an environmental, socially and fiscally responsible manner, with a specific focus on the following areas:

- water stewardship;
- progressive reclamation
- collaboration with Selkirk First Nation and local communities; and
- focusing on core values of the Company to guide social and environmental action.

The Company is committed to the following principles in relation to the environment:

- to ensuring compliance with applicable legal requirements;
- seeking continual improvement in environmental performance;
- ensuring that employees and contractors are aware of the Company's environmental policies and practices; and
- preventing or mitigating, as much as reasonably possible, the impacts of the Company's operations on the environment through effective and scientifically based practices.

The first stage of implementation of these policies and practices is carried out in the Company's orientation process that ensures that employees are aware of key environmental and social policies and practices. Further training is provided to personnel where applicable including the mandatory sign-off on relevant Standard Operating Procedures (SOPs). The Company is committed to an adaptive management approach to continuously improve with the following stages:

- Plan;
- Do;
- Evaluate & Learn; and
- Adjust

The Company's approach and commitments are reflected across the Company and manifested in, among other policies, the health, safety, environment, community and technical committee (the "**HSEC and Technical Committee**"). The purpose of the HSEC and Technical Committee is to assist the Company in fulfilling its oversight responsibilities with respect to the operational performance and operating risks of the Company, particularly regarding those areas where technical understanding is required. The HSEC and Technical Committee consisted of the following members: Joe Phillips (Chair), Greg McKnight, Derek White and Edie Hofmeister, until February 28, 2023 and March 15, 2023, when Ms. Hofmeister and Mr. McKnight resigned from the Board, respectively.

The HSEC and Technical Committee is currently comprised of Joe Phillips (Chair) and Lazaros Nikeas.

ITEM 5. RISK FACTORS

The business and operations of the Company are subject to a number of risks. The Company considers the risks set out below to be the most significant to existing and potential investors in the Company, but not all of the risks associated with an investment in securities of the Company. An investment in the securities of the Company is highly speculative, involves a high degree of risk and should be undertaken only by Persons whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prior to investing in such securities, you should carefully consider the risks described below, together with other information included in or incorporated by reference into this Annual Information Form and filed on SEDAR at www.sedar.com. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

Dependence on the Minto Mine Property

The Minto Mine Property accounts for all of the Company's current commercial production and is expected to continue to account for all of its commercial production in the near term. Any adverse development affecting the Minto Mine Property will have a material adverse effect on the Company's business, prospects, financial performance and results of operations.

Additional Capital

The Company plans to continue its focus on mining extraction and the processing of that extraction. The Company will use its operating cash flows to carry out such endeavors. However, the Company will require substantial additional financing to further extend the mine life. Further extraction and processing capacities may be dependent upon its ability to obtain financing through equity or debt, and there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration, development, and processing of the Company's projects.

Financing Risks

There are no assurances that additional funding will be available to the Company for further exploration, development, and production of its projects. Further development and production of the Minto Mine Property or other properties of the Company may be dependent upon its ability to obtain financing through equity or debt and there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration, development, and production of the Company's projects.

International Conflict

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes, and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global energy, supply chain and financial markets. Russia's invasion of Ukraine has led to sanctions being levied against Russia by the international community and may result in additional sanctions or other international action, any of which may have a destabilizing effect on commodity prices, supply chain and global economies more broadly. Volatility in commodity prices and supply chain disruptions may adversely affect our business and financial condition, and results of exploration operations.

The extent and duration of the current Russian-Ukrainian conflict and related international action cannot be accurately predicted at this time and the effects of such conflict may magnify the impact of the other risks identified in this Annual Information Form, including those relating to commodity price volatility, global financial conditions and supply chain disruptions. The situation is rapidly changing and unforeseeable impacts, including on our shareholders and counterparties on which we rely and transact with, may materialize, and may have an adverse effect on our business, results of operation and financial condition.

Lack of Funding to Satisfy Contractual Obligations

It is expected that the Company may in the future enter into partnerships or joint ventures in order to fully exploit the Minto Mineral resources available. The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and the Company may have its property interests subject to such agreements reduced as a result or even face termination of such agreements.

Government Regulation

The Company's exploration, production, and processing operations are subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, taxes and labour standards. In order for the Company to carry out its activities, its various licenses and permits must be obtained and kept current. There is no guarantee that the Company's licenses and permits will be granted, or that once granted will be extended. In addition, the terms and conditions of such licenses or permits could be changed and there can be no assurances that any application to renew any existing licenses will be approved. There can be no assurance that all permits that the Company requires will be obtainable on reasonable terms, or at all. Delays or a failure to obtain such permits, or a failure to comply with the terms of any such permits that the Company has obtained, could have a material adverse impact on the Company. The Company may be required to contribute to the cost of providing the required infrastructure to facilitate the development of its properties. The Company will also have to obtain and comply with permits and licenses that may contain specific conditions concerning operating procedures, water use, waste disposal, spills, environmental studies, abandonment and restoration plans and financial assurances. There can be no assurance that the Company will be able to comply with any such conditions. Future taxation of mining operators cannot be predicted with certainty so planning must be undertaken using present conditions and best estimates of any potential future changes.

Exploration Risks

The Company is a resource company focused primarily on the continued exploration and development of mineral resources at the Minto Mine Property in the Yukon. There is no assurance that any of the Company's discovered or acquired projects can be mined profitably, nor that the Minto Mine Property can continue to be mined profitably. Accordingly, it is not assured that the Company will realize any profits in the short to medium term, if at all. Any profitability from the business of the Company will be dependent upon the continued extraction and processing of the economic deposits of Minto Minerals, which in itself is subject to numerous risk factors.

The exploration, development, and processing of Minto Mineral deposits involves a high degree of financial risk over a significant period of time that even a combination of management's careful evaluation, experience and knowledge may not eliminate. Major expenses may be required to continue establishing reserves by drilling and constructing mining and processing facilities at a particular site. The profitability of the Company's operations is, in part, directly related to the cost and success of its exploration, development and production programs, which may be affected by a number of factors. Substantial expenditures are required to maintain and capitalize upon Minto Mineral reserves that are sufficient to support the commercial mining operations and the construction of new and maintaining of existing processing facilities on those properties that are actually developed.

Replacement of Reserves

The Minto Mine Property deposits are the current source of metals production. Current life-of-mine plans provide for a defined production life for the mine. If the mineral reserves are not replaced either by the development or discovery of additional reserves and/or extension of the life-of-mine at the current operating mine or through the acquisition or development of additional producing mines, this could have an adverse impact on future cash flows, earnings, results of operations, and financial condition of the Company, and this may be compounded by requirements to expend funds for reclamation and decommissioning.

Imprecision in Mineral Reserve and Mineral Resource Estimates

There is a degree of uncertainty attributable to the estimation of mineral reserves and mineral resources. Until mineral reserves or mineral resources are actually mined and processed, the quantity and grade of mineral resources and mineral reserves must be considered as estimates only and no assurances can be given that the estimated levels of metals will be produced or that we will receive the price assumed in determining our mineral reserves. These estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. By their nature, mineral reserve and mineral resource estimates are imprecise and depend, to a certain extent, upon analysis of drilling results and interpretations that may ultimately prove unreliable.

Furthermore, fluctuations in the market price of metals, as well as increased capital or production costs or reduced recovery rates may render mineral reserves uneconomic and may ultimately result in a reduction of mineral reserves. The extent to which resources may ultimately be reclassified as proven or probable mineral reserves is dependent upon the demonstration of their profitable recovery. The evaluation of mineral reserves or mineral resources is always influenced by economic and technological factors, which may change over time. No assurances can be given that any resource estimate will ultimately be reclassified as proven or probable mineral reserves or that mineralization can be mined or processed profitably. If the Company's mineral reserve or mineral resource figures are inaccurate or are reduced in the future, this could have an adverse impact on future cash flows, earnings, results of operations, and financial condition.

Inaccuracies in Production and Cost Estimates

The Company prepares estimates of future production and future production costs of operations. No assurance can be given that production and cost estimates will be achieved. These production and cost estimates are based on, among other things, the following factors: the accuracy of mineral reserve estimates; the accuracy of assumptions regarding ground conditions and physical characteristics of ores, such as hardness and the presence or absence of particular metallurgical characteristics; equipment and mechanical availability; labour availability and productivity; access to the mine; facilities and infrastructure; sufficient materials and supplies on hand; and the accuracy of estimated rates and costs of mining and processing, including the cost of human and physical resources required to carry out our activities. Failure to achieve production or cost estimates, or increases in costs, could have an adverse impact on the Company's future cash flows, earnings, results of operations, and financial condition.

Actual production and costs may vary from estimates for a variety of reasons, including actual metals mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors relating to the mineral reserves, such as the need for sequential development of minerals and the processing of new or different mineral grades. In addition, there can be no assurance that mineral recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production, or that the existing known and experienced recoveries will continue. Costs of production may also be affected by a variety of factors, including: changing stripping ratios, mineral grade metallurgy, labour costs and productivity, costs of supplies and services (such as, for example, fuel and power), general inflationary pressures, and currency exchange rates. Failure to achieve production estimates could have an adverse impact on future cash flows, earnings, results of operations, and financial condition.

Network Systems

Equipment failures, natural disasters including severe weather, terrorist acts, acts of war, cyber-attacks or other breaches of network systems or security that affect computer systems within the Company's network could disrupt the Company's business functions, including the Company's exploration, production, and processing activities. The mining industry has become increasingly dependent on digital technologies. Modern day mines and mills are automated and networked, and the Company relies on digital technologies to conduct certain exploration, development, production, processing and other activities. The mining industry faces various security threats, including cyber-security threats. Such attacks are increasing and include malicious software, attempts to gain unauthorized access to data and other electronic security breaches that could lead to disruptions to critical systems, unauthorized release of confidential information and corruption of data. A cyber-attack could negatively impact the Company’s operations. A corruption of the Company’s financial or operational data or an operational disruption of the Company's production infrastructure could, among other potential impacts, result in: (i) loss of production or accidental discharge; (ii) expensive remediation efforts; (iii) distraction of management; (iv) damage to the Company’s reputation or its relationship with customers, vendors employees and joint venture partners; or (v) events of noncompliance, which events could lead to regulatory fines or penalties. Any of the foregoing could have a material adverse impact on the Company's reputation, profitability, future cash flows, earnings, results of operations and financial condition.

Land Title and Royalty Risks

General

Although the title to the properties in which the Company holds an interest were reviewed by or on behalf of the Company, no formal title opinions were delivered to the Company and, consequently, no assurances can be given that there are no title defects affecting such properties. Title insurance generally is not available, and the Company’s ability to ensure that it has obtained a secure claim to individual Minto Mineral properties or mining concessions may be severely constrained. The Company has not conducted surveys of the claims in which it holds direct or indirect interests and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Company’s Minto Mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. This is a risk inherent in all unpatented mining claims.

The Minto Mineral properties are on SFN lands and as such are subject to SFN’s ability to legislate pursuant to the Selkirk First Nation Final Agreement and Yukon Government’s quartz mining regime. The risk of unregistered liens, agreements, transfers or claims is limited by the Selkirk First Nation Final Agreement terms under the Quartz Mining Act or Placer Mining Act. However, there may be unregistered liens, agreements, transfer or claims pursuant to SFN’s ability to legislate such matters.

The claims associated with Quartz Mining License in the Yukon have a registered survey issued by the Department of Energy in the Yukon. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

There are uncertainties as to title matters in the mining industry. Any defects in title could cause the Company to lose rights in its Minto Mineral properties and jeopardize its business operations. The Company's Minto Mineral properties currently consist of unpatented mining claims located on lands administered by the Yukon Government to which the Company only has possessory title. Because title to unpatented mining claims is subject to inherent uncertainties, it is difficult to determine conclusively ownership of such claims. These uncertainties relate to such things as sufficiency of Minto Mineral discovery, proper location and posting and marking of boundaries, proper and timely payment of annual claim maintenance fees, the existence and terms of royalties, and possible conflicts with other claims not determinable from descriptions of record.

The present status of the Company's unpatented mining claims located on SFN lands gives the Company the right to mine and remove valuable minerals, such as precious and base metals, pursuant to its Quartz Mining License with the Yukon Government, from the claims conditioned upon applicable environmental reviews and permitting programs. The Company is also permitted to use the surface of the land solely for purposes related to mining and processing the Minto Minerals pursuant to the land lease with SFN. The Company remains at risk that the mining claims may be forfeited either to the Yukon or SFN due to failure to comply with regulatory requirements.

Title to Minto Mine Property Interests may be Challenged

There may be challenges to title to the Minto Mineral properties in which the Company holds a material interest. If there are title defects with respect to any properties, the Company might be required to compensate other persons or perhaps reduce its interest in the affected property. Furthermore, in any such case, the investigation and resolution of these issues would divert management's time from ongoing management of production and processing of the Minto Minerals.

Minto Mine Property may be Subject to Defects in Title

The ownership and validity or title of unpatented mining claims and concessions are often uncertain and may be contested. The Company also may not have, or may not be able to obtain, all necessary surface rights to develop a property. The Company has taken reasonable measures, in accordance with industry standards for properties at the same stage of production as that of the Company, to ensure proper title to the Minto Mine Property. However, there is no guarantee that title to any of its properties will not be challenged or impugned. Title insurance generally is not available for mining claims and the Company's ability to ensure that it has obtained secure claim to individual Minto Mineral properties may be limited.

The Minto Mine Property may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate the Minto Mine Property as permitted or to enforce its rights with respect to the Minto Mine Property. The failure to comply with all applicable laws and regulations, including a failure to pay taxes or annual claim maintenance fees may invalidate title to portions of the Minto Mine Property. The Company may incur significant costs related to defending the title to the Minto Mine Property. A successful claim contesting title to a property may cause the Company to compensate other persons or perhaps reduce its interest in the affected property or lose our rights to explore and, if warranted, develop that property. This could result in the Company not being compensated for its prior expenditures relating to the Minto Mine Property. Also, in any such case, the investigation and resolution of title issues would divert management's time from ongoing management of production and processing of the Minto Minerals.

Natural Resource Properties are Largely Contractual in Nature

Parties to contracts do not always honour contractual terms and contracts themselves may be subject to interpretation or technical defects. Accordingly, there may be instances where the Company would be forced to take legal action to enforce its contractual rights. Such litigation may be time consuming and costly and there is no guarantee of success. Any pending proceedings or actions or any decisions determined adversely to the Company, may have a material and adverse effect on the Company's results of operations, financial condition and the trading price of the Common Shares.

Net Proceeds

The Company's management has broad discretion in using the net proceeds from the RTO Financing in ways that it deems most efficient. The application of the proceeds to various items may not benefit the business or increase its value. If proceeds are not applied effectively, this misapplication could adversely affect its business, results of operations and financial condition.

Control of the Company

Copper Holdings and Cedro Holdings holds, directly or indirectly, approximately 36.8% and 27.5%, respectively, of the issued and outstanding Common Shares, and are the Company's largest shareholders and each are a control person for the purposes of Canadian Securities Law. As a result, Copper Holdings and Cedro Holdings may have the ability to influence the outcome of matters submitted to the shareholders of the Company for approval, which could include the election and removal of directors, amendments to the Company's corporate governing documents and business combinations. The Company's interests and those of Copper Holdings and Cedro Holdings may at times conflict, and this conflict might be resolved against the Company's interests. The concentration of approximately 36.8% and 27.5%, respectively, of the issued and outstanding Common Shares in the hands of two shareholders may discourage an unsolicited bid for the Common Shares, and this may adversely impact the value and trading price of the Common Shares.

Global Financial Conditions

Recent global financial conditions have been characterized by increased volatility and access to public financing, particularly for junior mineral companies, has been negatively impacted. These conditions may affect the Company's ability to obtain equity or debt financing in the future on terms favourable to the Company or at all. If such volatile conditions continue, the Company's operations could be negatively impacted.

Commodity Markets

The price of the Company's securities, its financial results, and its access to the capital required to finance its exploration and production activities may in the future be adversely affected by declines in the price of precious and base metals and, in particular, the price of copper. Precious metal prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of precious metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand, production and consumption patterns, speculative activities, increased production due to improved production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection, and international political and economic trends, conditions and events. If these or other factors continue to adversely affect the price of copper, the market price of the Company's securities may decline.

Market Fluctuation and Commercial Quantities

The market for copper and other Minto Minerals, generally, is influenced by many factors beyond the Company's control, including without limitation the supply and demand for these metals. In addition, the metals industry in general is intensely competitive and there is no assurance that, even if apparently commercial quantities and qualities of metals (such as copper) are discovered, a market will exist for their profitable sale. Commercial viability of precious and base metals and other Minto Mineral deposits may be affected by other factors that are beyond the Company's control, including particular attributes of the deposit such as its size, quantity and quality, the cost of processing, proximity to infrastructure, the availability of transportation and sources of energy, financing, government legislation and regulations including those relating to prices, taxes, royalties, land tenure, land use, import and export restrictions, exchange controls, restrictions on production, and environmental protection. It is impossible to assess with certainty the impact of various factors that may affect commercial viability such that any adverse combination of such factors may result in the Company not receiving an adequate return on invested capital or having its projects be rendered uneconomic.

Economic Dependence

The resources extracted from the Minto Mine Property have two customers that account for 100% of the Minto Mineral sales revenue. The loss of either of these customers or curtailment of purchases by such customers could have a material adverse effect on our results of operations, financial condition, and cash flows of the Company.

Insurance and Uninsured Risks

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

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Health, Safety and Community Relations

The Company's operations are subject to various health and safety laws and regulations that impose various duties on the Company's operations relating to, among other things, worker safety and obligations in respect of surrounding communities. These laws and regulations also grant the relevant authorities broad powers to, among other things, close unsafe operations and order corrective action relating to health and safety matters. The costs associated with the compliance with such health and safety laws and regulations may be substantial and any amendments to such laws and regulations, or more stringent implementation thereof, could cause additional expenditure or impose restrictions on, or suspensions of, the Company's operations. The Company expects to make significant expenditure to comply with the extensive laws and regulations governing the protection of the environment, waste disposal, worker safety, and protection of endangered and other special status species, and, to the extent reasonably practicable, to create social and economic benefit in the surrounding communities near the Company's properties.

Operating Hazards and Risks

Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include, but are not limited to, the following: environmental hazards and catastrophes, industrial accidents and explosions, third party accidents, unusual or unexpected geological structures or formations, failure of engineered structures, inaccurate mineral modelling, metallurgical and other processing problems, remote locations and inadequate infrastructure, equipment failure, changes in the costs of consumables, power outages, fires, labour shortages and disruptions (including due to public health issues or strikes), floods, cave-ins, land-slides, acts of God, periodic interruptions due to inclement or hazardous weather conditions, earthquakes, war, rebellion, revolution, delays in transportation, inaccessibility to property, restrictions of courts and/or government authorities, other restrictive matters beyond the reasonable control of the Company, and the inability to obtain suitable or adequate machinery, equipment or labour and other risks involved in the operation of mines.

Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious metals, any of which could result in work stoppages, delayed production and transportation and resultant losses, increased production costs, asset write downs, monetary losses, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damages. The Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. Any compensation for such liabilities may have a material, adverse effect on the Company’s financial position.

Environmental and Regulatory Risks and Hazards

The mining industries are subject to extensive governmental regulations for the protection of the environment, including regulations relating to air and water quality, solid and hazardous waste handling and disposal and the promotion of occupational health and safety, which may adversely affect the Company or require it to expend significant funds. There is also a risk that environmental and other laws and regulations may become more onerous, making it more costly for the Company to remain in compliance with such laws and regulations, which could result in the incurrence of additional costs and operational delays. All phases of the Company's operations in the Yukon are subject to extensive federal and territorial environmental regulation and may be subject to SFN’s environmental regulation in the future.

These environmental regulations require the Company to obtain various operating approvals and licenses and also impose standards and controls relating to exploration, development, production and reclamation activities. Compliance with regulations could result in delays in beginning or expanding operations, incurring additional costs for the treatment of water and tailings, cleanup of hazardous substances or reclamation activities, and payment of penalties, all of which could have an adverse impact on the Company's financial performance and results of operations.

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

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

The Company proactively manages the regulatory risks and is committed to operating the mine in compliance with applicable laws and regulations and Minto policies, practices and procedures. Operations at the Minto Mine Property involve the following procedures to avoid, minimize, mitigate and/or offset its’ environmental impacts by:

- Implementing an Environmental Monitoring and Surveillance, Reporting Plan (EMSRP) to proactively identify potential environmental risks;
- Implementing site-specific environmental plans such as spill contingency plan, sediment and erosion control plan, wildlife protection plan, etc. to avoid, minimize and mitigate environmental impacts;
- Implementing an Operations Adaptive Management Plan whereby specific responses are staged according to specific performance thresholds that describe actions to be implemented if specific performance thresholds are crossed;
- Regular environmental audits by independent third party consultants to identify any potential gaps in compliance or practices;
- Implementing regular site inspections by qualified professionals including external experts; and
- Regularly engaging with external experts and with environmental professionals at other mine sites to collaborate on key environmental risks including via Northern Mine Remediation Program at Yukon University and Yukon Mining Research Consortium. The Company hosts two projects: a PhD reclamation-focused project and a MSc project focused on the potential use of bioreactors to treat mine-impacted water.

If these environmental mitigation procedures are insufficient or fail, the Company could become subject to liability for remediation costs, which could be significant and may not be insured against. In addition, metal production could be delayed or halted to prevent further discharges and to allow for remediation. Such delays or cessations in production could be long-term or, in some cases, permanent and any interference with production could result in a significant reduction in, or loss of, cash flow and value for us. While appropriate steps are taken to prevent the failure of the Company’s environmental remediation procedures, such failures may occur.

Reclamation Obligations

Reclamation requirements vary depending on the site-specific activities, location of the property and the managing governmental agency, but they are similar in that they aim to minimize long-term effects of mining exploitation and exploration disturbance by requiring the operating company to control possible deleterious effluents and to re-establish to some degree pre-disturbance landforms and vegetation. The Company will be actively providing for or carrying out any required reclamation activities on the Minto Mine Property. Any significant environmental issues that may arise, however, could lead to increased reclamation expenditures including security demands from Yukon Government and have a material adverse effect on financial resources.

Reclamation Security

Under the Pembridge Share Purchase Agreement, Pembridge is obligated to, and is obligated to cause the Company to, use all commercially reasonable efforts to obtain or cause the Company to obtain a new surety bond with the Government of Yukon securing reclamation obligations in respect of the Minto Mine Property and releasing Capstone from its obligations and liabilities under the surety bond that is currently outstanding. There is no assurance the Company will be successful in obtaining such new surety bond on satisfactory terms or at all.

Option and Joint Venture Agreements

The Company may in the future enter into option agreements and/or joint ventures as a means of acquiring property interests. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations, could have a material adverse effect on the Company's rights under such agreements. Furthermore, the Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying claims.

Currency Rate Risk

The Company may be subject to currency risks. The Company's reporting currency is the Canadian dollar, which is exposed to fluctuations against other currencies. The Company's primary operations are located in Canada. Should the Company expand its operations into additional countries its expenditures and obligations may be incurred in foreign currencies. As such, the Company's results of operations may become subject to foreign currency fluctuation risks and such fluctuations may adversely affect the financial position and operating results of the Company. The Company implemented a foreign exchange hedging strategy in 2022 to mitigate some of this risk.

Interest Rate Risk

The Company is exposed to interest rate risk on its outstanding borrowings, short term investments and in respect of the outstanding surety bond to secure certain reclamation obligations in respect of the Minto Mine Property. Presently, most of the Company’s outstanding borrowings are at fixed interest rates however, it is exposed to fluctuations in interest rates under the Prepayment Facility Agreement with Sumitomo as interest is calculated quarterly on the outstanding balance at LIBOR for the applicable period. Depending upon the amount of the Company’s outstanding borrowings, fluctuations in the interest rates applicable to the Company could have an adverse effect on the Company’s financial condition, results of operations and cash flows.

Infrastructure

Mining activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges (land and ice), power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Limited Supplies and Supply Chain Disruptions

The Company’s operations depend on a supply of a number of materials and supplies specific to underground mining and milling operations such as explosives, ground support, chemicals, and other supplies and resources such as skilled personnel. Supply may be interrupted due to a shortage, global transportation challenges or the scarce nature of inputs. Supply might also be interrupted due to transportation and logistics associated with the remote location of some of the Company’s operations, and government restrictions or regulations which delay importation of necessary items. Any interruptions to the procurement and supply of these items, production inputs and other supplies, or the availability of skilled personnel could have an adverse impact on our future cash flows, earnings, results of operations, and financial condition.

The Company is subject to deliverability uncertainties related to the proximity of its resources to adequate transportation and shipping ports in the Yukon. An inability to obtain a suitable alternative to the port of Skagway for the export of copper concentrate may adversely affect the Company’s ability to meet its financial objectives.

Competitive Industry Environment

The mining industry is highly competitive in all of its phases, both domestically and internationally. The Company's continued ability to extract metals and process those metals will not only depend on its ability to develop its present properties, but also on its ability to access or acquire further metals deposits, of which there is a limited supply. The Company may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, some of which may have greater financial resources, operational experience or technical capabilities than the Company. The Company may also encounter competition from other mining companies in its efforts to hire experienced project management professionals. Competition could adversely affect the Company's ability to attract necessary funding or acquire and develop suitable producing properties or prospects for metals extraction in the future. Competition for services and equipment could result in delays if such services or equipment cannot be obtained in a timely manner due to inadequate availability, and could also cause scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project development, exploration or construction costs and result in project delays.

Audit of Tax Filings

The Company's taxes may be affected by a number of factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws and treaties. If The Company's filing position, application of tax incentives or similar 'holidays' or benefits were to be challenged for whatever reason, this could have a material adverse effect on the Company's business, results of operations and financial condition. The Company may be subject to routine tax audits by various tax authorities. Tax audits may result in additional tax, interest payments and penalties which would negatively affect the Company's financial condition and operating results. New laws and regulations or changes in tax rules and regulations or the interpretation of tax laws by the courts or the tax authorities may also have a substantial negative impact on the Company's business. There is no assurance that the Company's current financial condition will not be materially adversely affected in the future due to such changes.

Market for the Common Shares

There can be no assurance that an active market for the Common Shares will develop or be sustained. If an active public market for the Common Shares does not develop, the liquidity of a purchaser's investment may be limited, and the share price may decline.

Market Price of the Common Shares and Share Price Volatility

The market price for the Common Shares cannot be assured. Securities of micro-cap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. The trading price of the Common Shares may be subject to large fluctuations. For the same reason, the value of any of the Company's securities convertible into, or exchangeable for, Common Shares may also fluctuate significantly, which may result in losses to investors. The price of the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. Factors that may contribute to volatility in the securities of the Company include macroeconomic developments globally, and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in mineral prices or in its financial condition or results of operations.

Other factors unrelated to the Company's performance that may have an effect on the price of the Common Shares include the following: lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of the Common Shares; the size of the Company's public float may limit the ability of some institutions to invest in the Common Shares; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares to be delisted from the exchange on which they trade, further reducing market liquidity. The market price for the Common Shares may also be affected by the Company's ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of the Common Shares.

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

Influence of Third Party Stakeholders

Some of the lands in which the Company holds an interest, or the exploration, production, and processing 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 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.

Dividend Policy

Investors in the Company's securities cannot expect to receive a dividend on their investment in the foreseeable future, if at all. Accordingly, it is unlikely that investors will receive any return on their investment in the Company's securities other than through possible share price appreciation.

Acquisitions and Integration

From time to time, it can be expected that the Company will examine opportunities to acquire additional exploration and/or production and/or processing assets and businesses. Any acquisition that the Company may choose to complete may be of a significant size, may change the scale of the Company's business and operations, and may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities depends upon its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of the Company. Any acquisitions would be accompanied by risks. In the event that the Company chooses to raise debt capital to finance any such acquisitions, the

Company's leverage will be increased. If the Company chooses to use equity as consideration for such acquisitions, existing shareholders may suffer dilution. Alternatively, the Company may choose to finance any such acquisitions with its existing resources. 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.

Dilution

While the Company believes that it is well financed to carry out its plans in the near term, the Company may require additional monies to fund development and production programs and potential acquisitions. The Company cannot predict the size of future issuances of Common Shares or the issuance of debt instruments or other securities convertible into Common Shares. Likewise, the Company cannot predict the effect, if any, that future issuances and sales of the Company's securities will have on the market price of the Common Shares. If the Company raises additional funds by issuing additional equity securities, such financing may substantially dilute the interests of existing shareholders. Sales of substantial numbers of Common Shares, or the availability of such Common Shares for sale, could adversely affect prevailing market prices for the Company's securities.

Future Sales of Common Shares by Major Shareholder

Sales of a large number of Common Shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Company's ability to raise capital through future sales of Common Shares. In particular, Copper Holdings and Cedro Holdings own, directly or indirectly, approximately 36.8% and 27.5%, respectively, of the issued and outstanding Common Shares. Upon release of their Common Shares from escrow pursuant to the policies of the TSX-V, if either decides to liquidate all or a significant portion of its position, it could adversely affect the price of the Common Shares.

Climate Change and Climate Change Regulations

Climate change could have an adverse impact on the Company's cost of operations. The potential physical impacts of climate change on the operations of the Company are highly uncertain, and would be particular to the geographic circumstances in areas in which it operates. These may include changes in rainfall and storm patterns and intensities, water surpluses or shortages, flooding, changing sea levels and changing temperatures. These changes in climate could have an impact on the cost of development or production on the Minto Mine Property and adversely affect the financial performance of its operations.

Regulations and pending legislation governing issues involving climate change could result in increased operating costs, which could have a material adverse effect on the business of the Company. A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to various climate change interest groups and the potential impact of climate change. Legislation and increased regulation regarding climate change could impose significant costs on the Company, its venture partners and our suppliers, including costs related to increased energy requirements, capital equipment, environmental monitoring and reporting and other costs to comply with such regulations. Any adopted future climate change regulations could also negatively impact the Company's ability to compete with companies situated in areas not subject to such regulations. Given the emotion, political significance and uncertainty around the impact of climate change and how it should be dealt with, the Company cannot predict how legislation and regulation will affect its financial condition, operating performance and ability to compete. Furthermore, even without such regulation, increased awareness and any adverse publicity in the global marketplace about potential impacts on climate change by the Company or other companies in natural resources industry could harm the reputation of the Company.

Relationships with Local Communities and Other Stakeholders

The Company's relationships with the communities in which it operates are critical to the future success of its existing operations and the construction and development of its projects. In recent years, there has been ongoing and potentially increasing public concern relating to the effects of resource extraction on the natural landscape, communities and the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**") who oppose globalization and resource development can be vocal critics of the metals and mining industries and its practices, including the use of cyanide and other hazardous substances in processing activities. In addition, there have been many instances in which local community groups have opposed resource extraction activities, resulting in disruption and delays to the relevant operations. Adverse publicity generated by such NGOs or others related to the metals and mining industries, or to extractive industries generally, could have an adverse effect on the Company's reputation or financial condition and may impact its relationship with the communities in which it operates. While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the regions in which it operates, there is no guarantee that its efforts in this respect will mitigate this potential risk. NGOs or local community groups could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, despite the Company's successful compliance with social and environmental best practices. Any such actions and the resulting media coverage could have adverse effects on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the business, financial condition, results of operations, cash flows or prospects of the Company.

The Company's ability to maintain existing valid permits and approvals to operate the Minto Mine Property and to successfully operate in communities will likely depend on its ability to develop, operate and close the Minto Mine Property in a manner that is consistent with the creation of social and economic benefits in the surrounding communities, which may or may not be required by law. Mining operations should be designed to minimize the negative impact on such communities and the environment, for example, by modifying plans and operations to avoid or minimize impacts to local communities . The cost of these measures could increase capital and operating costs and therefore could have an adverse impact upon the Company's financial condition and operations. The Company seeks to promote improvements in health and safety, human rights, environmental performance and community relations. However, the Company's ability to operate could be adversely impacted by accidents or events detrimental (or perceived to be detrimental) to the health, safety and well-being of the Company's employees, human rights, the environment or the communities in which the Company operates.

Risk of Litigation

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

Reliance on Key Personnel

The Company's development will depend on the efforts of key management and other key personnel. Loss of any of these people, particularly to competitors, could have a material adverse effect on the Company's business. Further, with respect to future development of the Company's projects, it may become necessary to attract both international and local personnel for such development. The marketplace for key skilled personnel is becoming more competitive, which means the cost of hiring, training and retaining such personnel may increase. Factors outside the Company's control, including competition for human capital and the high level of technical expertise and experience required to execute this development, will affect the Company's ability to employ the specific personnel required. Due to the relatively small size of the Company, the failure to retain or attract a sufficient number of key skilled personnel could have a material adverse effect on the Company's business, results of future operations and financial condition. The Company does not intend to take out 'key person' insurance in respect of any directors, officers or other employees.

Internal Controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation. The Company has a very limited history of operations and has not made any assessment as to the effectiveness of its internal controls. Though the Company intends to put into place a system of internal controls appropriate for its size, and reflective of its level of operations, there are limited internal controls currently in place.

In contrast to the certificate required for non-venture issuers under NI 52-109, the Company's certifying officers, as a venture issuer, are not required to make representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in NI 52-109. In particular, the certifying officers of the Company will not be required to make any representations that they have:

(a) designed, or caused to be designed, DC&P to provide reasonable assurance that information required to be disclosed by the Company 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) designed, or caused to be designed, ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

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.

Conflicts of Interest

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

Credit Risk

Credit risk arises from cash and cash equivalents held with banks and financial institutions, derivative financial instruments (including forward gold sales contracts) and amounts receivable and long-term deposits. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

Liquidity Risk

Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Company's objective in managing liquidity risk will be to maintain sufficient readily available cash reserves and credit in order to meet its liquidity requirements at any point in time. The total cost and planned timing of acquisitions and/or other development or construction projects is not currently determinable and it is not currently known precisely when the Company will require external financing in future periods.

Rights of Indigenous Peoples

First Nation claims, First Nation interests and First Nation rights related to consultation may impact the Company's ability to pursue exploration, development and mining at its properties. The Company intends to communicate and consult with First Nations communities in order to manage its relationship with those groups but there is no assurance that claims or other assertions of rights by First Nation communities or consultation issues will not arise on or with respect to the Company's properties or activities. Such claims and issues could result in significant costs and delays or materially restrict the Company's activities.

Limited Operating History and Financial Resources

The Company has a limited operating history as a stand-alone company. Potential investors should be aware of the difficulties normally encountered by junior mineral companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration and development of the mineral properties that the Company plans to undertake. These potential problems include, but are not limited to, unanticipated problems relating to exploration and additional costs and expenses that may exceed current estimates. The expenditures to be made by the Company in the exploration and development of mineral claims may not result in the discovery of mineral deposits.

Problems such as unusual or unexpected formations of rock or land and other conditions are involved in mineral exploration and often result in unsuccessful exploration efforts. If the results of future exploration programs do not reveal viable commercial mineralization, the Company may decide to abandon its claims and acquire new claims for new exploration or cease operations.

There can be no assurance that the Company will ever be profitable. The Company's operating expenses and capital expenditures may increase in subsequent years as needed consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Minto Mine Property or any other properties that the Company may acquire are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, and the Company's acquisition of additional properties and other factors, many of which are beyond the Company's control.

Ability to Repay the Notes

The Company's ability to make payments on the Notes will depend on its ability to generate cash flow from its operations. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond the Company's control.

There can be no guarantee the Company will generate cash flow from operations, or that future financings will be available, in amounts sufficient to enable the Company to make all required payments under the Notes and to fund its other liquidity needs. The Company may have to adopt one or more alternatives, such as reducing or delaying planned expenses and capital expenditures, selling assets, restructuring debt or obtaining additional equity or debt financing. These strategies may not be implemented on satisfactory terms, or at all.

Tailings

Mining companies face inherent risks in their operations due to the creation, storage and disposal of tailings. Tailings are the process waste generated once grinding and extraction of copper, gold and silver from the ore is completed in the milling process and are deposited as slurry or cyclone tailings in large storage facilities specifically designed for this purpose. The volume of the tailings is normally far in excess of the extracted metals and this waste must be disposed of in an appropriate manner so as not to cause environmental damage. An incident at the Company's tailings storage facilities could result, among other things, in enforcement, obligations to remediate environmental contamination, negative press coverage, and claims for property or natural resources damages and personal injury by adjacent communities.

COVID-19

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of pandemics or other health crises, such as the outbreak of COVID-19 that was designated as a pandemic by the World Health Organization on March 11, 2020. The international response to the spread of COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility, and a general reduction in consumer activity. Such public health crises can result in operating, supply chain and project development delays and disruptions, global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and labour shortages, and travel and shipping disruption and shutdowns, including as a result of government regulation and prevention measures, or a fear of any of the foregoing, all of which could affect commodity prices, interest rates, credit risk and inflation. In addition, the current COVID-19 pandemic, and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Company's operations, and the operations of suppliers, contractors and service providers.

The Company may experience business interruptions, including suspended (whether government mandated or otherwise) or reduced operations relating to COVID-19 and other such events outside of its control, which could have a material adverse impact on its business, operations and operating results, financial condition and liquidity.

As at the date hereof, the duration of the business disruptions internationally and related financial impact of COVID-19 cannot be reasonably estimated. It is unknown whether and how the Company may be affected if the pandemic persists for an extended period of time. The Company's exposure to such public health crises also includes risks to employee health and safety. Should an employee, contractor, community member or visitor become infected with a serious illness that has the potential to spread rapidly, this could place the Company's workforce at risk.

ITEM 6. MATERIAL MINERAL PROPERTIES

6.1 Minto Mine Property Summary

The following is a summary overview of the Minto Mine Property as set out in the Minto Property Technical Report, effective March 31, 2021 and dated May 7, 2021 prepared by JDS Energy & Mining Inc., which is incorporated by reference into this Annual Information Form. Please note that information contained in the summary below is as of the date indicated in the summary and may have changed materially since that time, as explained elsewhere in this Annual Information Form and the Company’s other public disclosure. The Minto Property Technical Report summary reproduced below includes defined terms that are different from or may conflict with those used in the rest of this Annual Information Form, or that are not contained in this Annual Information Form but which can be found in the complete Minto Property Technical Report, which may be accessed through the Company’s profile on SEDAR at www.sedar.com.

Introduction

JDS Energy & Mining Inc. (JDS) was commissioned by Minto Explorations Ltd. and 1246778 B.C. Ltd. to carry out a Preliminary Economic Assessment (PEA) of the Minto Mine (Minto), a resource development base metal project owned by Minto located in the Yukon, Canada.

This Technical Report pertains to the Minto operating mine and areas of development for future production. The Minto mine has been operated since 2007 by several public companies and since 1977 during the exploration and permitting stages. It was acquired by the current owners in May of 2019 in a state of temporary closure. The current mine operations are based on two underground zones Minto East and Copper Keel, a process plant to produce high grade copper, gold and silver concentrate and all supporting infrastructure associated with a remote location in the Yukon.

Although this is an operating mine with well-established history of metal production, this Technical Report is a PEA, since some of the future development areas at Minto are classified as Inferred resources and create a longer overall mine life and have a large influence on overall project economics.

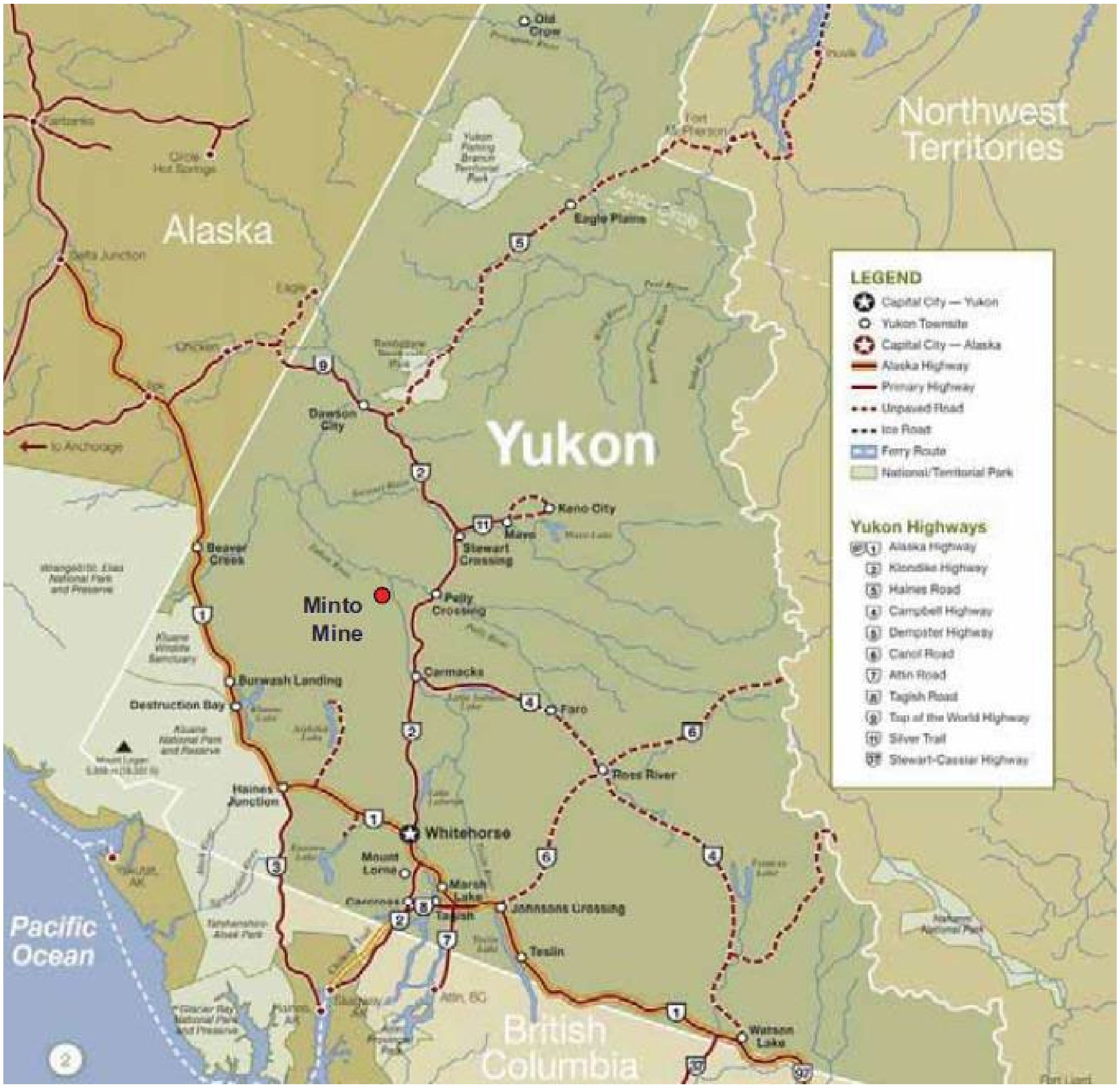
This PEA is preliminary in nature and is a conceptual study of the potential viability of mineral resources and, as such, the economic viability of the mineral resources has not been demonstrated.

Property Description, Location and Ownership

The Minto Mine is located within a package of Category A settlement land held by the Selkirk First Nation (SFN), and within the traditional territory of the SFN. There is a Co-operation Agreement (CA) between Minto and the SFN, with a Net Smelter Return (NSR) royalty payable to the SFN.

The property is located west of the Yukon River, about 20 km WNW of Minto Landing, the latter on the east side of the river. The property is accessible by Yukon Highway 2 to Minto Landing. In summer months, Minto operates a barge connecting the landing with an all-weather gravel road extending 27 km from the west bank to the mine site. In winter, the crossing is accessed by an ice bridge. There is typically a 6 to 8-week period associated with each of freeze-up and break-up, where access across the river is not possible. During freeze-up and break-up, access is provided by chartered air services from Whitehorse to an airstrip on the property.

The property is serviced by a spur of the main Yukon electrical grid. Basic fuel and grocery services, and an available work force are located at the villages of Pelly Crossing and Carmacks, both along the North Klondike Highway. The property is located approximately 250 road-km north of the City of Whitehorse, the capital city of Yukon, which is a full-service community of about 32,000.



Source: Minto (2019)

History, Exploration and Drilling

History

The present Minto property was first staked in 1971. In 1973, United Keno Hill Explorations (UKHM) discovered mineralization on the adjoining DEF claims, leading to the formation of a joint venture with the holders of the DEF claims. This joint venture completed core drilling programs in 1973 and 1974, targeting the “North Zone”, and, in 1974, constructed a winter road to an existing airstrip on the property.

In 1993, Minto acquired the Minto claims and were consolidated into the Minto Property.

In 1996, Minto completed a feasibility study and, in April 1997, a final screening report on the Environmental Assessment of the proposed project was released, followed in 1998 by issuance of a Type A water use licence. Also, in 1997, a Co-operation Agreement (CA) with the Selkirk First Nation towards development and operation of the Minto Project was signed.

In June 2005, the Sherwood Mining Corporation (Sherwood) acquired ownership of the Minto Project. Minto continued as the operator as a 100% owned subsidiary of Sherwood. In July 2005, Sherwood released an NI 43-101 compliant resource estimate for the Main Zone.

In 2006, Sherwood Copper completed infill drilling at the Main Zone and exploratory drilling to the north and west of it, and on “Area 2”. Sherwood Copper also began mill construction and pre-stripping of the Main Zone. In 2007, Sherwood completed another core drilling program, which resulted in discovery of significant copper-gold mineralization at the Area 118, Copper Keel, Airstrip and Ridgetop zones. Also, in 2007, Sherwood Copper produced the first copper-gold concentrates and expanded the mill to handle 2,400 tpd. In July, Sherwood Copper delivered its first concentrate shipment to the Skagway, Alaska port, and announced it had reached commercial production on October 1, 2007.

In September 2008, Sherwood Copper entered into an agreement with the Capstone Mining Corporation to create a mid-tier copper producer retaining the name of Capstone Mining Corp (Capstone). In November, the merger was completed and the mine was officially connected to Yukon Energy’s electrical grid.

In November 2008, Sherwood Copper, Minto and Kutcho Copper Corp. entered into an agreement with Silverstone Resources Corp. (Silverstone) whereby Minto would sell to Silverstone all payable gold and silver recovered from the Minto Mine. In May 2009 Silverstone was purchased by the Silver Wheaton Corporation, now Wheaton Precious Metals Corp.

In 2009, Minto completed a core drilling program focusing on infilling of the Ridgetop and Area 2 deposits leading to discovery of the Minto North and Minto East zones. In 2010, the Minto East Deposit was defined, the copper-gold resources for the Area 2/ Area 118 were expanded, and drilling led to discovery of the Wildfire and Inferno prospects, now part of Minto East 2. In 2011, the Copper Keel and Wildfire resource sub-domains were defined and incorporated into the larger Minto South Deposit (MSD).

Exploration from 2012 onwards was limited to delineation core drilling and related activities, and no significant surface or underground exploration occurred from 2013 through 2018.

Production History

Following the official announcement of production on October 1, 2007, production and recovery rates increased through 2008 and 2009, although were cut back in 2010 due to constraints in the tailings filtration facility. In 2012, mining and stripping of the Area 2 pit was ongoing, with a slight decrease in production. In October, an amendment to Minto’s Water Use Licence (WUL) was approved, and development of the underground ramp to access future underground workings at Area 2 commenced.

In 2013 Capstone submitted to the Yukon Environmental and Socioeconomic Assessment Board (YESAB) an operating plan for all remaining mineral reserves as identified in the 2012 Phase V/VI Pre-Feasibility Study (PFS).

In 2014, Capstone completed mining of the Area 2 pit, then moved on to mining the M-Zone and the Area 118 open pit. Mining of both of these were completed, and underground operation of the Area 118 deposit commenced.

In 2015, operations focused on underground mining in Area 118, as well as stockpiles. Stripping commenced on the Minto North deposit which began to be extracted in December.

Open pit mining ceased in April 2018, the same month underground development of the Minto East deposit commenced. In October 2018 Capstone commenced immediate placement of the mine on care and maintenance.

Acquisition by Pembridge Resources PLC

In June 2019 Pembridge entered into definitive "Share purchase Agreement" (SPA) with Capstone and closed the acquisition of 100% of Minto, and the care and maintenance period ended and the restart process commenced. Operations at Minto resumed in October 2019.

Geology and Mineralization

Geology

The Minto property is located within the Minto Copper Belt (formerly known as the Carmacks Copper Belt) (Kovacs, 2018), a 42 km long, NW-trending series of copper-gold deposits and occurrences in central Yukon. These deposits are hosted within deformed and metamorphosed inliers engulfed by the intrusions of the Late Triassic to Early Jurassic Minto pluton (204-195 Ma) (Colpron et al., 2015).

The MINTO/DEF property area is underlain by the southern margin of the 204 – 195 million-year old (Ma) Minto pluton. The Minto pluton consists of medium to coarse grained granite, biotite-hornblende granite, granodiorite and quartz monzonite. The south boundary lies in east-west trending normal fault contact with mafic to intermediate volcanic rocks of the Late Cretaceous Carmacks Group. The east boundary lies in NNW trending fault contact with Lewes River Group, Povoas Formation augite phyric basalt, volcaniclastic rocks, and hornblende gabbro (Hart and Radloff, 1990). Lewes River Group rocks comprise part of the northern extent of the Whitehorse Trough, representing the northern limit of the Stikine Terrane, or "Stikinia".

Hypogene copper sulphide mineralization is hosted within variably deformed, metamorphosed, and migmatized Late Triassic rocks that are engulfed by the undeformed and unmineralized felsic intrusive phases of the Minto pluton (Kovacs, 2018). Copper sulphide mineralization is restricted to the metamorphic rocks and occurs in three distinct forms: disseminated chalcopyrite ± pyrite, foliaform chalcopyrite, and net-textured bornite-chalcopyrite ± digenite (Kovacs, 2018). Contacts between foliated and massive phases are typically very sharp and lack chilled margins. Oxidation and alteration of primary mineralization indicates near-surface extensions of mineralized zones. Drill intercepts of copper-mineralized cobbles indicate that, by the Cretaceous period, "Minto-style" mineralization was exposed, eroded and re-deposited in sedimentary strata.

Both brittle and ductile deformation occur in the Minto Mine vicinity. Amphibolite facies ductile deformation affected the metamorphic rock, evident by the alignment of hornblende and biotite grains forming foliation, and by the segregation of quartz and feldspar grains, forming a gneissic texture in areas of higher strain. Deformation zones occur as sub-horizontal horizons traceable for more than 1,000 m and are commonly stacked in parallel to sub-parallel sequences. The felsic intrusive rocks are generally undeformed, although moderate to strong foliation is locally developed near the contact with the metamorphic inliers (Kovacs, 2018).

Late faulting and brittle fracturing occur throughout the property, significantly affecting the economic potential. The Minto Creek fault (MC Fault), a steeply north-east dipping fault, roughly bisects the Minto Main deposit into north and south blocks. The north block has moved upwards and to the left of the south block, although displacement appears minimal. To the north, the roughly east-west striking, north-northwest dipping DEF fault marks the northern limit of the Minto Main deposit. The sense of movement may be similar to the MC Fault, but with a significant inferred displacement. Elsewhere, the boundary between the Area 2 and Area 118 deposits is a NW-SE striking, northeast-dipping fault, showing significant displacement.

Pervasive potassic (biotite ± magnetite) alteration of the metamorphic host rocks is associated with hypogene copper mineralization (Kovacs, 2018). Chloritic and/or hematitic fracturing in some areas locally host visible gold, suggesting this late structural/hydrothermal event may be economically significant. There are no veins associated with hypogene copper mineralization; however, a few late chlorite-hematite-carbonate veinlets are locally present indicating post-mineral hydrothermal alteration.

Mineralization

Four major deposits have been delineated and/or have undergone mineral extraction: the Minto Main, Minto East, Minto North and Minto South deposits. The Area 2, Area 118, Copper Keel and Wildfire resource subdomains are now considered to be continuous, comprising the Minto South deposit. Recent delineation and infill drilling programs have divided the Copper Keel into the Copper Keel Main, Copper Keel North, Copper Keel West and Copper Keel South deposits.

A north-northwest trend of copper deposits and prospects is evident from the alignment of the known deposits and also regionally (extending over 42 km). The trend includes the Carmacks Copper Cu-Au-Ag deposit and the Stu prospect. Copper grades increase progressively towards the north within the trend.

The primary hypogene minerals are chalcopyrite, bornite, chalcocite, and minor pyrite. Copper sulphide minerals occur mainly as disseminated grains, foliaform stringers, and net-textured domains. Sulphide mineral content tends to increase with ductile deformation. Native gold, electrum, and gold tellurides mainly occur as inclusions in bornite. Coarse free gold is locally found along late chloritic fractures, likely resulting from secondary enrichment from a hydrothermal event. Hypogene sulphide mineralization is almost always associated with biotite alteration and magnetite.

A crude zonation occurs from west to east at the Minto Main deposit, with bornite predominating in the west, transitioning to a thicker, lower grade chalcopyrite-bearing zone in the east. Both the Minto North and Minto East deposits show a similar zonation.

At the Area 2, Area 118 and Copper Keel resource subdomains of the Minto South deposit, ductile deformation appears to be more developed and mineralization is characterized by disseminated grains and minor foliaform stringers. The assemblage consists mainly of chalcopyrite-bornite-magnetite and minor pyrite. Mineralization is more homogenous and consistent than at the Minto Main and Minto North deposits, where mineralization is dominated by net-textured domains of bornite-chalcopyrite.

The predominant alteration assemblage associated with hypogene copper mineralization in the Minto mine area is a pervasive, potassic alteration, characterized by elevated biotite and magnetite content, within the horizontal mineralized zones, present in all Minto deposits. Pervasive silicification tends to coincide with areas of higher-grade mineralization.

Copper oxide mineralization resulting from supergene alteration processes represents either the erosional remnants of foliated horizons above the deposits, or the vertical remobilization of copper along late brittle faults and fracture zones from underlying copper sulphide zones. The oxide mineral assemblage consists of chalcocite, malachite, minor chrysocolla and azurite and rare native copper. Mineralization occurs as fracture-fill and joint coatings and, to a lesser extent, interstitially to rock-forming silicate minerals. Oxidation is related directly to the depth of the water table, typically less than 30 m, and is a minimal component of the Minto Main zone, due to its depth.

Deposit Types

The Minto deposit has been modified by deformation, amphibolite facies metamorphism, and localized metamorphic anatexis (Kovacs, 2018). Recent studies of the setting and mineralization of the Minto deposits by Kovacs (2018) have determined that mineralization may be hosted by 215-212 Ma Late-Triassic Povoas Formation volcanic rocks subsequently engulfed into the 198 Ma Minto pluton. The Minto deposits are metallogenically related to the Carmacks Copper deposit 42 km to the south, indicated by their spatial relation and deformed, metamorphosed, and partially oxidized nature. A recent study integrated the two deposits into a single genetic model and proposed that the Minto deposit is the more highly migmatized analogue of the Carmacks Copper deposit (Kovacs, 2018). The same study also concluded that the two deposits represent Late Triassic porphyry deposits hosted within Late Triassic volcanic rocks of Stikinia that have undergone amphibolite facies metamorphism, deformation, and partial melting (Kovacs, 2018).

Exploration

Exploration in late 2019 and 2020, post-dating release of the Competent Person's Report (CPR) in June, 2019, mainly comprised a core drilling program at the Minto Mine property, which is summarized above under the heading "*Deposit Types*".

In September, 2019 Minto contracted Pioneer Aerial Surveys Ltd. (Pioneer) to conduct an airborne magnetic survey (UAV-MAGTM) covering the Minto property. The surveyed area covered approximately 24 km2 and included the mine site and its surrounding areas. Flight lines were flown at an orientation of 065° at a 50 m line spacing, and tie lines were flown at a 500 m spacing and at a 335o orientation. A total of 554.71-line km were flown, including 480.59 km of flight lines and 74.11 km of tie lines. Final deliverable products from Pioneer included Total Magnetic Intensity (TMI) and 1st Vertical Derivative imagery. The tight spacing of survey lines using the drone platform allowed for the collection of high-resolution magnetic data. This high-resolution data allowed for more accurate targeting of anomalous magnetic features, potentially associated with mineralization.

At the Minto Mine property, the TMI map clearly indicates the WNW-trending fault separating the Minto pluton from Carmacks Group basaltic rocks to the south. A second WNW-trending structure extends across the central property area, marking the northern limit of the Minto mine deposit area. To the north of this, a series of strong northwest trending magnetic "high" features mark regional stratigraphic trends. Several magnetic high anomalies may indicate targets for "Minto-style" mineralization. The 1st Vertical Derivative imagery support the TMI imagery, and indicates strong magnetic contrasts along the southern fault and the stratigraphic setting in the northeastern area.

In late 2019, a soil geochemical survey was completed across four grids, or "zones", on the Hun South property, centered on magnetic anomalies identified from airborne drone magnetic surveying. All grids comprised a 50 m line spacing and 50 m station spacing. A total of 1,810 soil samples targeting the C-horizon and covering 5.54 km2 were collected.

At Zone 1, the two most notable anomalous areas lie in the northeast and southeast corners respectively of the target area. The northeast area shows elevated Cu values from 25 to 100 ppm, correlating with an oval magnetic "high" anomaly. The southeast area outlines a larger area of anomalous Cu values between 25 to 50 ppm, with weakly elevated Au and Ag values. 1st Vertical derivative imagery indicates a WNW trend of stratigraphy as well as NNW trending features that may indicate structural occurrences.

At Zone 2, sampling revealed a WNW trending area of weakly to moderately elevated Cu values, associated with weakly elevated Au and Ag values, in the central property area. This occurs along a strong "low" feature returned from 1st Vertical Derivative imagery.

Geochemical sampling on Zone 3 revealed a 1,000 m by 500 m long NNE-trending Cu anomaly in the eastern area, with Cu values from 25 to 50 ppm, and Ag values between 75 and 150 ppb. The 1st Vertical Derivative imagery revealed WNW trending alternating high and low features, likely indicating stratigraphic trends, and also an NNE trending "low" feature coincident with a topographic low along the western margin of the Cu anomaly. Geochemical sampling on Zone 4, directly south of Zone 3, returned intermittent weakly elevated Cu values from 25 to 100 ppm along the north flank of an ESE trending valley. 1st Vertical Derivative imagery indicates the stream is coincident with a linear "low" feature, and that a more pronounced "low" feature is oriented parallel to this along the central axis of the grid. Two anomalous gold values of 33.9 ppb and 20.1 ppb respectively were returned proximal to the stream.

Drilling

The 2019-2020 infill-drilling campaign comprised 23,321 m of surface and underground diamond drilling of NQ core, targeting the Copper Keel West, North, South, Minto North 2 and Minto East deposits. The surface drilling comprised 62 holes totaling 16,485 m targeting the Copper Keel West, Copper Keel North, Copper Keel South, and Minto North 2 deposits. The underground infill-drill program mainly targeted the Copper

Keel West and Copper Keel North lenses. Additional drilling was also completed on the Minto East and Copper Keel Main production areas. A total of 6,835 m in 75 underground holes was completed.

At the Copper Keel Main deposit, 23 drill holes totaling 979 m of underground drilling were completed, targeting the Copper Keel Main lens to obtain geo-mechanical information for mine design. At the Copper Keel West deposit, five holes were drilled for a total of 2,211 m, targeting gaps of coverage in the lens. The underground diamond drilling program consisted of 2,618 m in 12 holes. An additional 2 condemnation drill holes totaling 156 m were also completed from the 5600 ramp.

At the Copper Keel North deposit, 4,848 m in 11 surface drill holes were completed with the objective to expand and define the lens towards the north. Surface results indicate the Copper Keel North deposit lies to the north of the Copper Keel Main area, about 100 m to 150 m below it, and remains open to the north. Due to high metal values returned from surface drilling, the underground drilling focused on testing for the extension of the deposit to the north. The underground program comprised 6 drill holes, totaling 1,161 m.

The Copper Keel South lens, located southwest of the Copper Keel Main mining area, underwent surface diamond drilling to test for mineralization southwest of the Copper Keel Main lens. The program comprised 3,816 m in 15 drill holes and confirmed that the Copper Keel South deposit comprises a series of northwest trending stacked lenses. The largest and uppermost lens dips gently eastwards, and likely represents the western continuation of the Copper Keel Main deposit.

The Minto North 2 deposit is located southeast of the Minto North deposit, which was the highest-grade deposit on the property and is now mined out. Drilling at Minto North 2 comprised 5,609 m in 31 holes, completed on 25 m to 30 m drill spacings. The main purpose of the 2020 drill program, staged in two phases, was to delineate the Minto North 2 deposit. Phase 1 results show that this deposit is a flat-lying, shallow lens which lies ~175 m below surface and 90 m east from the Minto North deposit. Phase 2 targeted the extension of the deposit to the south and east, results of which indicate it extends to the south and is cut off by a major NNW-trending fault along its east margin. Historic drill holes located on the east side of the fault intersected mineralization at depth, potentially representing the offset and down-dropped eastern portion of the Minto North 2 deposit.

At the Minto East target, an underground diamond drilling program comprising 1,565 m in 30 holes was completed. The objective was to test lateral and upward continuity of the Minto East lens to the south. Two additional holes totaling 355 m were also completed, targeting the pillars of the Minto East 490 level. The objective was to acquire geological and geotechnical information for future pillar recovery.

Sampling, Analysis and Data Verification

The sample preparation, security and analytical procedures used by Minto for the Minto Mine have ensured the validity and integrity of samples taken. The procedures and results are described below and come directly from current Minto personnel and previous reports as referenced.

Minto reviews control samples when results are received from the laboratories. MMTS has reviewed all Quality Assurance and Quality Control (“QAQC”) data from years 2005 through 2020, as provided by Minto, and results follow. There is no available QAQC for holes drilled between 1971 and 2001.

Sample Preparation and Security

All core drilled in 2019-2020 is NQ core. The cut line on the core is marked by the core logger. The core is cut into halves with a diamond saw, with the ‘A’ side going to the external lab for analysis and the ‘B’ side retained in the core box. Samples are taken from 1 m intervals with shoulder samples extending 2 m past mineralized zones.

Computer generated bar code tags are provided by the assay lab. These tags are attached to the core box by the core logging geologist at the start of each sample. During cutting, the main part of the tag remains attached to the core box whereas the other 3 bar code tags go into the sample bags with the core. The bags are also marked by hand with a felt maker. The assay lab keeps one tag with each of the sample streams: coarse rejects, fine rejects, and the processed sample.

Prior to core cutting and sample shipment, the drill core is prepared for photography. All individual core boxes are cleaned and then photographed with the meter marks and sample tags clearly indicated using a digital camera. Once the photography is completed, the core loggers upload the photos to Minto's server and rename all photos with the drill hole ID and the from to meterage of the actual core box. These renamed photos are then put into a separate drill hole ID folder on the server.

When core cutting is completed, the drill core is stacked in order by hole ID and then pelletized for storage. The top box of the pellets is sealed with a core lid. The pelletized core boxes are transported to Minto's core yard. Hole IDs are painted on the pelletized boxes.

All sealed sample bags are packaged into rice bags, which are also sealed with a zip-tie and identified by a sample shipment tag. An additional sample shipment tracking sheet is also placed into the rice bags for tracking. The sample shipment batch identifications are sent to the receiving lab with the total number of samples and sample sequences and once the shipment arrived confirmed by the lab. The rice bags are brought down to Minto's Warehouse, where they are weighted and shipped down to Whitehorse. Samples are usually shipped offsite in batches of 30 to 40 samples to the primary laboratory.

Quality Assurance, Quality Control (QAQC) Procedures

QAQC samples include Standards, Blanks, Pulp Duplicates, Coarse Duplicates and Field Duplicates, one of which is inserted every 10th sample by the Core Logging Geologist. Additional blanks are also inserted before and after high-grade mineralized intervals. All QAQC samples are not identified and considered blind to the laboratory.

QAQC samples are logged into Minto's MaxGeo Logchief drill core logging software with sample ID and depth. Received assay results, are uploaded into Minto's Datashed database, matching by sample numbers. Sample results are monitored and reported by the QAQCR software package by MaxGeo. The lab is notified of failed samples, and re-analyses are requested. Upon receipt of re-assays, new results are uploaded, and ranked with precedence above the first certificate for export.

CMRs are used to monitor accuracy of the laboratory. Minto currently uses CRMs prepared and certified by CDN Resource Laboratories, of Langley, Canada. During the 2019-2020 drill program 195 CRM samples were inserted at frequency of approximately 4% of the sample stream. CRMs are considered failed at the ± 3 standard deviation level. For failed CRMs, the CRM, the two samples preceding, and the two samples following are resubmitted.

Blank samples are used to monitor for contamination at the laboratory. Minto uses material classified as unmineralized granodiorite sourced from the mine's NAG (Not Acid Generating) waste for blanks. The crushed material has been assayed at Minto's on-site lab and determined to be below detection limits of 100ppm for Cu and 1.0 g/t for Ag. The on-site lab does not have the ability to assay gold. Minto's failure criteria for blanks is 500 ppm for copper and 0.15 g/t for gold.

During 2019-2020 drilling program, 183 samples were tested comprising approximately 3.6% of the sample stream. Minto identified 11 blanks failures in the ALS lab results in 2020. These failures affected the sample streams of 401 assays from 10 holes. Quarter-core samples were cut from the stored core for the four surrounding intervals of each failed blank and submitted these to SGS with additional QAQC samples. There were no failures for the included blanks, and two failures for the included CRMs which were reanalyzed. The results of the quarter-core samples were compared to the original ALS assays and found to be within acceptable limits for field duplicates, hence the remaining ALS assays are considered acceptable. The SGS assays have replaced the original ALS assays in the database, and Minto has selected SGS as the primary laboratory. Minto currently uses 100 ppm for copper and 0.03 g/t as failure criteria for blanks.

Field duplicate samples consist of sampling the 'B" side of the core of a designated sample as a separate unique sample. Field duplicates are used to assess the variability of the deposit and check for preferential sampling. These samples are numbered consecutively and blind to the laboratory.

A total of 72 field duplicates were sampled during the 2019-2020 drill program at a frequency of approximately 1.5% of the sample stream at regular intervals. Field duplicates show high variability consistent with the heterogenous mineralization at Minto.

Pulp duplicates are used to assess the repeatability of the laboratory results. Coarse duplicates are used to assess the error introduced during the crush stage of sample prep and the repeatability of the analytical method used. Pulp and coarse duplicate sampling are performed at the lab as directed by Minto geologists, and because of this, the sampling is not truly blind. Coarse duplicate material is sampled following crushing of material to > 75% passing a 2 mm screen. Pulp duplicate material is sampled following pulverization of material to > 85% passing 75 µm screening.

During the 2019-2020 drill program, a total of 54 pulp duplicates for approximately 1% of the sample stream, and 66 coarse duplicates for approximately 1.3% of the same stream were included at regular intervals. Minto's failure criteria for duplicate pairs is outside the 50% error envelope for both types of duplicates.

Mineral Processing and Metallurgical Testing

The metallurgical testing of the Minto Mine mineralized material has been extensive over the years since 2007 when the processing plant was commissioned. The primary mineralized material is typically a mixture of chalcopyrite and bornite, with little other sulphides allowing the plant to achieve high recoveries with a very high concentrate grade (35 – 40% Cu). There is also a component of mineralized material that consists of various quantities of oxidized copper minerals which do not recover well in the flotation circuit.

The mineralized material is classified as either "sulphide" or "POX" (partially oxidized) based on the ratio of acid soluble copper grade to total copper grade. Mineralized material is considered POX if the oxide ratio is above 20%. There are several opportunities that can be investigated for processing oxidized copper mineralization which could include further investigation of flotation options or the recovery that could be achieved by leaching and SXEW for oxidized zones.

The recent operating data was collated to develop recovery equations for copper and silver which can be seen in Table 1-1 below. The data analyzed did not include gold assays and, therefore, the site technical group produced this recovery equation.

Table 1-1: Recovery Equations

Parameter	Unit	Concentrates Zone 1
Cu Recovery	%	95.5 + (1.07 * Cu_{tot} %) - (113 * Oxide Ratio)
Au Recovery	%	62.01 * (20.99 * g/t Au)
Ag Recovery	%	69.4 + (1.9 * g/t Ag)
Concentrate Grade		
Cu	%	35

Mineral Resource Estimate

The Mineral Resource estimate with an effective date of March 31, 2021 is summarized in Table 1-2 below.

The following factors, among others, could affect the Mineral Resource estimate: commodity price and exchange rate assumptions; pit slope angles; assumptions used in generating the LG pit shell, including metal recoveries, and mining and process cost assumptions.

The QP is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the Mineral Resource estimate.

Table 1-2: Total Mineral Resource Estimate with an Effective Date of March 31, 2021

Type	Class	Cut-off	Tonnes	In situ Grades				Metal		
		CA$/t milled	(000t)	NSR (CA$/t milled)	Cu (%)	Au (gpt)	Ag (gpt)	Cu (000lb)	Au (000oz)	Ag (000oz)
Open Pit	Indicated	$35	3,480	79.40	1.16	0.36	3.33	88,915	40	372
	Inferred		1,986	70.41	1.04	0.28	3.01	45,566	18	192
Underground	Indicated	$70	7,612	133.46	1.59	0.61	5.40	267,632	149	1,320
	Inferred		11,027	112.63	1.34	0.53	4.83	324,539	189	1,712
Total	**Indicated**	**Varies**	**11,092**	**116.50**	**1.46**	**0.53**	**4.75**	**356,548**	**189**	**1,693**
	Inferred		**13,013**	**106.18**	**1.29**	**0.49**	**4.55**	**370,104**	**207**	**1,903**

Source: MMTS (2021)

Notes:
1. Resources are reported using the 2014 CIM Definition Standards and were estimated using the 2019 CIM Best Practices Guidelines.
2. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
3. Metal prices of US$1500/oz Au, US$18/oz Ag, US$3.10lb Cu.
4. The following NSR calculations are used to determine cutoff grades: for open pit: NSR = CA$61.688*Cu% + CA$21.384*Augpt + CA$0.0599*Aggpt, for Underground: NSR = CA$68.946*Cu% + CA$37.842*Augpt + CA$0.0862*Aggpt.
5. For the NSR calculations: a currency exchange rate of 0.76 US$ per $CA; 95% payable Cu, 77% payable Au and Ag; offsite costs (refining, transport and insurance) of US$240.39/dmt; royalties as described in Section 19.
6. The following equations are used for metallurgical recovery: RecCu = 95.5% + 1.07*CU% - 113*TCu/Ascu to a Maximum of 95%, RecAu = 20.99*Augpt + 62.01; RecAg = 100 *(0.694+0.019*Aggpt) both to a maximum of 85%.
7. The Mineral Resource has been confined by a "reasonable prospects of eventual economic extraction" pit or underground shape using the 130% base case NSR for the Ridgetop open pit and the 100% NSR case for the Area 118 pit and by a confining shape for the underground.
8. Mining costs are CA$3.70/t for open pit, CA$41.03/t for underground, Processing costs are CA$19/t.
9. Pit slope angles are assumed at 45º.
10. The specific gravity of the deposit has been assigned based on domain as between 2.578 and 2.849 based on sg measurements in the Minto deposit.
11. Numbers may not add due to rounding.

Mineral Reserve Estimate

Mineral reserves can only be estimated as a result of an economic evaluation as part of a preliminary feasibility study or a feasibility study of a mineral project. Accordingly, at the present level of development, there are no mineral reserves at the Project.

Mining Operations

The mineralized material zones can be described as lenses of foliated metamorphic rocks bounded at their hanging wall and footwall contacts by undeformed granodiorite host rock. The metamorphic zones are typically 5 to 30 m thick. These zones typically dip at 20° to 35°. The width and dip of mineralized zones are locally variable. At least some of the irregularity in the geometry and thickness of the mineralized zones is due to small-scale and large-scale structural displacements.

Minto utilizes both underground and open pit mining methods to extract the mineralized material for processing. In the past, the operation performed mostly open pit mining using a standard truck and shovel fleet, which was contractor operated. Since the restart of operations in 2019, Minto has undertaken only underground mining, using a ramp access system with longhole upper cut retreat mining with standard rib and pillar support. The longhole stopes are left open when completed. Underground mining is planned for Copper Keel, Minto East, Area 2 Minto North and Ridgetop. Open pit mining is planned for both Ridgetop and 118 deposits.

The parameters used for the pit and stope optimizations are shown in the table below. Due to the presence of POX within the open pit area, a recovery formula based on oxide content was used. This was not required for the underground assessment as the material is largely sulfide.

Parameter	Unit	Value
Metal Prices		
Cu Price	US$/lb	3.1
Au Price	US$/oz	1,500
Ag Price	US$/oz	18
Exchange Rate	C$:US$	0.76
Recovery to Cu Concentrate		
Cu Recovery - Underground	%	95%
Cu Recovery - Open Pit	%	Variable see Note
Au Recovery	%	75%
Ag Recovery	%	75%
Concentrate Grade		
Cu	%	34%
Au	g/t	variable with Cu
Ag	g/t	variable with Cu
Moisture Content	%	8%
Smelter Payables		
Cu Payable	%	95%
Min. Cu deduction	% Cu/tonne	1%
Au Payable	%	77%
Min. Au deduction	g/t concentrate	1
Ag Payable	%	77%
Min. Ag deduction	g/t concentrate	30
Treatment & Refining Costs		
Cu TC	US$/dmt con	62
Cu RC	US$/payable lb	0.062
Au RC	US$/payable oz	5
Ag RC	US$/payable oz	0.4
Transport Costs		
Transport Costs	US$/wmt	123.1
	US$/dmt	133.81
Royalties		
Royalties - Cu	%	1.50%
Royalties - Au	%	1.50%
Royalties - Ag	%	1.50%
Wheaton - Au	price cap US$/oz	1,000
Wheaton - Ag	price cap US$/oz	4.29
Operating Costs		
Underground Mining Cost	C$/tonne mined	41.03
Open Pit Mining Cost (Contract Mining)	C$/tonne mined	3.70
Processing Cost	C$/tonne milled	19.00
G&A	C$/tonne milled	18.08

Notes:

Recovery formula for Copper calculated as:

Recovery = 0.955 + (0.0107 x Total Copper Grade) - (1.13 x Oxide Ratio)

Where Oxide Ratio is defined as the ratio of Oxide Copper to Total Copper Grade

For more information regarding recovery formula, please see Section 13.2.

These parameters differ slightly from those used in the economic model due to subsequent, more detailed estimation work but the differences are not considered material to the PEA results.

Results of optimization by area and mining type are summarized in the tables below. Mining is scheduled over a period of 8 years with an average mill throughput of 4,000 tpd.

Item	Mineralized Material (Mt)
UNDERGROUND MINE PRODUCTION BY ZONE	
Copper Keel	4.01
Minto East	2.27
Area 1	1.30
Ridgetop	1.28
Minto North	0.85
Subtotal Underground	**9.71**
OPEN PIT MINE PRODUCTION BY ZONE	
Ridgetop	1.14
118	0.05
Subtotal Open Pit	**1.19**
TOTAL MINERALIZED MATERIAL	**10.89**

Item	Mineralized Material (Mt)	Copper Grade (%)	Gold Grade (g/t)	Silver Grade (g/t)	Contained Cu (Mlbs)	Contained Gold (koz)	Contained Silver (koz)
Underground	9.71	1.35	0.58	4.95	289	181	1,544
Open Pit	1.19	1.23	0.27	2.51	32	10	96
TOTAL MINE	**10.89**	**1.34**	**0.55**	**4.68**	**321**	**191**	**1,640**

Processing and Recovery Operations

The Minto Mine has an established processing plant that consists of a contract crushing circuit, SAG mill, 2 Ball Mills and a 3-stage flotation circuit. The flotation concentrate is thickened in a 9.4 m thickener and filtered by a 30 m2ceramic disc filter. The tailings are currently directed to a 15.25 m dia. thickener, which operates to maintain the process water tank level. The tailings thickener underflow is deposited into the Minto Main pit which is currently being used as the tailings storage facility.

The grinding circuit consists of a 16.5 ft dia. x 5 ft EGL (effective grinding length – as measured from the inside of the of the feed end liner to the inside of the discharge end liner) SAG Mill and 2 10.5 ft dia. x 12 ft EGL Ball Mills. The grinding circuit feed is crushed to 100% passing (F100) of 19 mm. The grinding circuit product size is 80% passing (P80) 200 µm.

The flotation circuit is made up of a Rougher circuit (Rougher and Rougher Scavenger flotation cells), First Cleaner circuit, and Re-cleaner circuit. The rougher circuit consists of 3-1340 cu ft tank Rougher cells and 4-500 ft3 Rougher Scavenger flotation cells. The First Cleaner circuit has 4-350 ft3 flotation cells. The Re-cleaner circuit consists of 6-100 ft3 flotation cells. The flotation circuit produces a concentrate that is typically 35 – 40% copper and 10 – 15 g/t gold.

The plant has an operating crew of 54 operations and maintenance staff and hourly employees and 6 staff and hourly employees in the technical group.

Infrastructure, Permitting and Compliance Activities

As the Minto mine is currently in operation, limited new infrastructure will be required to support the continued operation of the Mine. The Project will continue to make use of the existing infrastructure including the processing plant, site access and airstrip, camp facilities, maintenance and storage facilities along with bulk fuel storage and explosive storage.

Existing infrastructure to be expanded include the Mine waste management facilities along with the tailings facilities. Additional camp facilities and power supply facilities will also be included, to meet the increase project demand.

The Minto site has been an operating mine since 2007 and has a very well developed and operating infrastructure. Existing on-site infrastructure on the site include:

- Process building;
- Filter Plant building;
- Concentrate storage shed;
- Crusher and crusher conveyer;
- Assay lab;
- Mill warehouse;
- Mechanics & Electricians shops;
- Water Treatment facilities;
- On-Site Substation;
- Explosives Storage;
- Camp and associated facilities;
- On site roads;
- Airstrip;
- River ferry and landing site; and
- Fire engine and medical area.

Tailings & Waste Management Facilities

Mine development started in 2007, and at that time, tailings deposition consisted of filtered tailings deposited onto a dry-stack facility. The mine subsequently expanded and is currently operating under their Phase V/VI and have applications in for Phase VII mine plans. When the Phase IV water licence was received, tailings deposition transitioned from dry stack tailings to thickened (50 to 60% solids by weight) hydraulic placement of tailings directly into the Main Pit. Since this time, and to current (2021), reclamation has started on the dry stack facility, and the Main Pit as well as the Area 2 pits have been the primary areas used for active tailings deposition.

To accommodate the mine plans, outlined in this PEA, additional storage capacity will be needed for storage of tailings water (operational and surge capacity) and waste rock with a neutralization potential to acid potential ratio value of less than 3 (NP:AP < 3).

For this PEA the proposed waste management approach includes

<u>Tailings</u>

1. Continued tailings deposition into the Area 2 pit. This includes initial testing for tailings cyclones to help maximize in-pit storage volumes;

2. Additional tailings deposition within Main Pit. Engineering interventions in the form of the Phase 1 (crest elevation 812 m) main pit containment dam to be constructed to increase the capacity of the Main Pit;

3. Tailings deposition in the mined out Minto North Pit;

4. Tailings deposition in the mined out Ridgetop Pit;

5. Additional tailings deposition in the Area 2 pits. Foundation improvement and construction of a containment dam ‘plug’ over the northeastern edge of the Area 2 pit required for this second stage of tailings deposition at the Areas 2 pits. This is done to raise tailings deposition in the Area 2 pits up to elevation 802m (crest of northeast wall improved up to the 805m elevation); and

6. Additional tailings deposition with the Main Pit. A Phase 2 raise to the Main Pit containment dam (raised to a crest elevation of 822m) completed using the underflow of the cyclone tailings.

<u>Waste Rock</u>

1. Deposition of waste rock that has an NP:AP ration less than 3:1 within the pits (Main Pit, Area 2 pits, Minto North and Ridgetop); and

2. Stockpiling of the remainder of the waste rock in the new Ridgetop Waste Rock Storage facility (located immediately west of the Area 118 and Ridgetop pit).

The underground voids have not been utilized in the PEA as a primary area for waste or water storage (to be conservative in terms of storage volumes) but the underground could be made available as a contingency or for surge events if required.

Environment and Permitting

Several government agencies, both federal and territorial, are involved in reviewing, assessing, authorizing, and monitoring Minto Mine. The major instruments or authorizations include Type A Water Use License QZ14-031 issued by the Yukon Water Board and Quartz Mining Licence QML-0001 issued by the Department of Energy Mines and Resources, Yukon Government. The project and its expansion plans have been subject to numerous environmental and socio-economic assessments prior to these licenses being issued and amended. The project is also subject to numerous other regulations and permits. The Minto Mine is located within a block of Category A land (SFN R-6A) held by the SFN. As the landowner, SFN is Minto’s primary stakeholder. As the claims were staked long before designation of this block, the YG Quartz Mining Act regulatory regime applies to the Minto claims. Minto has pursued consultation and community engagement with the SFN, as well as project regulators and other stakeholders.

WUL QZ14-031 governs water management activities and reporting at the site, including mine water and runoff storage, usage, and discharge. Water storage, treatment and effluent discharge is challenging at Minto, and remains the subject of ongoing planning initiatives.

The ML/ARD characterization indicates that the waste rock from surface and underground mining components had low potential for acid generation due to sulphur content and moderate but sufficient neutralization potential. Significant metal leaching is also not expected. Only a small proportion of the mineralized waste rock is expected to generate localized ML/ARD. The ML/ARD results also indicate low potential for acid conditions developing from the tailings due to an excess of neutralizing potential. However, neutral metal leaching is expected from these tailings under unsaturated conditions as suggested by the operational monitoring of the Dry Stack Tailings Storage Facility (DSTSF).

Minto has recently submitted the most recent update to the project Reclamation and Closure Plan, which is currently under review by the Yukon Water Board and Yukon Government. It addresses the long-term physical and chemical stability of the site and includes reclamation of surface disturbances. It includes a program for site monitoring and management during closure implementation and after completion of decommissioning and reclamation. This RCP includes plans for temporary closures and incorporates reassessment of progressive closure and reclamation activities where possible during site operations for use during final closure. This plan was developed based on the approved mine plan at the time of preparation (2020), which differs from the mine plan being evaluated in this PEA. However, the closure goals, objectives, and proposed mitigation measures in RCP version 2020-01 are reasonably expected to apply to the PEA mine plan on a planning basis, and if/when approved, the RCP will be updated to reflect the new mine plan.

The estimates for reclamation and closure liability have been prepared in accordance with the costing guidance from YG EMR in the document *Reclamation and Closure Planning for Quartz Mining Projects: Plan Requirements and Closure Costing Guidance (YG, 2013)* and form the basis of financial security requirements, on the estimates of each infrastructure units described in the RCP. Estimated closure costs for the End of Mine (EOM) stand at $57.1 million, assuming progressive reclamation being carried out while operations continue. Approval of the Type A Water Use Licence in 2015 included a requirement for issuance of a higher security amount than Minto's estimate, so in accordance with that requirement, Capstone placed a surety bond of approximately CAD $72.1 million with the appropriate regulatory agencies. While this surety bond is outstanding, Capstone will act as an indemnitor to the surety bond provider and Minto will indemnify Capstone for environmental liabilities at the Mine.

See *"General Development of the Business – Subsequent Developments"* for more information on the reclamation bonding requirement.

Capital and Operating Costs

Capital Cost Estimate

The capital cost estimate was prepared using a combination of benchmarks and first principles where applicable, with applied project experience as well as information from the existing operating site. Given that assumptions have been made due to a lack of available engineering information, the accuracy of the estimate and/or ultimate construction costs arising from the engineering work cannot be guaranteed. The estimate deemed to be at the level of an AACE Class 4 Estimate, with a target accuracy of -15 to -30% and +20 to +50%.reflective of the current level engineering and design.

Costs are expressed in CA$ and does not include allowances for escalation or exchange rate fluctuations unless stated otherwise.

The scope of the capital cost estimate covers all the capitalized costs from January 1, 2021. Total life of mine capital costs are estimated to be $184.9M. These costs are summarized in Table 1-6 below. The capital costs do not include open pit mining fleet as it is accounted for in operating costs through leasing. Contingency for the project totals $12.5M. Individual contingency rates were applied to each of the capital cost categories where applicable, with rates ranging from 0-25% where applied. This resulted in a blended contingency rate of 7.25% across the entire project, which is in-line with the scope of the expect construction activities of an Operating Mine.

Closure costs amount to $23.6M and were assumed to be a mixture of progressive reclamation activities, occurring during the mine life, and end of mine activities.

Table 1-6: Capital Cost Summary

Capital Costs	Total (M$)
Mining	$107.0
Primary Crushing & Storage	$3.6
Tailings & Waste Rock Management	$16.6
On-Site Infrastructure	$5.1
Project Indirects	$1.7
Engineering & EPCM	$1.7
Owner's Costs	$13.3
Closure	$23.6
Subtotal	**$172.4**
Contingency	$12.5
Total Capital Costs	**$184.9**

Operating Cost Estimate

As the Minto Mine is currently in operations, the operating costs estimates for processing and Site G&A were prepared using historical site data and forecasted operating budget information provided by Minto Mine. Adjustments were made to the provided budget information to incorporate changes from the Life of Mine (LoM) throughput, and the change from contracted to internal crushing. The UG mining operating costs were prepared using first principles, applying project experience and avoiding the use of general industry factors. Inputs are derived from engineers, contractors and suppliers who have provided similar services to other projects.

Operating costs in this section of the report include Open Pit and Underground mining, Rehandle, processing, tailings, and administration up to the production of concentrate from the site. Concentrate transportation, treatment and refining charges, and royalties are discussed in Section 22 of the Minto Property Technical Report.

Operating costs are presented in 2021 Canadian dollars on a calendar year basis. No escalation or inflation is included. Average annual operating costs over the life of mine are $103.2M and are summarized in Table 1-7.

The overall LoM operation cost summary is as follows:

Table 1-7: LoM Unit Operating Costs

Area	Unit Cost	LoM M$
Open Pit Mining ($/t mined)	3.92	41.0
Underground Mining ($/t mined)	36.40	353.3
Rehandle ($/t milled)	0.14	1.5
Processing ($/t milled)	18.30	199.3
G&A ($/t milled)	18.76	204.4
Total ($/t milled)	**73.40**	**799.6**

Economic Analysis

An engineering economic model was developed to estimate annual cash flows and sensitivities. Pre-tax estimates of project values were prepared for comparative purposes, while after-tax estimates were developed to approximate the true investment value. Tax estimates involve many complex variables that can only be accurately calculated during operations and, as such, the after-tax results are only approximations.

This PEA is preliminary in nature and includes the use of inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the results of the preliminary economic assessment will be realized.

This technical report contains forward-looking information regarding commodity price assumptions, projected mine production rates, construction schedules and forecasts of resulting cash flows. Factors such as the ability to obtain permits to construct and operate a mine, or to obtain major equipment or skilled labor on a timely basis, to achieve the assumed mine production rates at the assumed grades, may cause actual results to differ materially from those presented in this economic analysis.

The Minto project has an after-tax net present value at 8% (NPV8%) of $111 M. Figure 1-2 shows the projected annual cash flows. Table 1-8 summarizes the overall economic results.

Figure 1-2: Cumulative Cash Flows

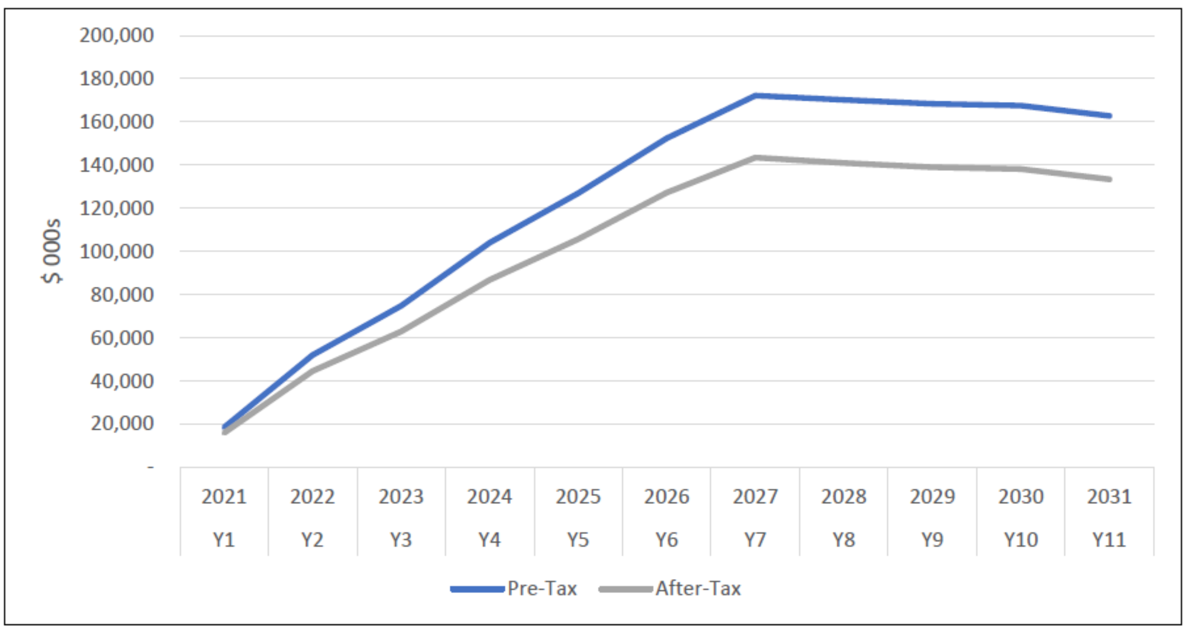


Table 1-8: Economic Results Summary

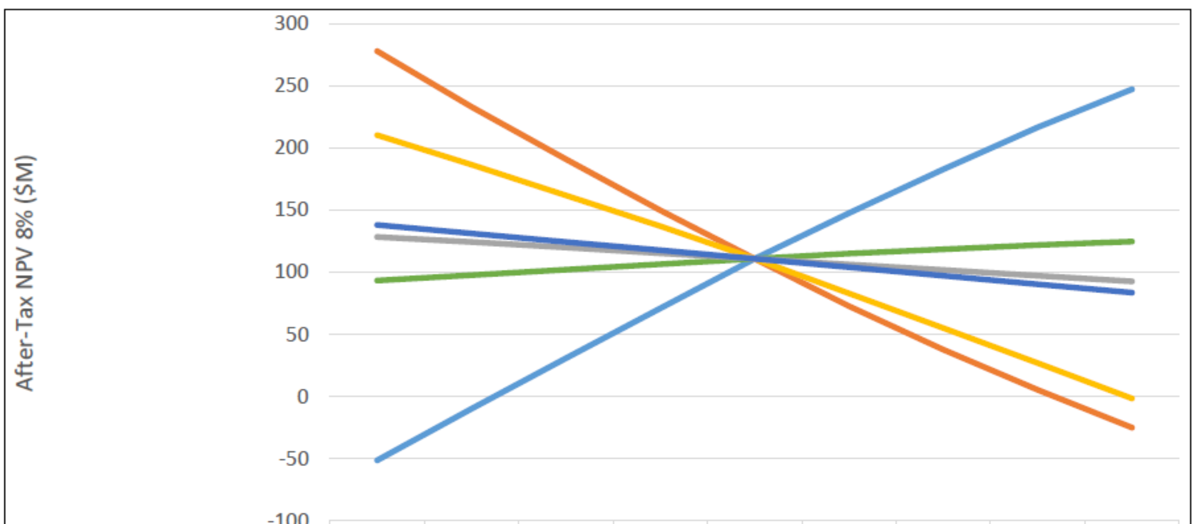
Category	Unit	Value
Net Revenues	M $	1,147
Operating Costs	M $	800
Cash Flow from Operations	M $	348
Total Capital Costs*	M $	185
All-in Sustaining Cost (net by-product credits)°	US$/lb	2.71
Net Pre-Tax Cash Flow	M $	163
Pre-Tax NPV $_{8\%}$	**M $**	**134**
Total Taxes	M $	29
Net After-Tax Cash Flow	M $	133
Net After-Tax NPV$_{8\%}$	**M $**	**111**

Notes:
* Includes sustaining, exploration, closure and reclamation capital costs.
° AISC formula: (Operating Costs + Refining Costs + Royalties + Sustaining Capital + Closure - By Product Credits) / Payable Cu lb

Sensitivities

Sensitivity analyses were performed using metal prices (Copper and Gold), foreign exchange rate (CAD:USD), On-site costs, Off-site Charges (TC/RC & Transport) and sustaining (non-closure) capital as variables. The value of each variable was changed plus and minus 20% independently while all other variables were held constant. The results of the sensitivity analyses are shown in Figure 1-3.

Figure 1-3: After-Tax Discounted NPV Sensitivities



	80%	85%	90%	95%	100%	105%	110%	115%	120%
Cu Price	-51	-10	31	71	111	148	183	217	247
Au Price	93	98	102	106	111	115	118	122	125
FX Rate	278	233	191	150	111	73	38	5	-25
On-Site Costs	210	186	162	137	111	83	55	27	-2
Off-Site Charges	128	124	120	115	111	106	102	97	93
Sustaining (non-Closure)	138	131	124	118	111	104	97	90	84

Exploration, Development and Production

There has been no exploration spending at the Minto Mine Property since 2012. To further the life of the Minto Mine Property beyond 2028, high-impact drilling is planned to facilitate exploration along the 80-km long Minto Copper Belt. Minto has identified 64 high potential targets for exploration drilling and developed a C$4M / 13,000 meter exploration program for 2021 targeting 27 high priority areas located close to existing infrastructure. Over the next 18 months, C$10M is planned to explore near-mine opportunities.

Current and future underground mining will include Minto East, Copper Keel, Minto North 2, Ridgetop and Minto East 2. Currently the mine is producing in Copper Keel and Minto East with development this year starting for Minto East 2 and Copper Keel South.

Conclusions and Recommendations

Conclusions

It is the conclusion of the QPs that the PEA summarized in this technical report contains adequate preliminary detail and information to support a PEA-level report. Standard industry practices, equipment and design methods were used in the PEA.

The most significant potential risks associated with the project are uncontrolled dilution with waste rock and rock from different mineralized zones, operating and capital cost escalation, permitting and environmental compliance, unforeseen schedule delays, changes in regulatory requirements, ability to raise financing and metal price. These risks are common to most mining projects, many of which can be mitigated with adequate engineering, planning and pro-active management.

To date, the Qualified Persons (QP) are not aware of any fatal flaws for the project.

Recommendations

It is recommended that Minto continue with current operations and advance the project as outlined in this study. This includes expanding the underground operations, incorporating Ridgetop and 118 open pits and upgrade the Minto Crushing plant to eliminate the current contract crushing circuit, and an exploration infill drilling program (primarily from underground) at a drill spacing required to upgrade the mineral resource from Inferred to Indicated.

In addition, JDS recommends that a geometallurgical inspired testwork program be conducted to investigate improved recovery options for POX material.

MMTS recommends that the Minto database include corrections made to the data and exporting process to ensure the correct assay method is used and that a standardized process is established for QAQC analyses. Re-assays of failed values should be added to the database and additional check assays should be done based on comparisons with Standards.

It is also recommended that environmental and permitting continue as needed to support Minto project development plans.

ITEM 7. DIVIDENDS AND DISTRIBUTIONS

Minto Explorations and 778 BC did not pay any dividends or distributions for the financial year ended December 31, 2020 and ending on the date of completion of the RTO Transaction.

Since the completion of the RTO Transaction on November 23, 2021, the Company has not paid any dividends or distributions and does not intend to pay dividends on the Common Shares in the foreseeable future. The Company's current policy is to retain earnings to finance the growth and development of its business. Any future determination to pay distributions will be at the discretion of the Board and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of distributions and any other factors that the Board deems relevant. Subject to applicable solvency requirements, the Company is not otherwise bound or limited in any way to pay dividends in the event that the Board determined that a dividend was in the best interest of its shareholders.

ITEM 8. DESCRIPTION OF CAPITAL STRUCTURE

8.1 Authorized Share Capital

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. As at April 5, 2023, there were 72,917,202 Common Shares issued and outstanding.

8.2 Common Shares

The holders of Common Shares are entitled to receive notice of and to attend all meetings of the Shareholders of the Company and to one vote per Common Share held at meetings of the Shareholders. The holders of Common Shares are entitled to dividends if, as and when declared by the Board, and upon liquidation, dissolution or winding-up, to share equally in such assets of the Company as are distributable to the holders of Common Shares, subject to the rights of holders of shares of any class ranking prior to the Common Shares.

8.3 Notes

As of the date of this Annual Information Form, the Company has 8.0% senior secured notes in the aggregate principal amount of US$10,000,000 outstanding (the "**Notes**"). The Notes are held by Copper Holdings and Stiftelsen Lejonudden, have a maturity date of June 3, 2024 and bear interest at a rate of 8.0% per annum, payable semi-annually. The Notes represent senior secured obligations of the Company and have a general security charge over all of the Company's assets. The Notes do not bear any maintenance capital covenants.

ITEM 9. MARKET FOR SECURITIES

9.1.1 Trading Price and Volume of the Common Shares

On November 29, 2021, following the receipt of final approval of the TSX-V for the RTO Transaction, the Common Shares commenced trading on the TSX-V under the symbol "MNTO" as a Tier 1 Mining Issuer.

The closing price of the Common Shares on the TSX-V on April 4, 2023, the last trading day prior to the date of this Annual Information Form, was $1.15.

The following table sets out the market price ranges and trading volumes of the Common Shares on the TSX-V for each month of the Company's most recently completed financial year, as reported by the TSX-V.

Date	High	Low	Aggregate Volume
January 2022	2.70	2.30	10,734
February 2022	2.70	2.33	19,023
March 2022	2.60	2.07	13,266
April 2022	2.60	2.30	24,593
May 2022	2.30	2.02	65,099
June 2022	2.40	2.07	33,102
July 2022	2.15	1.90	9,392
August 2022	2.00	1.84	8,496
September 2022	1.85	1.50	9,757

Date	High	Low	Aggregate Volume
October 2022	1.65	1.20	14,602
November 2022	1.25	1.05	23,075
December 2022	1.64	1.25	54,039

9.2 Prior Sales

The following table sets forth all issuances of securities of the Company not listed or quoted on a marketplace during the most recently completed financial year.

Date Issued	Type of Security	Amount Issued	Issue Price / Exercise Price
February 14, 2022	Common Shares(1)	88,817	2.60
February 14, 2022	Common Shares(2)	336,538	2.60
February 23, 2022	Options(3)	705,626	2.60
March 18, 2022	Options(4)	1,489,950	2.60
March 18, 2022	Restricted Share Units(5)	239,538	-
March 30, 2022	Deferred Share Units(6)	1,923	-
June 29, 2022	Options(7)	20,000	2.60

Notes:
(1) Issued to certain employees and consultants as part of the matching share program provided by the Company as part of the RTO Financing in November 2021.
(2) Issued to the Joint Advisory Committee members for their service to Minto Explorations prior to the RTO Transaction.
(3) Issued to management of the Company pursuant to the LTIP. The Options have an expiry date of February 23, 2027 and vested on the date issued.
(4) Issued to management of the Company pursuant to the LTIP. The Options have an expiry date of March 18, 2027 and vest in three equal installments as follows: (i) one-third on March 18, 2023; (ii) one-third on March 18, 2024; and (iii) one-third on March 18, 2025.
(5) Issued to management of the Company pursuant to the LTIP. The Restricted Share Units ("**RSUs**") vest in three equal installments as follows: (i) one-third on March 18, 2023; (ii) one-third on March 18, 2024; and (iii) one-third on March 18, 2025. The RSUs will be settled in cash or Common Shares or a combination of both.
(6) Issued to a manager of the Company pursuant to the LTIP. The deferred share units ("**DSUs**") will be settled in Common Shares upon the holder's termination of employment. The DSUs vest on March 30, 2023.
(7) Issued to employees of the Company pursuant to the LTIP. The Options have an expiry date of June 29, 2027 and vest in three equal installments as follows: (i) one-third on issuance; (ii) one-third on June 29, 2023; and (iii) one-third on June 29, 2024.

ITEM 10. ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

The following table summarizes details of the Company's securities, to the Company's knowledge, in escrow or that are subject to a contractual restriction on transfer as of December 31, 2022:

Designation of Class	Number of Securities Held in Escrow or Subject to a Contractual Restriction on Transfer	Percentage of Class
Common Shares subject Surplus Escrow Agreement	22,165,003(1)	30.40%

Common Shares	81,782[(2)]	0.11%
TOTAL	**22,246,785**	**30.05%**

Notes:

(1) In connection with the RTO Transaction, an aggregate of 55,412,507 Common Shares held by directors, officers and principals of the Company were placed into escrow pursuant the Surplus Escrow Agreement, whereby 10% of such escrowed shares were released from escrow upon the Final Exchange Bulletin and the remaining escrowed securities will be released as follows: (i) 20% on the date that is 6 months following the date of the Final Exchange Bulletin; (ii) 30% on the date that is 12 months following the date of the Final Exchange Bulletin; and (iii) 40% on the date that is 18 months following the date of the Final Exchange Bulletin. TSX Trust acts as Escrow Agent under the Surplus Escrow Agreement. As of April 5, 2023, 22,165,003 Common Shares are held in escrow pursuant to the Surplus Escrow Agreement.

(2) In connection with the RTO Transaction, an aggregate of 327,129 Common Shares held by certain non-principals of the Company, which were purchased at a price below $0.05 per Common Share, were placed into escrow pursuant to the Value Escrow Agreement, whereby 25% of such escrowed shares were released from escrow upon completion of the RTO Transaction and an additional 25% will be released on the dates that are 6, 12 and 18 months following the date of completion of the RTO Transaction. As of April 5, 2023, 81,782 Common Shares are held in escrow pursuant to the Value Escrow Agreement.

ITEM 11. DIRECTORS AND OFFICERS

As of the date of this Annual Information Form, the directors and executive officers of the Company (as a group) owned, or exerted direction or control over, directly or indirectly, a total of 801,506 Common Shares, representing approximately 1.10% of the Company's total issued and outstanding Common Shares on a non-diluted basis.

The following table sets forth, as of the date hereof, the name and municipality of residence of each director and executive officer of the Company, as well as such individual's position within the Company, principal occupation within the five preceding years and number of Common Shares beneficially owned by each such director or executive officer. Information as to residence, principal occupation and ownership of Common Shares is based upon information furnished by the person concerned and is as at the date of this Annual Information Form. Each director will hold office until the Company's next annual general meeting. The Board, after each annual meeting of the Shareholders of the Company and as necessary throughout the year, appoints the Company's officers and committees for the ensuing year.

Name, Municipality of Residence and Current Position with the Company	Director Since	Present Principal Occupation or Employment (including all officer positions currently held with the Company), Principal Occupation or Employment for the Past Five Years or more, and Other Current Public Directorships	Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised	Percentage of Common Shares Held
Chris Stewart Ontario, Canada President, Chief Executive Officer, Director	June 28, 2022	Mr. Stewart has served as President and Chief Executive Officer of the Company since November 23, 2021. Previously, Mr. Stewart was President and Chief Executive officer of Minto Explorations since January 17, 2021 and President and Chief Operating Officer of McEwan Mining Inc., a public mining company listed on the TSX from August 2018 to March 2020. Prior to that, President and Chief Executive Officer of Treasury Metals Inc., a public mining company listed on the TSX from December 2016 to August 2018.	**60,200**	**0.08**%

Name, Municipality of Residence and Current Position with the Company	Director Since	Present Principal Occupation or Employment (including all officer positions currently held with the Company), Principal Occupation or Employment for the Past Five Years or more, and Other Current Public Directorships	Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised	Percentage of Common Shares Held
David Birch Ontario, Canada Chief Financial Officer, Secretary	N/A	Mr. Birch has served as the Chief Financial Officer and Secretary of the Company since November 23, 2021. Previously, Mr. Birch was the Chief Financial Officer and Secretary of Minto Explorations since August 2, 2021 and Chief Financial Officer at Waterloo Brewing Ltd., a public brewing company listed on the TSX from February 2018 to July 2021. Prior thereto, Vice President, Finance and Administration at McClelland Premium Imports, a beer importer, from September 2013 to January 2018.	**23,200**	**0.03**%
Greg McKnight(2)(7) Ontario, Canada Chairman, until his resignation on March 15, 2023	November 23, 2021	Mr. McKnight had served as Chairman of the Minto Board since November 23, 2021, until his resignation on March 15, 2023. Mr. McKnight is also Co-Chairman of the Board of Northstar Gold Corp, a public mining company listed on the Canadian Securities Exchange from January 2020; prior thereto Executive Vice President, Business Development of Yamana Gold Inc., a public mining company listed on the TSX from January 2003 to December 2018.	**111,153**	**0.13**%
Derek White(5) British Columbia, Canada Director	November 23, 2021	Mr. White acts as President & CEO of Ascot Resources Ltd., a public mining company listed on the TSX. Previously, Mr. White served as Principal of Traxys Capital Partners LLP, a private equity firm specializing in the mining and minerals sectors.	**76,923**	**0.11%**
Edie Hofmeister(2)(3)(8) California, USA Director, until her resignation on February 28, 2023	November 23, 2021	Ms. Hofmeister acted as Executive Vice President, Corporate Affairs and General Counsel at Tahoe Resources Inc., a public mining company that traded on the New York Stock Exchange from February 2010 to March 2019. Ms. Hofmeister also serves on the Boards of Nighthawk Gold Corporation and Prime Mining Corporation.	**100,000**	**0.14**%
Gati Al-Jebouri(1)(4) Dubai, UAE Director	November 23, 2021	Mr. Al-Jebouri acts as Chief Executive Officer and Chairman of Pembridge, a public company trading on the London Stock Exchange since September 2019. Previously, Mr. Al-Jebouri served as Executive Director and Managing Director of LUKOIL International Secondment BV, a multinational oil and gas company, from February 2010 to April 2019.	**173,077**	**0.24**%
Lazaros Nikeas(1)(2)(3)(5) Connecticut, USA Director	November 23, 2021	Mr. Nikeas serves as Principal Investment Manager of Weston Energy LLC, a Yorktown Partners LLC portfolio company with investments in energy minerals assets since 2018. Previously, Mr. Nikeas was a partner of Traxys Capital Partners, a private equity firm backed by The Carlyle Group from 2016 to 2017, and prior thereto, Head of Minerals and Materials Advisory for North America for BNP Paribas from 2010 to 2016.	**174,976**	**0.24**%

Name, Municipality of Residence and Current Position with the Company	Director Since	Present Principal Occupation or Employment (including all officer positions currently held with the Company), Principal Occupation or Employment for the Past Five Years or more, and Other Current Public Directorships	Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised	Percentage of Common Shares Held
Joe Phillips(1)(3) Florida, USA Director	November 23, 2021	Mr. Phillips acts as Director and Chief Operating Officer of Three Valley Copper Corp. in Toronto, Ontario. Prior thereto, Mr. Phillips operated as a private mining consultant from 2014 to 2021.	**19,231**	**0.03**%
Jay Johnson(6) New York, USA Director	June 28, 2022	Mr. Johnson is a Partner and Associate Portfolio Manager of Lion Point Capital, LP. Previously, Mr. Johnson was an Analyst at Lion Point Capital, LP from 2014 to 2022. Prior thereto, he was Associate, Vice President and a Director at Rothschild & Co. from 2007 to 2014.	**Nil**	-%
David Benson Manitoba, Canada VP Exploration	N/A	Mr. Benson has served as VP, Exploration of the Company since November 23, 2021. Previously, Mr. Benson served as VP Exploration of Minto Explorations since June 15th,2021, and Exploration Manager at Impala Canada Ltd., a mining company from December 2019 to June 2021. Prior thereto, served as Vice-President, Exploration at Bison Gold Resources, a mining company listed on the TSX-V, from January 2010 to September 2017, and prior thereto, Exploration Manager with North American Palladium Inc. from October 2014 to December 2019.	**1,923**	**<0.01**%
Loralee Johnstone Yukon, Canada VP ESG	N/A	Ms. Johnstone has served as VP ESG of the Company since November 23, 2021. Previously, Ms. Johnstone served as VP ESG of Minto Explorations since November 1st, 2021 and VP, CSR with Whitehorse Gold Corp. from November 2020 to November 2021. Prior thereto, Ms. Johnstone served as Director, Permitting and Community Affairs with Coeur Mining, Inc.	**Nil**	-%
Tracy Dormer Calgary, Canada VP Human Resources and Camp Operations	N/A	Ms. Dormer has served as VP, HR & Camp Operations of the Company since March 16, 2022 and previously, Ms. Dormer served as Director HR & Camp Operations from September 4, 2019. Prior thereto, Ms. Dormer served as HR Manager of Coeur Mining Inc. from February 1, 2018 to July 1, 2019 and Team Lead, HR Service with Cenovus Energy Inc. from June 1, 2015 to January 31, 2018.	**1,923**	**<0.01%**
Esteban Figueroa British Columbia, Canada General Manager of the Minto Mine Property	N/A	Mr. Figueroa has 30 plus years of mining experience both in Canada and internationally working in open pit and underground hard rock mining. Currently, he has served as the General Manager of the Minto Mine Property since September 29, 2022. Previously Mr. Figueroa was the General Manager of the Pretivm Brucejack Mine and prior to that he served as project manager and start-up operations for Goldcorp Inc., Kinross Gold Corporation and Freeport McMoran Inc.	**Nil**	**-%**

Notes:
(1) Member of the Audit Committee. Mr. Al-Jebouri serves as Chair.
(2) Member of the Corporate Governance, Compensation and Nominating Committee. Ms. Hofmeister served as Chair until February 28, 2023, when she resigned from the Board.

(3) Member of the HSEC and Technical Committee. Mr. Phillips serves as Chair.
(4) In addition, Mr. Al-Jebouri is the Chief Executive Officer and Chairman of Pembridge, a public company listed on a stock exchange in the United Kingdom. Pembridge holds 8,086,714 (11.1%) Common Shares.
(5) In addition, Mr. Nikeas manages, and Mr. White is an advisor to, Copper Holdings. Copper Holdings holds 26,801,844 (36.8%) Common Shares.
(6) Mr. Johnson is the Partner and Associate Portfolio Manager of Lion Point Capital, LP, which manages Cedro Holdings. Lion Point Capital, LP holds directly and indirectly an aggregate of 20,887,511 common shares (28.6%). Lion Point Capital, LP holds 811,223 (1.1%) and Cedro Holdings holds 20,076,288 (27.5%) Common Shares.
(7) Mr. McKnight resigned from the Board effective March 15, 2023.
(8) Ms. Hofmeister resigned from the Board effective February 28, 2023.

11.1 Corporate Cease Trade Orders

No director or executive officer of the Company is, as of the date hereof, or was within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company, that was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemptions under securities legislation for a period of more than 30 consecutive days while such director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of the company being the subject of such order, or that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer in the company being the subject of such order 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 of the subject company.

11.2 Corporate Bankruptcies

Other than as set out herein, no director or executive officer, or a Shareholder holding a sufficient number of securities in the capital of the Company to affect materially the control of the Company, is or within ten years prior to the date hereof, has been a director or executive officer of any company, that while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

In January 2020, Lazaros Nikeas resigned as a director of Rhino Resources (OTC: RHNO). Following Mr. Nikeas' resignation, on or about July 2020, Rhino Resources along with its subsidiaries and certain of its affiliates filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of Ohio. And, in November 2019, while Mr. Nikeas was a director of Battery Mineral Resources Ltd., Pty, it filed for voluntary administration in Australia in respect of its insolvency on November 11, 2019.

11.3 Penalties or Sanctions

No director or executive officer of the Company, and no Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, 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 any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

11.4 Personal Bankruptcies

No director or executive officer of the Company, or a Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, nor any personal holding company of any such person, has, during the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his, her or its assets.

11.5 Conflicts of Interest

As of the date of this Annual Information Form, except as disclosed herein, the directors and officers of the Company are not aware of the existence of any existing or potential conflicts of interest. There are potential conflicts of interest to which the directors or officers of the Company or its subsidiaries may be subject to in connection with the operations of the Company. Certain directors and officers are engaged in managerial or director positions with other companies whose operations may, from time to time, be in direct competition with those of the Company or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA.

ITEM 12. PROMOTERS

No Person has acted as a "promoter" (as that term is defined in the *Securities Act* (Ontario)) of the Company within the two years preceding the date of this Annual Information Form.

ITEM 13. LEGAL PROCEEDINGS AND REGULATORY ACTIONS

13.1 Legal Proceedings

In the ordinary course of business, the Company may become involved in various legal, administrative, regulatory and other proceedings, actions, claims and inquiries relating to its business. The Company is not aware of any actual or pending legal proceedings material to the Company to which the Company is or was a party to, or that any of its property is or was the subject of, since the beginning of the Company's most recently completed financial year. In addition, the Company is not currently aware of any such legal proceedings being contemplated.

13.2 Regulatory Actions

There have been no penalties or sanctions imposed against the Company by a court relating to provincial or territorial securities legislation or by a securities regulatory authority during the most recently completed financial year of the Company.

There have been no penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor making an investment decision.

The Company has not entered into any settlement agreements before a court relating to securities legislation or with a securities regulator during the most recent completed financial year of the Company.

ITEM 14. INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this AIF or below, no director, executive officer or Shareholder beneficially owning or controlling, directly or indirectly, more than 10% of the issued and outstanding Common Shares, or another of their respective associates or affiliates, has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year prior to the date of this AIF that has materially affected or will materially affect the Company or any of its subsidiaries.

Gati Al-Jebouri is the Chairman and Chief Executive Officer of Pembridge which acquired all of the issued and outstanding shares of Minto Explorations from Capstone pursuant to the Pembridge Share Purchase Agreement. See "*General Development of the Business – 2019 – Pembridge Share Purchase Agreement*".

During the year ended 2022, the Company was indebted to each of its principal shareholders, being Pembridge, Copper Holdings and Cedro Holdings, for certain management services provided to Minto Explorations in connection with their role on the Joint Advisory Committee of Minto Explorations. On January 4, 2023, the Company entered into debt settlement agreements with each of Gati Al-Jebouri, Copper Holdings and Cedro Holdings, pursuant to which the Company agreed to settle the following debts for the incurred management services: (i) US$336,722.22 owing to Mr. Al-Jebouri; (ii) US$190,041.67 owing to Copper Holdings; and (iii) US$290,041.67 owing to Cedro Holdings.

Copper Holdings and Stiftelsen Lejonudden agreed to postpone payment for the accrued and unpaid interest owing under the Notes for the six month period ended December 31, 2022 until a future date in 2023. As of the date hereof, Minto has not paid the interest owing under the Notes.

ITEM 15. TRANSFER AGENT AND REGISTRAR

TSX Trust located at 650 West Georgia Street, Suite 2700, Vancouver, BC V6B 4N9, is the transfer agent and registrar for the Common Shares.

ITEM 16. MATERIAL CONTRACTS

The Company did not enter into any material contracts during the most recently completed financial year, and has not entered into any material contracts before the most recently completed financial year that is still in effect, other than material contracts entered into in the ordinary course of business that are not required to be filed under NI 51-102 and the contracts set forth below:

a) the Amalgamation Agreement. See “*General Development of the Business - 2021 – The RTO Transaction*” for details;

b) the Surplus Escrow Agreement. See “*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer – Surplus Escrow Agreement*” for details;

c) the Value Escrow Agreement. See “*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer – Value Escrow Agreement*” for details;

d) the Registration Rights Agreement. See “*General Development of the Business - 2021 – The RTO Financing*” for details;

e) the Voting Rights Agreement. See “*General Development of the Business - 2021 – The RTO Financing*” for details;

f) the Pembridge Share Purchase Agreement. See “*General Development of the Business - 2019 – Pembridge Share Purchase Agreement*” for details;

g) the Amended and Restated Wheaton Precious Metals Agreement. See “*Description of the Business – Production – Amended and Restated Wheaton Precious Metals Agreement*” for details;

h) the Sumitomo Offtake Agreement. See “*General Development of the Business - 2022 – Sumitomo Offtake Agreement*” for details;

i) the Amended and Restated Prepayment Facility Agreement. See “*General Development of the Business - 2020 – The Prepayment Facility Agreement*” and “*General Development of the Business - 2022 – Sumitomo Offtake Agreement*” for details;

j) the Future Expenditures Agreement. See “*General Development of the Business - 2021 – Future Expenditures Agreement*” for details; and

k) the Amending Agreement. See "*General Development of the Business - 2021 – Amending Agreement*" for details.

A copy of all material agreements referred to in this Annual Information Form are available on the Company's SEDAR profile at www.sedar.com.

ITEM 17. INTERESTS OF EXPERTS – AUDITORS AND QUALIFIED PERSONS

The Company's independent auditor is Deloitte LLP, at its office located at 850 2 St. SW, #700, Calgary, AB T2P 0R8. Deloitte LLP is independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

The Minto Property Technical Report was prepared by Dino Pilotto, P. Eng., Tysen Hantelmann, P. Eng., Mike Levy, P.E., Sue Bird, P. Eng., Carl Schulze, P. Geo., Tad Crowie, P. Eng., Cheibany Elemine, PhD, P.Geo., Sam Amiralaei, P.Eng. and John Kurylo, P. Eng., each of whom is a "qualified person" for the purposes of NI 43-101. To management's knowledge, as of the date hereof, the authors of the Minto Property Technical Report do not beneficially own, directly or indirectly, 1.0% or more of the Common Shares.

None of the aforementioned firms or persons, nor any directors, officers or employees of such firms, are 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.

ITEM 18. AUDIT COMMITTEE INFORMATION

18.1 The Audit Committee's Charter

The full text of the Company's Audit & Risk Committee Mandate and Charter is appended hereto as Appendix "A".

18.2 Composition of the Audit Committee

The Audit & Risk Committee is currently comprised of three directors of the Company: Gati Al-Jebouri (Chair), Lazaros Nikeas and Joe Phillips. Each member of the Audit & Risk Committee is financially literate and Mr. Phillips is not an executive officer, employee or control person of the Company or of an associate or affiliate of the Company.

As a result of the resignation of Derek White as a member of the Audit & Risk Committee and the need to fill the resulting vacancy therefrom, the Board intends to rely on the exemption available under Section 3.5 of NI 52-110, which provides that a vacancy in the Audit & Risk Committee may be filled by a director who does not otherwise meet independence requirements until the later of the Company's next annual general meeting and the six month anniversary of the resignation of the departing member of the Audit Committee. The Company is seeking to identify additional independent directors such that it may appoint an audit committee comprised of at least a majority of independent directors.

18.3 Relevant Education and Experience

Gati Al-Jebouri

Mr. Al-Jebouri has 30 years of international operations and trading experience in the natural resources sector. He is Chief Executive Officer and Chairman of the board of directors of Pembridge since September 2019, having served as a non-executive director since September 2017. Prior to that Mr. Al-Jebouri worked at LUKOIL International Secondment BV ("**LUKOIL**"), where he was VP Middle East Upstream and Managing Director of their 400,000 barrel per day Iraq operations. Before LUKOIL upstream management roles, Mr. Al-Jebouri was Chief Financial Officer and latterly Chief Executive Officer of LITASCO (LUKOIL International Trading and Supply Company). Mr. Al-Jebouri has also held positions of Deputy Minister of Energy and First Deputy Minister of Finance in Bulgaria. He holds a Civil Engineering degree from the University of Bristol and is a United Kingdom Chartered Accountant.

Joe Phillips

Mr. Phillips is a senior mining executive with 48 years of experience in the construction, commissioning and operation of mining projects in 13 countries (7 in Latin America) in 5 continents. Over his career he has directed the construction, commissioning and operation of 11 plants and mining operations, all of which met or exceeded their designed capacities. Mr. Phillips has held senior positions in US and Canadian mining companies including COO and Chairman of the Board of Lydian Resources, Armenia, Chief Development Officer of Coeur Mining, COO of Silver Standard Resources, and Senior VP Development for Pan American Silver Corp. Mr. Phillips is a non-practicing Registered Professional Mining Engineer, graduating from the Colorado School of Mines ("CSM"), and with graduate studies in Engineering Management at the University of South Florida. Mr. Phillips' experience includes the mining of several different minerals including coal, phosphate rock, gold, silver, zinc, copper, limestone, clay and aggregates. He has held Directorships in the Chambers of Mines in three countries including Chile, Mexico and Ghana, Africa.

Lazaros Nikeas

Mr. Nikeas serves as Principal Investment Manager of Weston Energy LLC, a Yorktown Partners LLC portfolio company with investments in energy minerals assets since 2018. Previously, Mr. Nikeas was a partner of Traxys Capital Partners, a private equity firm backed by The Carlyle Group from 2016 to 2017, and prior thereto, Head of Minerals and Materials Advisory for North America for BNP Paribas from 2010 to 2016. In Mr. Nikeas' over 20 years of finance experience, he has worked with several companies in various industries as an investor and corporate finance advisor. As a corporate finance advisor, Mr. Nikeas was involved in all aspects of finance and accounting for corporations, including analyzing financial statements, capital raising, mergers and acquisitions advisory, reviewing accounting procedures and principles for valuations and financial modeling. Mr. Nikeas has advised on over $25 billion of mergers & acquisitions advisory and capital raisings in his career. Mr. Nikeas has a Bachelor of Arts in economics and history from Amherst College in Massachusetts, graduating summa cum laude and phi beta kappa.

18.4 Audit Committee Oversight

The purpose of the Audit & Risk Committee is to provide a structured, systematic oversight of the Company's financial reporting, risk management, and internal control practices. The Audit & Risk Committee assists the Board and management by providing advice and guidance on the adequacy of the Company's initiatives for:

(a) Financial statements and public accountability reporting;
(b) Internal control framework;
(c) Risk management; and
(d) Oversight of the internal audit activity, external auditors, and other providers of assurance.

In broad terms, the Audit & Risk Committee reviews each of the items noted above and provides the Board with independent advice and guidance regarding the adequacy and effectiveness of management's practices and potential improvements to those practices.

The Board has adopted a written charter for the Audit & Risk Committee which sets out the Audit & Risk Committee's responsibility in providing oversight of the Company's financial reporting and disclosure, risk management, and internal control practices. This oversight mechanism also serves to provide confidence in the integrity of these practices. The Audit & Risk Committee reviews accounting and financial reporting procedures and methods, as well as reports and makes recommendations to the Board on financial statements and the related reports of management and external auditors, including the appointment and terms of their engagement and their reports relating to accounting and financial matters.

18.5 Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on exemptions in relation to section 2.4 of NI 52-110 (De Minimis Non-Audit Services), section 3.2 of NI 52-110 (Initial Public Offerings), section 3.4 of NI 52-110 (Events Outside Control of Member), section 3.5 of NI 52-110 (Death, Disability or Resignation of Audit Committee Member), section 3.3(2) of NI 52-110 (Controlled Companies), section 3.6 of NI 52-110 (Temporary Exemption for Limited and Exceptional Services), section 3.8 of NI 52-110 (Acquisition of Financial Literacy) or any exemption provided by Part 8 of NI 52-110 (Exemptions).

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemptions contained in section 2.4 of NI 52-110 (De Minimis Non-Audit Services), subsection 6.1.1(4) of NI 52-110 (Circumstances Affecting the Business or Operations of the Venture Issuer) or subsection 6.1.1(5) of NI 52-110 (Events Outside Control of Member).

18.6 Pre-Approval Policies and Procedures

The Audit & Risk Committee shall pre-approve all non-audit services to be provided to the Corporation by the Company's independent external auditors and shall establish a pre-approval policy to do so.

18.7 External Auditor Service Fees (By Category)

The following are the aggregate fees incurred by the Company for services provided by its external auditors during the financial years ended December 31, 2022 and 2021:

	2022(4)	**2021**(4)
Audit Fees(1)	$188	$224(2)
Audit Related Fees(3)	-	50
All Other Fees	-	-
Total	$188	$274

Notes:

(1) "Audit Fees" refer to fees necessary to perform the annual audit of Minto's consolidated financial statements. Audit fees include aggregate fees for review of tax provisions and accounting consultations on matters reflected in the financial statements.

(2) Aggregate audit fees for the Company, Minto Explorations and 778 BC for the financial year ended December 31, 2021. Audit fees also include reviews of security filings. Audit fees for 2021 include fees paid to Baker Tilly WM LLP for auditing services provided to 778 BC.

(3) "Audit-Related Fees" include fees for services that are traditionally performed by the auditor. These include reviews on proposed transactions.

(4) In thousands of Canadian dollars.

18.8 Exemption

In respect of the most recently completed financial year, the Company relied on the exemption set out in section 6.1 of NI 52-110, which exempts the Company from the requirements of Parts 3 (Composition of Audit Committee) and 5 (Reporting Obligations) in NI 52-110.

ITEM 19. ADDITIONAL INFORMATION

Additional information about the Company, including information concerning directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, where applicable, will be contained in the management information circular of the Company for its annual shareholders' meeting to be held in 2023.

Additional financial information is provided in the Company's audited financial statements and Management's Discussion & Analysis for the year ended December 31, 2022. This information and other pertinent information regarding the Company can be found on the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.mintometals.com.

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APPENDIX "A"

AUDIT COMMITTEE CHARTER

MINTO METALS CORP. AUDIT & RISK COMMITTEE MANDATE AND CHARTER

Audit & Risk Committee

The Board of Directors of the Corporation (the "Board") has established an Audit & Risk Committee to assist the Board in fulfilling its oversight responsibilities. The Committee will review and oversee the financial reporting and accounting process of the Corporation, the system of internal control and management of financial risks, the external audit process, and the Corporation's process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each Committee member will obtain an understanding of the responsibilities of Committee membership as well as the Corporation's business, operations, and risks.

2. Purpose

The purpose of the Audit & Risk Committee is to provide a structured, systematic oversight of the organisation's financial reporting, risk management, and internal control practices. The committee assists the board and management by providing advice and guidance on the adequacy of the organisation's initiatives for:

a) Financial statements and public accountability reporting.
b) Internal control framework.
c) Risk management.
d) Oversight of the internal audit activity, external auditors, and other providers of assurance.

In broad terms, the Audit & Risk Committee reviews each of the items noted above and provides the board with independent advice and guidance regarding the adequacy and effectiveness of management's practices and potential improvements to those practices.

The Audit & Risk Committee plays an important role in providing oversight of the organisation's financial reporting and disclosure, risk management, and internal control practices. This oversight mechanism also serves to provide confidence in the integrity of these practices. The Audit & Risk Committee reviews accounting and financial reporting procedures and methods, as well as reports and makes recommendations to the Board on financial statements and the related reports of management and external auditors, including the appointment and terms of their engagement and their reports relating to accounting and financial matters.

Under the Board guidelines, the members of the Audit & Risk Committee, the Chief Financial Officer and the external auditors have unrestricted direct access to, and communication with, each other to assist them in carrying out their respective duties.

Further information concerning the Audit & Risk Committee, including the complete text of the Audit & Risk Committee Charter, its members and pre-approval policies and the external auditor service fees paid by the Corporation, is set out in the Corporation's Annual Information Form for the financial year ended December 31, 2022, under the heading "Audit & Risk Committee Mandate & Charter".

The Board of Directors' Mandate for the Audit & Risk Committee

The Board of Directors (“Board”) bears responsibility for the stewardship of Minto Metals Corporation (the “Corporation”). To discharge that responsibility, the Board is obligated by the British Columbia Business Corporations Act to supervise the management of the business and affairs of the Corporation. The Board’s supervisory function involves Board oversight or monitoring of all significant aspects of the management of the Corporation’s business and affairs.

Financial reporting and disclosure by the Corporation constitute a significant aspect of the management of the Corporation’s business and affairs. The objective of the Board’s monitoring of the Corporation’s financial reporting and disclosure (the “Financial Reporting Objective”) is to gain reasonable assurance of the following:

a) That the Corporation complies with all applicable laws, regulations, rules, policies and other requirements of governments, regulatory agencies and stock exchanges relating to financial reporting and disclosure.
b) That the accounting principles, significant judgments, and disclosures which underlie or are incorporated in the Corporation’s financial statements are the most appropriate in the prevailing circumstances.
c) That the Corporation’s quarterly and annual financial statements are accurate and present fairly the Corporation’s financial position and performance in accordance with International Financial Reporting Standards (“IFRS”);
d) That the Corporation’s Risk Management Process is adequate and is being applied consistently and effectively; and
d) That appropriate information concerning the financial position and performance of the Corporation is disseminated to the public in a timely manner.
The Board is of the view that the Financial Reporting Objective cannot be reliably met unless the following activities (the “Fundamental Activities”) are conducted effectively:
a) The Corporation’s accounting functions are performed in accordance with a system of internal financial controls designed to capture and record properly and accurately all of the Corporation’s financial transactions.
b) The Corporation’s internal financial controls are regularly assessed for effectiveness and efficiency.
c) The Corporation’s Risk Management Process is regularly reviewed, adapted to reflect the changing environment in which the Corporation is operating and applied consistently and effectively.
d) The Corporation’s quarterly and annual financial statements are properly prepared by management.
e) The Corporation’s annual financial statements are reported on by an external auditor appointed by the shareholders of the Corporation; and
f) The financial components of the Corporation’s Disclosure Policy are complied with by management and the Board.

To assist the Board in its monitoring of the Corporation’s financial reporting and disclosure, risk management, and internal control practices, the Board has established, and hereby continues the existence of, a committee of the Board known as the Audit & Risk Committee (the "Committee"). The Committee shall develop and present to the Board for the Board's approval a Charter which, among other things, will describe the activities in which the Committee will engage for the purpose of gaining reasonable assurance that the Fundamental Activities are being conducted effectively and that the Financial Reporting Objective is being met.

1. Composition of Committee

The Audit & Risk Committee shall be comprised of a minimum three directors as determined by the Board, and while the Corporation is a “venture issuer” (as that term is defined in Multilateral Instrument 52 - 110 Audit Committees), a majority of whom shall not be officers, employees or “Control Persons” (as that term is defined in Policy 1.1 of the TSX Venture Exchange Corporate Finance Manual (the “TSXV Manual”)) of the Corporation or any of its Associates or Affiliates (as such terms are defined in Policy 1.1 of the TSXV Manual). If the Corporation ceases to be a venture issuer, then all of the members of the Committee shall be independent as required by securities legislation and free from any direct or indirect material relationship with the Corporation that, in the opinion of the Board, would interfere with the exercise of their independent judgment as a member of the Committee. If the Corporation ceases to be a venture issuer then all members of the Committee shall also be financially literate and have accounting or related financial management expertise. All members of the Committee shall have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that can reasonably be expected to be raised by the Corporation's financial statements.

The members of the Committee shall be elected by the Board at its first meeting following each annual shareholders' meeting or until their successors are duly elected. Unless a chairperson ("Chair") is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

2. Operational Principles

The Committee shall fulfill its responsibilities within the context of the following principles:

a) Committee Values

The Committee expects the management of the Corporation to operate in compliance with corporate policies; with laws and regulations governing the Corporation; and to maintain strong financial reporting and control processes.

b) Communications

The Chairman (and others on the Committee) expects to have direct, open, and frank communications throughout the year with management, other Board Committee Chairmen, the external auditors, and other Committee advisors as applicable.

c) Financial Literacy

All Committee Members shall be financially literate and sufficiently versed in financial matters to understand the Corporation's accounting practices and policies and the major judgments involved in preparing the financial statements.

d)Annual Audit & Risk Committee Work Plan

The Committee, in consultation with management and the external auditors, shall develop an annual Audit & Risk Committee Work Plan responsive to the Committee's responsibilities as set out in this Charter. In addition, the Committee, in consultation with management and the external auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Corporation's financial disclosure.

e) Meeting Agenda

Committee meeting agendas shall be the responsibility of the Chairman of the Committee in consultation with Committee members, senior management, and the external auditors.

f)Committee Expectations and Information Needs

The Committee shall communicate its expectations to management and the external auditors with respect to the nature, timing, and extent of its information needs. The Committee expects that written materials will be received from management and the external auditors at least three days in advance of meeting dates.

g) External Resources

To assist the Committee in discharging its responsibilities, the Committee may in addition to the external auditors, at the expense of the Corporation, retain independent counsel and other advisors having special expertise as it deems necessary to carry out its duties. The Committee shall set and pay the compensation for any such advisors.

h) In Camera Meetings

Each meeting of the Committee, the members of the Committee shall meet in private session with the external auditors; or with management; or with the Committee members only.

i) Reporting to the Board

The Committee, through its Chairman, shall report after each Committee meeting to the Board at the Board's next regular meeting.

j) Committee Self-Assessment

The Committee shall annually review, discuss, and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.

k) The External Auditors

The Committee requires that, in discharging its responsibilities, the external auditors shall report directly to the Committee and be accountable to the Committee. The external auditors shall report all material issues or potentially material issues directly to the Committee.

3. Operational Procedures

a) The Committee shall meet at least four times annually, or more frequently as circumstances dictate. Meetings shall be held at the request of the Chairman, upon the request of two (2) members of the Committee or at the request of the external auditors.

b) A quorum shall be a majority of the members.

c) Unless the Committee otherwise specifies, the Secretary of the Corporation shall act as Secretary of all meetings of the Committee.

d) In the absence of the Chairman of the Committee, the members shall appoint an acting Chairman.

e) Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee, and any other person required to attend, no later than one week prior to the meeting. Supporting papers shall be sent to committee members, and to other attendees as appropriate, at the same time.

f) The chairman will approve the agenda for committee meetings and any member may suggest items for consideration and preferably five days in advance of meeting dates.

g) A copy of the minutes of each meeting of the Committee shall be provided to each member of the Committee and to each director of the Corporation in a timely fashion.

h) Committee members may be reimbursed for travel and committee related expenses as well as receive a committee membership fee in accordance with the policies established by the Board of Directors for all committees.

4. Oversight of the Financial Statements and Public Accountability Reporting

To fulfill its responsibilities and duties, the Committee shall:

a) Review the Corporation's annual and quarterly financial statements, including Management's Discussion and Analysis with respect thereto, and all annual and interim earnings press releases, prior to public dissemination, including any certification, report, opinion or review rendered by the external auditors and determine whether they are complete and consistent with the information known to Committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

b) Receive from the external auditors reports on their audit of the annual financial statements.

c) Receive from management a copy of the representation letter provided to the external auditors and receive from management any additional representations required by the Committee.

d) Review and, if appropriate, recommend approval to the Board of news releases and reports to shareholders issued by the Corporation with respect to the Corporation's annual and quarterly financial statements and any financial information derived from such statements, including earnings.

e) Review and, if appropriate, recommend approval to the Board of prospectuses, material change disclosures of a financial nature, management discussion and analysis, annual information forms and similar disclosure documents to be issued by the Corporation.

f) Review with management and the external auditors the appropriateness of the Corporation's accounting policies, disclosures, reserves, key estimates, and judgments, including changes or variations thereto and obtain reasonable assurance that they are in compliance with IFRS and report thereon to the Board.

g) Review with management and the external auditors the degree of conservatism of the Corporation's underlying accounting policies, key estimates and judgments and reserves.

h) Ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure contained in the Corporation's financial statements, Management's Discussion and Analysis and annual and interim earnings press releases; and must periodically assess the adequacy of those procedures

5. Oversight of the Financial Statements and Public Accountability Reporting

To fulfill its responsibilities and duties, the Committee shall:

a) Review the Corporation's annual and quarterly financial statements, including Management's Discussion and Analysis with respect thereto, and all annual and interim earnings press releases, prior to public dissemination, including any certification, report, opinion or review rendered by the external auditors and determine whether they are complete and consistent with the information known to Committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

b) Receive from the external auditors reports on their audit of the annual financial statements.

c) Receive from management a copy of the representation letter provided to the external auditors and receive from management any additional representations required by the Committee.

d) Review and, if appropriate, recommend approval to the Board of news releases and reports to shareholders issued by the Corporation with respect to the Corporation's annual and quarterly financial statements and any financial information derived from such statements, including earnings.

e) Review and, if appropriate, recommend approval to the Board of prospectuses, material change disclosures of a financial nature, management discussion and analysis, annual information forms and similar disclosure documents to be issued by the Corporation.

f) Review with management and the external auditors the appropriateness of the Corporation's accounting policies, disclosures, reserves, key estimates, and judgments, including changes or variations thereto and obtain reasonable assurance that they are in compliance with IFRS and report thereon to the Board.

g) Review with management and the external auditors the degree of conservatism of the Corporation's underlying accounting policies, key estimates and judgments and reserves.

h) Ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure contained in the Corporation's financial statements, Management's Discussion and Analysis and annual and interim earnings press releases; and must periodically assess the adequacy of those procedures

6. Oversight of Risk Management activity

Acknowledging that it is the responsibility of the Board, in consultation with management, to identify the principal business risks facing the Corporation, determine the Corporation's tolerance for risk and approve risk management policies, the Committee shall focus on financial risk and gain reasonable assurance that financial risk is being effectively managed or controlled by:

a) Review with management the Corporation's risk profile and tolerance for financial & business risks.

b) Obtain from the CAE or equivalent an annual report on management's implementation and maintenance of an appropriate enterprise-wide risk management process.

c) Review with management its assessment of the significant financial risks facing the Corporation.

d) Reviewing with management its plans, processes, and programs to manage and control such risks.

e) Regularly evaluate the Corporation's policies, procedures, and practices with respect to enterprise risk assessment and risk management (including those risks related to information security, cyber security, and data protection).

f) Oversee management's arrangements for the prevention and deterrence of fraud.

g) Challenge management and internal and external auditors to ensure that the entity has appropriate anti-fraud programmes and controls in place to identify potential fraud and ensure that investigations are undertaken if fraud is detected.

h) Ascertain that the policies and procedures are in place to minimize environmental, occupational health and safety and other risks to asset value and mitigate damage to or deterioration of asset value and review such policies and procedures periodically.

i) Review policies and compliance therewith that require significant actual or potential liabilities, contingent or otherwise, to be reported to the Board in a timely fashion.

j) Review foreign currency, interest rate and commodity price risk mitigation strategies, including the use of derivative financial instruments.

k) Review the adequacy of insurance coverages maintained by the Corporation; and

l) Review regularly with management, the external auditors and the Corporation's legal counsel, any legal claim or other contingency, including tax assessments, that could have a material effect upon the financial position or operating results of the Corporation and the manner in which these matters have been disclosed in the financial statements.

7. Oversight of Compliance with Laws and Regulations

To fulfill its responsibilities and duties, the Committee shall:

a) Review regular reports from management and others (e.g., external auditors) with respect to the Corporation's compliance with laws and regulations having a material impact on the financial statements including:

i)Tax and financial reporting laws and regulations.

ii)Legal withholding requirements.

iii)Environmental protection laws and regulations; and

iv)Other laws and regulations which expose directors to liability.

b) Review reports with respect to occupational health and safety matters having a potential significant financial impact and to gain reasonable assurance annually that the Corporation's reserves with respect to such matters are sufficient and appropriate; and

c)Review the status of the Corporation's tax returns and, if applicable, those of its subsidiaries.

8. Relationship with External Auditors

To fulfill its responsibilities and duties, the Committee shall:

a) Recommend to the Board the nomination of the external auditors.

b) Recommend to the Board the remuneration of the external auditors and approve the terms of engagement of the external auditors as set forth in the auditors' engagement letter.

c) Be directly responsible for overseeing the work of the external auditors.

d) Review the performance of the external auditors annually or more frequently as required.

e) Receive annually from the external auditors an acknowledgement in writing that the shareholders, as represented by the Board and the Committee, are their primary client.

f) Receive a report annually from the external auditors with respect to their independence, such report to include disclosure of all engagements (and fees related thereto) for non audit services provided to the Corporation.

g) Review with the external auditors the scope of the audit, the areas of special emphasis to be addressed in the audit, the extent to which the external audit can be coordinated with management's activities and the materiality levels which the external auditors propose to employ.

h) Meet regularly with the external auditors in the absence of management to determine that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditors or the reporting of their findings to the Committee.

i) Establish effective communication processes with management and the Corporation's external auditors to assist the Committee to monitor objectively the quality and effectiveness of the relationship among the external auditors, management, and the Committee.

j) Resolve disagreements between management and the external auditors regarding financial reporting; and

k) Pre-approve all non-audit services to be provided to the Corporation by the external auditors and shall establish a pre-approval policy to do so.

9. Other Responsibilities

In addition to the above set out responsibilities, the Committee shall:

a) Periodically review the form, content, and level of detail of financial reports to the Board.

b) Approve annually the reasonableness of the expenses of the Chairman of the Board and the President and Chief Executive Officer.

c) After consultation with the Chief Financial Officer and the external auditors, gain reasonable assurance, at least annually, of the quality and sufficiency of the Corporation's accounting and financial personnel and other resources.

d) Review in advance the appointment of the Corporation's senior financial executives.

e) The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and

f) The Committee shall establish procedures for the receipt of confidential anonymous submission by employees of the Corporation of concerns regarding questionable accounting or audit matters.

g) The Committee shall also review and approve the Corporation’s hiring policies regarding partners, employees and former partners and employees of the present and former external auditors.

e) Investigate any matters that, in the Committee's discretion, fall within the Committee's duties; and

f) Perform such other functions as may from time to time be assigned to the Committee by the Board.

10. Accountability

To fulfill its responsibilities and duties, the Committee shall:

a) Review and update this Charter on a regular basis for approval by the Board.

b) From time to time, as requested by the Board, disclose its Mandate and this Charter in the Corporation's statement of corporate governance practices.

c) Review the description of the Committee's activities as set forth in the Corporation’s statement of corporate governance practices; and

d) Ensure adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements and periodically assess those procedures.

11. Limitations on Committee's Duties

In contributing to the Committee's discharging of its duties under this mandate, each member of the Committee shall be obliged only to exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this mandate is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject. The essence of the Committee's duties is monitoring and reviewing to gain reasonable assurance (but not to ensure) that the Fundamental Activities are being conducted effectively and that the Financial Reporting Objective is being met and to enable the Committee to report thereon to the Board.

Reviewed and approved by the Board of Directors on the 5th day of April 2023