

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This Prospectus constitutes a public offering of the securities only in those jurisdictions where they may be lawfully offered for sale and, in such jurisdictions, only by persons permitted to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws. Accordingly, the securities may not be offered or sold within the United States, or to or for the account or benefit of a “U.S. person” as defined in Regulation S under the U.S. Securities Act, unless an exemption from such registration is available. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities within the United States or to any “U.S. person”. See “Plan of Distribution”.

PROSPECTUS

Initial Public Offering

September 16, 2019



Evergold Corp.

Minimum Public Offering of 13,304,370 Offered Units for Gross Proceeds of \$2,660,874

Maximum Public Offering of 15,000,000 Offered Units for Gross Proceeds of \$3,000,000

This Prospectus qualifies the distribution (the “**Offering**”) of a minimum of 13,304,370 units (the “**Offered Units**”) of Evergold Corp. (“**Evergold**” or the “**Company**”) at a price of \$0.20 per Offered Unit (the “**Offering Price**”) for gross proceeds of \$2,660,874 (the “**Minimum Offering**”) and a maximum of 15,000,000 Offered Units at the Offering Price for gross proceeds of \$3,000,000 (the “**Maximum Offering**”), assuming no exercise of the Over-Allotment Option (as defined herein). Each Offered Unit consists of one (1) common share in the capital of the Company (each, a “**Unit Share**”) and one-half (1/2) of one common share purchase warrant (each whole common share purchase warrant, a “**Unit Warrant**”). Each Unit Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one common share in the capital of the Company (each, a “**Unit Warrant Share**”) at an exercise price of \$0.25 for a period of twenty-four (24) months from the date of closing of the Offering (the “**Unit Warrant Term**”). The Unit Warrants will be governed by a warrant indenture (the “**Warrant Indenture**”) to be entered into on or before the Closing Date (as defined herein) between the Company and Capital Transfer Agency ULC, as warrant agent (the “**Warrant Agent**”).

The Offered Units are issued pursuant to an agency agreement dated September 16, 2019 (the “**Agency Agreement**”) between the Company and Leede Jones Gable Inc. (the “**Agent**”). The Offering Price was determined by negotiations between the Company and the Agent. See “Plan of Distribution”.

An investment in the Offered Units is subject to various risks that should be considered by prospective subscribers including those risks inherent to the industry in which the Company operates. Prospective subscribers should carefully consider the risks described under the heading “Risk Factors” in this Prospectus before deciding whether to invest in any Offered Units.

Rosie C. Moore is a director of the Company who resides outside of Canada and has appointed the Company at its head office set forth below as her agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the person has appointed an agent for service of process.

The registered head office of the Company is 18 King Street East, Suite 902, Toronto, Ontario M5C 1C4 and the field office of the Company is 729 Okanagan Ave. N., Penticton, British Columbia V2A 3K7.

Price: \$0.20 per Unit

	Price to the Public ⁽¹⁾	Agent's Fee ⁽³⁾	Net Proceeds to the Company ⁽⁵⁾
Per Unit	\$0.20	\$0.014	\$0.186
Minimum Offering ⁽²⁾⁽⁶⁾	\$2,660,874	\$186,261	\$2,474,613
Maximum Offering ⁽³⁾⁽⁴⁾⁽⁶⁾	\$3,000,000	\$210,000	\$2,790,000

Notes:

- (1) The Company established the sale price of the Offered Units to the public and the commission to the Agent through negotiation with the Agent. See "Plan of Distribution".
- (2) The minimum number of Offered Units for the Company to achieve the purposes of the Offering is 13,304,370 Offered Units for gross proceeds of \$2,660,874 (referred to in this Prospectus as the "**Minimum Offering**"). The purposes of the Offering for the Company include commencing Phase I work programs on the Snoball and Golden Lion Properties and listing Common Shares on the TSX-V.
- (3) Assumes the Maximum Offering, but not including any Over-Allotment Units (as defined herein) issued and sold pursuant to the exercise of the Over-Allotment Option.
- (4) In consideration of the services rendered by the Agent in connection with the Offering, the Company has agreed to pay the Agent a cash commission (the "**Agent's Fee**") equal to 7.0% of the gross proceeds from the Offering (including any proceeds received pursuant to the exercise of the Over-Allotment Option). In addition, the Agent will also receive non-transferable broker warrants (the "**Broker Warrants**") entitling the Agent to purchase that number of Common Shares (as defined herein) (the "**Broker Shares**") that is equal to 7.0% of the number of Offered Units issued and sold under the Offering, including any Over-Allotment Units (as defined herein) issued and sold pursuant to the exercise of the Over-Allotment Option. Each Broker Warrant entitles the holder thereof to purchase one Broker Share at a price equal to the Offering Price until the date that is twenty-four (24) months after the Closing Date (as defined herein). This Prospectus also qualifies the issuance of the Broker Warrants, including the issuance of any Broker Shares issued pursuant to the exercise of the Over-Allotment Option. The Company has also agreed to pay the Agent a non-refundable corporate finance fee of \$25,000 as additional consideration for the services rendered by the Agent in connection with the Offering. As of the date hereof, the Company has already paid \$12,500 of the non-refundable corporate finance fee. See "Plan of Distribution".
- (5) After deducting the Agent's Fee, but before deducting expenses of the Offering (including the preparation and filing of this Prospectus which are estimated to be \$280,000 and which will be paid by the Company from the proceeds of the Offering). See "Use of Proceeds".
- (6) The Offering will not continue for a period of more than 90 days after the date of the receipt for the final prospectus in respect of the Offering, unless an amendment to the final prospectus is filed and a receipt obtained therefor by the Company in accordance with applicable securities laws, provided that the total period of distribution under the Offering shall not exceed 180 days from the date of the receipt for the final prospectus.

The Company has granted to the Agent an option (the "**Over-Allotment Option**"), exercisable in whole or in part at any time up to the Closing Date, to arrange for the purchase and sale of up to \$450,000 additional Offered Units (the "**Over-Allotment Units**") on the same terms as set forth herein, to cover over-allotments, if any, and for market stabilization purposes. References to Offered Units in this Prospectus include the Over-Allotment Units, unless otherwise noted or the context precludes such inclusion. If the Over-Allotment Option is exercised in full, the total "Price to the Public", "Agent's Fee" and "Net Proceeds to the Company" will be \$3,450,000, \$241,500 and \$3,208,500, respectively. The grant of the Over-Allotment Option and the

distribution of the Over-Allotment Units issuable on the exercise of the Over-Allotment Option are qualified for distribution under this Prospectus. A purchaser who acquires Over-Allotment Units forming part of the Agent's Over-Allotment Option acquires those securities under this prospectus, regardless of whether the Over-Allotment Option is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "*Plan of Distribution*".

The Offering is not underwritten or guaranteed by any person or agent. The Agent has agreed to conditionally offer the Common Shares to the public in the Provinces of British Columbia, Alberta and Ontario (the "**Offering Jurisdictions**") on a commercially reasonable efforts basis, subject to prior sale, if, as and when issued by the Company and accepted by the Agent in accordance with the conditions contained in the Agency Agreement referred to under "*Plan of Distribution*", subject to the approval of all legal matters on behalf of the Company by Peterson McVicar LLP and on the behalf of the Agent by Harper Grey LLP. Subscriptions for Offered Units will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books at any time without notice.

The following table sets out the number of securities that may be issued by the Company to the Agent:

Securities	Maximum Number of Securities ⁽¹⁾	Exercise Period	Exercise price
Broker Warrants ⁽²⁾	1,207,500	Up to twenty-four months from the Closing Date	\$0.20 per Broker Warrant
Over-Allotment Option	2,250,000	Up to the Closing Date	\$0.20 per Over-Allotment Unit

Note:

- (1) Assumes completion of the Maximum Offering and the exercise of the Over-Allotment Option in full, for gross proceeds of \$3,450,000 and the issuance of 17,250,000 Offered Units. Pursuant to the Agency Agreement the Agent would therefore be issued $17,250,000 \times 0.07 = 1,207,500$ Broker Warrants.
- (2) This Prospectus qualifies the Common Shares underlying the Broker Warrants and the Common Shares and Warrants underlying the Over-Allotment Unit granted to the Agent. See "*Plan of Distribution*".

All references to the "**Offering**" shall include the Over-Allotment Option and all references to "**Offered Units**", "**Unit Shares**", "**Unit Warrants**", "**Unit Warrant Shares**", "**Broker Warrants**" and "**Broker Shares**" in this Prospectus include the additional securities that may be issued pursuant to the exercise of the Over-Allotment Option.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

The Company has applied to list its Common Shares on the TSX Venture Exchange (the "TSX-V"). This includes the Unit Shares, the Warrant Shares and the Broker Shares. TSX-V has conditionally approved the listing of these securities. Listing is subject to Evergold fulfilling all the initial listing requirements of the TSX Venture Exchange, including distribution of the Unit Shares to a minimum number of public holders. See "*Plan of Distribution*".

The securities of the Company should be regarded as highly speculative, due to the nature of the Company's business and its formative stage of development. An investment in the securities of the Company should only be made by persons who can afford a significant or total loss of their investment.

The Company is engaged in mineral exploration and development, the success of which cannot be assured. The Company has no history of earnings. The Company has no present intention to pay any dividends on its Common Shares. Subscribers must rely upon the ability, expertise, judgment, discretion, integrity and good faith of the management of the Company. See “Risk Factors”.

Provided that the Offering is subscribed for, it is expected that the completion of the sale of Offered Units pursuant to the Offering (the “**Closing**”) will take place on such date or dates as the Agent and the Company may mutually agree upon. The Offering will not continue for a period of more than 90 days after the date of the receipt for the (final) prospectus in respect of the Offering, unless an amendment to the (final) prospectus is filed and a receipt obtained therefor by the Company in accordance with applicable securities laws, provided that the total period of distribution under the Offering shall not exceed 180 days from the date of the receipt for the (final) prospectus. Except as may be otherwise agreed by the Company and the Agent, it is expected that the Unit Shares and Unit Warrants to be issued to purchasers pursuant to the Offering will be issued in registered form to CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee and will be deposited with CDS on the Closing Date. Purchasers of Offered Units registered in the name of CDS or its nominee will receive only a customer confirmation from the registered dealer, who is a CDS participant, through which the Offered Units are purchased. See “Plan of Distribution”.

The Company is neither a “connected issuer” nor a “related issuer” of the Agent as defined in National Instrument 33-105 - *Underwriting Conflicts*.

There is no market through which the Unit Shares and/or Unit Warrants may be sold, and purchasers may not be able to resell Unit Shares purchased under this Prospectus. This may affect the pricing of the Unit Shares and/or Unit Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares and the extent of issuer regulation. See “Risk Factors”.

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GLOSSARY

In this Prospectus, unless the context otherwise requires, the following words and phrases shall have the meanings set forth below:

“Agency Agreement” means the agency agreement dated September 16, 2019, with respect to the Offering between the Company and the Agent, as more particularly described under the heading “Plan of Distribution”;

“Agent” means Leede Jones Gable Inc.;

“Agent’s Commission” means the total compensation paid to the Agent pursuant to this Offering, including the Agent’s Fee and the Broker Warrants;

“Agent’s Fee” means the Agent’s cash commission in connection with the Offering, comprised of 7.0% of the gross amount raised pursuant to the Offering;

“Annual MD&A” means management’s discussion and analysis of the Company for the year ended December 31, 2018;

“Articles” means the Articles of Incorporation of the Company dated October 30, 2015;

“Audit Committee” means the Audit Committee of the Board;

“Board” means the board of directors of the Company;

“Broker Shares” means the Common Shares issued upon exercise of the Broker Warrants in accordance with their terms;

“Broker Warrants” means the Common Share purchase warrants entitling the Agent to purchase that number of Broker Shares that is equal to 7.0% of the total number of Offered Units issued under the Offering, being 1,050,000 Broker Shares under the under the Maximum Offering. Each Broker Warrant entitles the holder to purchase one Broker Share at the Offering Price for a term of twenty-four (24) months following the Closing Date;

“CDS” means the CDS Clearing and Depository Services Inc.;

“CEO” means the Chief Executive Officer of the Company at any given time;

“Closing Date” means the actual date of the completion of the Offering, expected to be on or about October 1, 2019, subject to postponement, as the Agent and the Company may agree, to on or before a date that is not later than 90 days after the date of the receipt for this Prospectus;

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

“Compensation Committee” means the Company’s compensation committee of the Board;

“Company” or **“Evergold”** means Evergold Corp., a company incorporated under the laws of Ontario;

“Contracting Agreement” means the contracting agreement between the Company and C.J. Greig & Associates Ltd. dated June 6, 2019 whereby C.J. Greig & Associates Ltd. will provide exploration services

to the Company. Under the Contracting Agreement, C.J. Greig & Associates Ltd. will also provide the services of Andrew Mitchell, who will act as the Company's Vice President, Exploration.

"C.J. Greig" means C.J. Greig Holdings Ltd., a company incorporated under the laws of British Columbia and which holds a 0.5% NSR royalty on each of the Company's properties in the event of production;

"DPSP" means a deferred profit-sharing plan within the meaning of the Tax Act;

"Escrow Agent" means Capital Transfer Agency, ULC. in its capacity as escrow Agent under the Escrow Agreement;

"Escrow Agreement" means the agreement dated on or about October 1, 2019, among the Escrow Agent, the Company and certain shareholders of the Company with respect to 6,688,300 Common Shares and 2,047,075 Warrants being deposited into escrow in connection with the Offering;

"Golden Lion Property" means the property generally known as "Golden Lion Property", consisting of 5,099.52 hectares located in the Toodoggone region of north-central British Columbia, north of the Kemess and Lawyers (Cheni) deposits;

"Golden Lion Technical Report" means the report entitled "*NI 43-101 Technical Report on the Golden Lion Property*", with an effective date of May 27, 2019 and an amended and restated date of August 12, 2019, prepared for Evergold by David W. Tupper, P.Geo;

"IFRS" means the International Financial Reporting Standards as issued by the International Accounting Standards Board and the interpretations thereof by the International Financial Reporting Interpretations Committee and the former Standing Interpretations Committee;

"IP" means induced polarization;

"Material Claims" means the Snoball Property and the Golden Lion Property;

"Maximum Offering" means the distribution pursuant to the Offering of 15,000,000 Offered Units at the Offering Price for gross proceeds of \$3,000,000;

"Mineral Property Acquisition Agreement" has the meaning ascribed to such term under "*General Development and Business of the Company – General Development of the Company – Significant Acquisitions*";

"Minimum Offering" means the distribution pursuant to the Offering of 13,304,370 Offered Units at the Offering Price for gross proceeds of \$2,660,874;

"Ministry" means the BC Government, Ministry of Energy, Mines and Petroleum Resources;

"MYAB" means Multi-Year Area-Based exploration permit issued by the BC Government, Ministry of Energy, Mines and Petroleum Resources;

"NEO" means a named executive officer of the Company, as defined in the Canadian Securities Administrators' Form 51-102F6 - *Statement of Executive Compensation*;

"NI 43-101" means the Canadian Securities Administrators' National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*;

“NI 52-102” means National Instrument 52-102 – *Continuous Disclosure Obligations*;

“NI 52-110” means the Canadian Securities Administrators’ National Instrument 52-110 - *Audit Committees*;

“NI 58-101” means the Canadian Securities Administrators’ National Instrument 58-101 - *Disclosure of Corporate Governance Practices*;

“Nominating Committee” means the Company’s governance and nominating committee of the Board;

“NSR” means a net smelter returns;

“OBCA” means the *Business Corporations Act* (Ontario), as amended from time to time, and the regulations thereunder;

“Offered Unit” has the meaning ascribed to such term on the cover page of this Prospectus;

“Offering” means the distribution of a maximum of 15,000,000 Offered Units at the Offering Price for gross proceeds of \$3,000,000, including the distribution of the Broker Warrants and the grant of the Over-Allotment Option, if applicable, pursuant to this Prospectus or any amendment hereto;

“Offering Price” means \$0.20 per Unit, the price at which Offered Units are being offered for sale under this Prospectus;

“Options” means options to purchase Common Shares pursuant to the Plan;

“Order” has the meaning ascribed to such term under “*Directors and Executive Officers – Cease Trade Orders, Bankruptcies, Penalties or Sanctions*”.

“Other Mineral Properties” means the Holy Cross property, 1,872 hectares located in central British Columbia, west of Prince George and the Spanish Lake property, 1,573 hectares located in the Cariboo gold camp of south-central British Columbia, east of Williams Lake;

“Over-Allotment Deadline” means the Closing Date, which is the deadline for the Agent to exercise to Over-Allotment Option;

“Over-Allotment Option” means the option granted by the Company to the Agent to offer for sale the Over-Allotment Units up until the Closing Date on the same terms and conditions as the Offering. The number of Over-Allotment Units issuable upon exercise of the Over-Allotment Option is up to 15.0% of the number of Offered Units sold pursuant to the Offering (up to 2,250,000 Over-Allotment Units under the Maximum Offering);

“Over-Allotment Units” means the Offered Units issuable pursuant to the exercise of the Over-Allotment Option, the number of which shall be equal to 15.0% of the number of Offered Units sold pursuant to the Offering;

“Plan” means the Company’s incentive stock option plan approved by shareholders of the Company on July 8, 2019;

“Prospectus” means this (final) prospectus of the Company dated September 16, 2019;

“Purchased Properties” means collectively the Snoball Property, the Golden Lion Property, the Holy Cross property, and the Spanish Lake property;

“Qualified Person” means David W. Tupper, B.Sc., P.Geo and author of the Snoball Technical Report and the Golden Lion Technical Report;

“Qualifying Jurisdictions” means the securities regulatory authorities in British Columbia, Alberta and Ontario;

“RDSP” means a registered disability savings plan within the meaning of the Tax Act;

“Registered Account” means, any one of a RRSP, RESP, RRIF, RDSP, DPSP, or TFSA, all within the meaning of the Tax Act;

“RESP” means a registered education savings plan within the meaning of the Tax Act;

“Royalty” means the 0.5% NSR royalty granted C.J. Greig Holdings Ltd. Under the Mineral Property Acquisition Agreement on all minerals mined from the Purchased Properties, including within a 3-kilometre area of interest, upon “Commencement of Commercial Production” (as defined therein);

“RRIF” means a registered retirement income fund within the meaning of the Tax Act;

“RRSP” means a registered retirement savings plan within the meaning of the Tax Act;

“SEDAR” means the System for Electronic Document Analysis and Retrieval;

“Seed Shares” means the Common Shares of the Company issued prior to the Offering;

“Snoball Property” means the property generally known as the “Snoball Property”, consisting of 3,545.12 hectares and located in northwestern British Columbia’s Golden Triangle region, north of Bob Quinn Lake and approximately 12 kilometres from Highway 37.

“Snoball Technical Report” means the report entitled “*NI 43-101 Technical Report on the Snoball Property*”, with an effective date of May 23, 2019 and an amended and restated date of August 8, 2019, prepared for Evergold by David. W. Tupper, P.Geo;

“Tax Act” means the *Income Tax Act* (Canada) and the regulations thereunder;

“TFSA” means a tax-free savings account within the meaning of the Tax Act;

“Transfer Agent” means Capital Transfer Agency in its capacity as registrar and transfer agent of the Common Shares;

“TSX-V” or the **“Exchange”** means the TSX Venture Exchange;

“U.S. dollars” or **“US\$”** means the currency of the United States;

“U.S. Securities Act” means the *United States Securities Act of 1933*, as amended; and

“Unit” means a unit that consisted of one Common Share and one-half of one Warrant and that was issued by the Company to subscribers pursuant to a private placement, which closed on July 13, 2017;

“**Unit Share**” has the meaning ascribed to such term on the cover page of this Prospectus;

“**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

“**Unit Warrant**” means a Common Share purchase warrant entitling the holder thereof to purchase a Common Share at a price of \$0.25 for a period of twenty-four months (24) months following the Closing Date;

“**Unit Warrant Share**” has the meaning ascribed to such term on the cover page of this Prospectus;

“**Unit Warrant Term**” has the meaning ascribed to such term on the cover page of this Prospectus;

“**Warrant**” means Common Share purchase warrant of the Company;

“**Warrant Agent**” has the meaning ascribed to such term on the cover page of this Prospectus;

“**Warrant Indenture**” means the warrant indenture to be entered into between the Company and the Warrant Agent on the Closing Date; and

“**Whistleblower Policy**” means the Whistleblower Policy of the Company adopted by the Board on July 8, 2019.

ABBREVIATIONS

Unless the context otherwise requires, technical terms or abbreviations not otherwise defined in this Prospectus have the following meanings when used in this Prospectus:

Abbreviation	Description	Abbreviation	Description
AA	atomic absorption	li	limonite
Ag	silver	m	metre
ASL	above sea level	m ²	square metre
As, aspy	Arsenic, arsenopyrite	m ³	cubic metre
Au	gold	Ma	million years ago
AuEQ	gold equivalent grade	mg	magnetite
AgEQ	silver equivalent grade	mm	millimetre
Az	azimuth	mm ²	square millimetre
Bi	bismuth	Moz	million troy ounces
b.y.	billion years	ser	sericite
C\$ or \$	Canadian dollar	Mt	million tonnes
ca	calcite	mu	muscovite
cl	chlorite	m.y.	million years
cm	centimetre	NI 43-101	National Instrument 43-101
cm ²	square centimetre	opt	ounces per short ton
cp	chalcopyrite	oz	troy ounce (31.1035 grams)
Cu	copper	Pb	lead
cy	clay	pf	plagioclase feldspar
°C	degree Celsius	po	pyrrhotite
°F	degree Fahrenheit	ppb	parts per billion
DDH	diamond drill hole	ppm	parts per million
ep	epidote	py	pyrite

ft	feet	QA	Quality Assurance
ft ²	square feet	QC	Quality Control
ft ³	cubic feet	qz	quartz
g	gram	RQD	rock quality description
gl	galena	Sb	antimony
go	goethite	SEDAR	System for Electronic Document Analysis & Retrieval
GPS	Global Positioning System	SG	specific gravity
gpt, g/t	grams per tonne	sph	sphalerite
ha	hectare	t	tonne (1,000 kg or 2,204.6 lbs)
Hg	mercury	Te	Tellurium
hm	hematite	to	tourmaline
ICP	inductively coupled plasma	ton	short ton (2,000 pounds)
kf	potassium feldspar	um	micron
kg	kilogram	US\$	United States dollar
km	kilometre	VMS	Volcanogenic massive sulphide
km ²	square kilometre	Zn	zinc

CURRENCY

Unless otherwise indicated, all references to “\$” or “dollars” in this Prospectus refer to Canadian dollars. The Offering Price is in Canadian dollars.

NON-IFRS MEASURES

Financial results of the Company are prepared in accordance with IFRS. The Company utilizes certain non-IFRS measures such as working capital. The Company believes that these measures, together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Working Capital

Working capital is determined based on current assets and current liabilities as reported in the Company’s consolidated financial statements. The Company uses working capital as a measure of the Company’s short-term financial health and operating efficiency. The following table provides a calculation of working capital based on amounts presented in the Company’s auditor reviewed three month ended June 30, 2019 interim financial statements and annual financial statements as at December 31, 2018 and December 31, 2017.

	June 30, 2019	December 31, 2018	December 31, 2017
Current Assets	\$98,904	\$339,030	\$421,470
Less: Current Liabilities	\$94,420	\$52,645	\$693
Working Capital	\$4,484	\$286,385	\$420,777

ELIGIBILITY FOR INVESTMENT

In the opinion of Peterson McVicar LLP, counsel to the Company, the Unit Shares, Unit Warrants and Unit Warrant Shares, if issued on the date hereof, would be qualified investments under the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (the “**Tax Act**”), for trusts governed by Registered Accounts or a RDSPs, provided that:

- (i) In the case of the Unit Shares and Unit Warrant Shares, such shares are listed on a “designated stock exchange” for the purposes of the Tax Act (which currently includes the TSX-V) or the Company qualifies as a “public corporation” (as defined in the Tax Act); and
- (ii) In the case of the Unit Warrants, the Unit Warrant Shares are qualified investments as described in (i) above and the Company is not, and deals at arm’s length with each person who is, an annuitant, a beneficiary, an employer or a subscriber under or a holder of such Registered Account or DPSP.

Notwithstanding the foregoing, the holder of, subscriber or annuitant under, a Registered Account (the “**Controlling Individual**”) will be subject to a penalty tax in respect of Unit Shares or Unit Warrant Shares acquired by the Registered Account if such securities are a prohibited investment for the particular Registered Account. A Unit Share or Unit Warrant Share generally will be a “prohibited investment” for a Registered Account if the Controlling Individual does not deal at arm’s length with the Company for the purposes of the Tax Act or the Controlling Individual has a “significant interest” (as defined in subsection 207.01(4) of the Tax Act) in the Company. In addition, the Unit Shares and Unit Warrant Shares will not be a prohibited investment if such securities are “excluded property” (as defined in the Tax Act for purposes of the prohibited investment rules) for a Registered Account.

Prospective purchasers who intend to invest through a Registered Plan should consult their own tax advisors with respect to whether Unit Shares or Unit Warrant Shares would be prohibited investments having regard to their particular circumstances.

TECHNICAL INFORMATION

Except as otherwise disclosed, scientific and technical information relating to the Snoball Property contained in this Prospectus is derived from, and in some instances is a direct extract from, and based on the assumptions, qualifications and procedures set out in, the technical report entitled “*NI 43-101 Technical Report on the Snoball Property*” prepared by David W. Tupper, P.Geo., with an effective date of May 23, 2019 and an amended and restated date of August 8, 2019 (the “**Snoball Technical Report**”).

Except as otherwise disclosed, scientific and technical information relating to the Golden Lion Property contained in this Prospectus is derived from, and in some instances is a direct extract from, and based on the assumptions, qualifications and procedures set out in the technical report entitled “*NI 43-101 Technical Report on the Golden Lion Property*” prepared by David W. Tupper, P.Geo., with an effective date of May 27, 2019 and an amended and restated date of August 12, 2019 (the “**Golden Lion Technical Report**”).

David W. Tupper, P.Geo, reviewed and approved the scientific and technical information relating to the Snoball Property and the Golden Lion Property contained in this Prospectus and is a “qualified person” and “independent” of the Company within the meanings of NI 43-101.

Reference should be made to the full text of the Snoball Property and Golden Lion Technical Reports which have been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under the Company’s profile on SEDAR at www.sedar.com.

MARKETING MATERIALS

Any “template version” of any “marketing materials” (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements*) that are utilized by the Agent in connection with the Offering will be incorporated by reference into the (final) prospectus to which this Prospectus relates. However, any such “template version” of “market materials” will not form part of the (final) prospectus to the extent that the contents of the “template version” of the “marketing materials” are modified or superseded by a statement contained in the (final) prospectus. Any “template version” of “marketing materials” filed under the Company’s profile on SEDAR after the date of the (final) prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any “template version” of any “marketing materials”) will be deemed to be incorporated into the (final) prospectus.

SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus contains forward-looking statements and forward-looking information within the meaning of applicable securities laws (collectively referred to herein as “**forward-looking information**”). This forward-looking information includes, or may be based upon, estimates, forecasts, and statements as to management’s expectations with respect to, among other things, the completion of the Offering, the use of proceeds of the Offering, the exploration potential of the Snoball Property and the Golden Lion Property, the actual cost of the recommended exploration program in respect of the Material Claims, the actual cost of the Company’s general and administrative expenses, the ability of the Company to raise additional funding if necessary, the timeframe for completion of the Phase I exploration on the Material Claims, the ability to receive necessary permits from the Ministry to conduct exploration activities, and the exercise of Warrants or other convertible securities of the Company. Wherever possible, words such as “anticipate”, “believe”, “expect”, “intend” and similar expressions have been used to identify such forward-looking information. Forward-looking information is based on the opinions and estimates of management at the date the

information is given and is based on information available to management at such time. Forward-looking information involves significant risk, uncertainties, assumptions and other factors that could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These other factors, which should be considered carefully, include but are not limited to, those factors discussed herein under “Risk Factors”, including the inherent risks involved in the exploration of mineral properties, the uncertainties involved in interpreting drill results and other geological data, fluctuating mineral resource prices, the possibility of project cost overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors. Assumptions used to develop the forward-looking information contained in this Prospectus include, among other things, the level of exploration potential of the Snoball Property and the Golden Lion Property, the accuracy of the estimated cost of the recommended exploration programs in respect of the Material Claims, the accuracy of the estimated cost of the Company’s general and administrative expenses, the ability for the Company to receive the necessary permits from the Ministry to conduct exploration activities, the ability of the Company to raise additional funding if necessary, and the accuracy of the estimated time frame for completion of the Phase I exploration programs on the Material Claims. Prospective investors should not place undue reliance on any forward-looking information. Although the forward-looking information contained in this Prospectus is based upon what management believes, or believed at the time, to be reasonable assumptions, the Company cannot assure prospective purchasers that actual results will be consistent with such forward-looking information as there may be other factors that cause results not to be as anticipated, estimated or intended and neither the Company nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. The Company does not undertake to and assumes no obligation to update or revise any such forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of the Offering and is qualified in its entirety by, and should be read together with, the more detailed information, financial data and statements and MD&A contained elsewhere in this Prospectus. This summary does not contain all of the information a potential investor should consider before investing in the Offered Units. Please refer to the “Glossary” for a list of defined terms used herein.

The Company: Evergold Corp. See “*Corporate Structure*”.

Business of the Company: The Company is a mineral exploration corporation focused on the acquisition, exploration, and development of properties for the mining of gold and other minerals. The Company currently holds a 100% interest in the Snoball Property and the Golden Lion Property, which are considered its material mineral properties (the “**Material Claims**”). The Company also controls other properties at earlier stages of development: the Holy Cross property in central British Columbia west of Prince George (the “**Holy Cross Property**”) and the Spanish Lake property located in south-central British Columbia, east of Williams Lake (the “**Spanish Lake Property**”) (together, the “**Other Mineral Properties**”). Each of the Material Claims and Other Mineral Properties are subject to a 0.5% NSR royalty upon the commencement of production at any of the properties. See “*Business of the Company*”, “*Snoball Property*”, “*Golden Lion Property*”, and “*Other Mineral Properties*”.

The Offering: The Offering consists of a minimum of 13,304,370 Offered Units at a price of \$0.20 per Offered Unit for gross proceeds of \$2,660,874 and a maximum of 15,000,000 Offered Units at a price of \$0.20 per Offered Unit for gross proceeds of \$3,000,000. The Company has granted the Agent an Over-Allotment Option to offer for sale the Over-Allotment Units. The Over-Allotment Option is exercisable for a period up to the Closing Date on the same terms and conditions as the Offering. The number of Over-Allotment Units issuable upon exercise of the Over-Allotment Option is equal to 15% of the number of Offered Units sold pursuant to the Offering at a price of \$0.20 per Offered Unit. This Prospectus also qualifies the grant of the Over-Allotment Option, and the distribution of Over-Allotment Units issued upon the exercise thereof. See “*Plan of Distribution*”.

Closing: It is expected that the completion of the Offering will be on or about October 1, 2019, subject to postponement, as the Agent and the Company may agree, to no later than 90 days after the date of the receipt for this Prospectus. See “*Plan of Distribution*”.

Agent’s Fee: Pursuant to the terms and conditions of the Agency Agreement, the Company has agreed to pay the Agent a commission equal to 7% of the gross proceeds of those Offered Units sold pursuant to the Offering (the “**Agent’s Fee**”).

Broker Warrants: The Company has granted to the Agent the Broker Warrants, exercisable to acquire at the Offering Price that number of Common Shares that is equal to 7% of the aggregate number of Offered Units sold under the Offering, for a period of 24 months following the Closing Date. See “*Plan of Distribution*”.

Over-Allotment Options:

The Company has granted the Agent an Over-Allotment Option, exercisable in whole or in part at the sole discretion of the Agent, on or before the Over-Allotment Deadline, to offer the Over-Allotment Units for sale to the public in an amount equal to a further 15% of the base Offering at a price per Over-Allotment Unit equal to the Offering Price, to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised to acquire up to an additional 1,875,000 to 2,250,000 Over-Allotment Units at the Offering Price. See “*Plan of Distribution*”.

Use of Proceeds:

Assuming the Minimum Offering for gross proceeds of \$2,660,874, after deduction of the 7% Agent’s Fee (\$186,261) and estimated expenses of the Offering (\$280,000) totalling a combined \$466,261, the Company anticipates that it will receive net proceeds of approximately \$2,194,613. Assuming the Maximum Offering for gross proceeds of \$3,000,000 and no exercise of the Over-Allotment Option, after deduction of the 7% Agent’s Fee (\$210,000) and estimated expenses of the Offering (\$280,000) totalling a combined \$490,000, the Company anticipates that it will receive net proceeds of approximately \$2,510,000. Upon completion of the Offering the Company intends to use the funds available to it to complete Phase I exploration programs on both the Snoball Property and the Golden Lion Property as recommended pursuant to the Snoball Technical Report and the Golden Lion Technical Report, and for general working capital purposes. The Phase I exploration program for the Golden Lion Property remains subject to the Company receiving the requisite MYAB permit from the Ministry. If the Company does not receive the MYAB permit in due course for the Golden Lion Property, the Company will re-allocate funds from the Phase I exploration program for the Golden Lion Property to preliminary exploration activities on the Holy Cross and Spanish Lake Properties. The Company cannot guarantee issuance of the MYAB permit for the Golden Lion Property.

The Company intends to conduct IP surveys on the Holy Cross and Spanish Lake Properties if the Ministry does not issue a MYAB permit for Golden Lion within a reasonable timeframe. Prior to commencing any IP surveys on the Holy Cross or Spanish Lake Properties, the Company must receive a single-use permit issued by the Ministry under the *Mines Act* (British Columbia) authorizing those surveys. The Company does not currently possess the necessary permits to conduct IP surveys on either the Holy Cross or Spanish Lake Properties and no application has been made. If the Company undertakes contingent activities on the Holy Cross and Spanish Lake Properties and cannot obtain the required permits within a satisfactory timeframe, the Company will focus on activities that do not require a permit issued under the *Mines Act* (British Columbia), such as soil and rock sampling, geological mapping and airborne geophysical surveying. The Company cannot guarantee issuance of the requisite permits for the Spanish Lake and Holy Cross Properties. For a more detailed discussion on the Company’s proposed expenditures, see “*Use of Proceeds*”, “*Description of the Business – Snoball Project – Recommendations and Budget*”, “*General Development and Business of the Company – Business of the Company – Permits*”, “*Description of the Business – Golden Lion Project – Recommendations and Budget*”, “*Material Properties – Other Properties – Holy Cross Property*”, “*Material Properties – Other Properties – Spanish Lake Property*”, and “*Risk Factors – First Nations*”.

Use of Proceeds	Minimum Offering	Maximum Offering
Completion of Phase 1 of the work program recommended pursuant to the Snoball Technical Report	\$694,500	\$694,500
Completion of Phase 1 of the work program recommended pursuant to the Golden Lion Technical Report	\$912,500	\$912,500
Maintenance Payments for the Spanish Lake Property	\$10,447	\$10,447
Maintenance Payments for the Holy Cross Property	\$27,912	\$27,912
General and Administrative Costs (12 months)	\$409,000	\$409,000
Working capital deficit as at July 31, 2019	(\$53,628)	(\$53,628)
Unallocated Working Capital	\$86,626	\$402,013
Total	\$2,194,613	\$2,510,000

The above-noted allocation represents the Company's intention with respect to its use of proceeds based on current knowledge and planning by management of the Company. There may be circumstances where business reasons will necessitate a reallocation of funds. See "*Use of Proceeds*".

If the Over-Allotment Option granted to the Agent is exercised in full, the Company expects to receive additional aggregate net proceeds of \$418,500, after deducting the Agent's Fee. These additional proceeds will be allocated for general working capital purposes.

Risk Factors:

Evergold is a mineral exploration and development company and as such is subject to a number of significant risks due to the nature of its business. See "*Risk Factors*" for a detailed discussion of certain factors investors should carefully consider before deciding to invest in the Offered Units. An investment in the Offered Units should be considered highly speculative and involves significant risk due to the nature of the business in which the Company is engaged and the stage of exploration and development of the Company's mineral properties, among other factors. An investment should only be considered by investors who can afford the total loss of their investment. A prospective investor in the Offered Units should be aware that there are various risks that could have a material adverse effect on, among other things, the properties, business and condition (financial or otherwise) of the Company. These risk factors, which are listed below and discussed in more detail under "*Risk Factors*", together with all of the other information contained in this Prospectus, including information contained in the section entitled "*Special Note Regarding Forward-Looking Information*", should be carefully reviewed and

considered before an investment in the Offered Units is made. The risks related to the Company include, without limitation:

- *limited operating history risks:* the Company is an early stage company and the Snoball Property and Golden Lion Property are exploration stage properties. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise;
- *lack of operating cash flow risk:* the Company currently has no source of operating cash flow and will continue to remain cash flow negative for the foreseeable future;
- *loss-making business risks:* the Company is not self-sustaining, has neither revenues nor profits, is loss-making, and is likely to remain so indefinitely. As such the Company is entirely dependent upon the periodic raising of debt or equity financing from investors to fund its operations. If it cannot do so it may go out of business;
- *geological risks:* the rocks and minerals of the Earth and the manner in which they have been deposited, structured, altered and moved in three dimensions is exceedingly complex, and the process of finding and evaluating new mineral deposits similarly so. Very few exploration targets will ultimately develop into producing mines;
- *metal price risks:* metal prices are volatile, and are linked to economic, currency and geopolitical factors. Lower metal prices generally result in a loss of investor interest in the mineral exploration sector, thus reducing access to capital and/or resulting in share price declines;
- *operating risks:* the Company's operations are exposed to hazards and risks beyond its control, including weather, wildlife, topography and equipment failures, that may delay or prevent the execution of field programs;
- *First Nations risks:* First Nations claims or consultation may cause permitting delays, unexpected interruptions or additional costs;
- *lack of resources or reserves, and exploration and development risks:* the Company has no NI 43-101 compliant resources or reserves, and as such has no foundation of value to sustain its share price, other than the prospect of potentially achieving a discovery that may lead to the demonstration of compliant resources or reserves. The process of executing these exploration and potential development plans is fraught with risk;
- *contractual risks:* the Company's exploration activities are carried out by contractors who may not perform their work in a timely, cost-effective and efficient manner, resulting in program delays or negative program outcomes;
- *currency fluctuation risks:* currency fluctuations may affect the Company's capital costs and costs that the Company incurs at its operations. Metals are sold throughout the world based principally on US dollar price, but all the Company's operating and capital expenses are incurred in Canadian dollars;
- *mining cycle risks:* during times of increase demand for metals and minerals, price increases may encourage expanded mining exploration, development and construction activities. These increased activities may result in escalating demand for and cost of contract exploration, development and construction services and equipment;

- *title, surface rights and access risks*: there is no guarantee that title to the Snoball Property or the Golden Lion Property will not be challenged or impugned. Unanticipated challenges to title and lack of ownership of surface rights may negatively impact the Company's plans and access;
- *permitting risks*: the Company may not receive the permits it requires to carry out its exploration plans, or not receive such permits in a timely manner, potentially causing delays, unexpected interruptions or additional costs;
- *environmental risks*: spills or environmental damage could incur liabilities and permitting and compliance issues could have a material adverse impact on the Company and cause cost increases or delays in the development of its properties;
- *social activism risks*: blockades and anti-exploration initiatives by activists may prevent the execution of field programs and development plans;
- *competition risks*: the Company competes for personnel, contractors, properties and financing. Should any of these not be available, or not be available on a timely basis or on competitive terms, the Company's plans may be negatively impacted;
- *infrastructure risks*: exploration operations depend on adequate infrastructure. Reliable power sources, water, supply, transportation and surface facilities are necessary to explore and develop mineral projects. Failure to adequately meet these infrastructure requirements or changes in the cost of such requirements could affect the Company's ability to carry out exploration and future development;
- *negative operating cash flow risks*: the exploration of development and operation of the Company's mineral properties will require the commitment of substantial resources that may not be available;
- *supply chain risks*: market prices and availability of commodities and equipment that are consumed or otherwise used in connection with the Company's operations will affect the Company's cash flow and profitability;
- *uninsurable risks*: it is not possible to insure against certain risks in the business, as insurance is either not available, or the cost of doing so would be prohibitive;
- *conflict of interest risks*: directors and officers may have conflicts of interest with the Company;
- *information systems risks*: failure of the internet and/or the Company's information systems or information security threats could result in the loss of information crucial to the Company's plans;
- *litigation risks*: the Company may be subject to costly legal proceedings;
- *cost inflation risks*: the Company will incur increased costs complying with public issuer reporting requirements, rules and regulations; increased government regulation and taxation; and unanticipated program cost inflation due to general economic and industry conditions;
- *remote area risks*: the Snoball Property and the Golden Lion Property are located in underdeveloped remote areas with limited access and infrastructure, which requires the use, for example, of higher-risk modes of transportation to and from site;

- *climate change risks*: governments have introduced or are planning to introduce climate change legislation and treaties at the international, national, state/provincial and local levels, which may lead to increased costs for the Company;
- *use of proceeds risks*: the Company intends to use the net proceeds from the Offering as described under “*Use of Proceeds*”; however, the Board and management will have discretion in the actual application of the net proceeds, and may elect to allocate net proceeds differently;
- *financing risks*: the Company’s primary source of capital is the issuance of securities. The Company’s ability to recover asset values is dependent upon the ability of the Company to obtain necessary financing;
- *license renewal risks*: the Company will be required to obtain and renew government licences or permits for exploration, development, construction and commencement of mining at the Snoball and Golden Lion Properties. The ability to obtain or renew licences is contingent upon many variables not within the Company’s control and the Company may not be able to obtain or renew licences or permits that are necessary to its operations;
- *regulatory risks*: the Company may be negatively impacted by changes to mining laws and regulations;
- *acquisition risks*: future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization related to goodwill and other intangible assets, which could materially adversely affect the Company’s business, results of operations and financial condition;
- *key personnel risks*: the Company’s business is dependent on retaining the services of its key management personnel with a variety of skills and experience. Failure to retain, or loss of, one or more of these people could have a material adverse impact on the Company’s business, financial condition, results of operations, cash flows or prospects;
- *legal and political risks*: mineral exploration and mining activities may be affected in varying degrees by political instability, economic conditions, and changes in government regulations such as investment laws, tax laws, business laws, environmental laws and mining laws, affecting the Company’s business;
- *Force Majeure risks*: the Company’s projects now or in the future may be adversely affected by risks outside its control, such as wildfires, sabotage or severe weather;
- *Enforcement risks*: some of the Company’s directors reside outside of Canada, therefore, it may not be possible for investors to collect or to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities laws against such persons;
- *controlling shareholder risks*: promoters of the Company have the power to exercise influence over all matters requiring shareholder approval, including the election of directors, amendments to the Company’s articles and by-laws, mergers, business combinations and the sale of substantially all of the Company’s assets, which could prevent the Company from entering into transactions beneficial to the Company;

- *investment risks*: an investment in the Offered Units is speculative and may result in the loss of an investor's entire investment;
- *liquidity risks*: the Company may have a limited public float and investors may find it difficult to purchase or sell shares in sufficient volume or on reasonable terms;
- *dilution risks*: dilution from future equity financings could negatively impact shareholders;
- *Offering Price risks*: a purchaser of the Offered Units under the Offering will purchase such Offered Units at a premium to the current book value per Offered Unit;
- *volatility risks*: the securities of publicly traded companies can experience a high level of price and volume volatility and the value of the Company's securities can be expected to fluctuate depending on various factors, some of which are not directly related to the success of the Company;
- *selling securityholder risks*: sales of a substantial number of Common Shares in the public market could occur at any time. These sales, or the market perception that the holders of a large number of Common Shares intend to sell, could reduce the market price of the Common Shares;
- *dividend risks*: the Company has not, since the date of incorporation, declared or paid any dividends or other distributions. The declaration and payment of any dividends in the future is at the discretion of the Board and the Company may never pay dividends;
- *class action litigation risks*: securities class action litigation has often been brought against a company following a decline in the market price of its securities. If the Company faces such litigation, the Company could face substantial costs and a diversion of management's attention and resources, which could materially harm its business;
- *analyst coverage risks*: the trading market for the Common Shares will depend on the research and reports that securities or industry analysts publish about the Company and its business. The Company does not have any control over these analysts, and if an analyst downgrades the Company's stock, the price of Common Shares will likely decline;
- *economic conditions risks*: if general economic, trading and capital market conditions within Canada and/or abroad are turbulent or poor, investor risk appetite may decline and limit or eliminate altogether, access to the debt or equity financing the Company must have in order to sustain its operations. Such conditions may also cause a decline in the Company's share price as investors lose confidence in the economy, the Company, or both, or alternatively are forced to sell the Company's Common Shares to cover market losses elsewhere;

**Summary
Financial Data:**

The following selected financial information has been derived from and is qualified in its entirety by the audited and unaudited financial statements included in this Prospectus, and should be read in conjunction with such financial statements and the related notes thereto, along with the "Management Discussion and Analysis" included in this Prospectus. All financial statements of the Company are prepared in accordance with IFRS. See "*Selected Historical Financial Information*".

	Six Months Ended June 30, 2019 (Unaudited)	Year Ended December 31, 2018 (Audited)
Revenue	\$-	\$-
Current Assets	\$98,904	\$189,030
Total Assets	\$123,901	\$339,030
Current Liabilities	\$94,420	\$52,645
Total Liabilities	\$94,420	\$52,645
Deficit	\$1,207,921	\$951,020
Net Loss per share (basic and fully diluted)	\$0.02	\$0.01

CORPORATE STRUCTURE

Evergold was incorporated under the *Business Corporations Act* (Ontario) (the “**OBCA**”) on October 30, 2015 under the name “Mishkeegogamang-Eabametoong Mineral Resources Corp.” to pursue mineral property exploration opportunities with First Nations in northwestern Ontario. When those business prospects failed to materialize, the Company name was changed to Skyline Gold Corp. on December 8, 2015 and, in consequence of its similarity to a pre-existing unrelated company of similar name, changed again to Evergold Corp. on January 18, 2017. The head office of the Company is presently 18 King Street East, Suite 902, Toronto, Ontario M5C 1C4, and the field office of the Company is 729 Okanagan Ave. N., Penticton, British Columbia V2A 3K7. As at the date of this Prospectus, the Company has no subsidiaries.

GENERAL DEVELOPMENT AND BUSINESS OF THE COMPANY

General Development of the Company

History

Evergold was incorporated in the Province of Ontario on October 30, 2015. Since its inception Evergold has completed one private placement financing, raising a total of \$327,475.00 through the sale of units at \$0.15 per unit, whereby each unit consisted of one Common Share and one half of one (1/2) Common Share purchase warrant. Each Common Share purchase warrant sold entitled the holder thereof to acquire one Common Share at an exercise price of \$0.18 per Common Share until July 12, 2021. The funds raised have been used to explore and develop the Company’s mineral exploration properties and for general corporate purposes.

The Company is a junior mineral exploration and development company focused primarily on mineral prospects in British Columbia, Canada. On April 5, 2016, the Company entered into a mineral property acquisition agreement with C.J. Greig (the “**Mineral Property Acquisition Agreement**”), whereby C.J. Greig assigned to the Company 100% working interests in four property assets located in central and north-northwestern British Columbia. The properties conveyed under the Mineral Property Acquisition Agreement consisted of the Snoball Property, the Golden Lion Property, and the Other Mineral Properties (collectively, the “**Purchased Properties**”). As consideration for the Mineral Property Acquisition Agreement, the Company issued as detailed below Common Shares and Common Share purchase warrants to C.J. Greig and granted a 0.5% NSR royalty on the Purchased Properties to C.J. Greig. The Company’s primary assets consist of its 100% ownership interests in the Snoball Property and the Golden Lion Property. The Snoball Property consists of six (6) contiguous digitally registered mineral tenures totalling 3,545.12 ha. The Golden Lion Property initially consisted of five (5) contiguous digitally registered mineral tenures totalling 190.93 ha. After encouraging results from field work, the Company increased the size of the Golden Lion Property by staking 1,336.68 ha in 2018, as well as an additional 3,571.91 ha in early 2019. The Company’s current objective is to focus on the exploration of the Material Claims; however, the Company does not expect to commence a phase I work program on the Golden Lion Property until the 2020 field season. If the Company does not receive the MYAB permit for the Golden Lion Property within a reasonable timeframe, the Company will re-allocate funds from the Golden Lion Phase I exploration program to preliminary exploration activities on the Holy Cross and Spanish Lake Properties. The Company cannot guarantee issuance of the MYAB permit for the Golden Lion Property.

The Company intends to conduct IP surveys on the Holy Cross and Spanish Lake Properties if the Ministry does not issue a MYAB permit for Golden Lion within a reasonable timeframe. Prior to commencing any IP

surveys on the Holy Cross or Spanish Lake Properties, the Company must receive a single-use permit issued by the Ministry under the *Mines Act* (British Columbia) authorizing those surveys. The Company does not currently possess the necessary permits to conduct IP surveys on the Holy Cross or Spanish Lake Properties and no application has been made thereto; however, the Company intends to apply for the necessary permits when deemed appropriate. If the Company decides to undertake contingent activities on the Holy Cross and Spanish Lake Properties but cannot obtain the required permits within a satisfactory timeframe to conduct IP surveys, the Company will focus on activities that do not require a permit issued under the *Mines Act* (British Columbia), such as soil and rock sampling, geological mapping and airborne geophysical surveying. The Company cannot guarantee issuance of the requisite permits for the Spanish Lake and Holy Cross Properties. See “*General Development and Business of the Company – Permits – Golden Lion Property*”, “*Material Properties – Golden Lion Property – Property Description and Location – Environmental Regulations and Exploration Permits*”, “*Use of Proceeds – Business Objectives and Milestones*” and “*Risk Factors – First Nations*”.

Significant Acquisitions

Snoball Property, Golden Lion Property, and Other Mineral Properties

On April 5, 2016, Evergold entered into a all-stock Mineral Property Acquisition Agreement with C.J. Greig Holdings Ltd. (herein referred to as, “**C.J. Greig**”), a company incorporated under the laws of British Columbia, under the terms of which Evergold purchased 100% interests in each of the Snoball Property (northwestern B.C.), the Golden Lion Property (north-central B.C.), the Spanish Lake property (central interior B.C.) and the Holy Cross property (central interior B.C.). There were no cash payment or exploration commitment elements to the Mineral Property Acquisition Agreement. The Company issued the following number of Common Shares and Common Share purchase warrants to C.J. Greig, net of adjustments between founders to adequately reflect the value of the Purchased Properties:

Snoball Property:

- 2,806,958 Common Shares at a deemed price per share of \$0.10 for a total deemed consideration of \$280,695.80;
- 701,740, 7-year, 12 cent Common Share purchase warrants
- a 0.5% Net Smelter Returns Royalty

Golden Lion Property:

- 1,350,504 Common Shares at a deemed price per share of \$0.10 for a total deemed consideration of \$135,050.40;
- 337,626, 7-year, 12 cent Common Share purchase warrants
- a 0.5% Net Smelter Returns Royalty

Holy Cross Property:

- 671,189 Common Shares at a deemed price per share of \$0.10 for a total deemed consideration of \$67,118.9;
- 167,797, 7-year, 12 cent Common Share purchase warrants
- a 0.5% Net Smelter Returns Royalty

Spanish Lake Property:

- 1,089,649 Common Shares at a deemed price per share of \$0.10 for a total deemed consideration of \$108,964.90;
- 272,412, 7-year, 12 cent Common Share purchase warrants
- a 0.5% Net Smelter Returns Royalty

The Company issued to C.J. Greig, in aggregate and net of adjustments, 5,918,300 Common Shares and 1,479,575 Common Share purchase warrants in respect of the Purchased Properties.

Charles Greig, the principal of C.J. Greig, is currently a promoter of Evergold. Please refer to “*Promoters*”, below, for more information.

Business of the Company

Principal Operations

The principal business of Evergold is the exploration and development of mineral properties in British Columbia, Canada, in particular the central interior and the north-central and northwestern regions of the province. The province was chosen by the Company because of management’s intimate familiarity with the region, its geology, local First Nations, business culture, its strong mining law, outstanding geological prospects, and its long tradition of precious and base metal exploration and mining. Recent strong exploration results by several companies including GT Gold Corp. active in the region have highlighted its continued prospectivity for new mineral discoveries.

The Company owns four exploration stage properties in British Columbia, two of which, the Snoball Property and the Golden Lion Property, are considered material to Evergold for the purposes of NI 43-101. The Snoball and Golden Lion Properties are currently accessible by helicopter only; however, a network of gravel and/or paved roads provides access to within 10 to 15 minutes flying time of both. The Company’s non-material properties Holy Cross and Spanish Lake are both drive-on road accessible. The Company has been actively exploring its material mineral properties with activities including prospecting and geological mapping, rock, soil and talus fines geochemical sampling, ground and airborne geophysical surveying, and the modeling and interpretation of results designed to advance the knowledge of the properties and delineate and prioritize drill targets.

Competitive Conditions

The Company’s primary business is the exploration and development of mineral properties, with a primary focus on gold-silver-copper exploration in central and northern British Columbia. The Company has created competitive advantage by, firstly, assembling a management, technical and advisory team that has a track record for achieving and advancing significant new mineral discoveries in northwestern British Columbia, that has superior knowledge of the regional geology, a deep understanding of the social, environmental and logistical needs of working in northern British Columbia, and an excellent reputation with local First Nations, and secondly, by using management’s unique level of knowledge to differentiate and select properties and targets on those properties that are believed to have a higher likelihood of delivering new discoveries, than others.

Notwithstanding its competitive advantages, the Company competes with other exploration and mining companies and third parties for equipment and supplies in connection with its exploration activities, for skilled and experienced personnel, for capital to finance its exploration activities, and from time to time for new properties, or extensions to existing properties. Many of the Company’s competitors can bring to bear

greater resources for the acquisition of such mineral claims, personnel, services, finance and other exploration and development interests. See “*Risk Factors – Risks Related to the Company*”.

Employees

The Company has external management contracts with each of its officers. The Company has a consulting agreement in place with Kevin M. Keough for the provision of President and Chief Executive Officer services. Chief Financial Officer services are provided by K. Tracy Albert under a consulting agreement. Corporate Secretarial services are provided to the Company under contract by DSA Corporate Services, with Monique Hutchins appointed as the Corporate Secretary. Mineral exploration services are provided under a contract with C.J. Greig. See “*Director and Executive Compensation – External Management Companies*” and “*Interests of Management and Others in Materials Transactions*”.

Foreign Operations

The Company does not currently have operations outside of Canada and has no plans to do so.

Social and Environmental

The Company places great emphasis on providing a safe and secure working environment for all of its employees, contractors and consultants, and recognizes the importance of operating in a sustainable manner. The Company has adopted a Code of Business Conduct & Ethics which sets out the standards which guide the conduct of its business and the behavior of its directors, officers, employees and consultants. All new employees must read and acknowledge that they will abide by the Code when hired. The Code, among other things, sets out standards relating to the Company’s commitment to health and safety in its business operations and the identification, elimination or control of workplace hazards, promotion and provision of a work environment in which individuals are treated with respect, provided with equal opportunity and is free of all forms of discrimination and abusive and harassing conduct, and ethical business conduct and legal compliance.

The Company has also adopted a Whistleblower Policy for individuals to report complaints and concerns regarding, among other things, accounting, internal accounting control and auditing matters.

Permits

Before the Company can commence drilling activities on any of the Purchased Properties, a MYAB permit is required from the Ministry. See “*Risk Factors – First Nations*”, “*Risk Factors – The Company may fail to comply with the law or may fail to obtain or renew necessary permits or licences*”. Please see the following chart for a summary of the permits required by the Company prior to commencing any mechanized work on the Purchased Properties:

Purchased Property	Description of Permit Required	Costs for Applying ⁽¹⁾	First Nations Consultation Required ⁽²⁾	Date Obtained	Issuing Authority	Validity Period
Snoball	MYAB ⁽³⁾	\$27,000	Each “Notice of Work” submitted with the MYAB permit application must be reviewed by affected	August 1, 2019.	BC Ministry of Energy, Mines and Petroleum	Up to 5 years

Purchased Property	Description of Permit Required	Costs for Applying ⁽¹⁾	First Nations Consultation Required ⁽²⁾	Date Obtained	Issuing Authority	Validity Period
			First Nations. The Company has submitted the Notice of Work to the Talhtan First Nation and consultation is ongoing.			
Golden Lion ⁽⁵⁾	MYAB ⁽³⁾	\$20,000	Each “Notice of Work” submitted with the MYAB permit application must be reviewed by affected First Nations. The Company has submitted the Notice of Work to the Kwadacha First Nation. In a letter dated July 24, 2019, the Company was advised by the Kwadacha First Nation that, in their view, its consent to the Golden Lion Property phase I exploration program is required and will be contingent on the Company meeting certain conditions. ⁽⁴⁾	Expected to be obtained following the 2019 field season for the Golden Lion Property, which ends in early October.	BC Ministry of Energy, Mines and Petroleum	Up to 5 years
Holy Cross	MYAB ⁽³⁾	To be determined.	Each “Notice of Work” submitted with a permit application must be reviewed by affected First Nations. When the Company applies for any <i>Mines Act</i> (British Columbia) permit for the Holy Cross Property, the affected First Nation will be consulted.	No permit application submitted.	BC Ministry of Energy, Mines and Petroleum	Up to 5 years
	Single-Use Permit ⁽⁶⁾	To be determined.	Each “Notice of Work” submitted with a permit application must be reviewed by affected First Nations. When the Company applies for any <i>Mines Act</i> (British	No permit application submitted. If the Company decides to conduct IP surveys on	BC Ministry of Energy, Mines and Petroleum	For length of specific IP survey authorized by permit.

Purchased Property	Description of Permit Required	Costs for Applying ⁽¹⁾	First Nations Consultation Required ⁽²⁾	Date Obtained	Issuing Authority	Validity Period
			Columbia) permit for the Holy Cross Property, the affected First Nation will be consulted.	the Holy Cross Property, the Company will apply to the Ministry for the single-use permit.		
Spanish Lake	MYAB ⁽³⁾	To be determined.	Each “Notice of Work” submitted with a permit application must be reviewed by affected First Nations. When the Company applies for any <i>Mines Act</i> (British Columbia) permit for the Spanish Lake Property, the affected First Nation will be consulted.	No permit application submitted.	BC Ministry of Energy, Mines and Petroleum	Up to 5 years
	Single-Use Permit ⁽⁶⁾	To be determined	Each “Notice of Work” submitted with a permit application must be reviewed by affected First Nations. When the Company applies for any <i>Mines Act</i> (British Columbia) permit for the Spanish Lake Property, the affected First Nation will be consulted.	No permit application submitted. If the Company decides to conduct IP surveys on Spanish Lake Property, the Company will apply to the Ministry for the single-use permit.	BC Ministry of Energy, Mines and Petroleum	For length of specific IP survey authorized by permit.

Notes:

- (1) There is no cost associated with applying for a permit; however, each permit requires a variable reclamation bond that is assessed at the time of receiving the MYAB permit.
- (2) The MYAB is granted at the discretion of the inspector appointed under the *Mines Act* (British Columbia) who will determine if the level of First Nations consultation is sufficient and whether any requirements posed by the proponent or the First Nations should be a condition of the MYAB.
- (3) “MYAB” refers to a Multi-Year Area-Based permit, which describes the nature of the anticipated exploration activities and the scale of the expected disturbance to the land. Receipt of the MYAB permit allows the Company to commence exploration activities. The MYAB permitting process requires baseline archaeological

and environmental studies (water quality, flora and fauna) to be carried concurrently with the exploration activities on the area subject to a permit.

- (4) See *“Use of Proceeds – Business Objectives and Milestones”*.
- (5) On August 14, 2019, the Company conducted an additional IP survey to supplement work performed for the Golden Lion Technical Report. Due to the delay in receiving the MYAB permit for the Golden Lion Property, this work was inadvertently undertaken. As this work was unauthorized, the inspector appointed under the *Mines Act* (British Columbia) issued a suspension of work order, with such order to be in effect until the Company receives a full MYAB permit. The Company was not subject to any fines or further sanctions. There is no guarantee that the suspension of work order will be lifted or that a MYAB permit will be issued for the Golden Lion Property. See *“Risk Factors – First Nations”* and *“Risk Factors – The Company may fail to comply with or may fail to obtain or renew necessary permits or licenses”*.
- (6) The single-use permit will only be applied for if the Company decides that the Ministry will not issue a MYAB permit for the Golden Lion Property within a reasonable timeframe.

Golden Lion Property

The Company received a suspension of work order on August 14, 2019 from the Ministry for conducting an IP geophysical survey on the Golden Lion Property without a *Mines Act* (British Columbia) permit. The suspension of work order required the Company to immediately stop the IP survey and demobilize IP equipment and IP-related personnel.

Notwithstanding the suspension of work order issued by the Ministry, the Company can continue to perform “non-mechanized” work such as systematic soil and rock sampling, geological mapping and airborne geophysical surveying on the Golden Lion Property in accordance with basic rights of mineral tenure granted by the Government of British Columbia. The Company does not intend to conduct “non-mechanized” exploration on the Golden Lion Property during the remainder of the 2019 field season or during 2020 field season prior to obtaining the requisite MYAB permit. The granting of the MYAB permit remains contingent upon successful completion of the Ministry’s consultation with Kwadacha First Nation and accordingly, the suspension of work order does not affect the MYAB permitting process for the Golden Lion Property.

The Ministry has advised the Company that upon issuance of the MYAB permit for the Golden Lion Property, the suspension of work order will be lifted, and the Company will be able to execute their full Phase I work program on the Golden Lion Property.

Due to continuing consultation between the Ministry and the Kwadacha First Nation, the Company does not believe the MYAB permit for the Golden Lion Property will be issued prior to the end of the 2019 field season, which will conclude in early October 2019. There is no guarantee that the suspension of work order will be lifted or that a MYAB permit will be issued for the Golden Lion Property. See *“Material Properties – Golden Lion Property – Property Description and Location – Environmental Regulations and Exploration Permits”*, *“Use of Proceeds – Business Objectives and Milestones”*, *“Risk Factors – First Nations”*, *“Risk Factors – Title to the Snoball Property and Golden Lion Property may be disputed”*, and *“Risk Factors – The Company may fail to comply with or may fail to obtain or renew necessary permits or licences”*.

MATERIAL PROPERTIES

SNOBALL PROPERTY

Except as otherwise disclosed, scientific and technical information relating to the Snoball Property contained in this Prospectus is derived from, and in some instances is a direct extract from, and based on the assumptions, qualifications and procedures set out in, the Snoball Technical Report entitled *“NI 43-101 Technical Report on the Snoball Property”* prepared by David W. Tupper, P. Geo, with an effective date of

May 23, 2019. Such assumptions, qualification and procedures are not fully described in this Prospectus and the following summary does not purport to be a complete summary of the Snoball Technical Report. Reference should be made to the full text of the Snoball Technical Report, which is available for review under the Company's profile on SEDAR at www.sedar.com or from its website at: www.evergoldcorp.ca. The disclosure in this Prospectus derived from the Snoball Technical Report has been prepared with the consent of, and reviewed and approved by, Mr. David W. Tupper, P.Geo.

Project Description and Location

The Snoball Property is located in northwestern British Columbia, approximately 140 kilometres north-northwest of the town of Stewart, British Columbia. Snoball Figure 1, below, shows the location of the Snoball Property. Highway 37 is located 10 kilometres to the east; however, there are no roads on the Snoball Property. Access to the Snoball Property and prospect area is currently by helicopter. The area is characterized by steep mountainous terrain with weather conditions typical of the north coastal mountains. The claims lie on National Topographic System ("NTS") Map Sheets 104G/1W & 2E and are approximately centered at latitude 57° 10' N, longitude 130° 30' W, or in the local North American Datum 83 (NAD 83) coordinate system, Zone 9N, at 409300E, 6336900N.



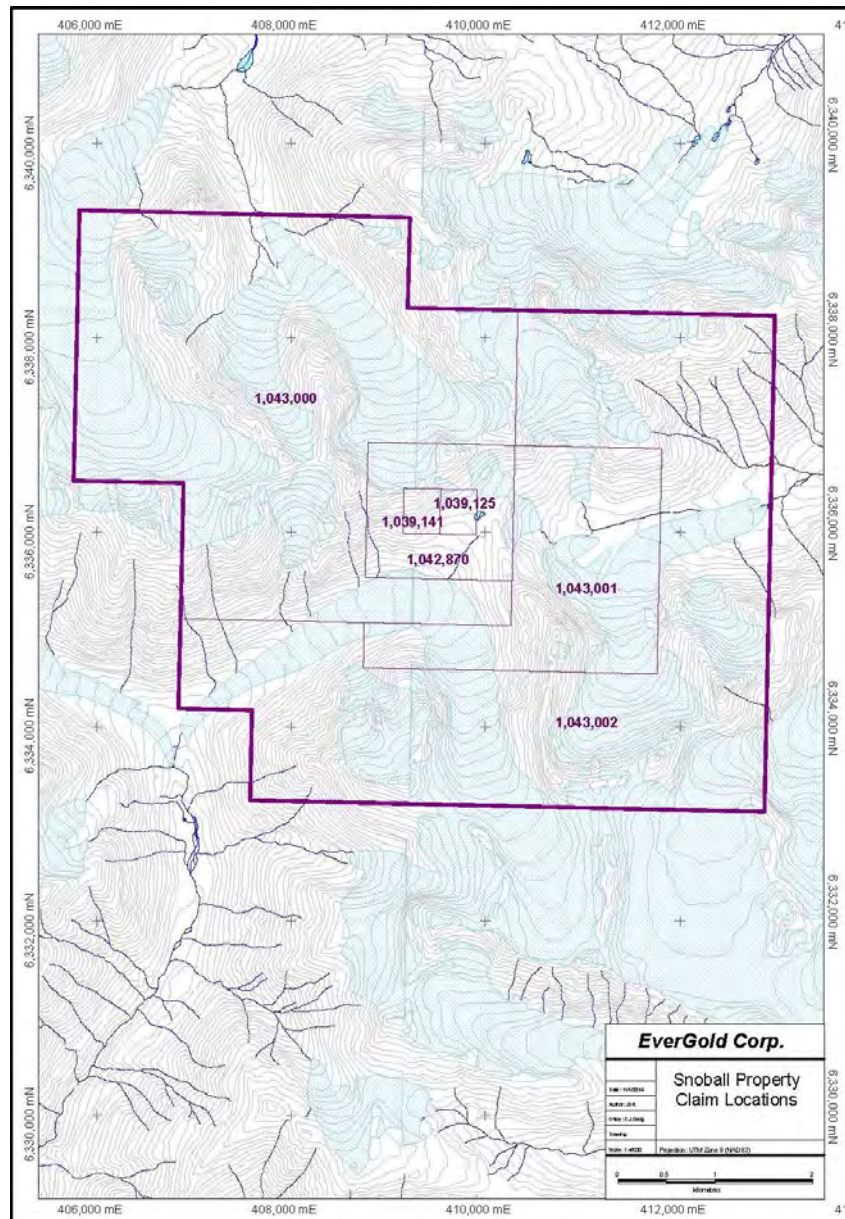
Snoball Figure 1: Location of Snoball Property

The Snoball Property consists of 6 contiguous Mineral Titles Online ("MTO") digitally registered mineral tenures totaling 3,545.12 ha. The tenures that comprise the Snoball Property were staked by Charles Greig in 2015 and 2016. Evergold acquired a 100% interest in the claims comprising the Snoball Property by issuing

Common Shares to C.J. Greig on April 5, 2016, and by granting to C.J. Greig a 0.5% Net Smelter Returns royalty on the Snoball Property, with no buyout option. All claims are in good standing until March 23, 2020 according to information from the British Columbia MTO web site as of May 20, 2019. The mineral tenures are listed below in Snoball Table 1 and shown in Snoball Figure 2, below.

Snoball Table 1 – Snoball Property Mineral Tenures

Tenure No.	Claim Name	Owner	Issue Date	Expiry Date	Area (Hec)
1039125	WASTELINE EXPANDING	Evergold Corp.	06/10/2015	01/03/2020	17.55
1039141	ROLLIN' WITH THE SNOBALL2	Evergold Corp.	06/10/2015	01/03/2020	17.55
1042870	BLOHINSNO	Evergold Corp.	16/03/2016	01/03/2020	175.50
1043000		Evergold Corp.	23/03/2016	01/03/2020	1,421.14
1043001	SNOSE	Evergold Corp.	23/03/2016	01/03/2020	421.27
1043002		Evergold Corp.	23/03/2016	01/03/2020	1,492.11
				Total:	3,545.12



Snoball Figure 2: Mineral Tenure Map of the Snoball Property

On April 5, 2016, Evergold entered into an all-stock Mineral Property Acquisition Agreement with C.J. Greig Holdings Ltd., a company incorporated under the laws of British Columbia, under the terms of which Evergold purchased a 100% interest in the Snoball Property. There were no cash payment or exploration commitment elements to the Mineral Property Acquisition Agreement. The Company issued the following number of Common Shares and Common Share purchase warrants to C.J. Greig Holdings Ltd., net of adjustments to adequately reflect the value of the Purchased Properties:

- 2,806,958 Common Shares at a deemed price per share of \$0.10 for a total deemed consideration of \$280,695.80;
- 701,740, 7-year, 12 cent Common Share purchase warrants; and

- a 0.5% Net Smelter Returns Royalty, with no buyout option.

Charles J. Greig is the owner of C.J. Greig Holdings Ltd. The Mineral Property Acquisition Agreement includes an area of interest extending three (3) kilometres from the outermost boundaries of the Snoball Property claims in which any mineral tenures acquired within the area of interest by either party may be added to the Snoball Property by mutual election.

Mineral Tenure Ownership in British Columbia

In British Columbia, the owner of a mineral claim is granted 100% ownership of all sub-surface minerals. A valid Free Miner Certificate (“FMC”) is required to record a claim or acquire a recorded claim or interest in a recorded claim by transfer, and to conduct exploration for minerals on mineral claims within British Columbia. A company FMC is available to any registered corporation in good standing for a fee of \$500, and to individuals for \$25, renewable annually.

Mineral titles in British Columbia are acquired and maintained through MTO, a computerized system that provides map-based staking. Acquisition costs for claims are \$1.75 per hectare. This confers ownership of the claim for one year beyond the date of staking. To continue to hold the claims beyond the first year, the owner must complete assessment work, either physical or technical, on the property. A report must be filed detailing the work performed and the results. These assessment reports remain confidential for one year and then become available for public access. If assessment work or cash in lieu is not filed by the required date the claims will automatically forfeit. For years 1 and 2 of claim existence the work requirement is \$5 per hectare per year, for years 3 and 4 it is \$10 per year, years 5 and 6 it is \$15 per year, and thereafter \$20 per year. Rather than work on the property, cash in lieu may be paid to hold the claims, at a rate twice that of exploration work. The Snoball Property tenures currently expire on March 1, 2020, at which time a minimum of \$53,352.37 assessment work is required to be filed to hold the claims for an additional year. The currently budgeted Phase I work program would secure the claims to 2030.

The claims that comprise the Snoball Property are wholly located within the traditional territory of the Tahltan First Nation, on Crown Land, and the province of British Columbia owns all surface rights. There is no privately held ground within the area of the Snoball Property.

Environmental Regulations & Exploration Permits

Permits and reclamation security are required for any type of exploration work that may cause disturbance or possible environmental damage to the land. These include, but are not limited to, the following:

- construction of drill sites and heli-pads;
- camp construction and operation;
- construction of roads or trails;
- cutting of geophysical cut-lines;
- trenching;
- use of wheeled or other mobile equipment; and
- fuel storage.

The exploration permit application process is initiated when a proponent files a Notice of Work (“NOW”). A reclamation bond or security is required to be posted with the government of BC as part of the exploration permitting process to pay for the cost of reclamation of surface disturbance in the case that a company defaults on its obligation to perform any required remediation. The bond, or security, can be recovered by the

company upon remediation of any environmental disturbance on the property caused by exploration activities.

One to five-year exploration permits are issued and overseen by the Smithers, BC office of the BC Ministry of Energy, Mines and Petroleum Resources subsequent to the proponent's submission of a NOW through the government's Natural Resources Online Services portal. A Multi-Year (up to 5 years) Area-Based ("MYAB") permit provides flexibility for a range of property exploration activities, including the capacity to vary the location of the work within the permit area and specified levels of diamond drilling, geophysical surveys, camp site disturbance, and fuel storage. The permitting process also requires consultation with affected First Nations. Baseline archaeological and environmental studies (water quality, flora, fauna), including possible implementation of a wildlife mitigation plan, are also typically required in the areas proposed for exploration. Evergold submitted a Notice of Work on March 1, 2019 for a work program largely similar to that which is proposed in this Report. At the time of writing, the NOW had entered the referral stage and been circulated to the Tahltan First Nation within whose traditional territory the Snoball Property is located. The permit process generally takes from 3 to 5 months to complete. Such permits have recently been issued to other companies working near the Snoball Property and the Qualified Person anticipates that Evergold will not have difficulty obtaining a work permit.

Environmental Liabilities and Other Risk Factors

To the best of the Company's knowledge, there are no environmental considerations or other significant environmental factors or risks that may affect access, title, or the right or ability to perform work on the Snoball Property.

Accessibility, Climate, Physiography, Local Resources, and Infrastructure

Accessibility

The Snoball Property is located in northwestern British Columbia, approximately 140 kilometres north-northwest of the town of Stewart, British Columbia. Snoball Figure 1, above, shows the location of the Snoball Property, which is centered at latitude 57° 10' N, longitude 130° 30' W or alternatively, NAD 83, Zone 9N, 409300E, 6336900N.

The Snoball Property is currently only accessible by helicopter, either from the town of Stewart or from a seasonal base at Bob Quinn Lake, approximately 25 kilometres to the southeast of the Snoball Property, situated beside the Stewart-Cassiar highway (Highway 37). Supplies for the exploration and development of the Snoball Property can be trucked 400 kilometres north on highway 37 from Smithers to Bob Quinn Lake, and then ferried from there by helicopter to a camp on the Snoball Property. All work on the Snoball Property, including diamond drilling, presently requires helicopter support for transport of equipment and crews.

There is currently no road access to the Snoball Property; however, the Galore Creek mining access road extends westward from Highway 37 and passes 8 kilometres to the south of the Snoball Property. A broad, southerly-trending valley extends from the Snoball Property to the Galore Creek road, which would provide a relatively easy route for construction of future road access to the main mineralized area on the Snoball Property.

Local Resources and Infrastructure

Stewart, a town of approximately 500 inhabitants, is located 140 kilometres south-southwest of the Snoball Property. It is connected to the provincial highway system via paved, all weather highway 37A. Dease Lake,

with a population of about 300, is located 140 kilometres to the north along highway 37. The larger population centers of Prince Rupert, Terrace, Kitimat, and Smithers, with a total combined population of about 37,000, are located within approximately 320 kilometres by air to the south.

Deep-water loading facilities for shipping bulk mineral concentrates exist at Stewart, and are currently utilized by the Red Chris copper-gold mine, which is located about 75 kilometres northeast of the Snoball Property. Historically these transportation facilities have been used by several other mines in northern BC. The nearest railway is the CNR Yellowhead route, which passes east-west through Kitwanga, approximately 330 kilometres southeast of the Snoball Property. This rail line connects to deep-water ports near Prince Rupert and Vancouver.

The closest major towns to the Snoball Property would be Smithers or Terrace, a 4.5 to 5-hour drive to the south from Bob Quinn Lake airstrip. Food, exploration supplies, skilled exploration personnel, drill contractors and construction contractors are available in Smithers and Terrace, where there are daily scheduled airline services to Vancouver and other major centers.

Water for exploration and drilling at the Snoball Property prospect area can be drawn from local meltwater-fed creeks, and Snoball Pond, lying at the foot of Snoball Ridge. Later advanced exploration and mining would require a water use permit from the BC Government. The recently completed 287-kilovolt Northwest Transmission power line runs along highway 37, 10 kilometres to the east of the Snoball Property. The line extends north as far as the village of Iskut and provides power to the Red Chris mine. Topography within the Snoball Property prospect area is generally steep, posing obvious associated challenges to the siting of potential future mining and processing facilities.

Physiography, Climate and Vegetation

The Snoball Property lies in the rugged coastal mountains of northwestern British Columbia, and the topography of the immediate vicinity of the Snoball Property (Snoball Photo 1, below) is dominated by the roughly one kilometre long, northeast-trending Snoball Ridge, anchored at its east end by the higher elevations of Pyramid Peak, from which spur ridges trend northwest and southeast. Elevations range from 1040 metres ASL on the eastern and western edges of the Snoball Property to over 2160 metres on the highest peaks. Year-round glaciers fill the upper portions of the north-facing basins and slopes, covering approximately 40 percent of the Snoball Property, mainly on the south, northwest and north-central claims. Glacial meltwater feeds small streams which in the vicinity of the Snoball Property flow north and south off the sides of Snoball Ridge. These local streams join east and west-flowing creeks in the valley bottoms that eventually empty into the Iskut River, located about 10 kilometres to the east. The Iskut River then flows south and then west for approximately 160 kilometres, joining the Stikine River, which empties into the Pacific Ocean near Wrangell, Alaska.



Snoball Photo 1: Snoball Property physiography, viewed to the northeast. The elevation difference between Snoball Pond (right, centre) and Snoball Ridge (left, top) ranges from 400-500 meters (C. Greig, 2016)

The climate on the Snoball Property is generally that of a northern temperate zone, with subarctic conditions at high elevations. At the Eskay Creek mine site, located 53 kilometres to the south and at approximately the same elevation, the average winter temperature is -7°C and summer temperature averages 10°C , with short-lived extremes of -30°C and $+30^{\circ}\text{C}$. Precipitation is also estimated to be similar to that of Eskay Creek, which receives about 800 mm of rain per year on average from May through September, and 1300 cm of snow falling from late September to mid-May. The driest months are June and July, averaging 71 and 81 mm of precipitation respectively.

Exploration is generally restricted to the period from June through October due to heavy snowfall in winter months, some of which typically remains on north-facing slopes until late summer, or year-round in areas of glacial ice. Potential future mining activities would utilize appropriate equipment to remove snow and allow work to proceed throughout the winter.

The tree line in the area lies at about 1,000 metres ASL, below which relatively sparse forests of mostly hemlock and balsam fir are developed. The Snoball Property is all above tree line with limited vegetation consisting of grasses and low brush growing in poorly developed glacial soil on the lower slopes and valley bottoms. Upper slopes and ridge tops consist of craggy outcrops, talus and small grassy patches.

Fish are not known to inhabit the Snoball drainage basin. Large wildlife such as deer, moose and caribou are rare at higher elevations due to the rugged topography and restricted access; however, bears, cougar, mountain goats and mountain sheep may be present on occasion.

History

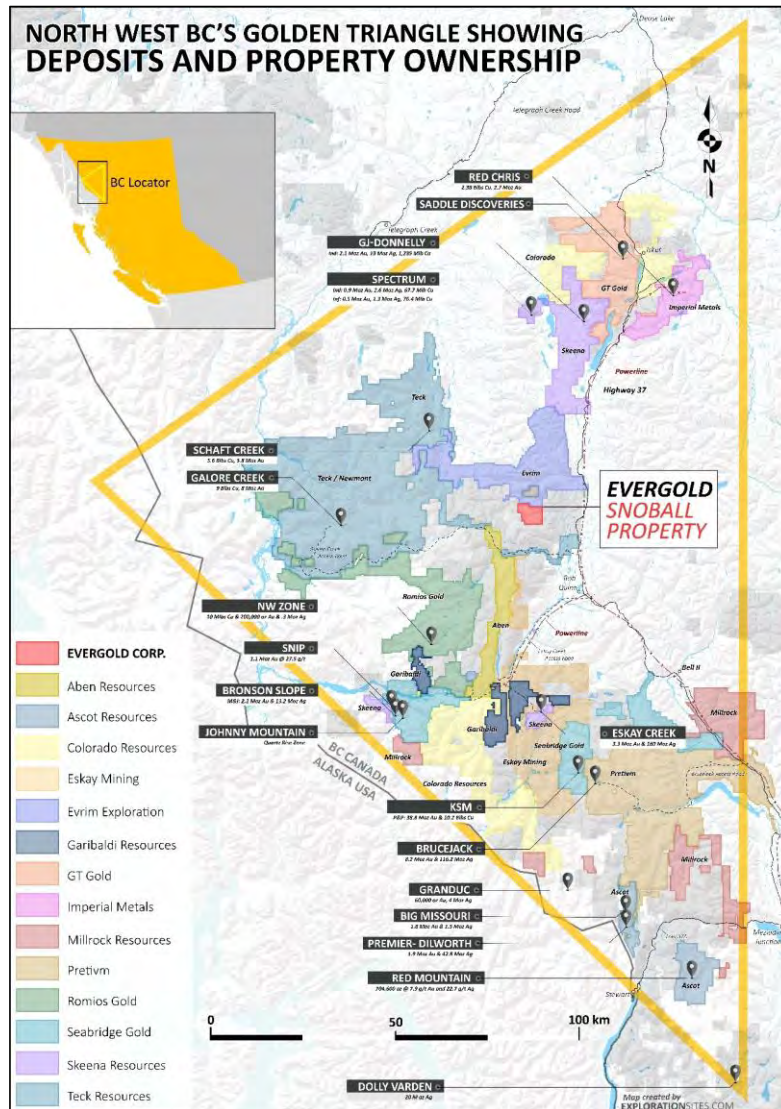
The Snoball Property is located in a region with numerous large and rich mineral deposits, some of which have been or are presently being mined, and some of which are very likely to be mined in the future.

Current mine operations in the area include Pretium Resources' recently commissioned underground Brucejack gold-silver mine, located 77 kilometres to the south-southeast of the Snoball Property, and Imperial Metal's large-scale Red Chris open-pit porphyry copper-gold mine, located 70 kilometres to the northeast, near Iskut. Past producers currently undergoing detailed re-evaluations include: Barrick's Eskay Creek mine, which was developed on a very high-grade precious metal-rich (Au-Ag-Cu-Zn) VMS deposit, located 54 kilometres to the south, and the Snip Au-Ag-Cu mine, 64 kilometres to the southwest. Advanced stage deposits of merit include the Seabridge's KSM very large-scale copper-gold porphyry deposits, located 69 kilometres to the south-southeast, Teck/Newmont's Galore Creek Cu-Au-Ag-Mo porphyry deposit, located 55 kilometres to the west, which is seeing renewed exploration activity in 2019, and Teck/Copper Fox Metal's Schaft Creek Cu-Au-Ag-Mo porphyry deposit, located 33 kilometres to the northwest.

Regional Exploration and Mining History

The Qualified Person has been unable to verify the information concerning the regional mineral deposits and mines discussed in the following section. Readers should be aware that the information presented is not necessarily indicative of the mineralization on the Snoball Property that is the subject of the Snoball Technical Report. It is, however, believed by the Qualified Person to provide relevant geological context.

The Snoball Property lies within one of the most important mineral trends of northwestern British Columbia, at the heart of the region colloquially referred to as the "Golden Triangle" (Snoball Figure 3, below). This region extends over 200 kilometres north from near the town of Stewart, along the western part of the Stikine Arch terrane and includes numerous precious metal-rich deposits. Deposits potentially analogous to the Snoball Property's prospect exploration model include the high-grade Au-Ag vein deposits found on Pretium's Brucejack property, and the Au-Ag rich polymetallic veins and siliceous breccias of the Silbak Premier deposit, near Stewart. Both of these deposits exhibit certain characteristics of epithermal mineral systems, have variable structural and stratigraphic controls on mineralization, and are associated with porphyritic igneous rocks.



Snoball Figure 3: Snoball Property Location, Golden Triangle, Northwestern BC

The recently commissioned **Brucejack** mine has been developed within the Valley of the Kings (VOK) Zone where high-grade gold-silver mineralization occurs as electrum, generally hosted within quartz-carbonate and quartz-adularia veins and vein stockworks. While quartz veining and stockworks are common throughout the VOK Zone, the majority of gold intersections are confined to a 75 to 100 metre-wide zone that closely parallels the axis of a synclinal structure. Alteration at the VOK Zone consists dominantly of quartz-sericite-pyrite, with lesser sericite-chlorite. The most pervasive of the intense alteration is observed within sedimentary and fragmental volcanic rocks. A number of significant showings of gold-silver, plus copper, zinc and lead occur along a north-northwest trend, the “Brucejack Trend”, that approximately follows the trend of the regional Brucejack fault for about 4.5 kilometres north from VOK. Most of the showings consist of quartz-carbonate plus local barite veins and stockworks associated with northwest to west-trending faults that may be splays from the Brucejack fault. Mineralization has been described as transitional epithermal, located up-stratigraphy from porphyritic intrusions believed to be the source of the mineralizing fluids.

An updated April 4, 2019, NI 43-101 compliant mineral resource estimate for the VOK deposit, combining Measured plus Indicated categories, quantified 18.7 million tonnes grading 14.18 g/t gold and 81.6 g/t silver for contained totals of 8.5 million ounces of gold and 48.7 million ounces of silver (Pretium Resources Inc.

news release, April 4, 2019). The Brucejack mine was commissioned in mid-2017 and is currently ramping up to mining at a targeted rate of 2,700 tonnes per day, utilizing long-hole stoping methods.

At the **Silbak-Premier** mine, production began in about 1918 and continued with few interruptions until 1968. Open pit mining was initiated in 1989, continuing to 1996. The operations have milled nearly 5.9 million tonnes of ore, recovering approximately 62 tonnes of gold and 1,333 tonnes of silver, with associated Pb, Zn, Cu and Cd (BC Minfile No. 104B 054). As of January 1997, diluted Proven plus Probable Reserves were 350,140 tonnes grading 7.2 g/t gold, 37.7 g/t silver and 1.6% zinc (George Cross news letter No. 26, February 6, 1997).

The Silbak-Premier orebody is hosted in andesite flows, andesite breccia and lapilli tuff of the Unuk River Formation that has been intruded by Early Jurassic Texas Creek Plutonic Suite dacitic porphyry dikes. Potassium feldspar porphyry dikes, historically known as "Premier Porphyry", are spatially associated with ore, which is believed to indicate a Lower Jurassic mineralization age.

Hydrothermal alteration zones related to the mineralizing system are represented by a proximal silicification/quartz stockwork with potassium feldspar and/or sericite-dominated alteration. Peripheral to mineralization is a propylitic alteration assemblage of carbonate, chlorite and pyrite. The variable intensity and type of alteration is partially controlled by fracture intensity and host lithology, and possibly, elevation in the hydrothermal system. The most characteristic feature of the andesite package is the pervasive carbonate, chlorite and clay alteration around the deposit.

The mineralized bodies are predominantly discordant, but locally concordant with the moderately northwest-dipping andesite flows, breccias and dacite flows. Mineralization occurs along two trends; a steeply northwest dipping Main Zone and a steep to vertical West Zone. These trends are believed to represent structural controls to the mineralization and the emplacement of the dacite porphyry intrusions. Most production came from an area within 500 metres of the intersection of these two zones.

There are at least four styles of mineralization, with textures ranging from stockwork and siliceous breccia, to locally layered and massive sulphide-rich mineralization. Sulphide content varies, generally less than 5% but can be as high as 75%. Sulphide minerals include pyrite, sphalerite and galena, with minor tetrahedrite, chalcopyrite, arsenopyrite and local pyrrhotite. Historical bonanza ore was noted to contain native gold, electrum, pyrargyrite, polybasite, argentite and native silver. Gangue minerals include quartz, potassium feldspar, chlorite and carbonates. A hybrid genesis model combining epigenetic vein and porphyry copper characteristics compares well with the features observed.

At the Snoball Property prospect, potentially comparable mineralization includes the quartz-carbonate UT vein, samples of which have returned high gold values in association with arsenopyrite, sphalerite, galena and pyrite. As well, some of the broader historical intercepts on the Snoball Property are associated with pyrrhotite+pyrite pods containing minor chalcopyrite in hornfelsed sedimentary rocks spatially associated with diorite intrusions of possible Early Jurassic age.

The **Snip** mine was developed on another prolific gold-bearing vein deposit in the region. The mineralization is found in a southwest-dipping shear vein system, hosted within Upper Triassic Stuhini Group sedimentary rocks intruded by Early Jurassic age stocks and plutons. The Snip deposit occurs within the southeast trending Bronson structural corridor, which also appears to be associated with other significant deposits within the Iskut River area. The mine produced approximately 1 million ounces of gold from 1991 until 1999 at an average grade of 25 g/t. Approximately 60% of production was obtained from the Twin Zone, a 0.5 to 15 metre-wide sheared quartz-carbonate-sulphide vein system that cuts massive bedded greywacke and siltstone. Other sub parallel structures located in the footwall to the Twin Zone accounted for the rest of the production.

Total sulphide content in the veins seldom exceeded two percent, and was characterized mainly by minor pyrrhotite, arsenopyrite, sphalerite, chalcopyrite and rare galena (BC Minfile No. 104B 004).

The **Red Mountain** deposit also exhibits features that have been observed at the Snoball Property prospect. Gold-silver mineralization at Red Mountain occurs in several discrete zones within Middle to Late Triassic sedimentary rocks and Early Jurassic volcanoclastic rocks that are cut by Early Jurassic (Goldslide) intrusions, which Grove (1986) correlates with the Texas Creek Plutonic Suite (BC Assessment Report 20971). Features associated with the irregular bodies of monzodiorite such as contact breccias, igneous breccia dikes and the presence of intrusive clasts in volcanic rocks, suggest that the intrusions were feeders to overlying volcanic units.

A wide contact zone occurs between the volcano-sedimentary package and porphyritic monzodiorite stock. This contact zone is strongly brecciated and contains argillite and/or pyroclastic rock fragments within an intrusive matrix. Quartz stockwork is locally developed in the zone, accompanied by weak to intense silicification, sericitization and propylitization. An extensive halo of pyrite-sericite alteration surrounds the intrusion.

Anomalous gold mineralization, grading >0.3 g/t Au, is developed at the transition from pyrite to overlying pyrrhotite dominant alteration over an area of more than one square kilometre. Within this anomalous zone, high-grade gold-silver mineralization, grading 3 to 20 g/t Au, occurs in 5 metre to 29 metre-thick, semi-tabular, pyrite+pyrrhotite stockwork zones, accompanied by intense sericitic alteration and surrounded by an area of disseminated sphalerite and pyrrhotite.

Stratigraphic and spatial relations, and alteration zoning, indicate that mineralization formed in a subvolcanic environment at the top of the Goldslide intrusions and at the base of the Early Jurassic volcanic pile. The Goldslide porphyry is interpreted to be the mineralizing intrusion and the relationships with the mineral zones show similarities common to many porphyry systems (Rhys, 1995).

A NI 43-101 compliant resource estimate for Red Mountain calculated in June, 2017 (Doerksen *et al.*, 2017) reported Measured plus Indicated category resources of 2.07 million tonnes grading 8.75 g/t Au and 24.8 g/t Ag. The report projects a six-year, 1000 tonne per day underground mining operation.

Scottie Gold is another precious metals vein type deposit that has defining features possibly useful for exploration planning at the Snoball Property prospect. The Scottie veins are hosted by andesitic volcanoclastic rocks of the Lower-Middle Jurassic Unuk River Formation of the Hazelton Group, near the contact with a large stock. These strata are cut by mineralized veins and faults, as well as lamprophyre, microdiorite and porphyry dikes.

An Early Jurassic stock, comprised of hornblende quartz monzonite to hornblende granodiorite, lies to the northwest of the deposit. A wide, irregular aureole around the intrusive is comprised of an inner envelope with a pervasively silicified contact zone containing fine disseminated pyrrhotite and pyrite, decreasing outwardly to less altered volcanic breccias. The intrusive rocks are locally sheared and chloritized, particularly where transected by the Morris Summit fault.

Structurally, the Scottie Property is dominated by a set of north striking faults, the most dominant of which is the west dipping Morris Summit fault. West of the Morris Summit fault, east-west striking faults and lineations are common. The area east of the fault is cut by a suite of north striking microdiorite dikes.

The Scottie deposit consists of several flat-lying mineralized quartz-carbonate veins, each forming an *en echelon* or “ladder” vein pattern across widths of tens of metres, between pairs of northwest-trending steeply dipping veins, and extending to depths of up to 300 metres. The veins are components of secondary shears

of the Morris Summit fault and are up to 7 metres wide, averaging 2 metres in width. The Main zone is northwest striking and three mineralized splays from this structure strike east-west and dip steeply north. The overall mineralized area measures about 400 by 250 by 300 metres. Elsewhere in the area, the veins are erratic in strike length and width.

The main veins of the “ladders” occur within near-vertical fracture zones bordered by siliceous alteration envelopes with poorly defined borders. The veins contain variable sulphide content, with common lenses of massive sulphide consisting largely of pyrrhotite and pyrite, as well as lesser sphalerite, chalcopyrite, galena, arsenopyrite, tetrahedrite and gold.

Intermittent exploration work was undertaken on the Scottie property commencing in the 1930s. Scottie Gold Mines placed the property into production in 1981 and, through 1984, the mine produced 2.98 tonnes of gold and 1.6 tonnes of silver from 160,000 tonnes of ore, with an average grade of 18.6 g/t Au. Non-compliant historical resource estimates suggest underground mineable Measured Reserves of approximately 29,000 tonnes grading 18.5 g/t Au, as well as Indicated plus Inferred Resources of 223,000 tonnes grading 8.5 g/t Au and 4.3 g/t Ag (BC Minfile No. 104B 034).

The region surrounding the Snoball Property also contains several large porphyry-style systems which provide evidence that Late Triassic to Early Jurassic intrusions in this region are closely associated with numerous Au-Cu mineralized bodies and are undoubtedly the sources for much of the mineralization. Below are brief summaries of some of the porphyry deposits in the area.

Comprehensive drilling programs by Seabridge Gold Inc. on the **KSM** property have outlined four potentially mineable deposits along a 12 kilometre-long northeasterly trend. On March 12, 2019, Seabridge announced independent updated resource estimates for the KSM deposits (Kerr, Sulphurets, Mitchell & Iron Cap) as follows: Proven and Probable Mineral Reserves of 2,198 million tonnes averaging 0.55 g/t gold, 0.21% copper, 2.6 g/t silver, and 42.6 ppm molybdenum; and Measured plus Indicated Mineral Resources totaling 2.98 billion tonnes averaging 0.52 g/t gold, 0.21% copper and 2.8 g/t silver. An additional 4.56 billion tonnes are estimated in the Inferred Resource category grading 0.38 g/t gold, 0.32% copper and 2.4 g/t silver.

The mineral bodies at KSM are associated with the Early Jurassic “Mitchell Intrusions”, high level diorite to monzonite plugs and dikes that intrude volcanic and sedimentary rocks of the Stuhini and Hazelton Groups. The Iron Cap deposit is the northernmost of the four deposits. Each of the deposits exhibits varying intensities of alteration but, as an exploration model, Iron Cap displays similar alteration to the others in the group, with pervasive silicification, lesser sericitization and chloritization, and containing typically 3-5% disseminated pyrite. The intense silicification overprints earlier potassic and chloritic alteration. Phyllic alteration, although present, is less pervasive than at the nearby Mitchell deposit. Copper bearing zones at Iron Cap demonstrate higher grades and more extensive potassic alteration than some of the other deposits, and this is believed to be consistent with its deposition primarily within intrusive host rocks that presented a deeper and hotter environment. Associated with the silicification at Iron Cap are wide zones of hydrothermal brecciation, scattered metre-scale quartz-pyrite-chalcopyrite veins and centimetre-scale quartz-carbonate-pyrite-chalcopyrite-sphalerite-galena-tetrahedrite veins interpreted to have been superimposed on earlier stockwork and disseminated mineralization, providing evidence of multi-stage mineralizing events.

At KSM, Ghaffari *et al.* (2016), envisage a combined open-pit and underground block caving mining operation projected to operate for 53 years. During the initial 33 years, open pit production would average 130,000 tonnes per day, thereafter reducing to 95,000 tonnes per day from underground operations. Flotation concentrate would be produced on site and trucked to Stewart, BC for shipment to smelters.

The **Red Chris** porphyry copper-gold deposit, owned by Imperial Metals Corporation, commenced commercial production in 2015. The deposit is hosted by a Late Triassic diorite to monzonite body that has

intruded Late Triassic Stuhini Group volcanic and sedimentary rocks. As of September 2015, combined open pit and underground block cave Measured plus Indicated resources at Red Chris totaled 1.035 billion tonnes averaging 0.35% copper, 0.35 g/t gold and 1.14 g/t silver (Imperial Metals Corporation website). The open pit resources are somewhat lower grade, but still total 847.9 million tonnes averaging 0.31% copper, 0.27 g/t gold and 1.01 g/t silver. Production is currently from two pits (Main and East) at an average of about 30,000 tonnes per day, with plans for a future increase in mining capacity. Concentrate is produced on site and trucked to Stewart for shipping overseas.

At **Schaft Creek**, pyrite, chalcopyrite, bornite and molybdenite occur predominantly in fractured to brecciated andesitic volcanic rocks of the Stuhini Group, intruded by augite porphyry basalt and quartz diorite dikes emanating from the nearby Late Triassic Hickman batholith. Less than ten percent of the mineralization occurs in intrusive rocks. Pyrite and bornite are mutually exclusive and most of the main deposit occurs within the bornite zone, with pyrite on the periphery.

Two phases of mineralization are observed. The first phase occurs as hydrothermal veins and breccias, and minor disseminations. It consists of bornite, chalcopyrite, molybdenite, and pyrite with potassic and sericite-chlorite alteration. The second phase is minor and consists of veins of molybdenite plus local specularite, as well as Cu-Pb-Zn sulphide veins without any significant corresponding alteration.

The distribution of most sulphide minerals is fracture-controlled. They occur in dry fractures or combined with quartz or quartz-calcite veinlets within the andesitic volcanics. The sulphide minerals within the intrusive rocks are usually disseminated, seemingly replacing mafic minerals. Trace amounts of covellite, chalcocite, tetrahedrite and native copper have been identified. Minor amounts of galena and sphalerite occur in breccia zones and in small calcite veins. Gold and silver are associated with the sulphide minerals.

A January 2013, NI 43-101 compliant feasibility study for the Schaft Creek project proposed a 130,000 tonne per day open pit mine, with Proven plus Probable Reserves of 940.8 million tonnes grading 0.27% copper, 0.19 g/t gold, 0.018% molybdenum and 1.72 g/t silver (Copper Fox website). The feasibility study contemplated a 21-year mine life. The owners are continuing exploration and collection of geotechnical data prior to making a production decision.

At the **Galore Creek** deposit, at least twelve alkalic porphyry copper-gold deposits are known to occur within the Galore Creek syenite complex, which is roughly 5 by 2.5 kilometres in area. This complex comprises a series of Late Triassic to Early Jurassic orthoclase-porphyry syenitic bodies, which have intruded coeval Upper Triassic Stuhini Group volcanic rocks and related sedimentary rocks.

The deposits are hosted primarily by highly altered volcanic rocks and pipe-like breccias adjacent to syenite dikes and stocks. Typically, the deposits are manto-shaped and have a north to northeast trend related to the syenite contacts and zones of structural weakness. Host rocks have commonly been converted to skarns, so that original rock types are unclear. The term "hornfels" was frequently applied to these meta-volcanic rocks in the early stages of exploration.

An extensive hydrothermal alteration system led to the formation of large gossans. Potassic alteration has converted the syenites and volcanic rocks to pink, white and orange coloured rocks, composed mostly of orthoclase. Propylitic alteration, best developed in the syenitic rocks, consists of assemblages of chlorite and calcite +/- albite and epidote. Overprinted calc-silicate alteration, consisting of abundant garnet, diopside, epidote, albite and anhydrite, is an unusual feature of the complex in some areas.

As of September 2011, the Galore Creek deposit had reported Proven plus Probable Reserves of 528 million tonnes grading 0.59% copper, 0.32 g/t gold and 6.02 g/t silver (Galore Creek Mining Corporation website). A prefeasibility study published in 2011 envisaged a large-scale open-pit mine providing ore to a process

plant at a nominal rate of 95,000 tonnes per day over an approximate 18-year mine life. Concentrate would be produced and transported to the port of Stewart for shipment to various international destinations. The owners are undertaking environmental studies and seeking ways to optimize the economics of the project. The area near the Snoball Property has also been explored for volcanogenic massive sulphide (VMS) deposits since the discovery of the nearby **Eskay Creek** deposit, and comparable rocks favourable for hosting VMS mineralization have been mapped on the Snoball Property.

Eskay Creek was, during its operation, among the world's richest gold-silver mines. Host rocks are volcanoclastic rocks of the Middle Jurassic Salmon River Formation of the upper Hazelton Group. The mineral zones were comprised of polymetallic sulphide and sulfosalt mineralization deposited in a transitional environment between a hot spring and deeper water VMS exhalative system. Like most VMS deposits, the mineralization consists of semi-massive to massive concordant sulphide lenses underlain by discordant stockwork feeder zones. Mineral bodies have diverse geochemical signatures dominated by Au, Ag, Cu and Zn and often accompanied by elevated As, Sb, Pb, Te and Hg. Mineralization displays both lateral and vertical zoning. Antimony, arsenic and mercury-rich mineral assemblages in the south part of the deposit grade into zinc, lead and copper-rich assemblages in the north. Vertical zoning is expressed as a systematic increase in gold, silver and base metal content up-section.

Mineralization is associated with areas of intense alteration. Mudstone host rocks are overprinted with varying amounts of chlorite, muscovite, chalcedonic silica, calcite and dolomite, with ubiquitous pyrobitumen. Beneath the stratabound mineralization found in the mudstone unit, the footwall rhyolite unit is highly fractured and intensely altered. Fracturing, alteration intensity and metal tenor appear to increase toward the upper contact. Within 3 to 4 metres of the upper contact, rhyolite-hosted mineralization is characterized either by massive chlorite-gypsum-barite rock or by quartz-muscovite-sulphide breccia. Mineralization in footwall rocks commonly occurs as semi-massive to disseminated, crystalline pyrite, sphalerite, tetrahedrite, galena and chalcopyrite.

Many mineral zones occur at Eskay Creek, but the majority of the mined reserves came from the 21 Zone. The bulk of mineralization in the 21 Zone occurs as a stratabound sheet within carbonaceous mudstones and underlying rhyolite-mudstone breccia. In the north, sulphide layers also occur in the hangingwall andesite unit. As traced by diamond drilling the entire zone extends 1400 metres along strike, 250 metres down-dip and is from 5 to 45 metres thick.

Mining from 1995 to 2008 at Eskay Creek produced 2.1 million tonnes of ore yielding 101.65 tonnes of gold, at an average grade of 48.4 g/t Au, as well as 4,942 tonnes of silver, at an average grade of 2,221 g/t Ag (BC Minfile No. 104B 008).

Many mineral occurrences found near the Snoball Property are related to large regional structures. The dominant structural features in the region are north to northeast trending normal faults such as the Forrest Kerr Fault Zone which passes 9 kilometres to the west of the Snoball Property, and which is associated with secondary northwest trending structures. The area extending 10 to 25 kilometres southwest from the Snoball Property contains several high-grade base and precious metal mineral showings, focused along the Forrest Kerr Fault Zone, in highly sheared and altered Triassic and Jurassic intermediate volcanic rocks. For example, 20 kilometres southwest of the Snoball Property at the Goz-RDN project, drilling in 1991 by Noranda at the Wedge Zone in follow up to polymetallic float boulders returned 24.0 g/t Au over 11.6 metres with minor Ag, Cu, Pb and Zn. Other drill results in that area included 7.9 g/t Au over 7.8 metres and 11.7 g/t Au over 4.4 metres (Northernminer.com news, September 16, 1991). Continued exploration in this area has focused on potential volcanogenic massive sulphide mineralization in strata overlying these possible footwall veins.

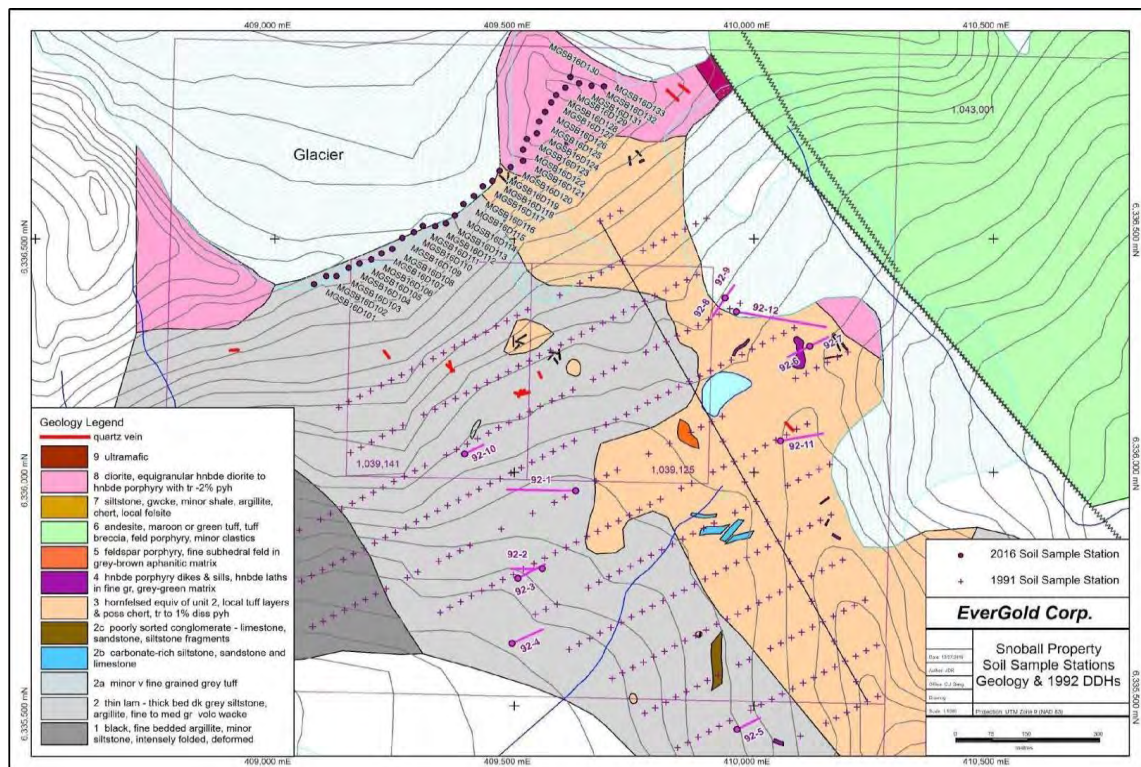
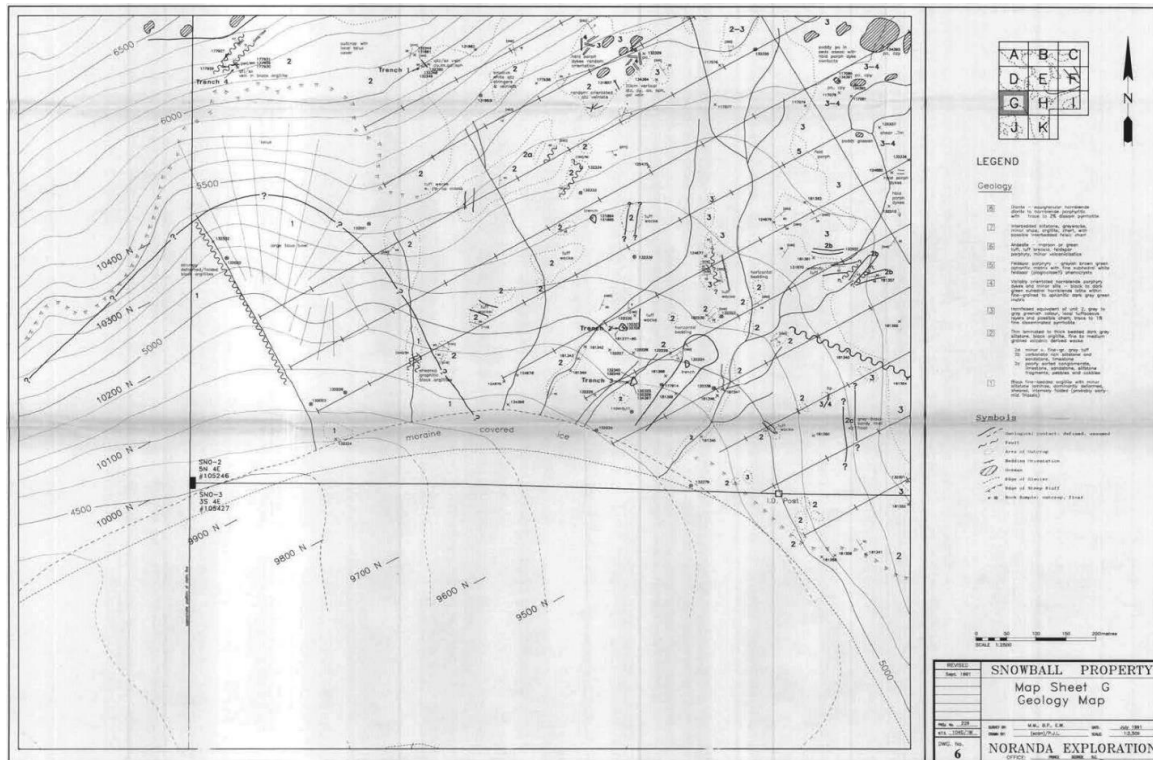
Snoball Property Exploration History

A substantial amount of exploration work has been documented for the Snoball Property area, all of it occurring after the late-1980s. Exploration appears to have been initiated following a 1987 regional geochemical sampling program carried out by the British Columbia Ministry of Energy, Mines and Petroleum Resources in which a number of drainages in the vicinity of the Snoball Property returned anomalous precious metals and pathfinder element values. Noranda Inc. (“**Noranda**”) followed up on these results in 1989 with heavy mineral sampling and identified drainages with anomalous gold, silver and arsenic values, which led them to stake claims that covered much of the area of the current Snoball Property.

In 1990, Noranda undertook exploration on the new claims that consisted of mapping, prospecting and the collection of 43 rock and 17 silt samples. Their preliminary surveys outlined an area encompassing the current Snoball Property prospect area, measuring about 2 square kilometres with highly anomalous stream sediment geochemistry in which rock samples returned values of up to 10.25 g/t Au and 116.7 g/t Ag, as well as moderate values in Cu, Pb, As and Sb (Savell, 1991).

Noranda continued exploration in 1991, focusing on the immediate area of the current Snoball Property prospect area, including establishing approximately 12 kilometres of grid lines that facilitated geologic mapping, soil geochemical sampling, trenching, and magnetometer, horizontal loop electromagnetics (“**HLEM**”) and IP geophysical surveys. A total of 175 rock samples and 359 soil samples were collected from the grid area and analyzed. A multi-element soil anomaly was defined within which the >100 ppb Au anomaly measured 300 to 700 metres wide by 800 metres long, and widened to the north where it remained open (Savell and Harrison, 1991). Arsenic and lead in the soils on the grid coincided closely with gold, whereas higher zinc and copper values were centered farther to the west of the gold anomaly, in an area underlain by a graphitic argillite unit that is possibly enriched in those elements. In the geophysical surveys, the gridded area was surveyed with magnetics and HLEM at 100 metre line-spacing and with IP at 200 metres line-spacing. The EM survey detected one isolated bedrock conductor that was coincident with a probable source comprised of a graphitic shear zone in carbonaceous black sediments. The magnetic survey showed a strong positive anomaly corresponding to an area of hornfels alteration and pyrrhotite mineralization adjacent to diorite dikes. Strong IP chargeability responses were associated with the strong magnetic high in the area of pyrrhotite mineralization and several zones of moderate chargeability correlated with north-trending soil geochemical anomalies and magnetic features.

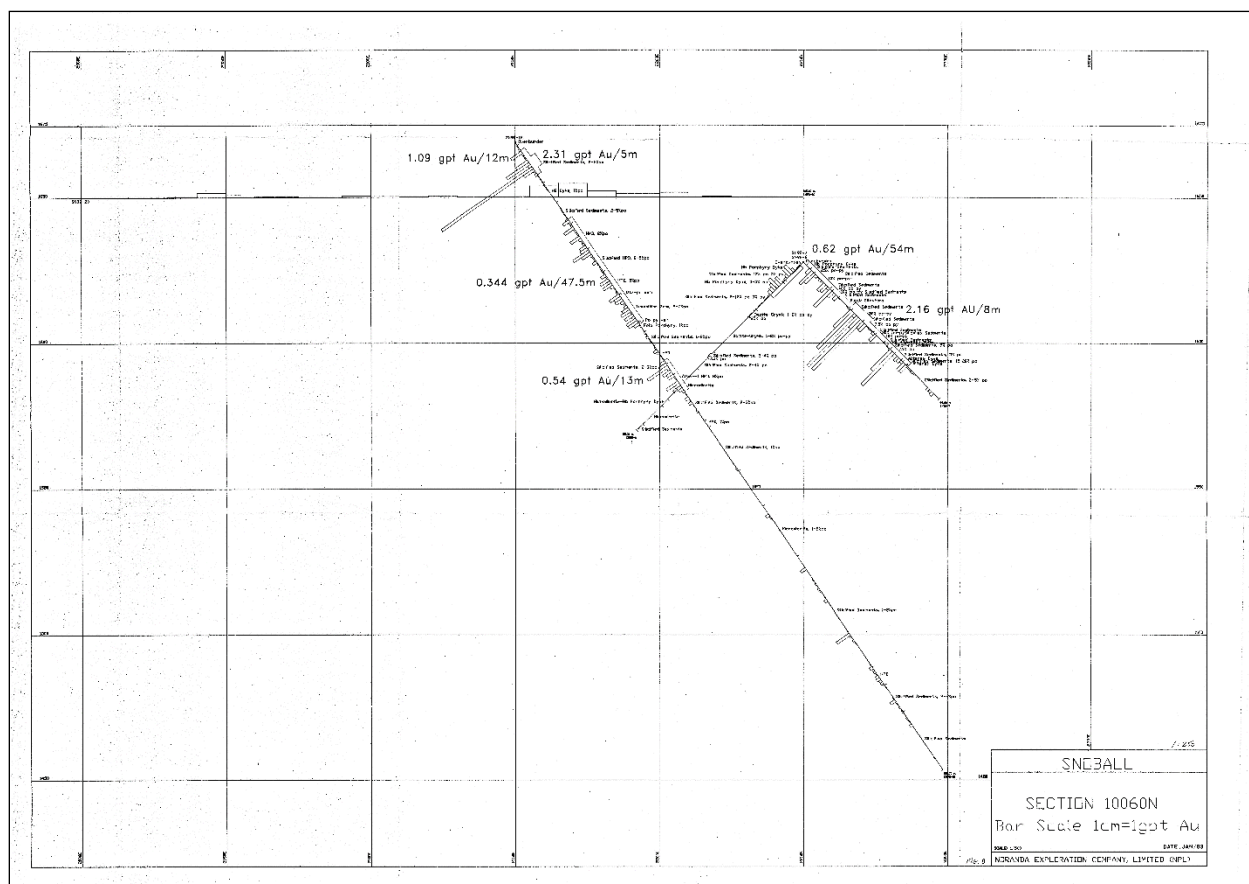
A key shortcoming of Noranda’s work at the time and later, was its overriding focus, particularly for sampling and drilling (see Snoball Figure 5, below) on the lower-elevation, more readily accessible parts of Snoball Ridge, and areas immediately adjacent to the south. Noranda’s soil geochemical grid, for example, did not extend above the mid-level slopes of Snoball Ridge, leaving the multi-element soil anomalies later identified open up-slope to the north, and apparently strengthening in that direction.



Noranda's prospecting and mapping delineated two styles of sulphide mineralization within the bounds of the gold-in-soil geochemical anomaly. A first "Type 1" style was associated with diorite and hornblende porphyry intrusions that had hornfelsed the surrounding country rock. Pyrrhotite pods and disseminations in the hornfels have formed distinctive gossans and returned variable but locally high gold and copper values. A second "Type 2" variety consisted of quartz-sulphide veins and stringer networks crosscutting dark grey siltstone and light grey volcanoclastic rocks. A number of hand trenches were excavated to better expose and sample some of the mineral occurrences, and Noranda reported zones of polymetallic mineralization from which their fifteen highest grade samples averaged 60.1 g/t gold, 214.5 g/t silver, 0.12% copper, 1.7% lead, 1.5% zinc, and 7.2% arsenic. The peak value in this group came from a float sample grading 174.0 g/t gold and 427.7 g/t silver (BC Minfile No. 104G0143, Gold Giant Minerals news release c.1992).

In 1992, Noranda and Gold Giant Minerals formed a joint venture, operated by Noranda, to explore various targets with a diamond drill program. Twelve holes (See Snoball Figure 5, above), totaling 1,504.6 metres, were drilled on the lower slopes of Snoball Ridge and areas immediately adjacent to the south, from which 1,246 core samples were collected and analyzed (Savell, 1992). The initial targets were blind Eskay Creek-type precious metals-rich stratiform massive sulphide targets, selected in part because of the similar elemental signature and the Snoball Property's proximity to Eskay Creek, located 54 kilometres south. Three holes tested coincident geochemical and geophysical anomalies, three were drilled to test depth extensions of quartz-sulphide surface showings and six holes tested areas of pyrrhotite-bearing hornfels. The best drill holes were from pyrrhotite zones in the east-central grid area proximal to Snoball Pond. These holes returned moderate widths of anomalous gold values that were typically in the 0.5 to 1.0 g/t Au range, with the exception of hole SN-92-7 (Snoball Figure 3, below), which returned 2.16 g/t Au over 7 metres from a shallow intersection between 23 metres and 30 metres downhole. Drill holes summaries are presented in Snoball Table 2, below.

The drill holes were all located on the lower elevation, less precipitous and more accessible lower slopes of Snoball Ridge and areas nearby to the south, more than 500 metres downslope from the ridge top where the strongest part of the soil geochemical anomaly has, through work carried out by Evergold in the period between 2016 and 2018, now been identified. Interpretation and modeling of the full datasets now suggests that the downslope part of the geochemical anomalies in the vicinity of Noranda's historical drill holes may be largely derived from weathered mineralization transported downslope from the upper elevations of Snoball Ridge and the Pyramid Peak intrusive. Consequently, an area upslope measuring about 500 metres by 600 metres that contains strongly anomalous gold-silver-lead-arsenic rock and soil geochemistry, gossans, dikes and mineralized vein showings, remains completely untested by drilling and is a prime target area for further exploration. Furthermore, no down-hole geophysical testing was undertaken in the 1992 program, in spite of the fact that downhole EM work, which is a useful exploration technique, was recommended by earlier workers to search for off-hole conductive sulphide bodies. The drilling indicated that the immediate vicinity of the Snoball Property prospect area is not underlain by the stratigraphy of the upper Hazelton Group associated with the Eskay Creek deposit, although that prospective VMS-host stratigraphy is present on the northeastern part of the Snoball Property, where its potential has not been adequately tested.



Snoball Figure 6: Noranda drill section from 1992 showing assays on trace of holes SN92-6, SNI92-7, and SN92-12, drilled north-northeast of Snoball Pond

Snoball Table 2: Summary of Historical 1992 Noranda Diamond Drilling Results

Hole No.	Depth (m)	Target	Mineralization	Interval (m)	Width (m)	Assays
SN-92-1	395.4	Au-As-Pb soil anomaly, deep chargeability anomaly, on trend from high-grade veins	sheared pyritic zone	59.0-62.0	3.0	130 ppb Au
			10 cm py-po vein	138.0-139.0	1.0	130 ppb Au, 37.2 ppm Ag, 0.25 % Zn
SN-92-2	106.7	Depth extension of trench mineralization, coincident geochemical/geophysical anomaly	two 3 cm qz-py-aspery veins	17.3-18.3	1.0	920 ppb Au, 0.49 % As, 0.12 % Zn
			one 2 cm qz-aspery vein	46.3-47.3	1.0	120 ppb Au, 0.07 % As
SN-92-3	68.0	Depth extension of trench mineralization, coincident geochemical/geophysical anomaly	narrow qz-ca-py veins over 0.5 m interval	44.7-46.7	2.0	95 ppb Au
SN-92-4	106.7	Depth extension of trench mineralization, coincident Au-As-Pb geochem/ chargeability anomaly	graphitic, pyritic shear	12.0-13.0	1.0	150 ppb Au
			graph. shear, qz-ca-py-sph vlts	64.0-66.0	2.0	610 ppb Au, 19.6 ppm Ag, 0.12 % As, 0.20 % Zn
SN-92-5	69.8	High Chargeability upslope from Au anomaly	dissem & veinlets of po			no significant results
SN-92-6	82.0	Silicification, diss po, mag & chargeability highs, resistivity low, Au soil anomaly	10-15% po in silicified sedimentary rocks w. dikes	4.0-16.0	12.0	458 ppb Au, 0.04 % Cu
SN-92-7	66.6	Silicification, diss po, mag & chargeability highs, resistivity low, Au soil anomaly	10-30% po in silicified sedimentary rocks w. dikes 5% to semi-massive po-py	3.0-17.0	14.0	513 ppb Au
				23.0-30.0	7.0	2162 ppb Au
				42.6-51.0	8.4	948 ppb Au

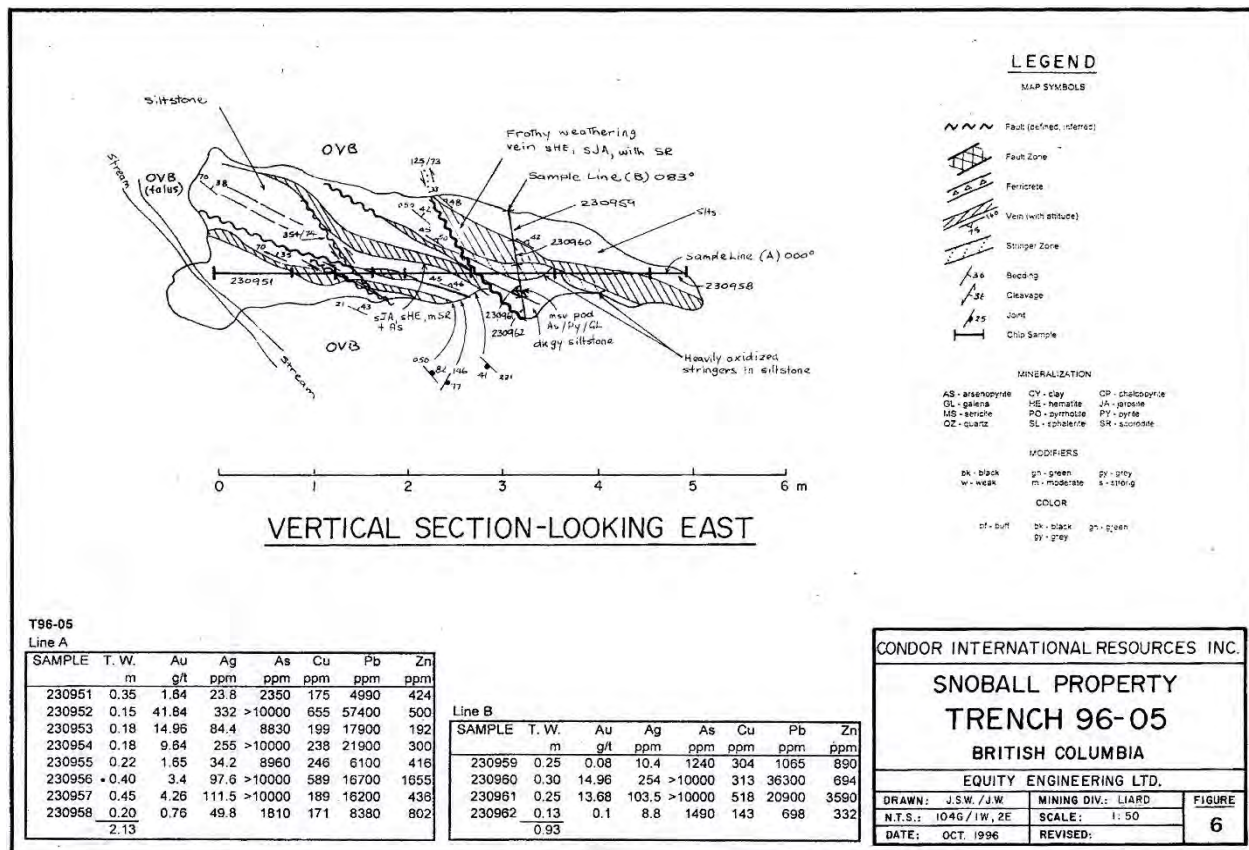
Hole No.	Depth (m)	Target	Mineralization	Interval (m)	Width (m)	Assays
SN-92-8	75.9	Same zone as holes 6 & 7, 175 m to the NW approx. 50 m higher in elevation	1-4% po-py in silicified, brecciated sediments w. narrow hornblende porphyry dikes diorite cut by narrow qz veins	4.0-40.0	36.0	various lengths returned 20 to 230 ppb Au
				54.0-59.0	5.0	various lengths returned 20 to 50 ppb Au
				65.0-69.0	4.0	various lengths returned 20 to 50 ppb Au
				75.0-75.9	0.9	1500 ppb Au
SN-92-9	27.1	Same zone as holes 6 & 7, 175 m to the NW approx. 50 m higher in elevation	2-4% po-py in silicified, brecciated sediments w. narrow hornblende porphyry dikes	1.5-12.0	10.5	various lengths returned 20 to 120 ppb Au
				17.0-19.0	2.0	425 ppb Au
				25.0-27.1	2.1	225 ppb Au
SN-92-10	97.0	Chargeability high and Au anomaly on trend from high-grade veins in outcrop	narrow qz-ca-py veins over 35 m in siltstone & greywacke			no significant results
SN-92-11	127.7	Magnetic high and 2.6 g/t Au in rock sample	2-4% po in mod. silicified sed rocks w. narrow porphyry dikes	6.0-24.0	18.0	125 ppb Au
SN-92-12	281.6	Chargeability high and Au soil anomaly, rock sample 5.3 g/t Au in gossan zone, and test down dip from zone in holes 6 & 7	2-5% po in silic. seds, a few dikes 2-10% po in bleached, silicified porphyry dikes w. intervals of siliceous sedimentary rocks 3-5% po in porphyry dikes (60%) and silic. sedimentary rocks (40%)	3.0-15.0	12.0	1095 ppb Au
				34.5-82.0	47.5	344 ppb Au
				98.0-111.0	13.0	538 ppb Au

Also in 1992, Tenajon Resources Corp. explored the Smith property, which at that time adjoined Noranda's Sno property to the west, but which is now encompassed by the Snoball Property. Geological reconnaissance and collection of 4 soil and 67 rock chip samples was undertaken on the Smith property, resulting in the identification of three styles of mineralization: (1) disseminated pyrite in both sedimentary and volcanic rocks, (2) quartz vein related disseminated pyrite, and (3) brittle shear-hosted gold and silver bearing quartz veins containing arsenopyrite, galena, sphalerite and pyrite. A new showing of this third style of mineralization, the "UT" vein, located toward what is now the western extremity of Snoball Ridge and constituting part of the current Snoball Property prospect area, averaged 51.6 g/t Au, 302 g/t Ag, 3.59% Pb, 2.05% Zn and 15.3% As over 1.5 metres (Visagie, 1992).

In 1995 Condor International Resources Ltd. ("Condor") undertook a review of historic data and visited the Snoball Property to evaluate its potential for hosting a precious metal deposit (Game, 1995). The evaluation included the collection of 29 rock samples from areas of known mineralization and the collection of 10 silt samples. Some of the rock samples were from stockwork zones and quartz breccia zones showing pronounced epithermal textures, including silicification of the sedimentary host rocks and the presence of open-space textures in both quartz veins and breccias. Other sampling concentrated on a gossanous area near Snoball Pond where disseminated to massive pods of pyrrhotite occur in hornfelsed, fine-grained sedimentary rocks, adjacent to a diorite intrusion and related hornblende porphyry dikes and sills, which was the area with the best drilling results by Noranda and Gold Giant Minerals in 1992. Many of the grab samples returned strongly anomalous gold values, with some of the highest values coming from vein and breccia samples, including SNGR016 that assayed 141.0 g/t Au and 446.0 g/t Ag (Game, 1995).

In 1996, Condor continued evaluating the Snoball Property by prospecting, geological mapping, and hand trenching (Weber, 1996). They re-established the 1991 Noranda grid for mapping control, prospected the area of the large soil geochemical anomaly, excavated four new hand-trenches and re-mapped and re-sampled one old Noranda trench. The new trenches were located in the western and southwestern part of the Noranda grid, outside of the area of the strong gold-in-soil anomaly and some 800 metres downslope from the top of Snoball Ridge. Re-sampling of the old Noranda trench returned 9.9 g/t Au, 33.6 g/t Ag, 0.3% Pb, 0.1% Zn and >1% As across a 0.4 metre-wide quartz vein that showed evidence of strong shearing. One of the new trenches returned 14.38 g/t Au, 185.6 g/t Ag, 2.9% Pb, 0.2% Zn and >1% As across a 0.55 metre-wide quartz vein that was also faulted or sheared and noted to pinch and swell in width. Ten metres east of this trench, strongly oxidized veins returned several multi-gram Au values that ranged up to 25.28 g/t Au over 0.5 metres, accompanied by 233 g/t Ag, 4.2% Pb, 1.9% Zn and >1% As.

Weber (1996) concluded that there were many showings of high-grade precious-metal quartz-sulphide veins on the Snoball Property, although the ones that he viewed were generally narrow, limited in strike length, and typically pinched and swelled over short intervals. He also noted that the veins tended to occur in or along small faults, increasing in thickness in dilational lenses created by small crosscutting faults. As well, he observed that no major causative structure had been identified on which to focus further exploration. Weber (1996) also concluded that the 1991 soil geochemical anomaly was comprised primarily of samples of very immature "C horizon" soil and talus fines and that on the steep topography many of the high soil geochemical values obtained were the consequence of downslope dispersion of talus fines and rock fragments from the many vein showings present on the upper slopes. Weber (1996) optimistically concluded that the 1992 drill holes in the eastern grid area that had returned intermittent low-grade gold in pyrrhotite-bearing, hornfelsed sedimentary rocks indicated good potential for discovery of bulk-tonnage volumes of low-grade gold mineralization. Finally, Weber (1996) suggested that to properly evaluate the extent and grade of this type of mineralization, further mapping, rock chip sampling and drilling would be required.



Snoball Figure 7: Example of trenching and sampling by Condor, 1996

In 2002, M.J. Mason acquired property that encompassed the area now covered by the central part of the Snoball Property. Since platinum group elements had not been included in previous analytical work, a program to determine the potential for platinum group metals was carried out. Ainsworth (2002) undertook a geochemical orientation survey, comprised of three stream sediment and eight rock samples. The results of the survey did not indicate the potential for platinum; however, the widespread gold-silver mineralization seen in irregular pods and lenses in the course of the sample collection encouraged a recommendation for further work on the claims. Ainsworth (2002) suggested that this work include probing some of the 1992 Noranda-Gold Giant Minerals drill holes to determine if they were still open, with the aim of using Electromagnetic surveying to test for off-hole concentrations of gold-bearing sulphide mineralization.

There are no other publicly available records of any additional work having been undertaken in the area of the Snoball Property since 2002, although at times the showing area has been staked, dropped, and then re-staked by various parties. There have been no historical mineral resource or mineral reserve estimates for the Snoball Property and there has been no significant production from it.

Documentation of current exploration programs by the Company may be found in “*Material Properties – Snoball Property - Exploration*”, below.

Geological Setting and Mineralization

Information on contained in “Regional Geology” and “Local and Property Geology” are transcribed in part from Assessment Report #36534, *2016 Geological & Geochemical Program on the Snoball Property* (Rowe, 2017).

Regional Geology

The Snoball Property lies within a mineral-rich belt that extends over 200 kilometres northerly from near the town of Stewart, along the western part of the Stikine Arch terrane and includes numerous advanced stage precious metal deposits (see Snoball Figures 8, 9, and 10, below). Logan *et al* (2000) describe the geological history of the area as consisting of five consecutive volcanic arcs, from mid-Paleozoic to mid-Mesozoic, developed in sediment-poor and sediment-rich marine settings. Regional-scale unconformities within the study area include a Late Permian-Early Triassic unconformity, a Late Triassic-Early Jurassic angular unconformity and nonconformity, and a late Early Jurassic angular unconformity (Aldrick *et al*, 2005). Lulls in volcanism at the Triassic-Jurassic boundary and in the uppermost Lower Jurassic were marked by tectonic uplift, deformation and erosion (Souther, 1972). Cretaceous fold-and-thrust belt deformation in the western part of Stikinia resulted in the older, mineralized volcano-sedimentary rocks being brought close to surface in this region.

Several plutonic episodes in the area range from Devonian to Eocene and were, in many cases, coeval with volcanic strata. The four youngest plutonic suites generated important mineral deposits. These include the Late Triassic to Early Jurassic (Copper Mountain), Early Jurassic (Texas Creek), Middle Jurassic (Three Sisters) and Eocene (Hyder) intrusions.

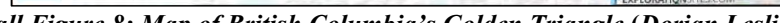
The major stratigraphic units exposed near the Snoball Property are the Paleozoic Stikine Assemblage, Triassic Stuhini Group, Lower to Middle Jurassic Hazelton Group, Jurassic-Cretaceous Bowser Lake Group and Pleistocene Mount Edziza Complex.

The oldest stratified rocks in the area near the Snoball Property are Paleozoic Stikine Assemblage, which underlie a north-trending belt about 20 kilometres west of the claims (see Snoball Figure 10, below). The Paleozoic rocks, shown in grey-blue on the figure, consist of volcanic flows and tuffs, thin-bedded clastic sedimentary rocks and some thick limestone members of Carboniferous to Lower Permian age. The predominant rock types include argillite, siltstone and conglomerate with calcareous interbeds and limestone or marble units, as well as basaltic to andesitic flows with crystal and lithic lapilli tuffs. This unconformity-bounded belt is in contact to the east with a belt of Upper Triassic and Jurassic sedimentary and volcanic rocks, some of which underlie the Snoball Property.

The Triassic-Jurassic belt is comprised mainly of the Stuhini and Hazelton Groups, shown in shades of green on Snoball Figure 10. The Upper Triassic Stuhini Group consists of a lower volcanic package with lesser amounts of intercalated sedimentary rocks, overlain by a thick upper package of primarily sedimentary rocks with some interlayered volcanics. Aldrick *et al* (2004b) have interpreted the Stuhini Group in the map area as a subaqueous accumulation of dacite, andesite and bimodal basalt-rhyolite volcanic rocks in a setting characterized by a progressively increasing accumulation of volcanoclastic sedimentary rocks with carbonate cement. The top of the Stuhini Group is a regional angular unconformity that is overlain by Hazelton Group strata. Total thickness of the Stuhini Group cannot be determined due to this truncation, but minimum thickness is 3,000 metres (Aldrick *et al*, 2004b).

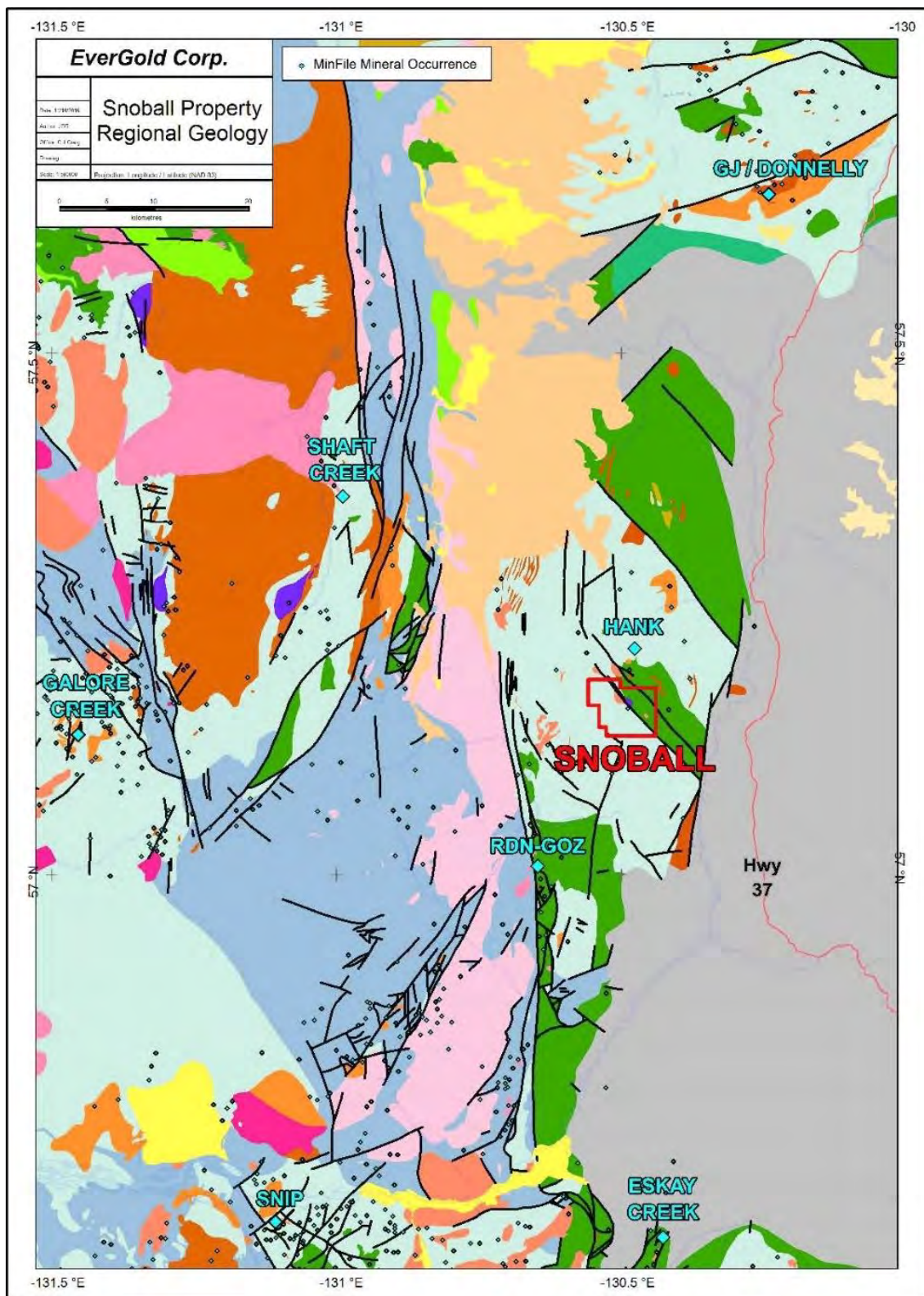
The overlying Early to Middle Jurassic Hazelton Group is also an island arc succession, consisting of a lower package of volcanic rocks of intermediate composition along with derived clastic sedimentary units, a middle interval that includes thin, but widely distributed felsic volcanic rocks, and an upper unit of fine clastic sedimentary rocks, with local bimodal volcanic rocks dominated by basalt. Carbonate units are rare or absent in Hazelton Group strata distinguishing it from Stuhini Group (Aldrick *et al*, 2004b).

Gagnon *et al* (2012) recognized that the Hazelton Group consists of lower and upper parts, separated by a diachronous contact. Lower Hazelton Group strata have not been identified in the Snoball Property but to

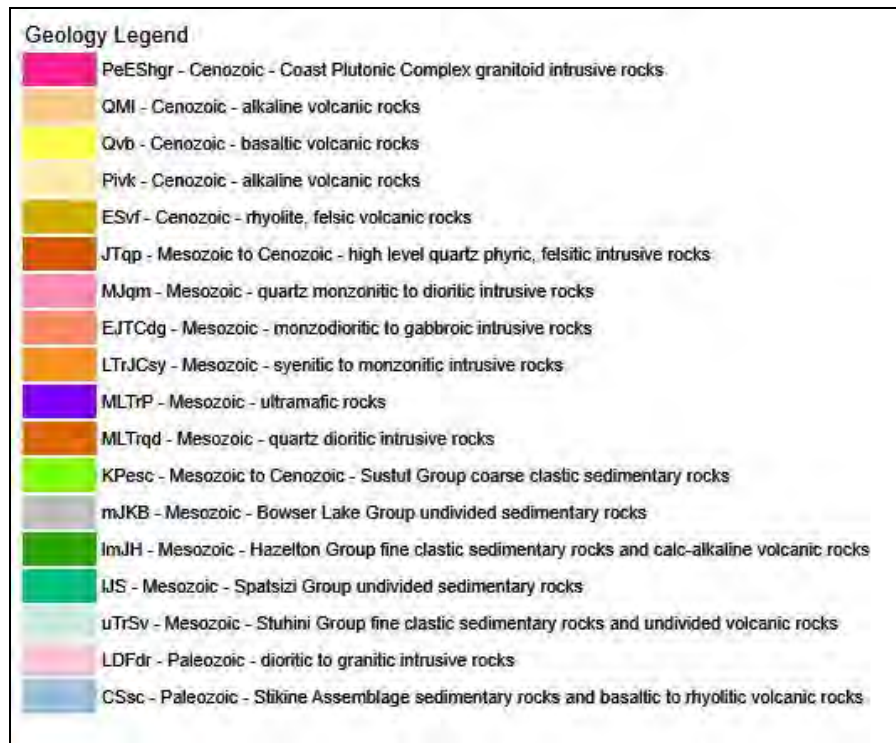




Snoball Figure 9: Location of the Snoball Property and significant mineral deposits in the “Golden Triangle” of northwestern British Columbia (J. Rowe, 2019)



Snoball Figure 10: Regional geological map for the Snoball Property (legend in Figure 8, below) (J. Rowe, 2019)



Snoball Figure 11: Geology legend to accompany Figure 7, above.

Overlying the Jack Formation along a paraconformable to unconformable contact is a thick sequence of andesitic pyroclastic and epiclastic volcanic rocks that make up the remainder of the Lower Hazelton Group. Previously the andesitic succession was divided into Ukuk River Formation and overlying Betty Creek Formation, based primarily on colour differences, which were due to submarine versus subaerial deposition. Nelson *et al.* (2018) have proposed that previously defined Unuk River Formation rocks be included in Betty Creek Formation.

The upper part of the Hazelton Group in this region consists of a volcanic-dominated succession of interlayered basalt, rhyolite, and sedimentary rocks thousands of metres in thickness that occupies a narrow, elongate north-trending belt, that has been referred to as the Eskay Rift (Alldrick *et al.*, 2005). This sequence of rocks contains several different facies along the rift due to deposition within a number of fault-bounded sub-basins. Gagnon *et al.* (2012) have proposed the name Iskut River Formation for this succession in the Iskut River region and elsewhere in western Stikinia. The Iskut River Formation is a highly variable succession in which mafic and felsic volcanic and sedimentary units occur in differing stratigraphic sequences, with multiple stratigraphic repetitions in some areas.

A type-section of Iskut River Formation, located 40 kilometres north of the Snoball Property at Table Mountain, was documented by Gagnon *et al.* (2012). At this location, the informally named “Willow Ridge Complex” has a basal rhyolite unit 70 metres thick, overlain by 1770 metres of pillowed basalt flows and breccias. The uppermost 5 metres is strongly altered and partly replaced by pyrite below the contact with overlying mudstone. Thin laminated beds of pyrite in the mudstone are apparently of exhalative origin (Gagnon *et al.*, 2012). The overlying sedimentary interval consists of mudstone, siltstone, sandstone and conglomerate, coarsening upward over a 60 metre thickness. The sedimentary rocks are overlain by at least another 1480 metres of basalt, lithologically similar to the lower basalt unit. Its upper contact is not exposed and has been interpreted as a fault, however in other areas, such as at Eskay Creek, the basalt is overlain by a thick succession of tuffaceous mudstone, which is included in the Quock Formation.

Other facies of the Iskut River Formation have been identified within different areas of the Eskay Rift and some have been distinguished by Nelson *et al* (2018). Near Downpour Creek, approximately 10 kilometres south of the Snoball Property, sections of mainly medium-grained siliciclastic beds, many hundreds of metres thick, are assigned to the Downpour Creek siliciclastic unit. Conglomerates south of Downpour Creek and on western Table Mountain are assigned to the Kinaskan conglomerate.

The Middle to Late Jurassic Bowser Lake Group is suggested by Evenchick and Thorkelson (2005) to have a conformable, gradational contact with the underlying Hazelton Group rocks. The Bowser Lake Group, shown in grey on Snoball Figure 10, is a thick, clastic marine sedimentary succession, including greywacke, chert pebble conglomerate, sandstone and mudstone that is very similar, and difficult to distinguish from, rocks of the uppermost Hazelton Group. The lower Bowser Lake Group is a marine sequence of complexly inter-fingering deltaic, shelf, slope and submarine fan assemblages in excess of 3000 metres thick, sourced mostly from uplifted Cache Creek Group rocks in the northeast. These are overlain by several thousand metres of low energy fluvial deposits and alluvial fan and braided stream systems.

Miocene to recent volcanic strata from the Mount Edziza Volcanic Complex form a north-trending belt that blankets the older rocks to the north of the Snoball Property prospect area. Rocks of Mount Edziza Volcanic Complex, shown in orange and yellow on Snoball Figure 10, are mostly subaqueous and subaerial lava flows of alkali olivine basalt and lesser plagioclase-phyric hawaiite, as well as tuff breccias, ash flows, localized trachyte domes and minor subvolcanic intrusions of soda granite. Farther north are local pyroclastic cones and areas of vitrophyric ignimbrite containing crystal fragments, aphanitic lithic lapilli, coarse lithic ash and flattened pumice (Alldrick *et al*, 2006).

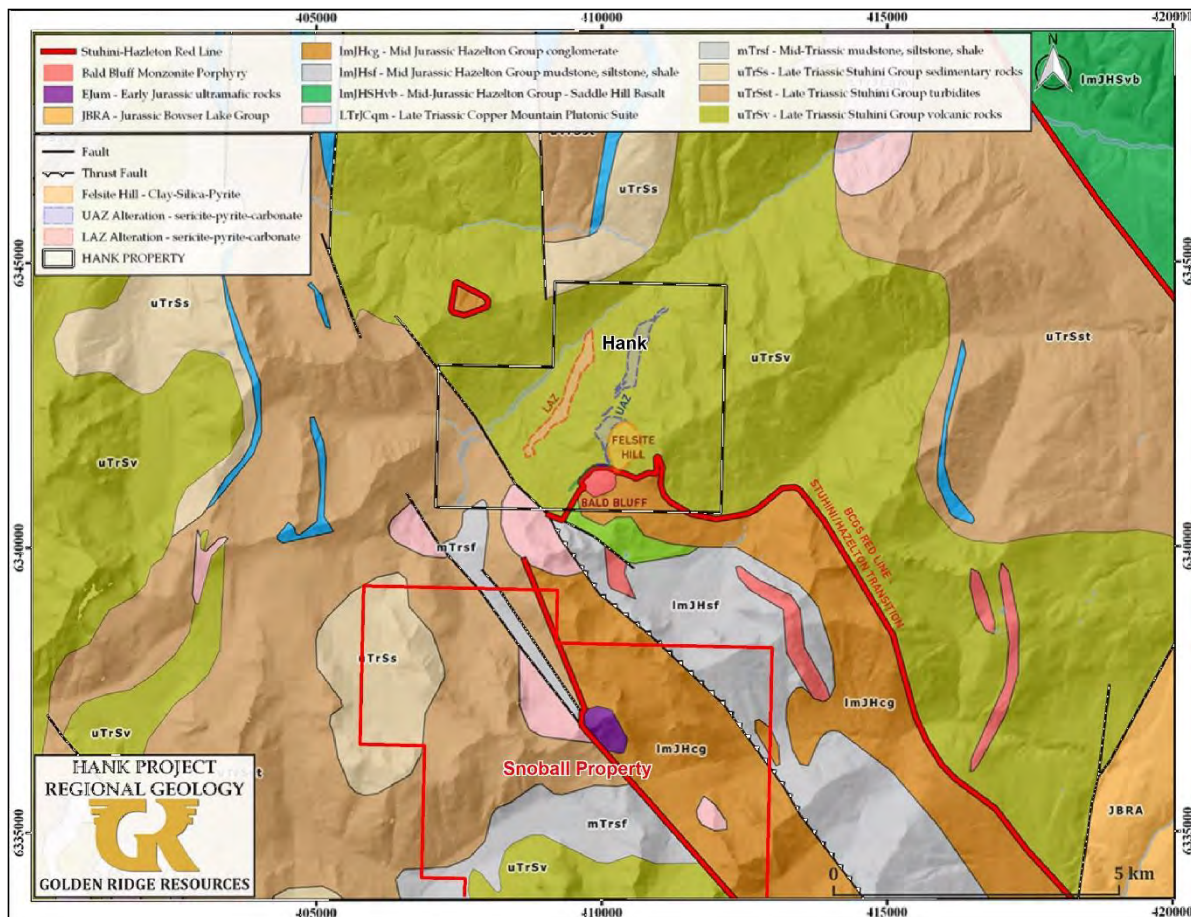
Plutonic rocks with a wide variety of compositions and ages are abundant in the vicinity of the Snoball Property. The oldest intrusions in the area form a north trending belt nine kilometres west of the Snoball Property, which are Late Devonian in age and together form one of the larger intrusive bodies in the region, varying in composition from granite to hornblende diorite to local hornblendite. Other large intrusions comprised of Middle to Late Triassic hornblende quartz diorite to granodiorite are found 25 to 40 kilometres west of the Snoball Property within a belt of roughly coeval Stuhini Group rocks. Localized ultramafic bodies, also of Middle to Late Triassic age, are found in the same area. Sizeable stocks of Early to Middle Jurassic quartz monzonite to diorite are located 40 to 65 kilometres northwest of the Snoball Property, where they cut Stuhini Group and Paleozoic rocks, as well as some of the older intrusive bodies.

Small stocks of Triassic to Jurassic quartz monzonite and potassium feldspar-phyric monzonite and syenite of the Copper Mountain Suite intrude Stuhini rocks a few kilometres to the north and west of the Snoball Property. In addition, small bodies of possibly Early Jurassic quartz diorite to leucocratic, and commonly porphyritic, intrusions are found both on the Snoball Property and in the surrounding area. These intrusions have been correlated with the Texas Creek Suite (Logan *et al*, 2000); a suite that is commonly associated regionally with porphyry copper-gold, transitional gold and epithermal gold-silver deposits. For example, these intrusions are associated with the Red Chris Mine porphyry copper-gold deposit, the Hank property epithermal gold deposit, and the ME, Mary, Spectrum, GJ and Groat prospects, all located within the local area (Alldrick *et al*, 2004b). A small fault-bounded slice of Early Jurassic, possible Alaskan-type, ultramafic intrusive rock has been mapped at the Snoball Property prospect area at the east end of Snoball Ridge, immediately adjacent to Pyramid Peak and along the faulted (Northmore Fault) contact between Stuhini Group and Hazelton Group rocks.

Near the west edge of the map area shown in Snoball Figure 10, small Paleocene to Eocene granitoid stocks are present that are probable outliers of the more massive Coast Belt plutons located farther to the west. Eocene quartz-feldspar porphyry, felsite and rhyolite cut both Stuhini Group rocks and Hazelton Group rocks within the nearby area. Alldrick *et al* (2004b) have stated that these intrusions are likely part of a

large-scale magmatic event, with common and typically north-trending dikes acting as feeders to overlying felsic flows that have been subsequently eroded.

Several of the plutonic episodes have mineral occurrences associated with them, especially near their contact zones (see Snoball Figure 10, above). Additionally, a majority of the occurrences are spatially associated with faults that trend north, northeast and northwest. These faults commonly occur along the boundaries between lithostratigraphic units and at intrusive contacts. Two large, northwest-trending, steeply dipping faults have been mapped crossing the Snoball Property, with the westernmost (Snoball Figures 10, above, and Snoball Figure 12, below) marking the contact between Stuhini Group and Hazelton Group rocks.



Snoball Figure 12: Simplified geology of the Snoball Property and immediate region, including Golden Ridge Resources Ltd.'s intrusion-related, active Hank project 4 kilometers to the north, showing relationship to the Stuhini-Hazelton unconformity (BCGC Redline) (Golden Ridge Resources Ltd., 2018)

Basin-bounding, north-south trending, growth faults of the Eskay Rift are located several kilometres to the west and to the east of the Snoball Property. Northwest trending faults, one cutting through the Snoball Property and one near More Creek 8 kilometres south of the Snoball Property, may have developed a sub-basin within the rift. These structures may have provided channel ways for hydrothermal fluids, which created localized mineral zones and associated alteration halos. As well, the structures appear to be deep-seated zones of weakness; suitable pathways for intrusion of small stocks and dikes.

Local and Property Mineralization

The Snoball Property is predominantly underlain by Stuhini Group volcanic and sedimentary rocks in faulted contact along the northwest trending Northmore Fault with Hazelton Group volcanic and sedimentary rocks that underlie the northeast corner of the Snoball Property (see Snoball Figure 12, above and Snoball Figure 13, below). At the centre of the Snoball Property, in the immediate vicinity of the Snoball Property target area, along and immediately west of the Northmore Fault, a small, probably Late Triassic to Early Jurassic diorite stock has been emplaced, outcropping at Pyramid Peak, as well as an adjacent small wedge of ultramafic of unknown age. A number of dikes and sills emanate outward from the intrusions and siliceous alteration zones are common adjacent to the stock.

Detailed geological mapping has been documented by Savell and Harrison (1991) in the mineralized Snoball Property prospect area at the centre of the Snoball Property, and descriptions of the geologic units reported below borrow heavily from their work in that part of the Snoball Property. In addition, R. Greig, B.Sc., P.Geo spent 5 days in July, 2018 mapping the geology of the roughly 225 ha. area of the Snoball Property prospect area, which includes the historical Noranda grid and mineral showings.

Lithologic Units

Exposures of Stuhini Group rocks in the central part of the Snoball Property prospect area are mainly sedimentary, and likely belong to the upper Stuhini sequence of Alldrick *et al* (2004b). The sequence is described as a mixed fine to medium grained, clastic succession of siltstones, sandstones, rare pebble conglomerates and minor but distinctive limestone and volcanic members. The sandstones and conglomerates are characterized by buff-orange weathering carbonate cement.

The primary unit in the target area of the Snoball Property mapped by Savell and Harrison (1991) is thinly laminated to thickly bedded dark grey siltstone, argillite and fine to medium grained volcanic wacke. Subdivisions of this unit, identified locally in discrete outcrops, consist of minor very fine-grained grey tuff (Savell and Harrison, Unit 2a), carbonate-rich siltstone, sandstone and limestone (Unit 2b) and poorly sorted conglomerate containing limestone, sandstone and siltstone fragments (Unit 2c). Fining-upward sequences suggest that the stratigraphy is upright. Silty limestone beds (Unit 2b) occur infrequently and locally host Upper Carnian (Upper Triassic) belemnites, bivalves and ammonites (Palfy, in Weber, 1996).

In the southwest part of the Snoball Property prospect area a unit of black, finely bedded argillite with minor siltstone (Savell and Harrison Unit 1) appears to underlie the rocks of Savell and Harrison's Unit 2 and is assumed to be part of the Stuhini Group. These fine-grained rocks of Unit 1 are described as intensely folded and deformed, in contrast with the more competent, coarser grained rocks of Unit 2. The argillite is highly sheared and it hosts rare centimetre-scale stratiform pyrite lenses (Savell and Harrison, 1991).

In the central part of the prospect area of the Snoball Property an elongate northwest-trending zone of hornfels altered rocks (Savell and Harrison Unit 3) has been identified over a length of more than 1,000 metres. These siliceous rocks have been interpreted as altered rocks of Unit 2 that contain local identifiable tuff layers and possible chert horizons. The hornfels contains ubiquitous finely disseminated pyrrhotite, from trace to 1%, with local small pods of massive pyrrhotite. Intrusive rocks of equigranular to porphyritic hornblende diorite are exposed at the east end of Snoball Ridge at Pyramid Peak and intermittently along the east side of the hornfels zone, spatially related to the Northmore Fault zone that lies directly to the northeast. The intrusions are probably linked to the hydrothermal event that caused the hornfels alteration and it is possible that these diorite exposures are part of a larger intrusive body that may underlie much of the hornfels zone at depth. Evidence for this interpretation can be found in the width of the hornfels zone

(up to 500 metres wide – see Snoball Figure 15, below), as well as the common dikes that cut the hornfels and the siltstone units, and the results of a helicopter-borne magnetic survey carried out by Evergold in 2017.

Dikes (see Snoball Photo 2, below) have been mapped cutting the rocks of both Unit 2 and Unit 3, but are more abundant in the Unit 3 hornfels. The majority of the dikes are porphyritic, with laths of hornblende in a fine-grained grey-green matrix. They are generally tabular, less than 2 metres in thickness, and apparently do not show any preferred orientation.

Massive pods of pyrrhotite are also found locally and are commonly located along the contacts between dikes and altered sedimentary rocks. The pyrrhotite-rich zones are indicated at surface by the presence of numerous patchy gossans (see Snoball Photo 3, below), from which significant gold values have been returned from a number of samples. A small body of feldspar porphyry has also been mapped near Snoball Pond in the central part of the grid, containing fine subhedral feldspar in a grey-brown aphanitic matrix.



Snoball Photo 2: Darker diorite dike cuts light diorite dike or sill cutting sedimentary rocks. Veins cut all phases. A bleached selvage surrounds many veins and also follows the contact of the darker diorite dike (R. Greig, 2018)



Snoball Photo 3: View of contact zone (dense intrusion of diorite dikes into sedimentary rocks) at Snoball Pond. Hornfelsing of sediments (goossanous, pyrrhotite-rich) has locally occurred along the contacts (R. Greig, 2018)

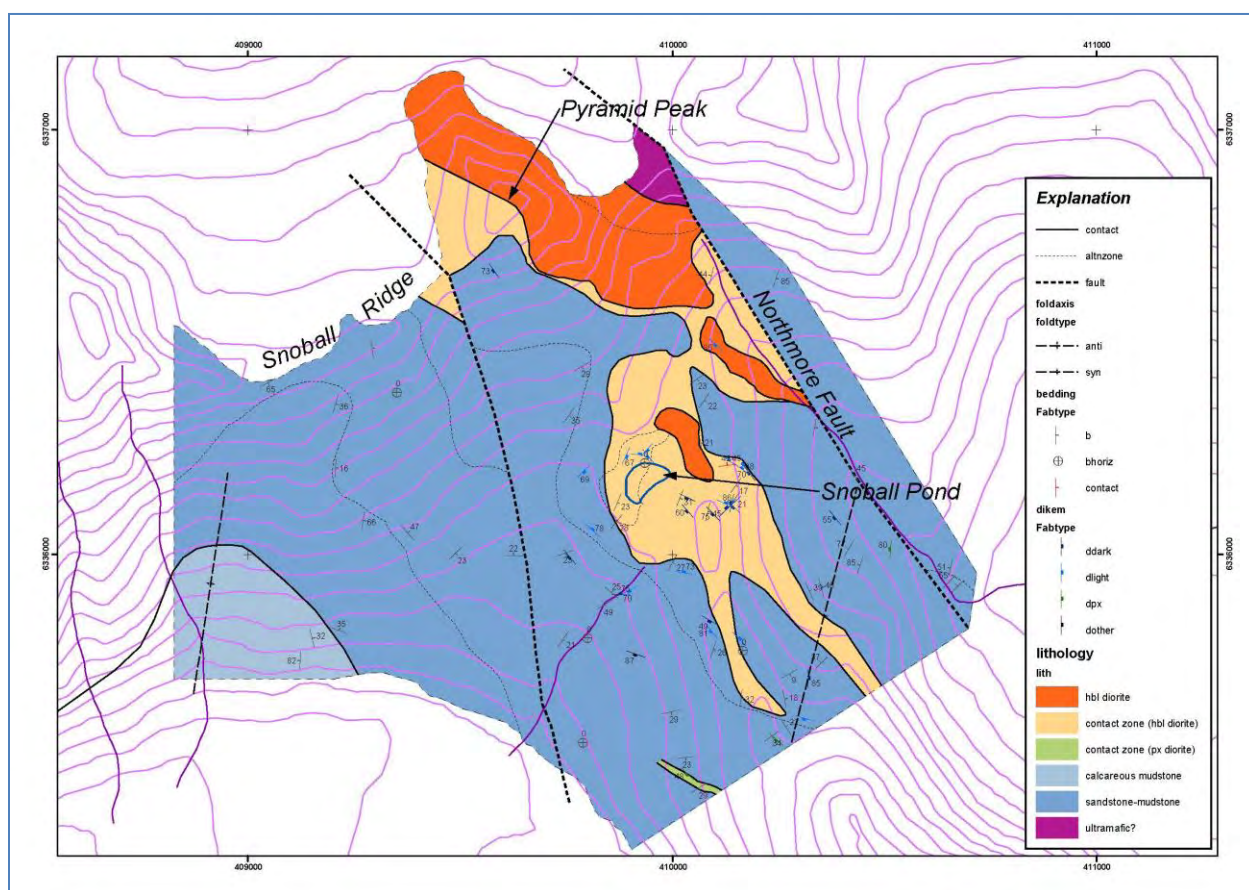
Alldrick *et al* (2004b) have described thin members in the upper Stuhini Group regionally that include massive light grey limestone and limestone conglomerates, as well as basalt flows and breccias, and black to white rhyolite flows with associated bright apple green, massive to bedded rhyolite ash tuffs. Local thin flows of andesite and dacite were also noted by Alldrick *et al* (2004b). A few outcrops of limestone, calcareous siltstone and conglomerate were distinguished by Savell and Harrison (1991) however; the other rock types that may be part of the upper Stuhini were not noted in their mapping.

Alldrick *et al* (2004b) also described lower Stuhini Group units that are not exposed on the Snoball Property, but are found in areas to the north and south (Snoball Figure 10, above). They comprise mainly dacitic volcanic rocks, including massive, fine-grained, light grey, aphanitic dacite, which is overlain by a succession of light greenish grey, medium and rhythmically-bedded ash tuff. Tuff grades laterally into coarse, massive dacite breccia and crudely bedded dacite conglomerate hosting clasts ranging from pebble to cobble size and commonly displaying distinct flow banding. The dacitic units are overlain by fine to coarse-grained volcanic sandstone, which is overlain in turn by an andesite sequence. The andesite sequence consists of several facies and varies from a series of proximal lava flows with varying porphyritic textures, typically separated by minor units of tuff, to more distal, coarse-grained plagioclase-phyric andesite fragmental rocks with rare sandstone interbeds. The andesitic fragmental facies is host to both the Hank epithermal gold deposit and the Mary porphyry copper-molybdenum deposit, located 6.5 kilometres and 14 kilometres to the north respectively (Alldrick *et al*, 2004b). Andesitic rocks of the lower volcanic package are overlain by the upper sedimentary package of the Stuhini Group, as described above, and as exposed in the target area at the core of the Snoball Property.

Adjacent to the east of the target area of the Snoball Property, Savell and Harrison (1991) mapped the northwest-trending Northmore Fault, interpreted to extend under the glacier occupying the bowl and valley on the north side of Snoball Ridge. East of the Northmore Fault, Savell and Harrison mapped Hazelton Group rocks. Their Unit 6, directly east of the fault, comprises green to grey to maroon andesitic volcanic rocks, which include tuff to tuff breccia, that may be part of the re-defined Betty Creek Formation of the

lower Hazelton Group (Nelson *et al*, 2018). Interbeds of volcanoclastic rocks of andesitic composition as well as a local feldspar phyric volcanic unit that may represent a flow also occur in the volcanic sequence. Within the upper 100 metres of the volcanic and volcanoclastic sequence, but underlying a finer clastic section, tabular rhyolite flows occur locally. They are commonly pyritic and vary from massive, to flow-banded, to brecciated, to tuffaceous.

East of, and apparently overlying the Unit 6 volcanic rocks, is a thick sequence of clastic sedimentary rocks, which may belong to Iskut Formation of the upper Hazelton Group. These clastic rocks are comprised of grey to dark grey interbedded siltstones and greywacke with minor shale and black argillite (Savell and Harrison's Unit 7). Parts of this sequence also include exposures of felsic tuff and chert. The descriptions by Nelson *et al* (2018), of their Downpour Creek siliciclastic unit of the Iskut Formation, which contains small bodies of rhyolite and basalt, bears a close resemblance to the rocks on the east side of the Snoball Property. These rocks, if they belong to the Downpour Creek unit, may be equivalent in age with the host rocks for the Eskay Creek deposit, located 54 kilometres to the south (Nelson *et al*, 2018).



Snoball Figure 13: Lithology and structure of the immediate area of prospect area of the Snoball Property (R. Greig, 2019)

Mapping by R. Greig (2018) of the 2.25 km² Snoball Property target area, including the relatively small portion of the prospect tested by Noranda drilling in 1992, and roughly corresponding to the area mapped by Savell and Harrison in 1991, has confirmed many of their geological observations and interpretations, and added new insights. Greig maps a predominantly north-northwest-trending complex of porphyritic to phaneritic diorite dikes, sills, and irregularly-shaped stocks, which intruded incompletely lithified, thin-to-medium bedded, fine grained sedimentary rocks of presumed upper Triassic age. Contact relationships and textures suggest that the system was probably submarine and emplaced at shallow crustal depth. Based on

orientations of bedding (striking predominantly northeast with dips predominantly 25° southeast in the central part of the map area) and veins (predominantly dipping 65° northwest with a subordinate set dipping 50° southwest), the system has been tilted moderately to shallowly southeast.

Due to complexities in detail and for clarity of presentation (Snoball Figure 13), R. Greig consolidated the observed lithologies into map units comprised of 1) hornblende diorite, 2) hornblende diorite contact zone, 3) pyroxene diorite contact zone, 4) upper layered (sedimentary) rocks, and 5) lower layered (sedimentary) rocks.

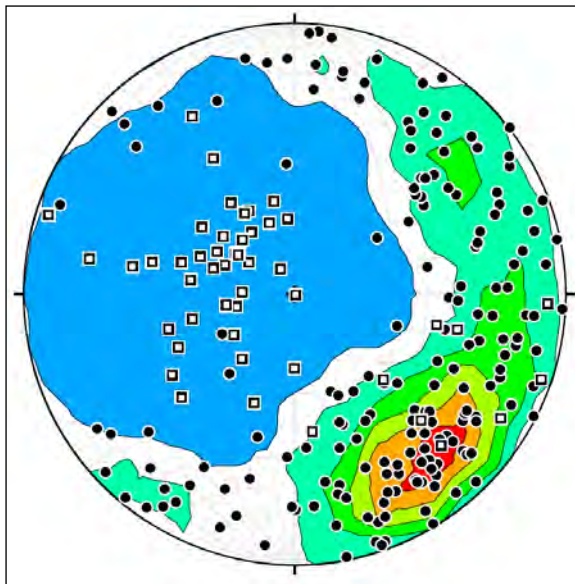
The hornblende diorite unit includes i) fine-medium grained, locally hornblende porphyritic, phaneritic diorite lithologies and/or ii) chaotic-textured diorite consisting of fine-medium feldspar-hornblende-phyric, medium-coloured diorite, commonly with abundant inclusions of amphibolite, “light diorite” and wallrock (ash tuff), in total proportion >75%.

The hornblende diorite contact zone includes chaotic-textured diorite (ii) as above, in addition to iii) dark diorite dikes consisting of fine to medium grained, feldspar-hornblende phyric dikes and sills, and iv) light diorite dikes consisting of medium-coarse grained, lathy hornblende phyric dikes and sills, in combined proportion >25% in chaotic contact with hornfelsed sedimentary wallrock.

The pyroxene diorite contact zone was observed as a cluster of fine to coarse grained pyroxene-feldspar phyric diorite dikes and sills with lobate contacts, occurring on the southern edge of the mapped area, which contain distinct equant medium to coarse-grained pyroxene phenocrysts, and fine to medium-grained feldspar phenocrysts.

The upper layered sedimentary unit consists of thin to thick bedded, well bedded mudstone to medium grained sandstone, with the latter predominating, and minor calcareous sedimentary rocks. One marker bed with multi-centimetre spheroidal nodules was traced into the hornfels, near the stratigraphic level of presumably calcareous beds which host skarn alteration. Greig considers that rocks east of the Northmore Fault may also be part of this sequence, but this is not certain. Fossils collected in this sequence by Weber (1996), indicate Upper Carnian (Upper Triassic) age. Commonly hornfelsed (often with disseminated pyrrhotite), locally calcareous beds were seen to be converted to silica-marble or, rarely, epidote or green garnet skarn.

The lower layered sedimentary rocks were described by Greig as laminated to thin bedded, well bedded black mudstone to medium grained sandstone (with the former predominating over the few thicker (up to 80 cm) beds of the latter), plus (most abundant) dark grey calcareous fine-grained sedimentary rocks. This unit was observed to underlie the upper layered sequence and to be distinctly darker in colour, and to be convolutedly folded in the core of an antiform on the west side of the mapped area.



Snoball Figure 14: Poles to all all viens in map area (colour contoured, solid circles, 181 measurements), show predominant northwest dip, subordinate southwest dip, and considerable scatter, and poles to bedding measures (not contoured, open squares, 54 measurements), showing predominant shallow moderate southeast dip and scatter to steeper southeast and northwest dips resulting from folding around northeast to north-northeast-trending axes (R. Greig, 2018)

Structural Geology

The dominant northwest structural grain in the vicinity of the Snoball Property is largely defined by deep-seated northwest-trending faults that outline a series of elongate, fault-parallel blocks of relatively intact stratigraphy (Alldrick *et al*, 2004b). Between the blocks there has been differential uplift, resulting in adjacent blocks displaying a number of different facies packages with pronounced variations in stratigraphy and thicknesses. The various facies were deposited in Lower to Middle Jurassic, suggesting that during that time growth faults were active, forming sub-basins within what has been termed the “Eskay Rift”, first suggested by Anderson (1993) (quoted from Alldrick *et al*, 2004b).

Minor warps and gentle folds within the Upper Triassic stratigraphy were also developed along northwest-trending fold axes, suggesting that minor buckling may have accompanied the faulting and differential uplift of fault-bound stratigraphic blocks.

The prominent northwest-trending fault that cuts through the Snoball Property immediately adjacent to the east of the heavily mineralized prospect area of the Snoball Property has been named the Northmore Fault on regional maps (Alldrick *et al*, 2004b). It is a large-scale feature with significant sinistral offset, and strata near the fault appear to be more intensely folded than equivalent strata elsewhere in the region. The fault also appears to be the locus for a string of small plutons and Alldrick *et al*, (2004b) suggested that it might have been a syn-intrusive structure active during the Early Jurassic. Property mapping by Savell and Harrison (1991) outlined areas of strongly deformed and folded argillite units, but bedding attitudes in the more competent siltstone and tuff units on their map typically show northwest and northeast strikes with

relatively shallow dips, suggesting that broader, more open folds mainly characterize the host rocks. The variation may also be taken to suggest that some subsidiary faults, perhaps including low angle ones, may have gone unrecognized on the Snoball Property.

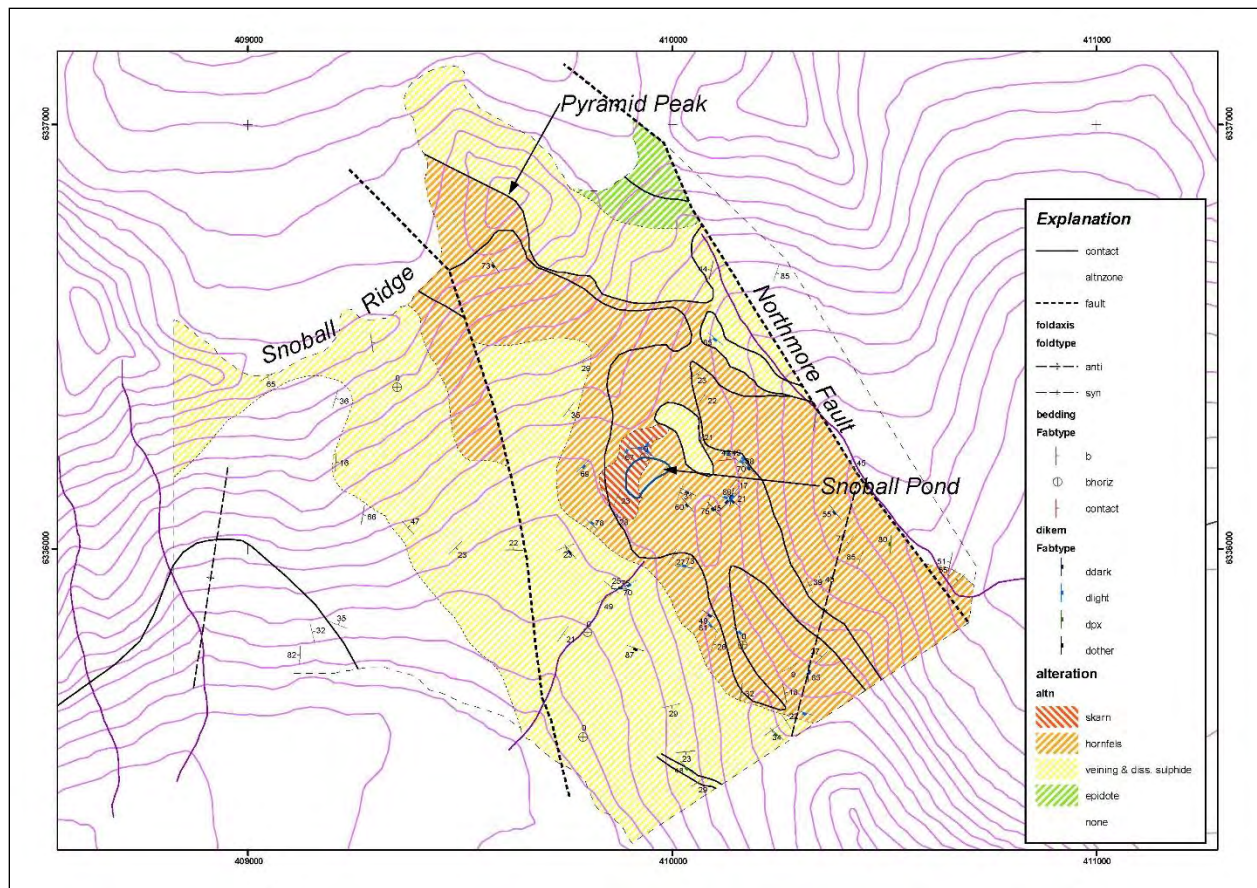
This latter observation has been borne out by Greig (2018) who mapped not one but two large west-southwest-dipping faults cutting all geological features on the target area of the Snoball Property (Snoball Figure 13, above), which he has named the “eastern fault” (corresponding to the Northmore Fault) and the “western fault”. Measurements on the western fault, which bisects the rocks toward the eastern end of Snoball Ridge where it meets the west slopes of Pyramid Peak, indicate sinistral-normal slip, and displacement of an intrusive contact and the boundary of the hornfels with sinistral strike separation of probably less than 250 metres. No observations constraining the nature of offset were made on the surface of the eastern (Northmore) fault, which appears to largely truncate the mineralizing system at surface. However, the rocks on the poorly-mineralized east side of the fault bear some similarity to those of the upper layered rocks on the west side of the fault.

Greig additionally observes that bedding in most of the central part of the mapped area dips moderately-shallowly southeast, forming a limb separating an anticline-syncline pair (an antiformal hinge along the northwest margin of the map area and a corresponding synformal hinge along its southeast margin marking the boundaries to the dip domain which contains most of the exposed system) with northeast to north-northeast-trending axes (Snoball Figure 13, above). The orthogonality of the veins to bedding (Snoball Figure 14, above) suggests that the veins initially had predominantly steep or subvertical dips. Measured dikes in the intrusive complex predominantly trend north-northwest and dip steeply to the southwest, likely mirroring the mapped general trend of the complex.

To the east of the Northmore Fault, tight, northwest-trending folds and small thrust faults, suggestive of possible northeastward compression, have been mapped within the Hazelton sedimentary sequence by Alldrick *et al* (2004b). This style of deformation is similar to that seen throughout the Skeena Fold Belt that affected much of the surrounding region during the Cretaceous period.

Mineralization and Alteration

Previous workers on the Snoball Property identified the potential for different styles of precious metal-bearing mineralization. Recent fieldwork by R. Greig (2018) has confirmed observations by earlier workers that gold-bearing showings and mineralization encountered in historical trenches and drilling can be categorized into two primary styles: a “Type 1” replacement style mineralization comprising hornfels with disseminated to semi-massive pyrrhotite and lesser pyrite and chalcopyrite occurring as disseminations, veinlets, patches and small irregular pods; and a “Type 2” style comprising discontinuous sulphide-bearing veins, vein breccias and vein stockworks with epithermal textures. Mapping by Greig indicates that both these types of mineralization are associated with the same mineralizing system: i.e. a predominantly north-northwest-trending complex of porphyritic to phaneritic diorite dikes, sills, and irregularly-shaped stocks, which have intruded incompletely lithified, thin-to-medium bedded, fine grained sedimentary rocks of interpreted upper Triassic age (upper Carnian, from fossils collected on the Property; Weber, 1996). The intrusion of these rocks formed a hornfelsic aureole containing the observed Type 1 style disseminated and poddy sulphide mineralization and minor skarn. These rocks were then cut by a dense network of very discontinuous, quartz+carbonate+sulphide epithermal-textured veins of somewhat erratic orientation and thickness, the greatest intensity of which is centered on the diorite intrusive complex. Both replacement-type mineralization and sulphide-bearing veins are of potential economic interest.



Snoball Figure 15: Alteration on topography and structure over area of the Snoball Prospect (R. Greig, 2019)

The most intense replacement alteration and mineralization at surface is located around Snoball Pond. Some of these Type 1 zones were explored by Noranda and Gold Giant Minerals (Savell, 1992), with six holes drilled in the eastern part of the historical grid where pyrrhotitic hornfels is widely developed near porphyry dikes. Hole SN-92-7 returned one of the best gold intercepts in the program, averaging 0.63 g/t Au over 48 metres, which included 2.16 g/t Au over 7 metres. The hole intersected silicified sedimentary rocks and narrow dikes with numerous sections containing 10-40% pyrrhotite and pyrite. Hole SN-92-12, collared 170 metres to the north, but drilled toward the intercept in hole SN-92-7, returned three separate mineralized intervals in similar host rocks, including 1.09 g/t Au over 12 metres, 0.34 g/t Au over 47.5 metres and 0.54 g/t Au over 13 metres.

Proximity to the diorite intrusive complex and a favourable stratigraphic horizon are likely controlling factors on potentially economic mineralization of Type 1 style. R. Greig (2018) concludes that given the orientation of stratigraphy and the intrusive complex, extensions of such mineralization at the stratigraphic level previously drilled should occur in the subsurface north-northwest of Snoball Pond. In addition, dark grey calcareous beds mapped in the lower sedimentary sequence, on the western edge of the map area, should project beneath the historically drilled area and represent a possible high-grade target where they meet the contact of the diorite intrusive complex at depth.

Type 2 style mineralized showings at the Snoball Property have locally returned very high gold and silver values primarily from surface rock chip samples and float. This style of mineralization, characterized by the presence of quartz veining, typically contains associated pyrite, arsenopyrite, galena, lesser sphalerite and trace chalcopyrite. Larger veins, typically less than 1 metre, but ranging up to 3 metres in thickness,

are commonly brecciated, containing fragments of siltstone as well as less common sulphide and quartz fragments (Savell and Harrison, 1991).

R. Greig observes that abundant veins of the Type 2 (Snoball Photos 3 and 4, below) style cut nearly all rock types, and are composed mostly of quartz, with variable calcite content and typically minor sulphide. They currently have a predominating moderate-to-steep northwest dip and subordinate moderate-to-steep southwest dip, with significant scatter between and about these orientations. The thicker of these veins commonly possess classic epithermal textures (bladed calcite, vuggy quartz, brecciation, cockade texture), and contain usually minor but occasionally abundant sulphide minerals (pyrrhotite, pyrite, arsenopyrite, minor base metal sulphides). Thinner veins observed in historic core (which is stacked on the Snoball Property and in moderate, at least partly salvageable condition) have a subtle banded or ribbon texture which may be similar to that described in porphyry Au deposits, which are emplaced at shallow depths (<1000 metres) (Muntean & Einaudi, 2000). These thinner veins commonly have a wispy, pinch-and-swell geometry, but veins of all thicknesses are relatively discontinuous; the thickest veins are traceable on surface for typically no more than a few tens of meters. Most veins are anastomosing, and where veins of two orientations are present (as is commonly the case), they form a network which suggests that they formed nearly simultaneously, though commonly one vein orientation is offset along the other. In distal portions of the vein network, calcite predominates over quartz as the primary gangue mineral.



Snoball Photo 3: Type 2 style epithermally-textured quartz carbonate vein mineralization in float, showing calcite casts remaining after weathering (R. Greig, 2018)

Sampling by R. Greig in the eastern, recently ice-free portion of the map area during the 2018 program reinforces previous indications that veins containing more carbonate and brecciated textures are the most auriferous. As described above, these veins tend to predominate on the outer edge of the vein system (e.g., near the UT vein toward the western limits of Snoball Ridge) and at higher elevations (e.g., UT vein and samples collected near Pyramid Peak), though exceptions occur. Most of the veins and veinlets sampled in the 2018 program contain low Au contents (approximately 10 ppb), though some contain hundreds of ppb and may exceed 1,000 ppb (1 g/t) Au.

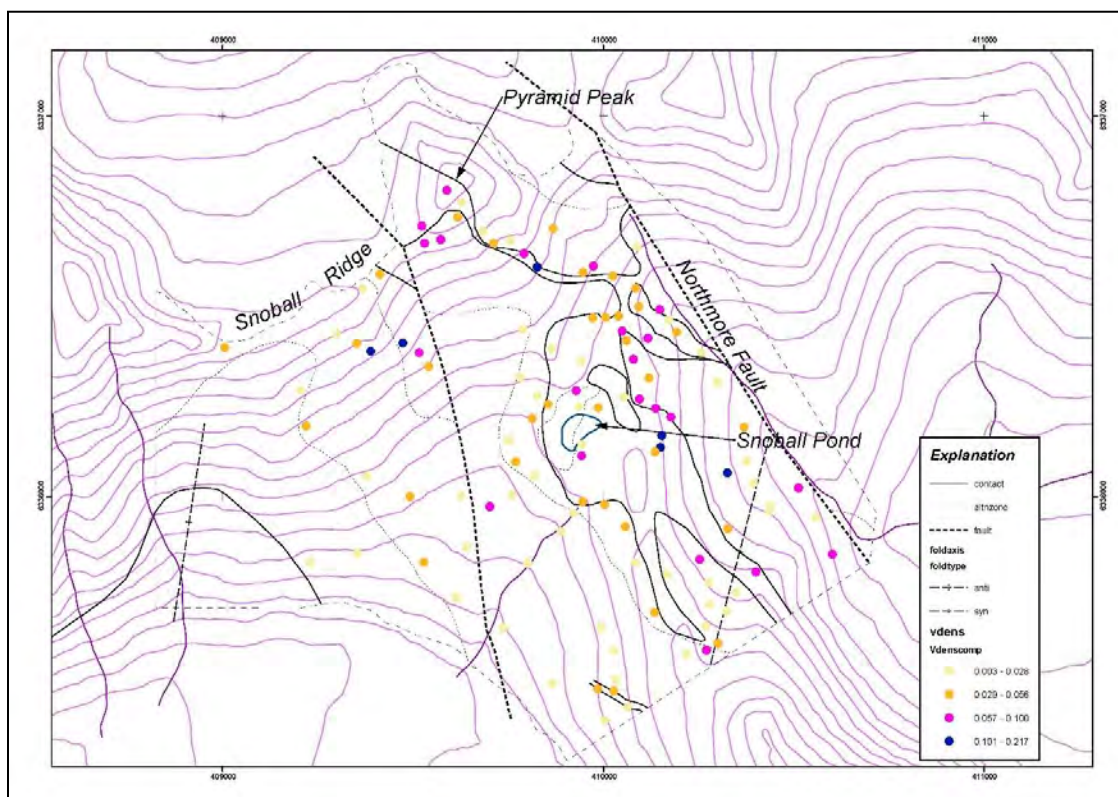


Snoball Photo 4: Casts of bladed calcite in quartz-dominant, sulphide mineral-bearing Type 1 vein cutting diorite (R. Greig, 2018)

Veins commonly have sheared or gouge-filled contacts and are often truncated or cross-cut by small-displacement faults. The veins tend to pinch and swell over short distances and were viewed by Weber (1996) as likely dilational features associated with cross-cutting faults (Snoball Figure 9, above). Although the mapped quartz-sulphide veins and stockworks have various attitudes, some of the wider and better-mineralized veins typically have northwest or east-west trends. Weber (1996) noted that the veins commonly lie subparallel to bedding, although those in the northern part of the grid tend to be discordant. Weathering in the vicinity of both styles of mineralization (Types 1 and 2) commonly creates coatings of rusty-weathering iron and local arsenic oxide minerals; sulphide veinlets are commonly found surrounding larger veins, but wallrock alteration, aside from local development of disseminated sulphides, is not overly apparent in sedimentary host rocks.

Recent soil and talus fines sampling carried out in 2017 has revealed a strong Au-Cu-Ag soil anomaly covering an area of more than 250 X 250 metres overlying the Pyramid Peak diorite stock, located at the east end of Snoball Ridge well upslope from the historical geochemical grid. The close-spaced highly anomalous soil samples suggest the diorite stock is mineralized, possibly with closely-spaced veins that could define a porphyry style target. As well, there is a strong possibility, suggested by the results of an airborne magnetic survey, that the diorite intrusion may extend to depth and laterally beneath the hornfels zone that is exposed on surface over a length of more than 1,000 metres.

R. Greig (2018) mapped vein density (defined as the average thickness of veins at a given location divided by their spacing) over the area of the Snoball Property (Snoball Figure 16, below). He notes that highs in vein density, which is overall somewhat erratic, generally occur near the contacts of the diorite intrusive complex and generally correspond with areas of high Au in soil (the UT vein showing on the west side of the mapped area is an exception). A possibility implied by these observations is that the system could have features of a porphyry Au deposit, with some unusual characteristics resulting from its inferred submarine setting. Au in these types of deposits can occur in a variety of different vein types occupying different positions and timing within the system.

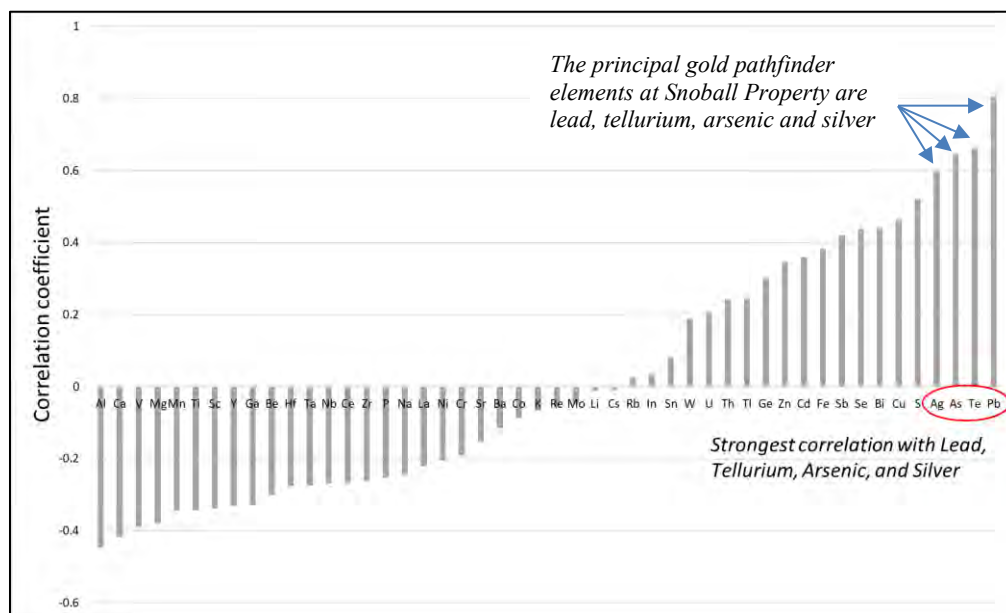


Snoball Figure 16: Vein density (defined as the average thickness of veins at a given location divided by their spacing) over the area of the Snoball Property. Hotter/darker colour denote greater density (R. Greig, 2019)

Previous workers have theorized that the sedimentary rocks on the Snoball Property may host Eskay Creek-style syngenetic polymetallic mineralization. Although some drilling was done in 1992 to test geophysical targets for this type of deposit, the results did not show any evidence in the area drilled. The drilling, however, was all undertaken within Stuhini Group rocks, whereas the Eskay-equivalent Hazelton Group rocks are located on the part of the Snoball Property northeast of the Northmore Fault, and have received little exploration. An area of strongly anomalous Ag, Zn and Cu in soils, underlain by carbonaceous argillite in the southwestern part of the Snoball target area may have potential for syngenetic mineralization. However, evidence is limited since there is no record of detailed exploration in that area.

British Columbia Minfile listings provide brief descriptions of most of the documented mineral occurrences in British Columbia. Two Minfile showings are located within the current area of the Snoball Property, as summarized below from Minfile.

The Snoball showing (BC Minfile No. 104G 143), encompassed by the three original claims (Sno 1, Sno 2, and Sno 3) staked by Noranda in 1990 and roughly corresponding to the limits of their exploration grid, is described as a 0.8km by 1.5km area containing two contrasting styles of gold mineralization. In the eastern part of the showing area siltstones are converted to a siliceous hornfels containing disseminated pyrite and pyrrhotite. Replacement pods of massive pyrrhotite with minor chalcopyrite (up to 0.5% copper) contain from 0.5 to 5 g/t gold. In the western part, quartz-sulphide veins, generally less than 1.5 metres wide, crosscut bedding at various angles in the host siltstone. In the west hornfels is notably absent. Vein sulphide minerals include arsenopyrite, pyrite, sphalerite and galena. The widest vein assayed 13.7 grams per tonne gold, 70.1 grams per tonne silver, 4.9 percent arsenic, 1.14 percent lead, and 0.66 percent zinc over 3 metres where it is exposed in a trench. Brecciation textures are prominent in the vein.



Snoball Figure 17: Correlation of Au with other elements, Snoball Property rock samples (R. Greig, 2019)

The UT vein showing (BC Minfile No. 104G 198) is mis-plotted on the Minfile map, and is actually located about 5 kilometres west of the indicated site, more or less central to the current area of the Snoball Property. Although originally covered by Tenajon Resources Corp.'s Smith property, then (1992) contiguous to the west with Noranda's Snoball Property prospect, the UT vein now constitutes part of the immediate target area of the Snoball Property, located at the west end of Snoball Ridge, about a kilometre west of Pyramid Peak. The area of the showing is underlain by Upper Triassic Stuhini Formation, tuffaceous to calcareous, thin-bedded siltstone, volcanoclastic wacke and limy black argillite. The siltstone sequence is apparently intruded by a diorite stock, mapped immediately to the north of the mineralized area, as well as a plug about 600 metres to the northeast. It is possible that these bodies may represent parts of the same intrusion, partially obscured by glacial ice and partially capped by Stuhini Group rocks. Emanating outward from the stock are abundant hornblende phyric dikes and less common feldspar-phyric dikes that are primarily seen cutting the extensively hornfelsed siltstone east of the UT showing.

At the UT showing, one of the larger veins in the area, the UT vein, cuts sedimentary rocks and ranges up to 1.3 metres wide across its exposed strike length of 5 metres. It strikes to the east-southeast at 100 degrees and dips steeply to the south. Vein mineralogy consists of quartz gangue with disseminated to massive arsenopyrite along with lesser galena, sphalerite and pyrite.

A 1.5 metre rock chip sample taken across the vein by Tenajon Resources Corp. in 1992 averaged 51.5 g/t gold, 301.3 g/t silver, 3.6% lead and 2.1% zinc (Visagie, 1992).

Descriptions and grades of mineralization encountered in the 1992 diamond drill core is included above in "Material Properties – Snoball Property – History" and Table 2, above.

Deposit Types

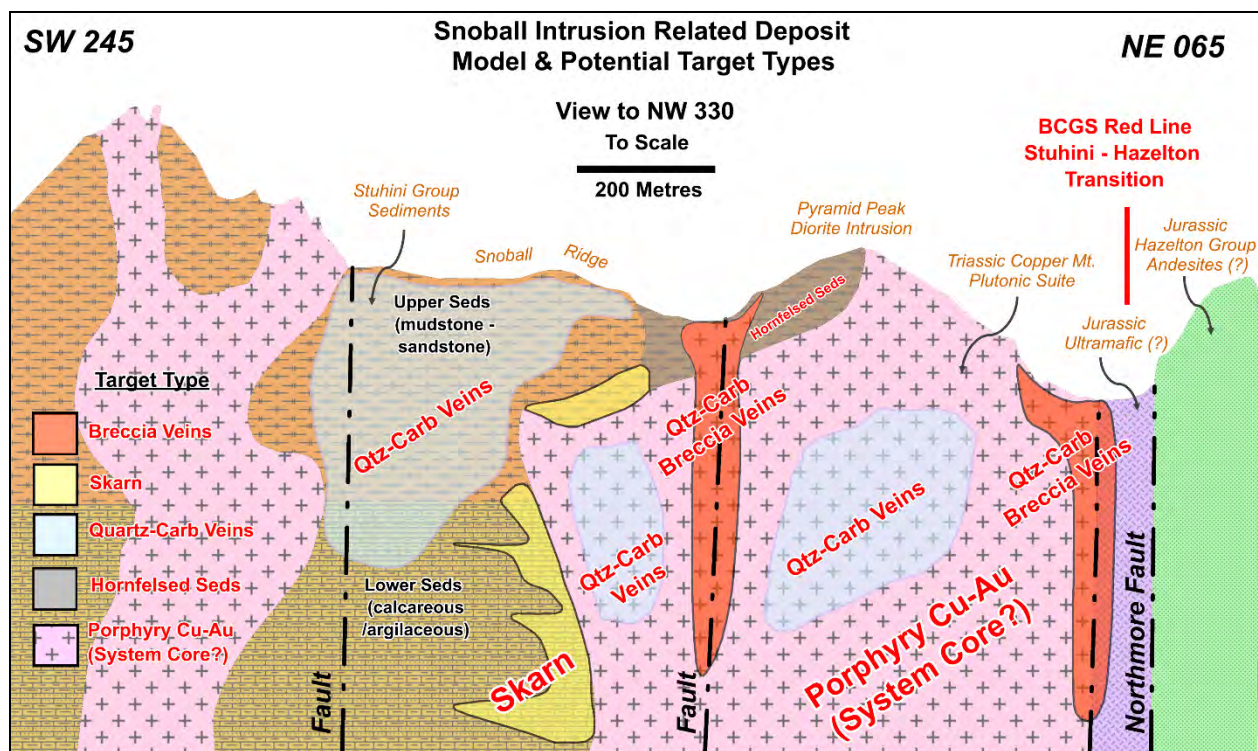
As described by Rowe (2017), two different styles of Au-bearing mineralization have been identified on the Snoball Property: a “Type 1” replacement style mineralization comprising hornfels with disseminated to semi-massive pyrrhotite and lesser pyrite and chalcopyrite occurring as disseminations, veinlets, patches and small irregular pods that have returned moderate to low-grade gold values over significant widths; and a “Type 2” style comprising discontinuous sulphide-bearing veins, vein breccias and vein stockworks with epithermal textures which locally carry very high gold and silver values.

Calc-silicate (skarn) alteration assemblages have recently been mapped by R. Greig (2018) for the first time at the Snoball Property (Snoball Figure 15, above), proximal to diorite intrusive, comprising local replacement and recrystallization of presumably calcareous sedimentary rocks in his mapped “upper layered” sedimentary package, accompanied by minor crystalline epidote and/or garnet, and more common bedding-parallel silica replacement and associated marbling, with pyrrhotite the predominant associated sulphide, typically poddy in occurrence. These alteration assemblages are probably associated with “Type 1” mineralization.

A possibility implied by the observations catalogued above, in particular the association with intrusive rocks of dioritic composition, and the presence of abundant and widespread veinlet-controlled and disseminated mineralization concentrated near the contacts of the intrusions, is that the system could have porphyry Au or Cu-Au affinities, with some unusual characteristics resulting from its emplacement into partially lithified sedimentary rocks. Mineralization in porphyry-type deposits can occur in a variety of different vein types and alteration styles (including skarns or replacements) with varying timing and position in the system (e.g., Seedorff et al, 2005). Thus, Greig suggests that the possibility of a deeper Au-Cu core should be considered.

The veins described above also have certain characteristics (i.e., bladed calcite, local colloform and possibly banded textures) typical of the epithermal (near-surface) environment, so elements common to epithermal precious metals deposits (which have very diverse characteristics, e.g., Sillitoe & Hedenquist, 2003, John, 2001) should be considered. However, as can be extrapolated from descriptions of the diverse geology of deposits mined in the region (see “*Material Properties – Snoball Property – Regional Exploration and History*”, above), none of which are typical deposits conforming to end-member deposit models of any kind, no single model fully captures the geology of the target, though many contain elements that are helpful to consider.

Snoball Figure 18 captures certain aspects of the geology and possible deposit models in an interpreted cross-section through Snoball Ridge and Pyramid Peak.



Snoball Figure 18: Snoball intrusion-related deposit model and potential target types (K. Keough, A. Albano, 2019)

Exploration

Evergold's exploration programs on the Snoball Property began in the summer of 2016, shortly after its purchase in April that year from C.J. Greig Holdings Ltd. The exploration programs carried out by historical operators prior to the Company's ownership of the Snoball Property are discussed above in "Material Properties – Snoball Property – History".

Evergold has carried out exploration work on the Snoball Property in each of the three years since its acquisition, broadly categorized as follows:

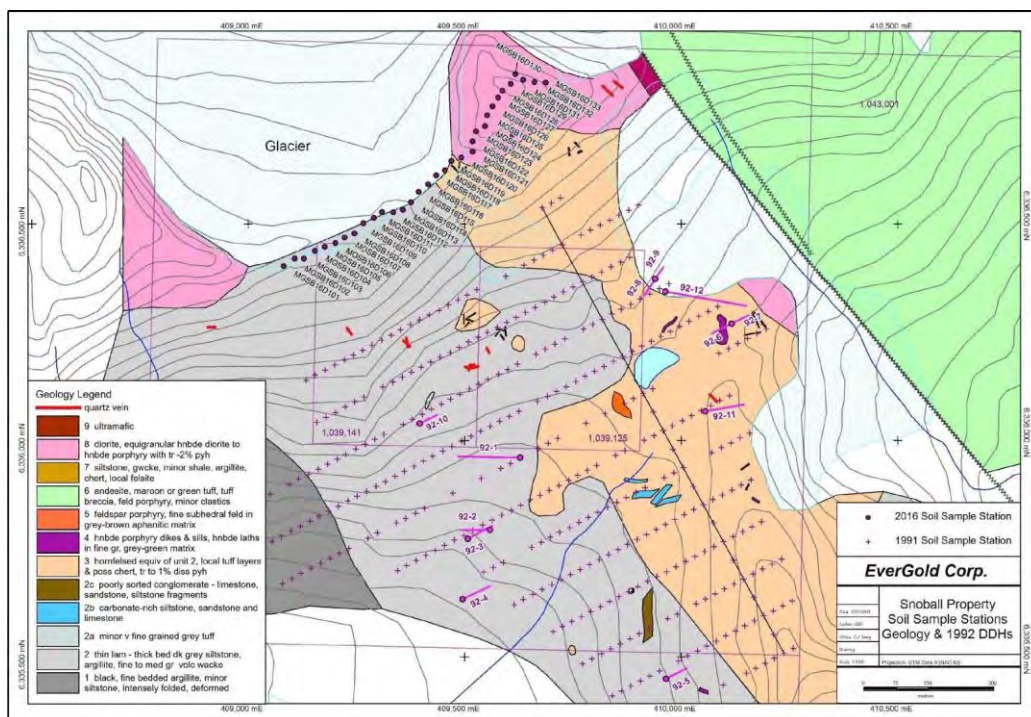
- Historical data compilation, interpretation, digitization;
- Geochemical (rock and soil / talus fines) sampling;
- Geological mapping; and
- Airborne magnetometer surveying.

Surface Geochemical Sampling – 2016 and 2017

Grid soil sampling overlying the immediate area of the Snoball Property, on the south-facing slopes of Snoball Ridge and areas immediately adjacent to the south, was previously undertaken by Noranda in 1991. Their samples were collected at 25 metre intervals along grid lines spaced at 100 metres, covering in all approximately 0.8 square kilometres (Snoball Figure 19, below). Lines were oriented across the relatively steep southeast-facing slope but did not extend to the top of Snoball Ridge, which is located about 250 metres further upslope to the northwest. The samples were analyzed for Au, Ag, As, Pb, Zn and Cu and returned polymetallic anomalies over much of the area of the grid, measuring between 300 to 700 metres in width by 800 metres in an up-slope (i.e. north-northwest) direction. Digitization, modeling and

interpretation of the historical Noranda sampling results by Evergold pointed to the anomalies remaining open off-grid up-slope to the north, with an apparent widening in that direction (Snoball Figures 20, 21, 22, below).

In follow-up, Evergold carried out rock and soil sampling in 2016 and 2017 generally focused on areas up-slope from the historical Noranda grid, along and below Snoball Ridge, and over Pyramid Peak, which anchors the east end of Snoball Ridge.



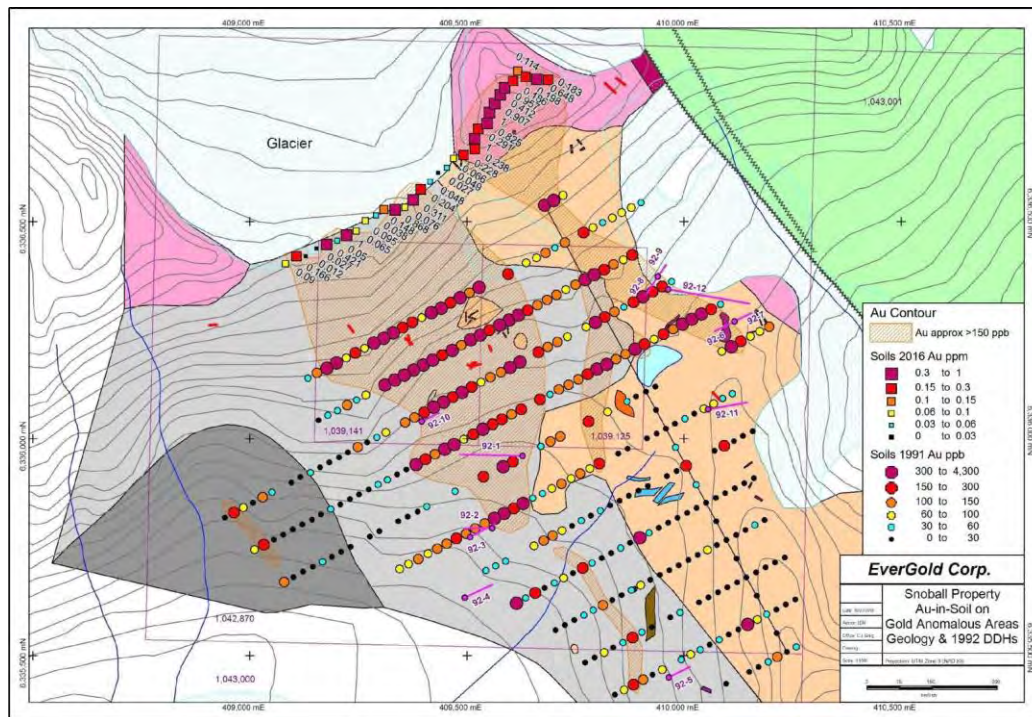
Snoball Figure 19: 2016 soil sample locations on geology, showing 1991 Noranda grid and 1992 drill hole locations (J. Rowe, 2016)

2016 Soil Sampling

On August 27, 2016 four man-days of work were undertaken on the Snoball Property by Evergold personnel. The crew included two geologists, a prospector and a soil sampler who mobilized to the Snoball Property by helicopter from the nearby Forrest Kerr “run-of-river” hydro camp. Work by the 2016 crew was focused on the area at the upslope, northern, and open end of the extensive Au-Ag-As soil geochemical anomalies identified by Noranda. The aim of the work was to gain an understanding of the possible styles of mineralization, their possible trends, to locate mineralized features such as the “UT” vein, and to test for the postulated upslope northerly extension of Noranda’s previously defined anomalous zone. A soil geochemical line was run along Snoball Ridge, and 33 soil samples were collected at 25 metre intervals along the ridge top for a total line-length of 800 metres, with the line approximately parallel to, and 250 metres up-slope from, the northern margin of the Noranda anomaly.

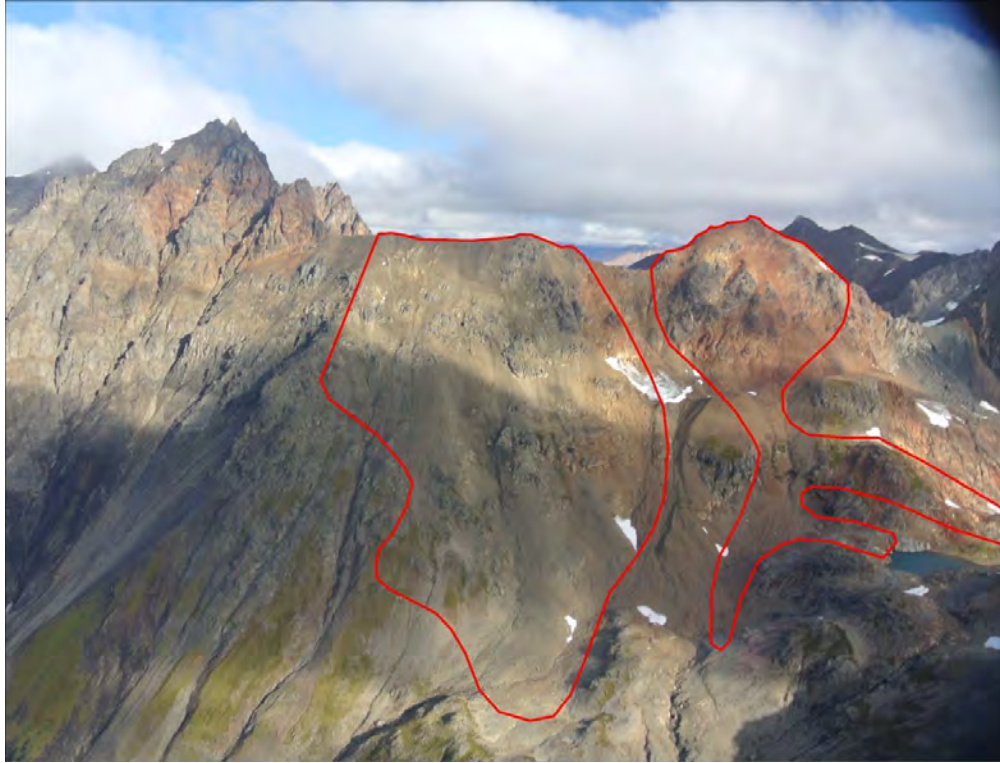
Concurrent with the soil sampling, reconnaissance geology and prospecting lines were run downslope to lower elevations from Snoball Ridge in the direction of Snoball Pond, near where historical drilling by Noranda had taken place. Twenty rock samples were collected during the reconnaissance in this central part

of the Snoball Property. Rock samples typically consisted of selected chip samples from vein material or rocks hosting disseminated sulphide minerals, and included samples of both float and bedrock. The 2016 soil analytical results returned a very high percentage of strongly anomalous values. For comparison purposes the soil geochemical results for gold for the samples collected by Noranda in 1991 are illustrated on Snoball Figure 20 below, along with the results of the 2016 sample line. For example, 21 of the 33 samples analyzed returned greater than 0.1 ppm Au, with several returning results greater than 1.0 ppm Au.



Snoball Figure 20: Gold-in-soil on geology (values from 1991 and 2016 programs) with gold contours>150 ppb (see geology legend on Figure 19, above) (J. Rowe, 2016)

The 2016 gold-in-soil geochemistry (Snoball Figure 20), when coupled with the results of historical Noranda work, showed two large, relatively cohesive, northwest-trending anomalies with values greater than 0.15 ppm Au. Photo 2, below, is a photograph of the southeast-facing slopes below Snoball Ridge and Pyramid Peak, showing the approximate outlines of the two main Au-in-soil anomalies. The western anomaly measures 300 to 700 metres wide and extends for over 800 metres up-slope to Snoball Ridge, where, at its northern edge, it remains open, and covered by ice on north-facing slopes. This anomaly is underlain by volcanoclastic rocks that are cut by local and narrow hornblende porphyry dikes and scattered quartz-sulphide vein occurrences. The anomaly was further observed to be widest on the upper slopes, and to narrow downslope, giving rise to the possibility that it represents a tail of transported mineralized talus and scree.



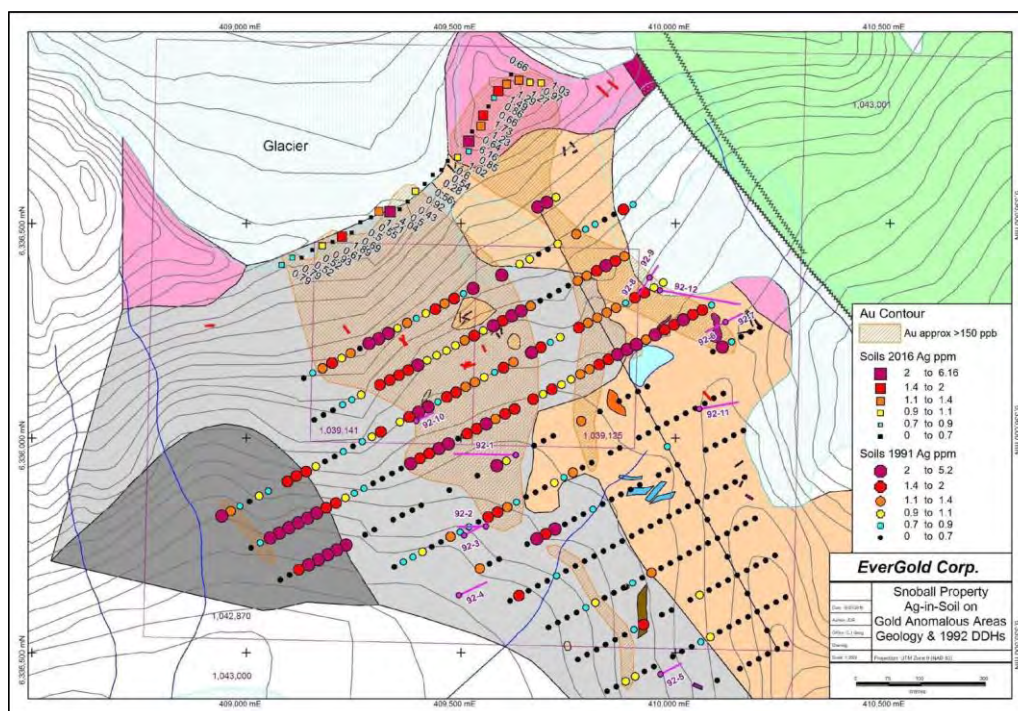
Snoball Photo 2: Photograph looking north showing the approximate outlines of the two main gold-in-soil anomalies on the Snoball Property (C. Greig, J. Rowe, 2016)

The eastern gold anomaly is very strong and 250 metres wide at Pyramid Peak, the diorite stock containing abundant gossan zones and several known quartz-sulphide veins, which anchors the east end of Snoball Ridge. The anomaly narrows downslope to about 50 metres in width and then splits into two “pant legs” that are each about 400 metres long and 50 to 100 metres wide. The width and strength of the upslope parts of the anomalies are postulated to reflect proximity to and/or direct contact with, the dioritic intrusive bodies postulated as the possible core of the mineralized complex.

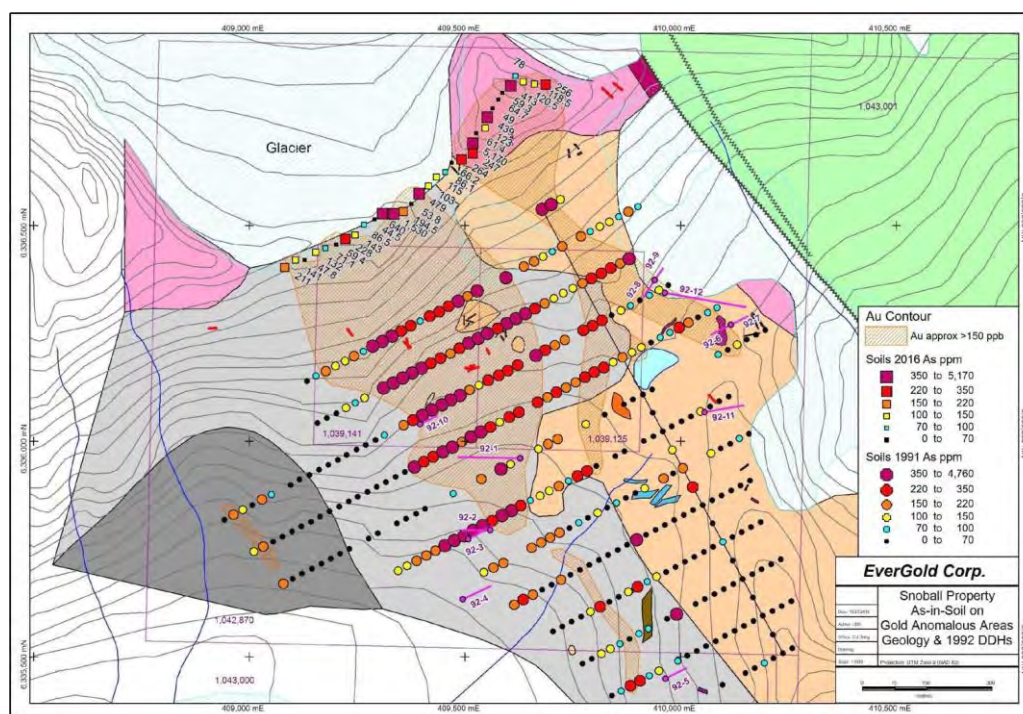
Snoball Figure 21, below, shows silver-in-soil geochemistry overlain on the Snoball Property geology and on the >150 ppb gold contour. Anomalous silver values coincide very closely with the two main gold anomalies, indicating that the mineralization responsible for the high values contains both gold and silver minerals and that they appear to have the same source areas. A third area of strongly anomalous silver, without gold, is located in the western part of the grid, measuring about 200 metres by 150 metres and open to the northwest and southeast.

Arsenic-in-soil geochemistry is illustrated on Snoball Figure 22, below. As with silver, anomalous arsenic values are strongly coincident with anomalous gold, with the majority of the very high arsenic values falling within the >150 ppb Au contours. This would appear to indicate that gold in bedrock is occurring along with arsenic minerals, most probably arsenopyrite, and it also indicates that arsenic is a very good pathfinder element for gold exploration on the Snoball Property. It is noteworthy that the eastern leg of the eastern gold contour has a lack of highly anomalous arsenic, suggesting that arsenopyrite is less common in this area, which is where “Type 1” gold mineralization is known to occur with pyrrhotite and pyrite disseminations and pods in silicified siltstone. This may further suggest that the areas of coincident high arsenic and gold in soils are most probably caused by the second “Type 2” style of mineralization, namely quartz-carbonate veins, breccias and stockworks with accompanying arsenopyrite, as well as galena, and lesser sphalerite. The greatest concentration of this style of quartz vein hosted mineralization, based on soil geochemistry, appears to be in the upslope part of the western contoured gold anomaly, as well as in the

diorite body to the northeast, where, not coincidentally, high gold and silver values have been returned from sampling of outcrop and float.



Snoball Figure 21: Silver-in-soil on geology (values from 1991 and 2016 programs), with gold contours >150ppb (see geology legend on Snoball Figure 19) J. Rowe, 2016)



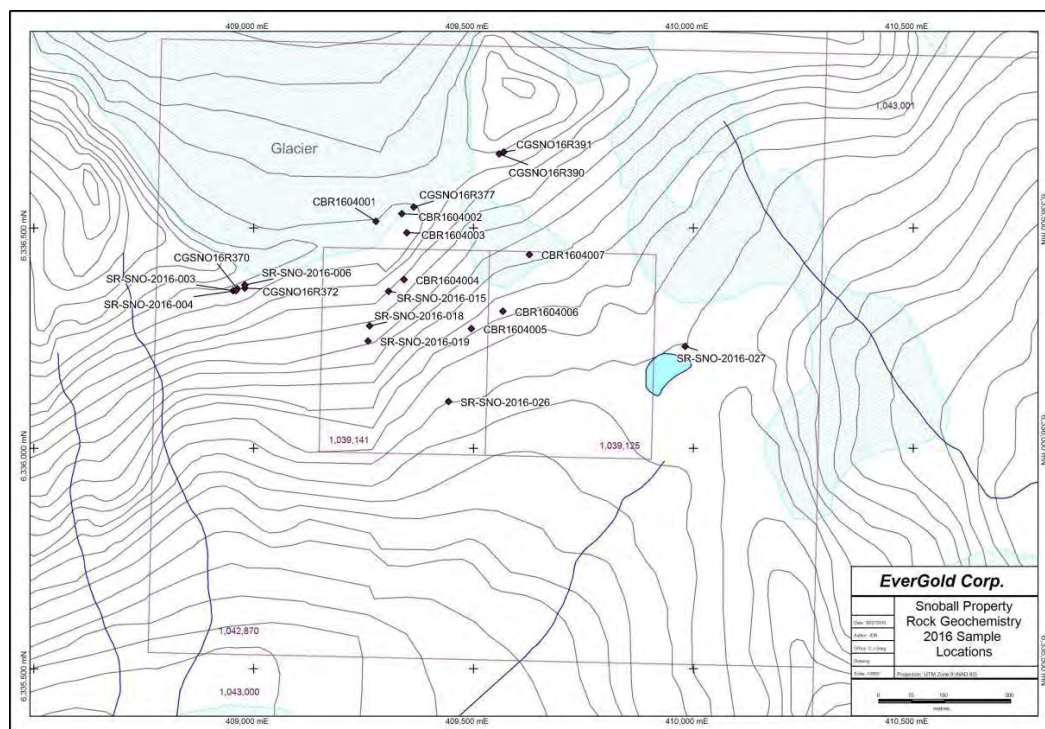
Snoball Figure 22: Arsenic-in-soil on geology (values from 1991 and 2016 programs) with gold contours >150ppb (see geology legend on Snoball Figure 19) (J. Rowe, 2016)

2016 Rock Sampling

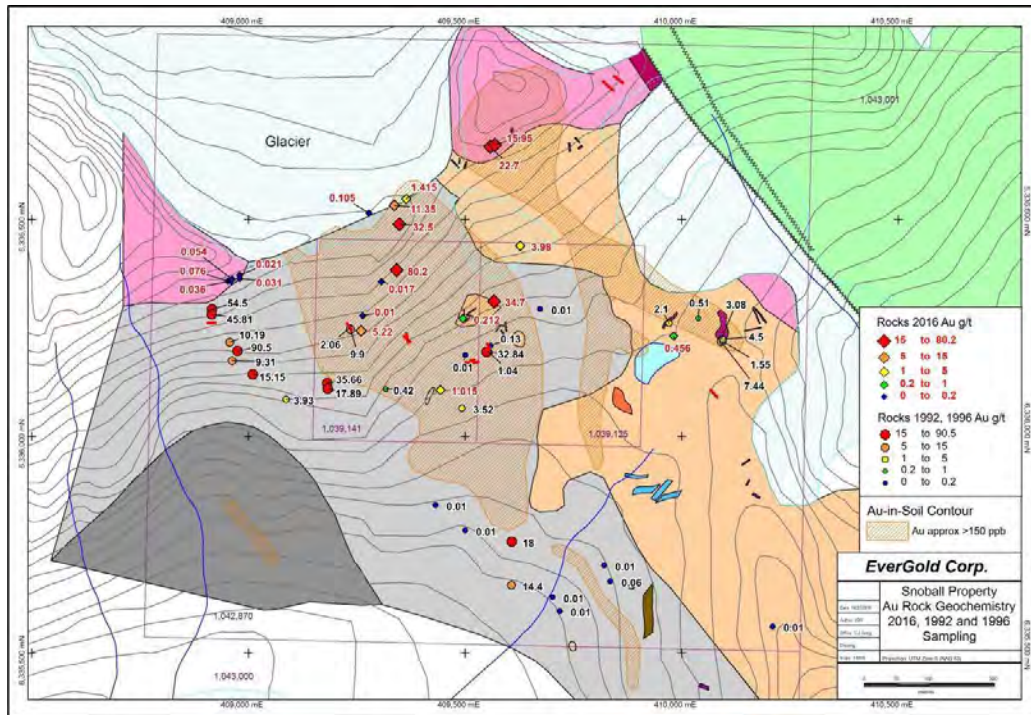
Snoball Figures 23, 24, 25, and 26 show the location of the 20 rock sample locations from the 2016 program and the analytical results for Au, Ag and As, which returned encouraging results. Since many of the samples are “grabs” from sulphide-rich rocks the values may be higher than what would be expected from continuous chip samples collected across more representative widths.

The 2016 analytical results for rock samples returned a very high percentage of strongly anomalous values. Results correlate closely with the values reported for the samples collected nearby by others, so the older sample results are believed to be representative.

Gold values for rock samples are shown on Snoball Figure 24 in grams per tonne, with any conversions of values calculated at 1 g/t equal to 1 part per million (ppm). For comparison purposes the rock geochemical gold results for samples collected by Savell and Harrison (1991), Visage (1992) and Weber (1996) are also illustrated on the figure, together with the gold results for the 2016 rock samples. The reader is referred to those quoted references for details about the samples.



Several of the 2016 rock samples returned high gold values (grading from 4 to 80 g/t Au), all of which had coincident anomalous silver (20 to 1080 g/t Ag), arsenic (>10,000 ppm) and lead (1,815 ppm to 11.5%). Most also had moderately high zinc (up to 3.1%) and copper (up to 0.3%). These samples were all collected from relatively narrow quartz-sulphide veins found in bedrock or float. The largest pieces of float were 0.45 cm and 0.60 cm in diameter. The rock samples with the highest metal values were collected from near the contact of the Pyramid Peak diorite stock anchoring the east end of Snoball Ridge, and continuing over a distance of about 500 metres to the southwest. Where measured, the veins from which the samples were collected commonly trended northwesterly or northeasterly.



Snoball Figure 24: Rock samples from 2016, 1992 and 1996, showing Au values overlain on geology, with gold-in-soil contours >150ppb (see geology legend on Snoball Figure 19, above) (J. Rowe, 2016)

The mineralized quartz or quartz-calcite veins typically contain a few percent sulphides, although sulphide mineralization in some of the veins ranged up to 50 percent. Arsenopyrite was generally the predominant mineral in the veins and occurred as disseminations, blebs, and locally as coarse masses. Pyrite and galena also sometimes occurred as small intergrown masses, or as disseminations in the veins. Sphalerite and chalcopyrite were less common, and usually occurred as disseminations in the veins. Veins may include breccias hosting fragments of wallrock. At one sample location gouge material was noted along the vein and another sample comprised sericite-quartz altered breccia containing fragments of chert that were rimmed by arsenopyrite. Sulphide minerals are commonly strongly weathered, creating rusty zones of iron and arsenic oxides. The elements having the strongest correlations with anomalous gold values were observed to be silver, arsenic and lead, with lesser zinc and copper.

Two of the more significant samples, in that they show potential for wider zones of low to moderate gold grade, are SR-SNO-2016-019 and 026, located 230 metres apart on the southeast-facing slope of Snoball Ridge. These grab samples were collected from locally silicified siltstone and mudstone cut by northwest-trending, sheeted narrow veins and stockworks of calcite containing abundant limonite and minor remnant pyrite. SR-SNO-2016-019 returned 5.22 g/t Au, 12.3 g/t Ag, 0.37% As and 0.35% Pb from strongly oxidized mineralization (Snoball Photo 6, below) and SR-SNO-2016-026 returned 1.02 g/t Au, 4.5 g/t Ag, 0.54% As, 0.09% Pb and 0.18% Zn.

Sample CGSNO16R377, collected on the ridge top 300 metres north of SR-SNO-2016-019, was also viewed as significant because it yielded 1.42 g/t Au and 2.9 g/t Ag from quartz-pyrite stringers and disseminated pyrite in weakly silicified siltstone, but with low values (<0.02%) for As, Pb, Zn and Cu. This may represent a different style of mineralization from the quartz-calcite veins. Previous workers have described pyrrhotite-pyrite veinlets and pods in hornfelsed siltstone that have returned gold values in the 1 to 2 g/t range over several metres in drill holes (Savell, 1992), and so potentially, there could be wide zones of similar gold-bearing pyrrhotite-pyrite stockwork veining within some of the large gossan zones seen on the Snoball Property, such as that shown in Snoball Photo 7, below.



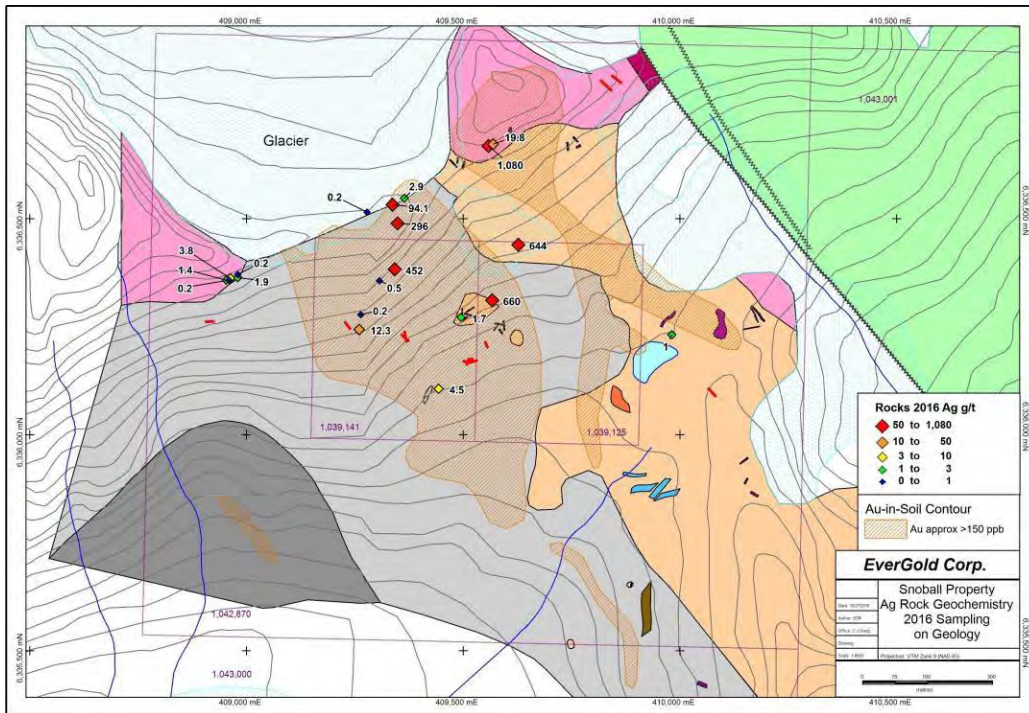
SR-SNO-2016-019 Sediments x-cut by carb+qz vein zone @ 347/15 to NE. strong feox staining locally within veinzone, sulfides are weathered and indistinguishable

Snoball Photo 6: Sheeted veins or stockworks at the Snoball Property have potential for wide zones of low to moderate grade gold and silver (C. Greig, 2016)

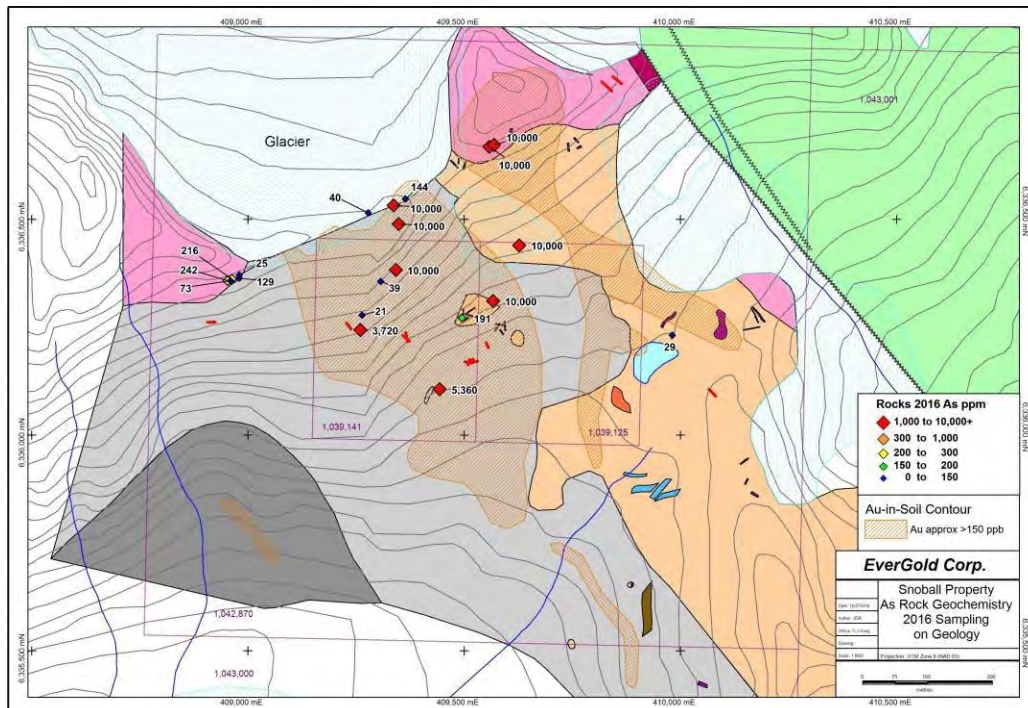


SR-SNO-2016-027 Strongly silicified mudstones with 1-2% diss fine grained po.

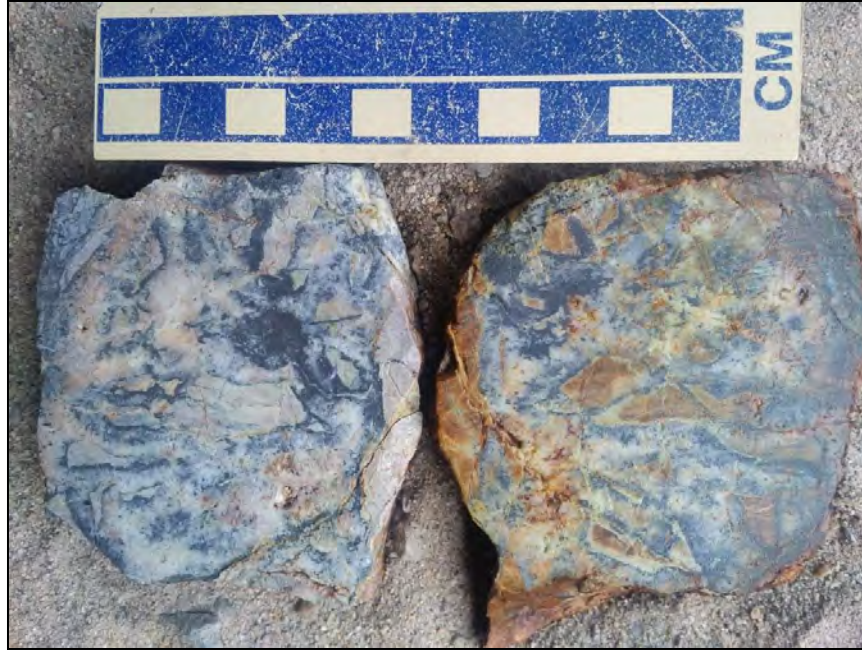
Snoball Photo 7: Areas of “Type 1” style mineralization comprising pyrrhotite and pyrite disseminations, veinlets and pods, have returned 1 to 2 g/ton over several metres in historical drill holes (C. Greig, 2016)



Snoball Figure 25: Rock Samples, showing 2016 Ag values overlain on geology, with gold-in-soil contours >150ppb (see geology legend on Snoball Figure 16, above) (J. Rowe, 2016)



Snoball Figure 26: Rock samples, showing 2016 arsenic values overlain on geology, with gold-in-soil contours >150ppb (see geology legend on Snoball Figure 16, above) (J. Rowe, 2016)



Snoball Photo 8: Vein breccia float sample GBR1604004 taken from Snoball Ridge returned 80.2 g/t AU and 452 g/t Ag (C. Greig, 2016)

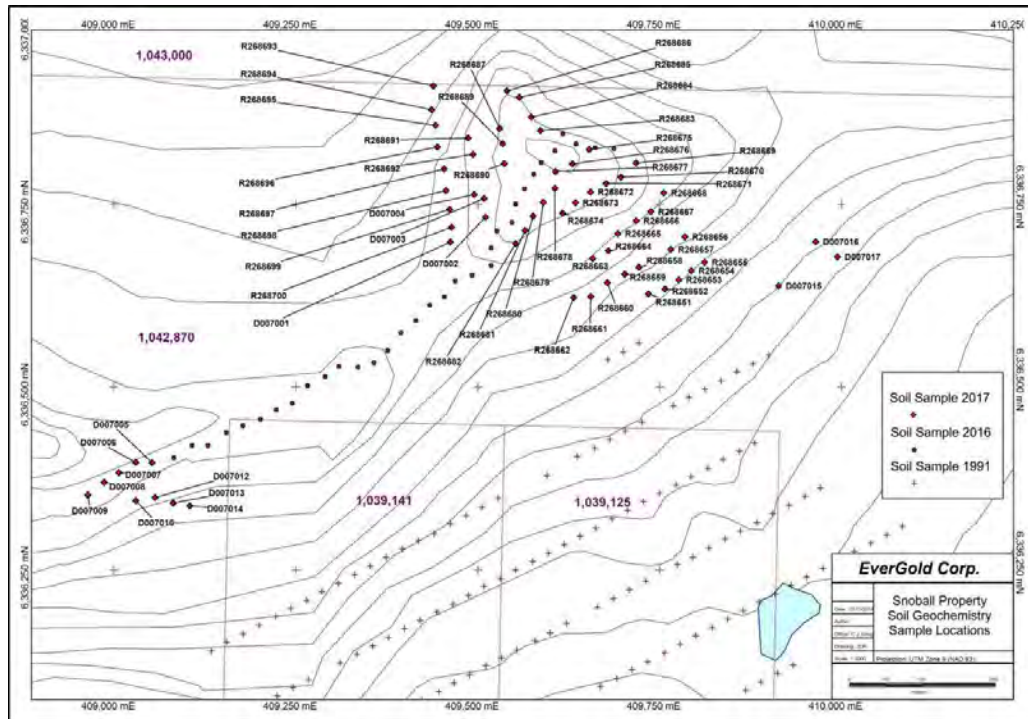
2017 Soil Sampling

The highly encouraging results of soil and rock sampling in 2016 led to an expanded geochemical sampling program over the Snoball Property in 2017. From September 14 to 16, 2017, a sampler collected 67 soil samples, focused on Pyramid Peak (58 of 67 samples), as well as the west end of Snoball Ridge (9 of 67 samples - vicinity of the UT vein). Soil lines were established along elevation contours and spaced roughly 50 metres apart, with samples collected at 25 metre intervals. Six of the 67 soil samples were marked “not sufficient sample” due to a lack of sufficient fines, and were processed as “talus rock” samples, also described in this section (Snoball Figure 29, below).

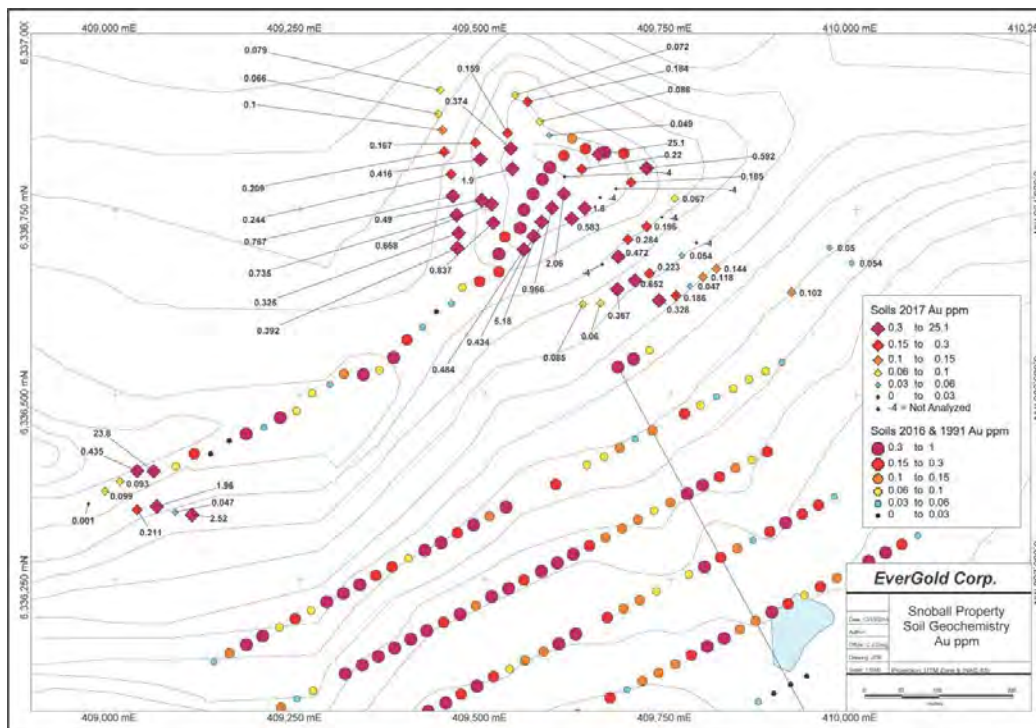
For comparison purposes the soil geochemical results for the 2017 samples are shown alongside samples collected in 2016 and also some of those collected by Noranda in 1991. Results are illustrated on Snoball Figures 28 to 36, below. As was the case with the 2016 soil results, the 2017 analytical results returned a very high percentage of strongly anomalous values for several elements of interest. For example, 44 of 61 samples analyzed returned greater than 0.1 ppm Au, with eight returning results greater than 1.0 ppm Au.

Snoball Figures 27 to 35 show the 2017 soil sample locations and the analytical results for Au, Ag, Cu, As, Pb and Zn. The 2017 samples are shown with diamond symbols, the 2016 and 1991 samples are shown with circle symbols. Due to the limited sample population the authors have chosen categories based on personal experience with anomalous soil geochemical values in the region. Five categories were used, ranging from very weakly anomalous to very strongly anomalous.

Gold-in-soil geochemistry (Snoball Figure 28, below) shows that the samples collected in 2017 confirmed and extended anomalies defined by previous sampling. The strongly anomalous gold values on Pyramid Peak cover an area more than 250 metres in diameter, with several values greater than 0.5 ppm Au, to a high of 25.1 ppm Au. Many of these anomalous stations are located near craggy exposures of diorite that undoubtedly host the mineralization that is the source of the high gold values.



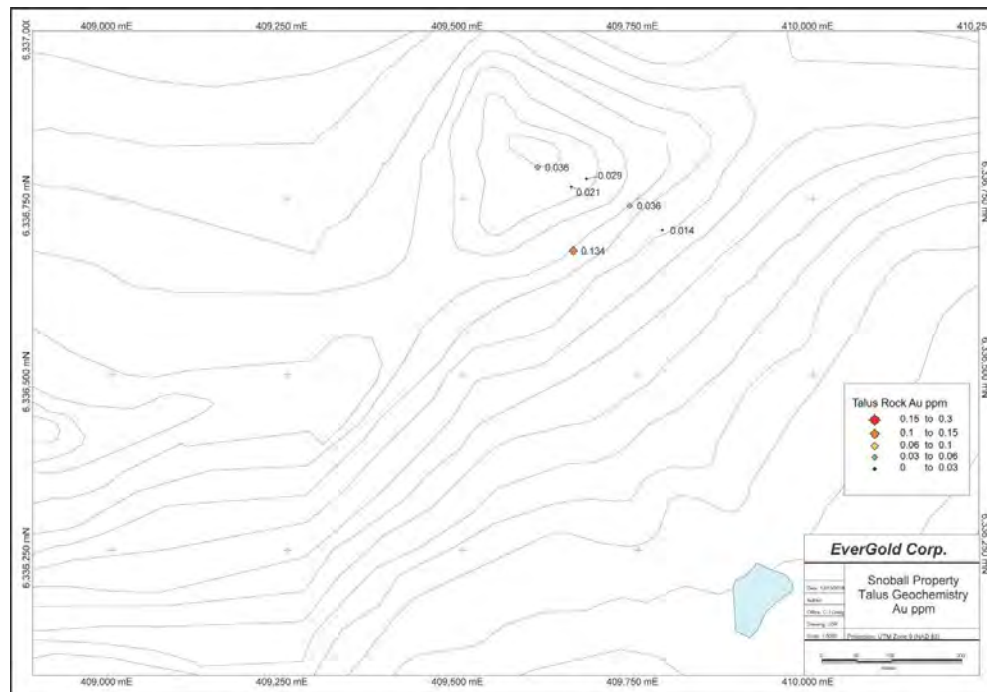
Snoball Figure 27: Soil geochemistry – 2017 sample locations (J. Rowe, 2018)



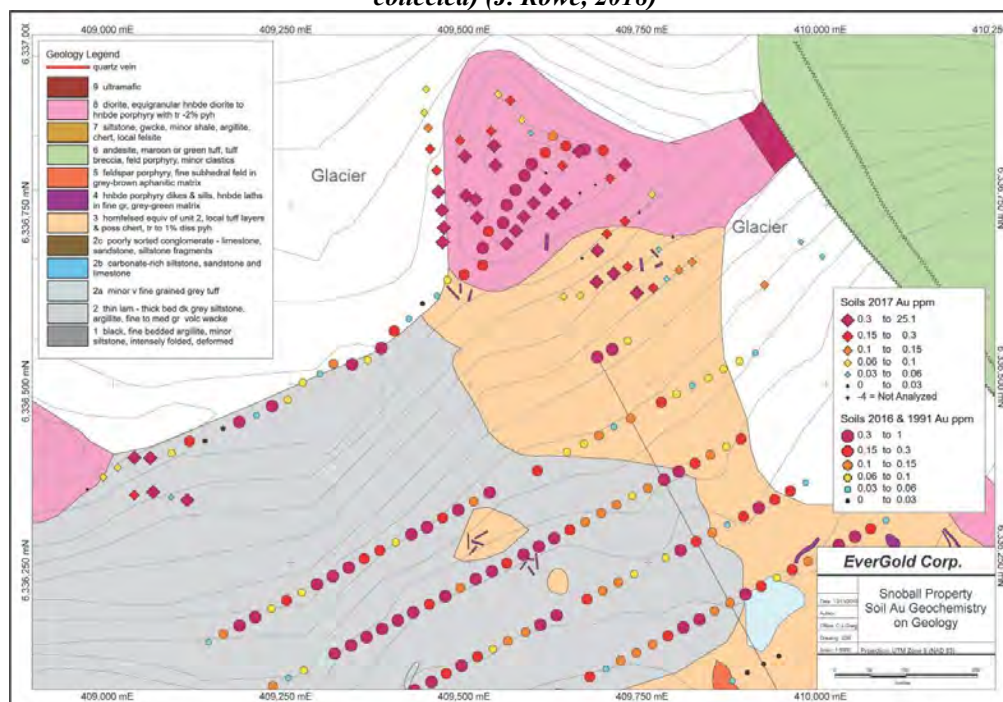
Snoball Figure 28: Gold-in-soil geochemistry (values from 2017, 2016 and 1991 programs) (J. Rowe, 2018)

Gold values for the six talus rock samples from the soil grid are shown on Snoball Figure 29, below. These were samples containing insufficient silt-size material, so they represent fine rock fragments derived from nearby bedrock sources on the upper part of Pyramid Peak. Three of the samples have elevated gold values,

but not to the same degree as the nearby soil samples. Two returned weakly anomalous values and one returned a moderately anomalous value of 0.134 ppm Au.



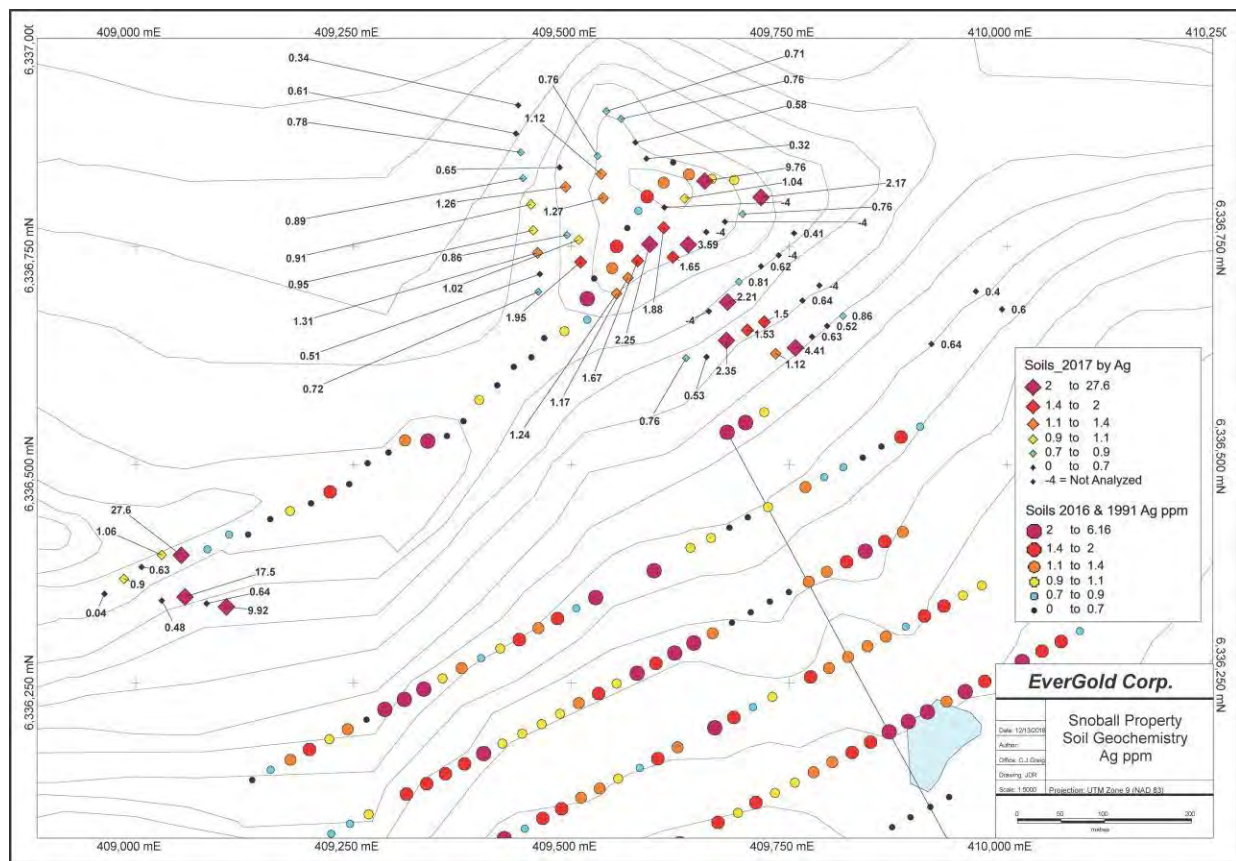
Snoball Figure 29: Gold-in-talus-rock geochemistry, 2017 program (representing 6 of 67 soil samples collected) (J. Rowe, 2018)



Snoball Figure 30: Gold-in-soil geochemistry on geology (values from 2017, 2016 and 1991 programs) (J. Rowe, 2018)

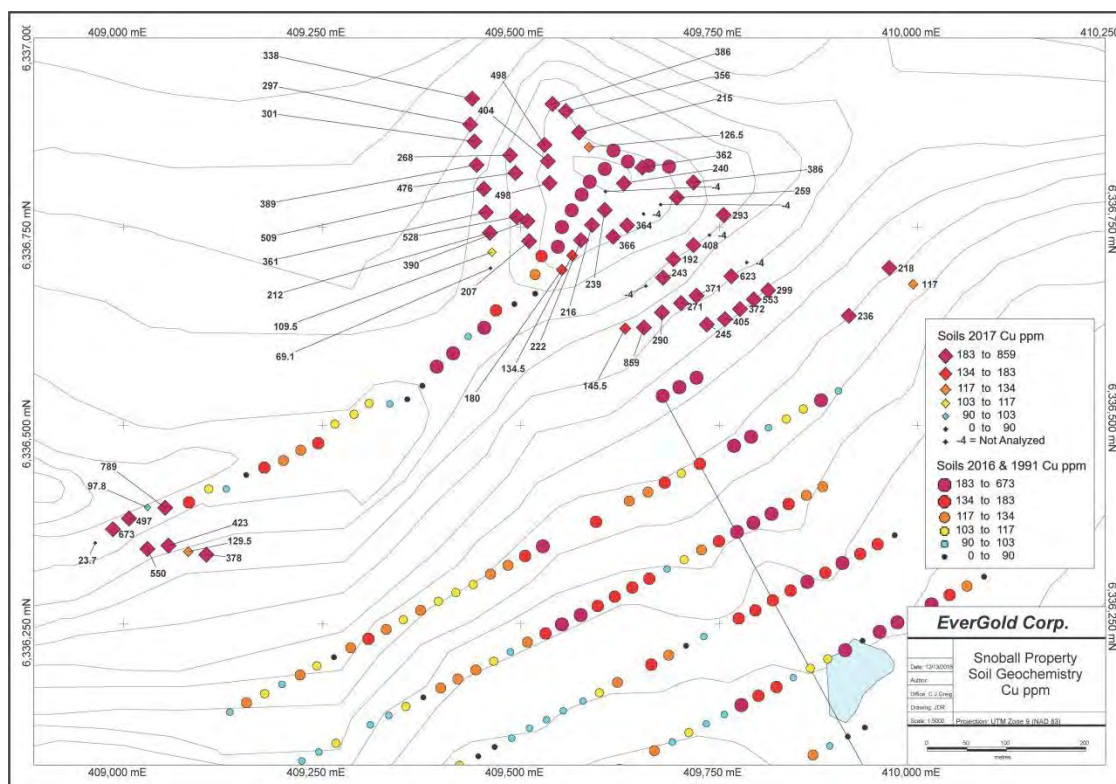
Snoball Figure 31 shows silver-in-soil geochemistry, with diamond-shaped symbols depicting the 2017 samples. Moderately to strongly anomalous silver values coincide closely with most of the strongly

anomalous gold values, especially near the top of Pyramid Peak, indicating that the mineralization responsible for the high values contains both gold and silver minerals and that they appear to have the same source areas. The diorite host rocks in this area are known to contain pyritic veins within extensive gossan zones. As well, there are three strongly anomalous samples (up to 27.6 ppm Ag) at the southwest end of the 2017 sampling that are within the siltstone unit near the contact with another diorite body that extends to the northwest of the sample line. Previously discovered quartz-sulphide veins within this western anomalous area have returned high gold and silver values.



Snoball Figure 31: Silver-in-soil geochemistry (values from 2017, 2016 and 1991 programs) (J. Rowe, 2018)

Copper-in-soil geochemistry is illustrated on Snoball Figure 32. Copper anomalies show a very close association with gold anomalies in the 2017 samples. This was not the case with the 1991 samples, where anomalous copper values although coincident with high gold values in hornfelsed rocks, showed a weaker correlation in the siltstone unit to the west. This implies that the copper mineralization is associated with veining in the diorite intrusions and hydrothermally altered rocks adjacent to intrusions, in what may be a porphyry-style Au-Cu system, but Cu values decrease outward from the intrusions. The high copper-in-soil values in the hornfelsed area suggest that minor amounts of chalcopyrite are associated with the gold-bearing disseminated to semi-massive pyrrhotite and pyrite mineralization in that area.

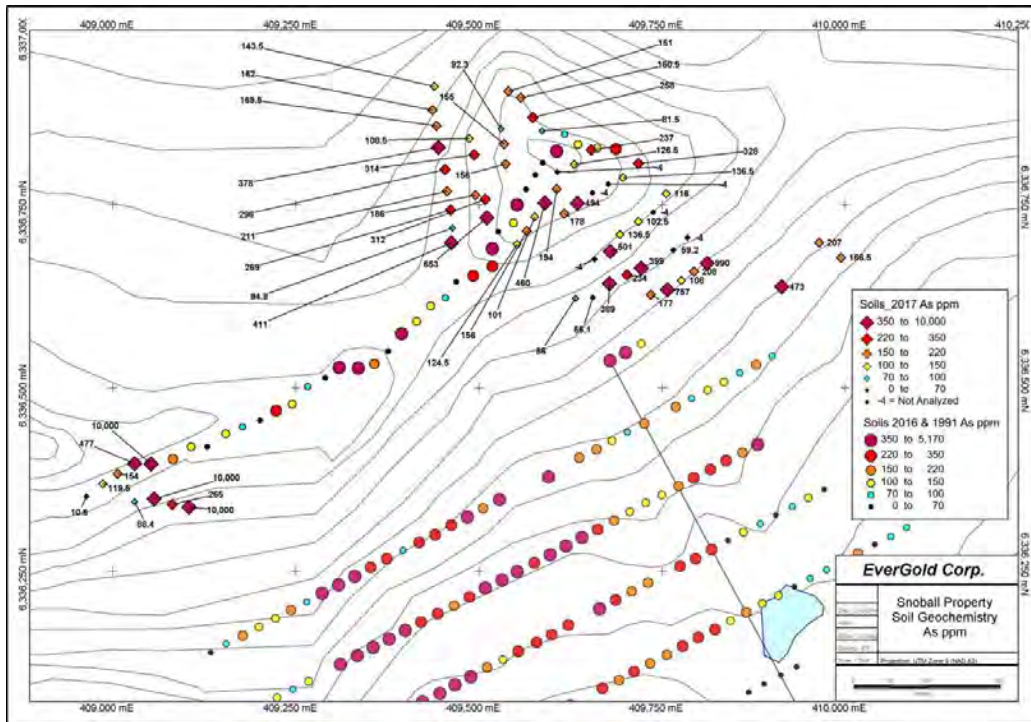


Snoball Figure 32: Copper-in-soil geochemistry (values from 2017, 2016 and 1991 programs) (J. Rowe, 2018)

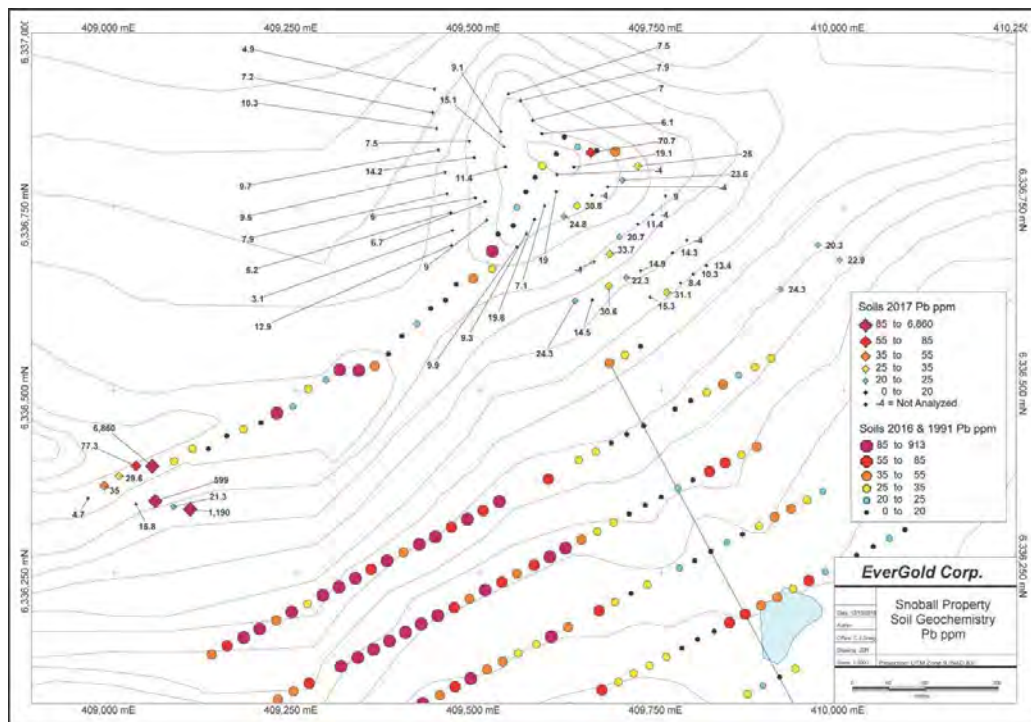
Arsenic-in-soil geochemistry is illustrated on Snoball Figure 33. Arsenic correlates very well with silver, as well as with gold and copper anomalies, with a large number of high arsenic values located within the diorite of Pyramid Peak. This would appear to indicate that gold in bedrock is occurring along with arsenic minerals, most probably arsenopyrite, and it also indicates that arsenic is a very good pathfinder element for gold exploration on the Snoball Property. These areas of coincident high arsenic and gold in soils are most probably caused by “Type 2” style vein-type mineralization, comprised of quartz-calcite with accompanying arsenopyrite, as well as local galena, and lesser sphalerite. The greatest concentration of this style of vein hosted mineralization, based on soil geochemistry, appears to be in the upslope part of the western grid area, as well as in the Pyramid Peak and postulated westward extensions beneath Snoball Ridge.

Lead-in-soil geochemistry is illustrated on Snoball Figure 34. There were very few strongly anomalous lead values returned by the 2017 samples, with the only significant cluster at the southwest end of the sampling area. These samples are also strongly anomalous in Au, Ag, Cu and As. They are located downslope of quartz-sulphide vein showings (the high-grade UT vein) that lies close to the contact with a diorite body at the western extremity of Snoball Ridge.

The lack of anomalous lead in the diorite body at Pyramid Peak suggests the occurrence of metal zonation, possibly transitioning outward from copper-bearing veins to lead- and zinc- bearing veins, deposited by hydrothermal solutions that cooled away from the original heat source. Similarly, lead values are also low in the area of the hornfelsed rocks on the east side of the grid but become more anomalous to the west into the less altered siltstone unit.



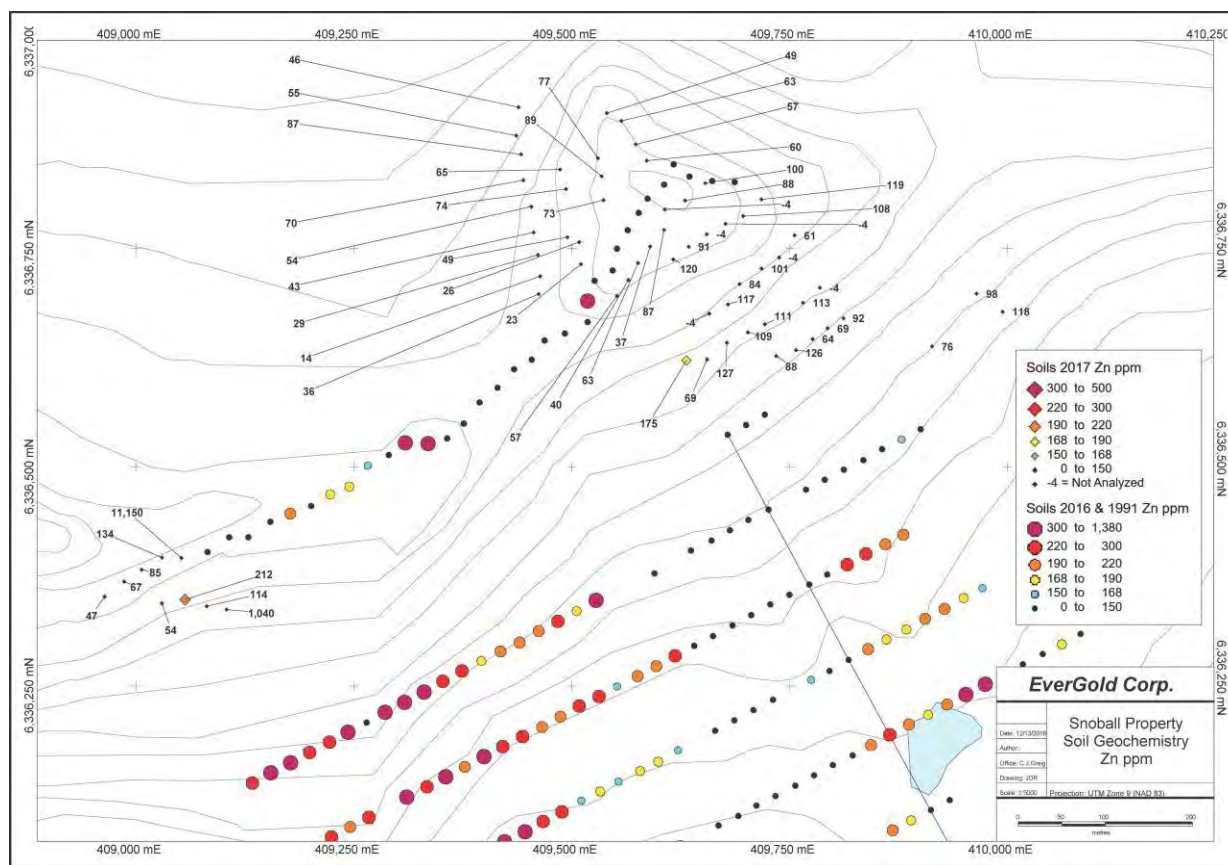
Snoball Figure 33: Arsenic-in-soil geochemistry (values from 2017, 2016, and 1991 programs) (J. Rowe, 2018)



Snoball Figure 34: Lead-in-soil geochemistry (values from 2017, 2016 and 1991 programs) (J. Rowe, 2018)

Zinc-in-soil geochemistry is illustrated in Snoball Figure 35. Anomalous zinc correlates very closely with lead, likely due to the presence of sphalerite with galena in vein material. On the western part of the soil grid an area of strongly anomalous zinc and lead geochemistry also has high values of Au, Ag and As,

indicating that precious metals may be quite widespread within the hydrothermal system, overlapping metal zones and extending hundreds of metres outward from their potential source intrusions.

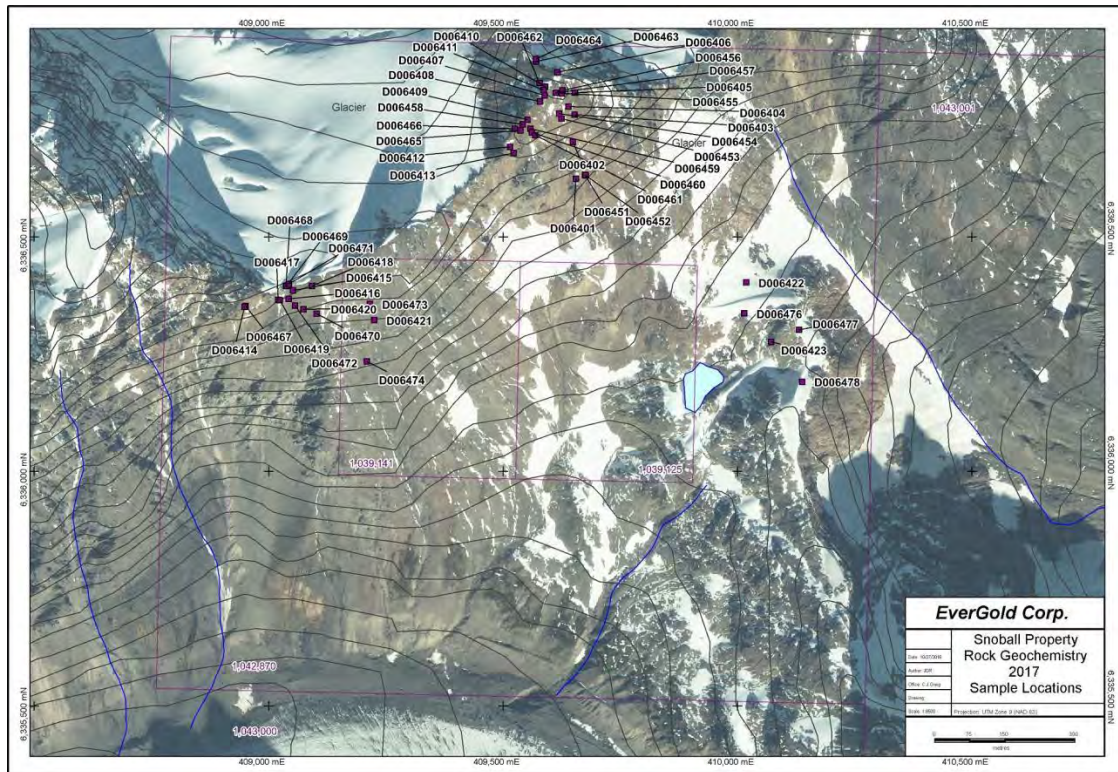


Snoball Figure 35: Zinc-in-soil geochemistry (values from 2017, 2016 and 1991 programs) (J. Rowe, 2018)

2017 Rock Sampling

Two prospectors and a soil sampler worked three days on the Snoball Property from September 14 to 16, 2017, mobilizing daily by helicopter from a camp at Bell II, located along Highway 37. Work was focused on the target area on Snoball Property north and upslope of the historical Noranda grid in approximately the same areas covered by the 2016 and 2017 EverGold soil sampling programs.

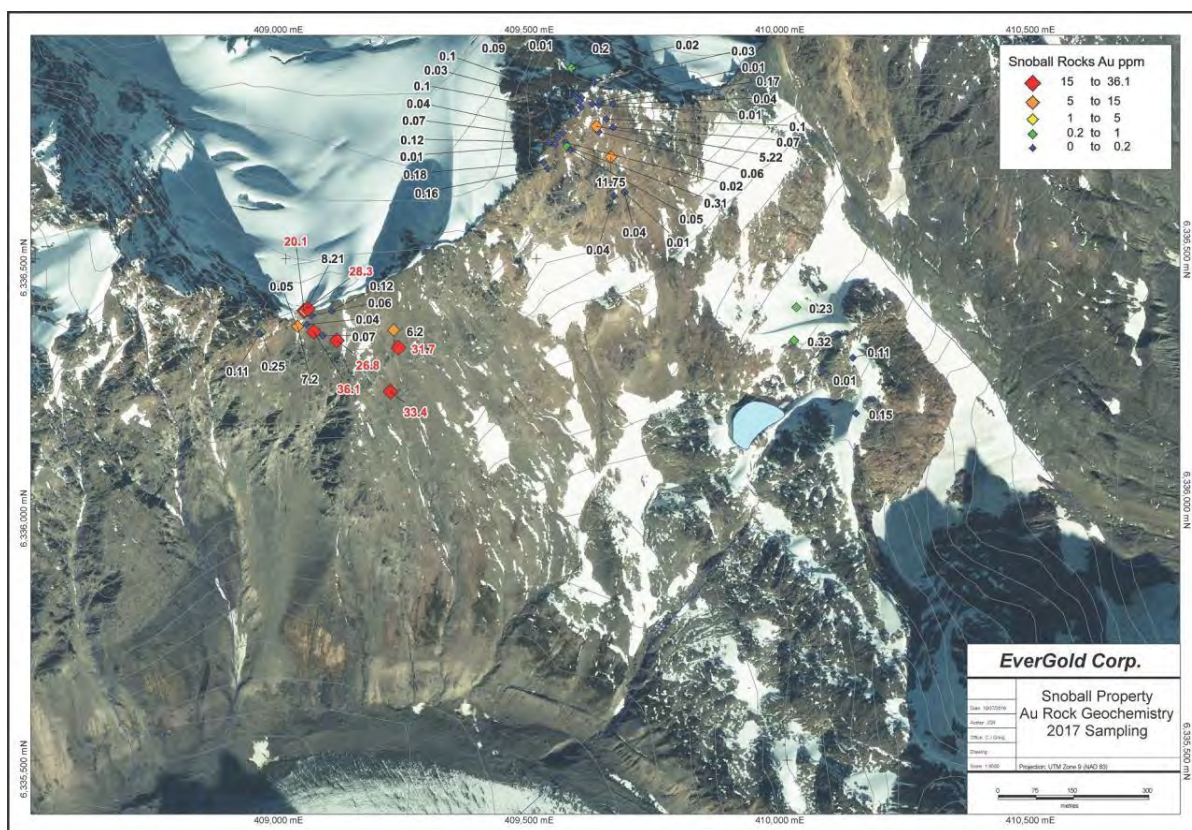
Snoball Figures 36 to 42, below, show the 2017 rock sample locations and the analytical results for Au, Ag, Cu, As, Pb and Zn. Since many of the samples are “grabs” from sulphide-rich rocks the values may be higher than what would be expected from continuous chip samples collected across more representative widths.



Gold values for rock samples are shown on Snoball Figure 37 in parts per million (ppm), for which conversions of values are calculated at 1 part per million equates to 1 gram per tonne. A compilation of previous rock sampling conducted by others in the Snoball Property area since 1991 has been reported by Rowe and Greig (2017). Of these former samples, more than twelve returned high gold values of greater than 15 g/t Au, primarily from within the siltstone unit and, to a lesser degree, within the diorite stock. The 2017 analytical results likewise returned a number of strongly anomalous Au values, which correlate closely with the values reported for the samples collected nearby by others, and these were also collected primarily from veins within siltstone host rocks.

The 2017 rock samples that returned high gold values (11 samples grading from 5 to 36.1 g/t Au) almost all had coincident anomalous silver (10.9 to 231.0 g/t Ag), arsenic (>10,000 ppm), copper (457 to 4,870 ppm), lead (0.36 to 33.3%), antimony (193 to 4,930 ppm) and less commonly, zinc (814 ppm to 5.6%). These samples, all collected from within bedrock or subcrop, consisted of relatively narrow quartz-sulphide veins ranging from 1 cm to 0.5 metre, with one vein up to 2.0 metres in width (sample D006419). The largest pieces of float were up to 0.5 metre in diameter. The rock samples with the highest metal values were collected from near the southwest end of Snoball Ridge over a length of about 200 metres east-west, where they are hosted by locally silicified siltstone and mudstone, often with nearby narrow porphyry dikes. Where measured, the veins from which the samples were collected commonly are oriented northwesterly or northeasterly, and to a lesser extent east-west.

Two of the strong gold values were from samples collected within diorite on Pyramid Peak (D006402 & D006454). Both consisted of quartz veins with pyrite, however, neither of these samples contained much Cu, Pb or Zn, again suggesting that there may be a zonation of metals, becoming more Pb and Zn rich away from the diorite heat source.



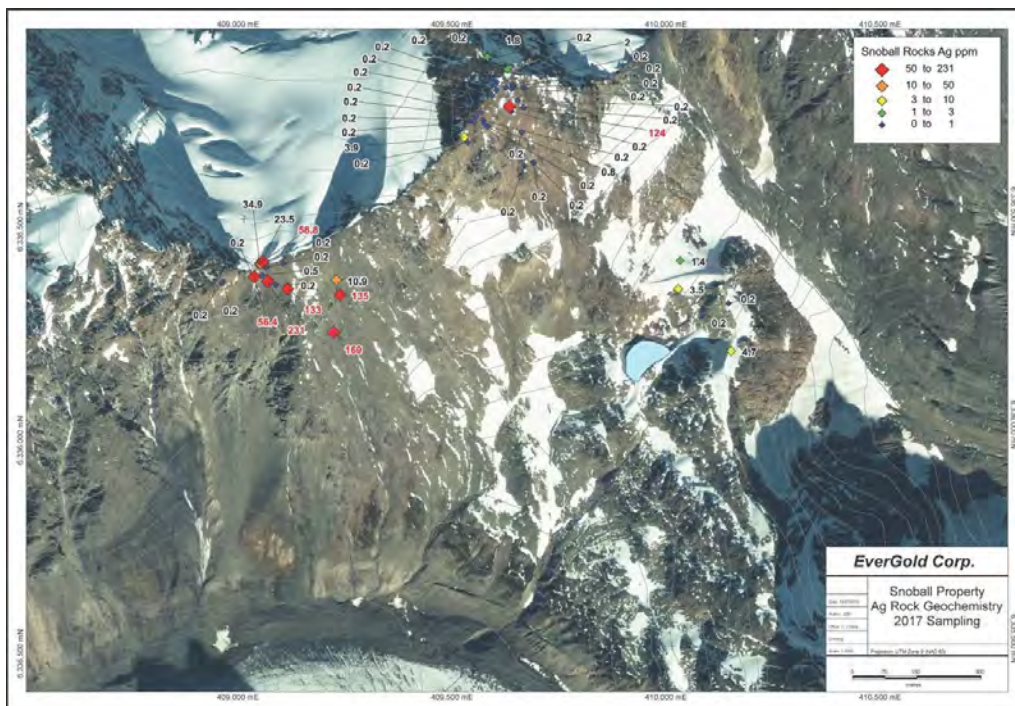
Snoball Figure 37: 2017 gold-in-rock samples, overlain on satellite image (J. Rowe, 2018)

Sample D006402, collected on the southeast side of Pyramid Peak (Snoball Figure 37), is significant because it yielded 11.75 g/t Au from narrow quartz-pyrite stringers in probable diorite host rock, but with low values (<0.01%) for As, Pb, Zn and Cu. This may represent a different style of mineralization from the siltstone-hosted quartz-calcite veins. Previous workers have described pyrrhotite-pyrite veinlets and pods in hornfelsed rocks that have returned gold values in the 1 to 2 g/t range over several metres in drill holes (Savell, 1992), and so potentially, there could be wide zones of similar gold-bearing pyrrhotite-pyrite stockwork veining within some of the large gossan zones seen in the Pyramid Peak area.

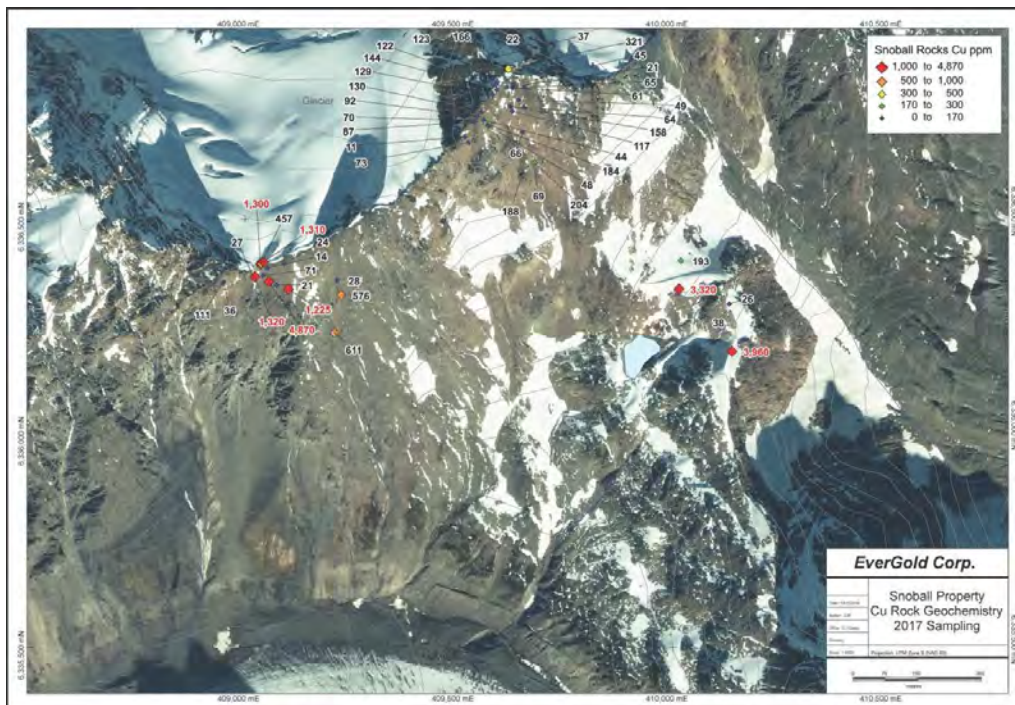
The mineralized quartz or quartz-calcite veins typically contain a few percent sulphides, although sulphide mineralization in some of the veins ranges up to 50 percent. Pyrite is generally the predominant mineral in the veins and occurs as disseminations, blebs, and locally as coarse masses. Arsenopyrite and galena may also occur as small intergrown masses, or as disseminations in the veins. Sphalerite and chalcopyrite are less common, and usually occur as disseminations in the veins. Pyrrhotite was noted in a couple of the veins, with pyrite.

Veins may include breccias that host fragments of wallrocks. Sulphide minerals are commonly strongly weathered, creating rusty zones of iron and arsenic oxides. The vein mineral associations are evident from Snoball Figures 38 to 42, which show that the elements having the strongest correlations with anomalous gold values are silver, arsenic, lead and copper, with lesser zinc. As well, Fe, Sb and S are strongly correlated with Au (Snoball Figure 17, above).

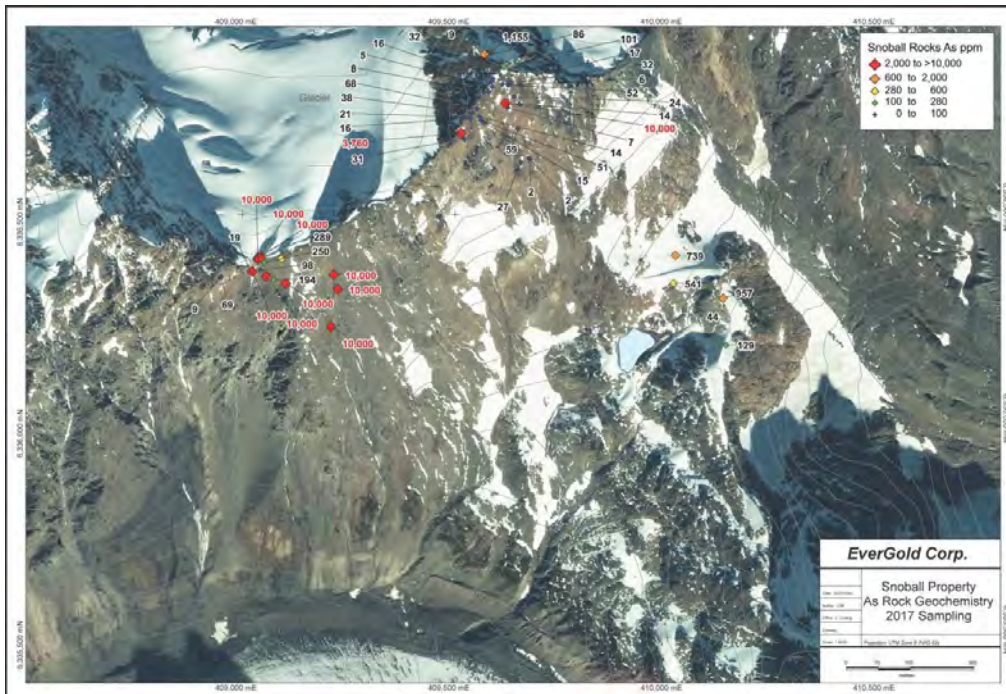
Although most of the samples were collected from single veins, in some areas there are multiple narrow veins or silicified zones that could be classified as stockworks, with potential to be part of wider zones of low to moderate grade gold and silver.



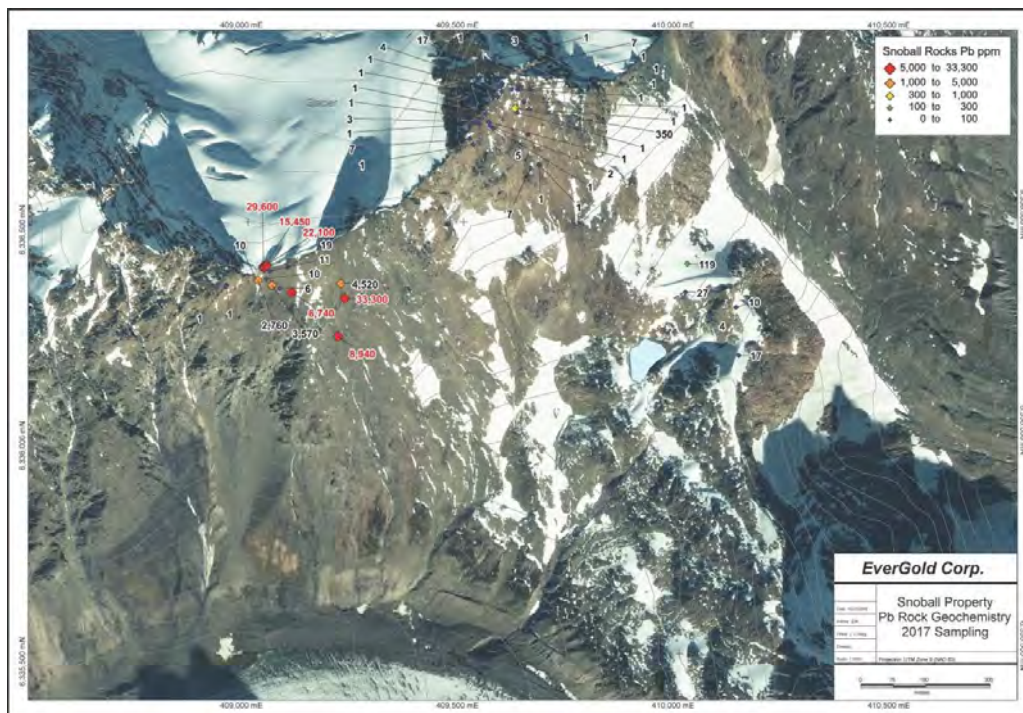
Snoball Figure 38: 2017 silver-in-rock samples, overlain on satellite image (J. Rowe, 2018)



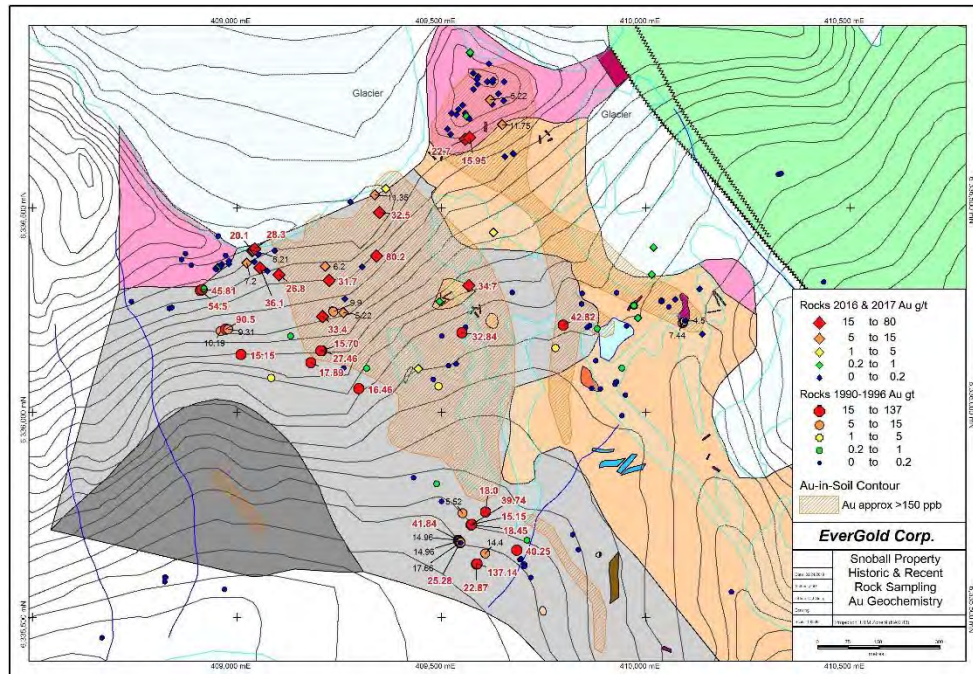
Snoball Figure 39: 2017 copper-in-rock samples, overlain on satellite image (J. Rowe, 2018)



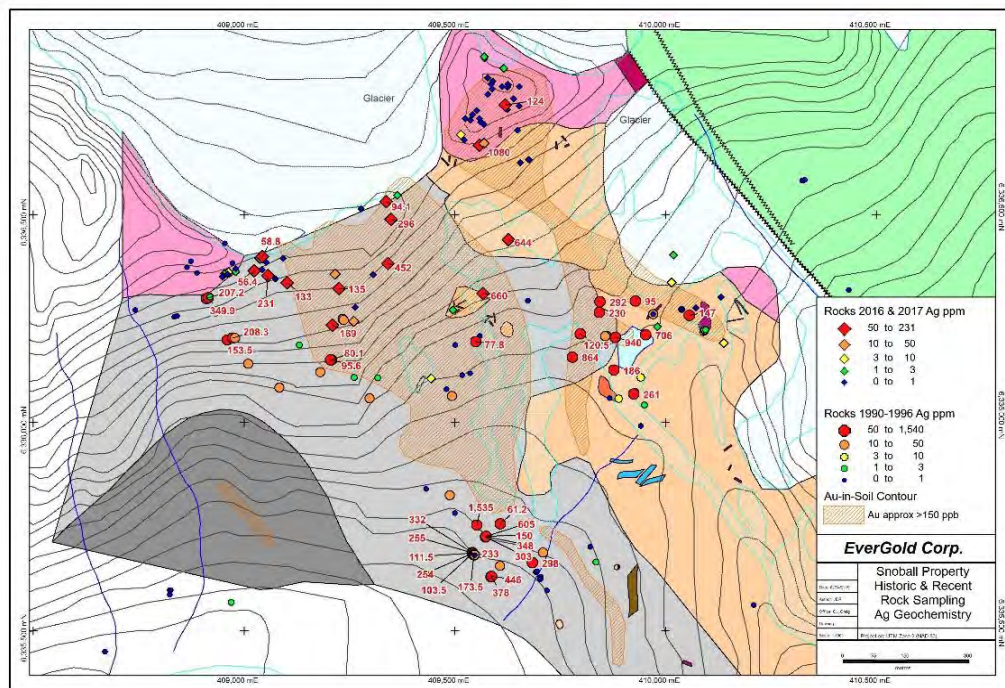
Snoball Figure 40: 2017 arsenic-in-rock samples, overlain on satellite image (J. Rowe, 2018)



Snoball Figure 41: 2017 lead-in-rock samples, overlain on satellite image (J. Rowe, 2018)



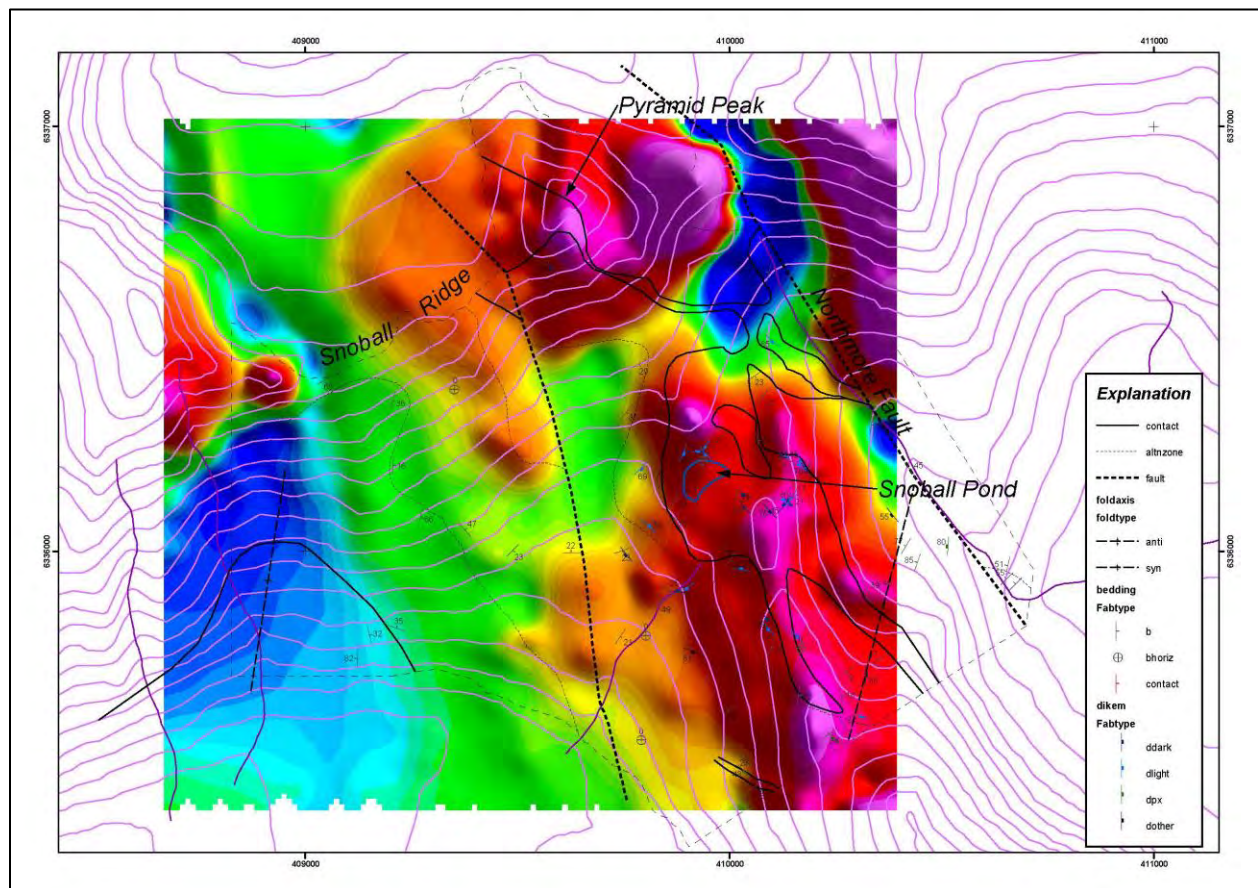
Snoball Figure 42: 2017, 2016 and historical gold-in-rock overlain on geology (see geology legend on Snoball Figure 8) (J. Rowe, 2018)



Snoball Figure 43: 2017, 2016 and historical silver-in-rock overlain on geology (see geology legend on Snoball Figure 8) (J. Rowe, 2018)

2017 Geophysical Surveying Program

A 43 line-kilometre heli-borne magnetometer survey (Snoball Figure 44, below), flown north-south with lines spaced at 70 metres, was carried out in 2017. Highs in total magnetic intensity closely match the mapped contacts of the diorite intrusive complex, while lows correspond to the Stuhini Group sedimentary sequence and to covered and/or unmapped rocks along the eastern (Northmore) fault. A subdued high located immediately west of Pyramid Peak and north of Snoball Ridge, in an area covered by ice, indicates shallowly-covered bedrock and an extension of the diorite intrusive complex into that area. A magnetic high at the western end of Snoball Ridge, in proximity to the location of the UT vein, reflects a mapped diorite intrusive that extends to the northwest.

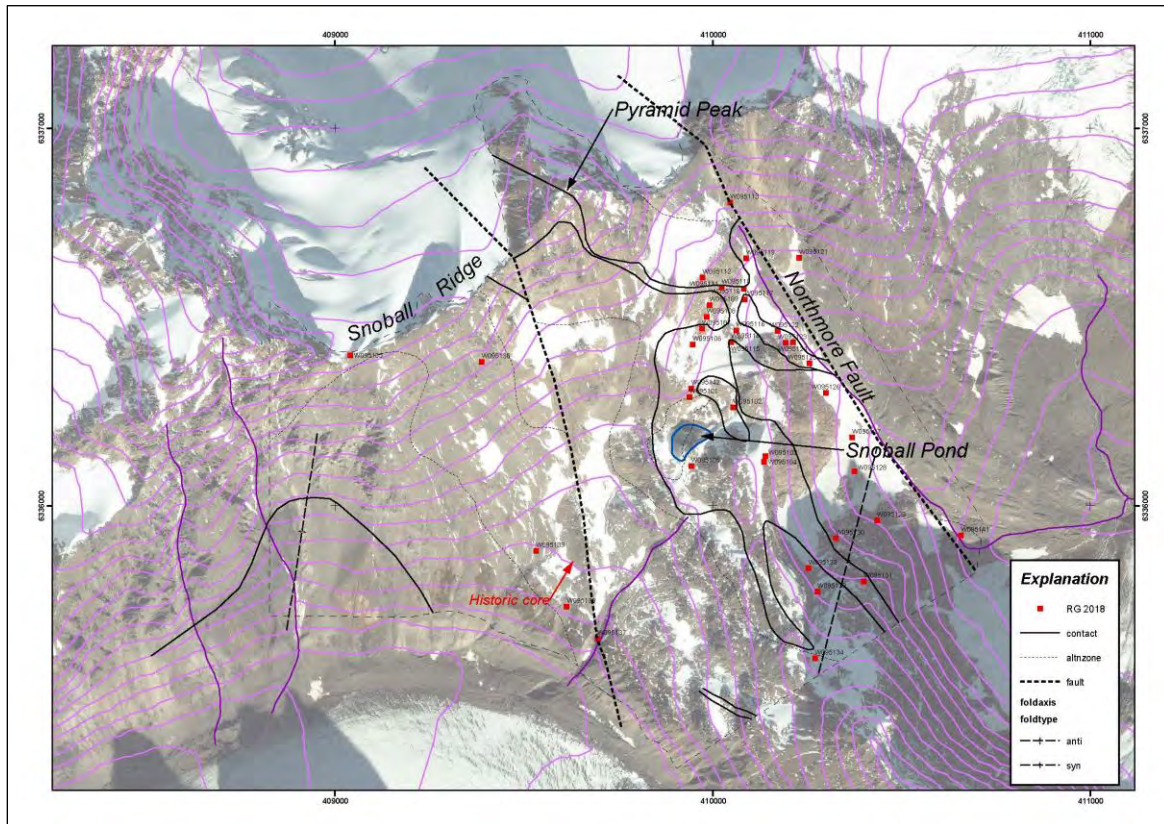


Snoball Figure 44: Snoball Property prospect area. Trace of geology (see also Snoball Figure 10) on total field magnetics (A. Walcott (2017), R. Greig (2019))

2018 Mapping, Rock & Soil Sampling

Roy E. Greig, B.Sc., P.Geo., spent five days mapping and sampling the Snoball Property in July, 2018. The mapped area, approximately 1.5 x 1.5 km, encompasses the area drilled by Noranda in 1992 and the high-grade UT showing. In addition, forty-two rock samples and ten soils were collected for analyses, principally focused in historically drilled areas of hornfels alteration east, northeast and south of Snoball Pond. Maps of lithology & structure, alteration and vein densities, along with analysis of measurements of structures including veins and bedding, were generated from these activities, and have been presented and discussed

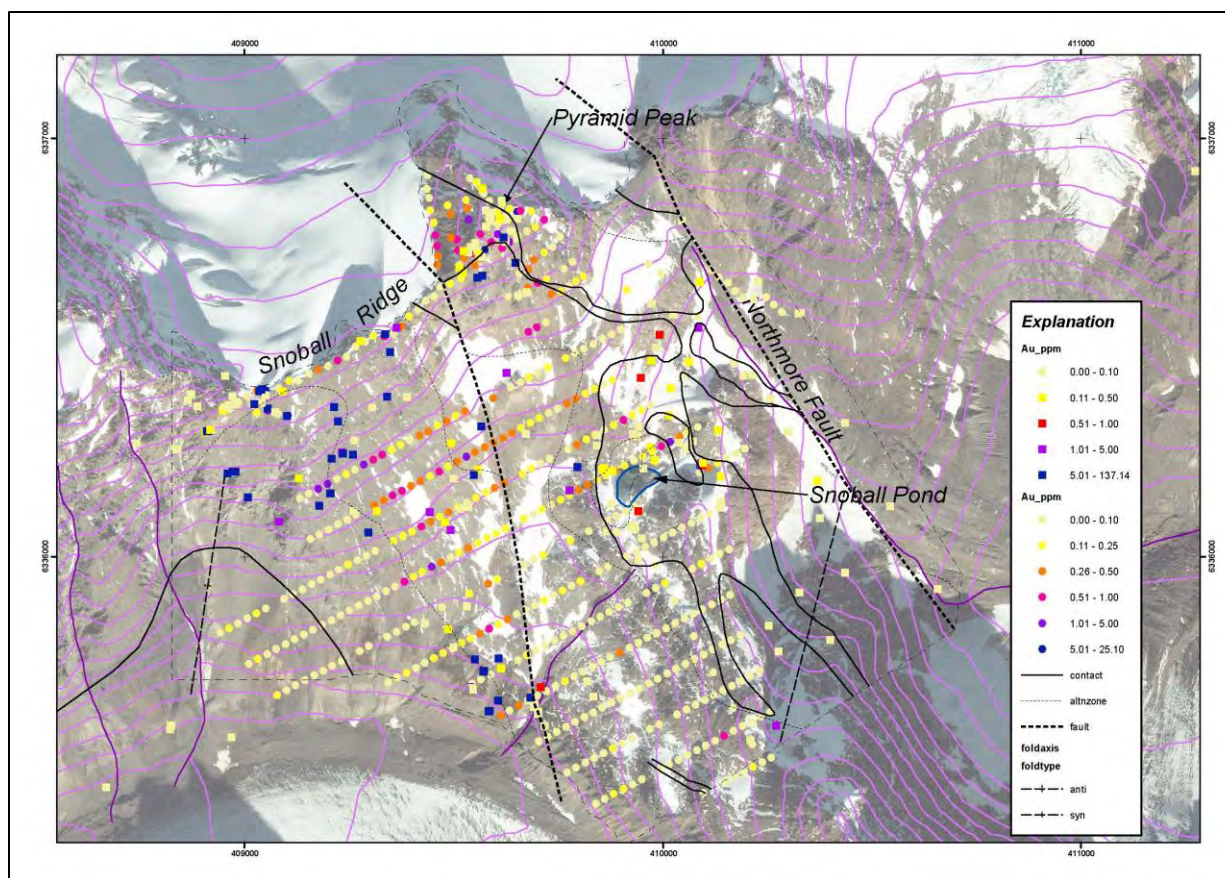
in the chapters of this Report pertaining to Property geology and mineralization styles. Snoball Figure 45 below shows the location of rock samples taken by R. Greig in 2018. Snoball Table 3 shows the corresponding assay results. Snoball Figure 46 below aggregates all historical soil and rock samples taken over the Snoball Property prospect area in the years 1991, 2016, 2017 and 2018, superimposed on the trace of principal lithologies, structures and topography as mapped by R. Greig, 2018.



Snoball Figure 45: Location of rock samples taken by R. Greig, 2018

Snoball Table 3: Rock sample results, R. Greig, 2018. See Snoball Figure 45, above, for corresponding locations. Assays were carried out by ALS Global Laboratories of North Vancouver, British Columbia.

Sample	UTM_E	UTM_N	Elevation (m)	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
W095101	409938	6336288	1669	0.06	2.43	3120	9	127
W095102	410054	6336261	1648	0.01	0.24	21.4	4.3	63
W095103	410139	6336132	1672	0.01	0.78	190.5	11	58
W095104	410136	6336117	1677	0.01	1.09	281	1.6	352
W095105	409943	6336106	1639	0.01	0.96	170.5	71.3	702
W095106	409947	6336427	1686	0.55	16.15	102.5	380	2300
W095107	409972	6336469	1687	0.47	1.07	5.2	20.8	108
W095108	409984	6336500	1681	0.06	0.76	16	22.2	205
W095109	409992	6336531	1688	0.98	139	1575	104	496
W095110	410024	6336579	1686	0.97	5.31	23.7	24.3	2140
W095111	410024	6336579	1686	0.01	0.65	22.7	14.3	148
W095112	409973	6336605	1706	0.01	0.12	99.8	1.7	51
W095113	410046	6336803	1720	0.01	0.12	56.8	3	76
W095114	410049	6336434	1642	0.02	0.07	7	2	47
W095115	410049	6336434	1642	0.03	0.12	36.5	5.1	74
W095116	410062	6336465	1625	0.13	2.95	13.7	1.8	3
W095117	410085	6336547	1630	1.13	249	397	112	53
W095118	410082	6336575	1632	0.07	0.65	11.7	2.4	14
W095119	410088	6336656	1667	0.38	0.56	24	13.9	246
W095120	blank	blank	blank	0.01	0.08	16	14.6	88
W095121	410228	6336657	1660	0.05	0.31	193	4.2	26
W095122	410171	6336463	1589	0.01	0.07	14.1	2.2	29
W095123	410192	6336432	1583	0.01	0.36	152.5	46.7	117
W095124	410213	6336434	1581	0.01	0.18	6.8	2.1	10
W095125	410256	6336377	1566	0.02	0.38	211	3.5	39
W095126	410299	6336299	1535	0.01	0.3	87.6	2.3	73
W095127	410369	6336181	1491	0.17	0.32	81.7	2.5	81
W095128	410375	6336092	1486	0.06	0.07	26.4	0.8	48
W095129	410435	6335962	1511	0.04	0.06	51.3	1.9	71
W095130	410326	6335914	1562	0.01	0.13	115	3.2	56
W095131	410400	6335800	1601	0.01	0.27	87.1	3.4	37
W095132	410277	6335773	1642	0.05	0.14	36.7	2.8	131
W095133	410253	6335835	1608	0.01	0.21	59.8	2.1	58
W095134	410271	6335596	1699	1.04	0.28	75.4	21.6	103
W095135	409041	6336399	1973	8.47	15.5	39	1535	525
W095136	409389	6336381	1848	0.01	0.11	22.2	2.7	28
W095137	409694	6335648	1494	0.01	0.06	2.2	1.3	5
W095138	409614	6335733	1527	0.38	0.7	36.9	14.8	45
W095139	409533	6335881	1557	0.01	0.24	37.8	3.2	85
W095140	blank	blank	blank	0.01	0.03	3.4	15.1	63
W095141	410657	6335922	1404	0.01	0.08	19.4	4.5	34
W095142	409943	6336311	1676	0.01	0.17	157	3.3	38



Snoball Figure 46: Map aggregating all historical soil (circles) and rock (squares) samples taken over the Snoball Property prospect area in the years 1991, 2016, 2017 and 2018, superimposed on the trace of principal lithologies, structures and topography. For breakout by years, see “Material Properties – Snoball Property – Exploration – Surface Geochemical Sampling – 2016 and 2017”, above.

Drilling

The Company has not conducted any drilling on the Snoball Property. Previous diamond drilling of 12 holes (1,504.6 metres) by Noranda and Gold Giant Minerals in 1992 is described in “Material Properties – Snoball Property – History – Snoball Property Exploration History”, above. The 1992 drilling constituted the only drilling that has been documented for the Snoball Property.

Sample Preparation, Analyses and Security

Sample preparation, analyses and security procedures were implemented for soil and rock samples collected by the Company in 2016, 2017 and 2018, as detailed below.

Protocols for Sampling, Sample Analysis and Security

Sampling Protocol

Soil samples were collected along reconnaissance lines in areas upslope from soil geochemical anomalies identified by Noranda’s 1991 sampling, including along Snoball Ridge, and over the Pyramid Peak diorite intrusive anchoring its east end. The reconnaissance lines were established using a hip chain to measure the distance between stations. UTM co-ordinates were recorded for each station using a hand-held Garmin GPS

unit. A small mattock was used to dig out the soil at depths ranging from 10 cm to 30 cm. Most of the soil samples comprised C-horizon material, with moderately common talus fines, and some poorly developed B-horizon material. Soil collected along the ridge top had clearly not moved more than a couple of metres, however, soil on steep slopes had probably been subject to downslope movement of up to 100 metres, or more.

Soil samples were placed in Kraft paper bags marked with identifying numbers, which were then enclosed in thick plastic bags, packed into rice sacks and transported by freight truck to the offices of ALS Global Laboratories in North Vancouver, B.C. for analysis.

Rock samples consisted primarily of selected chips from mineralized or altered bedrock or float. UTM coordinates were recorded for each rock sample site using a hand-held Garmin GPS unit. Data was recorded regarding type, strength and extent of mineralization, as well as host rock characteristics, including alteration and possible controlling structures. Rock samples were secured in thick plastic bags marked with identifying numbers, packed in sacks and transported by freight truck to the offices of ALS Global Laboratories in North Vancouver, BC for preparation and analysis. Samples were stored in a secure location in the camp facility until shipment to the laboratory.

Sample Analysis and Security

Sample analyses were carried out by ALS Global Laboratories in North Vancouver, BC. Evergold has no relationship with ALS other than the procurement of analytical services.

At the laboratory, soil samples were dried and sieved to recover the -180 micron size material. Fifty grams of the sieved material was dissolved in aqua regia and analyzed by ICP/MS for Au content, with detection limits of 0.001 to 1 ppm, and a suite of 50 additional elements that include all of the common base metals and alteration elements (Lab code AuME-TL44). No blank samples were submitted with the field samples; however, the laboratory conducts its own internal QA/QC testing to ensure that their equipment is properly calibrated and providing accurate results. Results of the analyses compared closely with those of the soil analyses conducted by Noranda in 1991 from the areas downslope, indicating that the 2016 and 2017 analyses are of acceptable quality. The analytical results for the soil samples collected in 2016 and 2017 may be viewed in Appendices B and C to the Snoball Technical Report.

Rock samples were weighed and crushed to 70% less than 2 mm diameter, from which 250 grams were split and pulverized to 85% passing 75 microns. Fifty grams of -75 micron size pulp was fire assayed and finished by ICP/AES to measure Au contents between 0.001 and 10.0 ppm. Those samples that returned greater than 10.0 ppm Au were re-analyzed by means of fire assay with gravimetric finish, using 50 grams from the original sample pulp, for accuracy of up to 1000 ppm Au. As well, a minimum 1 gram cut from the pulp of each rock sample was dissolved by 4-acid digestion and analyzed by ICP for a suite of 33 additional elements that include all of the common base metals and alteration elements (Lab code ME-ICP61). Four-acid digestion is, in most sample types, capable of near-total extraction for the elements analyzed. A few samples returned values greater than detection limits for some elements, so those with over-limit Ag, Pb or Zn were re-analyzed using 4-acid digestion followed by a higher limit ICP-AES finish to provide accuracy of up to 1500 ppm Ag, 20% Pb and 30% Zn (Lab code OG62). No blank samples were submitted with the field samples; however, the laboratory conducts its own internal QA/QC testing to ensure that their equipment is properly calibrated and providing accurate results. The analytical results for the rock samples collected in 2016 and 2017 may be viewed in Appendices B and C to Snoball Technical Report.

QA/QC Results

The ALS laboratory in North Vancouver, Canada, which analyzed the company's samples in 2016, 2017 and 2018, operates to ISO 17025 standards and is accredited by the local regulatory authority.

Quality Managers at the lab maintain the quality system, conduct internal audits, and assist in training and compliance. Staff are supported by a Quality Management System ("QMS") framework which is designed to highlight data inconsistencies sufficiently early in the process to enable corrective action to be taken in time to meet reporting deadlines. The QMS framework follows the most appropriate ISO Standard for the service at hand i.e. ISO 17025:2005 UKAS ref 4028 for laboratory analysis.

Duplicate Analyses

Field duplicates were not inserted into the rock sample lots because the rock chip samples were not homogeneous enough to split into equal duplicates. However, duplicate cuts from original sample pulps prepared at the lab were selected for some of the rock samples that had returned greater than detection limits for certain metals. These pulps were re-analyzed using a process capable of measuring higher concentrations of metal. The initial analytical method typically provided detection limits for the primary metals of interest of 1.00 ppm Au, 100 ppm Ag, 10,000 ppm Cu, 10,000 ppm Pb, 10,000 ppm Zn and 10,000 ppm As.

Discussion

No outside laboratory checks were performed on the rock samples. However, earlier companies sampled some of the same mineral showings and reported results similar to those determined by Evergold. The Qualified Person recommends selecting some of the coarse rejects and pulps from the 2016 and 2017 samples and submitting them to another laboratory for verification of the high metal values.

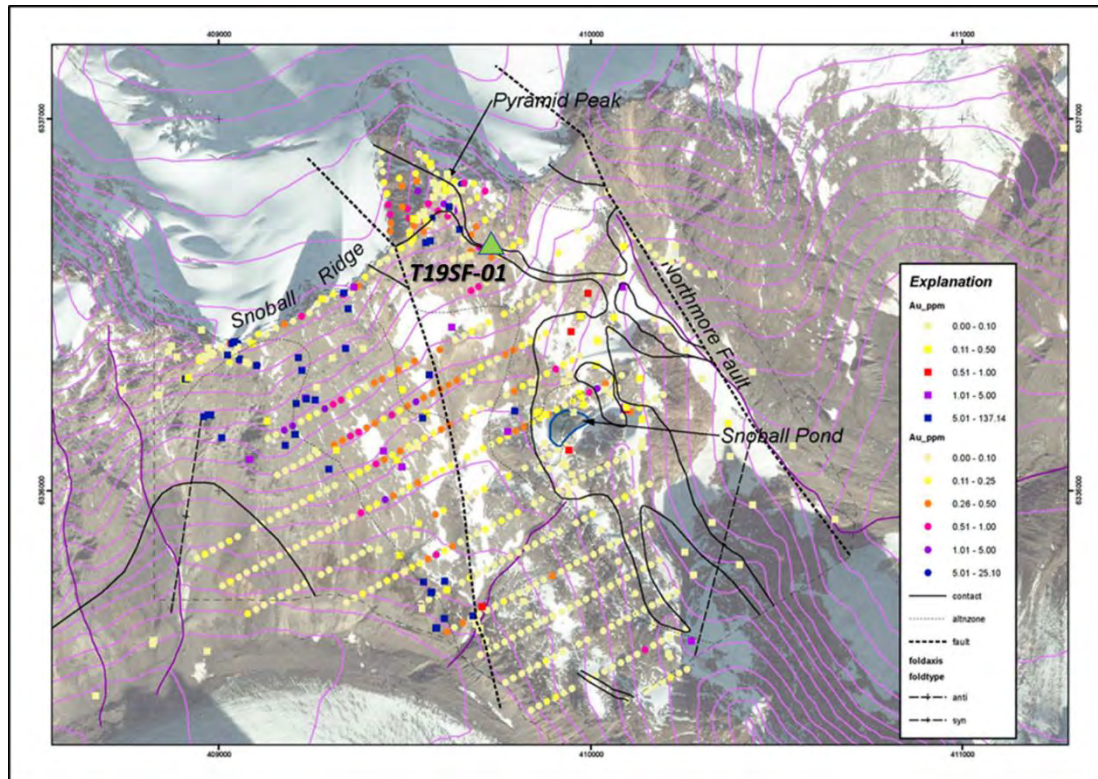
According to the Qualified Person, the sampling, security and analyses protocols employed by the Company appear to be consistent with industry standard best practices.

Data Verification

The Qualified Person visited the Snoball Property for a day on May 11, 2019. Before, during and after the site visit, the Qualified Person performed the following activities to verify the data presented by the Company:

- Reviewed and assessed the historical literature for quality;
- Reviewed and incorporated data and work summaries provided by Evergold geologists (R. Greig, 2018, 2019; J. Rowe, 2017, 2018; C. Greig, 2019);
- Examined the geology of the area of the Snoball Property above Snoball Pond on the south slope of Pyramid Peak (see Snoball Figure 47, below);
- Examined geological units, alteration styles and mineralization on the Snoball Property prospect area;
- Gathered and submitted for assay one float sample (# T19SF-01) taken from sub-cropping rocks at the Snoball Property prospect area, comprised of altered and weakly silicified hornblende gabbro with up to 3% disseminated pyrrhotite. The location of, and analytical results for, sample T19SF-01 are shown, respectively, on Snoball Figure 47 and Snoball Table 4, below;

- Was not able to inspect specific historic sample sites or the Noranda core described as stacked on the Property due to the lingering heavy snow load and persisting avalanche risk.



Snoball Figure 47: Location of verification rock samples T19SF-01 taken by D. Tupper during the site visit May 11, 2019 (map by R. Greig, 2019). Historical rock samples (squares) and soil samples (circles) also shown

Snoball Table 4: Rock Sample Results (D. Tupper – May 10, 2019)
Table 12.1. Rock sample results (D. Tupper - May 10, 2019)

Sample No.	Location NAD83 (9N)		General Description	Au ppm	Ag ppm	Cu ppm	Pb ppm	Zn ppm	As ppm
	UTM mE	UTM mN							
T19SF-01	409747	6336630	Hematitic diorite?; up to 1% Po disseminated to coarse blebs.	<0.01	0.12	157	1.3	29	12.5

During the preparation of the Snoball Technical Report, the following data verifications were performed:

- Verification of the mineral titles that comprise the Snoball Property, as listed on the MTO website maintained by the Government of British Columbia;
- Review of technical reports documenting previous work on the Snoball Property and other properties in the vicinity; and
- Discussions with the geological staff regarding work updates.

In the opinion of the Qualified Person, the data verifications performed both through on-site observation and sampling of the Snoball Property, and review of the legacy historical documentary record, are adequate to support the recommendations for further work as suggested in the Snoball Technical Report. The tenor of soil and rock samples both individually and collectively agree closely with the results of historical work within the Snoball Property.

Float sample T19SF-01 was collected from very fresh and angular, but loose material considered to be derived from the immediate site where it was collected. It was the best opportunity for a sample on the south slope of Pyramid Peak due to the heavy snow generally, and avalanche risk in nearby areas. The sample is considered to be from the contact zone of the Pyramid Peak hornblende diorite, as it exhibited only minor, very narrow quartz stockwork veining and no massive sulphides. Results are inconclusive with regard to the presence of gold and silver on the Snoball Property. Sample T19SF-01 returned a copper value of 157 ppm Cu, which is within background levels measured against 2017 rock samples collected at the Snoball Ridge area (see Snoball Figure 39, above).

Sample T19SF-01 was collected, bagged and delivered by hand by the author to ALS Global Laboratories in North Vancouver for analysis. The sample was analyzed in accordance with the methods used for the 2018 samples, including: crush to 70% less than 2mm (CRU31); split off 250g (SPL21) and pulverize to 85% passing 75 microns (PUL31); then analysis by ore grade fire assay with atomic adsorption finish analysis of 50g (Au-AA26) and 48 element induced coupled plasma mass spectrometer (ICP-MS) analysis of four acid digestion aliquot (ME-MS61). Over limit results for silver, copper, lead and zinc from the ICP-MS required reanalysis using four acid digestion and either atomic adsorption spectrometry or ICP analysis where suitable (ME-OG61).

No duplicates, blanks or standards were submitted with sample T19SF-01.

Mineral Processing and Metallurgical Testing

No mineral processing or metallurgical testing has been carried out on mineralization from the Snoball Property.

Mineral Resource Estimates

No mineral resource estimate has been undertaken for the Snoball Property mineralization as there is insufficient data to perform such an estimate.

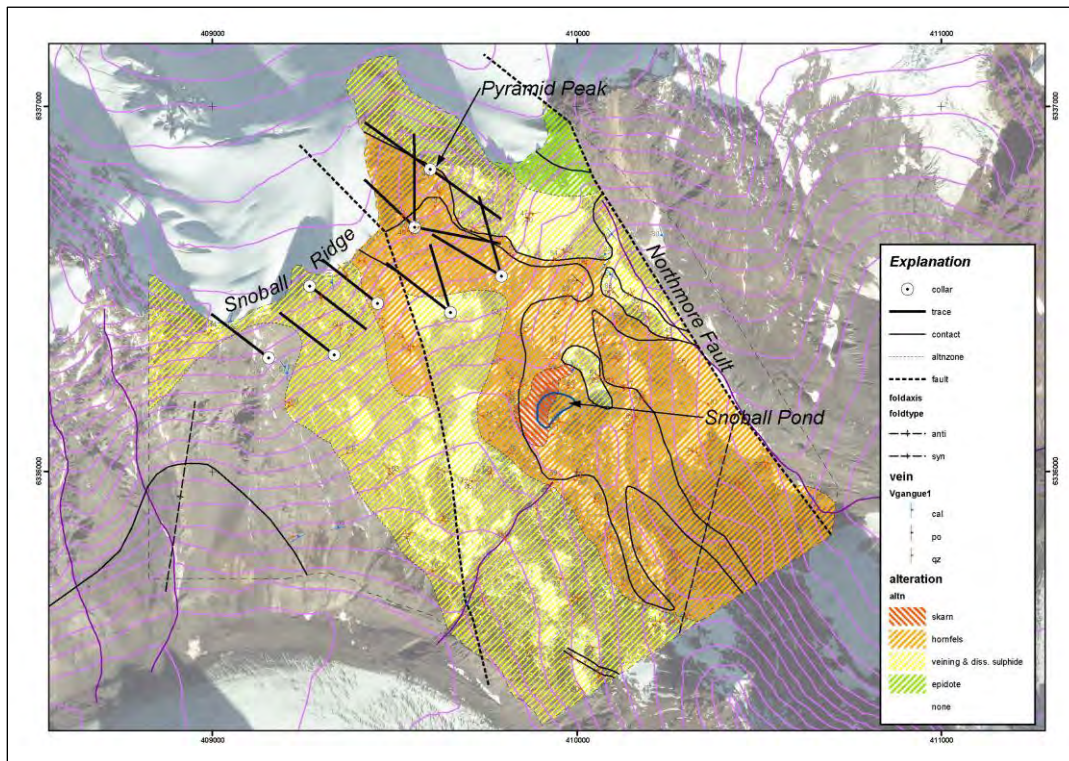
Planned Exploration

The Snoball Property hosts both high-grade, sulphide-bearing quartz-calcite veins and moderately large-scale “intrusion-related, thermal aureole” associated gold-bearing pyrrhotite-quartz-pyrite-(chalcopyrite) veins, replacements and stockworks that in part occur in brittle shears within and marginal to a diorite intrusive complex. The mineralized zones vary from irregular lenses and veins to tabular and stratabound bodies and also include pyritic breccias along intrusive contacts. Many of these features suggest that the mineralization may have formed during the waning stages of emplacement of the intrusive bodies.

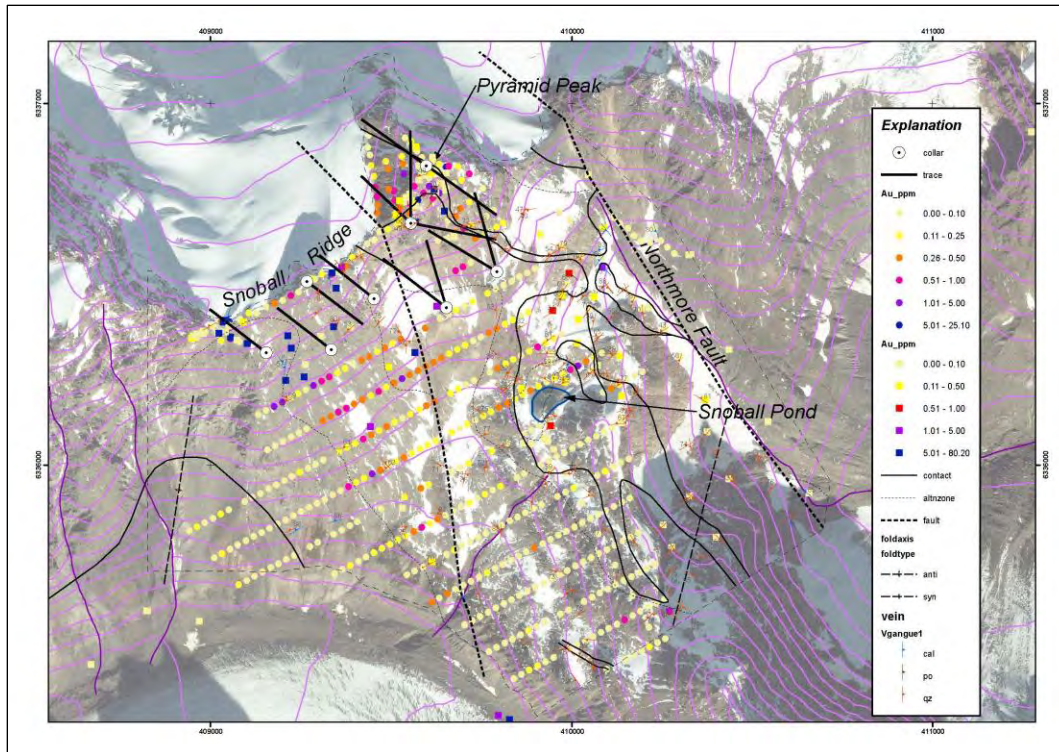
Previous exploration at the Snoball Property focused primarily on the more accessible, lower elevation slopes of Snoball Ridge and areas immediately adjacent to the south. The historical work in this lower area of the Snoball Property prospect area included most of the hand trenching and all of the diamond drilling undertaken on the Snoball Property, concentrated on poorly exposed vein showings and geological or geophysical targets.

Noranda’s historical soil geochemical results, compiled by the Company, suggest a broadening of the multi-element soil geochemical anomalies up-slope to the north, where they remained open off-grid. It was postulated that given the steep grade of the south-facing slopes below Snoball Ridge, much of the material sampled by Noranda would have been comprised of material transported down-slope from above.

In follow-up to these early observations, the Company completed two programs of soil and rock sampling in 2016 and 2017 along the top of Snoball Ridge and the Pyramid Peak diorite intrusive anchoring its eastern end. This work has demonstrated a strong multi-element soil anomaly in place on Snoball Ridge and overlying Pyramid Peak and returned high grades from selected samples of vein and vein breccias gathered directly from outcrop and locally derived float. The combined results of this work strongly suggest the anomalies reflect an underlying source(s) in the bedrock below Snoball Ridge and Pyramid Peak.



Snoball Figure 48: Proposed Phase I drill collar locations on alteration (R. Greig recommendations, 2019)



Snoball Figure 49: Proposed Phase I drill collar locations on rock and soil geochemistry (R. Greig, 2019)

Phase I Drill Programs

The Qualified Person believes the Snoball Property has merit and that further work is justified, and that the immediate area of the Snoball Property prospect area is drill-ready. A two-phase exploration program is therefore recommended with the immediate goal (“**Phase I**”) of locating with drilling the source(s) of the widespread metal anomalism which recent work by the Company indicates may lie at the up-slope head of the anomalies, tentatively identified as along or below Snoball Ridge and Pyramid Peak, and downslope areas immediately adjacent.

Where possible, drilling should focus on simultaneously testing vein and stratigraphically-controlled targets. With the predominating southwest to northeast strike of veins, the predominating 25° southeast dip of bedding in the central part of the map area, and the north-northwest trend of the diorite intrusive complex, holes should be ideally drilled to the northwest. Styles of gold-silver bearing mineralization targeted by this proposed program, as shown in Snoball Figure 50, would include quartz-carbonate veins distal to the diorite intrusive complex, vein stockworks, and vein breccias along faults and contacts with the intrusives, hornfelsed sediments adjacent to or overlying the intrusions, skarned carbonaceous sediments, and bulk tonnage porphyry-style mineralization within the intrusives.

Proposed collar locations for the Phase I work are shown on Snoball Figures 48 and 49. An interpreted section along Snoball Ridge, with potential target styles, is shown in Figure 18.3. Phase I would also include reconnaissance geological and geochemical exploration in other prospective areas of the Snoball Property.

Other parts of the Snoball Property should also receive some exploration attention. For example, in the northwestern part of the Snoball Property, where Stuhini Group rocks are known to host gossans and showings of gold-bearing veins, reconnaissance geology, prospecting and soil and stream sediment sampling should be undertaken. In the northeastern part of the Snoball Property, where Hazelton Group

rocks outcrop, the potential for other styles of mineralization, such as the stratiform mineralization found at Eskay Creek, should be addressed.

Proposed Phase I Exploration Budget

Snoball Table 5: Recommended scope and budget for the next stage of exploration. The location of the proposed holes are shown in Snoball Figures 48 and 49, above.

Target	Activity	Scope	Cost (\$CDN)
Snoball Ridge	drilling services		260,000
Pyramid Peak	pad building		20,000
	core cutting, logging		31,000
	assaying		38,000
	aircraft rental		85,000
	fuel	2400 metres of	18,000
	shipping & transport	drilling and 13 holes	2,500
	claims & permitting	from 8 pads	2,000
	First Nations		30,000
	camp		80,000
	geological services		70,000
	archaeo-enviro		18,000
	contingency		40,000
Total			694,500

The total budget excludes any provision for corporate support services and activities.

Phase II Drill Programs

It is recommended that budgeting allow for a Phase II drilling program, contingent upon the receipt of favourable results from Phase I, and of similar scale. Phase II would be predominantly oriented to drilling, and encompass an additional 2,400 metres of work at a similar cost to Phase I.

GOLDEN LION PROPERTY

The scientific and technical information in this section relating to the Golden Lion Property is derived from, and in some instances is a direct extract from, and based on the assumptions, qualifications and procedures set out in, the Golden Lion Technical Report entitled “*NI 43-101 Technical Report on the Golden Lion Property*” prepared by David W. Tupper, P.Geol., with the effective date of May 27, 2019. Such assumptions, qualifications and procedures are not fully described in this Prospectus and the following summary does not purport to be a complete summary of the Golden Lion Technical Report. Reference should be made to the full text of the Golden Lion Technical Report, which is available for review under the Company’s profile on SEDAR at www.sedar.com or from the Company’s website at www.evergoldcorp.ca.

Property Description and Location

The Golden Lion Project is located approximately 360 kilometres northwest of the town of Mackenzie in the Liard and Omineca Mining Divisions of northwestern British Columbia, at latitude 57°35' N, longitude 127°18' W or, in the North American Datum 83 (NAD 83) coordinate system, Zone 9N, at 602000E, 6384000N, on NTS map sheet 093/11 (Golden Figure 1, below). The Golden Lion Property lies 70 kilometres northwest of the past producing Kemess Cu-Au-Ag mine and about 20 kilometres north from the end of the Omineca Resource Road, in the Toodoggone River area (Golden Lion Figure 2, below).



Golden Lion Figure 1: Location of the Golden Lion Property

The Golden Lion Property consists of 10 contiguous Mineral Titles Online (MTO) digitally registered mineral tenures totaling 5,099.52 ha. The mineral tenures are listed in Golden Lion Table 1 and are shown in Golden Lion Figure 3. below.

The southern half of the 5,099-hectare Golden Lion Property has been shown to host broad areas of alteration and precious and base metals-enriched mineralization characteristic of intrusion-related systems, and including epithermal, porphyry and carbonate-replacement (i.e. skarn) styles. These target areas are as follows:

- **GL1 Target Area**, which includes historical Newmont Zones 1, 2 and 3 at the Golden Lion epithermal-porphyry occurrence;
- **GL2 Target Area**, located to the northeast of GL1 and identified by Evergold in 2017, which hosts Cu-Ag porphyry, Cu-Au-Ag carbonate replacement, and epithermal styles of mineralization; and
- **GL3 Target Area**, located to the east of GL1.



Golden Lion Figure 2: Location of the Golden Lion Property showing access via the Omineca Resource Road and Kemess Mine

Golden Lion Table 1: Golden Lion Property Mineral Tenures

Tenure No.	Claim Name	Issue Date	Expiry Date	Area (Hectares)
1020855	GOLDEN LION MAIN ZONE	2013/07/06	2026/04/11	52.07
1020856	GOLDEN LION PERIM 1	2013/07/06	2026/04/11	34.72
1020857	GOLDEN LION	2013/07/06	2026/04/11	17.36
1020858	GOLDEN LION MAIN 3	2013/07/06	2026/04/11	17.36
1020861	S HART	2013/07/06	2026/04/11	69.43
1051813	GL- MANE	2017/05/04	2026/04/11	1336.68
1067126	DGTPRODDIN	2019/03/09	2020/03/09	1317.30

1067350	LUCKY SEVENTEEN	2019/03/20	2020/03/20	294.91
1067022	GOLD DONE LYING	2019/03/06	2020/03/06	1734.40
1067023	LUCKY 13	2019/03/06	2020/03/06	<u>225.31</u>
Total:				5,099.52

Note: the tenure information is effective as of May 20, 2019.

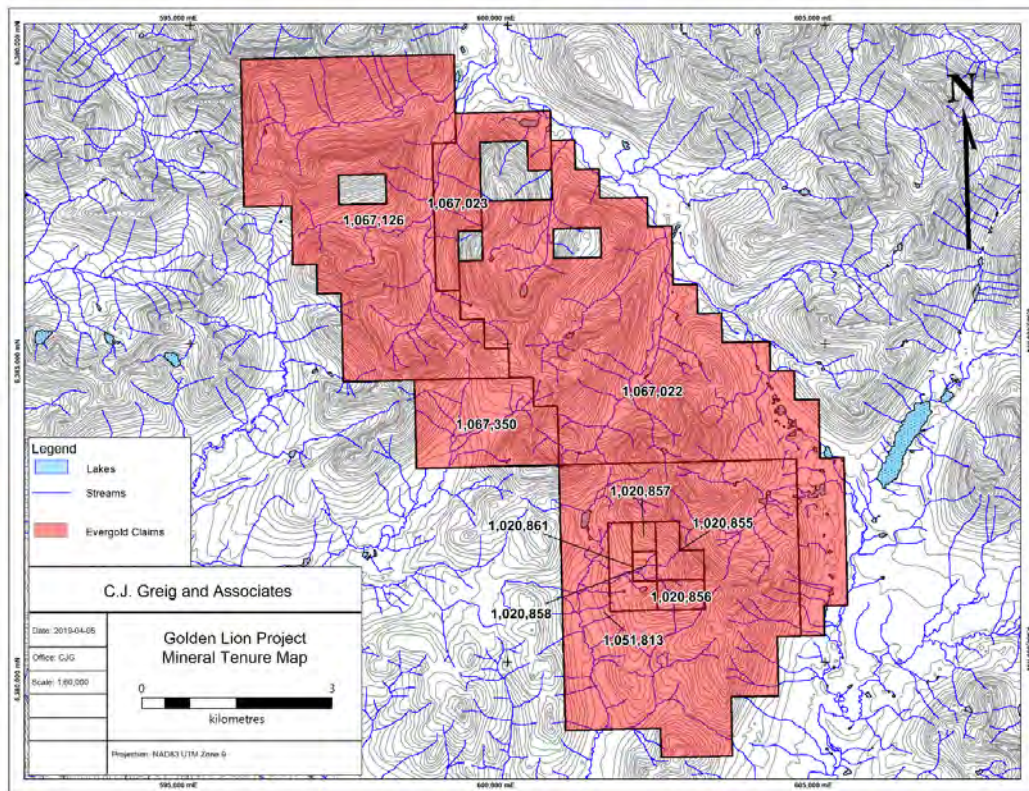
On April 5, 2016, the Company entered into an all-stock Mineral Property Acquisition Agreement with C.J. Greig Holdings Ltd., a company incorporated under the laws of British Columbia, under the terms of which Evergold purchased a 100% in the Golden Lion Property. There were no cash payment or exploration commitment elements to the Mineral Property Acquisition Agreement. The Company issued the following number of Common Shares and Common Share purchase warrants to C.J. Greig Holdings Ltd., net of adjustments to adequately reflect the value of the Golden Lion Property:

- 1,350,504 Common Shares at a deemed price per share of \$0.10 for a total deemed consideration of \$135,050.40;
- 337,626, 7-year, 12-cent Common Share purchase warrants; and
- A 0.5% Net Smelter Returns Royalty, with no buyout option.

Charles J. Greig is the owner of C.J. Greig Holdings Ltd. The Mineral Property Acquisition Agreement includes an area of interest extending three (3) kilometres from the outermost boundaries of the Golden Lion Property claims in which any interest in mineral tenures acquired by either party within the area of interest may be added to the Golden Lion Property by mutual election.

In 2017, the Golden Lion Property was increased in size with the addition of 1,336.68 hectares and, with encouraging results from field work in 2018, expanded further in size early in 2019 with the staking of another 3,571.91 hectares.

The Qualified Person has determined, by viewing British Columbia Mineral Titles Online records, that the mineral tenures are in good standing as of the date of this Prospectus, with expiration dates shown in the above table. An exploration permit for 2019 has been applied for and, in the Qualified Person's opinion, the granting of such a permit is considered probable.



Golden Lion Figure 3: Mineral tenure map of the Golden Lion Property (N. Prowse, 2019)

Mineral Tenure Ownership in British Columbia

In British Columbia, the owner of a mineral claim is granted 100% ownership of all sub-surface minerals. A valid FMC is required to record a claim or acquire a recorded claim or interest in a recorded claim by transfer, and to conduct exploration for minerals on mineral claims within British Columbia. A company FMC is available to any registered corporation in good standing for a fee of \$500, and to individuals for \$25, renewable annually.

Mineral titles in British Columbia are acquired and maintained through MTO, a computerized system that provides map-based staking. Acquisition costs for claims are \$1.75 per hectare. This confers ownership of the claim for one year beyond the date of staking. To continue to hold the claims beyond the first year, the owner must complete assessment work, either physical or technical, on the property. A report must be filed detailing the work performed and the results. These assessment reports remain confidential for one year and then become available for public access. If assessment work or cash in lieu is not filed by the required date the claims will automatically forfeit. For years 1 and 2 of claim existence the work requirement is \$5 per hectare per year, for years 3 and 4 it is \$10 per year, years 5 and 6 it is \$15 per year, and thereafter \$20 per year. Rather than work on a property, cash in lieu may be paid to hold the claims, at a rate twice that of exploration work. The Golden Lion Property tenures are in their 1st, 2nd and 6th years, thereby requiring \$5, \$10 and \$20 per hectare in exploration costs for each year applied for assessment or \$10, \$20 and \$40 per hectare cash in lieu for each year.

The claims that comprise the Golden Lion Property are wholly located within the Traditional Territories of the Kaska Dena First Nation and Tahltan First Nation, on Crown Land. The province of British Columbia owns all surface rights. There is no privately held ground within the area of the Property.

Environmental Regulations and Exploration Permits

Permits and reclamation security are required by the BC Ministry of Energy, Mines and Petroleum Resources for any type of exploration work that may cause disturbance or possible environmental damage to the land. These activities include, but are not limited to, the following:

- construction of drill sites and heli-pads;
- camp construction;
- construction of roads or trails;
- cutting of geophysical cut-lines;
- trenching;
- use of wheeled or other mobile equipment; and
- fuel storage.

One to five-year exploration permits are issued and overseen by the Smithers, BC office of the BC Ministry of Energy, Mines and Petroleum Resources subsequent to the proponent's submission of a Notice of Work through the Government's Natural Resources Online Services portal. A Multi-Year (up to 5 years) Area-Based permit provides flexibility for a range of property exploration activities, including the ability to vary the location of the work within the permit area and specified levels of diamond drilling, geophysical surveys, camp site disturbance, and fuel storage. The permit process generally takes from 3 to 5 months to complete.

A reclamation bond or security is required to be posted with the Government of BC as part of the exploration permitting process to pay for the cost of reclamation of surface disturbance in the case that a company defaults on its obligation to perform any required remediation. The bond, or security, can be recovered by the company upon remediation of any environmental disturbance on the Property caused by exploration activities.

On March 13, 2019, Evergold submitted its NOW for a 5-year MYAB encompassing up to 50 diamond drill sites. On August 6, 2019, the Company posted a \$20,000 reclamation bond in relation to the proposed work. Such permits have recently been issued to other companies working near the Golden Lion Property and the Company anticipates that it will not have difficulty obtaining a work permit. The permitting process also typically requires that baseline archaeological and environmental studies (water quality, flora, fauna) be carried out over the areas proposed for exploration, the development of flight plans to minimize disturbance to mountain ungulates, and consultation with the affected First Nations. As of the date of this Prospectus, the Company has retained a firm to commence archaeological-environmental permitting and related studies, and also begun discussions with those First Nations (Kaska Dena and Tahltan) upon whose traditional territories the Golden Lion Property is located.

In a letter dated July 24, 2019, the Company was advised by the Kwadacha First Nation that, in their view, its consent to the Phase I exploration program contemplated for the Property is required and will be contingent on the Company meeting certain conditions (the "**Kwadacha Letter**"). As a condition to their consent, the Kwadacha First Nation is requesting that the Company and the Government of British Columbia enter into a consultation protocol; that exploration activity on the Property be halted until the project has undergone a cumulative impact assessment jointly developed by the First Nation and the Government of British Columbia; and the Company enters into a memorandum of understanding wherein the Company adopts an extensive ongoing environmental monitoring program and traditional knowledge protocol that specifically address First Nations sacred sites appropriate to the stage of development of the Property.

The current state of Canadian law requires consultation with the Kwadacha First Nation, such that the Inspector of Mines appointed under the *Mines Act* (British Columbia) must be comfortable that Kwadacha has been informed, that the First Nation's concerns have been listened to, and that project proponents are working, and will work, in good faith over time toward a reasonable accommodation of those views, without settlement of any such issues raised being a precondition for issuance of a MYAB permit.

As a supplement to the consultation process, it has become a norm in the industry for companies to enter into staged, mutually beneficial agreements covering the topics included in the Kwadacha Letter, often commencing for early stage exploration work with signing of agreements variously entitled "Communications Agreements" or "Memorandums of Understanding" or "Exploration Agreements" (terminology varies with the First Nation). In the event exploration leads to potential mine developments, "Impact Benefit Agreements" or similar agreements are then negotiated between companies and First Nations. The Company intends to follow a similar pathway with the Kwadacha First Nation and has indicated to the Kwadacha a desire to do so; however, it has been premature to enter a Memorandum of Understanding given the Company has not yet achieved a public listing or concluded its financing. Moreover, the Phase I exploration program for the Property contingent on the requested MYAB permit consists of geophysics and drilling of an estimated 10-15 holes followed by complete reclamation of the drill sites, in a very remote area with no local population within 80 kms over roadless mountain terrain, no trap lines, and no other traditional activity. Going forward, if the Company achieves exploration success on the Property with the anticipated Phase I drill program, the Company will enter into an agreement encompassing the matters raised by the Kwadacha First Nation as a means of satisfying their concerns, generating support for project and providing the Company with project certainty.

It should nonetheless be noted that, in keeping with good industry practice, the Company has already contracted First Nations-affiliated businesses to conduct baseline studies covering all of the areas of concern raised by Kwadacha, including environmental studies of flora, fauna, water quality and fish barriers, and archaeology. These studies include a Preliminary Field Reconnaissance and an Archaeological Overview Assessment to be carried out in the latter half of August, and a Wildlife Management Plan to address caribou and mountain ungulates for delivery by August 15, 2019. Notwithstanding the Kwadacha Letter, the Company has also received permission to use Kwadacha First Nation's 'Black Lake Lodge' as its exploration field base and is working with Kwadacha sister band Tsay Keh Dene First Nation to address Kwadacha's concerns. Going forward, the Company also intends to ensure its activities are strongly positive to the Kwadacha, Tsay Keh Dene, and Tahltan First Nations, including offering seasonal employment opportunities, seeking local suppliers of goods and services, and supporting community cultural and economic development events and initiatives. See "*Risk Factors – First Nations*", "*Risk Factors – Title to the Snoball Property and Golden Lion Property may be disputed*", and "*Risk Factors – The Company may fail to comply with or may fail to obtain or renew necessary permits or licences*".

Suspension of Work Order

The Company received a suspension of work order on August 14, 2019 from the Ministry for conducting an IP geophysical survey on the Golden Lion Property without a *Mines Act* (British Columbia) permit. Despite the suspension of work order issued by the Ministry, the Company can continue to perform "non-mechanized" work such as systematic soil and rock sampling, geological mapping and airborne geophysical surveying on the Golden Lion Property in accordance with basic rights of mineral tenure granted by the Government of British Columbia. Despite the Company's ability to perform "non-mechanized" work on the Golden Lion Property, the Company does not intend to perform any work on the Golden Lion Property prior to obtaining the requisite MYAB permit.

The Ministry has advised the Company that upon issuance of the MYAB permit for the Golden Lion Property, the suspension of work order will be lifted, and the Company will be able to execute their full Phase I work program on the Golden Lion Property. However, the Company cannot guarantee that the suspension of work order will be lifted or that a MYAB permit will be issued for the Golden Lion Property. See “*Risk Factors – First Nations*” and “*Risk Factors – The Company may fail to comply with or may fail to obtain or renew necessary permits or licences*”.

Environmental Considerations

To the best of the Qualified Person’s knowledge, there are no environmental considerations or other significant factors or risks that may affect access, title, or the right or ability to perform work on the Golden Lion Property.

Accessibility, Climate, Physiography Local Resources and Infrastructure

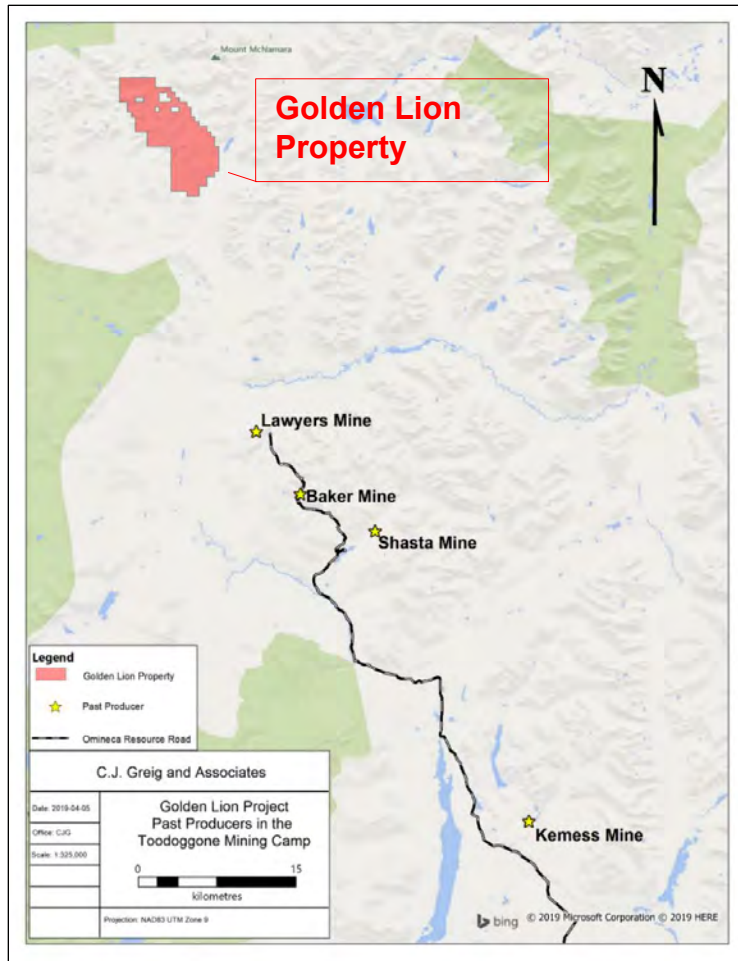
Accessibility

Access to the Golden Lion Project is currently by helicopter from a staging point located on Benchmark Metal’s active Lawyers (past-producing Cheni Mine) exploration project and also by float plane to Moosehorn Lake, a short distance northeast of the property boundary.

Local Resources and Infrastructure

The town of Mackenzie, population 3,500, is located 360 kilometres south-southeast of the Golden Lion Property. It is connected to the provincial highway system via paved, all weather Highway 39. Food, exploration supplies, skilled exploration personnel, drill contractors and construction contractors are available a further 185 kilometres south of Mackenzie in the regional service centre of Prince George. Scheduled air services are also available in Prince George to Vancouver and other major centres. The closest First Nation communities are the Kaska Dena community of Kwadacha (Fort Ware), located some 80 kilometres to the east, and the Sekani community of Tsay Keh Dene, located about 140 kilometres to the southeast at the head of Williston Lake. Both communities are accessed via the Finlay forest service road.

Water for exploration and drilling can be drawn from numerous ponds and streams on the Golden Lion Property. The B.C. hydro grid extends to the past producing Kemess mine 70 kilometres south. Rail load-out facilities are available at Mackenzie, where concentrate could be loaded onto rail cars and transported to Vancouver to be shipped to southeast Asia. The Golden Lion Property offers several suitable sites for potential future mining and processing facilities. A fully permitted mill is located at the site of the Baker Mine, 30 kilometres south of the Golden Lion Property.



Golden Lion Figure 4: Past producers of the Toodoggone Mining Camp

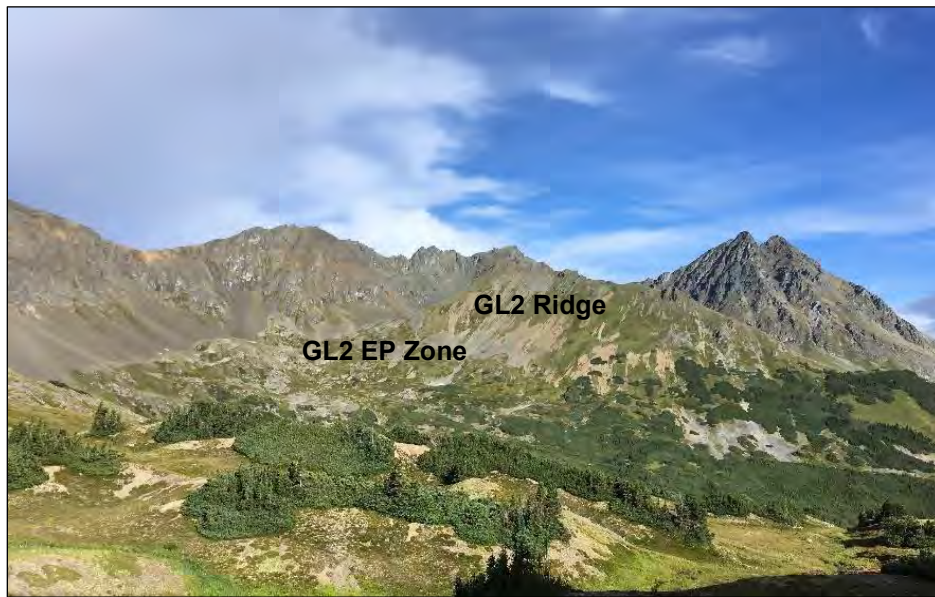
Physiography

The terrain of the Golden Lion Property is diverse, varying from broad valleys to rolling hills and steep rocky cliffs. Topography is dominated by northeast-southwest to east-west trending ridges, with occasional north-south trending spur ridges. Elevations range from 1330 metres ASL in the north, to a high of 2180 metres at Claw Mountain, situated on the south-central part of the tenures. Creeks flowing northeast into the Chukachida River, and southwest into the Toodoggone, drain the Golden Lion Property. The Chukachida River ultimately discharges into the Pacific Ocean via the Stikine River, while the Toodoggone River flows into the Mackenzie River, which empties into the Arctic Ocean.

Approximately 70% of the Golden Lion Property lies above treeline. These areas are characterized by rolling hills and ridges, locally steep-sided and/or cliffy, and often talus covered. Vegetation at these higher elevations consists of alpine and sub-alpine grasses and flora, and occasional low brush. Below treeline, relatively gentle, well drained grassy slopes support some evergreen forest up to about the 1600 metre contour. Valley bottoms are broad and gentle, but boggy, with many open areas devoid of trees, a consequence of the poor drainage. Most areas of the Golden Lion Property can be traversed safely on foot. Water supply is plentiful at lower elevations from streams and ponds, which will be sufficient for camp and drilling purposes.



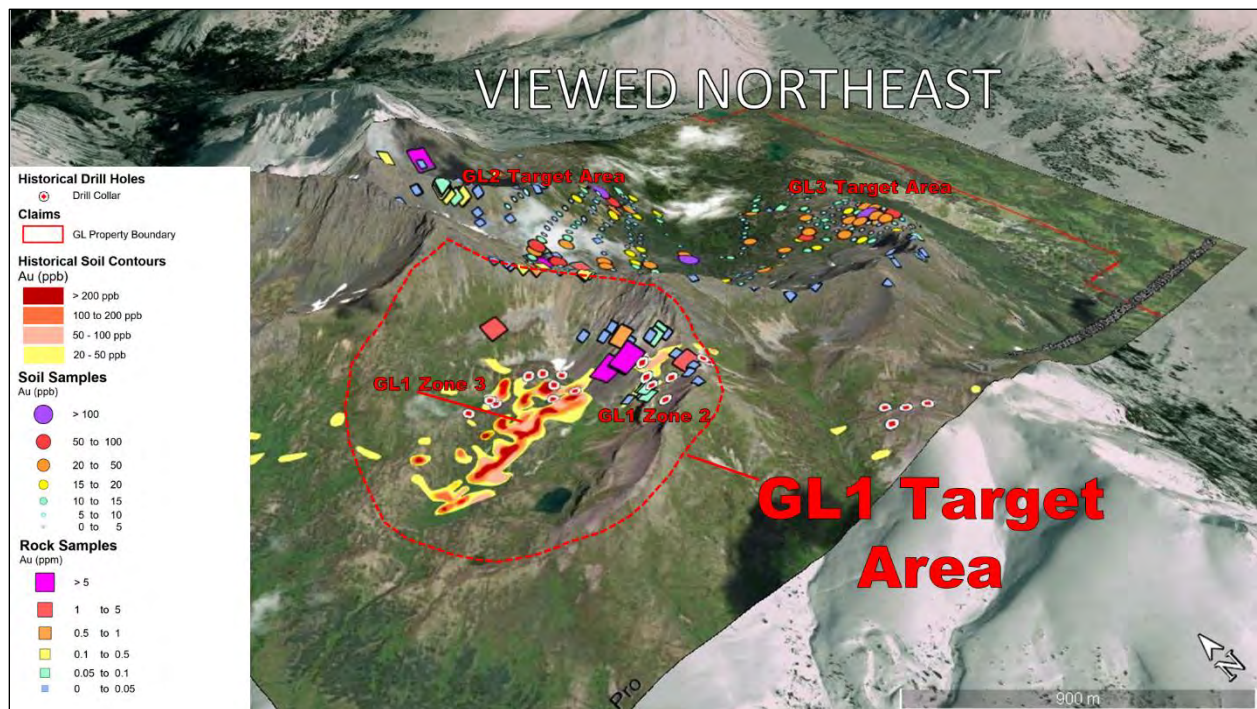
Golden Lion Photo 1: View east of the historically drilled Golden Lion occurrence (GL1 Target Area)



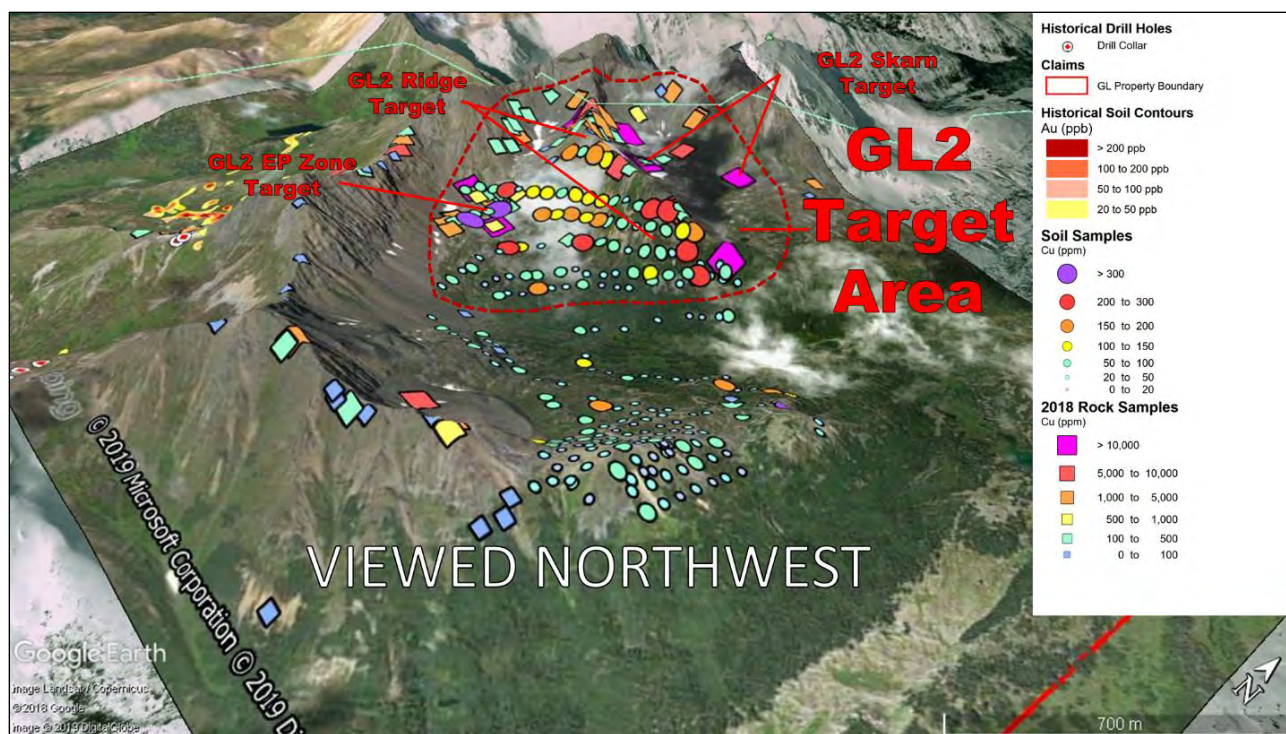
Golden Lion Photo 2: GL2 Ridge and GL2 EP Zone targets viewed to the north



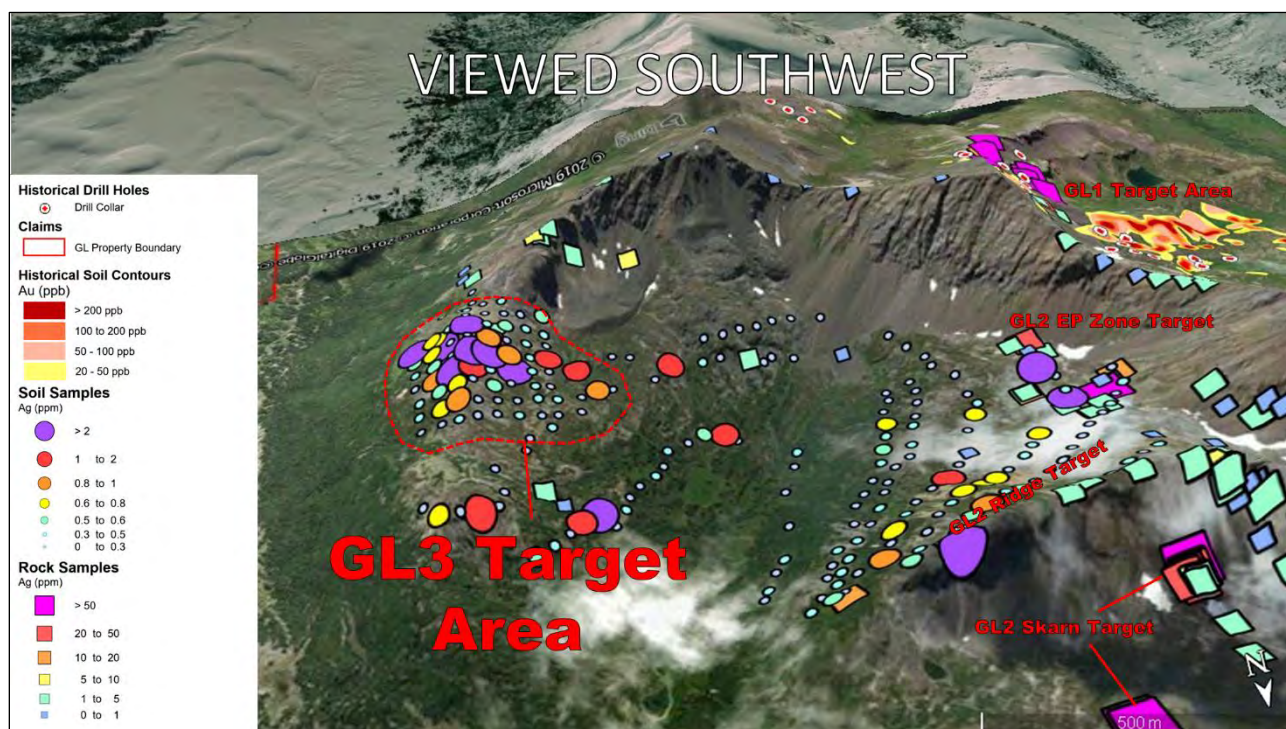
Golden Lion Photo 3: GL3 Target viewed to the southeast



Golden Lion Figure 5: Physiography of the GL1 Target Area showing values for gold-in-soil and rocks (N. Prowse, 2019)



Golden Lion Figure 6: Physiography of GL2 Target Area showing values for copper-in-soil and rocks (N. Prowse, 2019)



Golden Lion Figure 7: Physiography of GL3 Target Area showing values for silver-in-soil and rocks (N. Prowse, 2019)

Climate and Vegetation

The climate on the Golden Lion Property is generally northern temperate, with alpine conditions at higher elevations. At the Kemess mine site, located 70 kilometres to the southeast and about 300 metres lower in elevation, summer temperatures can reach highs of 30°C, although averaging between 15-25°C during the day and cooling significantly overnight. Winter temperatures can drop as low as -35°C. Average annual precipitation is about 890 mm, with first snowfall usually occurring in late September.

Exploration is generally restricted to the period from June through early October due to heavy snowfall in winter months, some of which typically remains on north-facing slopes until late summer, or year-round in areas of glacial ice (limited on the Property).

The tree line in the area lies at about 1,000 metres ASL. Vegetation in areas above tree line is alpine tundra in character, devoid of trees and consisting mostly of grasses and alpine flora with pockets of scrub brush growing in poorly developed soils. Vegetation in the valley bottoms is generally open and sparse, with large boggy areas interspersed with brush and stunted spruce and balsam fir. Forests are best developed in a relatively narrow band on well drained lower slopes.

Fish are not known to inhabit drainage from the GL1, GL2 and GL3 target areas, though they may be present in creeks further downstream, and are known to inhabit the Chukachida River to the northeast, and the Toodoggone River to the south. Ungulates such as deer, moose and caribou are rare at higher elevations due to the rugged topography and poor access. However, bear, cougar, lynx, wolverine, and mountain sheep may be present on occasion.

History

The Golden Lion Property is located in a relatively unexplored region of northwestern British Columbia, at the northern limits of the so-called Toodoggone Mining Camp, after the river of the same name. The Toodoggone Camp does not currently host a producing mine. However, it does encompass a number of past producers, the largest of which was the Kemess open pit porphyry Cu-Au-Ag Mine located 70 kilometres to the south, which Centerra Gold recently acquired with a view to reactivating production. Closer to the Golden Lion Property, the past producing, high-grade epithermal Lawyer (Cheni), Baker and Shasta Au-Ag mines are located respectively 24, 30 and 31 kilometres south-southeast of the Golden Lion Property. The Baker Mine is the site of a fully permitted mill, which remains in operating condition.

Regional Exploration and Mining History

The Qualified Person has been unable to verify the information concerning the regional mineral deposits and mines discussed in the following section. Readers should be aware that the information presented is not necessarily indicative of the mineralization on the Golden Lion Property that is the subject of the Golden Lion Technical Report. It is, however, believed by the Qualified Person to provide relevant geological context.

The Golden Lion Property lies within the Toodoggone Mining Camp in northern British Columbia along the eastern margin of the Stikine terrain and Intermontane Tectonic Belt, which includes numerous precious metals-rich, high-grade epithermal Au-Ag and porphyry-style bulk tonnage Cu-Au-Ag deposits. The high-grade, low-sulphidation, epithermal Au-Ag mineral deposits in the area include Lawyers (Cheni), Baker and Shasta, while the bulk tonnage Cu-Au-Ag porphyry deposits include Kemess South, North, and Kemess Underground (KUG) (See Golden Lion Figure 4, above).

The past producing Lawyers (Cheni) mine (“**Lawyers Mine**”) was developed on a high-grade, low-sulphidation, epithermal Au-Ag deposit. The underground mine operated from 1989 to 1992, processing 619,900 tons of ore and recovering approximately 5,401,891 grams of gold and 113,184,127 grams of silver. Most ore was derived from the Amethyst Gold Breccia (AGB) deposit with lesser amounts from the Cliff Creek and Phoenix deposits (BC Assessment Report 32055).

The Lawyers Mine ore is found in chalcedony to quartz veins, breccia zones and stockwork bodies hosted by strata of the Hazelton Group Toodoggone Formation. Mineralization consists of fine-grained pyrite, electrum, and acanthite, with trace amounts of chalcopyrite, native gold and native silver (BC Assessment Report 27291).

Regional, steeply dipping, northwest-trending extensional faults dominate structural control of mineralization and hydrothermal alteration in the deposit and are displayed through lateral and vertical zonation represented by proximal, moderate to intense silicification enveloped by more distal zones of sericitic and argillic alteration (BC Assessment Report 27291).

The Lawyers Mine property spans an area of 8,498.78 hectares and contains four main mineralized zones including the AGB zone, measuring over 500 meters along strike and 12 meters in width; the Cliff Creek zone, strike length of over 1609 meters; the Duke’s Ridge zone, measuring over 1219 meters along strike; and the Phoenix and Silver Pond zone, strike length of over 6.8 kilometers (BC Assessment Report 27291).

The past producing Baker Au-Ag mine (“**Baker Mine**”), located four kilometers southeast of the Lawyers Mine, producing from 1981-1983 and intermittently from 1996-1997. Seven main quartz vein systems have been identified on the property, including the mined “A” and “B” veins. From 1981-1983, the mine produced 95,000 tonnes at 100 tonnes per day from the “A” vein, which graded an average of 0.9 oz/ton. Three years of exploration on the “B” vein outlined 20,000 tonnes of ore grading 0.5 oz/ton gold, 5 oz/ton silver and 1% copper. The “B” vein was mined from 1991-1997 for total production of 17,250 tonnes of ore at an average in 1996 of 24 oz/ton gold, 240 oz/ton silver and 15% copper and, in 1997, an average of 15 oz/ton gold, 101 oz/ton silver and 7% copper. Initial ore extraction was through underground mining, but due to unstable ground conditions, operations were converted to open pit methods (BC Assessment Report 29168).

Baker Mine mineralization occurs primarily in highly fractured and occasionally brecciated quartz veins cutting augite phyric andesite to basalt flows of the Stuhini Group and to a lesser extent, within silicified wall rock. Au-Ag ore grade mineralization occurs as electrum and acanthite and is associated with disseminated argentite, pyrite, chalcopyrite and minor sphalerite (BC Minfile No. 094E 026).

The Baker Mine property displays zonal alteration assemblages including argillic clay proximal to veins and widespread, distal propylitic (quartz-sericite-chlorite-pyrite) alteration. Skarn alteration assemblages have also been identified in the southern end of the property where the Black Lake stock has locally altered Asitka Group limestone (BC Assessment Report 29168).

The large-scale past-producing Kemess South (“**KS**”) open pit porphyry Cu-Au-Ag mine operated between 1998 and 2011. A total of 91,903,400 grams of gold, 4,871,000 grams of silver and 355,450,336 kilograms of copper were recovered from a total of 473,376,688 tonnes mined (BC Minfile No. 094E 094). KS is currently under care-and-maintenance, but the facilities remain in place and both the camp and processing plant will be used to service Centerra Gold’s new Kemess Underground mine (DeGrace, 2019).

The Kemess Underground (“**KUG**” or “**Kemess North**”) project is a calc-alkaline porphyry Au-Cu-Ag deposit located approximately 6.5 kilometers north of the KS processing plant. The deposit consists of a shallower, low-grade ore zone on the western flank and a deeper, higher grade zone to the east.

Mineralization is hosted by a porphyritic monzodiorite to diorite pluton that intrudes Stuhini Group volcanics and Black Lake suite rocks.

In 2017, compliant Indicated-level resources for the KUG project stood at 246.4 Mt containing 1.195 Mlbs of Cu, 3.3 Moz of Au, and 13.9 Moz of Ag. Within this global resource are probable reserves of 107.4 Mt containing 629.6 Mlbs of Cu, 1.9 Moz of Au and 6.7 Moz of Ag (DeGrace, 2019). KUG received a Mines Act Permit in 2018 and start up is expected to commence in 2022.

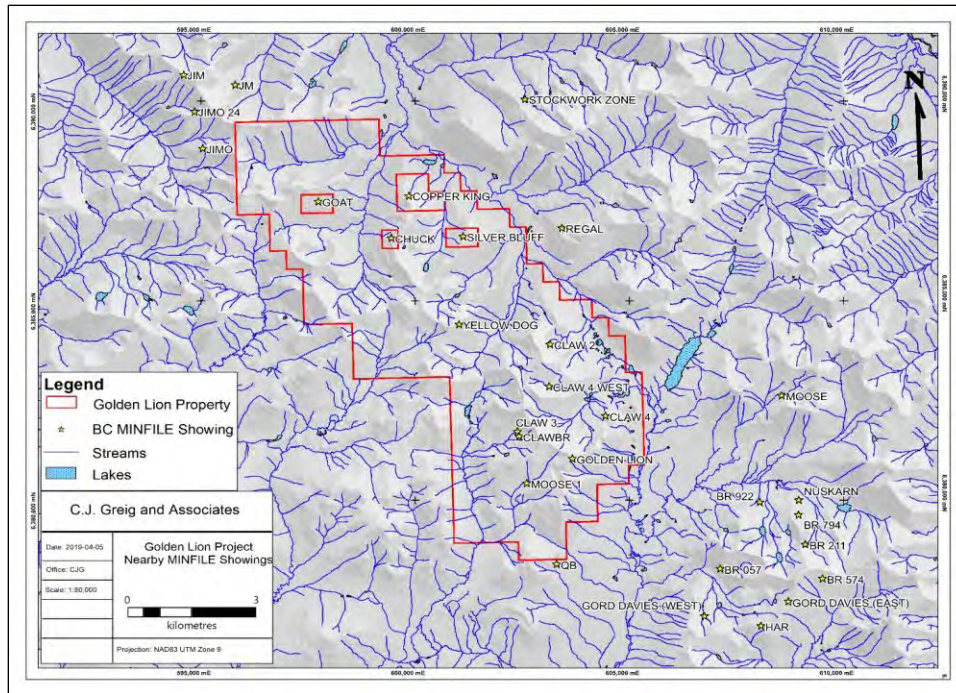
At the past-producing epithermal Au-Ag Shasta mine (“**Shasta Mine**”), production began in 1989 and continued intermittently until 2013 when the mine was put on care-and-maintenance. The mine began as an open pit but transitioned into an underground operation in 1990. The deposit is comprised of the JM, D and Creek zones, which produced in total 122,533 tonnes of ore yielding 32,932 kilograms of silver and 601 kilograms of gold from 1989 to August 1991. After 2000, Sable Resources mined approximately 40,000 additional tonnes primarily from the Creek zone (BC Minfile No. 094E 050).

Shasta Mine mineralization primarily occurs within quartz-carbonate stockwork and breccia structures hosted in Toodoggone Formation pyroclastic rocks. Au-Ag ore grade mineralization occurs as native gold and silver, electrum and acanthite and is associated with disseminated pyrite, sphalerite, galena and minor chalcopyrite (BC Minfile No. 094E 050).

Mineralization and alteration are structurally controlled by the regional northwest trending faults and consist of silica, potassium feldspar and chlorite proximal to vein structures, grading distally into a propylitic assemblage (BC Assessment Report No. 29168).

Property Exploration History

The Golden Lion Property covers 10 Minfile occurrences (094E 041, 077, 269, 270, 280, 281, 282, 283, 284 and 285) and encompasses an additional 4 (094E, 019, 046, 062 and 233) located on tenures not held by the Company (see Golden Lion Figure 8, below). The bulk of previously recorded exploration work on the Golden Lion Property is documented in sixteen assessment reports beginning in 1974, however, there are brief references in Minfile reports to prospecting and trenching conducted as early as 1935.



Golden Lion Figure 8: Golden Lion Property and BC Government Minfile showing locations (A. Mitchell, 2019)

In 1973, French-owned Union Minière Explorations and Mining Corporation (UMEX) staked the Claw property, located approximately 16 kilometres west of Chikachida Lake and overlapping portions of the northern tenures of the Golden Lion Property acquired by the Company in 2019. A total of 178 soil samples were collected from the Claw property and analysed for zinc, molybdenum and silver. Precisely georeferencing UMEX maps and sample sites is difficult due to the age of the report; however, it appears that on the order of 152 of these soil samples were collected from areas that now fall within the bounds of the Golden Lion Property. Best results returned from the UMEX work were 2.0 ppm Ag and 126 ppm Zn. However, no broadly anomalous areas were defined (Dyson, 1973).

In 1974, UMEX staked additional claims to the southeast, southwest and northwest of the original Claw property claims, all located on or encompassed by what are now the northern tenures of the Golden Lion Property. Work consisted of the collection of 86 soil samples, ground magnetometer and geological surveys, and two diamond drill holes. Vertical hole CL-74-1, drilled to a total depth of 178 feet, intercepted from surface approximately 90 feet of feldspar hornblende porphyry mineralized with disseminated chalcopyrite, malachite and bornite. Vertical hole CL-74-2, drilled to a total depth of 400 feet from a pad located several hundred feet to the west, intercepted predominantly haematite-rich tuffs with some epidote alteration and occasional chalcopyrite. No assays were reported (Minfile 094E 11E).

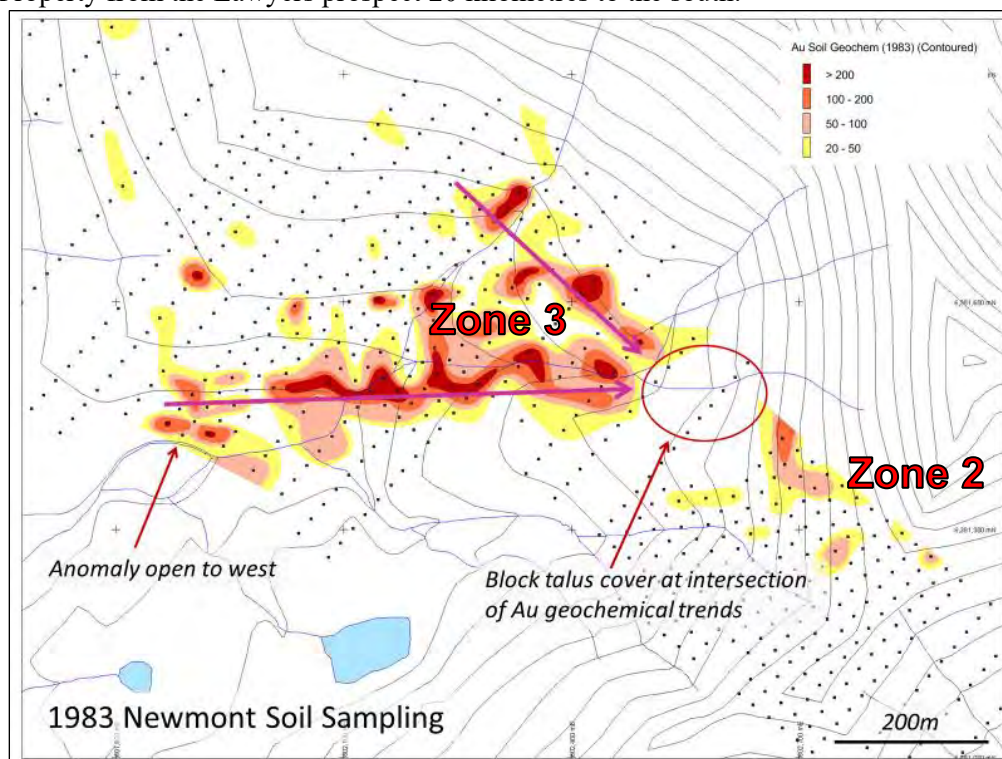
In 1975 UMEX returned to the area drilled in 1974 and followed up with five additional holes, logs for only 3 of which are available. Drilling in vertical hole CL-75-1, completed to 700 feet, intercepted chlorite, haematite and epidote-altered porphyritic andesite and latite mineralized from surface to approximately 90 feet with disseminated malachite, bornite, chalcopyrite and pyrite. Hole CL-75-2, drilled azimuth NE at minus 70 degrees from a pad located approximately 600 feet northeast of CL-75-1 and completed to 780 feet, intercepted a broad zone from approximately 450 to 730 feet of porphyritic, amygdaloidal andesite with disseminated native copper and chrysocolla. Drilling in vertical hole CL-75-3, an apparent step-back on hole CL-75-2, completed to 414 feet, intercepted predominantly chlorite-epidote-haematite altered porphyritic andesite, with little mineralization. The log is missing for hole CL-75-4, the longest hole of the program, drilled azimuth NE at minus 60 degrees to a total depth of 870 feet from a location approximately 200 feet southeast of hole CL-75-3. The log for hole CL-75-5, a vertical hole drilled to 700 feet from a

setup immediately east of hole CL-74-1, is also missing. No assays were reported for the logs on file (Minfile 094E 064).

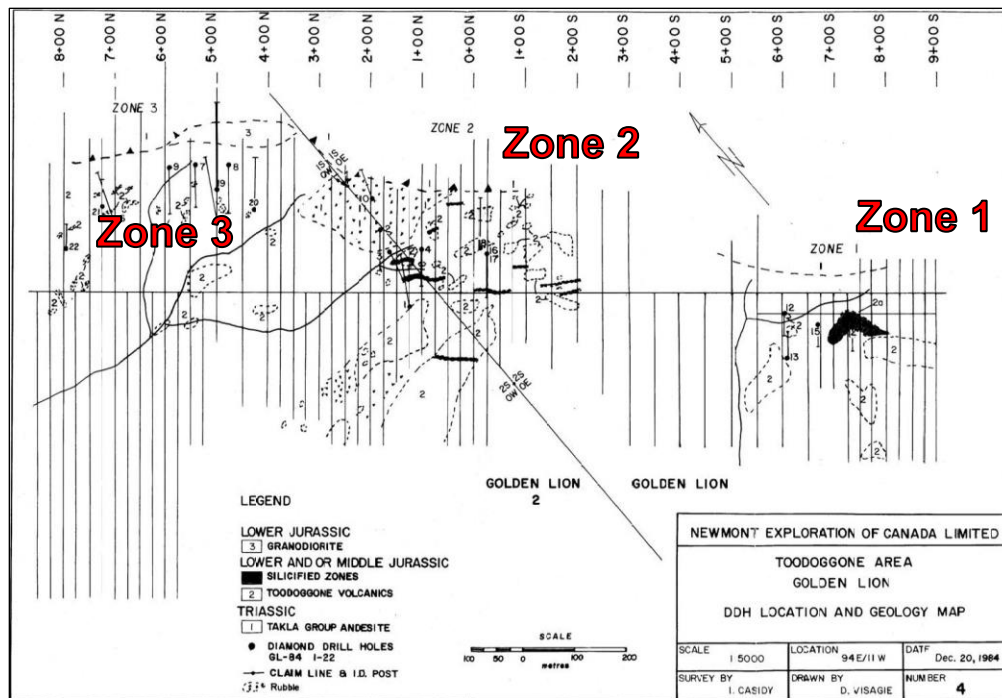
In addition to the limited program of drilling, UMEX collected a total of 73 soil samples from the Golden Lion Property, while the remaining 13 were collected on an adjacent claim block. Soil samples were analyzed for copper only. Twenty-three returned greater than 200 ppm Cu with highs to 1120 ppm Cu and an average of 392 ppm Cu (Dyson, 1974).

In 1982, Newmont collected 1,220 soil, 48 silt and 209 rock chip samples, and conducted 13.6 line-kms of magnetometer surveying and geological mapping over the southern part of the Golden Lion Property encompassing the current GL1 Target Area (historical Golden Lion occurrence). This work generated three geochemically anomalous zones (Zones 1, 2 and 3), located along a linear southeasterly trend with associated Au-Ag and Ag-Pb-Zn-Cu showings (Visagie, 1983).

The next year, in 1983, Newmont carried out infill rock and soil geochemistry, magnetic, VLF resistivity and 6.5 line-kms of induced polarization (IP) geophysical surveys, and both hand-dug and backhoe trenching over the GL1 Target Area. Trenching results were only reported for hand dug trenches. Returning to the Golden Lion prospect in 1984, between July 4 and September 20 that year Newmont drilled 22 BQ-diameter (36.5 mm) holes for a total of 2,475 metres, focused on GL1 Zones 1, 2 and 3 (Figure 6.4). Drill moves were accomplished with the aid of a helicopter and a John Deere 450 bulldozer which was walked on to the Property from the Lawyers prospect 20 kilometres to the south.



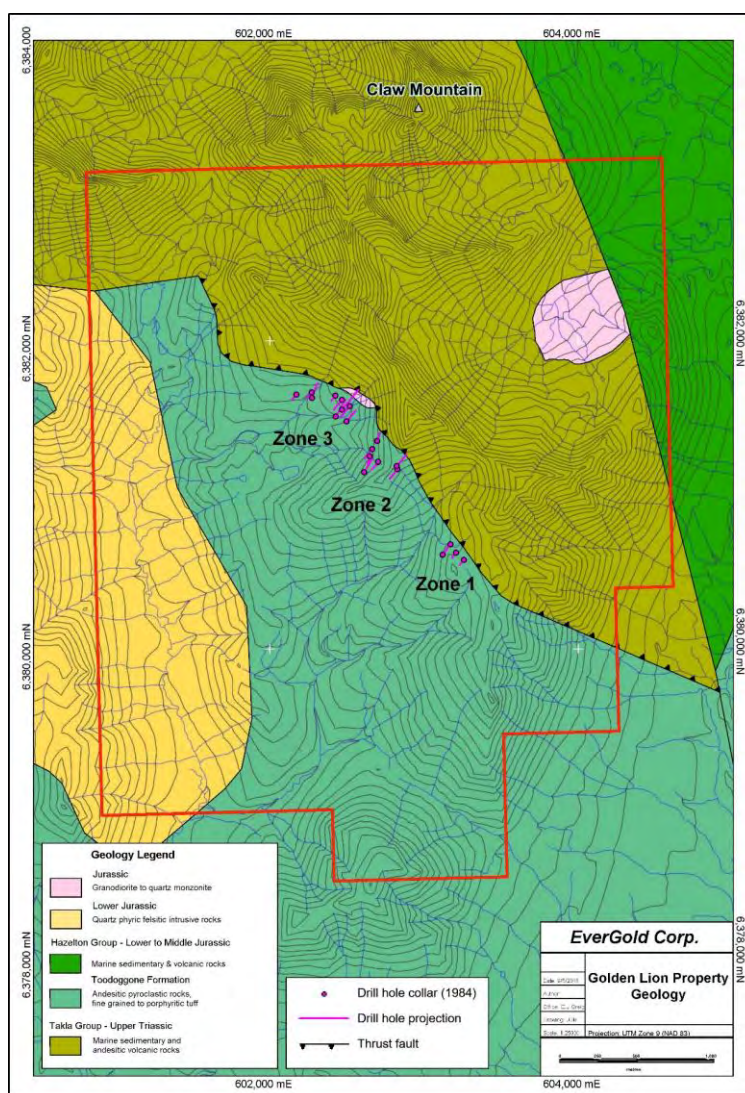
Golden Lion Figure 9: GL1 Target Area: Plan view of 1982 Newmont soil sampling grid and contoured gold values (CJ Greig & Associates, 2013)



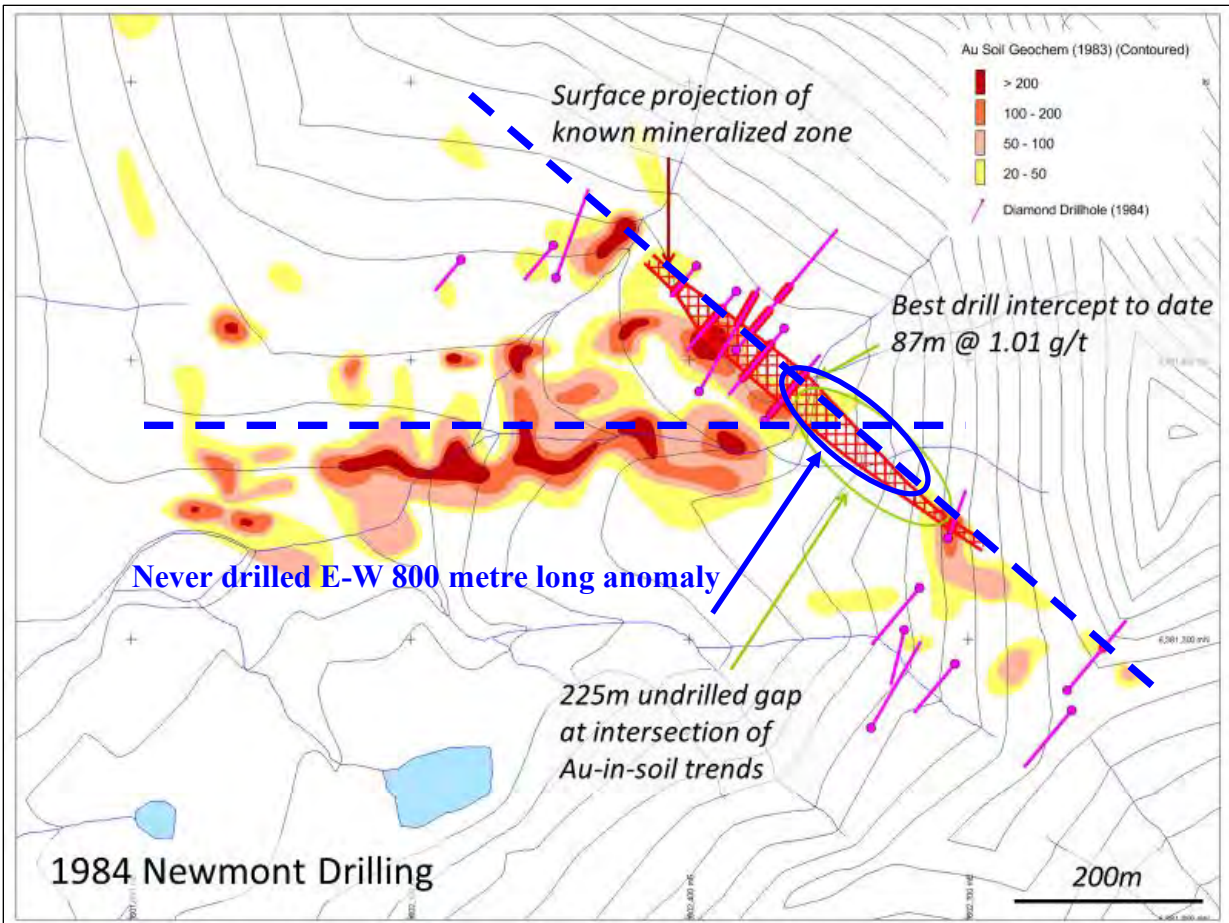
Golden Lion Figure 10: GL1 Target Area: Plan view of 1984 Newmont drilling DDHs 84-1 to 84-22, and Zones 1, 2 and 3 (D. Visagie, 1984)

At GL1 Zone 1, Newmont drilled 4 holes in 1984 for 250 metres, testing below extensive silicified rubble with elevated silver values, but with disappointing results. Drilling proved to be very difficult in this zone due to badly fractured and intensely clay altered ground, resulting in poor core recoveries (McLaren, 1984).

At GL1 Zone 2, Newmont's drilling in 1984 (7 holes for 842 metres) defined broad zones of strongly anomalous silver mineralization in well silicified veins and quartz stockwork, and intercepted altered and mineralized porphyry intrusive in holes GL-84-10 and GL-84-11 similar in character to that intersected in Newmont drilling on GL1 Zone 3, below. Several holes also returned very high-grade silver intercepts over narrow intervals. These included hole GL-84-11: 1 metre of 16.34 opt Ag from 20 to 21 metres in "very broken" core; hole GL-84-16: 19.62 opt Ag and 0.12 opt Au from 31 to 32 metres; hole GL-84-17: multiple 1 metre intervals all running >3 opt Ag from 60.5 to 66 metres, with highs to 11.4 opt Ag and 12.5 opt Ag; and GL-84-18: 1 metre of 16.87 opt Ag and 0.20 opt Au from 11 to 12 metres. The fragmental volcanic tuffs in this zone are cut by a number of subparallel eastward dipping faults which contain pinch and swell zones of intense silicification and brecciation. Newmont concluded that the main potential of this zone lies down dip to the east where a larger coalescing system of mineralized fault breccias may exist (McLaren, 1984).



Golden Lion Figure 11: GL1 Target Area: Plan view of 1984 Newmont drilling DDHs 84-1 to 84-22, and Zones 1, 2 and 3 (R. Rowe, 2017)



Golden Lion Figure 12: GL1 Target Area: Plan view of 1984 Newmont drilling on Zones 2 and 3, with contoured Newmont 1983 gold-in-soil values (CJ Greig & Associates, 2013)

At GL1 Zone 3, drilling by Newmont in 1984 (9 holes for 1,224 metres) defined a broad irregular steeply eastward-dipping gold-silver zone hosted within feldspar pyroxene porphyry. Newmont's best hole on this zone was the most southerly, hole GL-84-20, which returned 87.0 metres of 1.01 g/t Au from 10 to 97 metres (est. true width approximately 30 metres), including 3 metres of 7.61 g/t Au. Newmont personnel concluded that this zone remains open to the north, south and at depth, and that the strongest potential for further development lies to the south where a 200 metre gap lies between hole GL-84-20, their best hole, and Zone 2 holes GL-84-10 and 11 (McLaren, 1984).

Golden Lion Table 2: Drilling Highlights – Newmont 1984 – GL1 Target Area Zones 1, 2 and 3

Hole No.	Length (m)	Target	Mineralization	Interval (m)	Width (m)	Au (g/t)	Ag (g/t)
GL-84-1	150.0	Zone 2: Anomalous Ag mineralization within trenching and chip samples. Targeting well silicified veins and quartz stockwork within variably faulted lapilli and crystal tuffs	Qtz + py + cp + ac in narrow veinlets	19.0 to 21.0 m	2.0 m	0.10	43.20
GL-84-2	111.6	Zone 2: Anomalous Ag mineralization within trenching and chip samples. Targeting well silicified veins and quartz stockwork within variably faulted lapilli and crystal tuffs	Qtz vein with minor py	65.0 to 66.0 m	1.0 m	0.55	14.40

Hole No.	Length (m)	Target	Mineralization	Interval (m)	Width (m)	Au (g/t)	Ag (g/t)
GL-84-3	84.4	Zone 2: Anomalous Ag mineralization within trenching and chip samples. Targeting well silicified veins and quartz stockwork within variably faulted lapilli and crystal tuffs	Intense silicification with minor disseminated py, gl, cp	22.0 to 23.0 m	1.0 m	3.43	39.77
GL-84-4	98.1	Zone 2: Anomalous Ag mineralization within trenching and chip samples. Targeting well silicified veins and quartz stockwork within variably faulted lapilli and crystal tuffs	Qtz vein with Ac and native silver, with minor py and gl	49.0 to 50.0 m	1.0 m	0.10	150.85
GL-84-5	181.4	Zone 3: Quartz stockwork veins containing coarse galena and sphalerite, with rare native silver. Significant Au values were obtained during 1983 trenching	Qtz-carb veins, with gl, sp, py	150.0 to 152.0 m	2.0 m	1.71	4.46
GL-84-6	143.6	Zone 3: Quartz stockwork veins containing coarse galena and sphalerite, with rare native silver. Significant Au values were obtained during 1983 trenching	None apparent, intensely clay altered groundmass	10.0 to 12.0 m	2.0 m	0.86	5.83
GL-84-7	117.7	Zone 3: Quartz stockwork veins containing coarse galena and sphalerite, with rare native silver. Significant Au values were obtained during 1983 trenching	Poddy massive sulfides (sp + gl) within intensely veined and silicified host rock, +/- potassic alteration	35.0 to 85.0 m	50.0 m	1.11	6.43
GL-84-8	131.4	Zone 3: Quartz stockwork veins containing coarse galena and sphalerite, with rare native silver. Significant Au values were obtained during 1983 trenching	Qtz vein breccia and stockwork, with sp, gl, ac, within intensely silicified host rock	31.0 to 99.0 m	68.0 m	0.60	
			Including	49.0 to 68.0 m	19.0 m	1.00	2.17
GL-84-9	129.8	Zone 3: Quartz stockwork veins containing coarse galena and sphalerite, with rare native silver. Significant Au values were obtained during 1983 trenching	Qtz sulfide veinlets with sp, gl, ac. Host rock is intensely silicified, with potassic vein selvages	90.5 m to 95.5 m	5.0 m	0.30	112.18
GL-84-10	44.5	Zone 2: Anomalous Ag mineralization within trenching and chip samples. Targeting well silicified veins and quartz stockwork within variably faulted lapilli and crystal tuffs	Qtz-carb veinlets with sp, gl, py, ac, within intensely silicified and potassic altered host rock	14.0 to 24.0 m	10 m	1.10	6.99
GL-84-11	114.3	Zone 2: Anomalous Ag mineralization within trenching and chip samples. Targeting well silicified veins and quartz stockwork within variably faulted lapilli and crystal tuffs	Cream coloured silicified zone with patchy disseminated ac, gl, sp, py.	20.0 to 22.0 m	2.0 m	0.43	300.34
GL-84-12	60.4	Zone 1: Zones of strong silicification coincident with anomalous Ag geochemistry identified in trenching	No Significant Mineralization	N/A	N/A	0.00	0.00
GL-84-13	68	Zone 1: Zones of strong silicification coincident with anomalous Ag geochemistry identified in trenching	No Significant Mineralization	N/A	N/A	0.00	0.00

Hole No.	Length (m)	Target	Mineralization	Interval (m)	Width (m)	Au (g/t)	Ag (g/t)
GL-84-14	64.6	Zone 1: Zones of strong silicification coincident with anomalous Ag geochemistry identified in trenching	No Significant Mineralization	N/A	N/A	0.00	0.00
GL-84-15	56.7	Zone 1: Zones of strong silicification coincident with anomalous Ag geochemistry identified in trenching	No Significant Mineralization	N/A	N/A	0.00	0.00
GL-84-16	117.7	Zone 2: Anomalous Ag mineralization within trenching and chip samples. Targeting well silicified veins and quartz stockwork within variably faulted lapilli and crystal tuffs	Qtz vein with ga, ac, py and malachite	31.0 to 32.0 m	1.0 m	4.11	672.67
GL-84-17	140.8	Zone 2: Anomalous Ag mineralization within trenching and chip samples. Targeting well silicified veins and quartz stockwork within variably faulted lapilli and crystal tuffs	Silicified breccia zone, variably hematite altered, with ga, ac, malachite filling fractures	59.5 to 65.5 m	6.0 m	0.18	229.37
GL-84-18	139	Zone 2: Anomalous Ag mineralization within trenching and chip samples. Targeting well silicified veins and quartz stockwork within variably faulted lapilli and crystal tuffs	Qtz vein with py, cpy	136.0 to 137.0 m	1.0 m	0.10	52.80
GL-84-19	242	Zone 3: Quartz stockwork veins containing coarse galena and sphalerite, with rare native silver. Significant Au values were obtained during 1983 trenching	Qtz-carb vein with ga, ac, py, sp	50.0 to 51.0	1.0 m	0.34	1113.92
GL-84-20	146	Zone 3: Quartz stockwork veins containing coarse galena and sphalerite, with rare native silver. Significant Au values were obtained during 1983 trenching	Disseminated py, gl, sp, within qtz stockwork veins and plag phyrlic porphyry	10.0 to 97.0 m	87.0 m	1.01	
			Including	38.0 to 79.0 m	41.0 m	1.66	2.79
			Including	72.0 to 75.0 m	3.0 m	7.61	
GL-84-21	69.5	Zone 3: Quartz stockwork veins containing coarse galena and sphalerite, with rare native silver. Significant Au values were obtained during 1983 trenching	Disseminated py within silicified tuff host rock.	17.0 to 18.0 m	1.0 m	2.26	0.69
GL-84-22	62.8	Zone 3: Quartz stockwork veins containing coarse galena and sphalerite, with rare native silver. Significant Au values were obtained during 1983 trenching	No Significant Mineralization	N/A	N/A	0.00	0.00

In 1985, the Toodoggone Syndicate conducted a reconnaissance soil sampling and prospecting program over the central part of the Golden Lion Property. A total of 3 rock (1 on the current Golden Lion Property) and 303 soil (55 on the current Golden Lion Property) samples were collected for geochemical analyses. Prospecting led to the discovery of the Yellow Dog showing (MINFILE 094E041), which comprises a narrow (15 cm) malachite stained quartz vein hosted within pyritic porphyritic andesite that returned over 50 g/t Au, 4.3% Cu and 84.7 g/t Ag. Soil samples collected from the current area of the Golden Lion Property returned strongly anomalous values for copper (up to 434 ppm), gold (up to 230 ppb), silver (up to 2.2 ppm), lead (up to 46 ppm) and zinc (up to 106 ppm) (Bell, 1985).

In 1986, blaster/pro prospector Elaine Thompson and geologist Stephen Gower staked and explored the Silver Glance and Silver Bluff claims overlapping in part the northern tenures of the Golden Lion Property. They collected a total of 10 rock (not on the Golden Lion Property) and 60 soil samples (15 on the Golden Lion Property). Soils taken from the Property returned highs of 125 ppm Cu, 12 ppb Au, 0.8 ppm Ag, 84 ppm Pb and 143 ppm Zn (Thompson and Gower, 1986).

In 1987, Expedito Resource Group conducted geochemical and geophysical surveys over the central and northern part of the Property. A total of 97 rock, 517 soil and 11 silt samples were collected along with 17.9 line-km of VLF surveys. Rock samples collected from the Yellow Dog Showing comprised sulphide bearing volcanic rocks cut by a strongly malachite-stained quartz vein and a porphyritic andesite dyke. The mineralized quartz vein returned up to 6.05 g/t Au, 80.2 g/t Ag and 4.03% Cu. Of the 517 soil samples collected, 499 were from the Golden Lion Property. These returned values of up to 420 ppb Au, 2.4 ppm Ag, 1923 ppm Cu, 70 ppm Pb, 233 ppm Zn, and 20 ppm As (Adamec, 1988).

In 1988, Newmont carried out a soil and rock geochemical sampling program on the Golden Lion Property. A total of 289 soil, 2 silt and 25 rock samples were collected (51 soil and 3 rock samples from the current Golden Lion Property). Soil sample results from the south part of the Golden Lion Property returned peak values of 4 ppb Au and 1.1 ppm Ag. The 3 rock samples collected did not return anomalous values (Turner, 1988).

In 1990, Electrum Resource Corporation carried out geological mapping, rock and stream sediment sampling, and dug test pits. Rock samples were collected from the Silver Bluff and Glance showings (not on the Golden Lion Property). 33 stream sediment samples were collected from the Golden Lion Property, yielding highs to 1989 ppm Cu, 3.0 ppm Ag, 9.0 ppb gold, 49 ppm Pb, 135 ppm Zn and 34 ppm As (Gower, 1990).

In 1996, Entourage Mining Ltd. conducted prospecting, geological mapping, examination and re-assaying of Newmont diamond drill core, rock sampling, and magnetometer and VLF-EM surveys. Four rock samples were taken from a previously outlined quartz-barite showing, located about 3.4 kilometres south of the Golden Lion occurrence. One sample returned 16 ppb Au. Drill core from the interval between 72.0 and 75.0 metres in Newmont drill hole GL-84-20 was observed to host fine specks of visible gold and pyrite and graded 0.234 oz/t (8.02 g/t) Au. The magnetometer survey outlined a magnetic high that appeared to reflect a granodiorite intrusion into Stuhini Group volcanics. Results from the VLF-EM survey identified several east-west trending dip-angle cross-overs that were recommended to be tested by diamond drilling (Poloni, 1996).

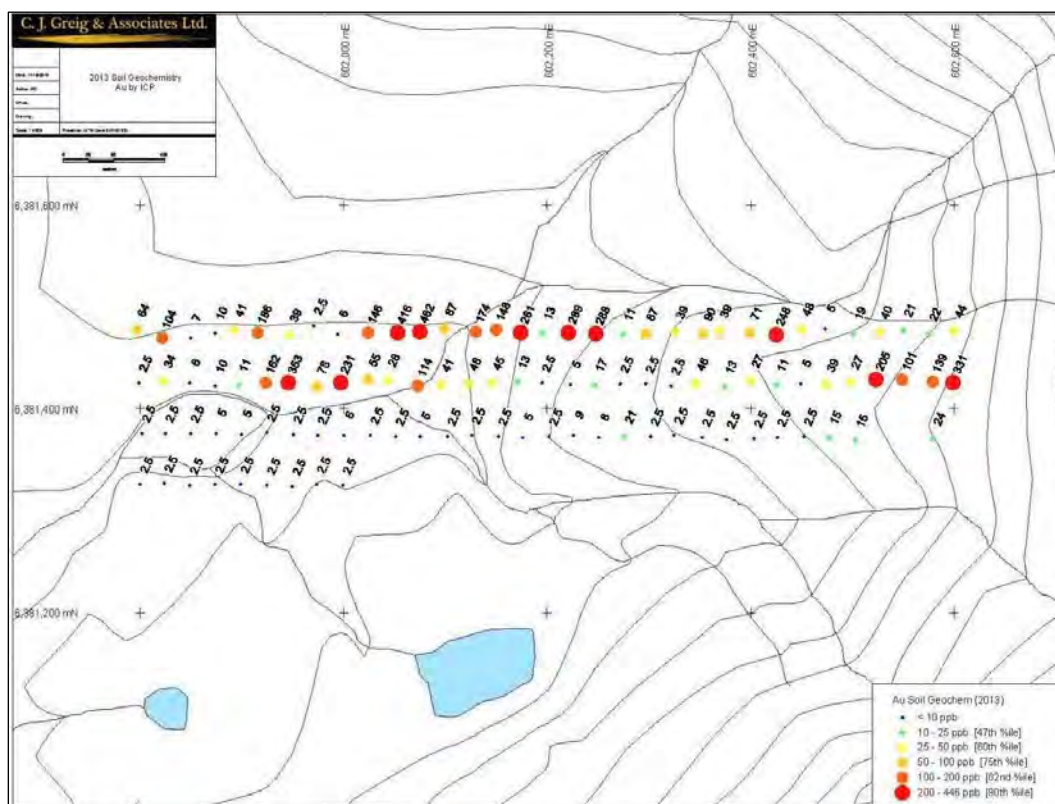
In 2001, Electrum Resources Corporation carried out a one-day prospecting and soil sampling program. A total of nine rock samples were collected, three of which were collected on the Golden Lion Property from fracture and/or shear zones hosting vuggy quartz and calcite veins with chlorite alteration. Mineralization comprised trace malachite hosted in massive feldspar porphyry to phyrlic andesite with samples yielding up to 0.87% Cu, 17.1 g/t Ag and 0.019 g/t Au. Electrum also digitized from a paper map, stream sediment assay values for copper collected during an earlier 1983 program carried out by Western Horizon and the Redfern-Sutton Joint Venture on the northern half of the Golden Lion Property. Results were encouraging, with wide-spread areas of anomalous copper-in-silt, and assays of up to 1660 ppm (Ronning, 2002).

In 2004, Stealth Minerals collected 349 rock and 19 soil samples during their field season that year. A total of 95 rock samples were selected from the original 349 to be analysed by PIMA spectroscopy. Of the 349 rock samples, 71 were collected over what is now the southern part of the current Golden Lion Property. Rock samples collected from quartz veins in the southern part of the Golden Lion Property returned value to 1.0% Cu, 1.5 g/t Au, 1152 g/t Ag, >1.0% Pb and >1.0% Zn. Alteration minerals identified by PIMA spectroscopy analyses (71 of the total 349 samples) over the southern part of the Golden Lion Property

comprised muscovite/sericite, kaolinite, illite, montmorillonite, epidote and silica/carbonate/zeolite (Barrios and Kuran, 2005).

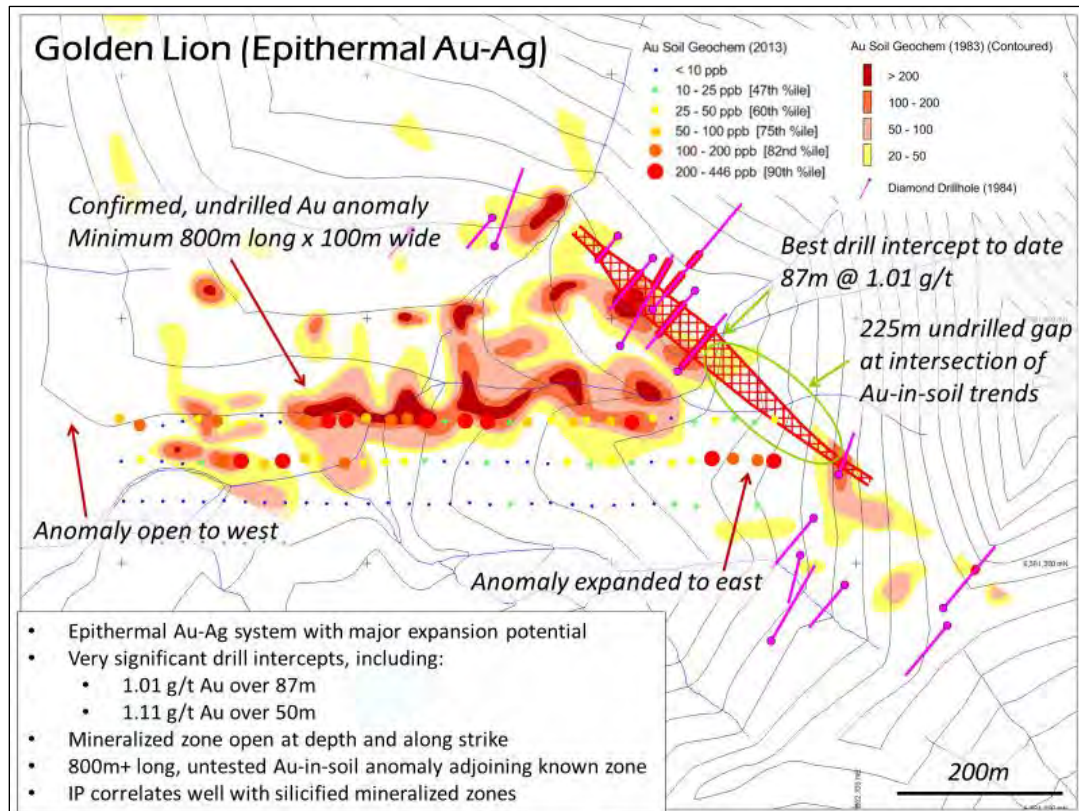
In 2007, Electrum Resources Corporation carried out a geochemical sampling program over part of the Golden Lion Property. A total of 8 rock, 112 soil (77 on the Golden Lion Property) and 11 stream sediment samples (4 on the Golden Lion Property) were collected during the program. Three anomalous grab samples from outcrop comprised variably chlorite-altered volcanic and dioritic rocks hosting mineralized fracture and calcite-veined zones containing 1-2 mm diameter grey sulphides with malachite staining. Assay values for the rock samples ranged between 0.54% and 2.22% Cu, and 2.7 to 18.9 g/t Ag. Soil and stream sediment samples returned peak values to 655 ppb Au, 3.1 ppm Ag and 710 ppm Cu (Bowen, 2008).

In 2013, the Golden Lion Property was acquired by C.J. Greig and rock and soil geochemical sampling was carried out over the area of the historical Golden Lion occurrence (GL1 Target Area). The primary goal of this work was to confirm the location and tenor of a large E-W trending gold-in-soil geochemical anomaly outlined by Newmont in 1982 which was not tested by their drilling in 1984, and which remains undrilled. The anomaly consists of an east-west zone of >20 ppb Au that is approximately 800 metres long by 100 metres wide, and remains open to the east and west. 105 soil samples were collected at 25 metre intervals along four lines which were spaced 50 metres apart and run east-west. In addition, five rock samples were collected from boulders encountered in open trenches. Significant silver and, locally, gold mineralization was observed in all five samples. Rock samples RGGL-R001 through RGGL-R004 returned gold values ranging from 0.029 g/t Au to 1.205 g/t Au, and silver values from 4.5 g/t Ag to 115 g/t Ag. One sample (RGGL-R005) returned 0.03 g/t Au and 7,000 g/t Ag (Greig & Greig, 2014).



Golden Lion Figure 13: GL1 Target Area: Plan view – 2013 verification soil sample program over selected Newmont lines, with gold values (CJ Greig & Associates, 2013)

Results from ICP analyses of the 105 soil samples collected were very encouraging. Several multi-element anomalies were outlined and the anomalies defined by the previous Newmont work were confirmed (see Golden Lion Figure 14, below), and extended into the previously unsampled and never drilled gap between Newmont Zones 2 and 3. Au values ranged up to 462 ppb, Pb to 822 ppm, Zn to 1975 ppm, Ag to 4.8 ppm, As to 17 ppm, Ba to 1030 ppm and Cu to 287 ppm. Greig & Greig concluded that the soil geochemistry suggested distinctly zoned styles of mineralization within the GL1 Target Area, which would be in accord with the interpretations of Visagie (1983), who describes differing styles of mineralization within the three zones (GL1 Zones 1, 2 & 3) he identified.



Golden Lion Figure 14: GL1 Target Area: 2013 CJ Greig & Associates soil sampling grid and gold values superimposed on contoured Newmont gold-in-soil values and drilling, with concluding comments (CJ Greig & Associates, 2013)

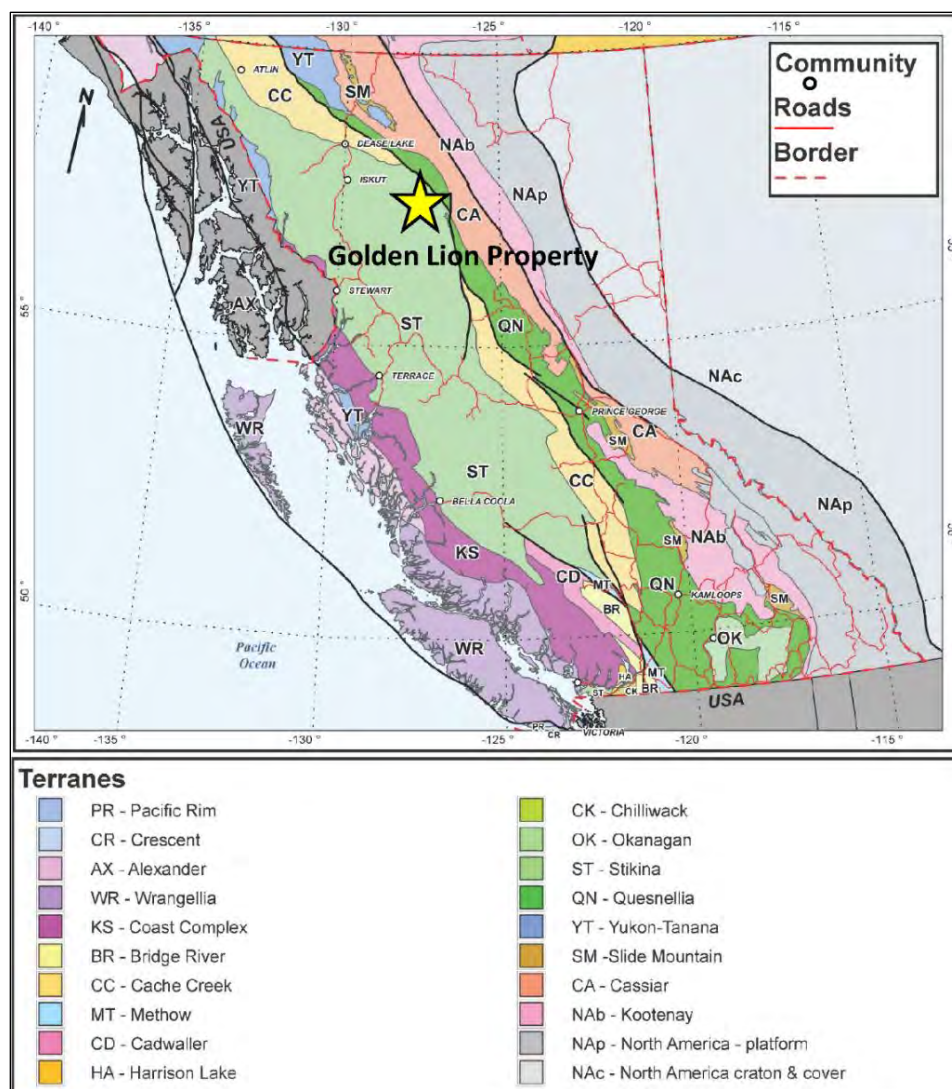
Geological Setting and Mineralization

Regional Geology

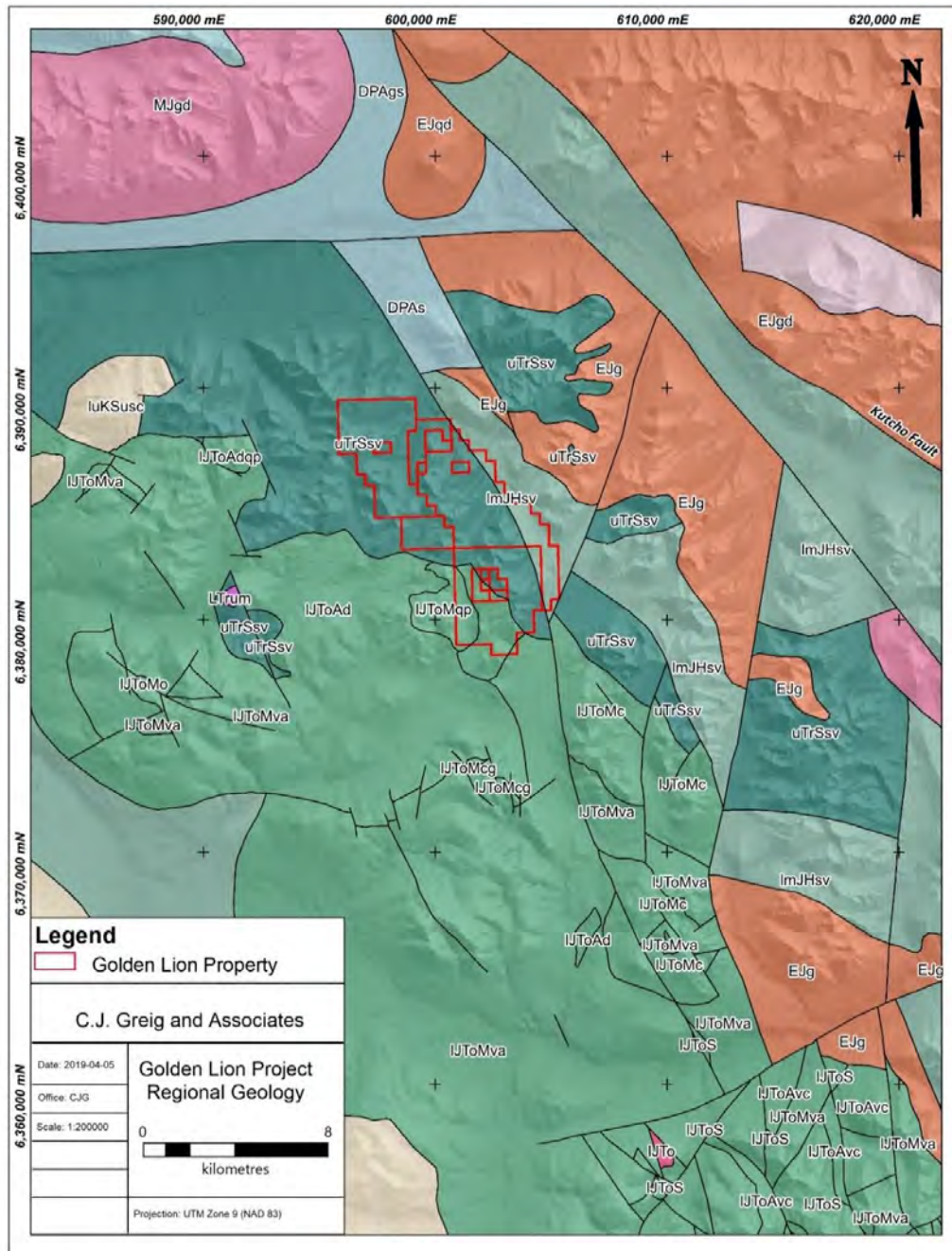
The Golden Lion Property lies near the eastern margin of the Stikine Terrane of the Canadian Cordillera, at the northern end of British Columbia's mineral-rich Toodoggone region (Golden Lion Figure 15, below). The Toodoggone is known for its Cu-Au-Ag porphyry occurrences, Au-Ag low-sulphidation epithermal vein, and carbonate replacement/skarn styles of mineralization. Several distinct stratigraphic units are present over the region, along with various intrusive suites. Golden Lion Figures 15 and 16, below, show, respectively, the tectonic setting and the regional geology for the Golden Lion Property. Golden Lion Table 3 immediately below provides a summary of the major stratigraphic units in the area of the Golden Lion Property.

***Golden Lion Table 3: Summary of Major Stratigraphic Units in the Golden Lion Property Area
(Modified after Diakow et al, 1993)***

Period	Group	Formation	Lithology
Upper to Lower Cretaceous	Sustut Group	Brothers Peak Formation	Non-marine sedimentary rocks, dominated by conglomerates, sandstones, and shales, with minor beds of ash tuff
Lower Cretaceous to Middle Jurassic	Bowser Lake Group	n/a	Marine sandstones, shales and conglomerates
Middle to Lower Jurassic	Hazelton Group	Toodoggone Formation	Marine to sub-aerial andesitic flows and tuffs, with rare lenses of limestone
Upper Triassic	Stuhini (formerly Takla) Group	n/a	Marine basalt and andesite flows, tuffs, with minor shales and limestone lenses
Lower Permian to Devonian	Asitka Group	n/a	Limestone, chert, argillite, with minor greenschist facies meta-sedimentary rocks



Golden Lion Figure 15: Tectonic Setting of the Golden Lion Property



Golden Lion Figure 16: Regional geology of the Golden Lion Property
(N. Prowse, 2019 – see key below in Golden Lion Figure 17)

Geological Legend

Golden Lion Regional Geology

luKSu	- Mid-Cretaceous to Upper Cretaceous - Sustut Group - undivided sedimentary rocks
luKSusc	- Cretaceous - Sustut Group - coarse clastic sedimentary rocks
EKqm	- Early Cretaceous - quartz monzonitic intrusive rocks
uJKBu	- Upper Jurassic to Lower Cretaceous - Bowser Lake Group - Undivided - undivided sedimentary rocks
uJKBS	- Upper Jurassic to Lower Cretaceous - Bowser Lake Group - Skelhorne assemblage - intermixed and varicoloured siltstone, sandstone and conglomerate, minor coal
JBE	- Middle Jurassic to Upper Jurassic - Bowser Lake Group - Eaglenest assemblage - undivided sedimentary rocks
JBMC	- Middle Jurassic to Upper Jurassic - Bowser Lake Group - Muskaboo Creek assemblage - sandstone, siltstone, conglomerate
JBTo	- Middle Jurassic to Upper Jurassic - Bowser Lake Group - Todagin assemblage - laminated siltstone and fine-grained sandstone, chert pebble conglomerate
MJgd	- Middle Jurassic - granodioritic intrusive rocks
EJqm	- Early Jurassic - quartz monzonitic intrusive rocks
EJqd	- Early Jurassic - quartz dioritic intrusive rocks
EJg	- Early Jurassic - intrusive rocks, undivided
EJgd	- Early Jurassic - granodioritic intrusive rocks
IJTo	- Lower Jurassic - Toadoggonne Volcanics - basaltic volcanic rocks
IJToA	- Lower Jurassic - Toadoggonne Volcanics - Attycelley Member - dacitic volcanic rocks
IJToAcg	- Lower Jurassic - Toadoggonne Volcanics - Attycelley Member - conglomerate, coarse clastic sedimentary rocks
IJToAd	- Lower Jurassic - Toadoggonne Volcanics - Adoogacho Member - dacitic volcanic rocks
IJToAdqp	- Lower Jurassic - Toadoggonne Volcanics - Adoogacho Member - high level quartz phyric, felsitic intrusive rocks
IJToAva	- Lower Jurassic - Toadoggonne Volcanics - Attycelley Member - andesitic volcanic rocks
IJToAvc	- Lower Jurassic - Toadoggonne Volcanics - Attycelley Member - volcanoclastic rocks
IJToMc	- Lower Jurassic - Toadoggonne Volcanics - McClair Member - andesitic volcanic rocks
IJToMcg	- Lower Jurassic - Toadoggonne Volcanics - Metsantan Member - conglomerate, coarse clastic sedimentary rocks
IJToMo	- Lower Jurassic - Toadoggonne Volcanics - Moyez Formation - dacitic volcanic rocks
IJToMqp	- Lower Jurassic - Toadoggonne Volcanics - Metsantan Member - high level quartz phyric, felsitic intrusive rocks
IJToMva	- Lower Jurassic - Toadoggonne Volcanics - Metsantan Member - andesitic volcanic rocks
IJToMvl	- Lower Jurassic - Toadoggonne Volcanics - Metsantan Member - coarse volcanoclastic and pyroclastic volcanic rocks
IJToS	- Lower Jurassic - Toadoggonne Volcanics - Saunders Member - dacitic volcanic rocks
ImJHsv	- Lower Jurassic to Middle Jurassic - Hazelton Group - marine sedimentary and volcanic rocks
LTqm	- Late Triassic - quartz monzonitic intrusive rocks
LTrum	- Late Triassic - ultramafic rocks
uTrSsv	- Upper Triassic - Stuhini Group - marine sedimentary and volcanic rocks
uTrSv	- Upper Triassic - Stuhini Group - undivided volcanic rocks
MLTrdr	- Middle Triassic to Late Triassic - dioritic intrusive rocks
MTrum	- Middle Triassic - ultramafic rocks
DPv	- Devonian to Permian - undivided volcanic rocks
DPAs	- Devonian to Permian - Asitka Group - undivided sedimentary rocks
DPAls	- Devonian to Permian - Asitka Group - limestone bioherm/reef
DPAGs	- Devonian to Permian - Asitka Group - greenstone, greenschist metamorphic rocks
?og	- Age Unknown - orthogneiss metamorphic rocks

Golden Lion Figure 17: Key to Golden Lion Figure 16, above.

The oldest stratigraphic assemblage of rocks in the Golden Lion area belong to the Devonian to Permian-aged Asitka Group. The Asitka Group is varied in its lithologies, but dominantly consists of limestones, chert and argillite, commonly with greenschist grade meta-sedimentary rocks. The Asitka group is unconformably overlain by Upper Triassic rocks of the Stuhini Group (formerly the Takla Group). Local thrust faulting results in imbricate blocks of Asitka Group rocks in contact with younger Jurassic lithologies.

Rocks of the Upper Triassic Stuhini Group unconformably overlies the Asitka formation. Nomenclature of Upper Triassic units in the Toadoggonne area has varied over the years, with rocks originally assigned to the

Stikinia Takla Group. Takla Group rocks are defined as the Quesnel Terrane time equivalent lithology to the Stikine Terrane Stuhini Group. The Golden Lion Property area sits within the Stikinia Terrane and recent compilation mapping done by the BCGS (Massey, 2005) has now placed Upper Triassic lithologies in the Stuhini Group. Stuhini Group rocks in the Golden Lion area consist of marine sedimentary and volcanic rocks, typical of island arc successions. Basalt and andesite flows, and intermediate to mafic tuffaceous rocks predominate, with subordinate amounts of marine shales and limestones. In the Golden Lion Property area, the Stuhini Group is unconformably overlain by rocks of the Hazelton Group Toodoggone Formation.

The Middle to Lower Jurassic Hazelton Group in the Golden Lion Property area is represented mostly by rocks of the Toodoggone Formation, with sporadic exposures of the basal Adogacho member, and is dominated by the later-deposited Metsanan member. The Adogacho member is dominated by variably welded trachydacite ash flow tuffs, with minor interbeds of volcanic sandstone and conglomerate, while the Metsanan member comprises the largest volume of Toodoggone Formation rocks in the area, and consists predominantly of trachyte/andesite/lite flows, with minor interbeds of lapilli tuff and volcanic sandstone and conglomerate. The Toodoggone Formation is conformably overlain by sedimentary rocks of the Bowser Lake Group, and Sustut Group clastics.

The Middle Jurassic to Lower Cretaceous Bowser Lake Group conformably overlies rocks of the Hazelton Group. The Bowser Lake Group largely consists of carbonaceous marine shales, sandstones and conglomerates, and represents a regionally extensive foreland basin succession deposited during the eastward accretion of the outboard Stikine Terrane (Evenchick et al, 2011). Bowser Lake Group rocks are generally well bedded and significantly folded. Bowser Lake Group rocks are distinguished from older and younger sedimentary successions by the relative abundance of chert clasts, and a relative absence of metamorphic detritus (e.g. mica flakes) (Evenchick and Thorkelson, 2005). In the Toodoggone area, a significant unconformity is present at the contact between younger Sustut Group and the overlying, older, Bowser Lake Group rocks.

The Lower to Upper Cretaceous Sustut Group unconformably overlies both Bowser Lake Group rocks to the west, and Hazelton Group rocks to the east. Rocks of the Sustut Group are dominantly non-marine shales, sandstones, and conglomerates, with minor interbeds of ash and lapilli tuffs. The Sustut Group represents an intra-continental basinal accumulation of fluvial and lacustrine sediments, derived from both the eastern Hazelton Group, and the western Bowser Lake Group. The most prevalent stratigraphic assemblage in the Golden Lion Property area is the Brothers Peak Formation, a dominantly flat-lying succession of polymictic conglomerate and sandstone.

The oldest intrusive units in the region are located west of the Golden Lion Property, and comprise Middle and Late Triassic plugs of ultramafic, equigranular hornblende that intrude rocks of the Stuhini and Hazelton groups.

West of the Golden Lion Property, the Early Jurassic Black Lake plutonic suite is characterized by a northwest-southeast trending belt of variable composition and texture. Rocks of the Black Lake plutonic suite are composed of equigranular to porphyritic biotite-hornblende granodiorite, quartz monzonite and quartz diorite. The Black Lake plutonic suite intrudes both Stuhini Group and Hazelton Group rocks, and is juxtaposed against older Asitka Group rocks as fault-bounded blocks.

The youngest intrusive rocks mapped in the region are Middle Jurassic plugs of hornblende-biotite granodiorite, quartz monzodiorite and granite. These rocks intrude rocks of the Asitka, Stuhini and Hazelton groups.

Structurally, the region is characterized by large-scale northwest-southeast trending faults, the most prominent of which is the Kutchko Fault, lying approximately 14 kilometres from the Property's eastern boundary, which separates Stikinia rocks from Quesnelia rocks. Also prominent are northeast-southwest and east-west trending thrust faults, and east-west trending faults which juxtapose Devonian to Permian stratigraphy against younger rocks of the Stuhini and Hazelton group units. Shallow-plunging northwest-southeast trending anticlines and synclines complete the regional structural picture, with sedimentary horizons generally showing more deformation than volcanic units. A notable exception to this is within younger Sustut Basin rocks, to the west of the Property, which exhibit a generally flat lying stratigraphy that has not been subjected to the accretionary deformation of the Stikinia rocks which they unconformably overlie.

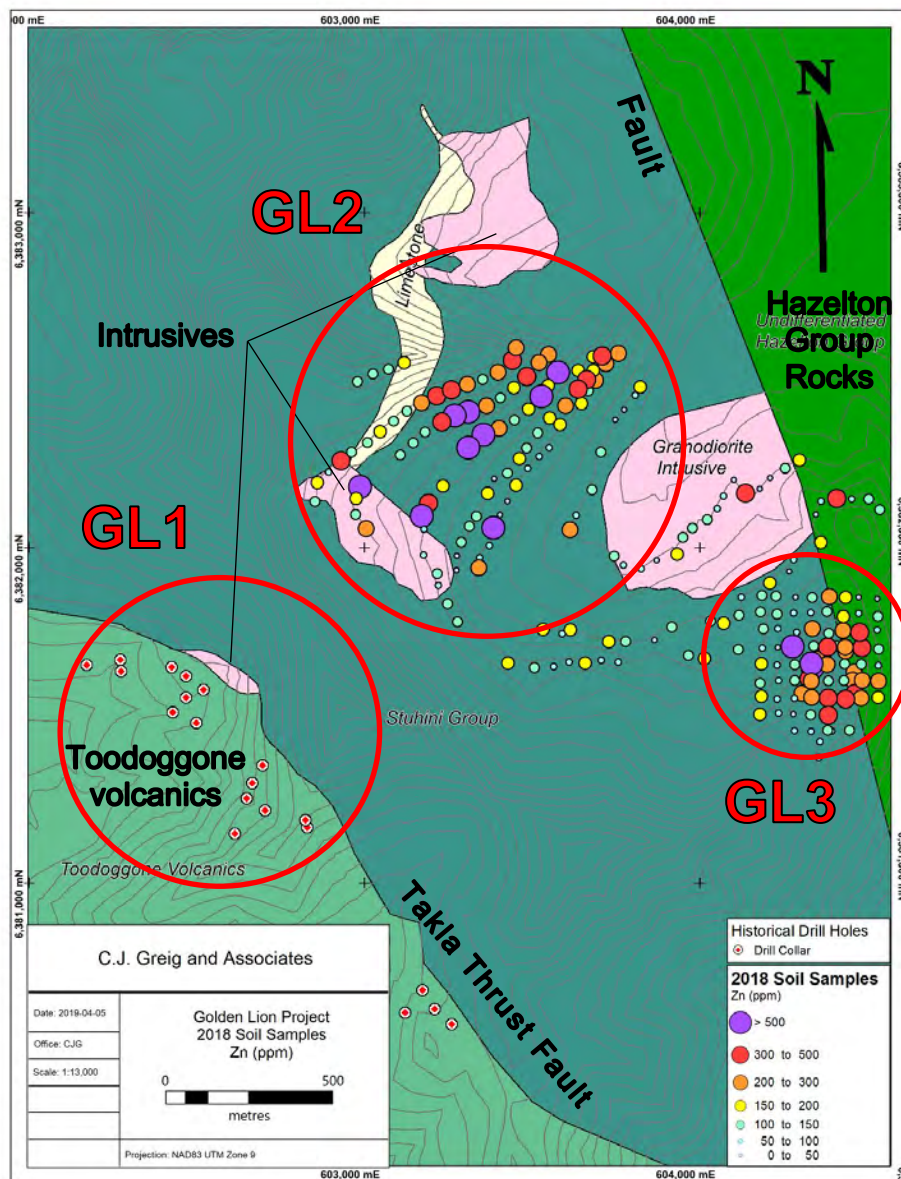
Local and Property Geology

The following descriptions are compiled from previous reports that provide geological maps for the southern part of the Golden Lion Property (historical Golden Lion, now GL1 Target Area). Mapping was carried out by Visagie (1983), along with detailed descriptions of the mineralized zones. McLaren (1984) built on Visagie's observations and describes the mineralization and alteration encountered during the 1984 diamond drilling program. This work was followed up on by Poloni (1996), who summarized the geological setting of the area.

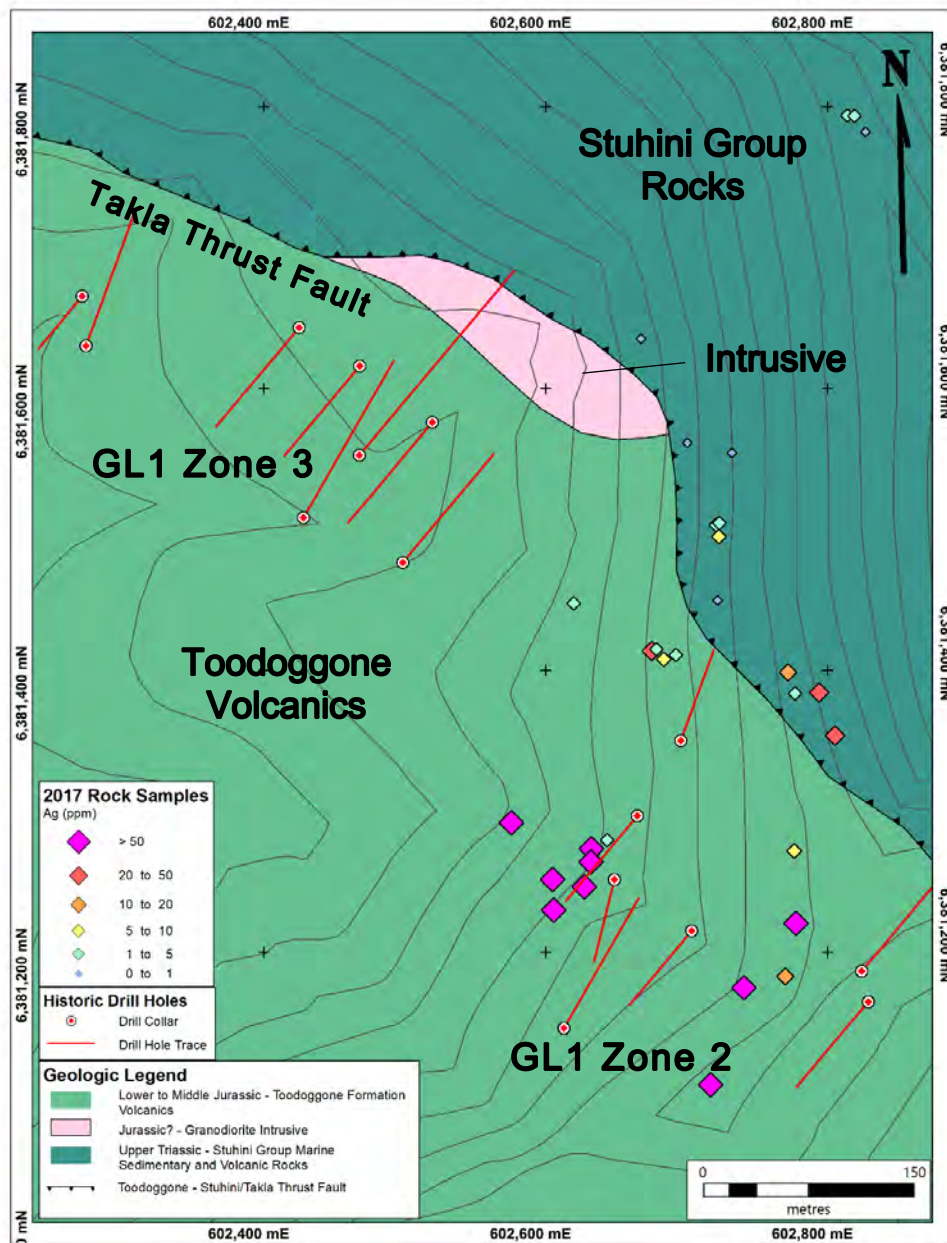
The northern part of the Golden Lion Property has seen historical mapping by the BC Geological Survey at a scale of 1:250,000, as well as cursory geological mapping by several historical operators who noted various intrusive phases including syenite and diorite to granodiorite, associated with both propylitic alteration and mineralization (see Golden Lion Figure 18, below).

On the southern tenures of the Golden Lion Property, Poloni (1996) describes the historical Golden Lion occurrence (GL1 Target Area) as being underlain by volcanic rocks of the Upper Triassic Stuhini Group as well as the Lower to Middle Jurassic Hazelton Group (Toodoggone Formation volcanic rocks). At the GL1 Target Area, a northwesterly striking, northeast-dipping thrust fault (Newmont's "Takla Thrust") has been mapped juxtaposing Stuhini Group (formerly the Takla Group) volcanic and sedimentary rocks over Toodoggone volcanics (Golden Lion Figure 19). This thrust fault is located 100 to 200 metres east of and parallel to, the trend of Au-Ag mineralization drilled by Newmont in GL1 Zones 1, 2 and 3. A small slice of Jurassic (?) age granodiorite, logged in Newmont core as feldspar pyroxene porphyry, has been intruded along the edge of the Takla Thrust between the Toodoggone volcanics and Stuhini.

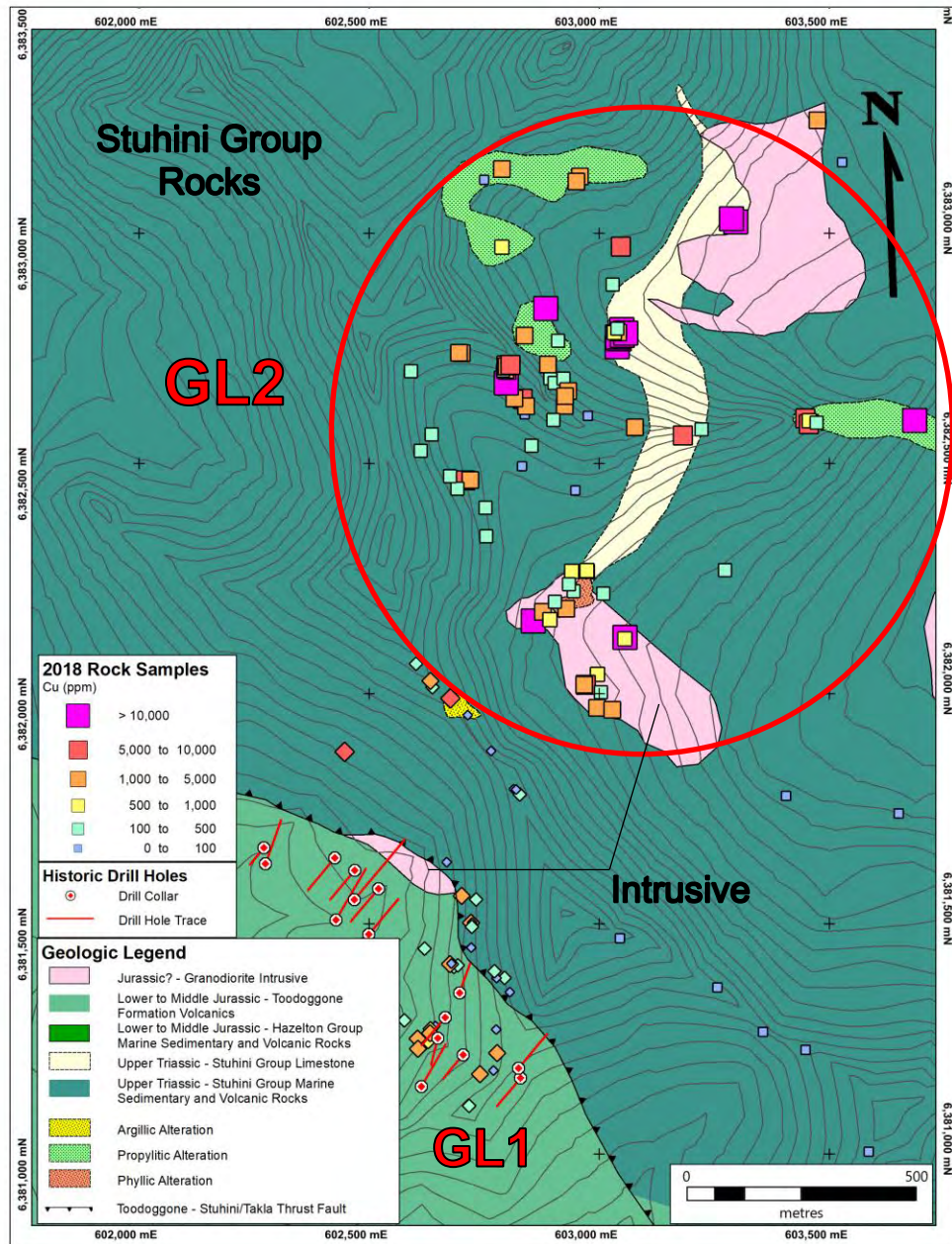
Approximately 1.5 kilometres to the east, a second steeply-dipping, northwest trending fault marks the contact between Stuhini and Hazelton groups. Plugs of granodiorite to quartz monzonite, also of probable Jurassic age, intrude Stuhini volcanic rocks in the bottom of the valley immediately south of the GL2 Ridge target, and likewise in the valley bottom just north of GL2 Ridge, where it is in contact with a thick (>100 metres) limestone unit that dips shallowly to the west and contains high-grade Cu-Au-Ag skarn style mineralization (Golden Lion Figure 20, below). It was noted in conversation with A. Albano that the limestones are significantly more abundant in the GL2 area and on the Property overall than previously represented. This was supported by observations from the air on May 11, 2019.



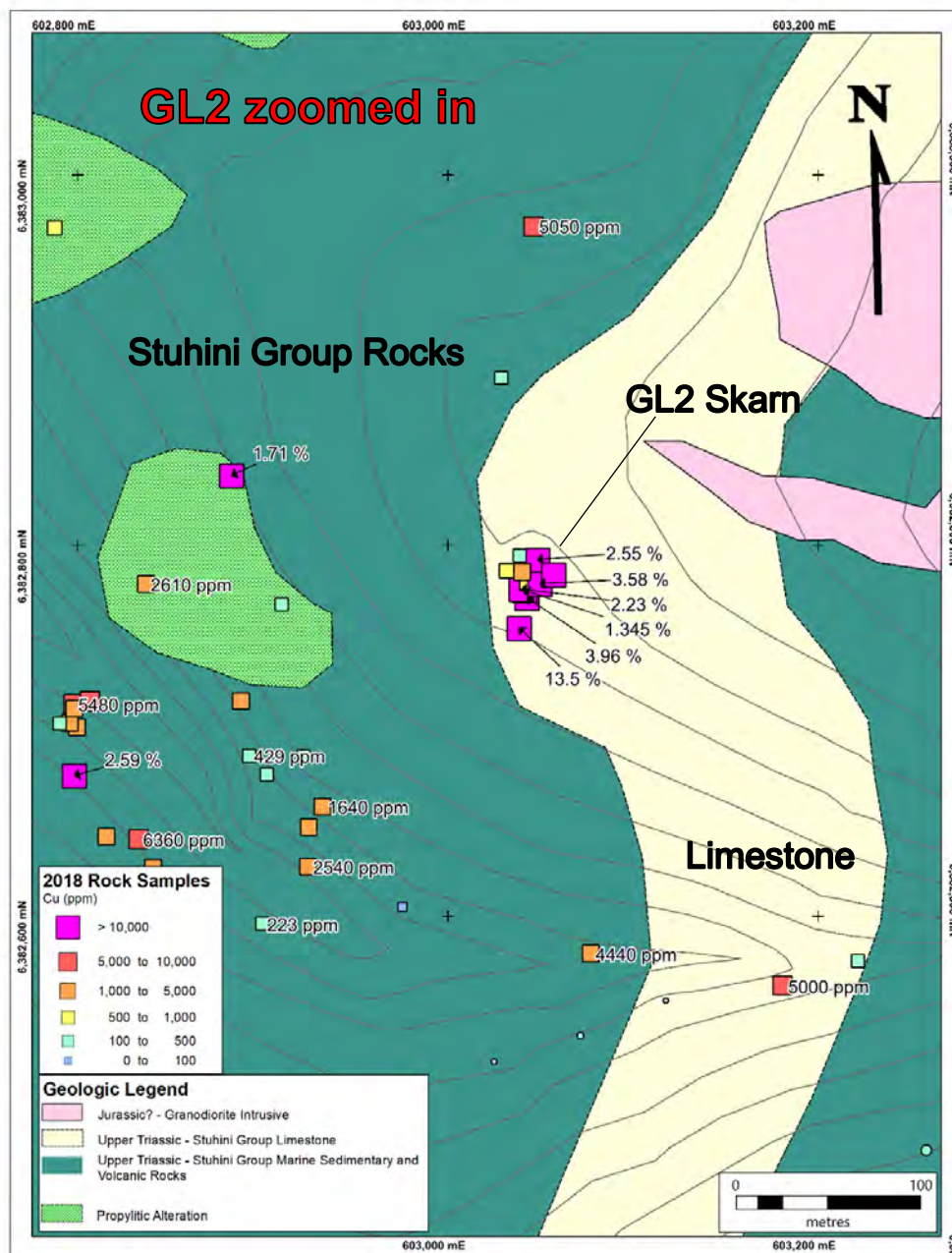
Golden Lion Figure 18: Geology of the GL1, GL2, and GL3 Target Areas showing 2018 Zinc-in-soil values and Newmont drill holes (A. Albano, 2019)



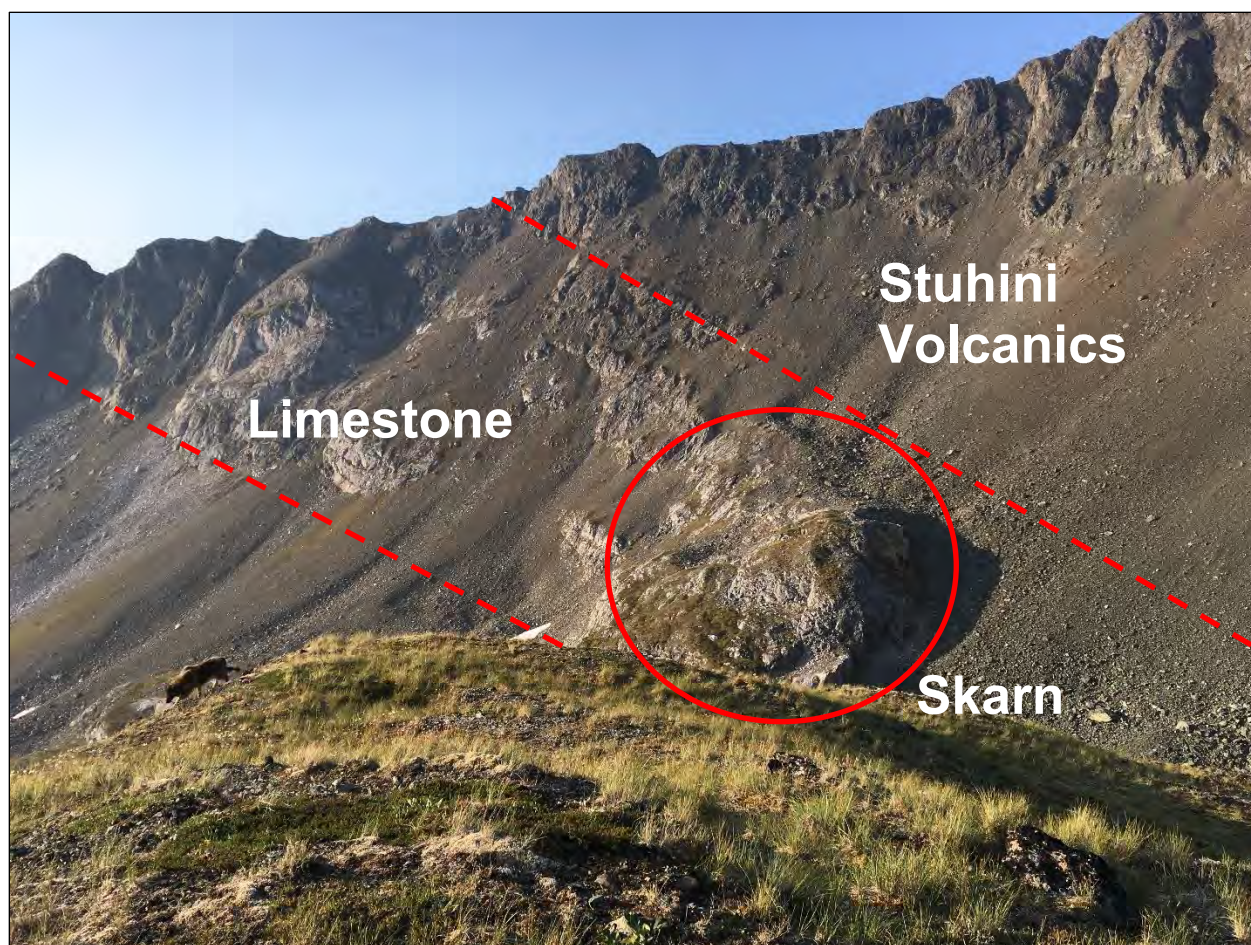
Golden Lion Figure 19: Geology of the GL1 Target Area zoomed to Zones 2 and 3, showing 2017 silver-in-rock values and historical Newmont drill holes (A. Albano, 2019)



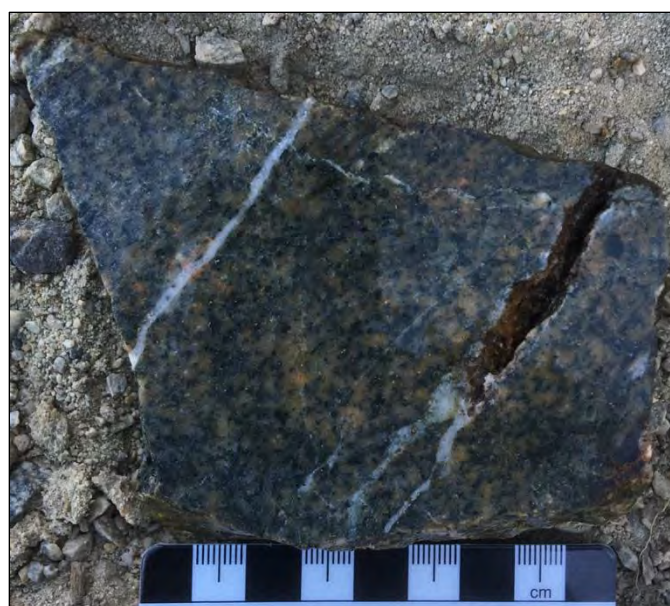
Golden Lion Figure 20: Geology of the GL2 Target Area showing 2018 copper-in-rock values (A. Albano, 2019)



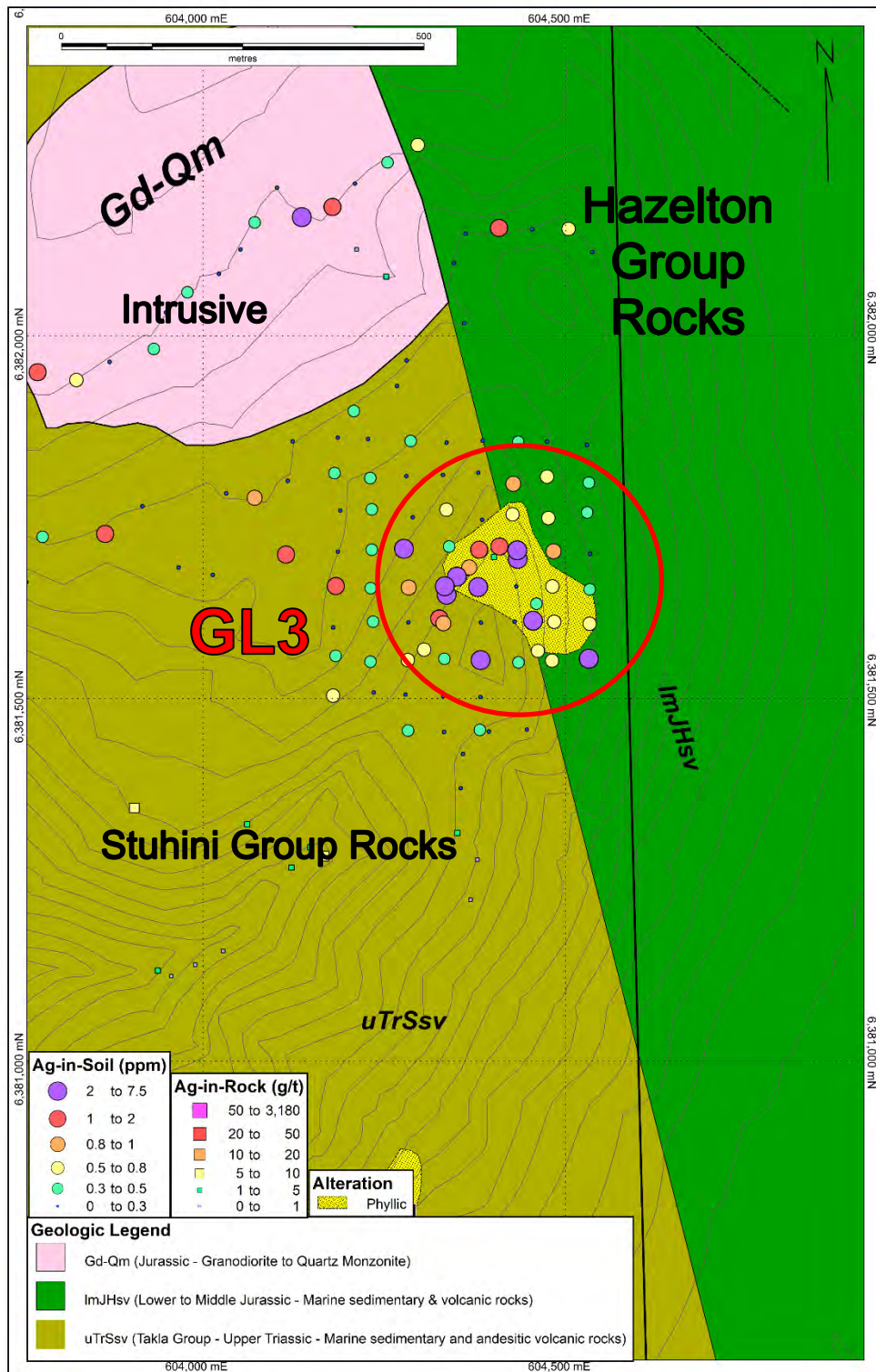
Golden Lion Figure 21: Geology of the GL2 Target Area zoomed in to GL2 Skarn showing, with 2018 copper-in-rock values (A. Albano, 2019)



Golden Lion Photo 4: GL2 Target Area: view south toward thick limestone unit and Skarn showing (A. Albano, 2018)



Golden Lion Photo 5: GL2 Target Area: medium grained hornblende-biotite-magnetite bearing granodiorite containing dermatite dusted plagioclase and quartz-carbonate veinlets hosting trace fine grained chalcopyrite



Golden Lion Figure 22: Geology of the GL3 Target Area showing 2018 silver-in-rock values (A. Albano, 2019)

Poloni (1996) describes the Stuhini Group volcanic rocks in the GL1 Target Area as predominantly fine to medium grained, greenish coloured andesitic flows, generally forming the steeper mountain and scarp faces on the northern part of the Golden Lion occurrence, while the Toodoggone volcanics outcrop in less rugged areas, such as on the rolling hills and valleys where previous trenching and drilling work has been focused.

The Toodoggone Formation volcanic rocks consist of coarse-grained, purple-grey coloured porphyritic tuffs and pyroclastic rocks, which generally strike northwesterly and dip gently to the southwest. Visagie (1983) subdivided the Toodoggone volcanics into two units: feldspar porphyry tuff, and brown-grey fine-grained tuff, and mapped silicification and quartz veining in both. Within the GL1 Target Area, he mapped the three zones later drilled by Newmont (1984) based on variations in the style of alteration and mineralization as summarized in “*Material Properties – Golden Lion Property – Geological Setting and Mineralization – Local and Property Geology – Mineralization and Alteration*”, below. A brief description of the geology of each of the three zones, after Visagie (1983), is presented below.

- GL1 Zone 1: thin, strongly silicified structures consisting of reddish-grey to black coloured, hematite-rich, brecciated and locally vuggy volcanic rock.
- GL1 Zone 2: several erratic areas of silicification and veining in volcanics and porphyry within an area 300 metres in length by up to 200 metres in width. The rock is grey-white coloured, occasionally brecciated, and usually contains minor hematite and manganese oxide, along with lead, zinc, copper and iron sulphides disseminated within the silicified zone and in quartz veins. In areas of high sulphide content, the quartz is generally grey-black coloured. The zone pinches and swells, and appears to be controlled by a number of fairly continuous, subparallel eastward-dipping faults (McLaren, 1984).
- GL1 Zone 3: a silicified area 400 metres in length by 50 metres in width trending approximately 300 degrees, and dipping near-vertically. The rock is similar in appearance to that in Zone 2, being grey-white coloured, well-silicified, and containing minor manganese oxide and hematite. Pods of massive sulphide occur in quartz gangue. 6 of Newmont’s holes into this zone intersected significant lengths of feldspar pyroxene porphyry sub-volcanic intrusive. This intrusive contains a broad irregular zone of moderate to intense potassic-siliceous alteration with variable intensity of quartz stockwork development.

Mineralization and Alteration

Working for Newmont, Visagie (1983) identified on the Golden Lion Property apparent epithermal and/or porphyry-style mineralization in three zones (GL1 Zones 1, 2 and 3) at the historical Golden Lion Occurrence (GL1 Target Area). Fieldwork by C.J. Greig & Associates (2013) and Evergold (2017-2018) has confirmed the presence at the GL1 Target Area of these two styles of mineralization and, with the discovery in 2018 of high-grade copper-gold-silver in outcrop at the GL2 Skarn target to the northeast, confirmed the presence of a third, carbonate replacement style, of mineralization on the Golden Lion Property.

The alteration and mineralization described in GL1 Zones 1, 2 and 3 would appear at surface both from the historical record and Evergold rock sampling, to be primarily epithermal in character, and McLaren (1984) in his report on Newmont drilling at the time, states that the “*Golden Lion claims contain epithermal gold and silver mineralization within Toodoggone volcanics.*” However, several of the historical Newmont drill logs and his later comments in the same 1984 report clearly indicate a porphyry host at the shallow depths penetrated by the 1984 drilling. The question as to whether GL1 Zones 1, 2 and 3 are primarily epithermal in character, porphyry style, or some mix of the two, remains to be determined by further work.

In 2018, two additional target areas designated GL2 and GL3 were identified by Evergold from geochemical sampling of rocks and soils in areas east and northeast of the GL1 Target Area (Golden Lion Figure 18, above). Analytical results for copper, gold, silver, lead and zinc geochemical sampling programs carried out by Evergold are plotted thematically above in Golden Lion Figures 18 to 22.

Details of mineralization and alteration found on the Golden Lion Project are described below.

Mineralization of the GL1 Target Area – Zones 1, 2 and 3

GL1 Zone 1 mineralization is hosted within strongly silicified and hematite-rich, brecciated and locally vuggy volcanic rock with strongly elevated silver, but no base metal sulphides. Rock sample RGGL-R005, collected by C.J. Greig & Associates personnel in 2013, consisting of rusty-weathered, silicified and finely quartz-veined rock with >1 % sulphides and fracture coating of malachite and linarite(?), returned an assay of 0.03 g/t Au and 7,000 g/t Ag. Drilling of Zone 1 by Newmont in 1984 (4 short holes for 250 metres) returned no significant intersections of silicified or mineralized rock. This was likely in part due to poor core recoveries given the badly fractured and intensely clay-altered condition of the ground.

GL1 Zone 2, located approximately 600 metres northwest of Zone 1, is described by Visagie (1983) as consisting of several areas of erratic silicification and veining over an area of 300 by 200 metres, with extensions to the north and south under drift cover. Mineralization consists of fine-grained galena, sphalerite, chalcopyrite, and malachite disseminated within quartz veins and silicified wall rock. The mineralized rock is grey-white coloured, occasionally brecciated, and usually contains minor hematite and manganese oxide, along with fine-grained galena, sphalerite, chalcopyrite, pyrite, and malachite disseminated within the silicified zone and in quartz veins. McLaren (1984), in his report on Newmont's 1984 drill program, describes the quartz veins in this zone as containing pyrite, acanthite, and occasional galena, chalcopyrite, and native silver. In areas of high sulphide content, the quartz is generally grey-black coloured. The zone pinches and swells, and appears to be controlled by a number of fairly continuous, subparallel eastward-dipping faults.

Seven holes totalling 842 metres were drilled into GL1 Zone 2 by Newmont in 1984. Several of these holes returned very high-grade silver intercepts over narrow intervals. These included hole GL-84-11: 1 metre of 16.34 opt Ag from 20 to 21 metres in 'very broken' core; hole GL-84-16: 19.62 opt Ag and 0.12 opt Au from 31 to 32 metres; hole GL-84-17: multiple 1 metre intervals all running >3 opt Ag from 60.5 to 66 metres, with highs to 11.4 opt Ag and 12.5 opt Ag; and GL-84-18: 1 metre of 16.87 opt Ag and 0.20 opt Au from 11 to 12 metres. In his 1984 report McLaren also notes that holes GL-84-10 and GL-84-11 intersected altered and mineralized porphyry adjacent to mineralized fractures similar in character to that intercepted in GL1 Zone 3 drilling some 200 metres to the northwest, discussed below.

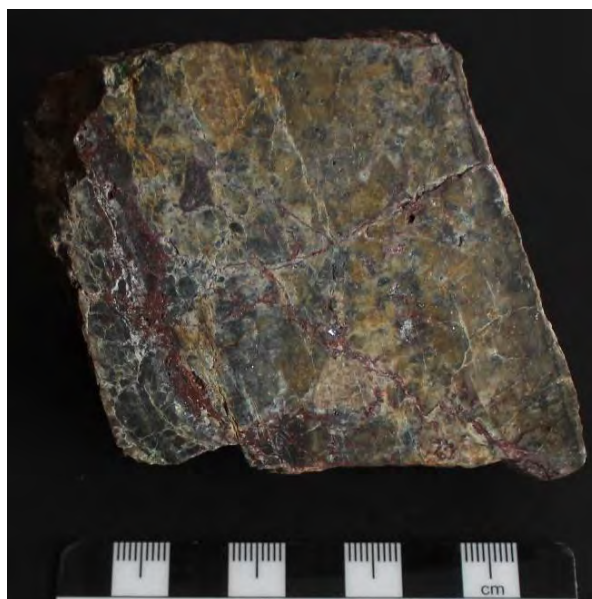
Golden Lion Table 4, below, gives results and descriptions of mineralization from selected samples gathered from outcrop and float in and around the GL1 Zone 2 by Evergold personnel in 2017. Several of these samples returned high-grade gold, silver, lead and zinc values including, in rock sample D005155, 75.5 g/t Au, 42.2 g/t Ag, 12.4% Pb and 9.3% Zn. A second rock sample (D005110) returned 5,560 g/t Ag, 0.03% Pb and 1.9% Zn.

GL1 Zone 3 lies to the northwest of Zone 2, trends 300 degrees and has dimensions of approximately 400 by 100 metres, dipping steeply northeast. The rock is similar in appearance to that in Zone 2, being grey-white coloured, well-silicified, and containing minor manganese oxide and hematite. However, while the sulphides in Zone 2 are in general fine-grained, those in Zone 3 vary from fine to coarse grained and massive, with only galena, sphalerite, and minor pyrite present at surface. McLaren (1984) notes also the presence of lesser chalcopyrite, pyrite, and acanthite in quartz veins intersected by drilling in Zone 3. He

describes pods of massive sulphide up to 1 metre across in quartz gangue. He notes further that 6 of Newmont's holes into this zone intersected significant lengths of low-grade gold mineralization associated with a feldspar pyroxene porphyry sub-volcanic intrusive. This intrusive contains a broad irregular zone of moderate to intense potassic-siliceous alteration with variable intensity of quartz stockwork development and disseminated pyrite. Potassic alteration associated with the mineralization occurs in vein selvages or pervasively in more heavily mineralized areas. The low-grade gold zone, as defined by Newmont's 0.020 oz/ton Au (0.7 g/t Au) cutoff, forms a broad irregular steeply eastward dipping zone within the porphyry. In 1984 Newmont drilled 9 holes for 1,124 metres on Zone 3, with best results of 87 metres of 1.01 g/t Au, including 3 metres of 7.61 g/t Au in GL-84-20. Poloni (1996) noted fine specks of visible gold in core from hole GL-84-20. Also noted was the presence of gougey, argillically altered zones and, locally, areas of propylitic alteration on the margins of potassic alteration. The best rock sample taken from Zone 3 graded 0.03 g/t Au and 7,000 g/t Ag. Historical samples assayed up to 1.9 g/t Au, 1,152 g/t Ag, >1% Pb and 0.58% Zn.



Golden Lion Photo 6: GL1 Target Area, Zone 2 epithermal style mineralization: 2017 sample no. D005160: quartz vein hosting semi-massive galena, sphalerite +/- sulfosalts; 1,545 g/t Ag, 16.7% Pb, 1.1 g/t Au (A. Albano, 2018)



Golden Lion Photo 7: GL1 Target Area, Zone 2 epithermal style mineralization: sample no. D005158: quartz vein hosting semi massive galena, sphalerite +/- sulfosalts; 2,640 g/t Ag, 1.18% Pb (A. Albano, 2018)

Golden Lion Table 4: Selected 2017 Rock Samples, GL1 Zone 2 Mineralization

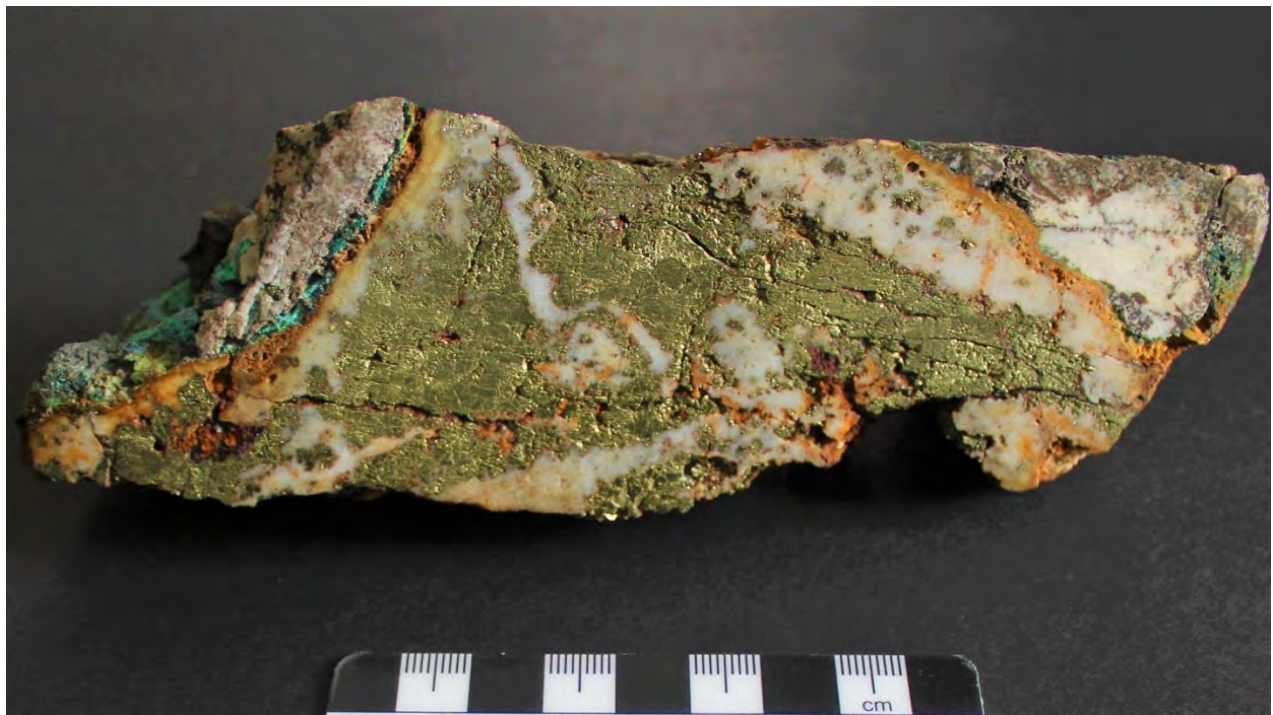
Sample	Location	Description	Au ppm	Ag ppm	Cu ppm	Pb ppm	Zn ppm
D005104	between Zone 2 & 3, near Newmont DDH 84-10 & 11	massive galena, 3% chalcopryite in qtz-carb vein gossan area	1.35	7	258	44,100	25,400
D005106	between Zone 2 & 3, near Newmont DDH 84-10 & 11	gossanous area, 10% galena, 3% pyrite, 1cm qtz vein	12.8	3	158	342	44,500
D005108	Zone 2, vicinity of Newmont DDH 84-2	1 cm galena in qtz boulder (not far out of place) malachite, 0.5% chalcopryite	0.01	1,300	757	12,150	762
D005109	Zone 2, vicinity of Newmont DDH 84-2	5% galena, malachite, linarite, 2% chalcopryite, qtz vein boulder from area just above	0.03	713	2,270	2,790	509
D005110	Zone 2, vicinity of Newmont DDH 84-2	hematite porphyry, 3% chalcopryite, .5% pyrite, malachite, 0.5 cm seam galena	0.07	5,560	3,350	2,910	19,550
D005115	beyond thrust fault, ridge top east	qtz veins 2&1cm with malachite with large chunks of chalcopryite (3%) loose rock with several like it	0.18	4	5,200	13	237
D005155	between Zone 2 & 3, near Newmont DDH 84-10 & 11	>25cm qtz barite vein; 6% galena; very weathered; 1% chalcopryite; along strike of sample D005104 up mtn	75.5	42	1,110	124,500	93,100
D005156	between Zone 2 & 3, near Newmont DDH 84-10 & 11	dark green fine-grained; brown weathering with seams of white leaching; coarse grained veinlets	18.2	4	78	1,970	109,500

		<2cm of galena; 0.5% chalcopyrite on edges of veins					
D005158	Zone 2, vicinity of Newmont DDH 84-2	malachite linarite; 1% galena; 1% pyrite	0.09	2,640	2,300	11,800	533
D005160	Zone 2, between Newmont DDHs 16/17, 18, & 4	0.2m boulder but many similar in same place; semi massive galena	1.1	1,545	1,890	167,000	32,000
D005163	Zone 2, between Newmont DDHs 16/17, 18, & 4	float, but very local; 0.6m; bleached; 0.1% galena; weathered	0.01	659	1,515	1,345	113
D005169	beyond thrust fault, up-slope east	talus; 1% chalcopyrite; malachite	1.23	4	8,190	79	231

Mineralization of the GL2 Target Area – GL2 Skarn, GL2 Ridge, GL2 EP Zone

The GL2 Target Area is located approximately 1 km northeast of the GL1 Target Area. Identified in 2018 through geochemical soil and rock sampling, the GL2 Target Area is characterized by a strong, multi-element geochemical anomaly roughly a square kilometre in size, within which three styles of mineralization have been observed and sampled in outcrop. At the centre of the broad anomalous GL2 Target Area lies an east-west trending ridge (“**GL2 Ridge**”), trending to cliffs on its northern slopes but moderate on its south, with east-facing bowls on either side. In parts of both the northern and southern bowls, granodiorite to quartz monzonite bodies have intruded the Stuhini Group rocks. Cutting more or less north-south through the centre of the GL2 Ridge is a thick (>100 metre) unit of Stuhini (?) or Asitka (?) Group limestone that dips moderately to the west.

On the lower east-facing slopes of the north bowl, outcropping high-grade copper-silver-gold skarn (“**GL2 Skarn**”) was discovered in 2018, proximal to the granodiorite to quartz monzonite intrusion occupying parts of the bowl. The limestone horizon was found to host a 15 X 15 metre gossanous, iron-oxide weathered skarn exposure containing several discontinuous lenses and masses of semi-massive to massive chalcopyrite and pyrite within quartz, including proximal fine-grained disseminations of chalcopyrite and pyrite. Rock samples of this material consistently returned high-grade values for copper with associated strong gold and silver, including highs to 13.5% Cu, 122 g/t Ag, 2.47 g/t Au, 0.1145% Zn and 0.0691% Pb in sample GLAA18-036R. Table 7.3 below lists rock samples, descriptions and results from this outcrop.



Golden Lion Photo 8: GL2 Target Area – 2018 high-grade skarn mineralization sample no. GLAA18-036R; 13.5% cu, 122 g/t Ag, 0.146 g/t Au (A. Albano, 2018)

Whether or not the granodiorite to quartz monzonite intrusion was the generative source for the mineralizing fluids that have altered the limestone unit has not been determined. However, over the GL2 Ridge target to the south, at the **GL2 “EP Zone”** discussed below, both porphyry-style and epithermal-style veins with Cu, Au and Ag mineralization have been observed within the outcropping granodiorite intrusive. For example, a grab sample taken in 2018 from a quartz-carbonate vein (#GLVB18-31R) returned 18.4 g/t Au

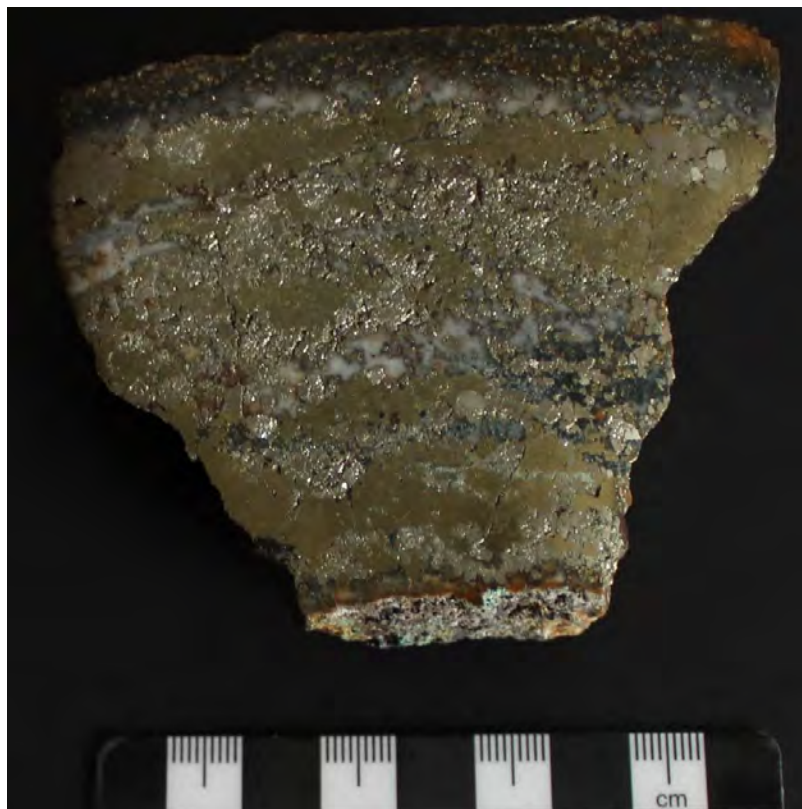
and 3,180 g/t Ag. A second sample (#GLLG18-003R), from porphyry-style veins, returned 2.1% Cu and 12.7 g/t Ag.

Golden Lion Table 5: GL2 Target Area mineralization: GL2 Skarn Target

Sample ID	UTM NAD83E	UTM NAD83N	Description	Au ppm	Ag ppm	Cu ppm	Cu %
GLAA18-036R	603038.6451	6382755.349	vuggy quartz vein, approximately 0.5m wide, hosted in limestone unit. Contains semi-massive to massive chalcopyrite and pyrite. Malachite staining is pervasive. Chip sample 0.5m	0.146	122	135,000	13.5
GLAA18-037R	603042.7143	6382771.825	0.5m wide quartz vein containing semi-massive to massive chalcopyrite with pervasive malachite staining, hosted in limestone unit. Can be traced for 2.5m. Hanging wall has been altered to marble, whereas footwall is manganese stained limestone.	0.503	28.3	39,600	3.96
GLAA18-038R	603041.5363	6382775.804	1x1m composite sample - network of rusty malachite stained rock with round, 25cm sections of unaltered and unmineralized limestone	0.348	2.7	13,450	1.345
GLAA18-039R	603039.6059	6382776.423	grab sample containing 12-15% pyrite and 10% chalcopyrite in quartz vein, source close	1.83	32.2	22,300	2.23
GLAA18-040R	603042.565	6382780.063	quartz vein approximately 10-15cm wide containing 10-12% fine grained pyrite hosted in a skarnified limestone unit	0.661	5.1	553	
GLAA18-041R	603048.5952	6382792.356	0.5 metre quartz vein containing 12-15% pyrite and 5% chalcopyrite hosted in limestone unit	2.47	44.9	25,500	2.55
GLAA18-042R	603049.8826	6382779.357	10-15cm wide quartz vein containing semi-massive pyrite and chalcopyrite hosted in limestone unit. Grab sample	0.25	22.1	35,800	3.58
GLAA18-043R	603057.1159	6382784.33	quartz vein approximately 0.5m wide , semi-massive to massive chalcopyrite and pyrite, hosted in limestone. 1 m chip sample	0.447	35.7	55,400	5.54
GLAA18-044R	603040.0149	6382786.235	rusty manganese stained exposure containing minor chalcopyrite and malachite, 3m chip sample	0.091	9.3	2,940	
GLAA18-048R	603296.1697	6383025.746	1.5m x 1.5m limestone exposure containing vibrant green malachite staining due to chalcopyrite weathering. 1.5m chip sample.	1.625	158	82,400	8.24
GLLG18-007R	603287.367	6383033.096	outcrop of rusty malachite stained veins in limestone. Pyrite, chalco, and malachite observed in vein.	0.425	72.1	16,100	1.61



Golden Lion Photo 9: GL2 Target Area skarn target: close-up views of outcrop from which high-grade skarn sample in Golden Lion Table 5 were taken (A. Albano, 2018)



Golden Lion Photo 10: GL2 Target Area skarn mineralization sample no. GLAA18-048R, 8.24% Cu, 158.0 g/t Ag, 1.63 g/t Au (A. Albano, 2018)

At the **GL2 EP Zone**, located in the bowl immediately south of GL2 Ridge, two styles of mineralization were observed and sampled in outcrop in 2018, hosted within intrusive. The first, porphyry-style of mineralization, occurs in quartz veins hosted within plagioclase porphyry intrusive. It carries high to very high values of copper with strong silver, but is low in calcium and other elements. Sample #GLLG18-003R, for example, returned 2.1% Cu and 12.7 g/t Ag. Samples of this style of mineralization are tabulated in Golden Lion Table 6, below. Sample locations are shown on Golden Lion Figure 22.

The second, epithermal-style of mineralization, is hosted within quartz-carbonate veins and carries high silver and gold, high calcium, elevated arsenic, and strong lead, manganese, molybdenum, antimony and strontium, but virtually no copper. For example, sample #GLVB18-31R returned 18.4 g/t Au, 3,180 g/t Ag 245 ppm As, 1180 ppm Pb, 4000 ppm Mn, 345 ppm Mo, 63 ppm Sb, and 353 Sr. All of these elements are strongly elevated relative to background values and, in particular, the porphyry-style mineralization noted above.

In addition to the three styles of mineralization – skarn, porphyry and epithermal – discussed above, potentially a fourth style of mineralization was identified in the GL2 Target Area during the sampling program carried out in 2018. Named the ‘**BG Zone**’, as yet little is known about it. However, a sequence of 7 samples running from GLVB18-014R through GLVB18-020R, associated with a structure visible in outcrop for at least 100 metres, carry strong to very strong Cu, several with strong to very strong values of Pb and Zn, one (GLVB18-018R) with >2% Pb, 47.9 g/t Ag, and very elevated Bi (56 ppm). Curiously, a single sample, GLVB18-015R, carried elevated tellurium (30 ppm). Samples of this mineralization are tabulated in Table 7.4, below. Sample locations, and the BG Zone structure, are shown on Golden Lion Figure 23.



Golden Lion Photo 11: GL2 Target Area, EP Zone epithermal mineralization sample no. GLVB18-31R – 18.4 g/t Au, 3,180 g/t Ag. For location of samples, see Golden Lion Figures 19 and 22 (A. Albano, 2019)

**Golden Lion Table 6: Mineralization of the GL2 Target Area, EP & BG Zones,
Selected 2018 Rock Samples**

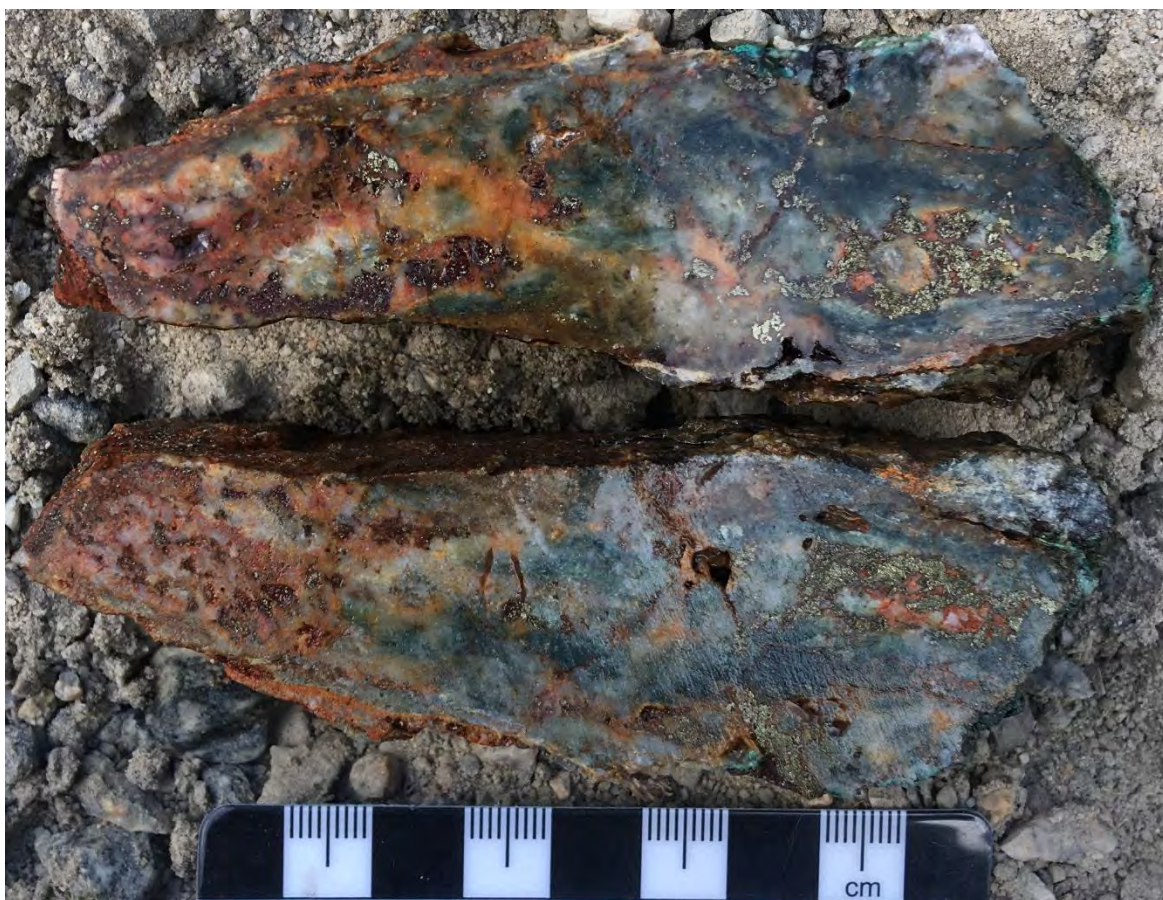
Mineralization of the GL2 Target Area EP & BG Zones								
Sample ID	UTM Easting	UTM Northing	Min Style & Zone	Notes	Ag (ppm)	Cu (ppm)	Pb (ppm)	Au (ppm)
GLAA18-016R	603905.5342	6381350.049	EP Zone porphyry	Altered intrusive containing manganese staining on randomly oriented fracture sets. Minor malachite on surfaces.	6.5	7810	98	0.013
GLAA18-019R	603454.9543	6382587.07	EP Zone porphyry	epidotized intrusive(?) containing seams of malachite-stained chalcopyrite up to 5%. Host rock is epidotized containing epidote-calcite-quartz veins with chalcopyrite. 1m beside mineralized exposure is a plag. porphyry intrusive containing propylitic alteration	5.7	7170	20	0.004
GLAA18-026R	602856.2369	6382159.317	EP Zone porphyry	float containing 5-8% chalcopyrite in a quartz-veined intrusive	10.7	21100	70	0.704
GLAA18-028R	602995.2398	6382044.226	EP Zone porphyry	finely disseminated chalcopyrite in plagioclase porphyry intrusive - hematite dusted plagioclase? Minor chalcopyrite in 2-3cm wide qz veins. Possibly recently exposed from permanent snow pack	0.3	750	3	0.002
GLAA18-029R	602969.9711	6382021.198	EP Zone porphyry	four wide qz veins containing 2-3% chalcopyrite and abundant malachite staining in a plagioclase porphyry intrusive	3.4	8430	10	0.023
GLAA18-030R	602966.3173	6382021.329	EP Zone porphyry	wqz veins containing minor chalcopyrite in plagioclase porphyry intrusive	1.8	4300	8	0.039
GLLG18-003R	603055.7704	6382123.28	EP Zone porphyry	5 cm wide vuggy quartz and carbonate vein, malachite, pyrite, chalcopyrite bearing. Hosted in intermediate intrusive rock (plag, hornblende). Vein structure: 292/90 (medium confidence for dip). Traced for 3 m	12.7	21100	10	0.027
GLLG18-004R	603055	6382121	EP Zone porphyry	Sulphide vein in intermediate intrusive rock, monzonite? Disseminated pyrite and large pyrite crystals. Traced for approximately 10 meters.	3.1	987	10	1.44
GLAA18-031R	602957.5829	6383125.064	EP Zone porphyry	south-facing cliff side of northernmost bowl. 3-5cm carbonate quartz veins containing fine grained chalcopyrite in a green, epidotized mafic volcanic rock?	0.8	2200	3	5.22
GLVB18-031R	602903.3561	6382201.755	EP Zone epithermal	15cm wide vein; 2% galena; 0.5% chalcopyrite	3180	428	1180	18.4
GLVB18-014R	602798.2289	6382675.766	BG Structure	copper veining; barite; 5%chalcopyrite	7.4	25900	16	0.168
GLVB18-015R	602799.5344	6382702.237	BG Structure	minzone; gossanous area narrow and linear; pretty weathered; 4% fine dusted py; poss trace sphal	4	1060	414	0.089
GLVB18-016R	602795.6922	6382704.828	BG Structure	5m along strike, minzone; gossanous area narrow and linear; pretty weathered; py; poss asp? Up to 1%blebby chalcopyrite	6	1330	284	0.101
GLVB18-017R	602790.249	6382704.299	BG Structure	along strike of 015, 016; fine py	5.8	469	199	0.124
GLVB18-018R	602797.7297	6382714.878	BG Structure	5m upslope; veining with 2%galena; 2%chalcopyrite; structure measurement approximate, looks like outcrop maybe shifted?	47.9	5480	24000	0.068
GLVB18-019R	602798.1627	6382712.434	BG Structure	veining beside sample 018; epidote veins with specks of galena; malachite	4.2	1475	1675	0.013
GLVB18-020R	602806.4975	6382716.417	BG Structure	10" barite vein; 4%chalcopyrite ***this structure is visible and mineralized for 100m or so	5.8	6890	1165	0.085



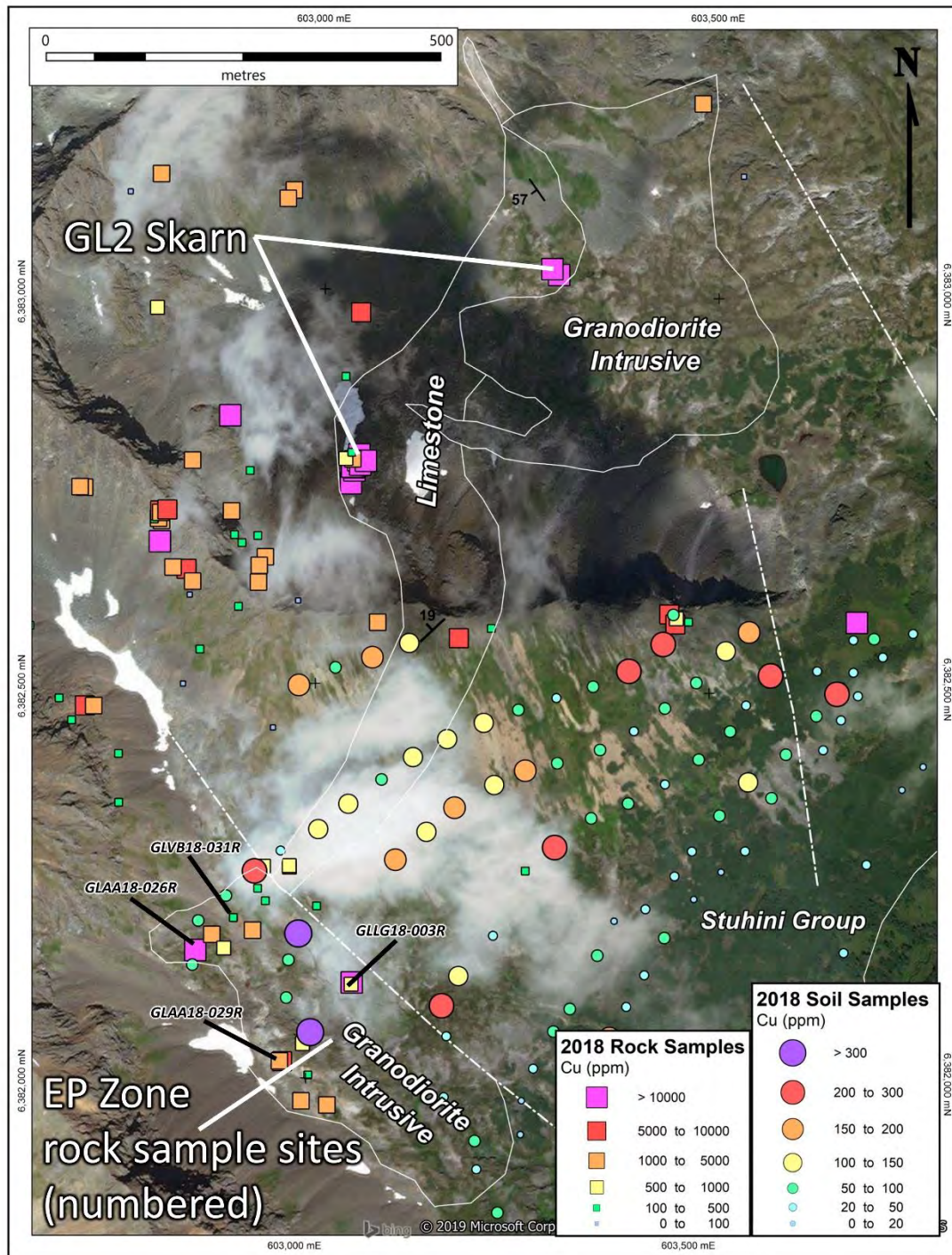
Golden Lion Photo 12: Example of GL2 Target Area, EP Zone porphyry-style mineralization. Sample no. GLAA18-026R. For corresponding assays, see Golden Lion Table 6, above (A. Albano, 2019)



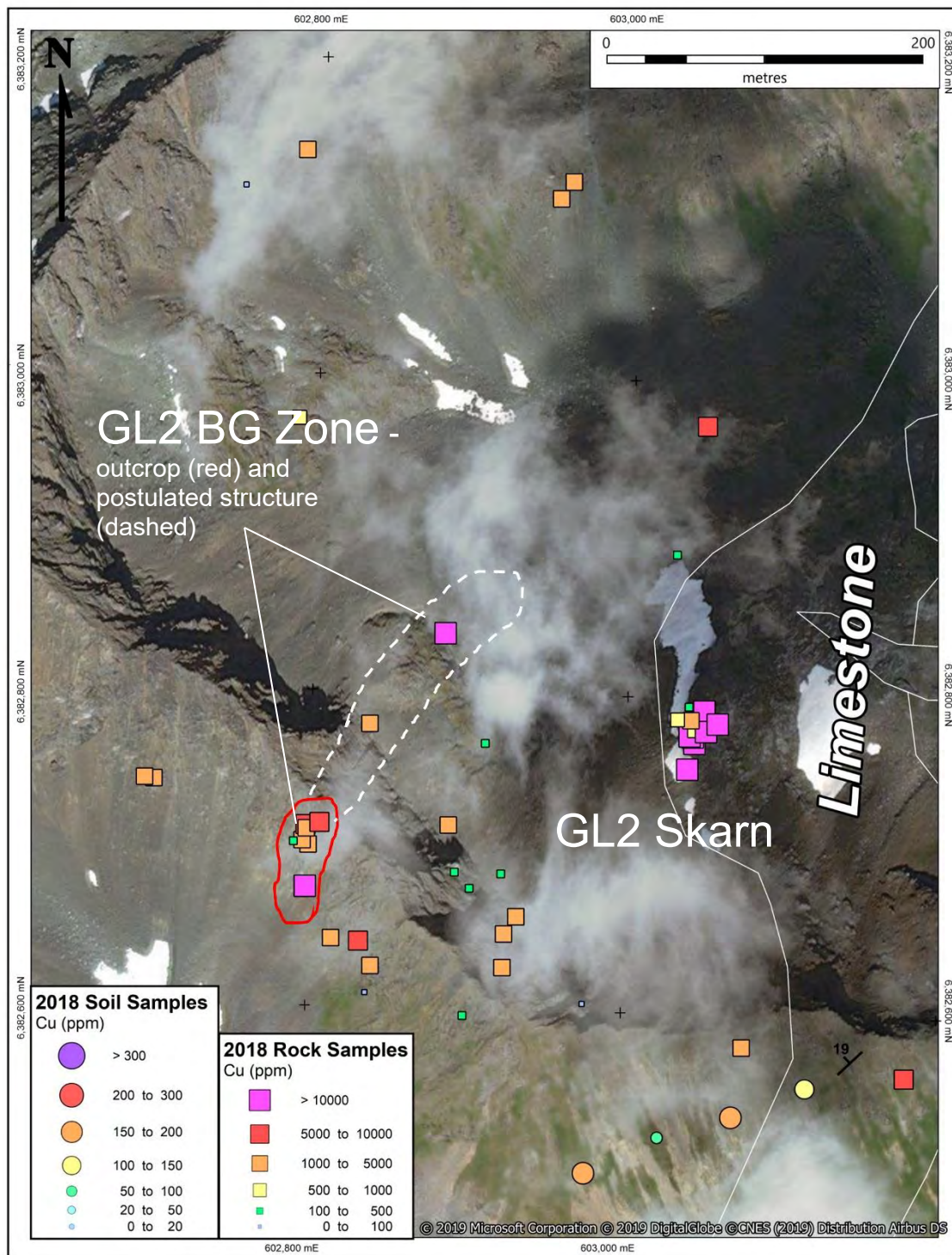
Golden Lion Photo 13: Example of GL2 Target Area, EP Zone porphyry-style mineralization. Sample no. GLAA18-029R. For corresponding assays, see Golden Lion Table 6, above (A. Albano, 2019)



Golden Lion Photo 14: Example of GL2 Target Area, EP Zone porphyry-style mineralization. Sample no. GLLG18-003R. For corresponding assays, see Golden Lion Table 6, above (A. Albano, 2019)



Golden Lion Figure 22: Location of the EP Zone, GL2 Target Area 2018 rock sample nos. GLAA18-029R, GLAA18-026R, and GLLG18-003R. For assays, see Golden Lion Table 6, above (A. Albano, 2019)



Golden Lion Figure 23: Location of the BG Zone, GL2 Target Area, and postulated structure (A. Albano, 2019)

Mineralization of the GL3 Target Area

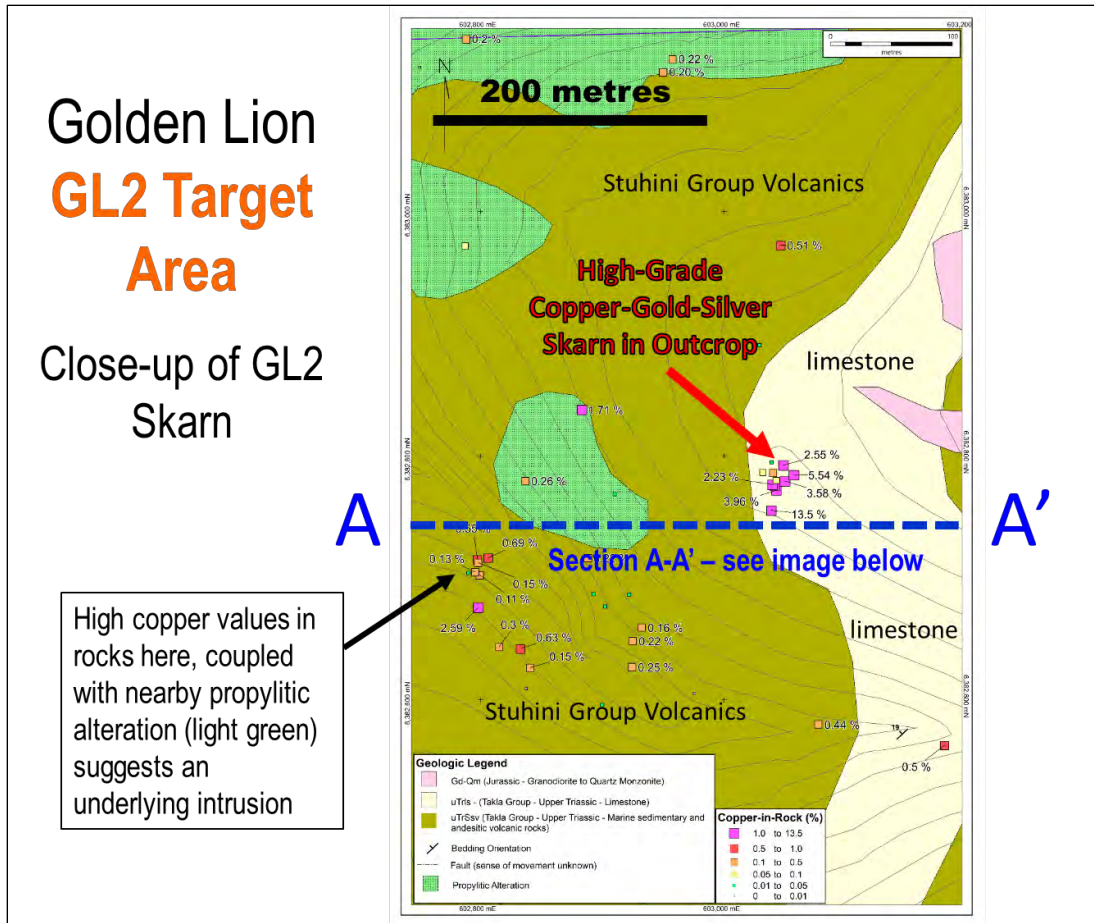
The GL3 Target Area is located approximately 1 kilometre southeast of the GL2 Target Area. It is characterized by a 150 by 150 metre area of intense argillic(?) alteration hosting 3-5 cm barite veins. Soil samples collected in 2018 defined an approximate 250 by 250 metre anomalous area with very strongly anomalous values for gold (235 and 246 ppb) surrounded by moderate to strongly anomalous values of gold (21 to 99 ppb), very strongly anomalous values for silver (up to 7.5 ppm), zinc (up to 1225 ppm) and lead (up to 732 ppm). A rock sample collected approximately 300 metres to the south of GL3 returned 0.162 g/t Au and 4.8 g/t Ag (sample no. GLAA18-006R). The soil geochemical results returned from GL3 have a similar geochemical signature to those of GL1 and appear to represent an epithermal Au-Ag target.

Yellow Dog Showing

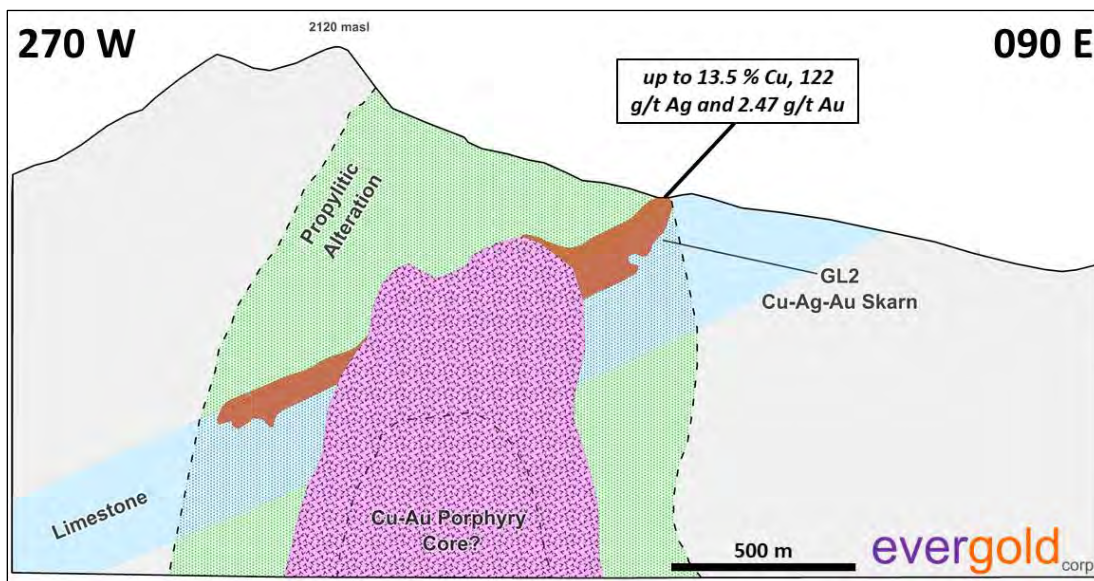
Located approximately 2 kilometres northwest of Claw Mountain on the current area of the Golden Lion Property, the Yellow Dog Showing comprises a 15 cm thick malachite-stained quartz vein hosted within pyritic porphyritic andesite (MINFILE 094E041). Historical sampling of the vein in 1985 returned 50 g/t Au, 4.3% Cu and 84.7 g/t Ag (Bell, 1985). In 1987, another sample of the vein material was collected by Expedito Resource Group and yielded 6.05 g/t Au, 80.2 g/t Ag and 4.03 % Cu (Adamec, 1988). The showing appears to be associated with a strong magnetic high in the regional magnetics.

Deposit Types

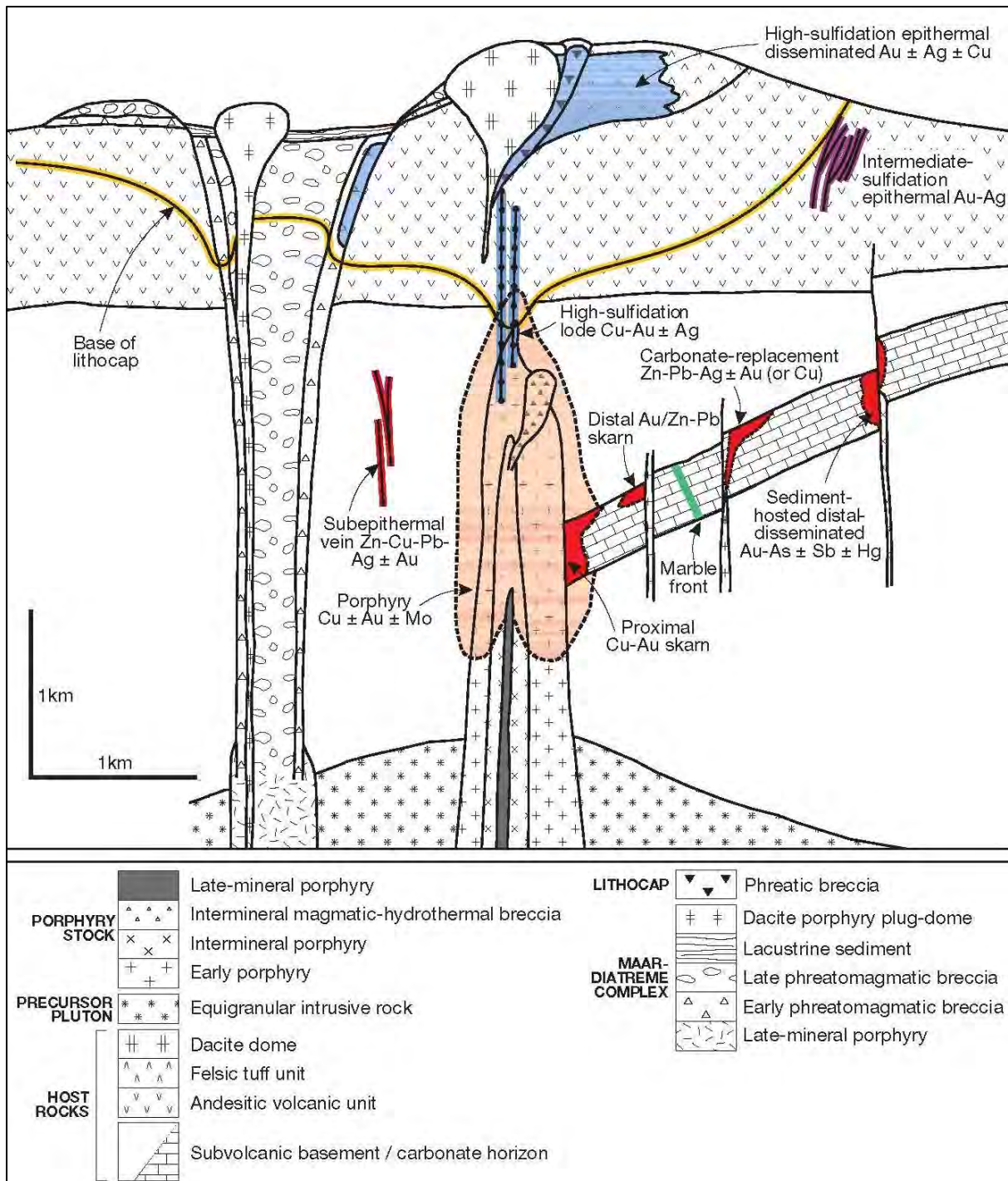
Intrusion-related Cu-Au-Ag porphyry-style (e.g. Kemess, Porphyry Pearl), low-to-high sulphidation epithermal Au-Ag (Lawyers-Cheni, Baker, Shasta), and carbonate replacement Cu-Au-Ag style mineralization (Breccia 2&4 claims, Stealth Minerals, 2004) and deposits are all present regionally in the Toodoggone Mining Camp. The historical record of trenching and drilling on the GL1 Target Area, coupled with recent work by the company, indicates that both epithermal and porphyry style mineralization is present at the GL1 Target Area. Work by the Company in 2018 has also confirmed high-grade carbonate replacement, vein-hosted epithermal, and porphyry styles of mineralization to the northeast, at the GL2 Target Area. The multi-element copper-predominant geochemical character of soil and rock samples taken over the GL2 and GL3 Target Areas, in spatial association with larger areas of propylitic and, locally, phyllic alteration proximal to intrusions, suggests a strong possibility for intrusion-related porphyry-style mineralization at one or both of those locations also, possibly with outlying high-grade epithermal Au-Ag. Three variations on intrusion-related deposit models potentially applicable to mineralization on the Golden Lion Property are presented below. Central to all three models are intrusive bodies that have been emplaced at some depth into overlying lithologies, from which mineralized fluids migrated into surrounding rocks, altering them and depositing metals depending on variations in temperature, pressure, pH and other factors.



Golden Lion Figure 24: Carbonate Replacement Model for the GL2 Target Area skarn mineralization (K. Keough, A. Albano, 2019)



Golden Lion Figure 25: Carbonate Replacement Model for the GL2 Target Area skarn mineralization (K. Keough, A. Albano, 2019)



Golden Lion Figure 26: Porphyry deposit model showing a Cu-Au core and outlying skarn and epithermal styles of mineralization, potentially applicable to the GL1, GL2 and GL3 Target Areas (D. Sillitoe, 2010)

Exploration

Evergold acquired the Golden Lion Property in April, 2016, which at that time encompassed just 190.3 hectares overlying the vicinity of the GL1 Target Area drilled by Newmont in 1984. The Company added another 1,336.68 hectares of claims in May 2017, following which it carried out its first exploration program that summer, concentrating on the GL1 Target Area. A second field program was carried out in 2018, this

time focused on the newly-acquired claims to the east and northeast, underlying what are now the GL2 and GL3 Target Areas.

Work completed by Evergold to date has involved compilation, review, digitization and modeling of historical data including Newmont's 1982 soil sampling and 1984 drill results, geological mapping and prospecting, a 182 line-km airborne magnetometer survey, and rock, soil and stream sediment sampling. The results of these programs were considered highly encouraging, in consequence of which early in 2019 the Company again expanded the Golden Lion Property size with the staking of an additional 3,571.91 hectares. At almost 5,100 hectares, the Golden Lion Property is now about triple the size it was in May 2017.

Exploration by the Company has to date focused entirely on the southern tenures (~1,527.61 ha) of the current 5,099.52 total area of the Golden Lion Property. A total of 375 soil and 155 rock samples have been collected to date by the Company on the Golden Lion Property. All of the soil samples were collected from the GL2 and GL3 Target Areas, and 117 of the total 155 rock samples. The remaining 38 rock samples were collected at the GL1 Target Area, which had previously seen extensive soil sampling by Newmont (1982) and 105 samples by C.J. Greig & Associates (2013).

The exploration programs carried out by other historical operators within the area of the current Golden Lion Property boundary are documented in "*Material Properties – Golden Lion Property – History*" of this Prospectus.

A site visit to the Golden Lion Property was carried out by the Qualified Person on May 11, 2019, at which time the GL1 Zone 3 area was examined. The GL2 and GL3 areas were inaccessible due to snow and avalanche risk.

2017 Exploration

The Company's field activities in 2017 consisted of 1) prospecting and rock sampling carried out over the GL1 Target Area and GL1 Zone 2 in particular, and 2) an airborne magnetometer survey that was flown over the entire area of the Golden Lion Property as it then stood.

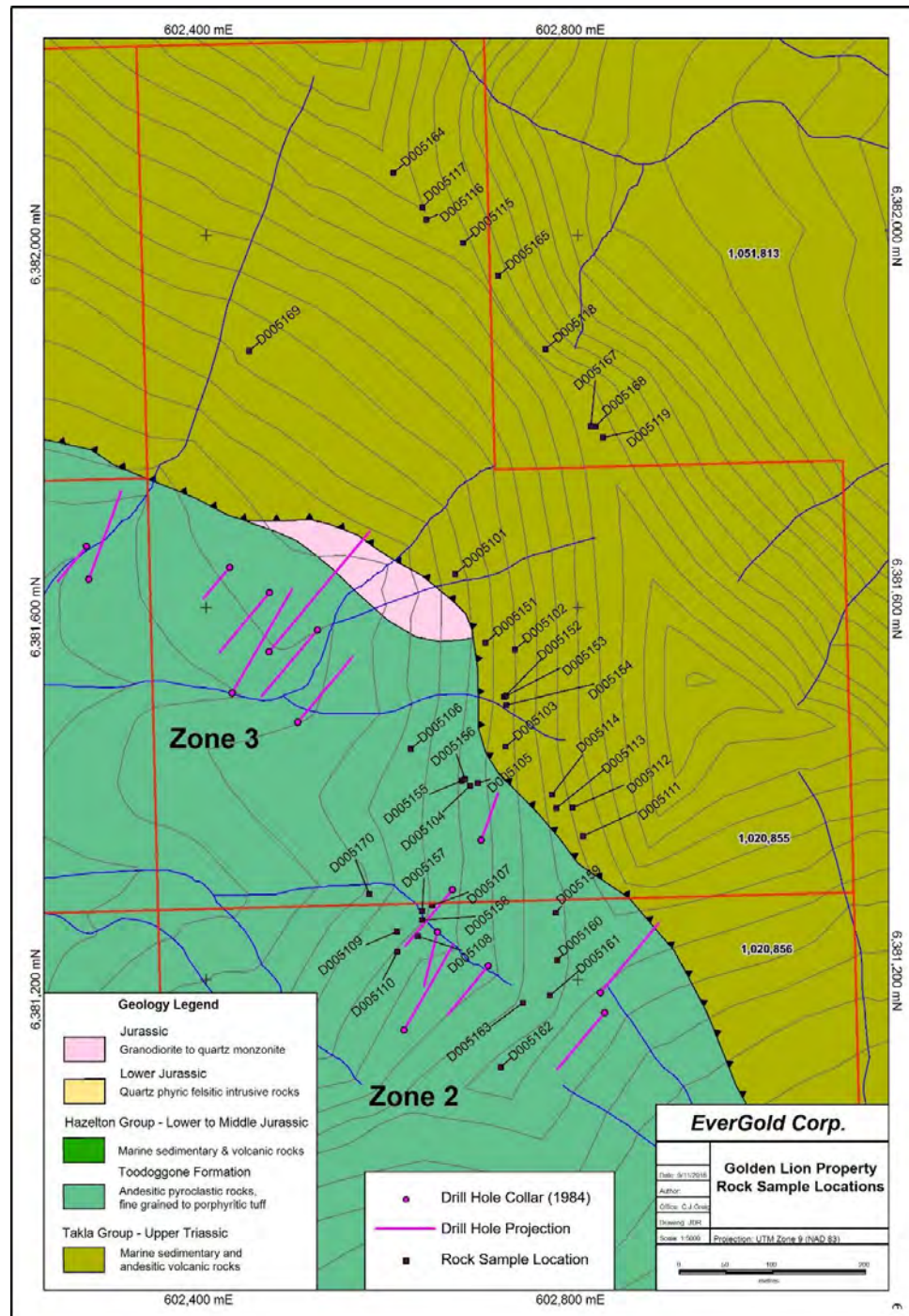
2017 Prospecting and Rock Sampling

In 2017, the focus of field work was prospecting and rock sampling in the GL1 Target Area, primarily in the GL1 Zone 2 showing area which encompasses a strong silver anomaly, as well as on talus slopes to the north of the silver anomaly and on the ridge top approximately 400 metres farther to the north (Figure 9.1). The area explored measured roughly 1,000 metres long by 200 metres wide, from which 38 rock samples were collected. Assays were performed by ALS Global Laboratories in North Vancouver, B.C. for analysis of gold (code Au-AA26) and a suite of 33 additional elements (code ME-ICP61). The objective of the prospecting and sampling was to determine the style, distribution, mineral assemblages and grades of mineralization in the area of the known GL1 Target Area showings and to explore for in situ mineralization upslope from the soil geochemical anomalies.

Rock samples typically consisted of grab chips from float or outcrop that generally contained veins or rusty gossanous material, commonly with sulphide minerals, within volcanic host rocks.

The results from analyses of the rock samples were very encouraging. Significant silver and, locally, gold mineralization was encountered in 55% (21 of 38) of the samples, of which most were collected from silicified and/or quartz±carbonate veined, base metal sulphide-bearing material.

The rock geochemistry suggests that there are distinctly zoned styles of mineralization, which concurs with the work of Visagie (1983), who describes differing styles of mineralization between the zones that comprise the outcrop expressions of the showings. Golden Lion Table 7, below, shows a correlation matrix of several elements that were analyzed in the 2017 rock samples. The element correlations appear to identify two different mineralogical associations; one consists of Au-Zn-Pb-S, while the other consists of Ag-As-Sb-Cu-Mo-Pb-K.



Golden Lion Figure 27: GL1 Target Area, Zones 2 and 3, 2017 rock sample locations on geology, with 1984 Newmont drill hole locations, GL1 Target Area (J. Rowe, 2018)

Golden Lion Table 7: Correlation Matrix for 2017 Rock Sample Results (J. Rowe, 2018)

	Au	Ag	As	Bi	Cu	Fe	K	Mo	Pb	S	Sb	Zn
Au	1.00											
Ag	-0.07	1.00										
As	-0.13	0.71	1.00									
Bi	-0.08	-0.14	0.01	1.00								
Cu	-0.01	0.30	0.23	0.68	1.00							
Fe	0.02	-0.24	0.03	0.08	-0.12	1.00						
K	-0.11	0.33	0.39	-0.15	-0.06	-0.25	1.00					
Mo	-0.01	0.46	0.29	-0.06	0.20	-0.20	-0.05	1.00				
Pb	0.54	0.15	0.13	-0.13	0.07	-0.12	-0.10	0.64	1.00			
S	0.57	0.00	0.13	-0.05	-0.06	0.41	-0.16	0.21	0.52	1.00		
Sb	0.04	0.46	0.47	-0.15	0.11	-0.32	0.13	0.83	0.63	0.17	1.00	
Zn	0.76	0.05	-0.05	-0.12	-0.06	0.10	-0.02	0.08	0.49	0.70	0.10	1.00

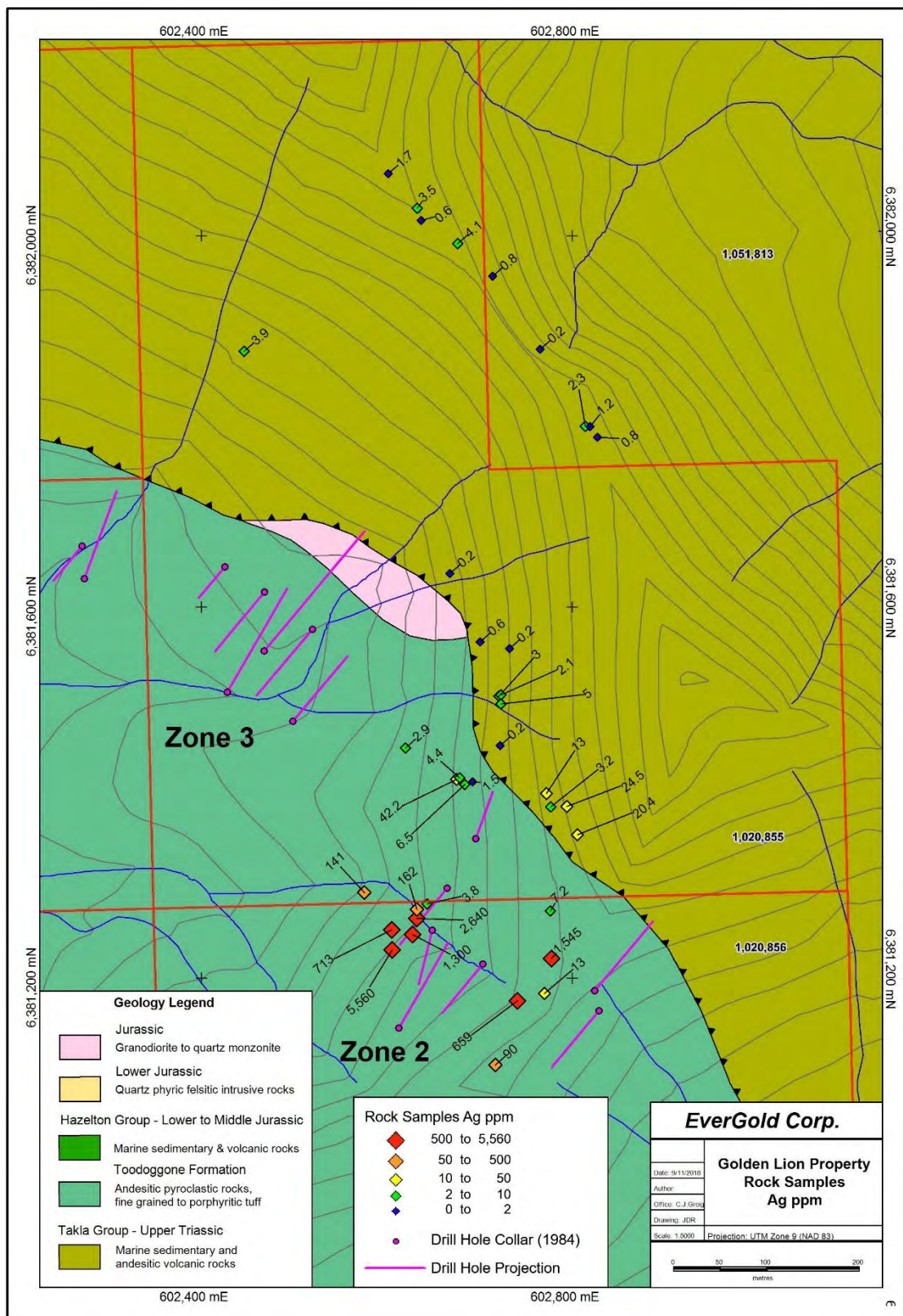
Anomalous Ag is commonly associated with the highest Au values, but there are a number of very high Ag values that do not have associated anomalous Au, and these Ag-bearing rocks often have elevated levels of Ba, Cu, Pb and lesser Zn. As well, they commonly contain geochemically anomalous As, Sb and Mo values. The differences in mineralogy may be due to different mineralizing events or hydrothermal pulses, or possibly zonation extending outward from a heat source. The higher K values associated with Ag mineralization may be indicative of potassic alteration. Historically, the highest Au values have been found in GL1 Zone 3 showings and highest Ag values in GL1 Zone 2.

Rock sample analytical results for Ag, Au, Pb and Zn are shown on Figures 9.2 through 9.5. Values are plotted in ppm and coloured diamonds of increasing sizes depict weakly to strongly anomalous results. Golden Lion Figure 28 illustrates Ag values for the rock samples. Six samples in the GL1 Zone 2 area returned greater than 500 g/t Ag, with a high of 5560 g/t. The samples consisted primarily of quartz +/- calcite veins containing galena, pyrite, minor chalcopyrite and malachite, local sphalerite and possible linarite (Pb-Cu sulfate that resembles azurite). Perhaps more significant, are 3 samples located 180 metres upslope to the northeast of GL1 Zone 2 that returned 13.0 to 24.5 g/t Ag. These were from similar sulphide-bearing quartz +/- calcite veins, but may be hosted by the older Stuhini Group rocks in the hangingwall of the thrust fault. Vein measurements in this area are striking 110 to 115 degrees. These samples are located 80 to 140 metres southeast of an area that returned anomalous Au values with moderate Ag, and may be along the southeast extension of GL1 Zone 3 mineralization. Weakly anomalous Ag values of 2.3 to 4.1 g/t were returned from three samples collected along the ridge in the north part of the sampled area, within Stuhini Group rocks. These samples are described as gossanous-weathering rocks cut by 1 to 2 cm wide quartz veins containing pyrite, chalcopyrite and malachite. Vein measurements along the ridge are striking approximately 100 degrees.

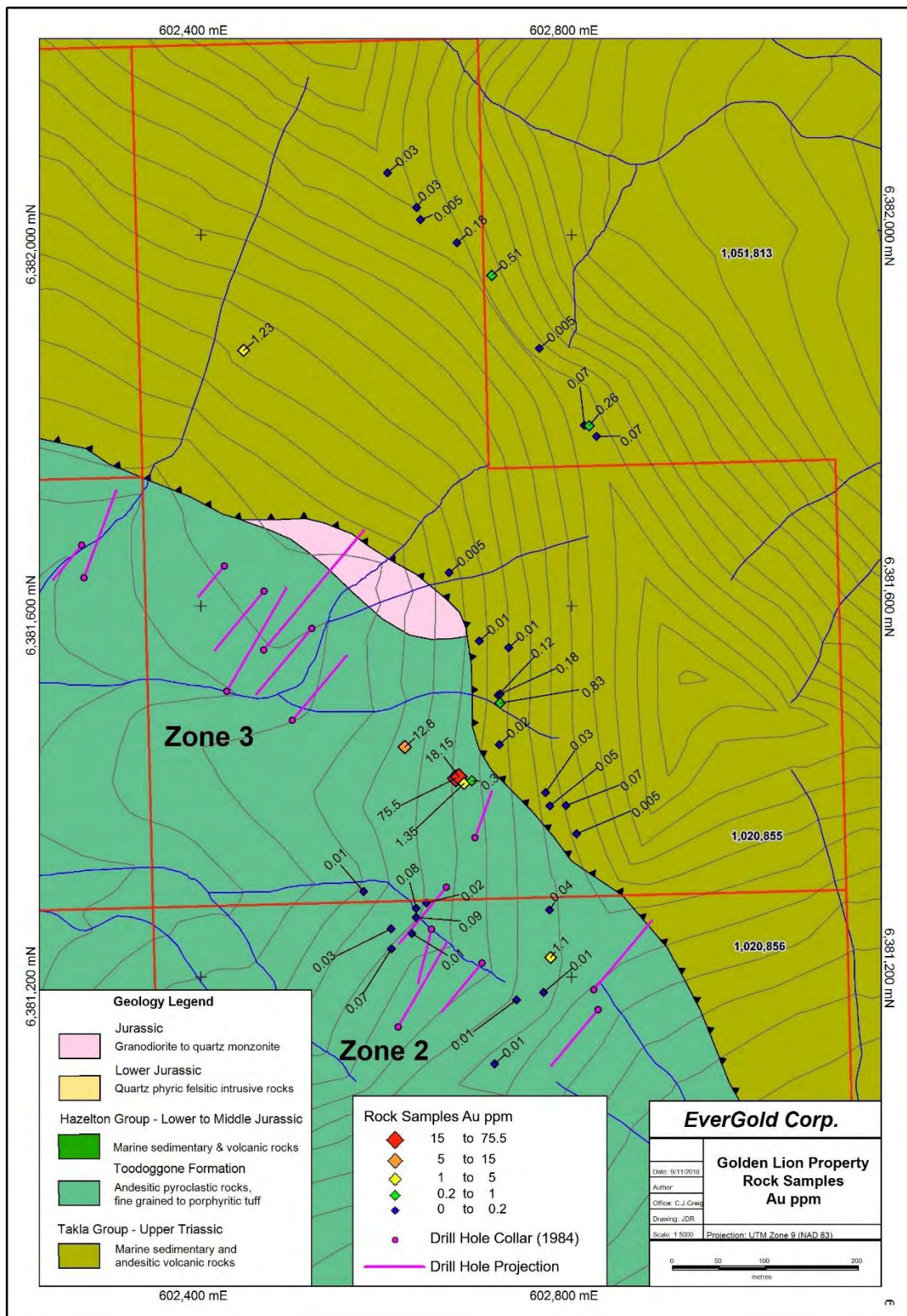
Golden Lion Figure 29 illustrates Au values for the rock samples. Two of the samples 150 metres north of the GL1 Zone 2 area returned strongly anomalous values of 18.15 and 75.5 g/t Au, accompanied by nearby moderately anomalous Au values. The samples are described as 1 cm to >25 cm quartz veins, some with barite or calcite, containing several percent galena, sphalerite and up to 1% chalcopyrite. The samples in

this area may be from the southeast extension of GL1 Zone 3. Samples collected from GL1 Zone 2 area generally returned low Au values (<0.1 g/t Au) even though Ag values from several of these samples were very high ($>5,000$ g/t Ag). Weakly to moderately anomalous Au values from samples collected along the ridge and slope north of the main mineral zones range from 0.26 to 1.23 g/t Au. These were described as 1 to 4 cm wide quartz veins containing small amounts of pyrite, galena, sphalerite and some chalcopyrite. These anomalous samples indicate the potential for new zones of mineralized veins, several hundred metres north of, and possibly parallel to, the east-southeast trending GL1 Zones 2 and 3.

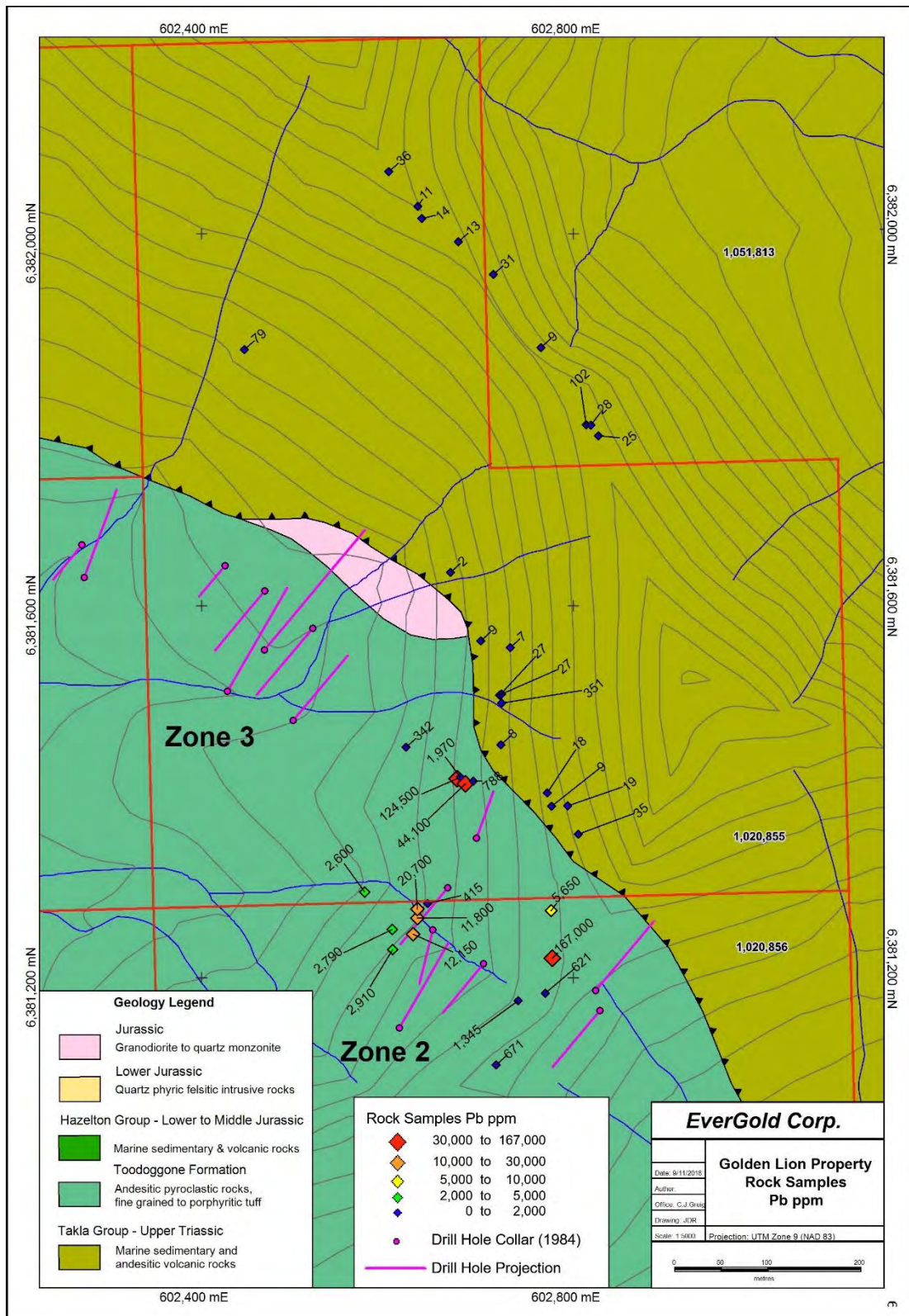
Golden Lion Figures 30 and 31 illustrate Pb and Zn values for the rock samples. The highest Pb and Zn values, of greater than 3% ($>30,000$ ppm), coincide with the highest Au values, located 150 metres north of GL1 Zone 2. These were collected from narrow quartz veins with intergrown barite or calcite with several percent galena, sphalerite and lesser chalcopyrite hosted by rusty weathering dark green volcanic rocks. Strongly anomalous Ag samples collected in the GL1 Zone 2 area typically have associated moderately to strongly anomalous Pb values, ranging from 2,790 to 167,000 ppm, and anomalous Cu values, but generally low Zn, with values predominantly $<1,000$ ppm.



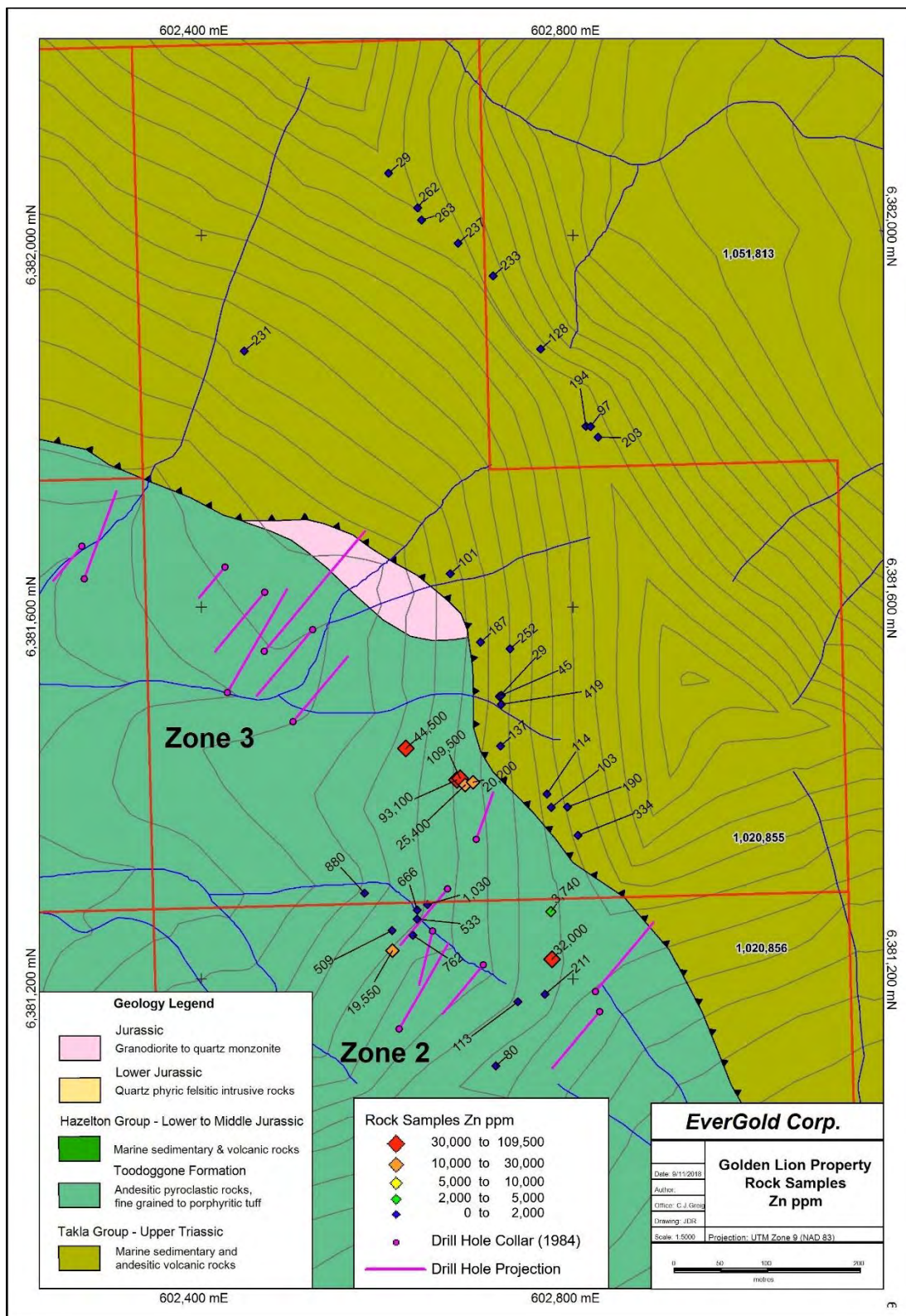
Golden Lion Figure 28: 2017 rock sample values for silver, on geology, with 1984 Newmont drill hole locations, GL1 Target Area (J. Rowe, 2018)



Golden Lion Figure 29: 2017 rock sample values for gold, on geology, with 1984 Newmont drill hole locations, GL1 Target Area (J. Rowe, 2018)



Golden Lion Figure 30: GL1 Target Area, 2017 rock sample values for lead, on geology, with 1984 Newmont drill hole locations (J. Rowe, 2018)



Golden Lion Figure 31: 2017 rock sample values for zinc, on geology, with 1984 Newmont drill hole locations, GL1 Target Area (J. Rowe, 2018)

2017 Airborne Magnetometer Survey

From September 2 to 6, 2017, Peter E. Walcott & Associates Limited undertook a 182 line-km airborne magnetic surveying over the entire Golden Lion Property area. The surveying was carried out on 50 east-west flight lines with 8 orthogonal north-south tie lines. The spacing for the flight lines and tie lines was 100 meters and 500 meters respectively.

The results of the airborne magnetic survey show a dominant north-northwesterly magnetic fabric. This dominant fabric is cross cut by a series of northwesterly structures (Golden Lion Figure 32).

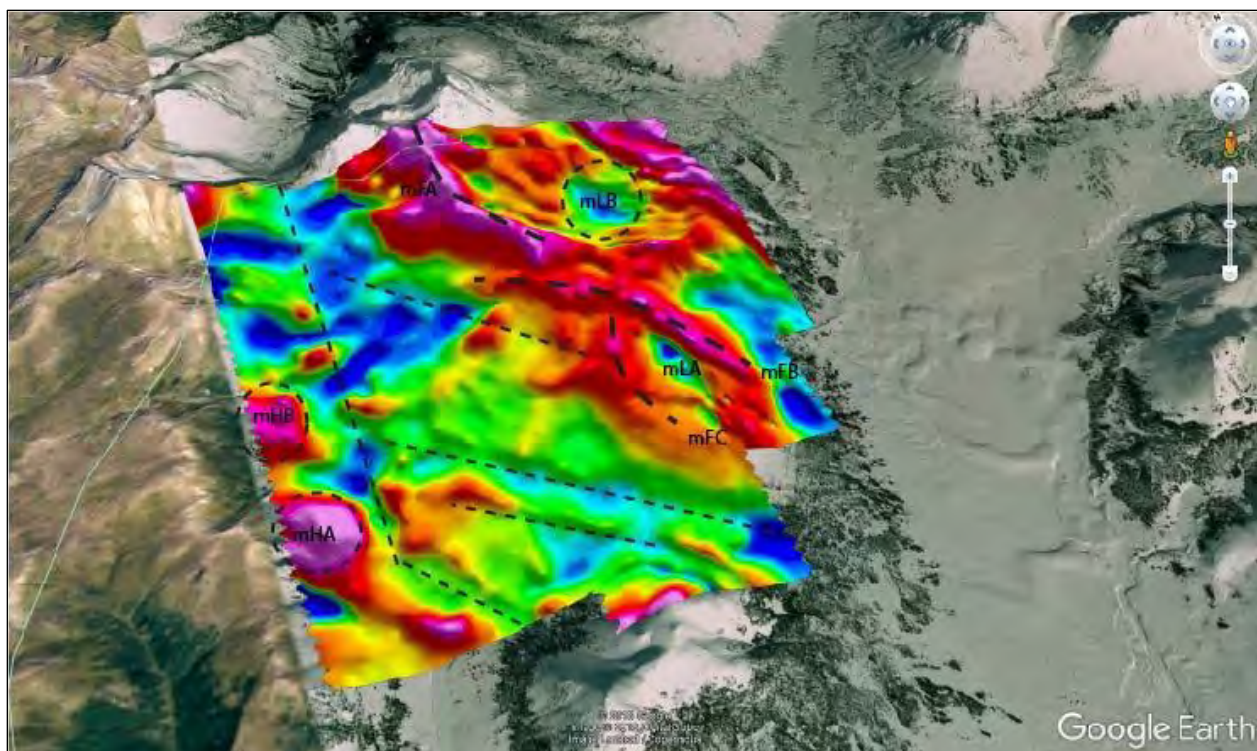
In the western part of the survey area, several discrete magnetic features are clear within a north-south corridor that tracks the valley bottom. These discrete features are likely the results of a magnetic unit bisected by the aforementioned northwest trending structures.

In the southwest corner of the survey two discrete features (mHA & mHB) with elevated magnetic signatures are readily apparent. These two magnetic highs are located within a stock of quartz phyric felsic intrusive rocks.

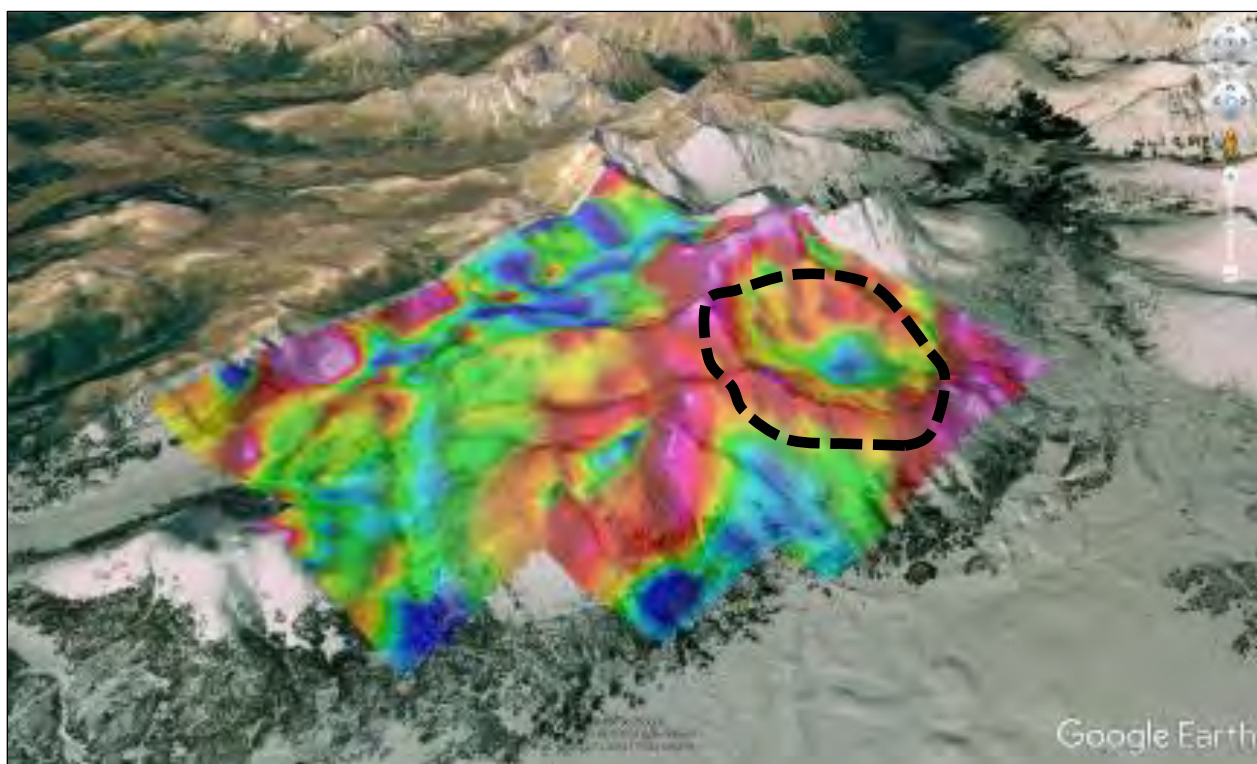
In the central part of the survey area the dominant magnetic high in the north appears to track the north-northwest trending ridgeline (mFA) underlain by andesitic volcanic and sedimentary rocks. This feature is interrupted in the central portion where a secondary arcuate feature (mFB) cross cuts it at an oblique angle. This second feature (mFB) crosses terrain, partially coinciding with a northwest trending thrust fault and may be of potential interest, as its northwest extent is proximal to known mineralization.

A discrete magnetic low (mLA) is observed on the ridge in the southeast portion of the survey. This feature is flanked by two magnetic highs that may be of interest. The northern end of the arcuate magnetic high on the west (mFC) is associated with mineralization near its intersection with feature mFB.

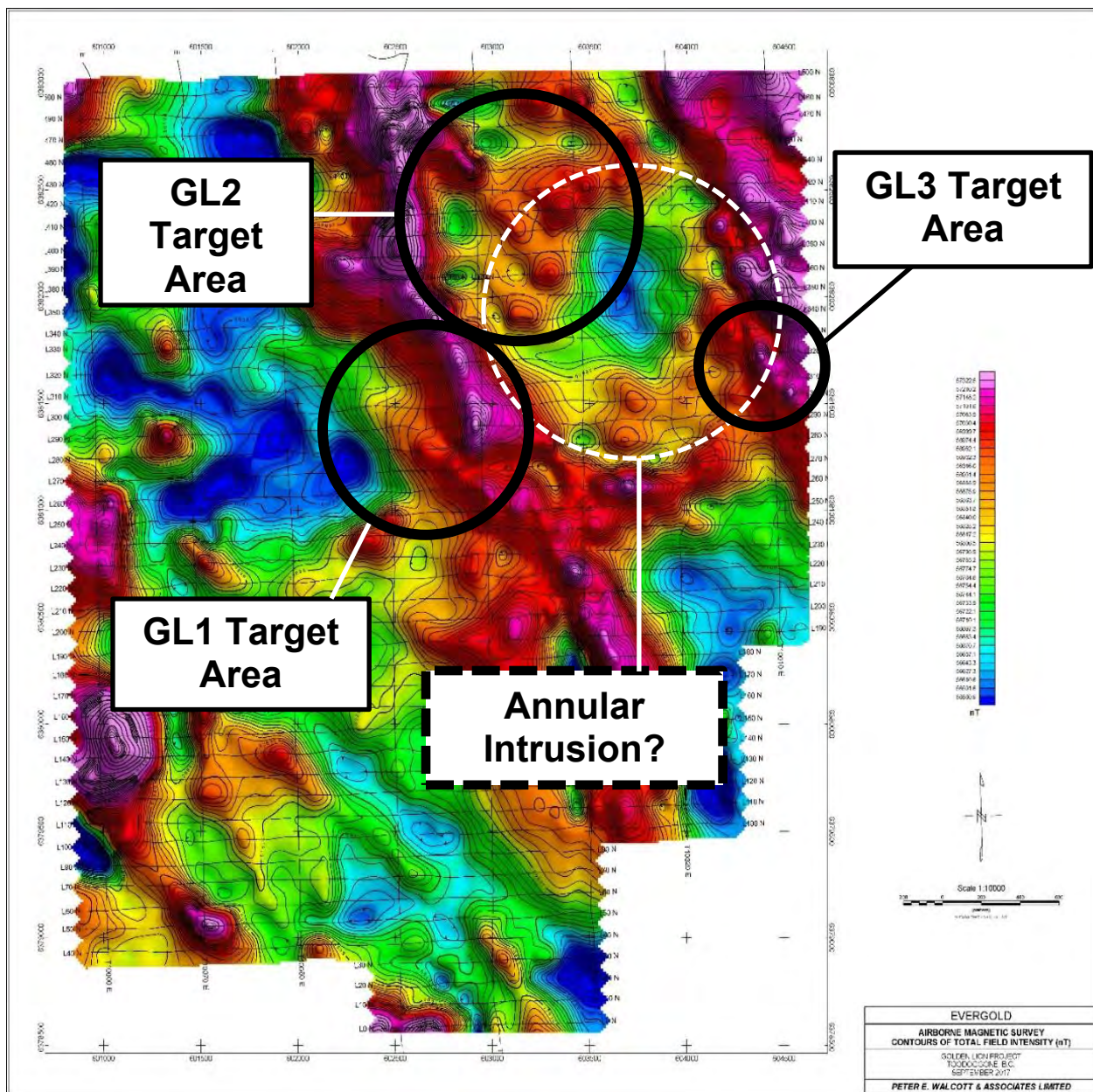
A second discrete magnetic low (mLB) is readily apparent in the northeast corner of the survey area associated with a topographic depression. A small granitic stock is mapped partly coincident with this magnetic low.



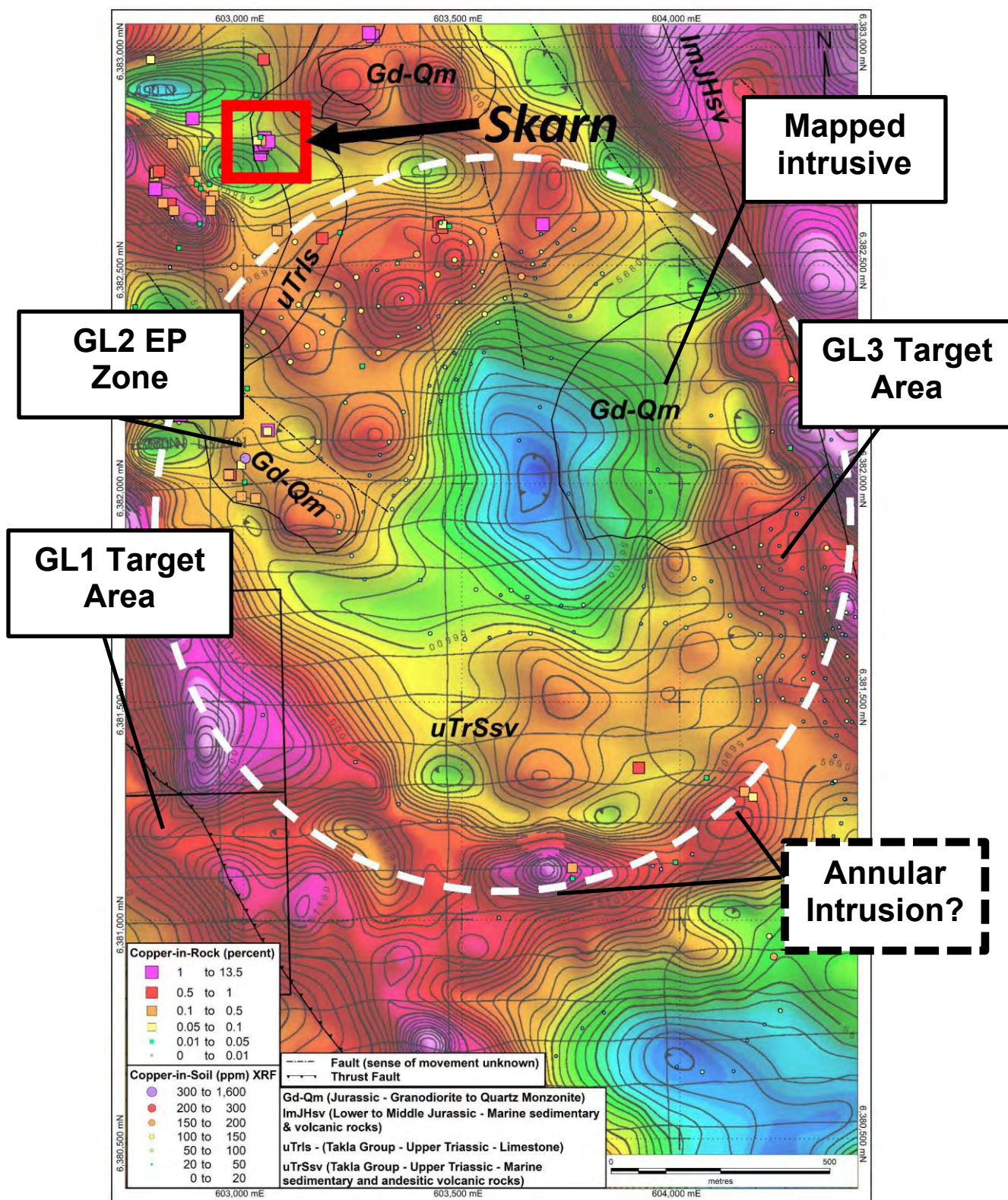
Golden Lion Figure 32: Viewed northeast, Total Magnetic Intensity of the southern part of the Golden Lion Property, draped over terrain (A. Walcott, 2017)



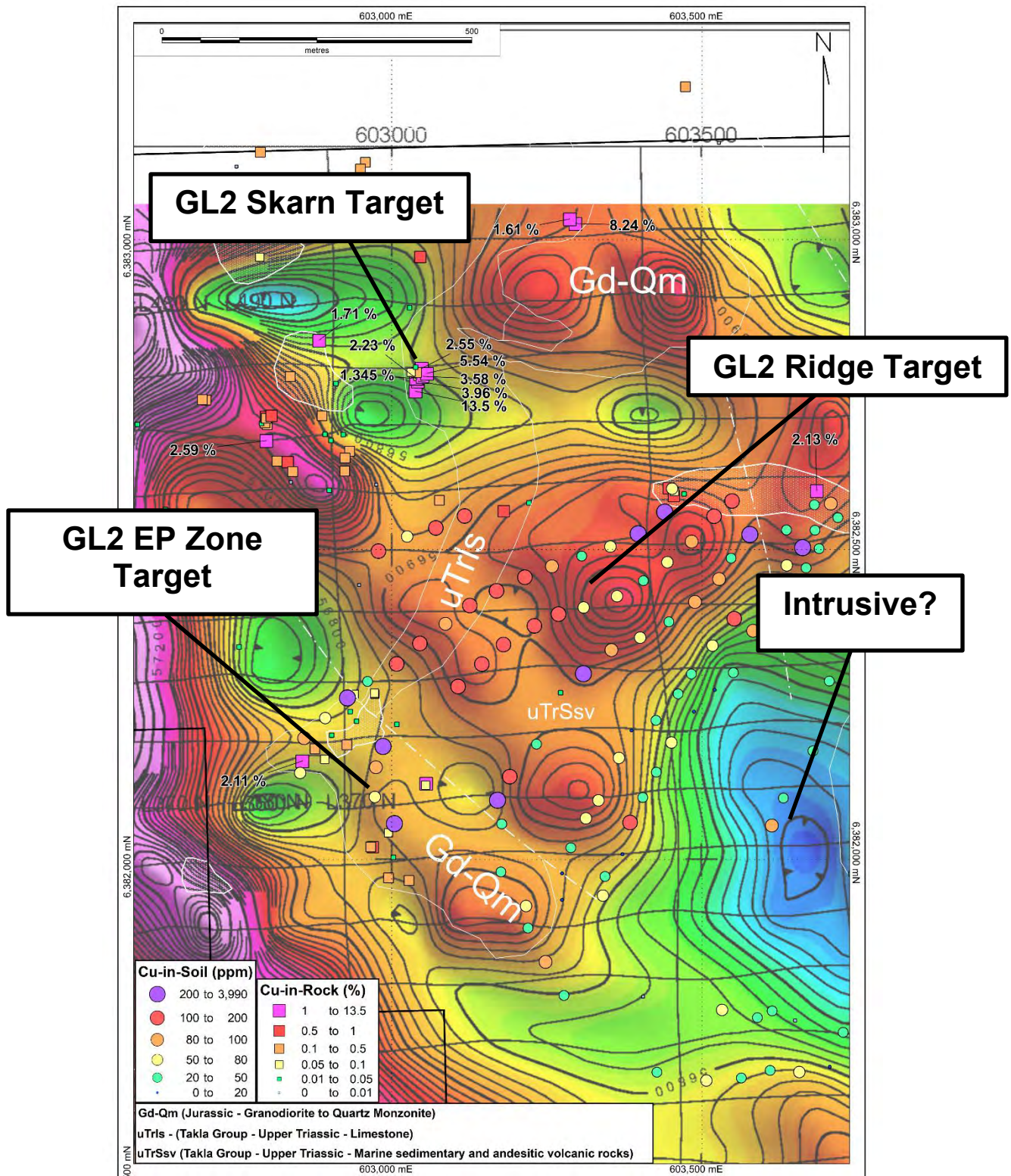
Golden Lion Figure 33: Viewed northwest, Total Magnetic Intensity of the southern part of the Golden Lion Property, draped over terrain (A. Walcott, 2017)



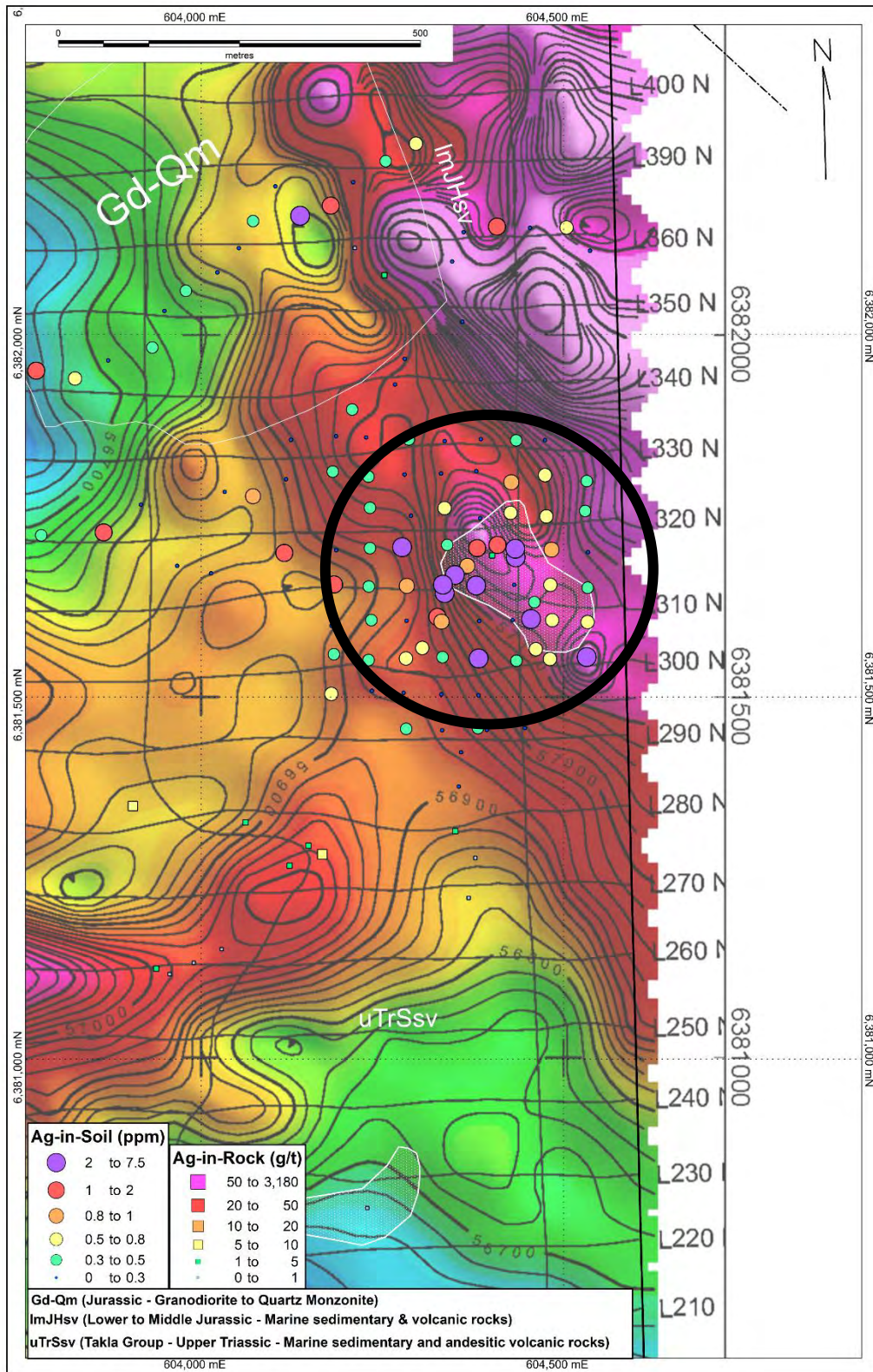
Golden Lion Figure 34: Total Magnetic Intensity over the southern tenures of the Golden Lion Property, showing GL1, GL2, and GL3 Target Areas, and location of potential annual intrusion (after A. Walcott, 2017)



Golden Lion Figure 35: Total Magnetic Intensity, GL2 and GL3 Target Areas (A. Albano, 2019)



Golden Lion Figure 36: Total Magnetic Intensity – GL2 Skarn, GL2 Ridge and GL2 EP Zone targets, with values of copper-in-soils & rocks (A. Albano, 2019)



Golden Lion Figure 37: Total Magnetic Intensity – GL3 Target Area, with values of silver-in-soils & rocks
 (A. Albano, 2019)

2018 Exploration

Two separate exploration programs were conducted on the Golden Lion Property in 2018 for a total of 7 field days. The first exploration program consisted of rock, soil and stream sediment sampling from June 24th - June 27th by a single project geologist, two field geologists and three junior geologists. The second program consisted of follow-up exploration with geological reconnaissance, rock, soil and stream sediment sampling from August 17th – August 19th by one project geologist, one junior geologist and two prospectors (Bjorkman Prospecting).

2018 Rock Sampling

A total of 117 rock samples were collected from the Golden Lion Property in 2018. Rock samples typically consisted of grab chips from float or outcrop generally containing veins or rusty gossanous material, commonly with sulphide minerals, within volcanic and limestone host rocks. For each sample the geological details were described, including host rock type, any alteration observed, sulphide minerals recognized, style of mineralization, structure types and orientations, as well as comments providing more detailed information.

The 2018 rock sampling program returned very encouraging results (see Golden Lion Figures 38 to 42, below, and Golden Lion Tables 5 and 6, above), from a new area now designated the GL2 Target Area, which extends across the property tenures northeast of the historically drilled GL1 Target Area. The GL2 Target Area covers approximately 1 km by 1 km and is defined by strongly anomalous copper (up to 13.5 %), gold (up to 18.4 g/t), silver (up to 3,180 g/t), zinc (up to 5.3%) and lead (up to 1.9%), including sporadic, but strongly anomalous values for molybdenum (up to 527 ppm).

Numerous samples from the GL2 Target Area returned moderate to strongly anomalous values for copper (0.1 to 13.5%). A subset of 24 samples returned greater than 0.5% Cu, to a high of 13.5% Cu in sample no. GLAA18-036R (Golden Lion Photo 16, below). Of particular note, a newly-identified 15 x 15 metre exposure of skarned limestone (the “GL2 Skarn”) was located and sampled in a glacial bowl. Seven of these samples, tabulated in Golden Lion Table 5, above, returned greater than 2% Cu. The outcropping skarn hosts multiple 10 to 75 cm wide quartz-carbonate veins characterized by a sulphide assemblage of semi-massive to massive chalcopyrite and pyrite along with strong secondary malachite, iron and manganese oxide staining.

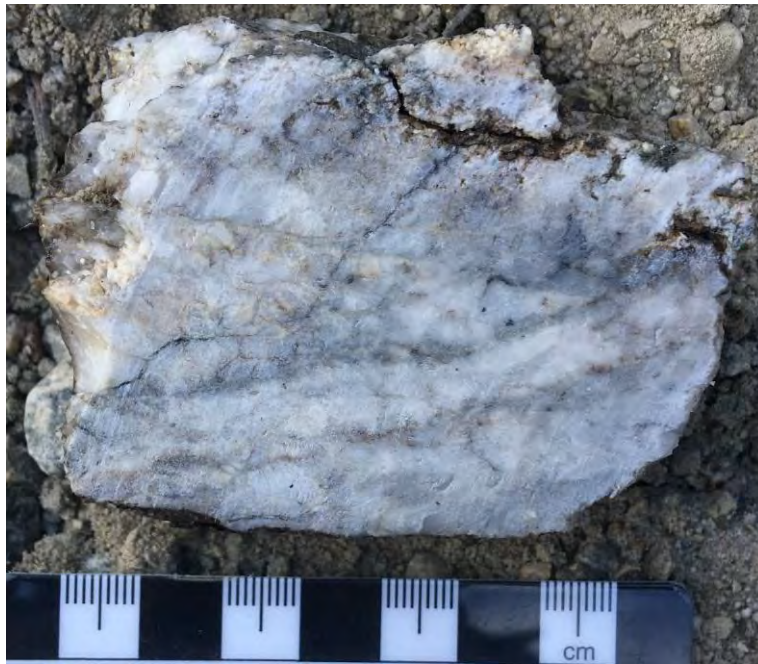
Moderately anomalous values for gold (0.101 to 0.965 g/t) are widespread over the GL2 Target Area, locally complemented by strongly to very strongly anomalous results (i.e. 1.44 to 18.4 g/t Au). Of particular note, sample no. GLVB18-31R (Golden Lion Photo 15, next page), collected from a 15 cm wide quartz-carbonate epithermal-style vein containing 2% galena and trace chalcopyrite, returned 18.4 g/t Au accompanied by 3,180 g/t Ag. This sample was gathered from a site several hundred metres southwest of the GL2 Skarn, on the other side of an intervening ridge – the “GL2 Ridge” – which the 2018 sampling also demonstrates carries a strong multi-element anomaly in soils and outcrop. Several rock samples collected from the area surrounding GLVB18-31R (now known as the “**EP Zone**”) returned moderate to strongly anomalous values for gold (0.617 to 1.44 g/t Au).

Approximately 600 metres north of the site of GLVB18-31R, rock sample GLAA18-31R, collected from a 3-5 cm thick quartz-calcite vein containing fine grained chalcopyrite hosted within a propylitically altered mafic volcanic rock, returned 5.22 g/t Au.

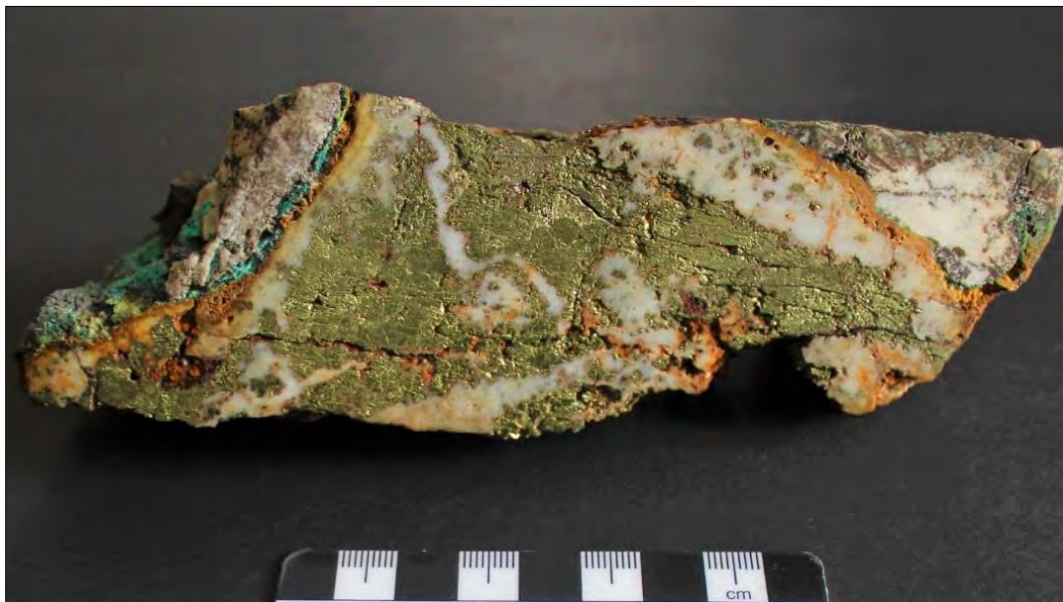
Eleven rock samples collected in 2018 returned greater than 20 g/t Ag, including the previously discussed high of 3,180 g/t Ag in sample GLVB18-31R. These samples were mostly collected from sulphide rich

quartz and barite veins. Rock samples from the GL2 Skarn also consistently returned strong silver values (22.1 to 122 g/t).

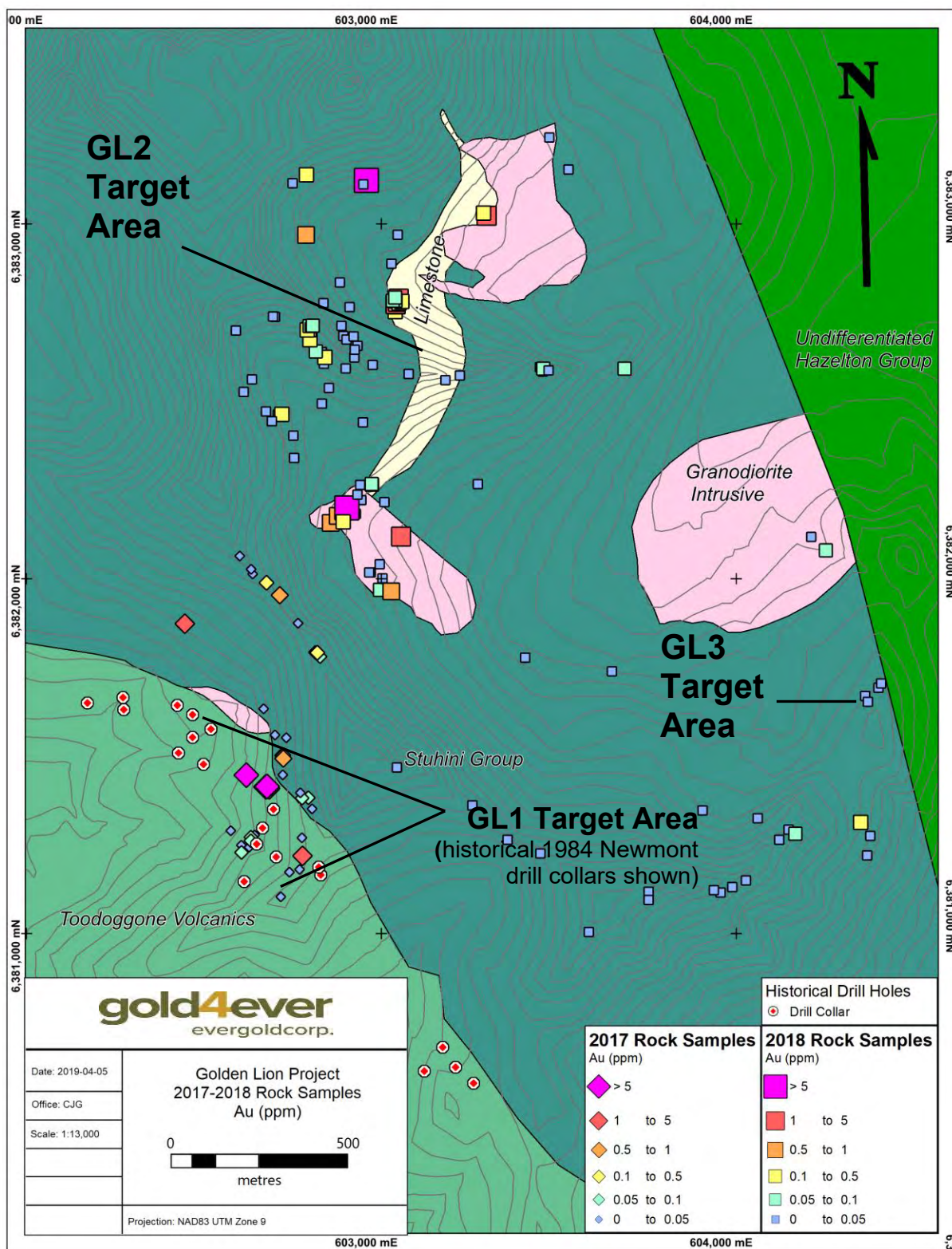
Moderately to strongly anomalous values for lead are sporadic, with a high of 2.4%. Strongly anomalous values for zinc are more widespread than lead, ranging from 0.226 to 3.33% with a high of 5.3%. Molybdenum results are generally low over the areas sampled in 2018. However, several strong but sporadic values (215 to 527 ppm Mo) were returned.



Golden Lion Photo 15: GL2 Target Area, EP Zone epithermal mineralization no. GLVB18-31R – 18.4 g/t Au, 3,180 g/t Ag. For location of samples, see Golden Lion Figures 19 and 22 (A. Albano, 2019)

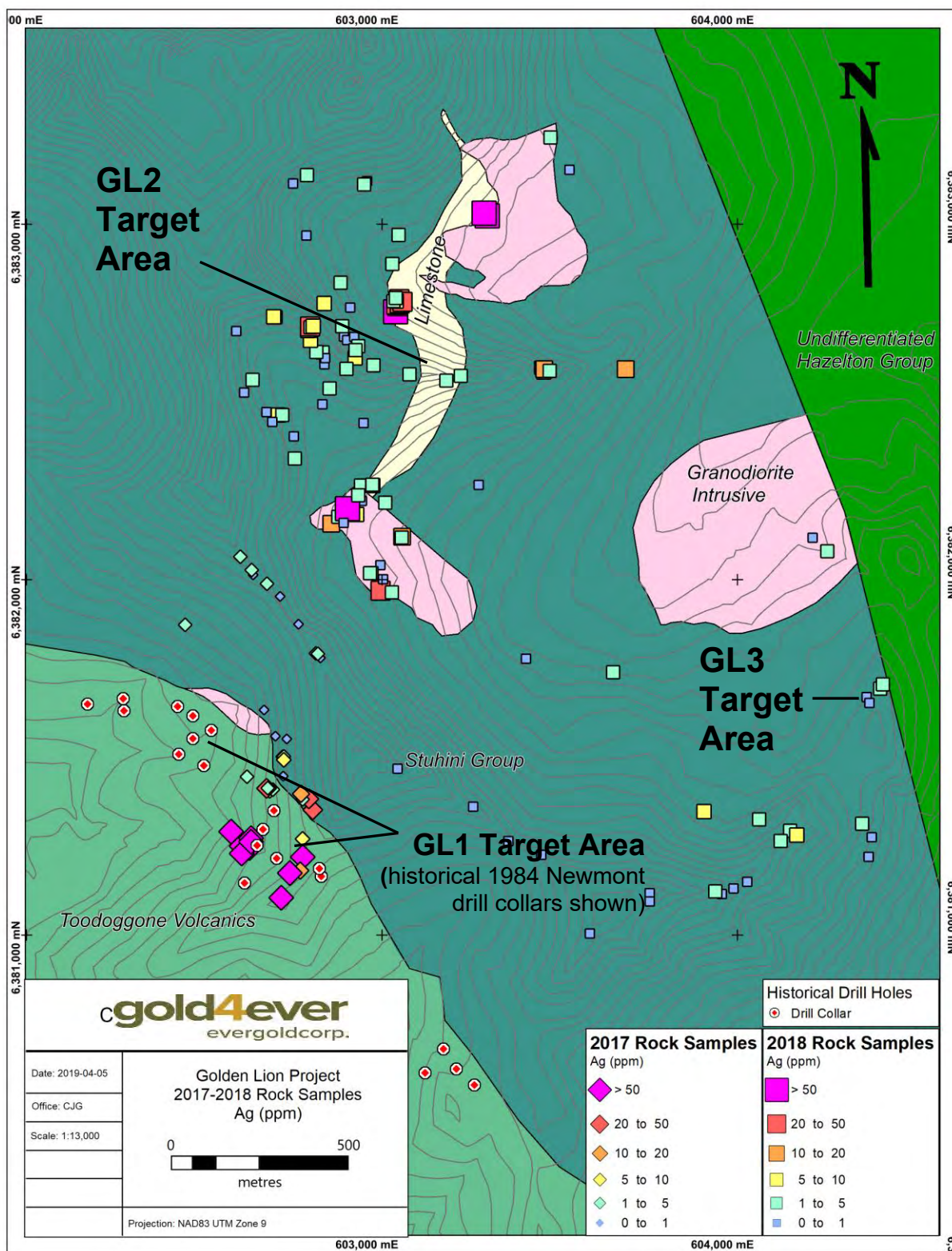


Golden Lion Photo 16: GL2 Target Area – 2018 high grade skarn mineralization sample no. GLAA18-036R; 13.5% Cu, 122 g/t Ag, 0.146 g/t Au (A. Albano, 2019)



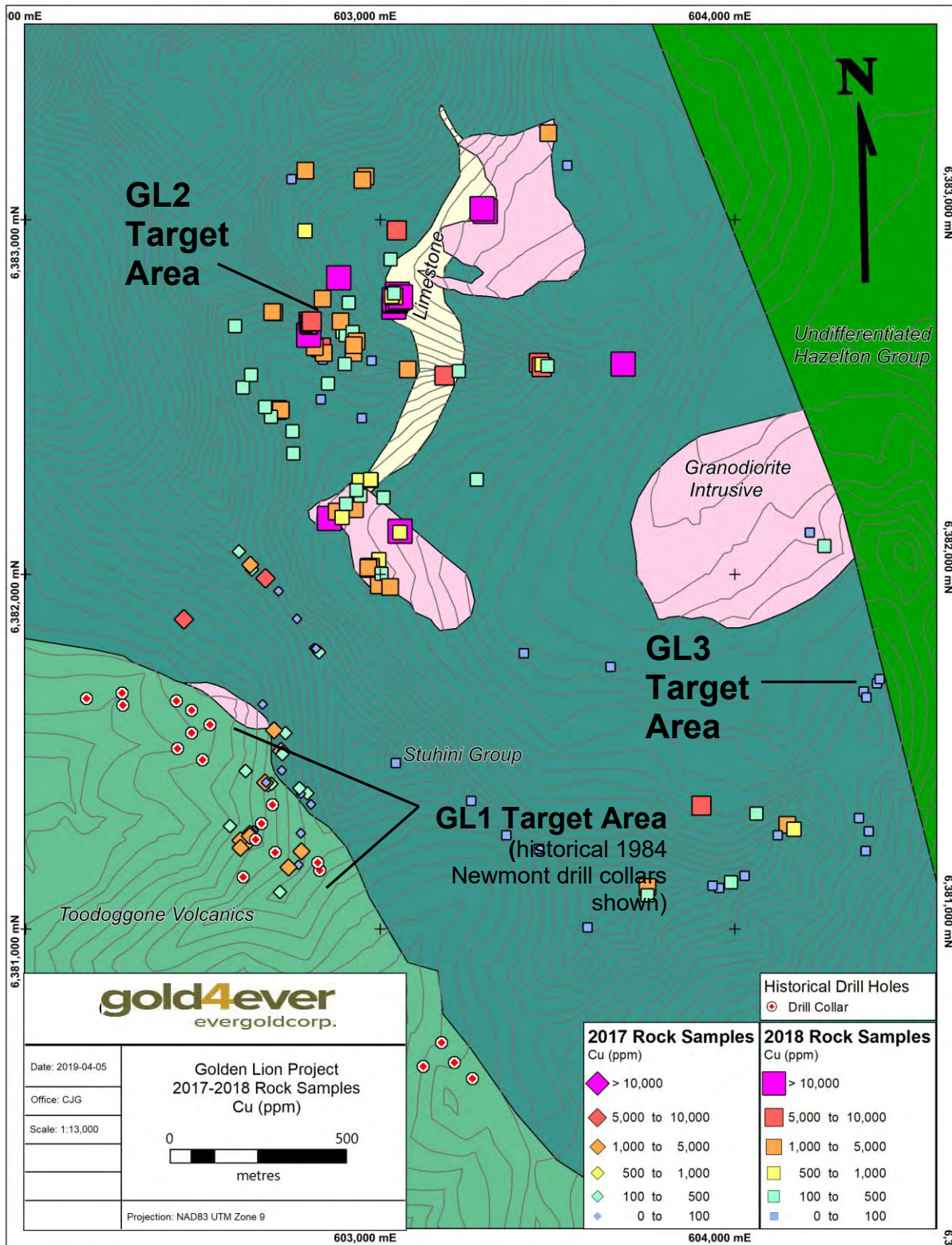
Golden Lion Figure 38: Gold-in-rock 2018 & 2017 rock sample Au assays on geology

(N. Prowse, 2019)

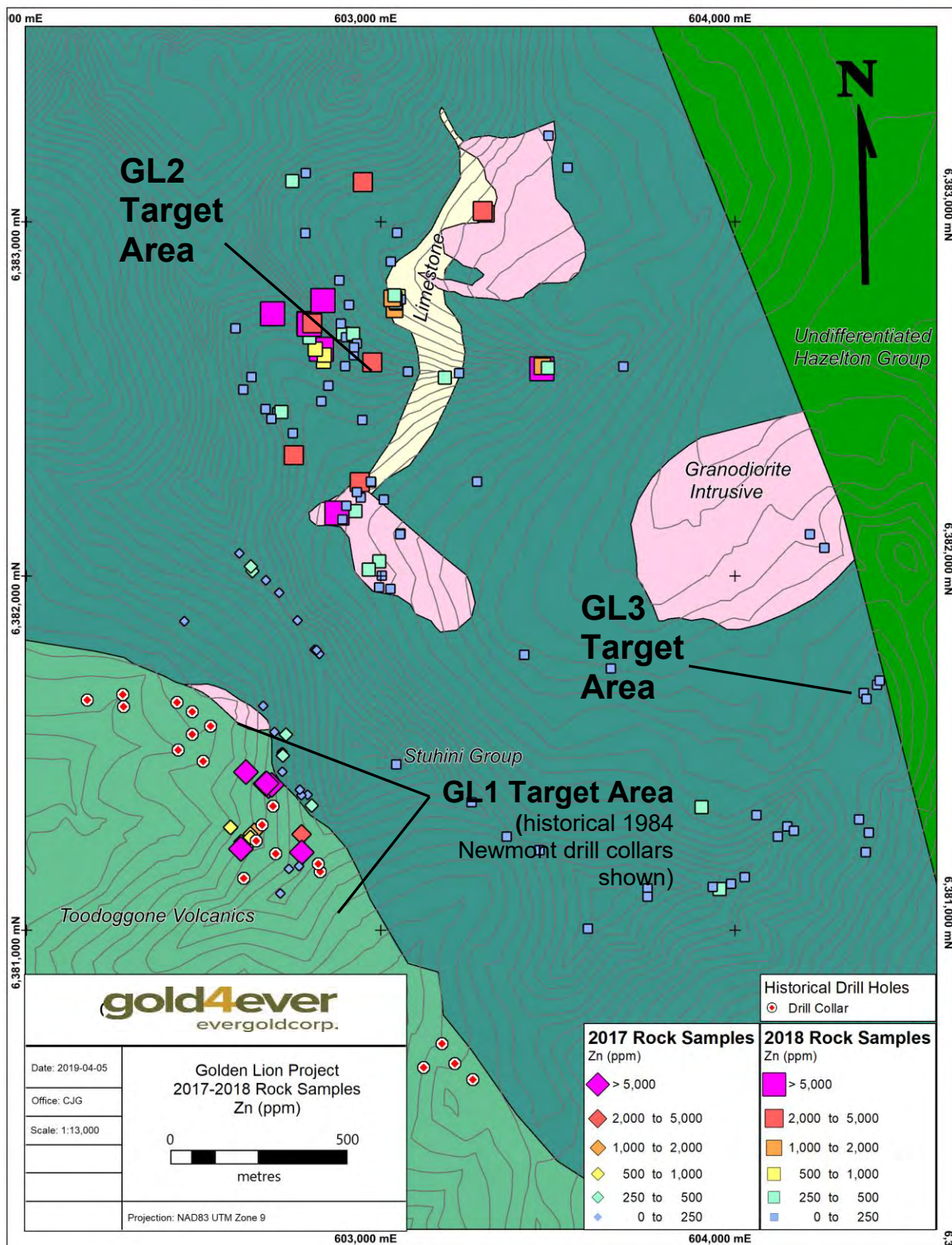


Golden Lion Figure 39: Silver-in-rock 2018 & 2017 rock sample Ag assays on geology

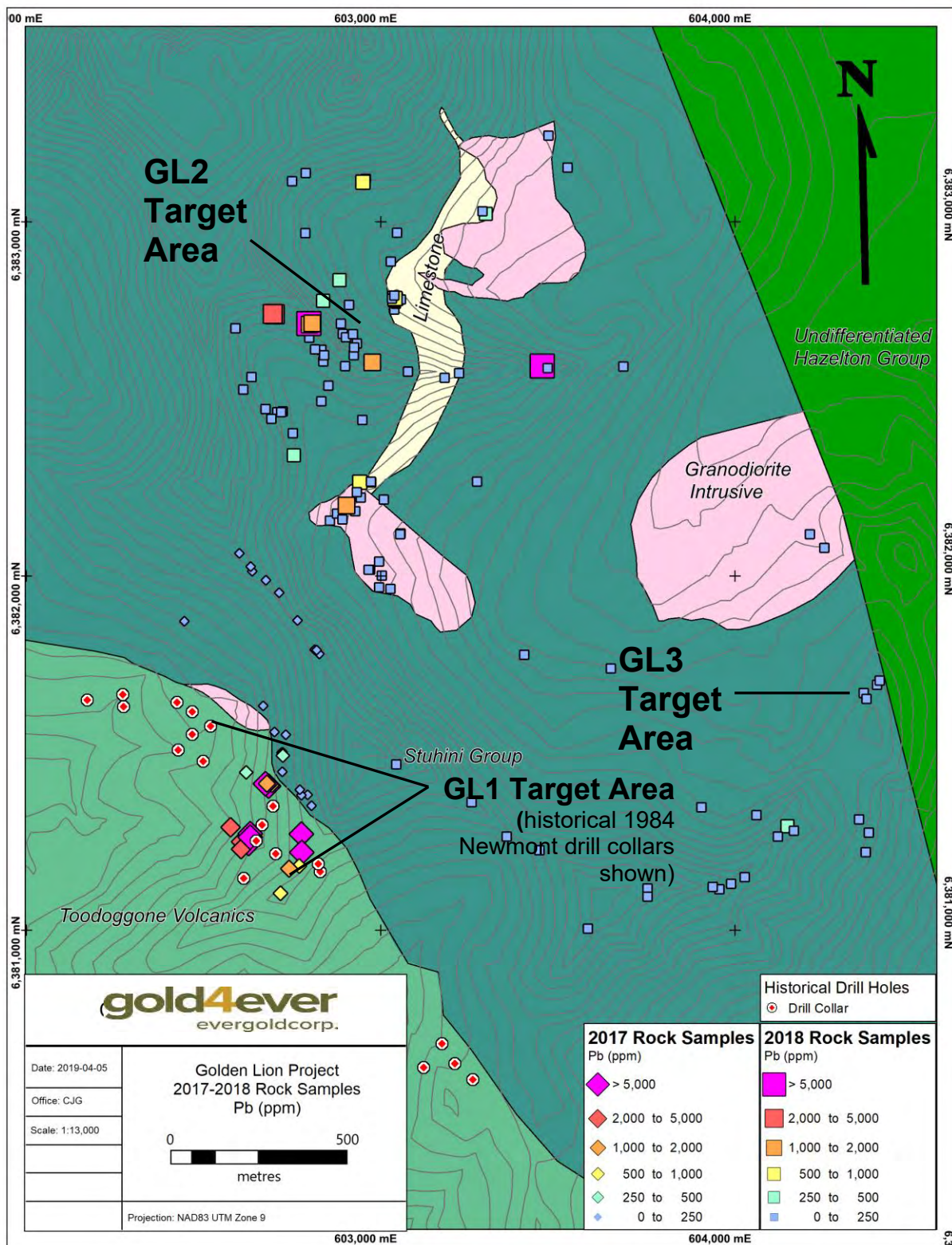
(N. Prowse, 2019)



Golden Lion Figure 40: Copper-in-rock 2018 & 2017 rock sample Cu assays on geology
(N. Prowse, 2019)



Golden Lion Figure 41: Zinc-in-rock 2018 & 2017 rock sample Zn assays on geology
(N. Prowse, 2019)



Golden Lion Figure 42: Lead-in-rock 2018 & 2017 rock sample Pb assays on geology
(N. Prowse, 2019)

2018 Soil Sampling

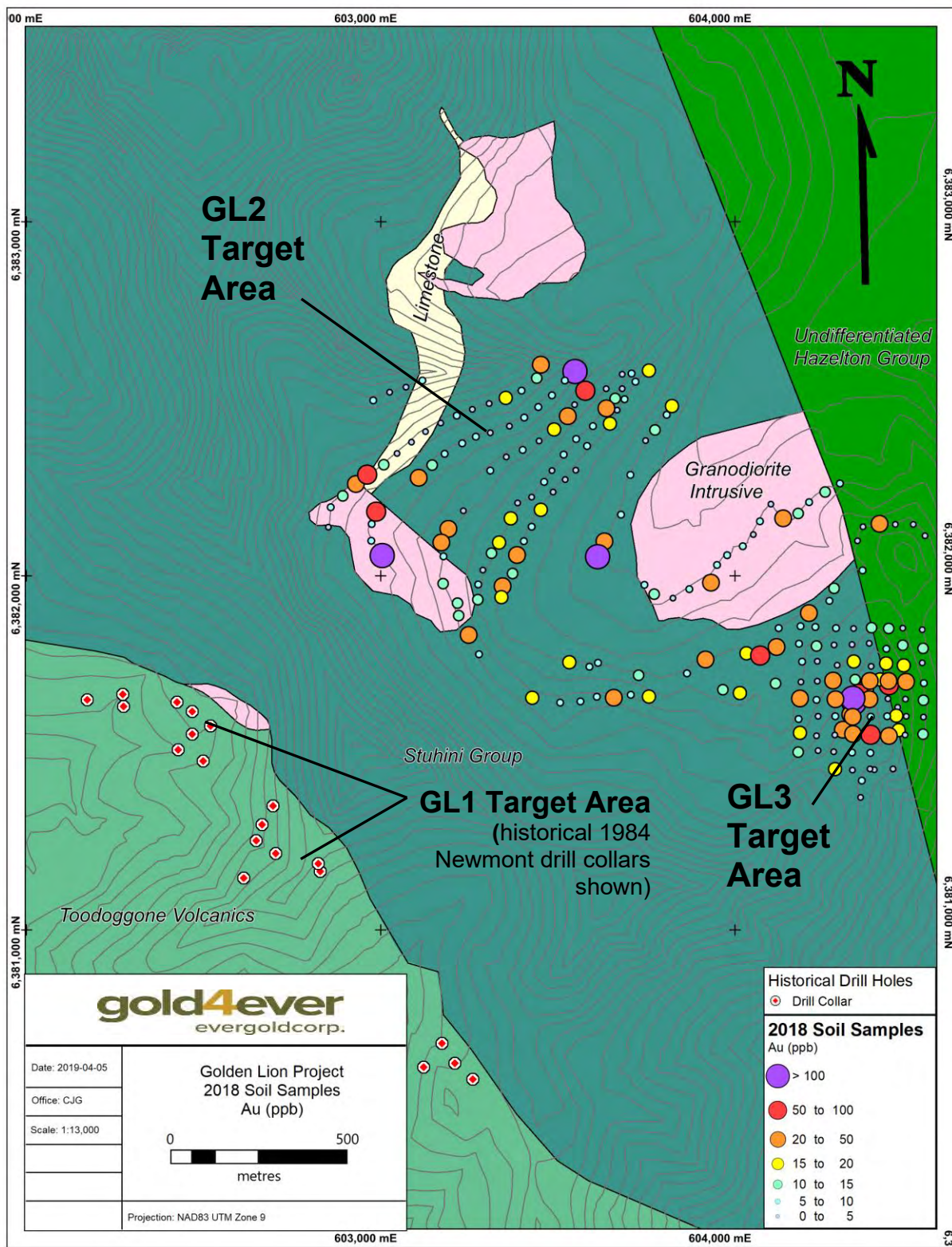
The 2018 soil sampling survey was designed to assess the mineral potential of areas east and northeast of the historical Golden Lion occurrence, drilled by Newmont in 1984 and now known as the “**GL1 Target Area**”. These new areas, now designated the “**GL2**” and “**GL3**” Target Areas, had seen limited historical work. Soil samples were collected over geology mapped as Lower to Middle Jurassic-aged andesitic pyroclastics and fine-grained to porphyritic tuff and marine sedimentary rocks, intruded by Lower Jurassic quartz-phyric felsitic and granodioritic to quartz monzonitic rocks. A total of 474 soil samples were collected in the field then transported to the Company’s exploration offices at C.J. Greig & Associates in Penticton, B.C., where they were screened using X-Ray Fluorescence (“**XRF**”) for copper, lead, zinc, molybdenum and arsenic, in order to select the best samples to be sent to the lab for analysis.

The **GL2 Target Area** is located approximately 1 km northeast of the GL1 Target Area. At the centre of the GL2 Target Area lies an east-west trending ridge (“**GL2 Ridge**”), trending to cliffs on its northern slopes but moderate on its south, with east-facing bowls on either side. In parts of both the northern and southern bowls, granodiorite to quartz monzonite bodies have intruded the Stuhini Group rocks. Cutting more or less north-south through the centre of the GL2 Ridge is a thick (>100 metre) unit of Stuhini Group limestone dipping moderately to the west. Sampling of soils in 2018 revealed a widespread, locally strong, multi-element geochemical anomaly overlying the crest of GL2 Ridge and its south-facing slopes (see Golden Lion Figures 43 to 50, below). Though some down-slope dispersion of values has likely occurred, this particular geochemical-topographical relationship, coupled with the multi-element character of the soil anomalies and associated local magnetic highs in the geophysical response, suggest a potential intrusive source – or sources - directly below.

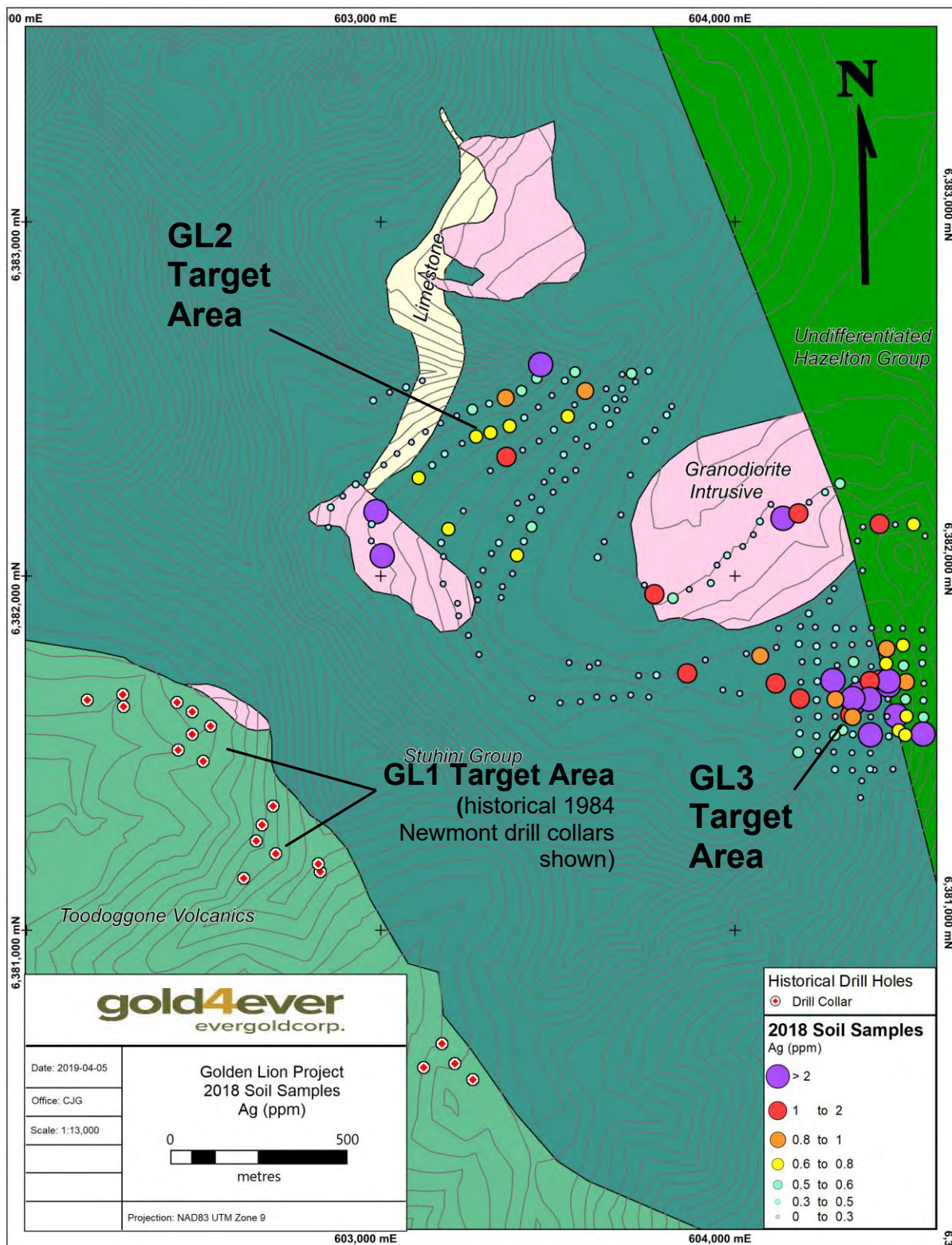
The anomaly is characterized by moderate to strongly anomalous values for copper (103 to 1591 ppm) and lead (118 to 311 ppm), strongly anomalous values for zinc (507 to 964 ppm) and arsenic (113 to 429 ppm), and several spot highs for molybdenum (34, 45 and 56 ppm). Soil samples which were analyzed by the lab returned moderately to strongly anomalous values for gold on the south and north ends of GL-2 (20 to 335 ppb), several spot highs for silver on the south and north ends of GL-2 (3, 3.7 and 6 ppm), moderate to strongly anomalous strings of copper (102 to 3990 ppm) and zinc (202 to 1140 ppm), and strongly anomalous values for lead (up to 639 ppm), arsenic (up to 674 ppm) and molybdenum (10 to 52 ppm).

The **GL3 Target Area** is located directly east of the GL1 Target Area, and about 1 km southeast of the GL2 Target Area. Soil samples returned very strongly anomalous values for gold (235 and 246 ppb) which are encompassed by moderate to strongly anomalous values of gold (21 to 99 ppb), very strongly anomalous values for silver (up to 7.5 ppm), zinc (up to 1225 ppm) and lead (up to 732 ppm) (see Golden Lion Figures 43 to 50, below).

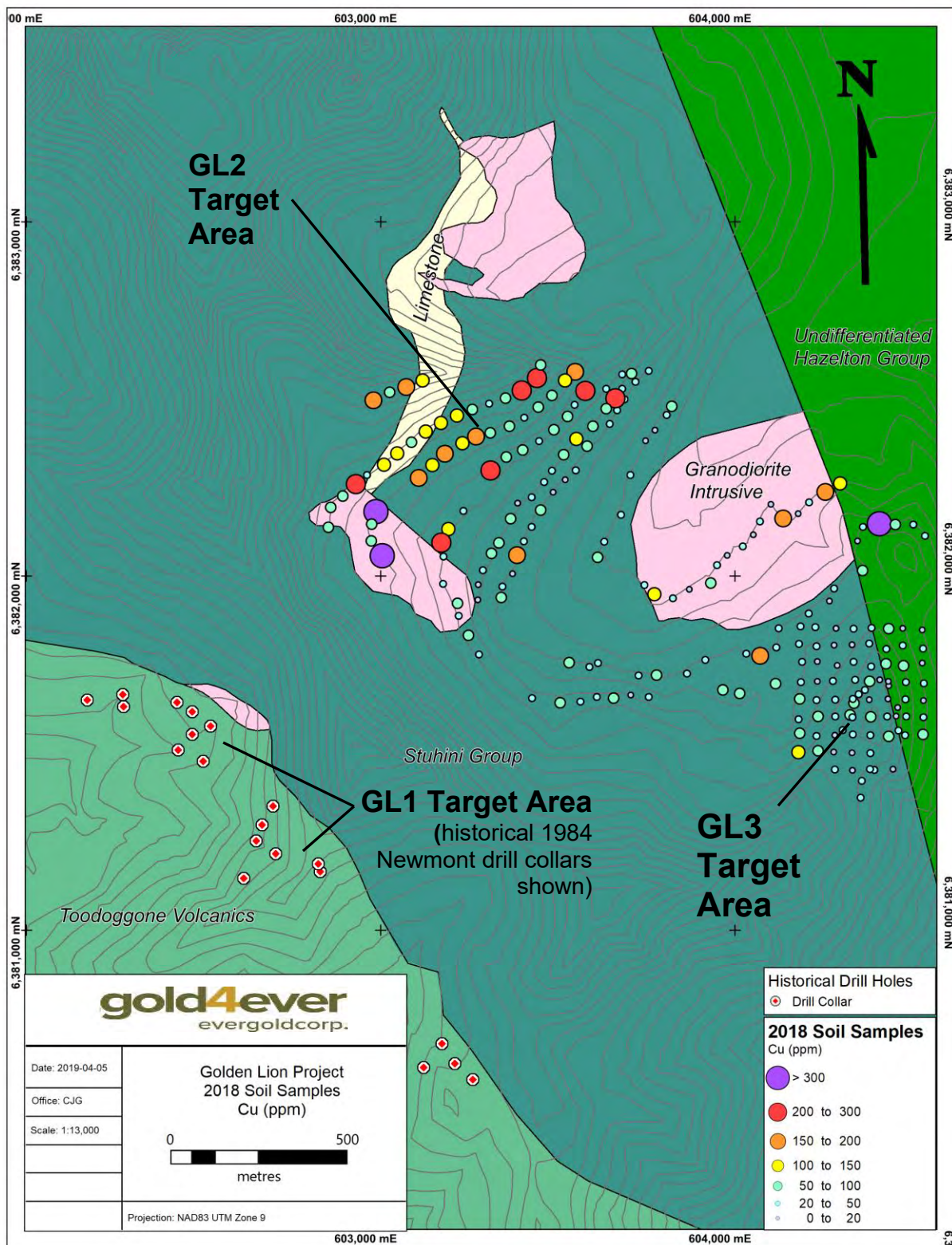
The anomalies returned from the GL2 and GL3 Target Areas appear to reflect different mineralized sources. The GL2 anomaly is defined by Cu-Au-Zn-Pb-As ± Ag-Mo whereas GL3 lacks a Cu-Mo-As signature.



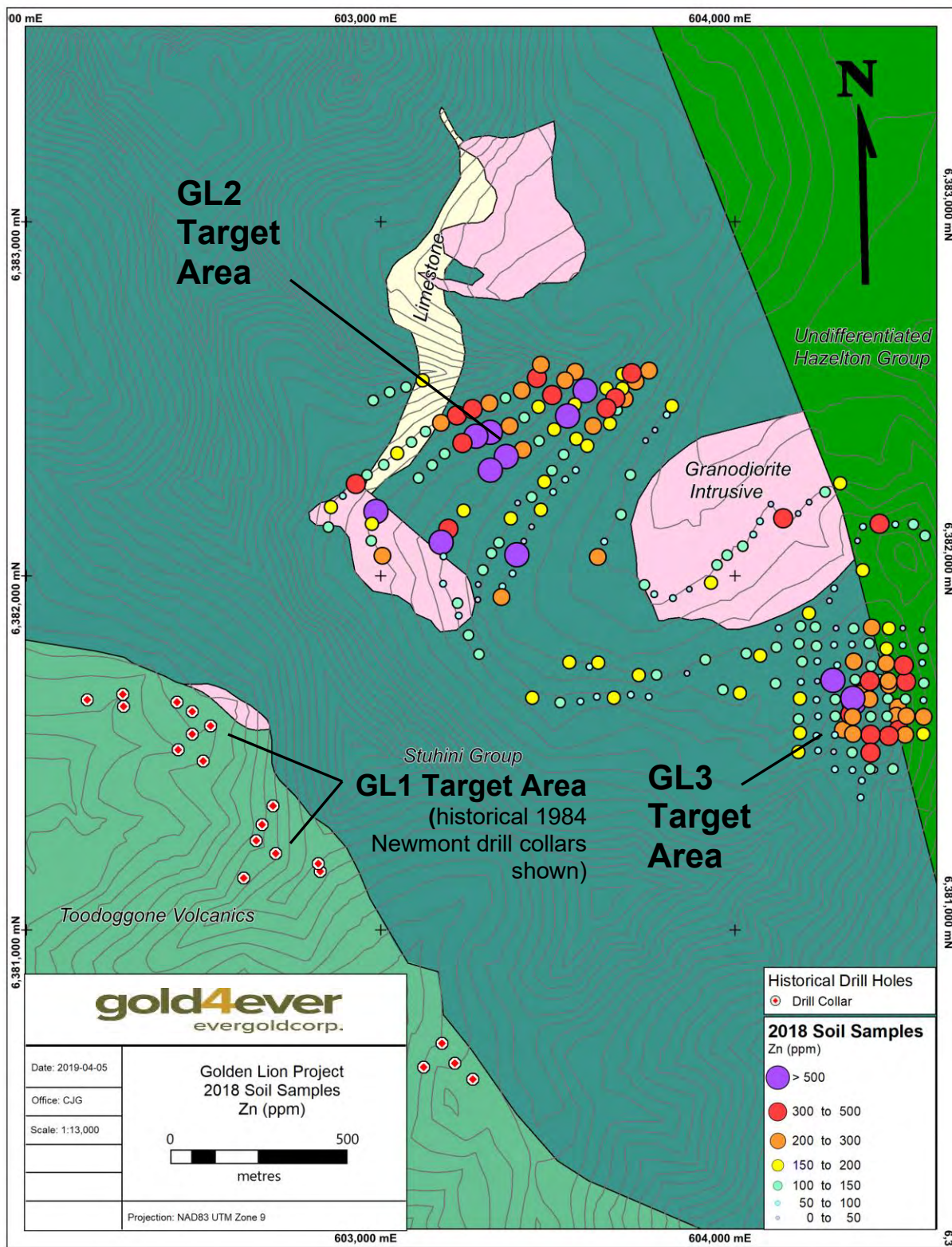
Golden Lion Figure 43: Gold-in-soil: 2018 Au soil assays on geology
 (N. Prowse, 2019)



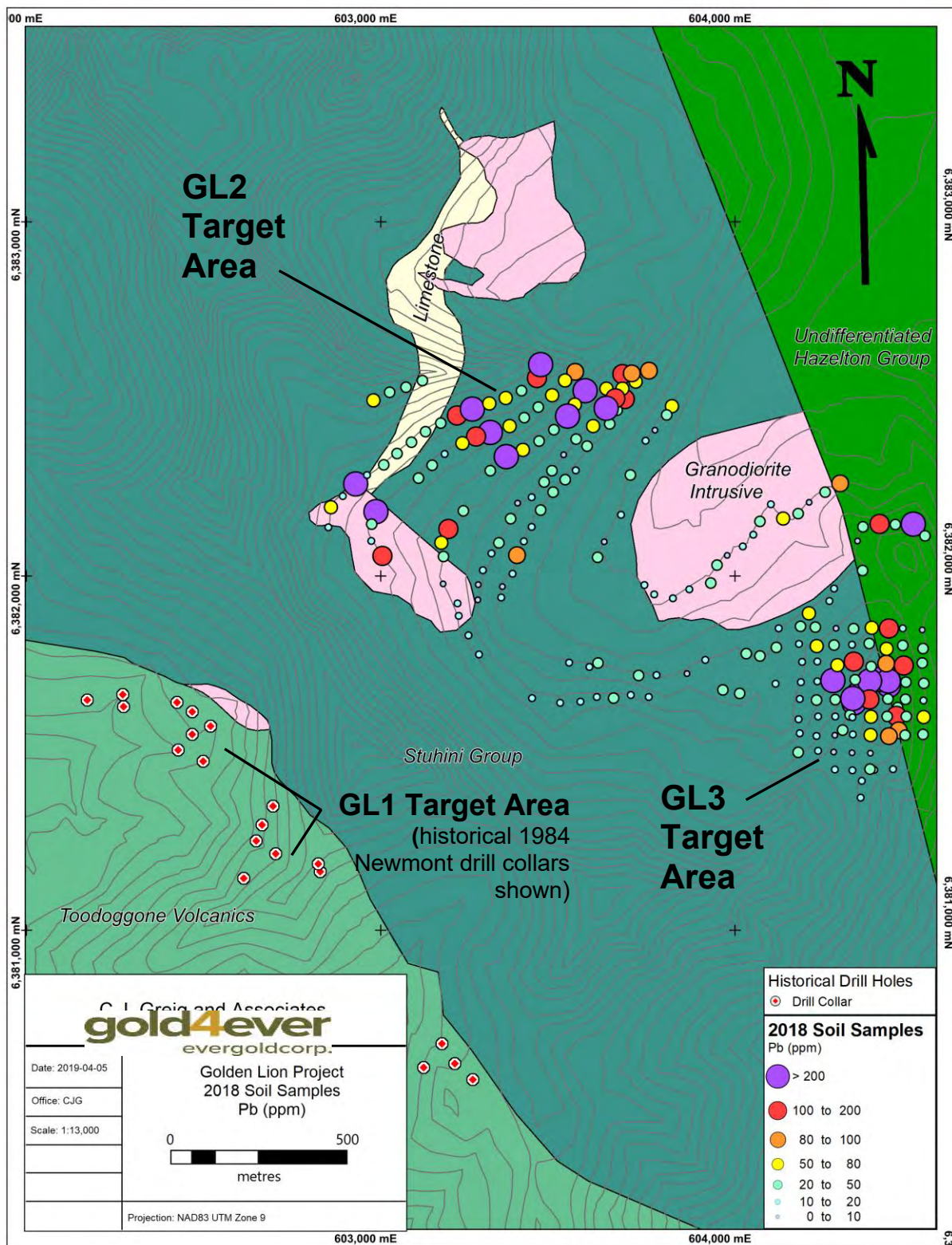
Golden Lion Figure 44: Silver-in-soil: 2018 Ag soil assays on geology
(N. Prowse, 2019)



Golden Lion Figure 45: Copper-in-soil: 2018 Cu soil assays on geology
(N. Prowse, 2019)

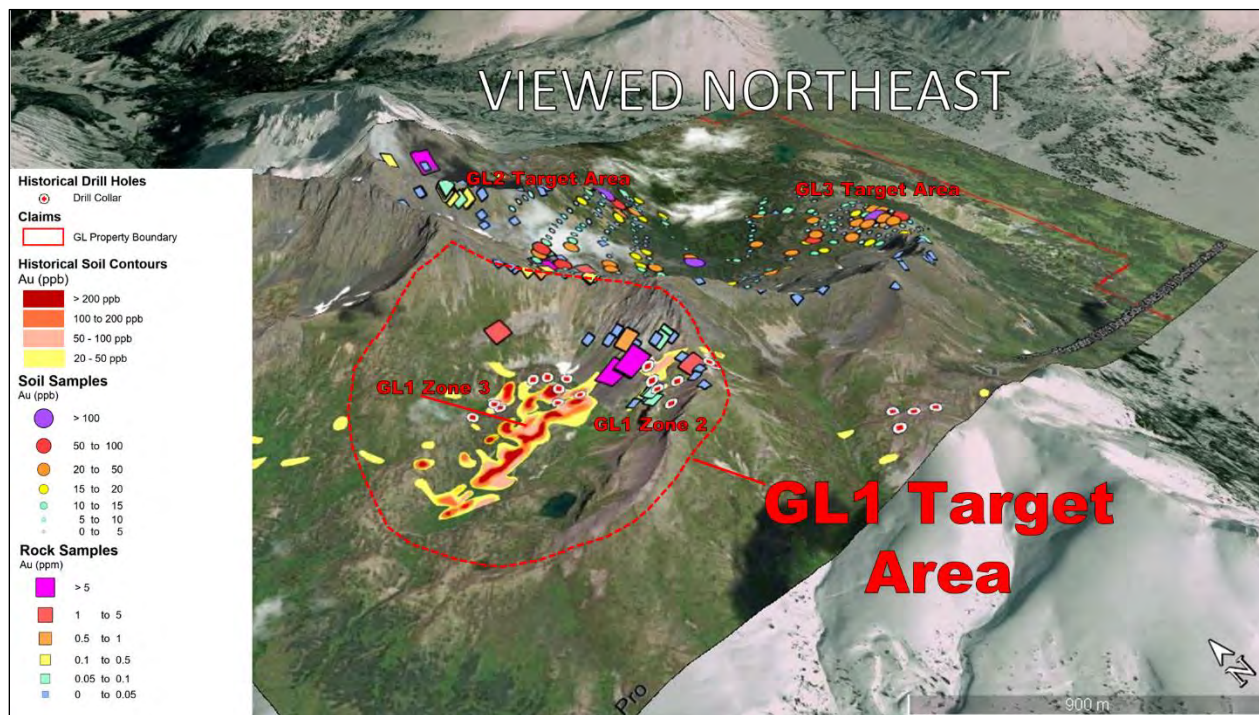


Golden Lion Figure 46: Zinc-in-soil: 2018 Zn soil assays on geology
(N. Prowse, 2019)

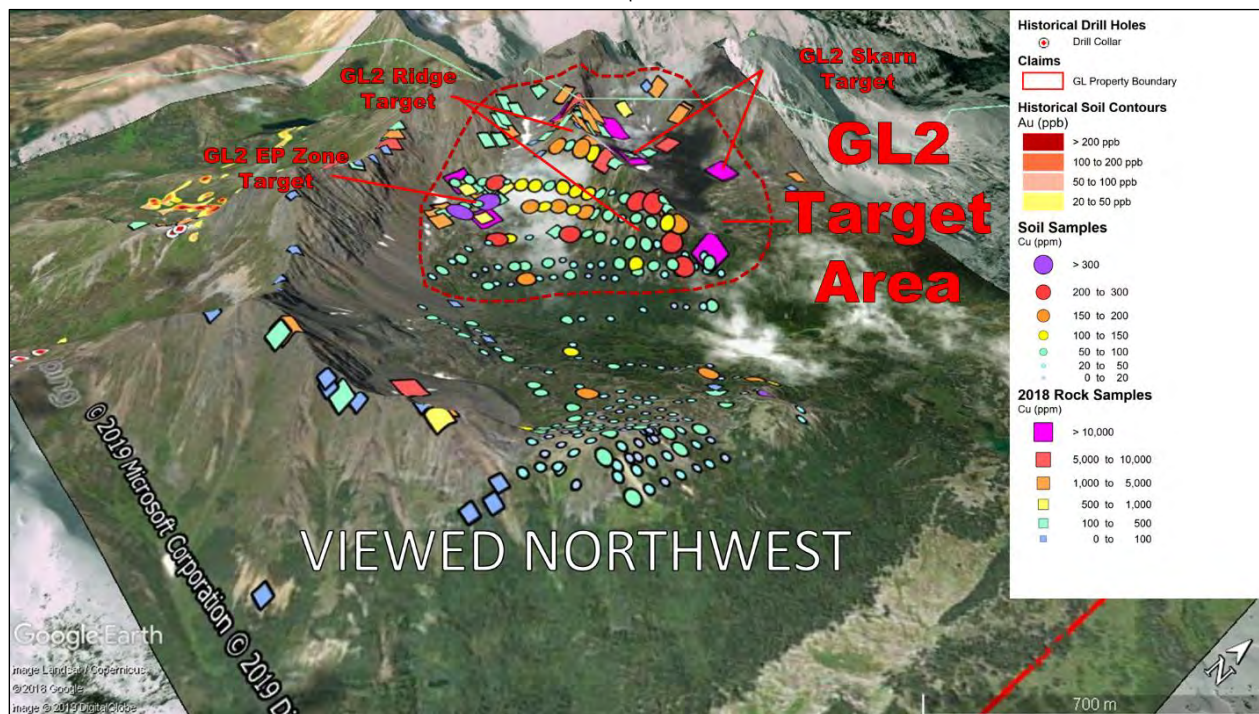


Golden Lion Figure 47: Lead-in-soil: 2018 Pb soil assays on geology
 (N. Prowse, 2019)

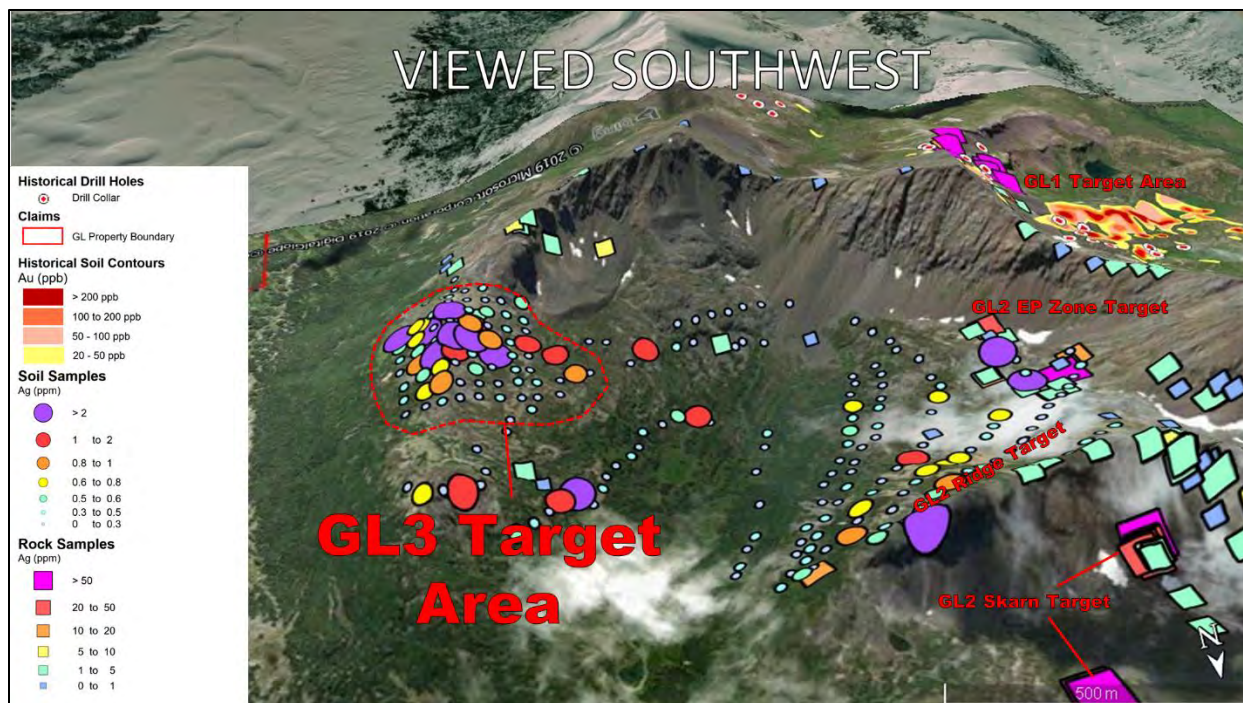
3D Perspective Views of Soil & Rock Sampling – All Years



Golden Lion Figure 48: GL1 Target Area showing values for gold-in-soil and rocks (N. Prowse, 2019)



Golden Lion Figure 49: GL2 Target Area showing values for copper-in-soil and rocks (N. Prowse, 2019)



Golden Lion Figure 50: GL3 Target Area showing values for silver-in-soil and rocks (N. Prowse, 2019)



Golden Lion Photo 17: View of GL1 Target Area from the ridge above, with some Newmont trenches visible (A. Albano, 2018)

Drilling

The Company has not conducted any drilling on the Golden Lion Property. Previous diamond drilling of 22 holes (2,475 metres) on the GL1 Target Area by Newmont Exploration of Canada Limited in 1984 is described in “Material Properties – Golden Lion Property – History - Property Exploration History”, above. The 1984 drilling constituted the only drilling that has been documented for the Golden Lion Property.

Sample Preparation, Analyses and Security

Sample preparation, analyses and security procedures were implemented for soil and rock samples collected by the Company in 2017 and 2018, as detailed below.

Protocols for Sampling, Sample Analysis and Security

Sampling Protocol

Soil samples were collected along reconnaissance lines at a depth of 10-25 cm using an auger or GeoTul. Approximately 500 grams of B-horizon material was collected at each site. Each sample station was marked with the sample identification number on orange flagging tape and the UTM coordinates were recorded by a Garmin GPS handheld device.

The soil sample material was placed into pre-labelled Kraft paper bags, which were then allowed to dry over a seven-day period. Once dry, the samples were then packed into plastic poly-bags that were then packed into larger, more durable rice bags prior to shipment to the Company’s exploration offices at C.J. Greig & Associates in Penticton, B.C.

Rock samples consisted primarily of selected chips from mineralized or altered bedrock or float. UTM coordinates were recorded for each rock sample site using a hand-held Garmin GPS unit. Data was recorded regarding the type, strength and extent of mineralization, as well as host rock characteristics, including alteration and possible controlling structures.

Rock samples were placed in heavy plastic bags marked with identifying numbers, packed in sacks and transported to the offices of ALS Global Laboratories in North Vancouver, B.C., for analysis of gold (code Au-ICP21) and a suite of 35 additional elements (code ME-ICP41).

Sample Analysis and Security

Once received at the Company’s Penticton exploration offices, soil samples were initially analyzed for screening purposes with a Thermo Scientific Niton Gold XL3t 500 GOLDD™ handheld X-Ray Fluorescence (XRF) Analyzer unit, operated in the ‘benchtop’ mode. A subset of samples (222 of the original 474 soils) demonstrating strong geochemical response by XRF were then packed into plastic poly-bags, placed into durable rice bags, and shipped to ALS Global Laboratories in North Vancouver, B.C. for Au and 35-element ICP analysis.

At the lab, rock samples were dried and crushed to 70% <2 mm, then riffle split to a 250 gram lot, which was then pulverized to 85% <75 microns. From each sample pulp, 50 grams of -75 micron-size material was analyzed for Au content (0.001 ppm to 10 ppm detection range) by fire assay followed by inductively coupled plasma-atomic emission spectroscopy (ICP) analysis (AU-ICP21). As well, a suite of 35 additional elements was analyzed by dissolving at least 1 gram of -75 micron pulp in a four-acid solution and measuring the element concentrations by ICP (ME-ICP41). 4-acid digestions are able to dissolve most

minerals, but although the term “near-total” is used by the lab, not all elements are quantitatively extracted in some sample matrices.

In 2016, one of the directors of Evergold, as well as employees of the director, assisted in the sampling, handling or preparation of the samples in the field, or in sample transportation. However, the Qualified Person indicates they have no reason to doubt the veracity of the sampling and the data is believed to be reliable.

QA/QC Results

The ALS laboratory in North Vancouver, B.C., which analyzed the company’s samples in 2017 and 2018, operates to ISO 17025 standards and is accredited by the local regulatory authority.

Quality Managers at the lab maintain the quality system, conduct internal audits, and assist in training and compliance. Staff are supported by a Quality Management System (QMS) framework which is designed to highlight data inconsistencies sufficiently early in the process to enable corrective action to be taken in time to meet reporting deadlines. The QMS framework follows the most appropriate ISO Standard for the service at hand i.e. ISO 17025:2005 UKAS ref 4028 for laboratory analysis.

Duplicate Analyses

Field duplicates were not inserted into the rock sample lots because the rock chip samples were not homogeneous enough to split into equal duplicates. However, duplicate cuts from original sample pulps prepared at the lab were selected for some of the rock samples that had returned greater than detection limits for certain metals. These pulps were re-analyzed using a process capable of measuring higher concentrations of metal. The initial analytical method typically provided detection limits for the primary metals of interest of 1.00 ppm Au, 100 ppm Ag, 10,000 ppm Cu, 10,000 ppm Pb, 10,000 ppm Zn and 10,000 ppm As.

Discussion

No outside laboratory checks were performed on the rock samples. However, earlier companies including Newmont sampled some of the same mineral showings (GL1 Target Area) and reported results similar to those determined by Evergold. The Qualified Person recommends selecting some of the coarse rejects and pulps from the 2017 and 2018 samples and submitting them to another laboratory for verification of the high metal values.

The Qualified Person concludes that the sampling, security and analyses protocols employed by Evergold appear to be consistent with industry standard best practices.

Data Verification

The Qualified Person visited the Golden Lion Property by helicopter for a single day on May 11, 2019. Before, during and after the site visit the Qualified Person performed the following activities to verify the data drawn upon for this Report:

- Reviewed and assessed the historical exploration literature, technical reports and data concerning the Golden Lion Property;

- Verified the mineral titles that comprise the Golden Lion Property on May 20, 2019, as listed on the B.C. Government MTO website;
- Queried exploration staff on work to date, exploration techniques used, and results and interpretations;
- Visited in the field the GL1 Target Area (Zone 3) and examined the geology, alteration and mineralization;
- Toured the entire Golden Lion Property, including the GL2 and GL3 target areas, and surrounding area from the air by helicopter. The GL3 area was entirely under snow and the GL2 site was deemed unsafe to stop at due to elevated avalanche risk observed in the region on the day of the visit;
- Gathered and assayed three rock samples from GL1 Zone 3. The samples were collected from the exposed edges of 1983 Newmont backhoe trenches in the area. The samples collected are recorded as ‘float’ but are likely side cast material from the trenches, and possibly “select” samples left by previous workers. The location of, and analytical results for these samples are shown on Golden Lion Figure 51 and tabulated in Golden Lion Table 8, below.

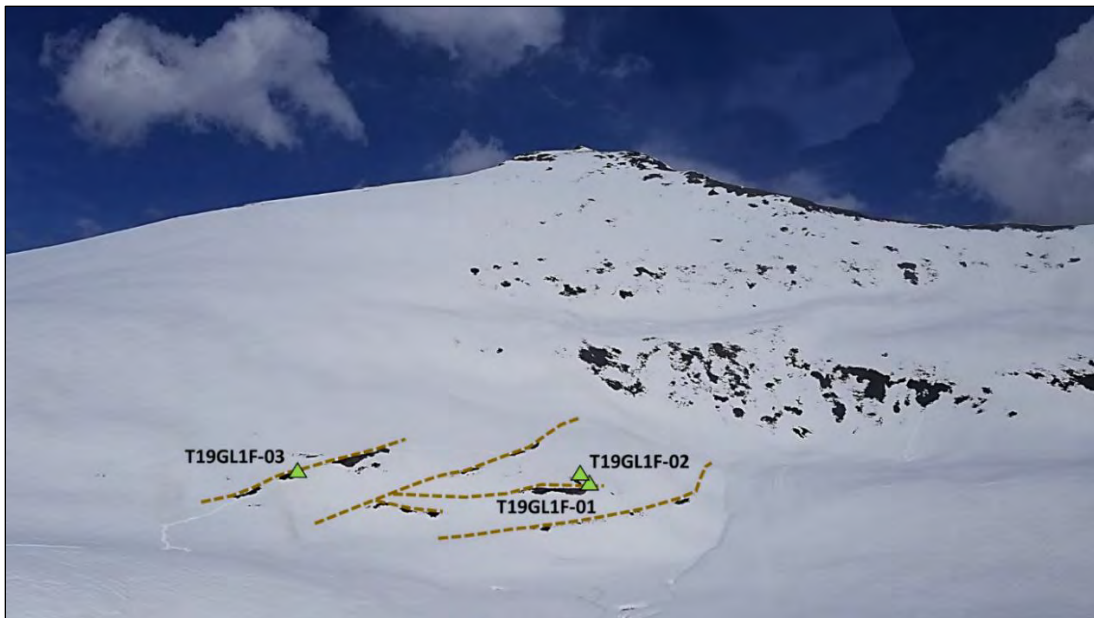
In the Qualified Person’s opinion the data verifications performed both through on-site observation and sampling of the Golden Lion Property, and review of the legacy historical documentary record, are adequate to support the recommendations for further work made in the Golden Lion Technical Report. The tenor of the Company’s soil and rock sample results for key elements, and the Qualified Person’s check samples, agree closely with those achieved historically and additionally point to new targets. The Qualified Person confidentially states that the Golden Lion Property warrants further exploration.

Golden Lion Table 8: Rock sample results, D. Tupper (May 11, 2019)

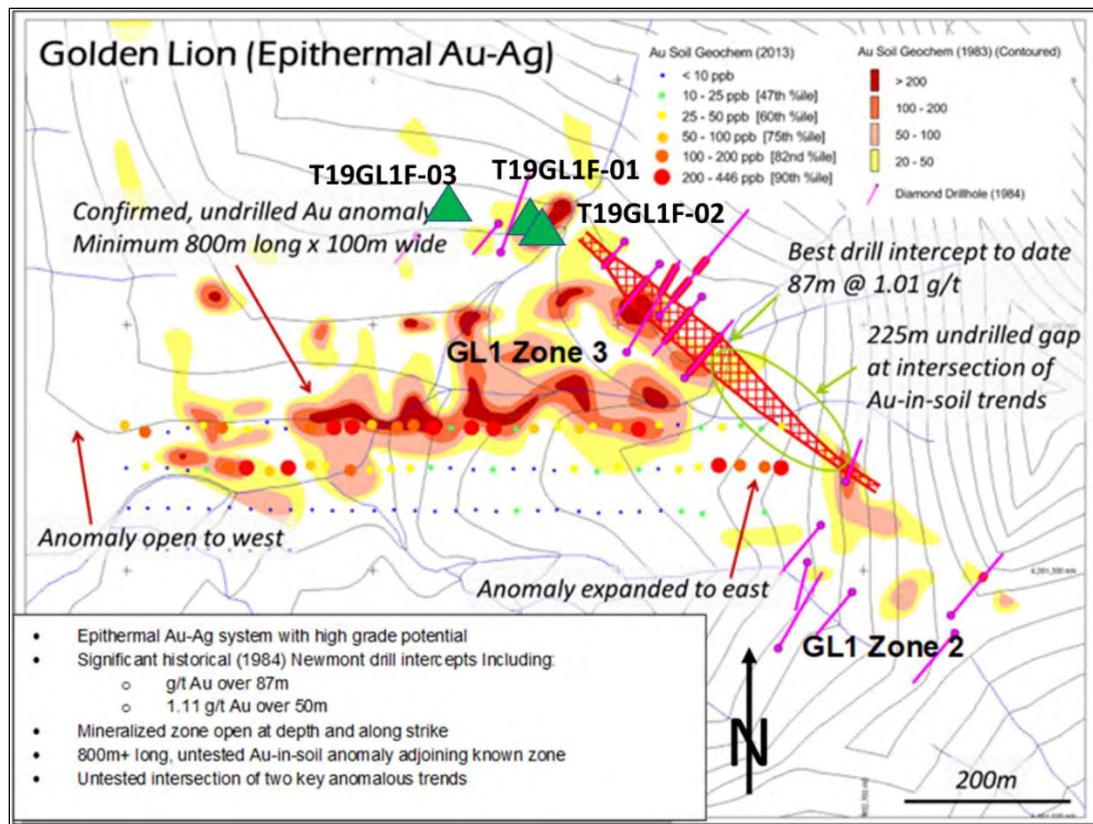
Sample No.	Location (NAD83 Zone 9N)		General Description	Au ppb	Ag ppm	Pb ppm	Pb %	Zn ppm
	UTM mE	UTM mN		Au-ICP21	ME-ICP61	ME-ICP61	Pb-OG62	ME-ICP61
T19GL1F-01	602295	6381699	GL1; Trench side cast. Potassic altered monzonite(?) with boxworked quartz veins +galena	0.063	3.9	>10000	1.06	923
T19GL1F-02	602295	6381705	GL1; Trench side cast. As above.	0.256	3.6	8800	-	1575
T19GL1F-03	602153	6381729	GL1; Trench side cast. As above.	0.600	5.6	7990	-	1405



Golden Lion Photo 18: Sample T19GL1F-03: Potassic altered felspar intrusive (monzonite?) with boxwork textured quartz veining and minor galena. Dendritic manganese is common on fractures (D. Tupper, 2019)



Golden Lion Photo 19: GL1 Zone 3 site during May 11, 2019 property visit showing 2019 sample locations and 1983 Newmont backhoe trenches highlighted (view looking north) (D. Tupper, 2019)



Golden Lion Figure 51: D. Tupper sample locations (May 11, 2019) superimposed on figure showing 1983/4 Noranda soil geochemistry and drilling

Samples T19GL1F-01 to -03 were collected, bagged and delivered by hand by the author to ALS Global Laboratories in North Vancouver for analysis. The samples were analyzed in accordance to the methods used with for 2018 samples, including: crush to 70% less than 2mm (CRU31), split off 250g (SPL21) and pulverize to 85% passing 75 microns (PUL31); then analysis for gold by fire assay with inductively coupled plasma-atomic emission spectrometry (ICP-AES) finish analysis of 30g (Au-ICP21) and 33 element ICP-AES analysis of a four acid digestion aliquot (ME-MS61). Over limit results for silver, copper, lead and zinc from the ICP-AES required reanalysis using four acid digestion and either atomic adsorption spectrometry or ICP analysis where suitable (ME-OG61).

No field duplicates, blanks or standards were submitted with the samples.

Mineral Processing and Metallurgical Testing

No mineral processing or metallurgical testing has been carried out on mineralization from the Golden Lion Property.

Mineral Resource Estimates

No mineral resource estimate has been undertaken for the Golden Lion Property mineralization as there is insufficient data to perform such an estimate.

Planned Exploration

The Qualified Person believes the Golden Lion Property has merit and that further work, comprising a Phase I program of drilling, in addition to geophysical surveying, expanded geochemical surveys, and prospecting focused on target areas GL1, GL2, and GL3, is justified. The Qualified Person makes the following specific recommendations:

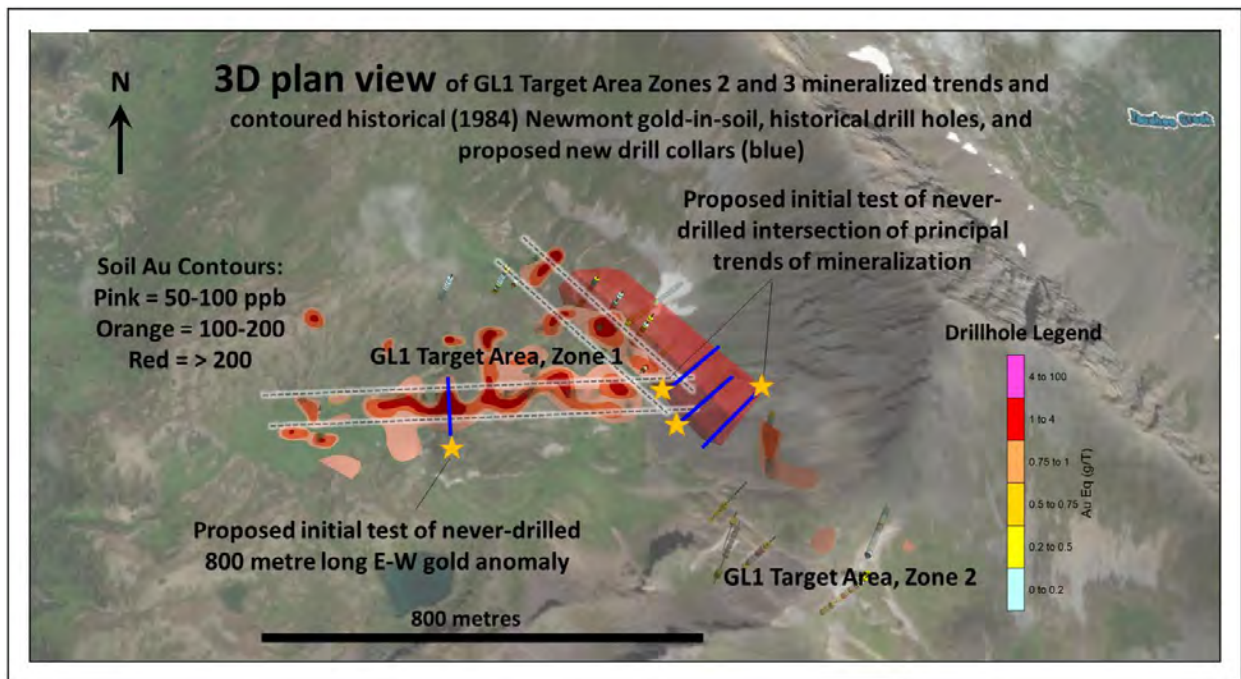
Not Target Specific

1. Induced Polarization (IP) geophysical survey: A program of ground-based IP is recommended as a targeting tool for the tenures encompassing the GL1, GL2 and GL3 target areas. Lines should be spaced generally at 100 metres, tightening up to perhaps 50 metres or less over the GL2 Skarn, and widening out to 200 metres over ground lying between the principal target areas.
2. Geochemical sampling: Given the geochemical fertility of soils and rocks over much of the area of the GL1, GL2 and GL3 targets, and the demonstrated utility of geochemical techniques in vectoring to potential mineralized bedrock, systematic reconnaissance soil and rock geochemical sampling should be carried out in areas proximal to the GL1, GL2 and GL3 targets, and the new tenures acquired in 2019 to the north.

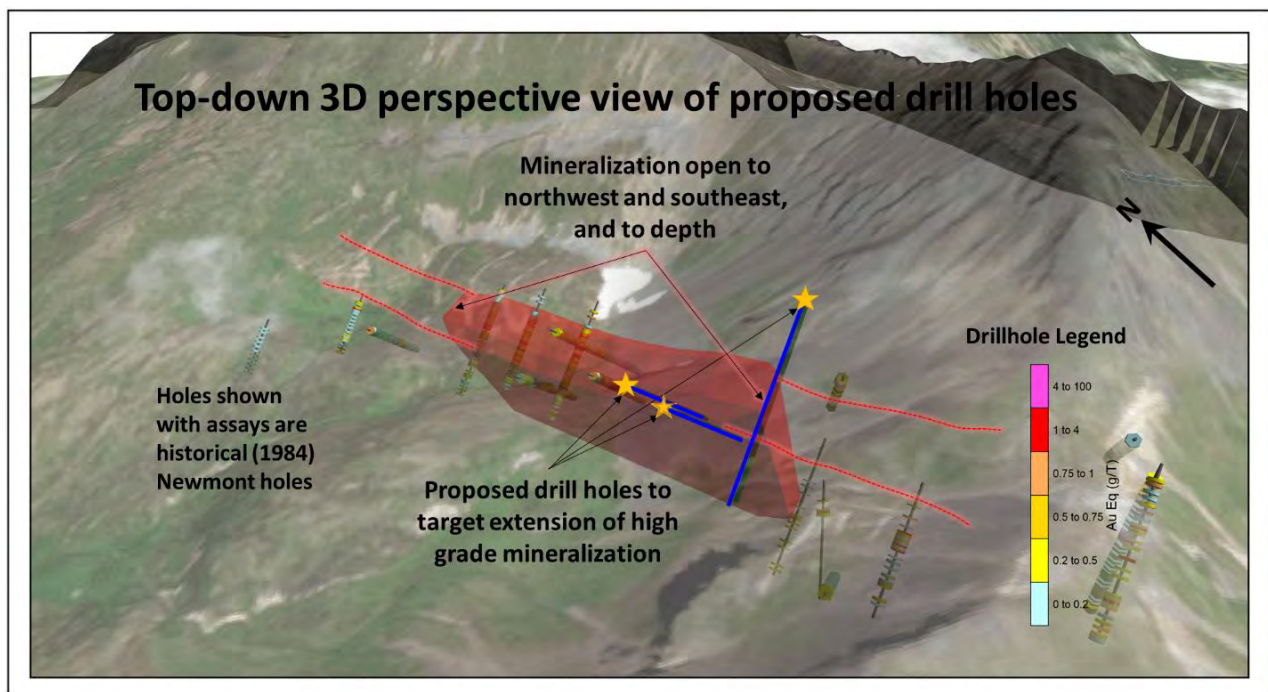
GL1 Target Area

1. Drill the roughly 200-metre undrilled gap where NW-SE and E-W geochemical trends intersect between historical Newmont hole GL-84-20 in the north, the best hole of the 1984 program, and Newmont holes GL-84-10 and GL-84-11 to the south;
2. Drill down dip to the east, where a larger coalescing system of mineralized fault breccias may potentially exist;
3. Drill the untested 700 metre long east-west, strongly anomalous soil geochemical trend identified by historical Newmont and more recent work programs in 2013 and 2017.

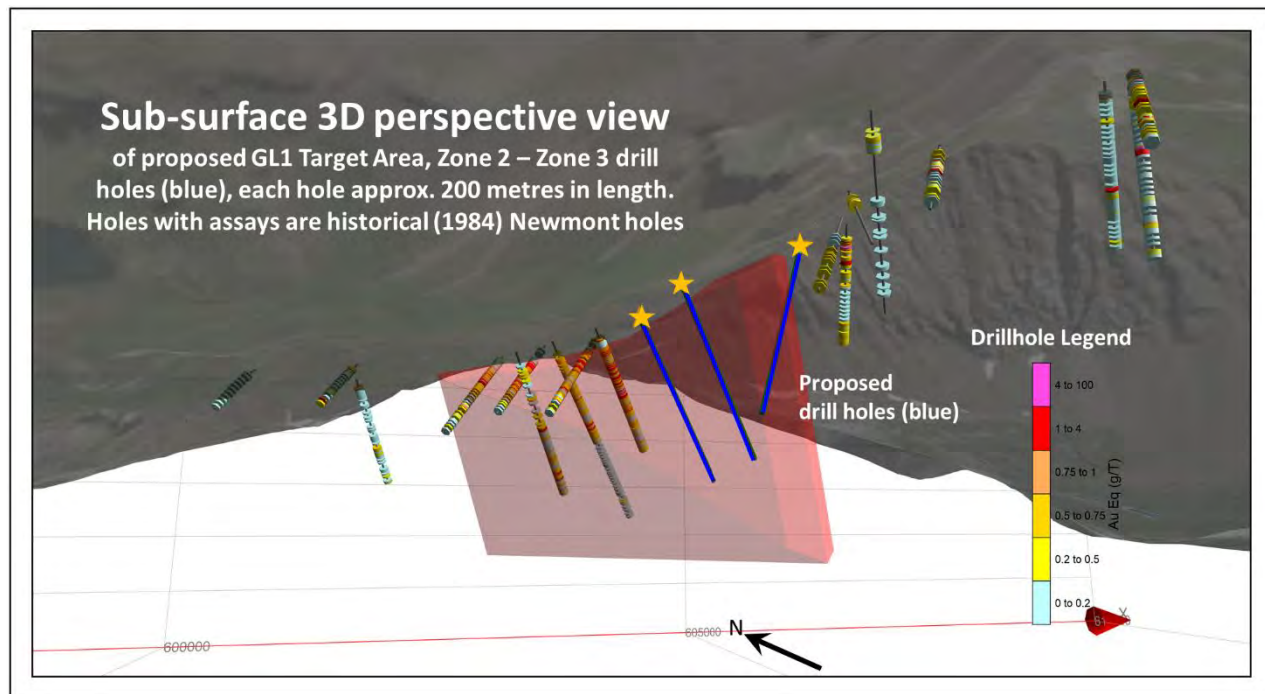
GL1 total holes and metres: 4 holes for 800 metres (see Golden Lion Figure 52, below).



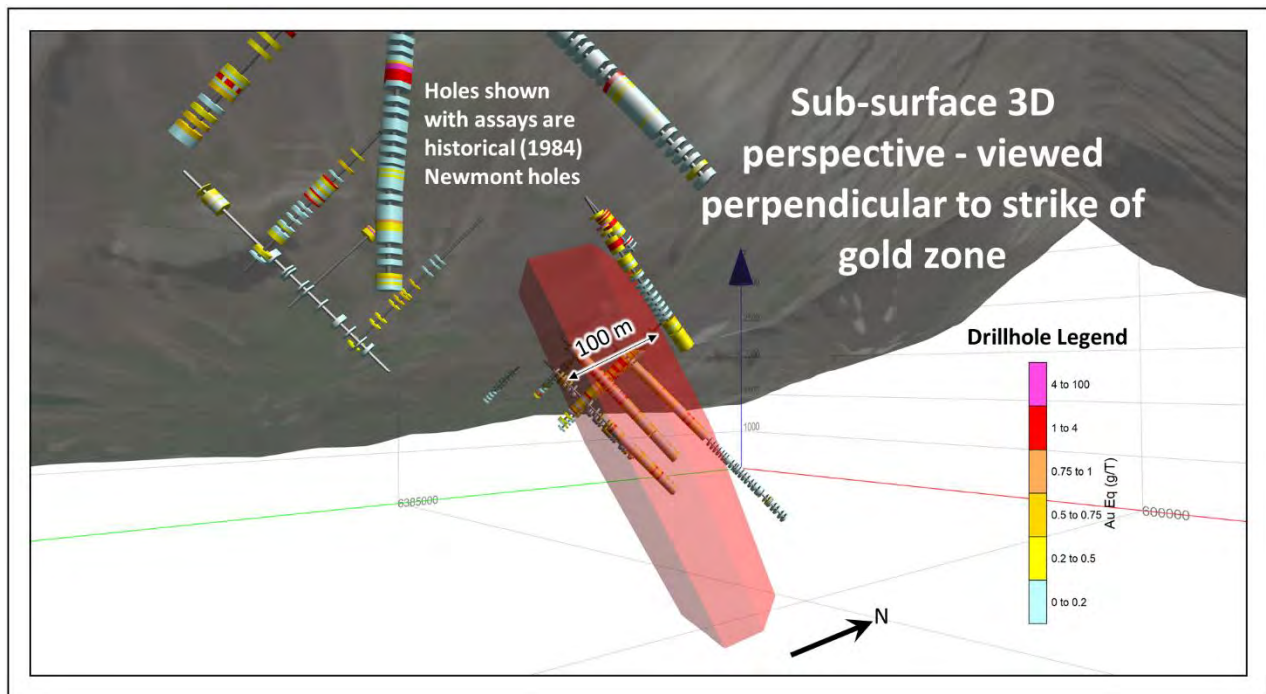
Golden Lion Figure 52: Conceptual 3D plan view of interpreted GL1 Target Area Zones 2 and 3 showing the two key intersecting mineralized trends and historical (1984) Newmont drill collars, with proposed Evergold holes (blue) to test undrilled intersection. Conceptual NW SE trending target structure shown as a red solid has been interpreted from Newmont 1984 drill results (N. Prowse, 2019)



Golden Lion Figure 53: Conceptual 3D perspective view of GL1 Target Area Zones 2 and 3 mineralized structural trend represented as a red solid from modelling of historical Newmont 1984 drill results, with proposed new Evergold drill collars (blue) (N. Prowse, 2019)



Golden Lion Figure 54: Conceptual subsurface 3D view of GL1 Target Area Zones 2 and 3 target structure represented as a red solid from modelling of historical 1984 Newmont drill results, showing historical drill holes with assays, and proposed new Evergold drill collars (blue) (N. Prowse, 2019)

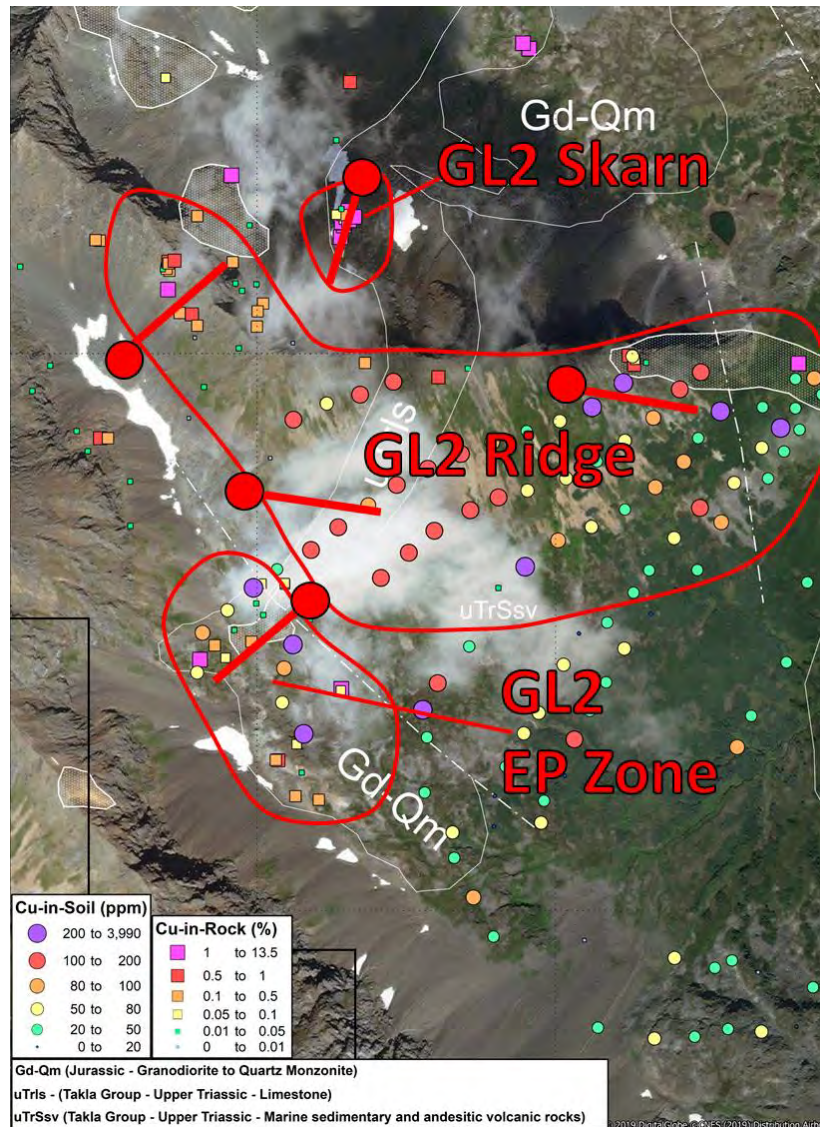


Golden Lion figure 55: Conceptual 3D end on view of GL1 Target Area Zone 3 target structure represented as a red solid (approx.. 100 metres true width) from modelling of historical 1984 Newmont drill results. All holes shown are historical Newmont drill holes. Proposed new Evergold drill collars are not shown in this view. Newmont holes in the foreground, top of image, targeted the silver-rich GL1 Zone 2 located to the southeast of Zone 3, from setups upslope and above Zone 3. The Zone 3 target structure as interpreted plunges toward the viewer. The Zone 2 holes, top foreground, were collared too high in elevation, and missed the deeper, plunging Zone 3 mineralization (N. Prowse, 2019)

GL2 Target Area

1. GL2 Skarn: Drill outcrop and concurrently, commence close-spaced IP over areas immediately adjacent, to attempt to trace mineralized fluid pathway toward source;
2. GL2 Ridge: Reconnaissance drilling of a roughly 500 X 500 metre area overlying the ridge adjacent to the GL2 Skarn and its south facing slopes;
3. GL2 EP Zone: Drill the mineralized granodiorite intrusive.

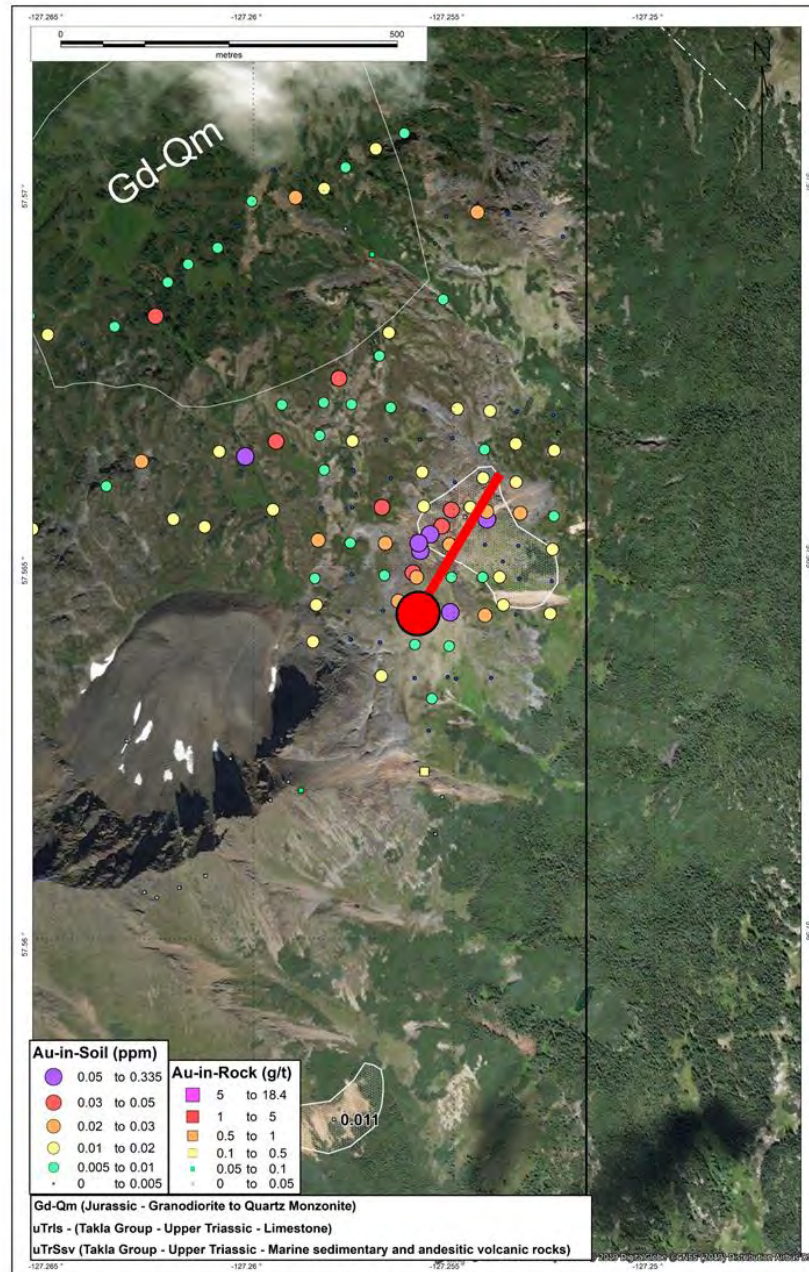
GL2 total holes and metres: 8 holes for 1,400 metres (see Golden Lion Figure 56, below. Note: drill plans allow for selected undercuts, therefore not all holes are visible).



Golden Lion Figure 56: Plan view of GL2 Target Area, showing proposed holes into the GL2 Skarn, GL2 Ridge and GL2 EP Zone targets (A. Albano, 2019)

GL3 Target Area

GL3 initial reconnaissance drilling: 1 hole for 200 metres (Golden Lion Figure 57, below)



Golden Lion Figure 57: Plan view of GL3 Target Area, showing proposed initial reconnaissance hole (A. Albano, 2019)

Phase I Proposed Exploration Budget

Golden Lion Table 9: Recommended scope and estimated budget for the phase I drill program

Target Area	Activity	Scope	Cost (\$CDN)
GL1 GL2 GL3	IP survey	2400 metres of drilling and 13 holes from 10 pads	70,000
	geochemical sampling		50,000
	drilling services		290,000
	pad building		27,000
	core cutting, logging		30,000
	assaying		40,000
	aircraft rental		93,000
	fuel		21,000
	shipping & transport		3,500
	claims & permitting		3,000
	First Nations		20,000
	camp		90,000
	geological services		85,000
	archaeo-enviro		25,000
	Reclamation bond		20,000
contingency	65,000		
Grand Total			932,500

The total budget excludes any provisions for corporate support services and activities.

Phase II Drilling

Phase II would be contingent upon the success of Phase I, and expand upon results achieved. It would also be predominantly oriented to drilling, and encompass an additional 2,400 metres of work at a similar estimated cost to Phase I.

OTHER PROPERTIES

One of the Company's key strategies is to evaluate, acquire and explore a pipeline of different projects. Pursuant to this strategy, the Company has acquired interests in the following properties.

The following disclosure relating to the Company's non-material properties has been reviewed by David W. Tupper, P.Geo., a qualified person as defined by NI 43-101.

Holy Cross Property

The 100% owned, direct road access, 1,872-hectare Holy Cross property (Holy Cross Figures 1 through 4, and Photo 1, below) is located in central interior British Columbia southwest of Vanderhoof and approximately 60 kms due north of the Blackwater gold deposit. The primary target types on the property include high-grade vein-hosted and/or bulk-tonnage intrusion-related gold+/-silver+/-copper. The moderate topography and drive-on road access allows for potential winter drilling of the target area. See "*Material Properties – Snoball Property – Property Description and Location*" for more information regarding the consideration paid by the Company for the Holy Cross property.

The Holy Cross property is predominantly underlain by volcanic rocks of the Middle Jurassic to Eocene age Oosta Group, which have been intruded by a large Jurassic age quartz monzonite stock on the northern portion of the tenures.

Historically mapped, trenched, sampled and surveyed by Noranda (1987-89) with encouraging results (e.g. 1 g/t Au over 8.5 metres in chips, and 24.02 g/t Au and 20.8 g/t Ag from grabs), but never drilled, Holy Cross hosts a robust siliceous alteration system carrying locally elevated gold, copper and silver values over a large area, with attractive coincident geochemical-geophysical anomalies. Part of the property's allure is the heavy glacial drift coverage, which has camouflaged the underlying bedrock.

Geophysical surveying carried out in 2015 identified shallow IP anomalies coincident with geochemical anomalies in the overburden. As the Company cannot guarantee that the suspension of work order will be lifted or that a MYAB permit will be issued for the Golden Lion Property, if the Company does not receive the MYAB permit for the Golden Lion Property by July 2020, the Company intends to re-allocate proceeds of the Offering earmarked for the Golden Lion Phase I work program to preliminary geophysical surveys and soil/rock sampling for the Holy Cross Property. The Company anticipates the re-allocation of proceeds towards the preliminary activities for the Holy Cross Property will cost approximately \$120,000, which the Company expects to help further develop its understanding of the Holy Cross Property.

The Company intends to conduct IP surveys on the Holy Cross Property as a contingency if the Ministry does not issue a MYAB permit for Golden Lion within a reasonable timeframe. Prior to commencing any IP surveys on the Holy Cross Property, the Company must receive a single-use permit issued by the Ministry under the *Mines Act* (British Columbia) authorizing the survey. To obtain a permit for the contingent IP surveys, the Company must submit to the Ministry a "Notice of Work" with the permit application, and the Ministry must conduct satisfactory First Nations consultation. The Company does not currently possess a permit to conduct IP surveys on the Holy Cross Property and no application has been submitted; however, if deemed necessary, the Company intends to make the appropriate application to the Ministry to conduct IP surveys on the Holy Cross Property. If the Company decides to undertake contingent activities on the Holy Cross Property, but cannot obtain the required permits within a satisfactory timeframe to conduct IP surveys, the Company will focus on activities that do not require a permit issued under the *Mines Act* (British Columbia), such as "non-mechanized" soil and rock sampling, geological mapping and airborne geophysical surveying. The Company cannot guarantee issuance of the requisite permit for the Holy Cross

Property. See “*General Development and Business of the Company – Business of the Company – Permits*” and “*Risk Factors – First Nations*”.

If the Ministry delays the issuance of the MYAB permit for the Golden Lion Property beyond July 2020, the Company expects the re-allocated proceeds to the Holy Cross Property will facilitate the preparation of a technical report in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. The Company expects to complete contingent work on the Holy Cross Property within twelve (12) months from the date hereof, if deemed necessary due to delays in permitting for the Golden Lion Property. See “*Use of Proceeds – Business Objectives and Milestone*”.

The Company intends to make a maintenance payment of \$27,912 to keep the Holy Cross mineral tenures in good standing. The maintenance payment will be paid from the gross proceeds of the Offering.

Spanish Lake Property

The 100% owned, drive-on road access, 1,573-hectare Spanish Lake property (Spanish Lake Figure 1 and Photos 1 and 2, below) is located in central interior British Columbia east of Williams Lake and approximately 5 kilometres southeast along strike from the Spanish Mountain gold deposit. The target type for the Spanish Lake property is similar to that of Spanish Mountain – i.e., a sediment-hosted vein gold system. See “*Material Properties – Snoball Property – Property Description and Location*” for more information regarding the consideration paid by the Company for the Spanish Lake property. Under the Mineral Property Acquisition Agreement, Spanish Lake was originally called “Spanish Mountain”; however, due to the close proximity of the Spanish Mountain deposit to the Spanish Mountain deposit acquired by the Company, the Company decided to re-name the property as “Spanish Lake” to differentiate from the nearby deposit owned by Spanish Mountain Gold Ltd.

Commencing in 2007, a previous operator identified several areas on the Spanish Lake property of precious metal and pathfinder element enrichment along 1,500 metres of strike in favorable geology, specifically the Nicola Group black phyllite, carbonaceous shale to graphitic mudstone and siliceous siltstone, and exhibiting alteration and structural features similar to those seen at Spanish Mountain.

Follow-up drilling by the previous operator in 2011 (12 NQ2 diameter holes for 2,484 metres) intercepted long intervals of low-grade Spanish Mountain-style gold (i.e. sediment-hosted, with abundant microstructures and veining). Best results were achieved from the most southerly group of holes, with AD1-2011-7, 8, 11 and 12 each ending in mineralization, and the two southwestern-most holes AD1-2011-11 and 12 returning long intervals of 92 and 85.2 metres respectively. True thicknesses are not known.

With the industry in recession, the prior operator allowed the property to lapse. In 2016 Evergold acquired the property, expanded its size and, in 2017, completed a report on the 2011 work. As grade and intersection lengths increase to the south and west in the southern 2011 drill pattern, the Company may in future target this under-explored, till-covered area with IP and auger soil geochemical sampling. As the Company cannot guarantee that the suspension of work order will be lifted or that a MYAB permit will be issued for the Golden Lion Property, if the Company does not receive the MYAB permit for the Golden Lion Property by July 2020, the Company intends to re-allocate proceeds of the Offering earmarked for the Golden Lion Phase I work program to preliminary geophysical surveys and soil/rock sampling for the Spanish Lake Property. The Company anticipates the re-allocation of proceeds towards the preliminary activities for the Spanish Lake Property will cost approximately \$120,000.

As part of the contingent exploration activities contemplated on the Spanish Lake Property, the Company intends to conduct IP surveys. Prior to commencing any IP surveys on the Spanish Lake Property, the Company must receive a single-use permit issued by the Ministry under the *Mines Act* (British Columbia)

authorizing the survey. To obtain a permit for the contingent IP surveys, the Company must submit to the Ministry a “Notice of Work” with the permit application, and the Ministry must conduct satisfactory First Nations consultation. The Company does not currently possess a permit to conduct IP surveys on the Spanish Lake Property and has not yet made an application thereto; however, if deemed necessary, the Company intends to make the appropriate application to conduct IP surveys on the Spanish Lake Property. If the Company decides to undertake contingent activities on the Spanish Lake Property, but cannot obtain the required permits within a satisfactory timeframe to conduct IP surveys, the Company will focus on activities that do not require a permit issued under the *Mines Act* (British Columbia), such as “non-mechanized” soil and rock sampling, geological mapping and airborne geophysical surveying. The Company cannot guarantee issuance of the requisite permit for the Spanish Lake Property. See “*General Development and Business of the Company – Business of the Company – Permits*” and “*Risk Factors – First Nations*”.

If the Ministry delays the issuance of the MYAB permit for the Golden Lion Property beyond July 2020, the Company expects the re-allocated proceeds to the Spanish Lake Property will facilitate the preparation of a technical report in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. The Company expects to complete contingent work on the Spanish Lake Property within twelve (12) months from the date hereof, if deemed necessary due to delays in permitting for the Golden Lion Property. See “*Use of Proceeds – Business Objectives and Milestone*”.

The Company intends to make a maintenance payment of \$10,447 to keep the Spanish Lake Property mineral tenures in good standing. The maintenance payment will be paid from the gross proceeds of the Offering.

USE OF PROCEEDS

Assuming the Over-Allotment Option is not exercised, the minimum net proceeds to the Company assuming the Minimum Offering with gross proceeds of \$2,660,874 will be \$2,194,613 after deducting the Agent’s Fee of \$186,261 and estimated expenses of the Offering of \$280,000; and the maximum net proceeds to the Company assuming the Maximum Offering with gross proceeds of \$3,000,000 will be \$2,510,000, after deducting the Agent’s Fee of \$210,000 and estimated expenses of the Offering of \$280,000. See “*Plan of Distribution*”.

The Company intends to use the net proceeds from the Offering (i) to complete the Phase I exploration drilling program recommended pursuant to the Snoball Technical Report during the 2019 and 2020 field seasons (see “*Material Properties – Snoball Property – Planned Exploration*”), (ii) to complete the Phase I exploration drilling program recommended pursuant to the Golden Lion Technical Report during the 2020 field season (see “*Material Properties – Golden Lion Property – Planned Exploration*” and “*General Development and Business of the Company – Business of the Company – Permits*”), (iii) to maintain good standing for the Holy Cross and Spanish Lake Properties and (iv) for general and administrative purposes, and working capital requirements, as indicated in the following table.

	As at July 31, 2019	Minimum Offering	Maximum Offering
Net Proceeds ⁽¹⁾	Nil	\$2,194,613	\$2,510,000
Working Capital ⁽²⁾	(\$53,628)	(\$53,628)	(\$53,628)
Other Funds Available	\$nil	\$nil	\$nil
Total Funds Available⁽⁴⁾	(\$53,628)⁽³⁾	\$2,140,685	\$2,456,072

Notes:

- (1) Gross proceeds of \$2,660,874 under the Minimum Offering, and \$3,000,000 under the Maximum Offering, less the Agent's Commission of 7% of the gross proceeds of the Offering and estimated expenses of the Offering of \$280,000. Assumes no exercise of the Over-Allotment Option.
- (2) As at July 31, 2019 (unaudited).
- (3) Includes the Company's cash balance of \$4,877 as at July 31, 2019.
- (4) The description of the total funds available does not include, or make allowance for, funds to potentially be received by the Company upon exercise of outstanding incentive stock options or Warrants or other rights to purchase Common Shares, the proceeds of which would be added to the Company's working capital position. See "Options to Purchase Securities".

The use of the net proceeds of the Offering by the Company is consistent with the Company's stated business objective of carrying out the recommended Phase I exploration drilling programs on both the Snoball and Golden Lion Properties. The total funds available of \$2,194,613 under the Minimum Offering and \$2,510,000 under the Maximum Offering, as calculated above, will be allocated as follows during the twelve-month period following the Closing Date (see "*Special Note Regarding Forward-Looking Information*"):

Use of Proceeds	Minimum Offering	Maximum Offering
Completing Phase I of the work program recommended pursuant to the Snoball Technical Report ⁽¹⁾	\$694,500	\$694,500
Completing Phase I of the work program recommended pursuant to the Golden Lion Technical Report ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	\$912,500	\$912,500
General & Administrative (estimate for 12 months)	\$409,000	\$409,000
Maintenance Payment for the Holy Cross Property	\$27,912	\$27,912
Maintenance Payment for the Spanish Lake Property	\$10,447	\$10,447
Working Capital Deficit as at July 31, 2019	(\$53,628)	(\$53,628)
Unallocated Working Capital ⁽⁴⁾	\$86,626	\$402,013
Total Expenditures	\$2,194,613	\$2,510,000

Notes:

- (1) See "*Material Properties – Snoball Property – Planned Exploration*".
- (2) See "*Material Properties – Golden Lion Property – Planned Exploration*". The Company already posted the \$20,000 reclamation bond for the Golden Lion Property, which is why the use of proceeds of the Offering does not include the full Phase I work program for the Golden Lion Property as recommended in the Golden Lion Technical Report.
- (3) The Company expects to complete the Phase I exploration program on the Golden Lion Property by July 31, 2020.
- (4) If unforeseen circumstances delay the issuance of the MYAB permit for the Golden Lion Property beyond July 2020, the Company intends to re-allocate proceeds of the Offering earmarked for the Golden Lion Phase I work program to preliminary geophysical surveys and soil/rock sampling for both the Holy Cross and Spanish Lake Properties. The Company anticipates the re-allocation of proceeds towards the preliminary activities for Holy Cross and Spanish Lake will cost approximately \$120,000 for each property. Once the Company receives the MYAB permit for the Golden Lion Property, the remaining 12-month unallocated working capital under the Minimum and Maximum Offering, which would include the formerly earmarked amount for the Phase I work program on Golden Lion Property minus \$240,000 for the preliminary activities on Holy Cross and Spanish Lake, will be used to conduct the Phase I work program on the Golden Lion Property.
- (5) The Company intends to conduct IP surveys on the Holy Cross and Spanish Lake Properties if the Ministry does not issue a MYAB permit for Golden Lion within a reasonable timeframe. Prior to commencing any IP surveys on the Holy Cross or Spanish Lake Properties, the Company must receive a single-use permit issued by the Ministry under the *Mines Act* (British Columbia) authorizing those surveys. To obtain a permit for the contingent IP surveys, the Company must submit to the Ministry a "Notice of Work" with the permit application, and the Ministry must conduct satisfactory First Nations consultation. If the Company decides to undertake contingent activities on the Holy Cross and Spanish Lake Properties, but cannot obtain the required permits within a satisfactory

timeframe, the Company will focus on activities that do not require a permit issued under the *Mines Act* (British Columbia), such as soil and rock sampling, geological mapping and airborne geophysical surveying. The Company cannot guarantee issuance of the requisite permits for the Spanish Lake and Holy Cross Properties. For a more detailed discussion on the Company's proposed expenditures, see "Description of the Business – Snoball Project – Recommendations and Budget" and "Description of the Business – Golden Lion Project – Recommendations and Budget".

The net proceeds of the Minimum Offering are expected to fund the Company's operations for twelve (12) months following completion of the Offering. The estimated administration costs for the Company to achieve its stated business objectives over the next twelve (12) month period following completion of the Offering are an aggregate of \$409,000. An estimated breakdown of these costs is as follows:

	Estimated G&A Costs for 12 Months
Personnel	\$222,000
Non-Executive Director Fees	\$40,000
Office & Operating Costs	\$22,000
Travel	\$25,000
Legal & Audit Fees	\$50,000
Investor Relations	\$24,000
Transfer Agent & Regulatory Fees	\$26,000
Total Estimated 12 Month General and Administrative Expenses	\$409,000

Unutilized net proceeds of the Offering, if any, will be invested by the Company in an interest-bearing account with a major Canadian bank and used for working capital requirements.

While the Company intends to spend the net proceeds from the Offering as stated above, there may be circumstances where, for sound business reasons, funds may be re-allocated at the discretion of the Board or management. See "Risk Factors – Risks Related to the Company – The Company may not use the proceeds from the Offering as described in this Prospectus".

The Company is an exploration stage company and has not generated cash flow from operations. As at December 31, 2018, the Company had negative cash flow from operating activities. The Company expects to continue to incur negative consolidated operating cash flow and losses if and until such time as it achieves commercial production at a particular project.

If the Over-Allotment Option is exercised, the additional net proceeds of such exercise will be used for general corporate purposes.

Business Objectives and Milestones

The Company intends to use the net proceeds of the Offering to carry out the phase I exploration drilling program and related activities on the Snoball Property during the 2019 and 2020 drilling seasons, to carry out the phase I exploration drilling program and related activities on the Golden Lion Property during the 2020 drilling season, and for working capital purposes. On each of these properties the Company has identified specific targets that management believes offer superior potential for the discovery of new zones of base and/or precious metals mineralization. The Company's detailed objectives for each of the Snoball and Golden Lion Properties are set out in the Snoball Technical Report and the Golden Lion Technical Report, respectively.

The Company's first goal is to execute in 2019 preparatory elements of the Snoball Phase I work program recommended pursuant to the Snoball Technical Report, with the bulk of the work, including drilling, to be completed by August 31, 2020. On August 1, 2019, the Company received the MYAB permit for the Snoball Property to allow for commencement of the Phase I exploration program thereon. The phase I exploration program on Snoball includes a targeted 2,400 metres of diamond drilling in 13 holes from 8 pads located on Snoball Ridge and Pyramid Peak on the Snoball Property, including modelling and interpretation of the results. The Phase I work will also include environmental and archeological activities to ensure compliance with provincial and federal environmental regulations, and consultations with the Tahltan First Nation. Should the Snoball Phase I work program results be encouraging, execution of the contingent Snoball Phase II work program recommended pursuant to the Snoball Technical Report would take place during the 2021 field season.

As the Company does not expect to receive the MYAB permit for the Golden Lion Property within the 2019 field season, the Company expects execute the Golden Lion Phase I work program recommended under the Golden Lion Technical Report in its entirety prior to the end of Q3 2020. On July 24, 2019, the Company received a letter from the Kwadacha First Nation asserting aboriginal title over the area comprising the Golden Lion Property and asserting that their consent is required for the issuance of the MYAB Permit. As a condition of their consent, they are requesting that the Company and the Government of British Columbia enter into a consultation protocol; that exploration activity on the Golden Lion Property area be halted until the project has undergone a cumulative impact assessment jointly developed by the First Nation and the Government of British Columbia; and the Company enters into a memorandum of understanding wherein the Company adopts an extensive ongoing environmental monitoring program and a traditional knowledge protocol that specifically addresses First Nations sacred sites and other heritage resources that require protection and contains other industry standard commitments to First Nations appropriate to the stage of development of the Golden Lion Property. A MYAB is granted at the discretion of the inspector appointed under the *Mines Act* (British Columbia) who will determine if the level of First Nations consultation is sufficient and whether any requirements proposed by the Kwadacha First Nation should be a condition of the MYAB permit. The Company expects that the MYAB will be issued on a timely basis upon further consultation with the First Nations and fulfilment of satisfactory steps, as requested by the inspector appointed under the *Mines Act* (British Columbia); however, the Company cannot guarantee that a MYAB permit will be issued for the Golden Lion Property. See "*Risk Factors – First Nations*" and "*Risk Factors – The Company may fail to comply with the law or may fail to obtain or renew necessary permits or licences*".

On August 14, 2019, geophysicists employed by the Company were supplementing the geophysical surveys found in the Golden Lion Technical Report. Due to the delay in obtaining the MYAB permit for the Golden Lion Property, this work was inadvertently undertaken. As this work was unauthorized, the inspector appointed under the *Mines Act* (British Columbia) issued a suspension of work order, preventing the Company from conducting any further work on the Golden Lion Property until the Ministry issues a MYAB permit. The Company was not subject to any fines or further sanctions.

For greater certainty, the suspension of work order has no impact on the consultation process with Kwadacha First Nation. The Company has had discussions during the month of August with both the Ministry and the Kwadacha First Nation. The Kwadacha First Nation has indicated that the July 24, 2019 letter was targeted not at the Company *per se*, but rather at the BC Government, and is meant to generate action on the part of the BC Government to wider issues of concern to the Kwadacha First Nation, particularly Kaska aboriginal rights and title, and cumulative industry impacts on land, water and resources. The Kwadacha First Nation's key near-term goals are meetings and consultations with the BC Government to discuss these issues and it is largely up to these two entities to come to agreement. The Ministry has held discussions with the Kwadacha First Nation during August 2019, and other discussions and meetings are planned in the near term as part of the consultation process. The Company assumes that the larger issues

of, for example, aboriginal rights and title, will require ongoing and continued consultation between the BC Government and Kwadacha First Nation. The Company does not believe the granting of a MYAB permit depends on the Kwadacha First Nation and the BC Government resolving broader systemic issues, as the MYAB permit requires the Ministry to satisfy its duty to consult, as determined by the inspector appointed under the *Mines Act* (British Columbia). The issuance of the MYAB permit for the Golden Lion Property should occur this fall, following the 2019 field season or possibly early in the new year, and the consultation process between the Ministry and Kwadacha First Nation may result in the addition of specific conditions to the MYAB permit, possibly including economic development objectives and other commitments important to Kwadacha First Nation. The Company cannot ascertain the future cost implications, if any, of any possible commitments include in the MYAB permit for the Golden Lion Property. During the consultation process, the Company can conduct “non-mechanized” exploration work (i.e. soil and rock sampling, mapping, airborne geophysical surveying) on the Golden Lion Property in accordance with basic rights of mineral tenure granted by the Government of British Columbia; however, the Company does not intend to conduct any work on the Golden Lion Property (non-mechanized or otherwise) prior to obtaining the requisite MYAB permit. If the Company does not receive a MYAB permit for the Golden Lion Property, the suspension of work order may not be lifted. The Company cannot guarantee that the suspension of work order will be lifted or that the Ministry issues a MYAB permit for the Golden Lion Property. See “*General Development and Business of the Company – Business of the Company – Permits*”.

When the Company obtains all requisite permits to commence the Golden Lion Phase I work program, the Golden Lion Phase I work program will be similar in scale to the Snoball Phase I work program, entailing a targeted 2,400 metres of diamond drilling and assays in a similar number of holes (13), but from a somewhat greater number of pads (10). Geophysical surveys and geochemical sampling programs will also be carried out, along with environmental and archeological studies in compliance with provincial and federal environmental regulations, and consultations with the Kwadacha and Tahltan First Nations. Should the Golden Lion Phase I work program results be encouraging, execution of the contingent Golden Lion Phase II work program recommended pursuant to the Golden Lion Technical Report would take place during the 2021 field season.

The Company expects to accomplish the following objectives or milestones using the net proceeds of the Offering:

	Event	Time Frame
1.	Complete Phase I work program on Snoball Property	August, 2019 – August, 2020
2.	Complete Phase I work program on the Golden Lion Property	May, 2020 – August, 2020 ⁽¹⁾⁽²⁾
3.	Commence contingent Phase II work program on the Snoball Property, if warranted	June, 2020 - December, 2020
4.	Commence contingent Phase II work program on the Golden Lion Property, if warranted	June, 2020 – December, 2020

Notes:

- (1) The Company has not yet obtained the MYAB work permit necessary to commence the Phase I work program on the Golden Lion Property and acknowledges that the MYAB permit will likely not be received in time to allow for its execution, in whole or in part, during the 2019 field season, which generally ends in early October. Accordingly, completion of the Phase I work program on the Golden Lion Property is now anticipated for summer 2020. The Company continues to believe that the Kwadacha First Nation’s constitutional right to consultation will be satisfied, and the MYAB permit issued by May 2020 at the latest. However, there is no guarantee the Company will receive the MYAB permit by July 2020.

- (2) There is a risk that delay could result if the Kwadacha First Nation title rights are acknowledged or consultation is deemed to be inadequate following the issuance of the MYAB permit. There is no guarantee that the suspension of work order will be lifted or that a MYAB permit will be issued for the Golden Lion Property. See “*Risk Factors – First Nations*”.

As the Company cannot guarantee that the suspension of work order will be lifted or that a MYAB permit will be issued for the Golden Lion Property, if the Company does not receive the MYAB permit for the Golden Lion Property by July 2020, the Company intends to re-allocate proceeds of the Offering earmarked for the Golden Lion Phase I work program to preliminary geophysical surveys and soil/rock sampling for both the Holy Cross and Spanish Lake Properties. The Company anticipates the re-allocation of proceeds towards the preliminary activities for Holy Cross and Spanish Lake will cost approximately \$120,000 for each property.

The Company intends to conduct IP surveys on the Holy Cross and Spanish Lake Properties as a contingency if the Ministry does not issue a MYAB permit for Golden Lion within a reasonable timeframe. Prior to commencing any IP surveys on the Holy Cross or Spanish Lake Properties, the Company must receive a single-use permit issued by the Ministry under the *Mines Act* (British Columbia) authorizing those surveys. To obtain a permit for the contingent IP surveys, the Company must submit to the Ministry a “Notice of Work” with the permit application, and the Ministry must conduct satisfactory First Nations consultation. The Company does not currently possess the necessary *Mines Act* (British Columbia) permit to conduct IP surveys on either the Holy Cross or Spanish Lake Properties; however, if deemed necessary, the Company intends to make the necessary applications to conduct IP surveys on the Other Properties. If the Company decides to undertake contingent activities on the Holy Cross and Spanish Lake Properties, but cannot obtain the required permits within a satisfactory timeframe to conduct IP surveys, the Company will focus on activities that do not require a permit issued under the *Mines Act* (British Columbia), such as “non-mechanized” soil and rock sampling, geological mapping and airborne geophysical surveying. The Company cannot guarantee issuance of the requisite permits to conduct IP surveys for the Spanish Lake and Holy Cross Properties. See “*General Development and Business of the Company – Business of the Company – Permits*”, “*Material Properties – Other Properties – Holy Cross Property*”, “*Material Properties – Other Properties – Spanish Lake Property*”, and “*Risk Factors – First Nations*”.

If the Ministry delays the issuance of the MYAB permit for the Golden Lion Property beyond July 2020, the Company expects the re-allocated proceeds to the Holy Cross and Spanish Lake Properties will facilitate the preparation of technical reports in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. The Company expects to complete contingent work on the Holy Cross and Spanish Lake Properties within twelve (12) months from the date hereof, if deemed necessary due to delays in permitting for the Golden Lion Property.

If and when the Company receives the MYAB permit for the Golden Lion Property, the remaining twelve (12) month unallocated working capital under the Minimum and Maximum Offering, which would include the formerly earmarked amount for the Golden Lion Phase I work program less \$240,000 for the preliminary activities on Holy Cross and Spanish Lake, will be used to conduct the Phase I work program on the Golden Lion Property. See “*General Development and Business of the Company – Permits – Golden Lion Property*”, “*Material Properties – Golden Lion Property – Property Description and Location – Environmental Regulations and Exploration Permits*”, “*Risk Factors – First Nations*”, “*Risk Factors – Title to the Snoball Property and Golden Lion Property may be disputed*”, and “*Risk Factors – The Company may fail to comply with or may fail to obtain or renew necessary permits or licences*”.

See “*Special Note Regarding Forward-Looking Information*”, above.

Working Capital

The working capital of the Company is comprised primarily of net proceeds received from prior sales of units (“Units”). For more information regarding previously issued Units, please refer to “*Prior Sales*”, below. The Company’s working capital as at July 31, 2019 is:

Working Capital as at July 31, 2019	
Current Assets	\$42,377
Current Liabilities	\$96,005
Total	(\$53,628)

PLAN OF DISTRIBUTION

The Offering consists of a minimum of 13,304,370 and a maximum of 15,000,000 Offered Units at a price of \$0.20 per Offered Unit. In addition, the Offering includes up to an additional 2,250,000 Offered Units issuable upon the Agent’s exercise of the Over-Allotment Option in full. The Offered Units will be sold to the public on the Closing Date pursuant to the Agency Agreement. For a summary of the material attributes and characteristics of the Offered Units and certain rights attaching thereto, see “*Description of the Securities Distributed*”.

Pursuant to the Agency Agreement, the Company has appointed the Agent to offer for sale to the public, on a commercial reasonable efforts basis, an aggregate of up to 15,000,000 Offered Units (assuming the Over-Allotment Option is not exercised) at the Offering Price for aggregate gross proceeds to the Company of \$2,660,874 in the case of a Minimum Offering and \$3,000,000 in the case of a maximum Offering, subject to compliance with all legal requirements and the terms and conditions contained in the Agency Agreement.

The Offering Price has been determined by arm’s length negotiation between the Company and the Agent based on several factors, such as prevailing market conditions; the capital structure of the Company; estimates of the Company’s business potential and earnings prospects; an overall assessment of the Company’s management, and the consideration of these factors in relation to market valuations of companies in related businesses, and may bear no relationship to the price that will prevail in the public market.

In connection with the Offering, the Company has agreed to grant the Broker Warrants to the Agent, exercisable to acquire in aggregate that number of Common Shares as is equal to 7.0% of the aggregate number of Offered Units issued pursuant to the Offering at the Offering Price for a period of 24 months following their date of issue. This Prospectus also qualifies the issuance of the Broker Warrants. In addition, the Company will reimburse the Agent for all reasonable expenses incurred in connection with the Offering. The Agent is also entitled to a corporate finance fee of \$25,000, which as of the date hereof the Company has paid \$12,500 thereto.

The Company has additionally granted the Agent the Over-Allotment Option, exercisable, in whole or in part, at the sole discretion of the Agent, on or before the Over-Allotment Deadline, to offer the Over-

Allotment Units for sale to the public in an amount equal to a further 15% of the base Offering at a price per Over-Allotment Unit equal to the Offering Price, to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised to acquire up to an additional 2,250,000 Over-Allotment Units at the Offering Price. The Over-Allotment Option is exercisable by the Agent giving notice to the Company prior to the Over-Allotment Deadline, which notice shall specify the number of Over-Allotment Units to be offered for sale to the public. If the Agent exercises the Over-Allotment Option in full, the gross proceeds raised under the Offering will be \$3,450,000, the Agent's Fee will be \$241,500, and the net proceeds to the Company will be \$3,208,500 (before deducting expenses of the Offering). This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Over-Allotment Units issuable upon exercise of the Over-Allotment Option.

Pursuant to the rules and policy statements of certain Canadian securities regulators, the Agent may not, at any time during the period of distribution, bid for or purchase the Company's securities for their own account or for accounts over which they exercise control or direction. The foregoing restrictions are subject to certain exceptions on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Offered Units. These exceptions include a bid for or purchase of the Company's securities (i) made through the facilities of the TSX-V, in accordance with the Universal Market Integrity Rules of the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities; (ii) made for or on behalf of a client, provided that the client's order was not solicited during the distribution period; and (iii) to cover a short position entered into prior to the commencement of the distribution period. Subject to applicable laws and in connection with the Offering, the Agent may engage in market stabilization or market balancing activities on the TSX-V where the bid for or purchase of the Company's securities is for the purpose of maintaining a fair and orderly market in such securities, subject to price limitations applicable to such bids or purchases. Such transactions, if commenced, may be discontinued at any time.

The obligations of the Agent under the Agency Agreement are subject to certain closing conditions, and may be terminated at the Agent's discretion at any time before Closing on the basis of "material change out", "market out", "disaster out", "regulatory out", "breach out", and "due diligence out" clauses in the Agency Agreement, in addition to termination upon the occurrence of certain other stated events. As the Agent has agreed to use their commercially reasonable efforts to sell the Offered Units, the Agent is not obliged to purchase any Offered Units not sold under the Offering. The Company has agreed in the Agency Agreement to indemnify the Agent and its respective affiliates and its directors, officers, employees, agents, partners and shareholders against certain liabilities and expenses or will contribute to payments that the Agent or such other parties may be required to make in respect thereof.

In consideration for the Agent's services in connection with the Offering, the Agency Agreement provides that the Company will pay the Agent's Fee to the Agent, which is equal to 7.0% of the gross proceeds of those Offered Units sold pursuant to the Offering.

Subscriptions for the Offered Units will be received subject to rejection or allotment, in whole or in part, and the Agent reserves the right to close the subscription books at any time without notice. It is anticipated that a certificate representing the Unit Shares and a certificate representing the Unit Warrants will be issued in registered form to the Agent as global securities on the Closing Date. The Agent will hold in trust all monies received prior to the Closing Date, pursuant to the Agency Agreement, pending the completion of the Offering on the Closing Date. The Offering is not underwritten, and the Offering must be fully raised within ninety (90) days of the issuance, by all securities regulatory authorities having jurisdiction, of a receipt for the filing of a final prospectus (unless the applicable securities regulatory authorities consent to an extension of the offering period), failing which the Agent will remit the funds collected to the original subscribers without interest or deduction.

Provided that the Offering is subscribed for, it is expected that Closing will take place on such date or dates as the Agent and the Company may mutually agree upon. The Offering will not continue for a period of more than 90 days after the date of the receipt for the (final) prospectus in respect of the Offering, unless an amendment to the (final) prospectus is filed and a receipt obtained therefor by the Company in accordance with applicable securities laws, provided that the total period of distribution under the Offering shall not exceed 180 days from the date of the receipt for the (final) prospectus. Except as may be otherwise agreed by the Company and the Agent, it is expected that the Unit Shares and Unit Warrants to be issued to purchasers pursuant to the Offering will be issued in registered form to CDS or its nominee and will be deposited with CDS on the Closing Date. Purchasers of Offered Units registered in the name of CDS or its nominee will receive only a customer confirmation from the registered dealer, who is a CDS participant, through which the Offered Units are purchased.

The Offered Units are being offered for sale to the public in British Columbia, Alberta and Ontario only by way of this Prospectus.

There is currently no market through which the Offered Units may be sold, and purchasers may not be able to resell the Offered Units purchased under this Prospectus. This may affect the pricing of the Offered Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Offered Units, and the extent of issuer regulation. See “*Risk Factors*”.

As of the date of this Prospectus, the Company has applied for listing of the Unit Shares, the Broker Shares, and the Unit Warrant Shares, as well as the Company’s existing Common Shares on the TSX-V. The TSX-V has conditionally approved the listing of the Unit Shares as well as the Company’s existing issued and outstanding Common Shares on the TSX-V. Listing will be subject to the Company fulfilling the requirements of the TSX-V, including distribution of Common Shares to a minimum number of public shareholders.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

Other than as disclosed in this Prospectus, there are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or Company in connection with the Offering.

The Offered Units have not been and will not be registered under the U.S. Securities Act or any securities laws of any state of the United States and may not be offered or sold within the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and all applicable state securities laws. The Agent has agreed that they will not offer or sell the Offered Units within the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and pursuant to similar exemptions under applicable state securities laws. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any Offered Units in the United States. The Agent may also offer and sell Offered Units outside of the United States in accordance with Regulation S under the U.S. Securities Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Offered Units within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act unless such offer is made pursuant to an exemption from the registration requirements of the U.S. Securities Act.

Pursuant to the Agency Agreement, the Company has agreed not to, directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to or announce any intention to issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, any Common Shares or any securities convertible or exchangeable into Common Shares, other than pursuant to (i) the Offering; (ii) the exercise of the Over-Allotment Option; (iii) the grant or exercise of stock options and other similar issuances pursuant to any stock option plan or similar share compensation arrangements in place prior to the Closing Date; (iv) the issuance of Common Shares or securities convertible or exchangeable into Common Shares as part of the consideration payable to a vendor in connection with an acquisition by the Company of assets or an equity interest in a third party; or (v) the issuance of Common Shares upon the exercise of convertible securities, warrants or options outstanding prior to the Closing Date, for a period commencing on the Closing Date and ending 90 days from the Closing Date, without the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed.

The Company has also agreed to use its commercially reasonable efforts to cause all of the Company's directors, officers and holders of more than 10% of the issued and outstanding Common Shares to enter into lock-up agreements, to be executed in favour of the Agent, requiring them not to offer or sell, agree to offer or sell, enter into an arrangement to offer or sell, grant any option to purchase, make any short sale, or otherwise dispose of, or transfer, or announce any intention to do so, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of any Common Shares or other securities of the Company, or securities convertible into, exchangeable for, or otherwise exercisable to acquire any securities of the Company in connection with financing transactions at any time unless: (i) they first obtain the written consent of the Agent, such consent not to be unreasonably withheld or delayed; or (ii) there occurs a take-over bid, change of control or similar transaction, for a period commencing of the Closing Date and ending 90 days from the Closing Date.

The minimum funds to be raised in respect of the Offering is \$2,660,874. The Company must appoint a registered dealer authorized to make the distribution, a Canadian financial institution, or a lawyer who is a practicing member in good standing with a law society of a jurisdiction in which the securities are being distributed, to hold in trust all funds received from the subscriptions until the minimum amount of funds of \$2,660,874 has been raised. If this minimum amount of funds is not raised within the distribution period, the trustee must return the funds to the subscribers without any deduction.

SELECTED HISTORICAL FINANCIAL INFORMATION

The following table sets out certain selected historical consolidated financial information of the Company for the periods and as at the dates indicated. This information has been derived from the audited and unaudited financial statements and related notes thereto included in this Prospectus. The Company prepares its financial statements in accordance with IFRS. Investors should read the following information in conjunction with those financial statements and related notes thereto, along with the MD&A.

	As at and for the six month period ended June 30, 2019	As at and for the year ended December 31, 2018
Current assets	\$98,904	\$339,030
Working capital ⁽¹⁾	\$4,484	\$286,385
Mineral property, plant and equipment	\$-	\$-

	As at and for the six month period ended June 30, 2019	As at and for the year ended December 31, 2018
Current liabilities	\$94,420	\$52,645
Shareholder's equity	\$29,484	\$286,385
Gross profit	\$-	\$-
Net income (loss)	(\$256,901)	(\$134,662)
Basic net income (loss) per share	(\$0.02)	(\$0.01)
Diluted net income (loss) per share	(\$0.02)	(\$0.01)

Note:

- (1) Working capital is the measure of current assets less current liabilities.

DIVIDENDS AND DISTRIBUTIONS

The Company has never declared or paid cash dividends or distributions on Common Shares. The Company currently intends to retain any future earnings to fund the development and growth of its business and will pay dividends and/or distributions, if any, in the future as the Board see fit.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Attached to this Prospectus at pages "B-23" and "B-59", are the management's discussion and analysis for: (i) the period for the year ended December 31, 2018; and (ii) the three-month period ended June 30, 2019. Copies are also available on SEDAR under Evergold's corporate profile at www.sedar.com.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

The Company's authorized share capital consists of an unlimited number of Common Shares without par value. As of the date of this Prospectus there were 10,371,467 Common Shares issued and outstanding, and 3,146,575 Common Shares issuable pursuant to Warrants.

Common Shares

All of the Common Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on liquidation, dissolution or winding-up of the Company and entitlement to any dividends declared by the Company. The holders of Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders of the Company (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Common Share carries the right to one vote. In the event of liquidation, dissolution or winding-up of the Company, or any other distribution of the assets of the Company among its shareholders for the purposes of winding-up its affairs, the holders of the Common Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the payment by the Company of all of its liabilities. The holders of Common Shares are entitled to receive dividends as and when declared by the Board in respect of the Common Shares on a pro rata basis. The Common Shares do not have pre-emptive rights, conversion rights or exchange rights and are not subject to redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund

provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital. For a description of the Company's dividend policy, see "Dividends and Distributions", above.

This Prospectus qualifies the Offering of the Common Shares.

This Prospectus also qualifies the distribution and issuance of the Broker Warrants and the Over-Allotment Option and any Common Shares issued upon the exercise of the Over-Allotment Option. The Over-Allotment Option may be exercised for market stabilization purposes. See "*Plan of Distribution*".

CONSOLIDATED CAPITALIZATION

As at June 30, 2019 and as of the date of this Prospectus, the Company had 10,371,467 Common Shares outstanding. On completion of the Offering, the Company will have up to 25,371,467 Common Shares issued and outstanding (27,621,467 Common Shares issued and outstanding if the Over-Allotment Option is exercised in full). There will be no material change to the Company's loan capital that will result from the completion of the Offering.

The following table sets forth the consolidated share capitalization of the Company as at September 16, 2019 on an actual and on a pro forma basis as adjusted to give effect to the completion of the Offering. Investors should read the following information in conjunction with the Company's audited and unaudited consolidated financial statements and related notes thereto, along with the associated MD&A, included in this Prospectus.

Common Shares	Minimum Offering	Maximum Offering ⁽¹⁾	Maximum Offering ⁽²⁾
Pre-Offering	10,371,467	10,371,467	10,371,467
Offering	13,304,370	15,000,000	17,250,000
Pro-Forma	23,675,837	25,371,467	27,621,467

Notes:

- (1) Assuming no exerciser of the Over-Allotment Option.
- (2) Assuming full exercise of the Over-Allotment Option.

OPTIONS TO PURCHASE SECURITIES

Options

The Company has adopted an incentive stock option plan dated June 25, 2019 (the "**Plan**"), and the Plan is the Company's only equity compensation plan.

The Plan is a rolling stock option plan, under which 10% of the outstanding Common Shares at any given time are available for issuance thereunder. The purpose of the Plan is to advance the interests of the Company by (i) providing certain employees, officers, directors, or consultants of the Company

(collectively, the “Optionees”) with additional performance incentive; (ii) encouraging Share ownership by the Optionees; (iii) increasing the proprietary interest of the Optionees in the success of the Company; (iv) encouraging the Optionees to remain with the Company; and (v) attracting new employees, officers, directors and consultants to the Company.

The following information is intended to be a brief description and summary of the material features of the Plan.

- a) The aggregate maximum number of Common Shares available for issuance from treasury under the Plan and all of the Company’s other security-based compensation arrangements at any given time is 10.0% of the outstanding Common Shares as at the date of grant of an option under the Plan, subject to adjustment or increase of such number pursuant to the terms of the Plan. Any Common Shares subject to an option which has been granted under the Plan and which has been cancelled, repurchased, expired or terminated in accordance with the terms of the Plan without having been exercised will again be available under the Plan.
- b) The exercise price of an option shall be determined by the Board at the time each option is granted, provided that such price shall not be less than (i) if the Common Shares are listed on the Exchange, the last closing price of the Common Shares on the Exchange; or (ii) if the Common Shares are not listed on the Exchange, in accordance with the rules of the stock exchange on which the Common Shares are listed at the time of the grant; or (iii) if the Common Shares are not listed on any stock exchange, the minimum exercise price as determined by the Board.
- c) The aggregate number of Common Shares reserved for issuance pursuant to options granted to insiders of the Company at any given time, or within a twelve-month period, shall not exceed 10.0% of the total number of Common Shares then outstanding, unless disinterested shareholder approval is obtained. The aggregate number of Common Shares reserved for issuance pursuant to options granted to any one person or entity within any twelve-month period shall not exceed 5.0% of the total number of Common Shares then outstanding unless disinterested shareholder approval is obtained.
- d) Directors, officers, consultants and employees of the Company or its subsidiaries, and employees of a person or company which provides management services to the Company or its subsidiaries are eligible to participate in the Plan (“**Optionees**”). Subject to compliance with requirements of the applicable regulators, Optionees may elect to hold Options granted to them in an incorporated entity wholly owned by them and such entity is bound by the Plan in the same manner as if the Options were held by the Optionee.
- e) Each Option and all rights thereunder shall expire on the date set out in the Option agreement, provided that in no circumstances shall the duration of an Option exceed the maximum term permitted by the applicable regulators.
- f) If any Options expire during a period when trading of the Company’s securities by certain persons as designated by the Company is prohibited or within ten (10) business days after the end of such a period, the term of those Options will be extended to ten (10) business days after the end of the prohibited trading period, unless such extension is prohibited by any applicable law or the policies of the applicable regulators.
- g) The Board may determine when any option will become exercisable and may determine that the option will be exercisable immediately upon the date of grant, or in instalments or pursuant to a vesting schedule. However, unless the Board determines otherwise, options issued pursuant to the

Plan are generally subject to a vesting schedule as follows: (i) 1/3 upon the date of grant; (ii) 1/3 upon the first anniversary of the date of grant; and (iii) 1/3 upon the second anniversary of the date of grant.

- h) In the event an Optionee ceases to be eligible for the grant of Options under the Plan, options previously granted to such person will cease to be exercisable within a period of 90 days after the date such person ceases to be eligible under the Plan, or such longer or shorter period as determined by the Board, provided that no option shall remain outstanding for any period which exceeds the earlier of: (i) the expiry date of such option; and (ii) 12 months following the date such person ceases to be eligible under the Plan.
- i) If an Optionee ceases to be a director, officer, consultant or employee of the Company, or its subsidiaries, or ceases to be a management company employee, for any reason (other than death), such Optionee may exercise their Option to the extent that the Optionee was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Optionee ceases to be a director, officer, consultant or employee, or a management company employee, unless such Optionee was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Optionee's services to the Company.
- j) In the event of death of an Optionee, the Option previously granted shall be exercisable only within 12 months after such death and only if and to the extent that such Optionee was entitled to exercise the Option at the date of death.
- k) The Plan has been adopted by the Board subject to the approval of the applicable regulators and, if so approved, subject to the discretion of the Board, the Plan will become effective upon approval at the next general meeting of the shareholders of the Company.

In the event of a Change of Control (as defined in the Plan), all Options outstanding shall be immediately exercisable.

The following table sets forth the aggregate number of Options which are issued and outstanding, as at the date of this Prospectus.

Holder of Options	Number of Options	Common Shares Underlying Options	Exercise Price	Expiry Date
Executive Officers	4	1,430,000	See Note ⁽¹⁾	July 30, 2024
Directors (other than those who are also executive officers)	4	700,000	See Note ⁽¹⁾	July 30, 2024
Consultants	2	150,000	See Note ⁽¹⁾	July 30, 2024
Total	10	2,280,000		

Notes:

- (1) The Options issued to the officers, directors and consultants of the Company will vest 33.0% as of the date of grant and will carry a \$0.20 per Common Share exercise price; 33.0% of the granted Options will vest on first anniversary of the grant date and will carry an exercise price of \$0.25 per Common Share; and the remaining 34.0% of the granted Options will vest on the second anniversary of the grant date and will carry an exercise price of \$0.30 per Common Share.

Warrants

As of the date of this Prospectus, the Company has 3,146,575 Warrants issued and outstanding. Each Warrant entitles the holder thereof to acquire one Common Share. The following table sets forth the aggregate number of Warrants, on a combined basis, which are anticipated, as at the date of this Prospectus, to be outstanding immediately prior to, and upon completion of, the Offering.

Issue Date	Number of Warrants Prior to the Offering	Number of Warrants upon Completion of the Minimum Offering	Number of Warrants upon Completion of the Maximum Offering ⁽¹⁾	Exercise Price (\$ per Warrant)	Expiry Date
May 1, 2017	2,047,075	2,047,075	2,047,075	\$0.12	May 1, 2022
July 12, 2017	1,099,500	1,099,500	1,099,500	\$0.18	July 12, 2021
Closing Date	NIL	7,117,837	8,025,000	\$0.25	Twenty-four (24) months following their date of issue
Total	3,146,575	10,265,412	11,171,575		

Notes:

(1) Assuming no exercise of the Over-Allotment Option.

Broker Warrants

Upon completion of the Offering, the Agent will receive Broker Warrants entitling it to acquire that number of Common Shares equal to 7.0% of the aggregate number of Offered Units sold under the Offering, including Over-Allotment Units issued on exercise of the Over-Allotment Option, at the Offering Price at any time for a period of twenty-four (24) months following the Closing Date. This Prospectus qualifies the distribution of the Broker Warrants. See “*Plan of Distribution*”.

Over-Allotment Option

The Company has granted to the Agent the Over-Allotment Option to offer for sale the Over-Allotment Units exercisable for a period up to the Closing Date on the same terms and conditions as the Offering. The number of Over-Allotment Units issuable upon exercise of the Over-Allotment Option is up to 15.0% of the number of Units sold pursuant to the Offering. If the Over-Allotment Option is fully exercised the total number of Over-Allotment Units issuable pursuant thereto will be 2,250,000 under the Maximum Offering. This Prospectus also qualifies the grant of the Over-Allotment Option, and the distribution of up to 2,250,000 Over-Allotment Units issued upon the exercise thereof. The Over-Allotment may be used by the Agent to cover over-allotments, if any, and for market stabilization purposes. See “*Plan of Distribution*”.

There are no assurances that any stock options granted in the future under the Plan, the Warrants, the Broker Warrants, or the Over-Allotment Option will be exercised in whole or in part.

PRIOR SALES

There were no prior sales of Common Shares during the twelve (12) months preceding the date of this

Prospectus. The Common Shares are not traded or quoted on a market place and there is currently no public market for the Common Shares. See “Risk Factors”.

ESCROWED SECURITIES

The following table sets forth details of the securities of the Company to be held in escrow following the completion of the Offering:

Designation of Class	Number of Common Shares Held in Escrow ⁽¹⁾	Percentage of Class upon Completion of Minimum Offering ⁽²⁾	Percentage of Class upon Completion of Maximum Offering ⁽³⁾
Common Shares	6,688,300 ⁽⁴⁾⁽⁵⁾	28.2%	26.3%
Warrants	2,047,075 ⁽⁴⁾⁽⁶⁾	19.0%	17.0%

Notes:

- (1) Securities to be held in escrow are all securities of the Company issued to “Principals” of the Company prior to the Offering, “Principals” being (i) directors and senior officers of the Company, (ii) promoters of the Company during the two years preceding this Offering, (iii) holders of more than 10.0% of the outstanding Common Shares immediately before the Closing Date who also have a right to elect or appoint a director or senior officer of the Company, (iv) holders of more than 20.0% of the outstanding Common Shares immediately before the Closing Date, (v) companies, trusts, partnerships or other entities held more than 50.0% by one or more of the foregoing, and (vi) spouses or other relatives that live at the same address as any of the foregoing.
- (2) On the basis of 23,675,837 issued and outstanding Common Shares and 10,730,065 outstanding Warrants, Unit Warrants, and Broker Warrants, after giving effect to the Minimum Offering, and assuming no exercise of the Over-Allotment Option;
- (3) On the basis of 25,371,467 issued and outstanding Common Shares and 11,696,575 outstanding Warrants, Unit Warrants, and Broker Warrants, after giving effect to the Maximum Offering, and assuming no exercise of the Over-Allotment Option;
- (4) These securities are held in escrow by Capital Transfer Agency as depository. Pursuant to the Escrow Agreement, 10.0% of such securities held in escrow will be released from escrow on the date the Common Shares are listed on a prescribed stock exchange, and 15.0% every six months thereafter, subject to acceleration provisions provided for in National Policy 46-201 – *Escrow for Initial Public Offerings*.
- (5) The Common Shares are held by directors and officers of the Company (1,519,857) and promoters of the Company (5,168,443). See “Principal Security Holders”, “Directors and Officers” and “Material Contracts”.
- (6) The Warrants are held by proposed officers and directors of the Company (567,500) and by a promoter of the Company (1,479,575). See “Principal Security Holders”, “Options to Purchase Securities – Warrants” and “Material Contracts”.

Section 3.5 of National Policy 46-201 – *Escrow for Initial Public Offerings* (“NP 46-201”) provides that all shares of a company owned or controlled by a Principal (as defined in NP 46-201) will be escrowed at the time of the Company’s initial listing, unless the shares held by the Principal or issuable to the Principal upon conversion of convertible securities held by the Principal collectively represent less than 1.0% of the total issued and outstanding shares of the Company after giving effect to the initial public offering.

At the time of its initial public offering, an issuer will be classified for the purposes of escrow as either an “exempt issuer”, an “established issuer” or an “emerging issuer”, as those terms are defined in NP 46-201.

Uniform terms of automatic timed release apply to the escrowed securities of exchange listed issuers, differing only according to the classification of the issuer. The Company anticipates that it will be classified as an “established issuer”. As such, the Company anticipates that the following automatic timed releases will apply to the escrowed securities listed in the table above:

Date of Automatic Timed Release	Amount of Escrowed Securities Release ⁽¹⁾
On the date the Company's securities are listed on a Canadian exchange	1/10 of the escrowed securities
6 months after the listing date	1/6 of the escrowed securities
12 months after the listing date	1/5 of the escrowed securities
18 months after the listing date	1/4 of the escrowed securities
24 months after the listing date	1/3 of the escrowed securities
30 months after the listing date	1/2 of the escrowed securities
36 months after the listing date	the remaining escrowed securities

Note:

- (1) In the simplest case, where there are no changes to the escrow securities initially deposited and no additional escrow securities, the release schedule outlined above results in the escrow securities being released in equal tranches of 15.0% after completion of the release on the listing date.

Restricted Securities

In addition to the escrow requirements described above, the Company's senior officers and directors will agree, for a period of six (6) months from the Closing Date, without the prior written consent of Leede Jones Gable Inc., not to sell or issue or announce an intention to authorize, sell or issue, or negotiate or enter into an agreement to sell or issue, any securities of the Company, other than (i) pursuant to the Offering; (ii) the issuance of non-convertible debt securities; (iii) upon the exercise of convertible securities, options of the Company or Warrants outstanding as at the date of this Prospectus; (iv) pursuant to the Plan; or (v) pursuant to the acquisition of shares or assets of arm's length persons which does not result in a change of control of the Company.

Seed Shares

Applicable stock exchange seed share resale restrictions may be imposed, which would apply to securities which were issued to non-Principals prior to an initial public offering at a price which is below the initial public offering price. The release schedule of the Common Shares subject to such resale restrictions would be determined based on the price at which such Common Shares were issued in comparison with the Offering Price. Seed share resale restrictions would be imposed by imprinting legends on the applicable certificates representing such securities which set forth the particulars of the resale restrictions.

PRINCIPAL SECURITYHOLDERS

The following table sets forth the only persons, as at the date of this Prospectus, who own of record or, to the knowledge of the directors and officers of the Company, beneficially own or exercise control or

direction over, directly or indirectly, more than 10.0% of any class of securities of the Company as of the date hereof:

Name of Shareholder	Type of Ownership	Common Shares (and % of Outstanding Common Shares) ⁽¹⁾ Owned, Controlled or Directed Prior to the Offering	Common Shares (and % of Outstanding Common Shares) ⁽¹⁾ Owned, Controlled or Directed Following Completion of the Minimum Offering	Common Shares (and % of Outstanding Common Shares) ⁽¹⁾ Owned, Controlled or Directed Following Completion of the Maximum Offering
C.J. Greig Holdings Ltd. ⁽²⁾	Registered	5,168,443 (49.8%) ⁽³⁾	5,168,443 (21.8%) ⁽³⁾	5,168,443 (20.4%) ⁽³⁾
Charles Greig	Beneficial	5,168,443 (49.8%)	5,168,443 (21.8%)	5,168,443 (20.4%)
Malcolm McCallum	Registered and Beneficial	1,500,000 (14.5%) ⁽⁴⁾	1,500,000 (6.3%) ⁽⁴⁾	1,500,000 (5.9%) ⁽⁴⁾
Alexander Walcott	Registered and Beneficial	1,037,147 (10.0%) ⁽⁵⁾	1,037,147 (4.3%) ⁽⁵⁾	1,037,147 (4.1%) ⁽⁵⁾

Notes:

- (1) On the basis of a total of 10,371,467 issued and outstanding Common Shares as at the date hereof, a total of 23,675,837 issued and outstanding Common Shares after giving effect to the Minimum Offering, and a total of 25,371,467 issued and outstanding Common Shares after giving effect to the Maximum Offering. Assumes no exercise of the Over-Allotment Option.
- (2) Charles Greig is a director, sole officer and the sole securityholder of C.J. Greig Holdings Ltd., and the beneficial owner of 5,168,443 Common Shares.
- (3) On the basis of C.J. Greig Holdings Ltd. total diluted ownership position (5,168,443 Common Shares plus 1,479,575 outstanding Warrants) equaling 6,648,018 Common Shares potentially issuable assuming all Warrants held by C.J. Greig Holdings Ltd. are exercised, the ownership position is 49.2% prior to completion of the Offering, 6,648,018 (28.0%) of 23,675,837 issued and outstanding Common Shares after completion of the Minimum Offering and 6,648,018 (26.2%) of 25,371,467 issued and outstanding Common Shares after completion of the Maximum Offering.
- (4) M. McCallum holds neither options nor Warrants in the Company. His ownership position is therefore 1,500,000 (14.5%) prior to completion of the Offering, 1,500,000 (6.3%) after completion of the Minimum Offering and 1,500,000 (5.9%) after completion of the Maximum Offering.
- (5) A. Walcott holds 150,000 Options in the Company and no Warrants. His total diluted ownership position is therefore 1,187,147 (11.3%) prior to completion of the Offering, 1,187,147 (5.0%) after completion of the Minimum Offering and 1,187,147 (4.6%) after completion of the Maximum Offering.

DIRECTORS AND OFFICERS

The following table sets forth the name and municipality of residence of each director and executive officer of the Company, as well as such individual's age, position with the Company, principal occupation within the five preceding years and period of service. Each of the directors of the Company will hold office until the close of the next annual meeting of shareholders and until such director's successor is elected and qualified, or until the director's earlier death, resignation or removal.

Name and Province of Residence	Age	Position with Company	Principal Occupation for Five Preceding Years	Director/ Officer of the Company Since	Number of Common Shares Held (%)⁽¹⁾
Kevin M. Keough ^{6,8} <i>Arnprior, Ontario</i>	59	<i>President, CEO and Non-Independent Director</i>	President & CEO, Evergold Corp. Oct. 2015 through present; President & CEO, GT Gold Corp. (TSXV: GTT) Nov. 2016 through June 2018 (presently remains an active consultant to the company); President & CEO, New Chris Minerals Ltd. Nov. 2016 through June 2018; Advisor, New Chris Minerals Ltd. April 2016 through Nov. 2016; Advisor, Avidian Gold Inc., Jan. through June 2015; Advisor, New Chris Minerals Ltd. January through Nov. 2014; President & CEO, Myan Resources Inc. and its Singapore and Myanmar subsidiaries Dec. 2011 to January 2015; President & CEO, PC Gold Corp. (TSX:PKL), Nov. 2007 to Dec. 2011)	October 30, 2015	Undiluted: 482,710 (4.7%) Fully diluted: 1,050,210 (7.8%)
K. Tracy Albert <i>Kanata, Ontario</i>	54	<i>Chief Financial Officer</i>	CFO, Robillard Hearing Centres, 2017 to present; CFO, GT Gold Corp. (TSXV: GTT), Nov. 2016 to Oct. 2017; VP Finance, Stratford Managers Corp. 2016-2017; Director of Finance, National Dental Examining Board 2013-2016; Director of Financial Reporting, Northern Graphite Corp. (TSXV:NGC), 2010-2018; Controller, PC Gold Corp. (TSX:PKL), May 2008-March 2012	October 30, 2015	nil
Monique Hutchins <i>Toronto, Ontario</i>	50	<i>Corporate Secretary</i>	Managing Director, DSA Corporate Services, Feb. 2019 to present; Director, Business Development and Marketing, and Corporate Secretary, Independent Review Inc., Dec 2010 to Jan. 2019	April 1, 2019	nil
Andrew J. Mitchell <i>Kelowna, British Columbia</i>	33	<i>Vice President, Exploration</i>	Geologist, C.J. Greig & Associates Ltd., April 15, 2017 to present; geologist, Archer Cathro & Associates Ltd. May 2010 to March 2017	June 6, 2019	nil
Bernice Greig ⁹ <i>Penticton, British Columbia</i>	61	<i>Non-Independent Director</i>	Solicitor, Gilchrist & Company, Penticton, BC, 2007 to present	June 25, 2019	nil ⁽²⁾
P. Alexander Walcott ⁹ <i>Port Moody, British Columbia</i>	47	<i>Non-Independent Director</i>	Geophysicist with Peter E. Walcott & Assoc. Ltd., 2004 to present	June 25, 2019	1,037,147 (10.0%)
Rosie Moore ^{3,5,7,8,10} <i>Park City, Utah, USA</i>	60	<i>Independent Director</i>	From 2016 to present Director with several private and publicly held junior resource companies including Trifecta Gold Ltd. (TSXV: TG), Remac Zinc Corp., and Rush Valley Gold Corp; from 2013 to 2016 Director, President & CEO of Dolly Varden Silver Corp. (TSXV: DV); and from 2012 to 2016 as Consulting Geologist/Analyst to	June 25, 2019	nil

Name and Province of Residence	Age	Position with Company	Principal Occupation for Five Preceding Years	Director/ Officer of the Company Since	Number of Common Shares Held (%) ⁽¹⁾
			major U.S. silver miner Hecla and global merchant bank RMB Resources, plus others		
Darwin Green ^{4,6,8,10} North Vancouver, British Columbia	48	Independent Director	VP Exploration, Constantine Metal Resources Ltd., 2009 to present; pending Director, President and CEO of Highgold Mining Inc., a proposed spin-out from Constantine Metal Resources Inc.	June 25, 2019	nil

Notes:

- (1) Based on 10,371,467 Common Shares issued and outstanding as at the date hereof.
- (2) Ms. Greig is the spouse of Mr. Charles Greig, who beneficially owns as of the date hereof 5,168,443 (49.8%) of the issued and outstanding Common Shares of the Company in addition to 1,479,575 Warrants. See “Promoters”.
- (3) Chair of the Compensation Committee.
- (4) Member of the Compensation Committee.
- (5) Chair of the Governance and Nominating Committee.
- (6) Member of the Governance and Nominating Committee.
- (7) Chair of the Audit Committee.
- (8) Member of the Audit Committee.
- (9) Ms. Greig and Mr. Walcott will devote approximately 5% of their time to the Company and neither are subject to non-competition or non-disclosure agreements with the Company.
- (10) Ms. Moore and Mr. Green will devote approximately 10% of their time to the Company and neither are subject to non-competition or non-disclosure agreements with the Company.

The current directors and executive officers of the Company, as a group, beneficially own, or exercise control or direction over, directly or indirectly, 1,519,857 Common Shares, representing 14.6% of all issued and outstanding Common Shares (10,371,467) as of the date of this Prospectus, representing 6.4% of the Common Shares issued and outstanding assuming closing of the Minimum Offering, and 6.0% assuming closing of the Maximum Offering. It is expected that some of the officers and directors, or their respective associates and/or affiliates, will acquire Common Shares pursuant to the Offering. See “Plan of Distribution”.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No individual set forth in the above table is, as at the date of this Prospectus, or has been, within 10 years before the date of this Prospectus, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- l) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while such individual was acting in the capacity as director, chief executive officer or chief financial officer; or
- m) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after such individual ceased to be a

director, chief executive officer or chief financial officer and which resulted from an event that occurred while such proposed director was acting in the capacity as director, chief executive officer or chief financial officer.

No individual set forth in the above table (or any personal holding company of any such individual) is, as of the date of this Prospectus, or has been within ten (10) years before the date of this Prospectus, a director or executive officer of any company (including the Company) that, while such individual 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.

No individual as set forth in the above table (or any personal holding company of any such individual) has, within the ten (10) years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such individual.

No individual set forth in the above table (or any personal holding company of any such individual) has been subject to:

- n) 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
- o) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain of the officers and directors of the Company also serve as directors and/or officers of other companies involved in the mineral exploration and development business and consequently there exists the possibility for such officers or directors to be in a position of conflict. Any decision made by any of such officers or directors involving the Company will be made in accordance with their duties and obligations under the laws of Ontario and Canada.

Executive Officer and Director Biographies

Set forth below is a description of the background of the officers and directors of the Company, including a description of each individual's principal occupation(s) within the past five years.

Kevin M. Keough, Chief Executive Officer, President, and Director

Mr. Keough holds a HBSc in Geological Sciences from Queen's University. He has been President & CEO of Evergold Corp. since inception in October, 2015 and for much of that period, from November 2016 to June 2018, concurrently served as President & CEO of GT Gold Corp. (TSXV: GTT) and its subsidiary New Chris Minerals Ltd., which is advancing the large-scale new Saddle Au-Cu-Ag discoveries in British Columbia's Golden Triangle. He continues to serve as a consultant to GT Gold. Mr. Keough has 39 years diverse business experience, having begun his career with Alberta Petrochemicals, Canada Cities Services and Husky Oil in Alberta, before moving to Africa to work as an exploration geologist for Anglo American Corporation and De Beers on gold and diamond projects. Later he served as an Advisor to senior ministers in the Canadian Government, and for the decade from 1993 to 2004 as a rainmaker in the technology-

focused venture capital and broader private equity sectors. He couples a technical background and international experience with expertise in project and public company management, finance and capital markets, communications, and business development. Prior to GT Gold's launch as a public company, from April 2016 through November 2016, Mr. Keough initiated, structured and led the RTO transaction that led to its creation; from January to June 2015 he served as Advisor to Avidian Gold Inc.; from January through November 2014 he served as Advisor to New Chris Minerals Ltd.; from December 2011 to January 2015, President & CEO of Myan Resources Inc. and its two Singapore and Myanmar subsidiaries; and from November 2007 to December 2011, as founder, President & CEO of PC Gold Corp. (TSX: PKL).

K. Tracy Albert, Chief Financial Officer

Ms. Albert holds a BComm degree from the University of Ottawa. She is a Chartered Professional Accountant (CPA CMA) and Chartered Financial Analyst (CFA), with 25 years' experience in diversified, progressive accounting and finance leadership roles. She has held Controller, Director of Financial Reporting, and Chief Financial Officer roles in both publicly-traded and privately-held companies, including serving as Chief Financial Officer for Robillard Hearing Centres, 2017 to present; Chief Financial Officer, GT Gold Corp. (TSXV: GTT), Nov. 2016 to Oct. 2017; Vice President, Finance, Stratford Managers Corp. 2016-2017; Director of Finance, National Dental Examining Board 2013-2016; Director of Financial Reporting, Northern Graphite Corp. (TSXV: NGC), 2010-2018; and Controller, PC Gold Corp. (TSX:PKL), May 2008-March 2012.

Andrew J. Mitchell, Vice President, Exploration

Mr. Mitchell holds a BSc degree in Earth and Environmental Sciences from the University of British Columbia. He is a senior geologist with CJ Greig & Associates (April 2017 to present), and has 10 years mineral exploration experience in the North American Cordillera involving grass roots to advanced-stage projects, mainly with Archer Cathro & Associates Ltd. in the Yukon and northern British Columbia, where he served as an exploration geologist from May 2010 to March 2017.

Monique Hutchins, Corporate Secretary

Ms. Hutchins holds a BComm degree from Concordia University. Since 2006, Ms. Hutchins has been active in providing corporate and proxy services to corporations and institutional shareholders. Ms. Hutchins began her career with Institutional Shareholder Services (February 2006 to January 2009) as Team Lead and Account Executive. Ms. Hutchins later joined Kingsdale Shareholder Services (February 2009 to June 2010) as Director of Client Management. From December 2010 to January 2019, Ms. Hutchins served as Director of Business Development & Marketing, as well as the corporate secretary to Independent Review Inc. Currently, Ms. Hutchins is the Managing Director of DSA Corporate Services Inc., where she provides corporate secretarial services to a number of small-to-medium cap reporting issuers. Ms. Hutchins currently serves as corporate secretary for GT Gold (TSXV: GTT).

Bernice Greig, Director

Ms. Greig has been a general solicitor with Gilchrist & Company in Penticton, British Columbia, since 2007. She has had direct involvement in mineral exploration as a soil and stream sediment geochemical sampler in the Yukon with Archer Cathro & Associates Ltd., and with a number of long-standing clients with close associations with the sector. Ms. Greig has a BA (History) degree and diploma in Art History from the University of British Columbia and holds an LLB degree from the University of Victoria.

P. Alexander Walcott, Director

Mr. Walcott holds a BSc degree majoring in earth science and minoring in physics from the University of Alberta. He is a geophysicist and geophysical contractor with Peter E. Walcott & Associates Ltd. of Vancouver, British Columbia, a position he has occupied since 2004, and has more than 20 years of active field experience in geophysical surveying and consulting throughout the North American Cordillera and around the world.

Rosie Moore, Director

Ms. Moore has a BSc degree in geology and a MSc degree in geology, both from Kent State University. She has more than 35 years diverse international experience in the industry spanning a spectrum of roles from fieldwork and project management on prominent discoveries such as Voisey's Bay, through mining analyst, corporate finance and portfolio management roles, to senior officer and director positions, including roles with Ivanhoe Capital, Yorkton Securities, Diamond Fields, Pan American Silver, Bear Creek and Geologic Resource Partners. Her work has involved multiple commodities and multiple projects encompassing the range of development stages, in jurisdictions around the world.

From 2016 to present, Ms. Moore has served as a director for several private junior resource companies, Trifecta Gold Ltd. (TSXV: TG)), Remac Zinc Corp., and Rush Valley Gold Corp. From 2013 to 2016, Ms. Moore served as director of Dolly Varden Silver Corp. (TSXV: DV) and as interim President and CEO from 2015 to 2016. Ms. Moore has also served as a consultant and geologist/analyst to major US silver miner Hecla Mining Company (2013 – 2015) (NYSE: HL), RMB Resources (2012) and Boston-based hedge fund Geologic Resource Partners (2005 - 2011).

Darwin Green, Director

Mr. Green holds a BSc degree from the University of British Columbia and a MSc degree from Carleton University. He commenced his career in BC's Golden Triangle, and has more than 25 years of experience exploring and evaluating gold and base metal systems in Canada, the U.S. and Latin America. He currently serves as VP Exploration for Constantine Metal Resources, as position he has held since 2009 and, prior to that led advanced exploration and early-stage development for Niblack Mining. He anticipates shortly commencing the leadership, as Director, President and CEO, of Highgold Mining Inc., a spin-out from Constantine Metal Resources. Mr. Green brings field skills, business development and community engagement expertise to the Board.

EXECUTIVE COMPENSATION

The following section describes the significant elements of the Company's executive and director compensation programs, with particular emphasis on the compensation payable to the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), and other officers that were determined to be "Named Executive Officers" or "NEOs" within the meaning of NI 51-102.

Compensation Governance

Responsibilities of the Compensation Committee

During the financial year ended December 31, 2018 (the “**Last Financial Year**”), the Board did not have a committee established to consider the compensation of officers and directors. The Board has established the Compensation Committee subsequent to the Last Financial Year to assist it in fulfilling the responsibilities pertaining to compensation matters including the Company’s compensation policies and practices subsequent to the Last Financial Year. The Compensation Committee is responsible for determining the overall compensation strategy of the Company and administering the Company’s executive compensation program. As part of its mandate, the Compensation Committee approves the appointment and remuneration of the Company’s executive officers, including the Company’s Named Executive Officers identified in Summary Compensation Table below. The Compensation Committee is also responsible for reviewing the Company’s compensation policies and guidelines generally.

The Compensation Committee is comprised of Rosie Moore and Darwin Green, both of whom are independent directors within the meaning of National Instrument 58-101 – *Disclosures of Corporate Governance Practices* (“**NI 58-101**”). Each of the members of the Compensation Committee has business and other experience which is relevant to their work on the Compensation Committee. By virtue of their differing professional backgrounds, business experience, knowledge of the Company’s industry, knowledge of corporate governance practices and, where appropriate, service on compensation committees of other reporting issuers and experience interacting with external consultants and advisors, the members of the Compensation Committee are able to make decisions on the suitability of the Company’s compensation policies and practices.

Executive Compensation-Related Fees

During the financial year ended December 31, 2018, no fees were billed to the Company by any consultant or advisor, or any of its affiliates, for services related to determining compensation for any of the Company’s directors and executive officers or for any other services.

Executive Compensation Discussion and Analysis

Compensation Philosophy

It is the objective of the Company’s executive compensation program to attract and retain highly qualified executives and to link incentive compensation to performance and shareholder value, while at the same time keeping in mind that the Company currently has limited financial resources. It is the goal of the Compensation Committee to endeavour to ensure that the compensation of executive officers is sufficiently competitive to achieve the objectives of the executive compensation program. The Compensation Committee considers the Company’s long-term interests and quantitative financial objectives, as well to the qualitative aspects of the individual’s performance and achievements. The Company’s primary compensation policy is to pay for performance and accordingly, the performance of the Company and of the executive officers as individuals are both examined by the Compensation Committee.

When determining compensation, management and the Compensation Committee review the compensation practices of companies in its selected peer group. Together with this comparative information, the CEO annually assess the individual performance and development of each executive officer and recommends to the Compensation Committee the appropriate salary, annual incentive and long-term incentive for each individual. The Compensation Committee then reviews those recommendations in conjunction with its own

review of the Company's performance, executive performance and comparative data and discusses and approves the compensation package.

The Compensation Committee does not set specific performance objectives in assessing the performance of the CEO and other executive officers; rather the Compensation Committee uses its experience and judgment in determining an overall compensation package for the CEO and other executive officers. The Compensation Committee assesses the performance of the Company and its executive officers relative to the Company's goals and objectives and in relation to the performance of the Company's industry peer group.

Elements of Executive Compensation

The Company's executive compensation is comprised of three principal components: base salaries, stock option plan, and incentive bonus compensation which are designed to provide compensation to effectively retain and motivate the executive officers to achieve the corporate goals and objectives. Other components of executive compensation include perquisites and other personal benefits. Each component of the executive compensation program is addressed separately below. The fixed element of compensation provides a competitive base of secure compensation required to attract and retain executive talent. The variable performance-based compensation is designed to encourage both short-term and long-term performance of the Company.

Base Salaries and Consulting Fees

The base salary component is intended to provide a fixed level of competitive pay that reflects each executive officer's primary duties and responsibilities and the level of skills and experience required to successfully perform his or her role. The Company intends to pay base salaries or consulting fees to its executive officers, including the CEO, that are competitive with those for similar positions within the Company's selected peer group. Salaries or consulting fees for executive officers are reviewed annually based on corporate and personal performance and on individual levels of responsibility. Salaries or consulting fees of the executive officers are not determined based on benchmarks or a specific formula. The Compensation Committee determines the consulting fee of the Chief Executive Officer. The Compensation Committee considers, and, if thought appropriate, approves salaries recommended by the Chief Executive Officer for the other executive officers of the Company.

Incentive Bonus Compensation

In addition to base salaries and consulting fees, the Company can award discretionary bonuses to executive officers. The bonus element of the Company's executive compensation program is designed to retain top quality talent and reward both corporate and individual performance during the Company's last completed financial year. To determine bonus awards for executive officers, including the Named Executive Officers, the Compensation Committee considers both the executive's personal performance and the performance of the Company relative to its peers. Named Executive Officers are eligible for discretionary bonus compensation payable should the Company reach certain revenue and/or net-income targets. The proposed bonus amounts and targets for executive officers are recommended by the CEO for review, discussion and approval by the Compensation Committee.

Stock Option Plan

The Board has adopted the Plan to provide an incentive to the directors, officers, employees, consultants and other personnel of the Company or any of its subsidiaries to achieve the long-term objectives of the

Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain in the employ of the Company or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company. See “*Options to Purchase Securities – Options*” for a summary of the Plan.

The executive compensation policy of the Company is determined with a view to securing the best possible talent to run the Company. Options may be awarded to executive officers in lieu of high salaries. The grant of stock options under the Company’s existing stock option plan is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term and to reward employees for both past and future performance. Individual grants are determined by an assessment of an individual’s current and expected future performance, level of responsibilities and the importance of his or her position with and contribution to the Company.

Executive officers, along with all of the Company’s officers, directors, employees, contractors and other service providers, are eligible to participate in the Plan. The Plan provides a long-term incentive designed to focus and reward eligible participants for enhancing total shareholder return over the long-term both on an absolute and relative basis. Participation in the Plan rewards overall corporate performance, as measured through the price of the Common Shares. In addition, the Plan enables executives to develop and maintain a significant ownership position in the Company. This results in a significant portion of executive compensation being “at risk” and directly linked to the achievement of business results and long-term value creation.

Options are normally recommended by management and approved by the Board upon the commencement of an individual’s employment with the Company based on the level of their respective responsibility within the Company. Additional grants may be made periodically, generally on an annual basis, to ensure that the number of options granted to any particular individual is commensurate with the individual’s level of ongoing responsibility within the Company. In considering additional grants, a number of factors are considered including the number of options held by such individual, the exercise price and implied value of the options, the term remaining on those options and the total number of options the Company has available for grant under the Plan.

Perquisites and Other Components

Other components of compensation include perquisites and personal benefits as determined by the Compensation Committee that are consistent with the overall compensation strategy. There is no formula for how perquisites or personal benefits are utilized in the total compensation package.

The Company does not provide any pension or retirement benefits to its executive officers.

Compensation Benchmarking

Salaries of the executive officers are not determined based on benchmarks or a specific formula.

Managing Compensation Risk

The oversight and administration of the Company’s compensation program requires the Compensation Committee to consider risks associated with the Company’s compensation policies and practices. Potential risks associated with compensation policies and compensation awards are considered at annual meetings of the Compensation Committee at which compensation related recommendations to the Board are formulated.

The Company's executive compensation policies and practices are intended to align management incentives with the long-term interests of the Company and its shareholders. In each case, the Company seeks an appropriate balance of risk and reward. Practices that are designed to avoid inappropriate or excessive risks include (i) the Company's operating strategy and related compensation philosophy; (ii) the effective balance, in each case, between cash and equity mix, near-term and long-term focus, corporate and individual performance, and financial and non-financial performance; and (iii) a multi-faceted approach to performance evaluation and compensation that does not reward an executive for engaging in risky behaviour to achieve one objective to the detriment of other objectives.

Based on this review, the Compensation Committee believes that the Company's total compensation program does not encourage executive officers to take unnecessary or excessive risk.

The Company does not prohibit the Named Executive Officers (as defined below) or the Directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such person. The Named Executive Officers and Directors have advised the Company that they have not entered into any such arrangements. To the extent that they subsequently enter into an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, their economic exposure to the Company, insider reporting laws in Canada provide that they must file a report disclosing the existence and material terms of the agreement, arrangement or understanding within five days of the event.

Share-based and Option-based Awards

The Company does not grant share-based awards. For information on option-based awards, please see "Options to Purchase Securities".

Executive Compensation: Tables and Narrative

NEO Summary Compensation Table

The following table contains information about the compensation to, or earned by, individuals who were, as at the Last Financial Year, "Named Executive Officers" or "NEOs" within the meaning of NI 51-102. The NEOs of the Company as at December 31, 2018, were Kevin M. Keough, President and Chief Executive Officer of the Company, K. Tracy Albert, Chief Financial Officer, Andrew J. Mitchell, Vice President of Exploration and Monique Hutchins, Corporate Secretary.

Name and Principal Position	Year Ended Dec. 31	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Kevin M. Keough	2018	nil	nil	nil	nil	nil	nil	nil	nil
<i>President, CEO, and Director</i>	2017	nil	nil	nil	nil	nil	nil	nil	nil

Name and Principal Position	Year Ended Dec. 31	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
K. Tracy Albert	2018	3,000	nil	nil	nil	nil	nil	nil	3,000
<i>CFO</i>	2017	-	nil	nil	nil	nil	nil	nil	-
Monique Hutchins	2018	nil	nil	nil	nil	nil	nil	nil	nil
<i>Corporate Secretary</i>	2017	nil	nil	nil	nil	nil	nil	nil	nil
Andrew J. Mitchell	2018	nil	nil	nil	nil	nil	nil	nil	nil
<i>VP Exploration</i>	2017	nil	nil	nil	nil	nil	nil	nil	nil

Incentive Plan Awards

As at the date of this Prospectus, the Company has not granted any share-based or option-based awards.

Employment, Consulting and Management Agreements

The Company executes all executive management and field operations through consultants and contractors. It has no employees *per se*. The Company has consulting agreements in place with the following executives:

Kevin M. Keough, President and Chief Executive Officer: The key terms of Mr. Keough's engagement with the Company are as follows: 1) payment of professional fees of \$150,000 plus HST per annum; 2) payment of an annual bonus, the level thereof to be determined by the Company's Compensation Committee; 3) a stock option grant upon completion of the Company's initial public offering, the level thereof to be determined by the Company's Compensation Committee, 4) reimbursement of out-of-pocket expenses; and 5) in the event of termination without cause or a Change of Control (as defined in Mr. Keough's engagement agreement), payment of a lump sum equal to 12 months professional fees or alternatively, retention on contract for a further 12 months on the same terms as previously, with the added provision that all stock options granted to the date of termination without cause or a change of control shall vest immediately. Mr. Keough became President and Chief Executive Officer of the Company on October 30, 2015. Mr. Keough will devote 100% of his time to the Company and he is not subject to a non-competition or non-disclosure agreements with the Company.

K. Tracy Albert, Chief Financial Officer: The key terms of Ms. Albert's engagement with the Company are as follows: 1) payment of a total of \$4,500 per month plus HST for the provision of both CFO and bookkeeping services, combined; and 2) reimbursement of expenses. Though not specified in Ms. Albert's

engagement, it is the Company's intention to make a grant of options to Ms. Albert upon completion of the Company's initial public offering, the level thereof to be determined by the Company's Compensation Committee. Ms. Albert joined the Company as Chief Financial Officer on October 30, 2015. Ms. Albert is not entitled to any compensation upon termination of her engagement with the Company. Ms. Albert will devote approximately 30% of her time to the Company and she is not subject to non-competition or non-disclosure agreements with the Company.

Monique Hutchins, Corporate Secretary: Ms. Hutchins provides corporate secretarial services to the Company through DSA Corporate Services Inc., of which she is Managing Director. The key terms of Ms. Hutchins's engagement with the Company are as follows: 1) payment of a monthly fee of \$1,500 plus HST; and 2) reimbursement of expenses. Though not specified in her engagement, it is the Company's intention to make a grant of options to Ms. Hutchins upon completion of the Company's initial public offering, the level thereof to be determined by the Company's Compensation Committee. Ms. Hutchins became Corporate Secretary of the Company on April 1, 2019. Ms. Hutchins is not entitled to any compensation upon termination of her engagement with the Company. It is expected Ms. Hutchins will devote approximately 5% of her time to the corporate secretarial needs of the Company. The Company is subject to a non-competition agreement with DSA Corporate Services Inc., employer of Ms. Hutchins, whereby the Company agrees not to solicit, recruit, employ, engage, hire or attempt to solicit Ms. Hutchins to work for the Company for twelve months following her engagement with the Company. Ms. Hutchins is not subject to a non-disclosure agreement with the Company.

Andrew Mitchell, Vice President, Exploration: Mr. Mitchell provides his services to the Company through the Contracting Agreement. The key terms of Mr. Mitchell's engagement with the Company are as follows: 1) payment of \$625.00 per day plus HST; and 2) reimbursement of expenses. Though not specified in his engagement, it is the Company's intention to make a grant of options to Mr. Mitchell upon completion of the Company's initial public offering, the level thereof to be determined by the Company's Compensation Committee. Mr. Mitchell joined the Company as Vice President, Exploration on June 6, 2019. The Company may terminate Mr. Mitchell's engagement as Vice President, Exploration upon 60 days' advance notice in writing to C.J. Greig & Associates Ltd. Mr. Mitchell will devote 100% of his time during the Company's drilling season. During the winter, when the Snoball and Golden Lion Properties are inaccessible, it is expected that Mr. Mitchell will devote his time to other opportunities. Mr. Mitchell is not subject to any non-competition or non-disclosure agreements with the Company.

Other than as described below, there are no agreements, compensation plans, contracts or arrangements whereby a NEO is entitled to receive payments from the Company in the event of the resignation, retirement or other termination of the NEO's employment with the Company, change of control of the Company or a change in the NEO's responsibilities following a change in control.

Chief Executive Officer

The Company has entered into a consulting engagement with its CEO (the "**CEO Consulting Engagement**"), pursuant to which in the event that Mr. Keough's CEO Consulting Contract is terminated without cause or because of a change of control, the Company shall pay Mr. Keough a lump sum equal to 12 months professional fees or alternatively, retain him on contract for a further 12 months on the same terms as previously, with the added provision that all stock options granted to Mr. Keough to the date of termination without cause or a change of control, shall vest immediately.

Estimated Incremental Payments

The estimated amounts payable under various termination scenarios are outlined in the table below:

Name	Disability or Death	Resignation	Termination with Cause	Termination without Cause	Change of Control with Termination
Kevin M. Keough, CEO	nil	nil	nil	\$150,000 and immediate vesting of all stock options granted to the date of termination without cause	\$150,000 and immediate vesting of all stock options granted to the date of change of control
K. Tracy Albert, CFO	nil	nil	nil	nil	nil
Andrew Mitchell, VP Exploration	nil	nil	nil	nil	nil
Monique Hutchins, Corporate Secretary	nil	nil	nil	nil	nil

Director Compensation

During the financial year ended December 31, 2018, no base annual retainer or fees for attendance at Board and Board committee meetings were awarded to, earned by, paid to, or payable to the directors. As of the date of this Prospectus, the Company has no director service agreements in place with any of its directors. Upon closing of the Offering, it is the Company's intention to put in place director service agreements for each non-executive director of the Company. Each director service agreement shall provide for the payment of a \$10,000 annual fee as consideration for her/his acting as a director, in addition to provisions for an option grant and reimbursement of out-of-pocket expenses incurred during the conduct of the Company's business.

As an officer of the Company, Mr. Keough did not and will not receive compensation for his service as a director and his compensation information is presented in "*Executive Compensation – Executive Compensation: Tables and Narrative*", above.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers or employees of the Company or former directors, executive officers or employees of the Company had any indebtedness outstanding to the Company as at the date hereof and no indebtedness of these individuals to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company as at the date hereof. Additionally, no individual who is, or at any time during the Company's last financial year was, a director or executive officer of the Company, proposed management nominee for director of the Company or associate of any such director, executive officer or proposed nominee is as at the date hereof, or at any time since the beginning of the Company's Last Financial Year has been, indebted to the Company or to another entity where the indebtedness to such other entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, including indebtedness for security purchase or any other programs.

AUDIT COMMITTEE

The Audit Committee provides assistance to the Board in fulfilling its obligations relating to the integrity of the internal financial controls and financial reporting of the Company. The external auditors of the Company report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities include: (i) reviewing and reporting to the Board on the annual audited financial statements (including the auditor's report thereon) and unaudited interim financial statements and any related management's discussion and analysis, if any, and other financial disclosure related thereto that may be required to be reviewed by the Audit Committee pursuant to applicable legal and regulatory requirements; (ii) reviewing material changes in accounting policies and significant changes in accounting practices and their impact on the financial statements; (iii) overseeing the audit function, including engaging in required discussions with the Company's external auditor and reviewing a summary of the annual audit plan at least annually, overseeing the independence of the Company's external auditor, overseeing the Company's internal auditor, and pre-approving any non-audit services to the Company; (iv) reviewing and discussing with management the appointment of key financial executives and recommending qualified candidates to the Board; (v) reviewing with management and the Company's external auditors, at least annually, the integrity of the internal controls over financial reporting and disclosure; (vi) reviewing management reports related to legal or compliance matters that may have a material impact on the Company the effectiveness of the Company's compliance policies; and (vii) establishing whistleblowing procedures. The full text of the Audit Committee charter is attached to this Prospectus as Schedule "A".

Composition of the Audit Committee

The Audit Committee is composed of Rosie Moore (Chair), Darwin Green, and Kevin Keough, two of whom are independent directors and all of whom are financially literate, in each case within the meaning of NI 52-110. Kevin Keough is not considered to be an independent director as he serves as the Company's CEO.

Name of Member	Independent ⁽¹⁾	Financially Literate ⁽²⁾
Rosie Moore (Chair)	Yes	Yes
Darwin Green	Yes	Yes
Kevin Keough	No	Yes

Notes:

- (1) To be considered independent, a member of the Audit Committee must not have any direct or indirect "material relationship" with the Company. A "material relationship" is a relationship which could, in the view of the board of directors of the Company, be reasonably expected to interfere with the exercise of a member's independent judgment.
- (2) To be considered financially literate, a member of the Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

Rosie Moore (Chair)

Ms. Moore has a BSc degree in geology and a MSc degree in geology, both from Kent State University. She has more than 35 years diverse international experience in the industry spanning a spectrum of roles

from fieldwork and project management on prominent discoveries such as Voisey's Bay, through mining analyst, corporate finance and portfolio management roles, to senior officer and director positions, including roles with Ivanhoe Capital, Yorkton Securities, Diamond Fields, Pan American Silver, Bear Creek and Geologic Resource Partners. Her work has involved multiple commodities and multiple projects encompassing the range of development stages, in jurisdictions around the world.

From 2016 to present, Ms. Moore has served as a director for several private junior resource companies, Trifecta Gold Ltd. (TSXV: TG)), Remac Zinc Corp., and Rush Valley Gold Corp. From 2013 to 2016, Ms. Moore served as director of Dolly Varden Silver Corp. (TSXV: DV) and as interim President and CEO from 2015 to 2016. Ms. Moore has also served as a consultant and geologist/analyst to major US silver miner Hecla Mining Company (2013 – 2015) (NYSE: HL), RMB Resources (2012) and Boston-based hedge fund Geologic Resource Partners (2005 - 2011).

Kevin Keough

Mr. Keough's understanding of accounting principles is derived entirely from experience. Through his positions at the federal government from 1987 to 1993, where he served as consultant for export trade (1988), special advisor on free trade (1989) and special assistant to the International Trade Minister (1990 to 1993), Mr. Keough was responsible for evaluating the financial health of Canadian companies and industry sectors. From 1993 to 2003, Mr. Keough held positions with Capital Canada Limited, CIBC Wood Gundy, Ottawa and Boston-based venture capital groups, and multiple technology companies, raising capital, securing sales, and structuring management buyouts financed by private equity. Through Mr. Keough's private sector experience, he developed the skills necessary to assess the general application of accounting principles to estimates, accruals and provisions. From 2004 onwards, Mr. Keough has initiated the organization and served as an officer for many public companies, through which he gained experience preparing financial statements that present a breadth and level of complexity similar to those of the Company's. Moreover, through his experience as an officer of reporting issuers, Mr. Keough has gained experience in understanding and implementing internal controls and procedures for financial reporting. Mr. Keough has also previously sat on audit committees for reporting issuers GT Gold Corp. (TSXV: GTT) and PG Gold Inc (TSX:PKL), which was later acquired through a court-approved plan of arrangement by First Mining Finance Corp on November 16, 2015.

Darwin Green

Mr. Green's understanding of accounting principles is derived from both his education and experience. Mr. Green graduated with a master's degree in earth sciences from Carleton University in 2001, which included courses on financial accounting, allowing Mr. Green to understand the accounting principles used to prepare the Company's financial statements. Through his public company experience at Constantine Metal Resources Ltd. (TSXV: CEM) ("**Constantine**"), Mr. Green has also developed the ability to apply and assess accounting principles used for estimates, accruals and provisions by participating in corporate transactions and major mine development projects that require the analysis of financial statements. Mr. Green's experience analyzing and helping prepare the financial statements of Constantine will ensure he has the requisite accounting knowledge to help analyze the Company's financial statements through his role on the audit committee. Moreover, commencing August 1, 2019, Mr. Green will serve as President and CEO of HighGold Mining Inc. ("**HighGold**"), which will further contribute to his abilities to analyze and implement the Company's financial reporting framework. HighGold is currently awaiting TSX Venture Exchange approval for listing after receiving approval of Constantine shareholders for the spin-out of assets that will create HighGold.

As Vice President, Exploration of Constantine, Mr. Green also has experience in implementing internal controls and procedures for financial reporting. Mr. Green has been instrumental in multi-million dollar

mine development projects which require cost analysis. Also, Mr. Green's experience as leading mine development projects has also led him to developing and providing information to the Company for the preparation of quarterly and annual financial statements.

Pre-Approval Policies and Procedures

The Audit Committee charter requires that the Audit Committee pre-approve any retainer of the auditor of the Company to perform any non-audit services to the Company that it deems advisable in accordance with applicable legal and regulatory requirements and policies and procedures of the Board. The Audit Committee is permitted to delegate pre-approval authority to one of its members; however, the decision of any member of the Audit Committee to whom such authority has been delegated must be presented to the full Audit Committee at its next scheduled meeting.

External Auditor Service Fees (By Category)

The following table discloses the fees billed to the Company by its external auditor, McGovern Hurley LLP, during the last two financial years.

Financial Year Ending	Audit Fees (1)	Audit Related Fees (2)	Tax Fees (3)	All Other Fees (4)
December 31, 2018	\$15,000	\$15,000	Nil	Nil
December 31, 2017	Nil	Nil	Nil	Nil

Notes:

- (1) The aggregate fees billed for professional services rendered by the auditor for the audit of the Company's annual financial statements.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit Fees" column.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) No other fees were billed by the auditor of the Company other than those listed in the other columns.

Exemption

Since the Company is a "venture issuer" pursuant to NI 52-110 (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the United States of America, or a market outside of Canada and the United States of America), it is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

CORPORATE GOVERNANCE

The Company and the Board recognize the importance of corporate governance to the effective management of the Company and to the protection of its employees and shareholders. The Company's approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed to enhance shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or at meetings held as required. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Company's affairs and in light of opportunities or risks which the Company

faces. The directors are kept informed of the Company's business and affairs at these meetings as well as through reports and discussions with management on matters within their particular area of expertise.

The Board

NI 58-101 defines an "independent director" as a director who has no direct or indirect "material relationship" with the issuer. A "material relationship" is as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment.

The Board believes that it functions independently of management and reviews its procedures on an ongoing basis to ensure that it is functioning independently of management. The Board meets without management present, as circumstances require. When conflicts arise, interested parties are precluded from voting on matters in which they may have an interest. In light of the suggestions contained in National Policy 58-201 - *Corporate Governance Guidelines*, the Board convenes meetings, as deemed necessary, of the independent directors, at which non-independent directors and members of management are not in attendance.

The Board currently consists of five directors, two of whom are independent based upon the test for director independence set out in NI 52-110. The Board is not comprised of a majority of independent directors. Rosie Moore and Darwin Green are the independent directors of the Company. Alexander Walcott holds 10.0% of the Company's issued and outstanding Common Shares and is not an independent director. Kevin Keough is the CEO of the Company and engages in the management of the day-to-day operations of the Company. As such, Mr. Keough is not an independent director. Bernice Greig is the spouse of Mr. Charles Greig, a former Director and Vice President of Exploration of the Company within the past three years, and as such Ms. Greig is not an independent director. See "*Promoters*".

Directorships

Some of the directors of the Company serve on the boards of directors of other reporting issuers in Canada. The following table lists the directors of the Company who serve on boards of directors of other reporting issuers and the identities of such reporting issuers.

Name of Director	Reporting Issuers
Rosie Moore	Trifecta Gold Ltd. (TSX-V)

The Board has determined that these directorships do not adversely impact the effectiveness of these directors on the Board or create any potential for unmanageable conflicts of interest.

Orientation and Continuing Education

New members of the Board are provided with: (i) information respecting the functioning of the Board and its committees and a copy of the Company's corporate governance documents; (ii) access to all documents of the Company, including those that are confidential; and (iii) access to management.

The Board, together with the Corporate Governance and Nominating Committee (the "**Nominating Committee**") are responsible for providing a comprehensive orientation and education program for new directors which fully sets out:

- the role of the Board and its committees;

- the nature and operation of the business of the Company; and
- the contribution which individual directors are expected to make to the Board in terms of both time and resource commitments.

In addition, the Board, together with the Nominating Committee, is also responsible for providing continuing education opportunities to existing directors so that individual directors can maintain and enhance their abilities and ensure that their knowledge of the business of the Company remains current.

Board members are encouraged to: (i) communicate with management and auditors; (ii) keep themselves current with industry trends and developments and changes in legislation with management's assistance; (iii) attend related industry seminars; and (iv) visit the Company's operations.

Ethical Business Conduct

The Board has adopted a written code of business conduct and ethics to encourage and promote a culture of ethical business conduct amongst the directors, officers and employees of the Company (the "Code"). All new employees must read the Code when hired and acknowledge that they will abide by the Code.

The Governance and Nominating Committee and the Board are responsible for monitoring compliance with the Code. In accordance with the Code, directors, officers, employees and consultants of the Company and its subsidiaries should raise questions regarding the application of any requirement under the Code and report a possible violation of a law or the Code promptly to their superior or manager. If reporting a concern or complaint to a superior or manager is not possible or advisable, or if reporting it to such person does not resolve the matter, the matter should be addressed with the Chief Financial Officer of the Company.

The Governance and Nominating Committee and the Board monitor compliance with the Code by, among other things, obtaining reports from the Chief Executive Officer regarding breaches of the Code. The Governance and Nominating Committee and the Board also review investigations and any resolutions of complaints received under the Code. In addition, the Board approves changes to the Code it considers appropriate, at least annually. The Code will be available under the Company's profile on SEDAR at www.sedar.com.

The Board takes steps to ensure that directors, officers and other employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer or other employee of the Company has a material interest, which include ensuring that directors, officers and other employees are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from their superior or manager or the Chief Financial Officer regarding any potential conflicts of interest.

In addition to those matters which, by law, must be approved by the Board, the approval of the Board is required for:

- the Company's annual business plan and budget;
- material transactions not in the ordinary course of business; and
- transactions which are outside of the Company's existing business.

To ensure the directors exercise independent judgment in considering transactions and agreements in which a director or officer has a material interest, all such matters are considered and approved by the independent

directors. Any interested director would be required to declare the nature and extent of his or her interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to directors, officers and other employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

The Board has also adopted a Whistleblower Policy for individuals to report complaints and concerns regarding, among other things, violations of the Code.

Audit Committee

See “*Audit Committee*” for further details.

Compensation Committee

The Board has established a Compensation Committee, comprised of Rosie Moore and Darwin Green, both of whom are independent directors within the meaning of NI 52-110. The Compensation Committee is responsible for determining the overall compensation strategy of the Company and administering the Company’s executive compensation program. As part of its mandate, the Compensation Committee approves the appointment and remuneration of the Company’s executive officers, including the Company’s Named Executive Officers identified in the Summary Compensation Table above. The Compensation Committee is also responsible for reviewing the Company’s compensation policies and guidelines generally.

Please see “*Director and Executive Compensation*” above, which summarizes, among other things, the process by which the Compensation Committee and Board determines the compensation for the Company’s directors and officers.

Copies of the Code of Conduct are available upon written request from the Chief Executive Officer of the Company. The Board is responsible for ensuring compliance with the Company’s code of conduct. The Code of Conduct was adopted after the end of the Last Financial Year, and there have been no departures from the Company’s Code of Conduct since its adoption.

The Company believes that it has adopted corporate governance procedures and policies which encourage ethical behaviour by the Company’s directors, officers and employees.

Nomination of Directors

The Governance and Nominating Committee holds the responsibility for the appointment and assessment of directors.

The Governance and Nominating Committee seeks to achieve a balance of knowledge, experience and capability among the members of the Board. When considering candidates for director, the Governance and Nominating Committee considers a number of factors, including the following (although candidates need not possess all of the following characteristics and not all factors are weighted equally):

- personal qualities and characteristics, accomplishments and reputation in the business community;
- current knowledge and contacts in the countries and/or communities in which the Company does business and in the Company's industry sectors or other industries relevant to the Company's business; and
- ability and willingness to commit adequate time to Board and committee matters, and be responsive to the needs of the Company.

The Board will periodically assess the appropriate number of directors on the Board and whether any vacancies on the Board are expected due to retirement or otherwise. If vacancies are anticipated, or otherwise arise, or the size of the Board is expanded, the Governance and Nominating Committee will consider various potential candidates for director. Candidates may come to the attention of the Governance and Nominating Committee through current directors or management, stockholders or other persons. These candidates will be evaluated at regular or special meeting of the Governance and Nominating Committee, and may be considered at any point during the year.

Technical, Safety, Environment & Social Responsibility Committee

The Company adopted a "Technical, Safety, Environment & Social Responsibility Committee Charter" on July 8, 2019, which will ensure the Company meets its social and environmental responsibilities. The Technical, Safety, Environment and Social Responsibility Committee (the "**Technical Committee**") is comprised of Kevin Keough (Chair), Rosie Moore and Darwin Green. The Technical Committee will review the Company's responsibilities toward First Nation communities and the environment under the MYAB permit for the Snoball Property. Once the Ministry issues the MYAB permit for the Golden Lion Property, the Technical Committee will also ensure the Company complies with all conditions thereunder. Additionally, the Technical Committee will review on a regular basis the Company's baseline environmental studies, archeological review and consultation with First Nations to ensure ongoing compliance with the MYAB permits (issued or pending).

Other Board Committees

The Board has no standing committees other than the Audit Committee, the Compensation Committee, the Governance and Nominating Committee, and the Technical, Safety, Environment and Social Responsibility Committee.

Assessment

The Board is responsible for ensuring that an appropriate system is in place to evaluate the effectiveness of the Board as a whole, the individual committees of the Board, and the individual members of the Board and such committees with a view of ensuring that they are fulfilling their respective responsibilities and duties. In connection with such evaluations, each director is required to provide his or her assessment of the effectiveness of the Board and each committee as well as the performance of the individual directors, annually. Such evaluations take into account the competencies and skills each director is expected to bring to his or her particular role on the Board or on a committee, as well as any other relevant facts.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Peterson McVicar LLP, legal counsel to the Company, and Harper Grey LLP, legal counsel to the Agent, the following summary describes the principal Canadian federal income tax considerations under the Tax Act generally applicable as of the date hereof to a person who acquires Common Shares and

Unit Warrants comprising the Offered Units as beneficial owner pursuant to the Offering, who, for the purposes of the Tax Act and at all relevant times: (a) deals at arm's length with the Company; (b) is not affiliated with the Company; and (c) acquires and holds the Common Shares and Unit Warrants as capital property (a "**Holder**").

Generally, the Common Shares and Unit Warrants will be capital property to a Holder provided the Holder does not acquire or hold those Common Shares or Unit Warrants, as the case may be, in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Holders resident in Canada whose Common Shares might not otherwise constitute capital property may be entitled to make, in certain circumstances, an irrevocable election, in accordance with subsection 39(4) of the Tax Act, to have their Common Shares and every other "Canadian security", as defined in subsection 39(6) of the Tax Act, held by them deemed to be capital property for the purposes of the Tax Act. Holders contemplating such an election should first consult with their own tax advisors. The subsection 39(4) election is not applicable to the Unit Warrants.

This summary is not applicable to a Holder: (a) that is a "financial institution", as defined in subsection 142.2(1) of the Tax Act, for the purposes of the mark-to-market rules; (b) that is a "specified financial institution", as defined in subsection 248(1) of the Tax Act; (c) an interest in which is a "tax shelter", as defined in subsection 237.1(1) of the Tax Act, or a "tax shelter investment", as defined in subsection 143.2(1) of the Tax Act; (d) that reports its "Canadian tax results", as defined in subsection 261(1) of the Tax Act, in a currency other than Canadian currency; (e) who has entered into or will enter into, in respect of the Common Shares or Unit Warrants, as the case may be, a "derivative forward agreement", or a "synthetic disposition arrangement", as defined in subsection 248(1) of the Tax Act; (f) that is a partnership; (g) that receives dividends on Common Shares under or as part of a "dividend rental arrangement" as defined in subsection 248(1) of the Tax Act; or (h) that is exempt from tax under Part I of the Tax Act. Such holders should consult their own tax advisors to determine the tax consequences to them of the acquisition, holding and disposition of the Common Shares and Unit Warrants. In addition, this summary does not address the deductibility of interest by a purchaser who has borrowed money to acquire Common Shares or Unit Warrants.

This summary is based on the current provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**") made publicly available prior to the date hereof. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, or changes in the CRA's administrative policies and assessing practices, nor does it take into account or consider any other federal tax considerations or any provincial, territorial or foreign tax considerations, which may differ materially from those discussed herein. This summary assumes that the Proposed Amendments will be enacted as currently proposed, although no assurance can be given that the Proposed Amendments will be enacted in their current form or at all. There can be no assurance that the CRA will not change its administrative policies or assessing practices.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not intended to be, nor should it be construed to be, legal or tax advice or representations to any particular Holder. Accordingly, Holders should obtain independent advice regarding the income tax consequences of investing in Common Shares or Unit Warrants, with reference to the Holder's particular circumstances.

Allocation of Purchase Price

In acquiring the Offered Units, Holders will be acquiring ownership of the Common Shares and Unit Warrants represented by such Offered Units. The Common Shares and Unit Warrants represented by Offered Units are separate property and, accordingly, Holders will be required to allocate the purchase price paid for each Offered Unit between the Common Share and the one-half Unit Warrant on a reasonable basis in order to determine their respective cost for the purposes of the Tax Act. The Company intends to allocate approximately \$0.185 of the \$0.20 Offering Price of each Offered Unit as consideration for the issue of each Common Share and \$0.015 of the \$0.20 Offering Price of each Offered Unit as consideration for the issue of each one-half Unit Warrant. While the Company considers this allocation to be reasonable, it is not binding on the CRA or the Holder. Counsel expresses no opinion as to such allocation. The Holder's adjusted cost base of the Common Share comprising a part of each Offered Unit will generally be determined by averaging the cost allocated to the Common Share with the adjusted cost base to the Holder of all other Common Shares owned by the Holder as capital property immediately prior to such acquisition.

Residents of Canada

The following part of the summary is applicable to a Holder who, at all relevant times, is or is deemed to be a resident of Canada for the purposes of the Tax Act and any applicable income tax treaty (a "**Canadian Holder**").

Exercise or Expiry of Unit Warrants

No gain or loss will be realized by a Canadian Holder upon the exercise of a Unit Warrant to acquire a Common Share. When a Unit Warrant is exercised, the Canadian Holder's cost of the Common Share acquired thereby will be the aggregate of the Canadian Holder's adjusted cost base of such Unit Warrant and the exercise price paid for the Common Share. The Canadian Holder's adjusted cost base of the Common Share so acquired will be determined by averaging the cost of this Common Share with the adjusted cost base to the Canadian Holder of all Common Shares owned by the Canadian Holder as capital property immediately prior to such acquisition.

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

Disposition of Common Shares and Unit Warrants

A Canadian Holder who disposes of or is deemed for the purposes of the Tax Act to have disposed of a Common Share (other than upon a disposition of a Common Share to the Company other than a disposition to the Company in the open market where the Company acquires such shares in the manner in which shares would normally be purchased by any member of the public in the open market) or Unit Warrant (other than upon the exercise or expiry of a Unit Warrant), will generally realize a capital gain (or capital loss) in the taxation year of the disposition equal to the amount by which the proceeds of disposition are greater (or less) than the total of: (a) the adjusted cost base, as defined in the Tax Act, to the Canadian Holder of the Common Share or Unit Warrant, as the case may be, immediately before the disposition or deemed disposition; and (b) any reasonable costs of disposition. Any such capital gain (or capital loss) will be subject to the treatment described under the subheading "*Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

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

If a Canadian Holder is a corporation, any capital loss realized on a disposition or deemed disposition of Common Shares (or a share for which the Common Share has been substituted) may, in certain circumstances prescribed by the Tax Act, be reduced by the amount of any dividends which have been received or which are deemed to have been received on such Common Shares. Similar rules may apply where a Canadian Holder that is a corporation is a member of a partnership or a beneficiary of a trust that directly or indirectly owns Common Shares. Canadian Holders to whom these rules may be relevant should consult their own tax advisors.

A Canadian Holder that is, throughout the relevant taxation year, a Canadian-controlled private corporation may be liable to pay an additional tax, which may be refundable under certain circumstances, of 10 2/3% on its “aggregate investment income”, as defined in the Tax Act, for the year, which include taxable capital gains.

Dividends

A Canadian Holder will be required to include in computing its income for a taxation year any dividend received or deemed to be received on the Common Shares. In the case of a Canadian Holder that is an individual (other than certain trusts), such dividend will be subject to the gross-up and dividend tax credit rules normally applicable under the Tax Act to dividends received from taxable Canadian corporations. Dividends that are designated by the Company as “eligible dividends” will be subject to an enhanced gross-up and tax credit regime, pursuant to the rules in the Tax Act. There may be limitations on the ability of the Company to designate dividends as eligible dividends. In the case of a Canadian Holder that is a corporation, the amount of any such dividend that is included in its income for a taxation year will generally be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a dividend received or deemed to be received by a Canadian Holder that is a corporation as proceeds of disposition or a capital gain. Canadian Holders that are corporations should consult their own tax advisors having regard to the potential application of this provision in their own particular circumstances.

A Canadian Holder that is a “private corporation” or a “subject corporation”, as defined in the Tax Act, will generally be liable to pay a tax, which may be refundable under certain circumstances, of 38 1/3% under Part IV of the Tax Act on dividends received or deemed to be received on the Common Shares, to the extent such dividends are deductible in computing the Holder’s taxable income for the year.

Alternative Minimum

Tax Capital gains and dividends received or deemed to be received by a Canadian Holder who is an individual (other than certain trusts) may result in such Canadian Holder being liable for alternative

minimum tax under the Tax Act. Such Canadian Holders should consult their own tax advisors in this regard.

Non-Residents of Canada

The following part of the summary is generally applicable to a Holder who, for the purposes of the Tax Act and any applicable income tax treaty, at all relevant times: (a) is not a resident or deemed to be resident in Canada; and (b) does not use or hold, and is not deemed to use or hold, the Common Shares or Unit Warrants in connection with carrying on a business in Canada (a “**Non-Resident Holder**”). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on an insurance business in Canada and elsewhere or is an “authorized foreign bank” (as defined in the Tax Act).

Exercise or Expiry of Unit Warrants

No gain or loss will be realized by a Non-Resident Holder upon the exercise of a Unit Warrant to acquire a Common Share. When a Unit Warrant is exercised, the Non-Resident Holder’s cost of the Common Share acquired thereby will be the aggregate of the Non-Resident Holder’s adjusted cost base of such Unit Warrant and the exercise price paid for the Common Share. The Non-Resident Holder’s adjusted cost base of the Common Share so acquired will be determined by averaging such cost with the adjusted cost base to the Non-Resident Holder of all Common Shares owned by the Non-Resident Holder as capital property immediately prior to such acquisition.

In the event of the expiry of an unexercised Unit Warrant, the Non-Resident Holder will realize a capital loss equal to the Non-Resident Holder’s adjusted cost base of such Unit Warrant. Such capital loss will not be recognized under the Tax Act, unless the Unit Warrant constitutes “taxable Canadian property” (discussed under the subheading “*Non-Residents of Canada – Dispositions of Common Shares and Unit Warrants*”) to the Non-Resident Holder thereof for purposes of the Tax Act, and the Non-Resident Holder is not entitled to relief under the terms of an applicable tax treaty.

Dividends

Dividends paid or credited, or deemed to be paid or credited, to a Non-Resident Holder by the Company will be subject to Canadian withholding tax at the rate of 25.0% on the gross amount of the dividend, subject to any reduction in the rate of withholding to which the Non-Resident Holder is entitled under any applicable income tax treaty between Canada and the country in which the Non-Resident Holder is resident. For example, where the Non-Resident Holder is a resident of the United States (“**U.S. Holder**”), is entitled to full benefits under the *Canada-United States Tax Convention* (1980) and is the beneficial owner of the dividends, the applicable rate of Canadian withholding tax is generally reduced to 15.0% of the gross amount of the dividend (or 5.0% in the case of a U.S. Holder that is a company beneficially owning at least 10.0% of the Company’s voting shares). Non-Resident Holders are urged to consult their own tax advisors to determine their entitlement to relief under an applicable income tax treaty.

Dispositions of Common Shares and Unit Warrants

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition or deemed disposition of a Common Share or Unit Warrant unless the Common Share or Unit Warrant as applicable is, or is deemed to be, “taxable Canadian property” of the Non-Resident Holder for the purposes of the Tax Act and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty between Canada and the country in which the Non-Resident Holder is resident.

Generally, Common Shares or Unit Warrants will not be taxable Canadian property to a Non-Resident Holder at the time of disposition provided that the Common Shares are listed on a designated stock exchange (as defined in the Tax Act, which currently includes the TSX-V) at the time of disposition, unless at any time during the 60-month period immediately preceding the disposition the following two conditions are met concurrently: (a) 25.0% or more of the issued shares of any class or series of shares in the Company were owned by one or any combination of: (i) the Non-Resident Holder; (ii) persons with whom the Non-Resident Holder did not deal at arm's length; and (iii) partnerships in which the Non-Resident Holder or a person described in (ii) holds an interest directly or indirectly through one or more partnerships; and (b) more than 50.0% of the fair market value of the Common Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource property" (as defined in the Tax Act), "timber resource property" (as defined in the Tax Act), or any option in respect of, or interest in, or for civil law rights in, such properties, whether or not the property or properties exist. Notwithstanding the foregoing, in certain limited circumstances set out in the Tax Act, Common Shares and Unit Warrants could be deemed to be taxable Canadian property to a Non-Resident Holder. Non-Resident Holders should consult their own tax advisors for advice as to whether their Common Shares and Unit Warrants constitute taxable Canadian property having regard to their own particular circumstances.

Even if a Common Share or Unit Warrant is taxable Canadian property to a Non-Resident Holder, any capital gain realized upon the disposition of such Common Share or Unit Warrant may not be subject to tax under the Tax Act if such capital gain is exempt from Canadian tax pursuant to the provisions of an applicable income tax treaty. If a Non-Resident Holder to whom Common Shares or Unit Warrants are taxable Canadian property is not exempt from tax under the Tax Act by virtue of a tax treaty, the consequences described under the subheading "*Resident Holders – Taxation of Capital Gains and Capital Losses*" should generally apply as though the Non-Resident Holder were a Canadian Holder. Such Non-Resident Holders should consult with their own tax advisors.

RISK FACTORS

Investing in the Offered Units is speculative and involves a high degree of risk due to the nature of the Company's business. An investment in the Offered Units should only be made by persons who can afford the total loss of their investment. The following risks, as well as risks currently unknown to the Company, could adversely affect the Company's current or future business, properties, operations, results, cash flows, financial condition and prospects and could cause future results, cash flows, financial condition, prospects, events or circumstances to differ materially from those currently expected, including the estimates and projections contained in this Prospectus. Investors should carefully consider the risks described below and elsewhere in this Prospectus. The risks described below and elsewhere in this Prospectus do not purport to be an exhaustive summary of the risks affecting the Company and additional risks and uncertainties not currently known to the Company or not currently perceived as being material may have an adverse effect on the Company. Please see "Management's Discussion and Analysis" for a description of additional risks affecting the Company.

Limited operating history

The Company is an early stage company and the Snoball Property and Golden Lion Property are exploration stage properties. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The current early stage exploration stage of the Snoball Property and the Golden Lion Property means they will require significant additional expenditures before any cash flow may, if ever, be generated. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success of the

Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. An investment in the Offered Units carries a high degree of risk and should be considered highly speculative by purchasers. There is little probability of dividends ever being paid on the Common Shares.

The Company will incur losses and experience negative operating cash flow for the foreseeable future

For the financial year ended December 31, 2018, the Company had a net loss of approximately \$134,662. For the three months ended June 30, 2019, the Company had a net loss of \$181,213. The Company has incurred various expenses in recent periods and plans to incur further expenses as cash flows allow. The planned increases in expenses may result in larger losses in future periods.

The exploration, development and operation of the Company's mineral properties will require the commitment of substantial financial resources that may not be available. The amount and timing of expenditures will depend on a number of factors, including 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 acquisition of additional property interests, some of which are beyond the Company's control. The Company's business strategies may not be successful, and it may not be profitable in any future period. The Company's operating results have varied in the past and they may continue to fluctuate in the future. In addition, the Company's operating results may not follow any past trends.

The Company currently has no source of operating cash flow and will continue to remain cash flow negative for the foreseeable future. The Company's failure to achieve future profitability and positive operating cash flows would have a material adverse effect on its financial condition and results of operations. If the Company sustains losses over an extended period of time, it may be unable to continue its business. Further exploration and development of the Snoball Property and the Golden Lion Property will require the commitment of substantial financial resources. It may be several years before the Company will generate any revenues from operations, if at all. There can be no assurance that the Company will realize revenue or achieve profitability.

The Company operates at a loss and may never generate a profit

The Company operates at a loss and there is no assurance that the Company will ever be profitable. The Company had a negative operating cash flow in its most recently completed financial year and will continue to lose money for the foreseeable future. The Company may not have enough funds to carry out any additional work programs subsequent to the completion of the Phase I exploration programs on the Snoball Property and the Golden Lion Property recommended in their respective Technical Reports and additional financings will be required and cannot be assured.

The future price of the Common Shares will vary depending on factors unrelated to the Company's performance or intrinsic fair value

The market price of a publicly-traded stock is affected by many variables not directly related to the corporate performance of the Company, including the market in which it is traded, the strength of the economy generally, the availability of the attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of the Common Shares on the Exchange in the future cannot be predicted.

The Company's ability to discover commercial quantities of ore is uncertain

Exploration for minerals is a highly speculative venture necessarily involving substantial risk. The programs proposed by the Company are exploratory in nature. There is no certainty that the planned exploration expenditures to be made by the Company described herein will result in discoveries of new zones of mineralization and, potentially, commercial quantities of ore. Neither the Snoball Property nor the Golden Lion Property presently contain any known bodies of commercial ore.

The Company's ability to develop commercially marketable ore depends on variables that are unknown at this time

The grade of any ore ultimately mined from a mineral deposit may differ from that produced from drilling results. Production volumes and costs can be affected by such factors as the proximity and capacity of processing facilities, permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Short-term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on the results of operations. Moreover, there can be no assurance that mineral recoveries achieved in small scale laboratory tests will be replicated under production scale conditions. Although precautions to minimize risks will be taken, processing operations are subject to hazards such as equipment failure or failure of tailings impoundment facilities, which may result in environmental pollution and consequent liability.

The calculation of the economic value of ore is subject to a high degree of variability and uncertainty

There is a degree of uncertainty attributable to the calculation of reserves, resources and corresponding grades being dedicated to future production. Until reserves or resources are actually mined and processed, the quantity of reserves or resources and grades must be considered as estimates only. In addition, the quantity of reserves or resources may vary depending on metal prices. Any material changes in the quantity of reserves, resource grade or stripping ratio may affect the economic viability of the Company's properties. In addition, there can be no assurance that mineral recoveries in small scale laboratory tests will be duplicated in large tests under on-site conditions or during production.

Gold, silver and base metal prices are volatile and may be lower than expected

The Company's business and its ability to sustain operations are dependent on, amongst other things, the market price of gold, silver and various base metals, particularly copper. Metal prices realized by the Company will affect future development decisions, production levels, earnings, cash flows, the financial condition and prospects of the Company. If the world market prices of metals were to drop and the prices realized by the Company on metal sales were to decrease significantly and remain at such level for any substantial period, the Company's business, financial condition, results of operations, cash flows and prospects would be negatively affected.

Some factors that affect the price of metals include: industrial demand; forward or short sales by producers and speculators; future levels of production; and rapid short-term changes in supply and demand due to speculative or hedging activities by producers, individuals or funds. Metal prices are also affected by macroeconomic factors including: confidence in the global economy; expectations of the future rate of inflation; the availability and attractiveness of alternative investment vehicles; the strength of, and confidence in, the US dollar, the currency in which the price of metals is generally quoted, and other major currencies; global political or economic events; and costs of production of other metal producing

companies. All of the above factors can, through their interaction, affect the price of metals by increasing or decreasing demand or supply.

The prices of metals have fluctuated widely in recent years, and future material price declines could cause commercial production from the Snoball and Golden Lion Properties or the development of, and commercial production from, the Snoball and Golden Lion Properties to be less profitable than expected and could render such properties uneconomic. Conducting mining in a low metal price environment would have a material adverse effect on the Company's business, financial condition, results of operations, cash flows and prospects. Depending on the current and expected price of metals, projected cash flows from future mining operations may not be sufficient to warrant commencing mining, and the Company could be forced to discontinue exploration or development. The Company may be forced to sell one or more portions of the Snoball and Golden Lion Properties to generate cash. Future production from the Snoball and Golden Lion Properties will be dependent upon metal prices that are adequate to make a deposit economically viable. Furthermore, future mine plans using significantly lower metal prices could result in material write-downs of the Company's investment in the Snoball and Golden Lion Properties, and in reductions in mineral reserve and mineral resource estimates. The occurrence of any of the foregoing could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows and prospects.

A declining or sustained low price of metals could negatively impact the profitability of the Snoball and Golden Lion Properties and could affect the Company's ability to finance the exploration and development of other properties in the future. In addition, a declining or sustained low price of metals could require a reassessment of the feasibility of the Snoball and Golden Lion Property. Although the price of metals is only one of the several factors that the Company will consider in making a development and production decision on the Snoball and Golden Lion Properties, if the Company determines from a reassessment that the Snoball or Golden Lion Property is not economically viable in whole or in part, then operations may cease or be curtailed and the Snoball or Golden Lion Property may never be fully developed or developed at all. The occurrence of any of the foregoing could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows and prospects.

Exploration and mining operations are risky

The Company's current exploration activities, and any future development or mining operations, involve or will involve various types of risks and hazards typical of companies engaged in the exploration and mining industry. Such risks include, but are not limited to: (i) industrial accidents; (ii) unusual or unexpected rock formations; (iii) structural cave-ins or slides and pitfalls, ground or slope failures and accidental release of water from surface storage facilities; (iv) fire, flooding and earthquakes; (v) rock bursts; (vi) metal losses in handling and transport; (vii) periodic interruptions due to inclement or hazardous weather conditions; (viii) environmental hazards; (ix) discharge of pollutants or hazardous materials; (x) failure of processing and mechanical equipment and other performance problems; (xi) geotechnical risks, including the stability of the underground hanging walls and unusual and unexpected geological conditions; (xii) unanticipated variations in grade and other geological problems, water, surface or underground conditions; (xiii) labour disputes or slowdowns; (xiv) work force health issues as a result of working conditions; and (xv) force majeure events, or other unfavourable operating conditions.

These risks, conditions and events could result in: (i) damage to, or destruction of, the value of, the Snoball Property, the Golden Lion Property or their facilities; (ii) personal injury or death; (iii) environmental damage to the Snoball Property, the Golden Lion Property, surrounding lands and waters, or the properties of others; (iv) delays or prohibitions on mining or the transportation of minerals; (v) monetary losses; and (vi) potential legal liability, and any of the foregoing could have a material adverse effect on the Company's

business, financial condition, results of operation, cash flows or prospects. Significant exploration, development and mining accidents could occur, potentially resulting in a complete shutdown of the Company's operations at the Snoball Property or the Golden Lion Property which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

There are also risks related to the reliance on the reliability of current and new or developing technology; the reliance on the work performance of outside consultants, contractors, and manufacturers; changes to project parameters over which the Company does not have complete control such as the gold, silver and base metals prices or labour or material costs; unknown or unanticipated or underestimated costs or expenses; unknown or unanticipated or underestimated additions to the scope of work due to changing or adverse conditions encountered as a mine is refurbished and redeveloped; unexpected variances in the geometry or quality of ore zones; unexpected reclamation requirements or expenses; permitting time lines; unexpected or unknown ground conditions; unexpected changes to estimated parameters utilized to estimate past timelines, projections, or costs; and liquidity risks. An adverse change in any one of such factors, hazards and risks may result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects. The Company also uses a variety of geophysical and other technologies and techniques to generate, model and interpret targets for drilling. These technologies are sometimes prone to error and may result in inaccurate drill targeting and negative program outcomes;

First Nations

First Nations in British Columbia are increasingly making land and rights claims in respect of existing and prospective resource projects on lands asserted to be First Nation traditional lands. Should a First Nation make such a claim in respect of the Company's properties and should such claim be resolved by government or the courts in favour of the First Nation, it could materially adversely affect the business of the Company.

First Nations in Canada have a constitutional right to be consulted, and if necessary, accommodated, with respect to any governmental decision that might adversely affect their aboriginal rights or title. Certain First Nations claim that the Company's resource properties are within their unceded traditional territories. Prior to the issuance of the MYAB permit for a project, the inspector appointed under the *Mines Act* (British Columbia) must consult with such impacted First Nations and determine that such consultation has been adequate; and may impose conditions on the permit in response to First Nations concerns. If a First Nation challenges the adequacy of the consultation, for example by way of an application for judicial review, the resource project could be delayed or costs increased. There are no assurances that title claims of First Nations and/or challenges to the adequacy of consultation will not delay project timing, increase project costs or otherwise impede the Company's projects.

The Company is committed to working in partnership with its local communities and First Nations in a manner which fosters active participation and mutual respect. The Company works towards minimizing negative project impacts, encouraging certain joint consultation processes, addressing certain decision-making processes and towards maintaining meaningful ongoing dialogue not only for the Company but for all participants in the region. Many of the Corporation's contractors and suppliers live and work in the region. The Company regularly consults with communities proximal to the Company's exploration activities to advise them of plans and answer any questions they may have about current and future activities. The objective is to operate to the benefit of the shareholders and the local communities using the resources and the environment today without compromising the long-term capacity to support post exploration and ultimately post mining land uses. Despite the foregoing, there can be no assurance that issues related to First Nations communities or interests will not arise.

On July 24, 2019, in a letter addressed to the Company, the Kwadacha First Nation asserted aboriginal title for traditional territory over the area encompassing the Golden Lion Property. See “*Use of Proceeds – Business Objectives and Milestones*”. By asserting traditional territory over the Golden Lion Property and that their consent is required, the Kwadacha First Nation may cause delays to the Company’s permitting process, which may delay the commencement of the Company’s Phase I work program on the Golden Lion Property. Delays to the commencement of the Phase I work program for the Golden Lion Property may adversely affect the business of the Company. The Company intends to address the concerns of the Kwadacha First Nation within reasonable timeframe. There is no guarantee that a MYAB permit will be issued for the Golden Lion Property. See “*General Development and Business of the Company – Permits – Golden Lion Property*”, “*Material Properties – Golden Lion Property – Property Description and Location – Environmental Regulations and Exploration Permits*” and “*Use of Proceeds – Business Objectives and Milestones*”.

Resource exploration and development is a speculative business

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineralized zones which, though present, are insufficient in size, grade or other factors to return a profit from production. The economic viability of any mineralization discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, and government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. The great majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

Contractual Risk

The Company’s exploration activities are carried out by contractors who may not perform their work in a timely, cost-effective and efficient manner, resulting in program delays or negative program outcomes. Any delays or cost-overruns related to the Company’s work program, or a negative program outcome, could have a materially adverse consequence on the economic viability of placing a property into production and a property’s return on capital.

Uncertainty of mineral reserve and mineral resource estimates

There are numerous uncertainties inherent in estimating quantities of mineral resources and reserves and grades of mineralization, including many factors beyond the Company’s control. In making determinations about whether to advance any projects to development, the Company must rely upon estimates as to the mineral resources, reserves and grades of mineralization on the Company’s properties. Until ore is actually mined and processed, mineral reserves and grades of mineralization must be considered as estimates only. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling which may prove to be unreliable. There is no assurance that mineral reserves, resources or other mineralization estimates will be accurate, or that mineralization can be mined or processed profitably. Any material changes in mineral reserves estimates and grades of mineralization will affect the economic viability of placing a property into production and a property’s return on capital. The estimates of mineral reserves and mineral resources are determined and valued based on various

assumptions including future prices, cut-off grades and operating costs and various geological and lithographical interpretations that may prove to be inaccurate.

Currency fluctuations can result in unanticipated losses

Currency fluctuations may affect the Company's capital costs and the costs that the Company incurs at its operations. Metals are sold throughout the world based principally on a US dollar price, but all the Company's operating and capital expenses are incurred in Canadian dollars. The appreciation of foreign currencies, particularly the Canadian dollar against the US dollar, could decrease revenues and increase costs. As at the date of this Prospectus, the Company has not hedged its exposure to Canadian dollar/US dollar exchange rate fluctuations, or any other exchange rate fluctuations applicable to its business, and is therefore exposed to currency fluctuation risks.

The successful exploration and development of the Snoball Property and the Golden Lion Property depend on the skills of the Company's management and teams

The Company's business is dependent on retaining the services of its key management personnel with a variety of skills and experience, including in relation to the exploration and development of mineral projects. The success of the Company is, and will continue to be, dependent to a significant extent on the expertise and experience of its directors and senior management. Failure to retain, or loss of, one or more of these people could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects. The Company's success will also depend to a significant degree upon the contributions of qualified technical personnel and the Company's ability to attract and retain highly skilled personnel. Competition for such personnel is intense, and the Company may not be successful in attracting and retaining qualified personnel, or in obtaining the necessary work permits to hire qualified expatriates. The Company's inability to attract and retain these people could have a material adverse effect on its business, financial condition, results of operations, cash flows or prospects.

Operations during mining cycle peaks are more expensive

During times of increased demand for metals and minerals, price increases may encourage expanded mining exploration, development and construction activities. These increased activities may result in escalating demand for and cost of contract exploration, development and construction services and equipment. Increased demand for and cost of services and equipment could cause exploration, development and construction costs to increase materially, resulting in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and increased potential for scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, development or construction costs, result in project delays, or increase operating costs.

Title to the Snoball Property or the Golden Lion Property may be disputed

There is no guarantee that title to the Snoball Property or the Golden Lion Property will not be challenged or impugned. The Company's claims may be subject to prior unregistered agreements or transfers and title may be affected by unidentified or unknown defects. The Company has conducted an investigation on the title of properties that it has acquired to confirm that there are no claims or agreements that could affect its title to its mineral tenure or surface rights. There is no guarantee that such title will not be challenged or impaired. If title to the Company's properties is disputed, it may result in the Company paying substantial costs to settle the dispute or clear title and could result in the loss of the property, which events may affect the economic viability of the Company. Title insurance generally is not available for mineral tenure or

surface rights and the Company's ability to ensure that it has obtained secure claim to title may be constrained.

The Company may fail to comply with the law or may fail to obtain or renew necessary permits and licences

The Company's operations are subject to extensive laws and regulations governing, among other things, such matters as environmental protection, management and use of toxic substances and explosives, health, exploration and development of mines, commercial production and sale of by-products, ongoing and post-closure reclamation, construction and operation of tailings dams, safety and labour, taxation and royalties, maintenance of mineral tenure, and expropriation of property. The activities of the Company require licenses and permits from various governmental authorities.

The costs associated with compliance with these laws and regulations and of obtaining licenses and permits are substantial, and possible future laws and regulations, changes to existing laws and regulations and more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the development of its properties. There is no assurance that future changes in such laws and regulations, if any, will not adversely affect the Company's operations. Moreover, these laws and regulations may allow governmental authorities and private parties to bring lawsuits based upon damages to property and injury to persons resulting from the environmental, health and safety practices of the Company's past and current operations, or possibly even the actions of former property owners, and could lead to the imposition of substantial fines, penalties or other civil or criminal sanctions. The Company may fail to comply with current or future laws and regulations. Such non-compliance can lead to financial restatements, civil or criminal fines, penalties, and other material negative impacts on the Company.

The Company is required to obtain or renew further government permits and licenses for its current and contemplated operations. Obtaining, amending or renewing the necessary governmental permits and licenses can be a time-consuming process potentially involving a number of regulatory agencies, involving public hearings and costly undertakings on the Company's part. The duration and success of the Company's efforts to obtain, amend and renew permits and licenses are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by the relevant permitting or licensing authority. The Company may not be able to obtain, amend or renew permits or licenses that are necessary to its operations, or the cost to obtain, amend or renew permits or licenses may exceed what the Company believes it can ultimately recover from a given property once in production. Any unexpected delays or costs associated with the permitting and licensing process could impede ongoing operations at the Snoball Property or the Golden Lion Property. To the extent necessary permits or licenses are not obtained, amended or renewed, or are subsequently suspended or revoked, the Company may be curtailed or prohibited from proceeding with planned development, commercialization, operation and exploration activities. Such curtailment or prohibition may result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects. See "*General Development and Business of the Company – Permits – Golden Lion Property*", "*Material Properties – Golden Lion Property – Property Description and Location – Environmental Regulations and Exploration Permits*" and "*Use of Proceeds – Business Objectives and Milestones*".

Compliance with environmental regulations can be costly

The Company's exploration operations at the Snoball Property and the Golden Lion Property are subject to environmental regulation. Regulations cover, among other things, water quality standards, land reclamation, the generation, transportation, storage and disposal of hazardous waste, the construction and

operation of tailings dams, and general health and safety matters. There is no assurance that the Company has been or will at all times be in full compliance with all environmental laws and regulations or hold, and be in full compliance with, all required environmental and health and safety approvals and permits. The potential costs and delays associated with compliance with such laws, regulations, approvals and permits could prevent the Company from economically operating or proceeding with the further exploration of the Snoball Property or the Golden Lion Property, and any non-compliance with such laws, regulations, approvals and permits could result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Environmental approvals and permits are currently, and may in the future be, required in connection with the Company's current and planned operations. To the extent such environmental approvals and permits are required and not obtained, the Company's plans and the operation of mines may be curtailed or it may be prohibited from proceeding with planned exploration or development of additional mineral properties. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

There is no assurance that any future changes in environmental regulations will not adversely affect the Company's operations. Changes in government regulations have the potential to significantly increase compliance costs and thus reduce the profitability of current or future operations.

Environmental hazards may also exist on the properties on which the Company holds interests that are unknown to the Company at present and that have been caused by previous or existing owners or operators of the properties and for which the Company may be liable for remediation. Parties engaged in mining operations, including the Company, may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable environmental laws or regulations, regardless of whether the Company actually caused the loss or damage. The costs of such compensation, fines or penalties could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Social and environmental activism can negatively impact exploration, development and mining activities

There is an increasing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. 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, NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company's operations specifically. Any such actions and the resulting media coverage could have an adverse effect 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 Company's business, financial condition, results of operations, cash flows or prospects.

The mining industry is intensely competitive

The mining industry is intensely competitive. The Company competes with other mining companies, many of which have greater resources and experience. Competition in the mining industry is primarily for: (i) properties which can be developed and can produce economically; (ii) the technical expertise to find, develop, and operate such properties; (iii) labour to operate such properties; and (iv) capital to fund such properties. Such competition may result in the Company being unable to acquire desired properties, to recruit or retain qualified employees and consultants or to acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Many competitors not only explore for and mine minerals, but conduct refining and marketing operations on a worldwide basis. In the future, the Company may also compete with such mining companies in refining and marketing its products to international markets. Any inability to compete with established competitors could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Inadequate infrastructure may constrain exploration and future development operations

Exploration operations depend on adequate infrastructure. In particular, reliable power sources, water supply, transportation and surface facilities are necessary to explore and develop mineral projects. Failure to adequately meet these infrastructure requirements or changes in the cost of such requirements could affect the Company's ability to carry out exploration and future development operations and could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Fluctuations in the market prices and availability of commodities and equipment affect the Company's business

The cash flows and profitability of the Company's business will also be affected by the market prices and availability of commodities and equipment that are consumed or otherwise used in connection with the Company's operations and development projects. Prices of such commodities and resources are also subject to volatile price movements, which can be material and can occur over short periods of time due to factors beyond the Company's control.

If there is a significant and sustained increase in the cost of certain commodities, the Company may decide that it is not economically feasible to continue certain exploration activities and this could have an adverse effect on future profitability. Higher worldwide demand for critical resources like input commodities, mining equipment, mobile mining equipment, tires and skilled labour could affect the Company's ability to acquire them and lead to delays in delivery and unanticipated cost increases, which could have an effect on the Company's operating costs, capital expenditures and development schedules. The occurrences of one or more of these events may result in a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company's insurance coverage may be inadequate to cover potential losses

The Company's business is subject to a wide array of risks and hazards (as further described in this Prospectus). The Company does not carry insurance against such risks as it is either not possible to obtain, or the cost of doing so would be prohibitive. The Company may therefore become subject to liability for

pollution or other hazards which it is not currently insured against and/or in the future may not insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The directors and officers may have conflicts of interest with the Company

Certain directors and officers of the Company are or may become associated with other mining and/or mineral exploration and development companies which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and officers are required to act honestly and in good faith with a view to the best interests of the Company. Some of the directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these directors and officers. Further, any failure of the directors or officers of the Company to address these conflicts in an appropriate manner or to allocate opportunities that they become aware of to the Company could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Failures of information systems or information security threats can be costly

The Company utilizes hardware, software, telecommunications and other information technology ("IT") hardware and services in connection with its operations. Such operations depend, in part, on how well the Company and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation, results of operations, cash flows and financial condition.

Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that it will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities. Any of these factors could have a material adverse effect on the Company's results of operations, cash flows and financial position.

The Company may be subject to costly legal proceedings

The Company may be subject to regulatory investigations, civil claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in regulatory actions and litigation, the difficulty of predicting decisions of regulators, judges and juries and the possibility that decisions may be reversed on appeal. Defense and

settlement costs of legal disputes can be substantial, even with claims that have no merit. Management is committed to conducting business in an ethical and responsible manner, which it believes will reduce the risk of legal disputes. However, if the Company is subject to legal disputes, there can be no assurances that these matters will not have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company will incur increased costs as a result of complying with the reporting requirements, rules and regulations affecting public issuers

As a public issuer, the Company will be subject to the reporting requirements and rules and regulations under the applicable Canadian securities laws and rules of any stock exchange on which the Company's securities may be listed from time to time. Additional or new regulatory requirements may be adopted in the future. The requirements of existing and potential future rules and regulations will increase the Company's legal, accounting and financial compliance costs, make some activities more difficult, time-consuming or costly and may also place undue strain on its personnel, systems and resources, which could adversely affect its business and financial condition.

The Snoball Property and Golden Lion Property are located in remote mountainous areas

The Snoball Property and the Golden Lion Property are located in underdeveloped mountainous areas, resulting in technical challenges for conducting mineral exploration and development and any potential mining activities at the properties. The Company benefits from modern transportation and technologies for exploring and operating in such areas, though transportation by helicopters incurs greater risks than transport by vehicle. The Company may in consequence experience a higher likelihood of operating accidents, and may sometimes be unable to overcome problems related to underdevelopment or unseasonable weather, which could negatively affect the Company's mineral exploration and development plans and any potential mining activities at the Properties and have a material adverse effect on the Company. The mountainous, remote location of the Snoball Property and the Golden Lion Property also results in increased costs associated with accessing the Properties and establishing infrastructure, including roads and powerlines.

Changes in climate conditions may affect the Company's operations

A number of governments have introduced or are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Regulation relating to emission levels (such as carbon taxes) and energy efficiency is becoming more stringent. If the current regulatory trend continues, this may result in increased costs for the Company's operations. In addition, the physical risks of climate change may also have an adverse effect on the Company's operations. These risks include the following:

- extreme weather events (such as prolonged drought) have the potential to disrupt operations at the Company's Properties and may require the Company to make additional expenditures to mitigate the impact of such events; and
- the Company's facilities depend on regular supplies of consumables (diesel, tires, reagents, etc.) to operate efficiently. In the event that the effects of climate change or extreme weather events cause prolonged disruption to the delivery of essential commodities, productivity at the Company's operations may be reduced.

There can be no assurance that efforts to mitigate the risks of climate change will be effective and that the physical risks of climate change will not have an adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company may not use the proceeds from the Offering as described in this Prospectus

The Company currently intends to use the net proceeds received from the Offering as described under "*Use of Proceeds*". However, the Board and/or management will have discretion in the actual application of the net proceeds, and may elect to allocate net proceeds differently from that described under "*Use of Proceeds*" if they believe it would be in the Company's best interests to do so. Shareholders may not agree with the manner in which the Board and/or management chooses to allocate and spend the net proceeds. The failure by the Board and/or management to apply these funds effectively could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The Company may not be able to obtain sufficient financing to pursue all of its intended exploration activities or continue on a going concern basis

The Company's primary source of capital is the issuance of securities. The Company will continuously monitor its capital structure and, based on changes in operations and economic conditions, may adjust the structure by issuing new shares as necessary. In the long term, the Company's ability to continue as a going concern is dependent upon continued access to capital markets. The recoverability of the carrying values of the Company's assets is dependent upon the ability of the Company to obtain the necessary financing to complete its exploration activities, achieve mineral discoveries, and advance their development toward potential production.

Obtaining and renewing licences and permits

In the ordinary course of business, the Company will be required to obtain and renew governmental licenses or permits for exploration, development, construction and commencement of mining at the Snoball and Golden Lion Properties. Obtaining or renewing the necessary governmental licenses or permits is a complex and time-consuming process involving public hearings and costly undertakings on the part of the Company. The duration and success of the Company's efforts to obtain and renew licenses or permits are contingent upon many variables not within the Company's control, including the interpretation of applicable requirements implemented by the licensing authority. The Company may not be able to obtain or renew licenses or permits that are necessary to its operations, including, without limitation, an exploitation license, or the cost to obtain or renew licenses or permits may exceed what the Company believes they can recover from the Snoball or Golden Lion Properties. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Snoball or Golden Lion Properties. See "*General Development and Business of the Company – Permits – Golden Lion Property*", "*Material Properties – Golden Lion Property – Property Description and Location – Environmental Regulations and Exploration Permits*" and "*Use of Proceeds – Business Objectives and Milestones*".

The Company operates in an environment with significant environmental and safety regulations and risks

Mining, like many other extractive resource industries, is subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. Environmental liability may result from mining activities conducted by others prior to the Company's ownership of its properties. To the extent the Company is subject to uninsured environmental liabilities, the payment of such liabilities would reduce funds otherwise available of the Company and could have a material adverse effect on the Company. Should the Company be unable to fund fully the cost of remedying an environmental problem, the Company might be required to suspend operations or enter into interim compliance measures.

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

The Company may be subject to reclamation requirements designed 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. Any significant environmental issues that may arise, however, could lead to increased reclamation expenditures and could have a material adverse impact on the Company's financial resources.

Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, the Company generally relies on recognized designers and development contractors from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

Regulatory requirements

Even if the Snoball Property or the Golden Lion Property are proven to host economic reserves of precious or base metals, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits. Exploration and mining activities may be affected in varying degrees by government policies and regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price

controls, export controls, income taxes, expropriation of the Snoball Property or Golden Lion Property, environmental legislation and mine safety.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supplies are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these could prevent or delay exploration or development of the Snoball Property or the Golden Lion Property. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Snoball Property or Golden Lion Property will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operations.

Risks associated with acquisitions

If appropriate opportunities present themselves, the Company may acquire mineral claims, material interests in other mineral claims, and companies that the Company believes are strategic. Other than as described in this Prospectus, the Company currently has no understandings, commitments or agreements with respect to any other material acquisition and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired Company or mineral claims into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition.

Management

The success of the Company will be dependent upon the performance of its management and key employees. The loss of any key executive or manager of the Company may have an adverse effect on the future of the Company's business. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, it will require additional key financial, administrative, geologic and mining personnel as well as additional operations staff. There is no assurance that it will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on its future cash flows, earnings, results of operations and financial condition.

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

The Company is subject to legal and political risks

Mineral exploration and mining activities may be affected in varying degrees by political instability, economic conditions, and changes in government regulations such as investment laws, tax laws, business laws, environmental laws and mining laws, affecting the Company's business. Government limitations, restrictions or requirements may be implemented. There can be no assurance that neighbouring countries' or provinces' political and economic policies in relation to British Columbia or Canada, as applicable, will not have adverse economic effects on the exploration, and potentially, the development of the Company's assets, including with respect to ability to access power, transportation, access construction labour, supplies and materials, and market conditions more generally.

Claims and legal proceedings

The Company may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities, including relating to former employees. These matters may give rise to legal uncertainties or have unfavourable results. The Company may carry liability insurance coverage and mitigate risks that can be reasonably estimated; however, there is a risk that insurance may not be adequate to cover all possible risks arising from the Company's operations. In addition, the Company may be involved in disputes with other parties in the future that may result in litigation or unfavourable resolution which could materially adversely impact the Company's financial position, cash flow, results of operations, and reputation, regardless of the specific outcome.

It may be difficult to enforce judgments and effect service of process on directors

Some of the directors of the Company reside outside of Canada, therefore, it may not be possible for investors to collect or to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities laws against such persons. Moreover, it may not be possible for investors to effect service of process within Canada upon such persons.

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including the price of metals on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Risks Related to the Offered Units

Controlling shareholder risk

The promoters of the Company beneficially own 5,651,153 of the issued and outstanding Common Shares representing 24.7% of the issued and outstanding Common Shares upon completion of the Minimum Offering and representing 22.2% of the issued and outstanding Common Shares upon completion of the Maximum Offering. See "*Promoters*", below. By virtue of either being a principal shareholder of the Company, or by being a director and officer of the Company, together the promoters have the power to exercise influence over all matters requiring shareholder approval, including the election of directors, amendments to the Company's articles and by-laws, mergers, business combinations and the sale of substantially all of the Company's assets. As a result, the Company could be prevented from entering into transactions that could be beneficial to the Company or its other shareholders. Also, third parties could be discouraged from making a take-over bid. As well, sales by the promoters of a substantial number of Common Share could cause the market price of the Common Shares to decline.

Investors may lose their entire investment

An investment in the Offered Units is speculative and may result in the loss of an investor's entire investment. Only potential investors who are experienced in high risk investments and who can afford to lose their entire investment should consider an investment in the Company.

There is no existing market for the Common Shares

There is currently no existing public market for the Offered Units, the Common Shares or the Unit Warrants. The Common Shares or Unit Warrants are not currently listed or quoted on any stock exchange or market in Canada or elsewhere. If an active trading market does not develop, the trading price of the Common Shares may decline, and investors may have difficulty selling any of the Offered Units that they purchase or acquire by way of the Offering.

Prior to the Offering, there has been no public trading market for the Common Shares and Unit Warrants, and the Company cannot offer assurances that one will develop or be sustained after the Offering. The Company cannot predict the prices at which the Common Shares will trade. The Offering Price has been determined by arm's length negotiation between the Company and the Agent and may not bear any relationship to the market price at which the Common Shares will trade after the Offering, or to any other established criteria of the Company's value. Shares of companies often trade at a discount to the initial offering price due to sales loads, underwriting discounts and related offering expenses.

Dilution from equity financing could negatively impact holders of Offered Units

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

A purchaser of the Offered Units under the Offering will purchase such Offered Units at a substantial premium to the current book value per Offering Unit

The Offering Price of \$0.20 per Offered Unit is substantially higher than the current book value per share of the Common Shares issued prior to the completion of the Offering. As a result, purchasers of Offered Units pursuant to the Offering will experience immediate dilution.

The Company has applied to the TSX-V to list the Unit Shares distributed under this Prospectus as well as its existing issued and outstanding Common Shares on the TSX-V. Such listing will be subject to the Company fulfilling all the listing requirements of the TSX-V, including the distribution of Units to the requisite number of shareholders. If the Company fails to list the Common Shares on the TSX-V, the liquidity for its Common Shares would be significantly impaired, which may substantially decrease the trading price of the Common Shares. In addition, in the future, Evergold's securities may fail to meet the continued listing requirements to be listed on the TSX-V. If the TSX-V delists the Common Shares from trading on its exchange, the Company could face significant material adverse consequences, including:

- a limited availability of market quotations for the Common Shares;
- a determination that the Common Shares are a “penny stock” which will require brokers trading in the Common Shares to adhere to more stringent rules and possibly resulting in a reduced level of trading activity in the secondary trading market for the Common Shares;
- a limited amount of news and analyst coverage for the Company; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

Equity securities are subject to trading and volatility risks

The securities of publicly traded companies can experience a high level of price and volume volatility and the value of the Company’s securities can be expected to fluctuate depending on various factors, not all of which are directly related to the success of the Company and its operating performance, underlying asset values or prospects. These include the risks described elsewhere in this Prospectus. Factors which may influence the price of the Company’s securities, including the Common Shares and Unit Warrants, include, but are not limited to:

- worldwide economic conditions;
- changes in government policies;
- investor perceptions;
- movements in global interest rates and global stock markets;
- variations in operating costs;
- the cost of capital that the Company may require in the future;
- metals prices;
- the price of commodities necessary for the Company’s operations;
- recommendations by securities research analysts;
- issuances of equity securities or debt securities by the Company;
- operating performance and, if applicable, the share price performance of the Company’s competitors;
- the addition or departure of key management and other personnel;
- the expiration of lock-up or other transfer restrictions on outstanding Common Shares;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors;
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related industry and market issues affecting the mining sector;
- litigation;
- publicity about the Company, the Company’s personnel or others operating in the industry;
- loss of a major funding source; and
- all market conditions that are specific to the mining industry.

There can be no assurance that such fluctuations will not affect the price of the Company’s securities, and consequently purchasers of Offered Units may not be able to sell Offered Units at prices equal to or greater than the price or value at which they purchased the Offered Units or acquired them, or their components, by way of the secondary market.

Sales by existing shareholders can reduce share prices

Sales of a substantial number of Common Shares in the public market could occur at any time. These sales, or the market perception that the holders of a large number of Common Shares intend to sell, could reduce the market price of the Common Shares. If this occurs and continues, it could impair the Company's ability to raise additional capital through the sale of securities.

It is anticipated that a majority of the Common Shares issued and outstanding prior to completion of the Offering will be subject to post-Closing resale restrictions. See "*Plan of Distribution*" and "*Escrowed Securities*" for descriptions of these resale restrictions. Upon expiration of the resale restrictions to which they are subject, such Offered Units will be freely tradable in the public market, subject to the provisions of applicable securities laws.

The Company is not likely to pay dividends for an extended period of time

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on its Common Shares. The Company anticipates that, for the foreseeable future, it will retain its cash resources for the operation and development of its business. The declaration and payment of any dividends in the future is at the discretion of the Board and will depend on a number of factors, including compliance with applicable laws, financial performance, working capital requirements of the Company and such other factors as its directors consider appropriate, and the Company may never pay dividends.

Public companies are subject to securities class action litigation risk

In the past, securities class action litigation has often been brought against a company following a decline in the market price of its securities. If the Company faces such litigation, it could result in substantial costs and a diversion of management's attention and resources, which could materially harm its business.

If the securities or industry analysts do not publish research or public inaccurate or unfavourable research about the Company's business, the price and trading volume of the Common Shares could decline

The trading market for the Common Shares will depend on the research and reports that securities or industry analysts publish about the Company and its business. The Company does not have any control over these analysts. The Company cannot assure that analysts will cover it or provide favourable coverage. If one or more of the analysts who cover the Company downgrade its stock or reduce their opinion of the value of the Common Shares, the price of Common Shares would likely decline. If one or more of these analysts cease coverage of the Company or fail to regularly publish reports, the Company could lose visibility in the financial markets, which could cause the price and trading volume of the Common Shares to decline.

Global financial conditions can reduce the price of the Common Shares

The unprecedented events in global financial and trading markets in the past several years have had a profound impact on the global economy. Many industries, including the mineral exploration sector have been and continue to be impacted by these market conditions. Some of the key impacts of the financial market turmoil included contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. A similar slowdown in the financial markets or other economic conditions, including but

not limited to, inflation, fuel and energy costs, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's operations. Specifically, a global credit/liquidity crisis could impact the cost and availability of financing and our overall liquidity, the volatility of mineral prices would impact the Company's prospects, volatile energy, commodity and consumables prices and currency exchange rates would impact costs and the devaluation and volatility of global stock markets would impact the valuation of its equity and other securities. These factors could have a material adverse effect on the Company's financial condition and results of operations.

In recent years, the securities markets in Canada, as well as in other countries around the world, 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. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in developing assets, adding additional resources, establishing feasibility of deposits or creating revenues, cash flows or earnings. The value of securities will be affected by market volatility. An active public market for the Common Shares might not develop or be sustained. If an active public market for the Common Shares does not develop or continue, the liquidity of a shareholder's investment may be limited and the price of the Common Shares may decline.

PROMOTERS

Kevin M. Keough, President, Chief Executive Officer and director of the Company, may be considered a promoter of the Company within the meaning of relevant Canadian securities legislation in that he took the initiative in organizing the business of the Company. As of the date hereof, Mr. Keough beneficially owns, controls or directs, directly or indirectly, 482,710 Common Shares of the Company, comprising 4.7% of the issued and outstanding Common Shares as of the date hereof. Mr. Keough also owns, controls or directs, directly or indirectly, 567,500 Warrants, comprising 18.0% of the issued and outstanding Warrants as of the date hereof. Mr. Keough also owns, controls or directs, directly or indirectly, 850,000 Options, comprising 37.2% of the issued and outstanding Options as of the date hereof. Commencing February 1, 2019, Mr. Keough also receives an annual salary of \$150,000 through his role as President and Chief Executive Officer of the Company. Prior to receiving a salary, Mr. Keough served as founder (October 2015), President and Chief Executive Officer of the Company in exchange for share-based compensation. Mr. Keough acquired his original share position in the company by injecting \$201,499 cash at ten cents and taking a very small portion of his time (\$25,500) in sweat equity, also at ten cents for his services as President and Chief Executive Officer.

Additional information about Mr. Keough is disclosed elsewhere in this Prospectus in connection with his capacity as an officer and director of the Company. See "*Directors and Executive Officers*" and "*Director and Executive Compensation*" for further details. Also see "*Principal Securityholders*" and "*Material Contracts*".

Charles Greig may be considered a promoter of the Company within the meaning of relevant Canadian securities legislation. As of the date hereof, Mr. Greig beneficially owns, controls or directs, directly or indirectly, 5,168,443 Common Shares of the Company, comprising 49.8% of the issued and outstanding Common Shares as of the date hereof. Mr. Greig also owns, controls or direct, directly or indirectly, 1,479,575 Warrants of the Company, comprising 47.0% of the issued and outstanding Warrants as of the date hereof. Mr. Greig acquired his position in the Company through the sale of 100% of the Purchased Properties to the Company on April 5, 2016. See "*General Development and Business of the Company* –

General Development of the Company – Significant Acquisitions” for details concerning the disposition of the Purchased Properties to the Company in exchange for Common Shares and Warrants.

Mr. Greig also wholly-owns C.J. Greig & Associates Ltd., a private company that has entered into a Contracting Agreement with the Company dated June 6, 2019 to provide exploration services. The Company expects C.J. Greig & Associates Ltd. to be the service provider for approximately 75.0% of the expenses associated with the Snoball Property and Golden Lion Property Phase I exploration programs. Services to be provided by C.J. Greig & Associates Ltd. include the provision of geologists, soil samplers, logistical and expending services, and base camp equipment. All services not provided by C.J. Greig & Associates Ltd. but procured through C.J. Greig & Associates Ltd. are subject to an 8.0% surcharge. Total consideration to be paid to C.J. Greig & Associates Ltd. for services provided under the Snoball and Golden Lion Phase I exploration programs are anticipated to approximate \$1,161,750. Mr. Greig, through his wholly-owned company C.J. Greig Holdings Ltd., also beneficially owns a 0.5% NSR on all Purchased Properties.

Additional information about Mr. Greig is disclosed elsewhere in this Prospectus in connection with his capacity as a vendor of the Purchased Properties. See *“General Development and Business of the Company – General Development of the Company – Significant Acquisitions”* for further details. Also see *“Principal Securityholders”* and *“Material Contracts”*.

Alexander Walcott, director of the Company, may be considered a promoter of the Company within the meaning of relevant Canadian securities legislation in that he received ten percent (10.0%) of the issued and outstanding Common Shares of the Company in exchange for services offered to the Company. Mr. Walcott received 1,037,147 Common Shares from Mr. Keough and Mr. Greig (collectively, the **“Promoters”**) as consideration for joining the Company and offering his expertise conducting exploration activities in northern British Columbia. As consideration for the Common Shares, Mr. Walcott paid the Promoters total consideration of \$1.00. By selling Mr. Walcott Common Shares for nominal consideration, the Promoters were able to help preserve the Company’s working capital and concurrently ensure execution this year of field programs that would otherwise likely have to be delayed until 2020. As of the date hereof, Mr. Walcott beneficially owns, controls or directs, directly or indirectly, 1,037,147 Common Shares of the Company, comprising 10.0% of the issued and outstanding Common Shares as of the date hereof. Also, Mr. Walcott beneficially owns, controls or directs, directly or indirectly, 150,000 Options, comprising 6.6% of the issued and outstanding Options as of the date hereof.

Additional information about Mr. Walcott is disclosed elsewhere in this Prospectus in connection with his capacity as a director of the Company. See *“Director and Executive Officers”* and *“Director and Executive Compensation”* for further details. Also see *“Principal Securityholders”*.

Other than as disclosed in this Prospectus, neither Mr. Greig, Mr. Keough, nor Mr. Walcott have received, directly or indirectly, anything of value, including money, property, contracts, options or rights of any kind from Evergold, and Evergold has not received any assets, services or other consideration from Mr. Keough or Mr. Greig in return.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not and has never been a party to, and none of its Properties are or have been the subject of, any legal proceedings as at the date of this Prospectus or since the date of incorporation, nor does the Company contemplate any such legal proceedings.

No penalties or sanctions have been imposed against the Company by a court, nor has the Company entered into any settlement agreements before a court, relating to provincial and territorial securities legislation or by a

securities regulatory authority within the last three years from date hereof, nor has a court or regulatory body imposed any other penalties or sanctions against the Company.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed in this Prospectus, no (a) director or executive officer, (b) person or company that beneficially owns, controls or directs, directly or indirectly, more than 10.0% of the Common Shares, nor (c) associate or affiliate of any of the persons or companies referred to in (a) or (b) has, or has had within the three years before the date hereof, any material interest, directly or indirectly, in any transaction that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries.

RELATIONSHIP BETWEEN THE COMPANY AND THE AGENT

The Company is neither a “related issuer” nor a “connected issuer” to the Agent, as such terms are defined in National Instrument 33-105 - Underwriting Conflicts.

AUDITORS, REGISTRAR AND TRANSFER AGENT

The auditor of the Company is McGovern Hurley LLP, Chartered Accountants, located at 251 Consumers Rd., Suite 800, North York, Ontario, Canada M2J 4R3.

The transfer agent and registrar of the Company is Capital Transfer Agency ULC, located at 390 Bay Street, Suite 920, Toronto, Ontario, Canada M5H 2Y2, and the register of Common Shares and register of transfers will be maintained at the Toronto office located at Suite 902, 18 King Street East, Toronto, Ontario, Canada M5C 1C4.

MATERIAL CONTRACTS

The only material contracts that the Company has entered into since the beginning of the most recently completed financial year or contracts entered into before the beginning of the most recently completed financial year that are still in effect, other than contracts entered into in the ordinary course of business that would not be required to be filed by the Company under applicable Canadian securities laws, are as follows:

- The Agency Agreement;
- The Escrow Agreement;
- The Warrant Indenture;
- The engagement agreements with the Company’s CEO, CFO, and Corporate Secretary. See *“Executive Compensation – Executive Compensation: Tables and Narrative – Employment, Consulting and Management Agreements”* for particulars regarding these contracts;
- The Contracting Agreement. See *“Executive Compensation – Executive Compensation: Tables and Narratives – Employment, Consulting and Management Agreements”*; and
- The Mineral Property Acquisition Agreement. See *“General Development and Business of the Company – General Development of the Company – Significant Acquisitions”* for particulars regarding this contract.

Inspection

Copies of the above material contracts may be inspected at the offices of the legal counsel of the Company, Peterson McVicar LLP, at Suite 902, 18 King Street East, Toronto, Ontario M5C 1C4, during normal business hours while distribution of the securities offered hereunder is in progress.

EXPERTS AND INTERESTS OF EXPERTS

Certain legal matters relating to the securities offered hereby will be passed upon on behalf of the Company by Peterson McVicar LLP, of Toronto, Ontario, and on behalf of the Agent by Harper Grey LLP, of Vancouver, British Columbia.

McGovern Hurley LLP, Chartered Professional Accountants (the auditors of the Company) prepared an auditors' report to the directors of the Company on the status of financial position of the Company as of December 31, 2018 and 2017 and the statements of loss and comprehensive loss, changes in shareholder's equity and cash flows for the years ended December 31, 2018 and 2017. McGovern Hurley LLP, Chartered Professional Accountants has advised that it is independent with respect to the Company within the meaning of the Code of Professional Conduct of Chartered Professional Accountants of Ontario ("CPA Ontario").

The independent author of the Snoball Technical Report and Golden Lion Technical Report was David W. Tupper, P. Geo.

None of the foregoing experts, nor any partner, employee or consultant of such an expert who participated in and who was in a position to directly influence the preparation of the applicable statement, report or valuation, has, has received or is expected to receive, registered or beneficial interests, direct or indirect, in Common Shares or other property of the Company or any of its associates or affiliates, representing 1.0% or more of the outstanding Common Shares.

OTHER MATERIAL FACTS

Other than as disclosed elsewhere in this Prospectus, there are no material facts about Common Shares that are necessary to be disclosed in order for this Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

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

Original purchasers of Unit Warrants and grantees of Broker Warrants, which are convertible, exchangeable or exercisable for other securities of the Company, will have a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Unit Warrants or Broker Warrants.

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

In an offering of Unit Warrants, or other convertible securities, original purchasers are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in certain provincial securities legislation, to the price at which the Unit Warrants, or other convertible securities, are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of such securities, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

SCHEDULE “A”
AUDIT COMMITTEE CHARTER

[see following pages]

AUDIT COMMITTEE CHARTER

This charter (the “**Charter**”) sets forth the purpose, composition, responsibilities and authority of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Evergold Corp. (“**Evergold**” or the “**Corporation**”).

1.0 Mandate

The Committee shall:

- (a) assist the Board in its oversight role with respect to the quality and integrity of the financial information;
- (b) assess the effectiveness of the Corporation’s risk management and compliance practices;
- (c) assess the independent auditor’s performance, qualifications and independence;
- (d) assess the performance of the Corporation’s internal audit function;
- (e) ensure the Corporation’s compliance with legal and regulatory requirements; and
- (f) prepare such reports of the Committee required to be included in any Management Information Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

2.0 Composition and Membership

The Committee shall be composed of not less than three members, each of whom shall be a director of the Corporation. A majority of the members of the Committee shall not be an officer or employee of the Corporation. A majority of the members shall satisfy the applicable independence requirements, and all members shall satisfy the experience requirements, of the laws governing the Corporation, the applicable stock exchanges on which the Corporation’s securities are listed and applicable securities regulatory authorities.

Each member of the Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment.

Members of the Committee shall be appointed or reappointed at the annual meeting of the Corporation and in the normal course of business will serve a minimum of three years. Each member shall continue to be a member of the Committee until a successor is appointed, unless the member resigns, is removed or ceases to be a Director. The Board of Directors may fill a vacancy that occurs in the Committee at any time.

The Board of Directors or, in the event of its failure to do so, the members of the Committee, shall appoint or reappoint, at the annual meeting of the Corporation a Chairman among their number.

The Chairman shall not be a former executive Officer of the Corporation. Such Chairman shall serve as a liaison between members and senior management.

The time and place of meetings of the Committee and the procedure at such meetings shall be determined from time to time by the members therefore provided that:

- a) a quorum for meetings shall be at least three members;
- b) the Committee shall meet at least quarterly;
- c) notice of the time and place of every meeting shall be given in writing or by telephone, facsimile, email or other electronic communication to each member of the Committee at least twenty-four (24) hours in advance of such meeting;
- d) a resolution in writing signed by all directors entitled to vote on that resolution at a meeting of the Committee is as valid as if it had been passed at a meeting of the Committee.

The Committee shall report to the Board of Directors on its activities after each of its meetings. The Committee shall review and assess the adequacy of this charter annually and, where necessary, will recommend changes to the Board of Directors for its approval. The Committee shall undertake and review with the Board of Directors an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board of Directors may take the form of an oral report by the chairperson of the Committee or any other designated member of the Committee.

3.0 Duties and Responsibilities

3.1 Oversight of the Independent Auditor

- (a) Sole authority to appoint or replace the independent auditor (subject to shareholder ratification) and responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between Management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Committee.
- (b) Sole authority to pre-approve all audit services as well as non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- p)
- (c) Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.

- (d) Obtain and review a report from the independent auditor at least annually regarding: the independent auditor's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the independent auditor and the Corporation.
- (e) Review and discuss with Management and the independent auditor prior to the annual audit the scope, planning and staffing of the annual audit.
- (f) Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.
- (g) Review, as necessary, policies for the Corporation's hiring of partners, employees or former partners and employees of the independent auditor.

3.2 Financial Reporting

- a) Review and discuss with Management and the independent auditor the annual audited financial statements prior to the publication of earnings.
- b) Review and discuss with Management the Corporation's annual and quarterly disclosures made in Management's Discussion and Analysis. The Committee shall approve any reports for inclusion in the Corporation's Annual Report, as required by applicable legislation.
- c) Review and discuss, with Management and the independent auditor, Management's report on its assessment of internal controls over financial reporting and the independent auditor's attestation report on Management's assessment.
- d) Review and discuss with Management the Corporation's quarterly financial statements prior to the publication of earnings.
- e) Review and discuss with Management and the independent auditor at least annually significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including any significant changes in the Corporation's selection or application of accounting principles, any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies.
- f) Review and discuss with Management and the independent auditor at least annually reports from the independent auditors on: critical accounting policies and practices to be used;

significant financial reporting issues, estimates and judgments made in connection with the preparation of the financial statements; alternative treatments of financial information within generally accepted accounting principles that have been discussed with Management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and other material written communications between the independent auditor and Management, such as any management letter or schedule of unadjusted differences.

- g) Discuss with the independent auditor at least annually any “Management” or “internal control” letters issued or proposed to be issued by the independent auditor to the Corporation.
- h) Review and discuss with Management and the independent auditor at least annually any significant changes to the Corporation’s accounting principles and practices suggested by the independent auditor, internal audit personnel or Management.
- i) Discuss with Management the Corporation’s earnings press releases, including the use of “pro forma” or “adjusted” non-GAAP information, as well as financial information and earnings guidance (if any) provided to analysts and rating agencies.
- j) Review and discuss with Management and the independent auditor at least annually the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation’s financial statements.
- k) Review and discuss with the Chief Executive Officer and the Chief Financial Officer the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the annual filings with applicable securities regulatory authorities.
- l) Review disclosures made by the Corporation’s Chief Executive Officer and Chief Financial Officer during their certification process for the annual filing with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Corporation’s ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving Management or other employees who have a significant role in the Corporation’s internal controls.
- m) Discuss with the Corporation’s General Counsel at least annually any legal matters that may have a material impact on the financial statements, operations, assets or compliance policies and any material reports or inquiries received by the Corporation or any of its subsidiaries from regulators or governmental agencies.

3.3 Oversight of Risk Management

- a) Review and approve periodically Management's risk philosophy and risk management policies.
- b) Review with Management at least annually reports demonstrating compliance with risk management policies.
- c) Review with Management the quality and competence of Management appointed to administer risk management policies.
- d) Review reports from the independent auditor at least annually relating to the adequacy of the Corporation's risk management practices together with Management's responses.
- e) Discuss with Management at least annually the Corporation's major financial risk exposures and the steps Management has taken to monitor and control such exposures, including the Corporation's risk assessment and risk management policies.

3.4 Oversight of Regulatory Compliance

- a) Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- b) Discuss with Management and the independent auditor at least annually any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Corporation's financial statements or accounting.
- c) Meet with the Corporation's regulators, according to applicable law.
- d) Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

4.0 Funding for the Independent Auditor and Retention of Other Independent Advisors

The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Committee. The Committee shall also have the authority to retain and, at Evergold's expense, to set and pay the compensation for such other independent counsel and other advisors as it may from time to time deem necessary or advisable for its purposes.

The Committee also has the authority to communicate directly with internal and external auditors.

5.0 Procedures for Receipt of Complaints and Submissions Relating to Accounting Matters

1. The Corporation shall inform employees on the Corporation's intranet, if there is one, or via a newsletter or e-mail that is disseminated to all employees at least annually, of the officer (the "**Complaints Officer**") designated from time to time by the Committee to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters.
2. The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Committee or the Chair of the Committee.
3. The Complaints Officer shall be informed that he or she must report to the Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Committee called to approve interim and annual financial statements of the Corporation.
4. Upon receipt of a report from the Complaints Officer, the Committee shall discuss the report and take such steps as the Committee may deem appropriate.
5. The Complaints Officer shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

6.0 Procedures for Approval of Non-Audit Services

1. The Corporation's external auditors shall be prohibited from performing for the Corporation the following categories of non-audit services:
 - (a) bookkeeping or other services related to the Corporation's accounting records or financial statements;
 - (b) financial information systems design and implementation;
 - (c) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
 - (d) actuarial services;
 - (e) internal audit outsourcing services;
 - (f) management functions;
 - (g) human resources;
 - (h) broker or dealer, investment adviser or investment banking services;
 - (i) legal services;

- (j) expert services unrelated to the audit; and
 - (k) any other service that the Canadian Public Accountability Board determines is impermissible.
2. In the event that the Corporation wishes to retain the services of the Corporation's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Committee, who shall have the authority to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.
3. The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.

7.0 Reporting

The Chairman will report to the Board at each Board meeting on the Committee's activities since the last Board meeting. The Committee will annually review and approve the Committee's report for inclusion in the Annual Information Form. The Secretary will circulate the minutes of each meeting of the Committee to the members of the Board.

8.0 Access to Information and Authority

The Committee will be granted unrestricted access to all information regarding Evergold that is necessary or desirable to fulfill its duties and all directors, officers and employees will be directed to cooperate as requested by members of the Committee.

9.0 Review of Charter

The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

Dated: July 8, 2019

Approved by: Audit Committee
Board of Directors

SCHEDULE “B”
FINANCIAL STATEMENTS

[see following pages]

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2. Management Discussion and Analysis for the Years Ended December 31, 2018 and 2017	B-26
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Evergold Corporation

Financial Statements

For the Years Ended December 31, 2018 and 2017



Independent Auditor's Report

To the Directors of Evergold Corp.

Opinion

We have audited the financial statements of Evergold Corp. (the "Company"), which comprise the statements of financial position as at December 31, 2018 and 2017, and the statements of loss and comprehensive loss, statements of changes in shareholders' equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018 and 2017, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss during the year ended December 31, 2018. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

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

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

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

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

Responsibilities of management and those charged with governance for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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



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

The engagement partner of the audit resulting in this independent auditor's report is Glen McFarland.

McGovern Hurley LLP

(signed) "McGovern Hurley LLP"

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
September 16, 2019

Evergold Corporation

Statements of Financial Position

(Expressed in Canadian dollars)

	As at December 31 2018 \$	As at December 31 2017 \$
Assets		
Current		
Cash and cash equivalents	176,394	265,786
HST receivable	12,636	5,954
Loan receivable (note 10)	150,000	150,000
Total assets	339,030	421,740
Liabilities		
Current		
Accounts payable and accrued liabilities (note 9)	52,645	693
Shareholders' equity		
Share capital (note 5)	982,532	982,532
Warrants	254,873	254,873
Retained deficit	(951,020)	(816,358)
Total shareholders' equity	286,385	421,047
Total liabilities and shareholders' equity	339,030	421,740

The accompanying notes are an integral part of these financial statements

Approved by the Board of Directors and authorized for issue on September 16, 2019

(signed) "Kevin M. Keough"
Director

(signed) "Rosie Moore"
Director

Evergold Corporation

Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	Years ended December 31	
	2018	2017
	\$	\$
General and administrative expenses		
Exploration expenditures (note 4)	112,494	319,406
Management and consulting fees (note 9)	3,000	-
Professional fees	15,000	685
Office and miscellaneous	4,168	4,623
	134,662	324,714
Loss before the undernoted	(134,662)	(324,714)
Interest income	-	-
Income before taxes	(134,662)	(324,714)
Tax expense	-	-
Loss and comprehensive loss for the period	(134,662)	(324,714)
Loss per share	(0.01)	(0.02)
Weighted average number of shares – basic and diluted	10,371,467	16,538,065

The accompanying notes are an integral part of these financial statements

Evergold Corporation

Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

	Number of Shares	Share capital Amount \$	Warrants reserve \$	Deficit \$	Total \$
Balance at December 31, 2017	10,371,467	982,532	254,873	(816,358)	421,047
Net loss	-	-	-	(134,662)	(134,662)
Balance, December 31, 2018	10,371,469	982,532	254,873	(951,020)	286,385
Balance at December 31, 2016	15,029,959	474,181	177,320	(491,644)	159,857
Restructuring					
Cancellation of shares and warrants	(15,029,959)	-	-	-	-
Re-issuance of shares and warrants	8,188,300	265,000	-	-	265,000
Seed round financing	2,183,167	327,475	-	-	327,475
Issuance of warrants		(77,000)	77,000		-
Share issuance costs		(7,124)	553	-	(6,571)
Net loss	-	-	-	(324,714)	(324,714)
Balance, December 31, 2017	10,371,467	982,532	254,873	(816,358)	421,047

The accompanying notes are an integral part of these financial statements

Evergold Corporation

Statements of Cash Flows

(Expressed in Canadian dollars)

	Years ended December 31	
	2018	2017
	\$	\$
Cash provided by (used in)		
Operating activities		
Loss for the period	(134,662)	(324,714)
Items not affecting cash		
Settlement of expenses with shares	-	265,556
Changes in non-cash working capital items:		
HST receivable	(6,682)	(4,797)
Accounts payable and accrued liabilities	51,952	60
Net cash used in operating activities	(89,392)	(63,895)
Financing activities		
Proceeds from the issuance of common shares	-	327,475
Share issuance costs	-	(7,125)
Net cash generated from financing activities	-	320,350
Investing activities		
Acquisition costs	-	-
Net cash used in investing activities	-	-
Net increase (decrease) in cash and cash equivalents	(89,392)	256,455
Cash and cash equivalents, beginning of period	265,786	9,331
Cash and cash equivalents, end of period	176,394	265,786

The accompanying notes are an integral part of these financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN

Evergold Corp. (the "Company" or "Evergold") was formed on October 30, 2015. The Company's registered and head office is located at 18 King Street East, Suite 902, Toronto, Ontario M5C 1C4.

These financial statements were approved by the Board of Directors on September 16, 2019.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of the carrying values of mineral properties is dependent upon the discovery of economically recoverable reserves, the preservation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain financing necessary to complete development of the properties, and the future profitable production therefrom or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

As at December 31, 2018, the Company had a deficit of \$951,020 (2017 - \$816,358) and working capital of \$286,385 (2017 - \$421,047). The Company's ability to continue operations and fund its future exploration property expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION

Statement of compliance:

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). These financial statements have been prepared in compliance with IFRS and in accordance with the accounting policies described in Note 3, Summary of Significant Accounting Policies. The policies set out below have been consistently applied to all the periods presented, unless otherwise noted.

Basis of measurement:

These financial statements have been prepared on the historical cost basis except for those financial instruments carried at fair value. In addition, these financial statements are prepared using the accrual basis of accounting except for cash flow information.

Basis of preparation:

These financial statements have been prepared on the basis of a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of operations rather than through a process of forced liquidation. These financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern; such adjustments could be material.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied in preparing the financial statements for the years ended December 31, 2018 and 2017.

Functional and presentation currency:

The Company's presentation and functional currency is the Canadian dollar. The Company does not have any foreign operations. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at period end exchange rates are recognized in the statements of loss.

Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks and investments with original maturities of ninety days or less.

Income taxes:

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in equity or other comprehensive income. Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years. Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in the statements of loss or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent future recovery is probable. At the end of each reporting period, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

Loss per share:

Loss per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and warrants, in the weighted average number of common shares outstanding during the period, if dilutive. In the Company's case, diluted loss per share is the same as basic loss per share for the periods presented as there were no potentially dilutive securities during the years ended December 31, 2018 and 2017.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments:

Financial assets and financial liabilities that are purchased and incurred with the intention of generating profits in the near term are measured at fair value through profit or loss ("FVTPL"). These instruments are measured at fair value with subsequent changes in fair value recognized in the statements of loss. The Company's cash equivalents and short-term investments are classified as FVTPL.

Items classified as loans and receivables are measured at amortized cost using the effective interest method. Any gains or losses on the realization of loans and receivables are recognized in the statements of loss. The Company's cash and loan receivable are classified as loans and receivables. The estimated fair values of these financial instruments approximate their carrying values because of the limited terms of these instruments.

Financial liabilities that are not measured at fair value through profit or loss are classified as other financial liabilities, and are carried at amortized cost using the effective interest method. Any gains or losses arising from the realization of other financial liabilities are recognized in the statements of loss. The Company has classified accounts payable and accrued liabilities and subscription receipts as other financial liabilities. Due to their short-term natures, the fair values of these financial instruments approximate their carrying values.

The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1); (b) inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3). At December 31, 2018, no financial instruments were carried at fair value.

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that the estimated future cash flows of the assets have been negatively impacted. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced by the amount of the impairment and the loss is recognized in the statements of loss.

If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in the statements of loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets:

The carrying value of non-financial assets is assessed for impairment when indicators of such impairment exist. If any indication of impairment exists an estimate of the asset's recoverable amount is calculated. The recoverable amount is determined as the higher of the fair value less costs to sell for the asset and the asset's value in use.

Impairment is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the individual assets of the Company are grouped together into cash generating units ("CGUs") for impairment purposes. Such CGUs represent the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or other groups of assets. This generally results in the Company evaluating its non-financial assets on a geographical or license basis.

If the carrying amount of the asset or CGU exceeds its recoverable amount, the asset or CGU is impaired and an impairment loss is charged to the statement of operations so as to reduce the carrying amount to its recoverable amount.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of the recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statements of loss.

Share-based payments:

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity settled share-based transactions are set out in the stock option note.

The fair value is measured at the grant date and each tranche is recognized on a graded-vesting basis over the period in which options vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the statement of operations such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interests in exploration properties and exploration expenditures:

Interest in Exploration Properties and Exploration Expenditures

Exploration and evaluation costs are expensed as incurred and included in profit or loss until technical feasibility and commercial viability of extraction of reserves are demonstrable. Once a mine development decision has been made by the Company, subsequent expenditures incurred to develop the mine are capitalized to mineral properties.

Exploration expenditures include costs to acquire exploration properties, and costs to explore and evaluate exploration properties.

Equipment:

Equipment is measured at cost less accumulated depreciation and accumulated impairment losses. The cost of equipment comprises its purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the estimated decommissioning and restoration costs associated with the asset. Equipment is depreciated on a diminishing balance basis at 20% per year.

Provisions:

General

Provisions are recognized when (a) the Company has a present obligation (legal or constructive) as a result of a past event, and (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statements of loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Rehabilitation provision

The Company records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, dismantling operating facilities, and restoration, reclamation and re-vegetation of affected areas.

The obligation generally arises when the asset is installed or the ground / environment is disturbed at the exploration or production location. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related exploration and evaluation asset to the extent that it was incurred prior to the production of related ore. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in the statement of operations as a finance cost. Additional disturbances or changes in rehabilitation costs are recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur. For closed sites, changes to estimated costs are recognized immediately in the statement of operations.

The Company does not currently have any such significant legal or constructive obligations and therefore no decommissioning liabilities have been recorded as at December 31, 2018 and 2017.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Critical judgements and estimation uncertainties:

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgements, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

The areas which require management to make significant judgements, estimates and assumptions in determining carrying values include, but are not limited to:

Assets' carrying values and impairment charges

In determining whether any impairment losses have been incurred, management assesses the higher of the asset's fair value less costs to sell and its value in use for non-financial assets. These determinations and their individual assumptions require that management make a decision based on the best available information at the end of each reporting period.

Assets' carrying values and impairment charges

While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets.

Capitalization of deferred exploration costs

Management has determined that exploration and property acquisition costs have future economic benefits and are economically recoverable. In making this judgement, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits.

Estimation of decommissioning and restoration costs and the timing of expenditure

Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgement is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgement used in applying valuation techniques. These assumptions and judgements include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgements and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

New IFRS standards not yet adopted:

The Company has not yet adopted certain new IFRS standards, amendments and interpretations to existing standards, which have been published but are only effective for its annual periods beginning on or after July 1, 2018. The Company is current evaluating the potential impacts of these new standards.

IFRS 16 – Leases ("IFRS 16") was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019.

IFRIC 23 - Uncertainty Over Income Tax Treatments ("IFRIC 23") was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates. IFRIC 23 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New IFRS standards adopted:

IFRS 9 – Financial Instruments (“IFRS 9”) was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity’s own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 3. IFRS 9 was early adopted by the Company on January 1, 2017.

4. INTEREST IN EXPLORATION PROPERTIES AND EXPLORATION EXPENDITURES

Snoball Property

The Snoball property is located in the Liard Mining Division of northwestern British Columbia. A 100% ownership interest in the property was acquired effective April 5, 2016, further to a Mineral Property Acquisition Agreement (the “Agreement”), covering four mineral properties, between the Company and vendor C.J. Greig Holdings Ltd. of Penticton, B.C., a company controlled by Charles J. Greig. That portion of the Agreement dealing specifically with the Snoball property called for the one-time issuance to C.J. Greig Holdings Ltd. of 3 million common shares (paid) and 1.5 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 2,806,950 common shares plus 701,738, 7-year, 12 cent purchase warrants to reflect a property valuation carried out to that date. An incremental value of \$275,686 was recorded in 2017 related to the share and warrant restructuring. There were no cash payment or work commitment elements in the Agreement. In addition, the Agreement called for a 0.5% Net Smelter Returns (“NSR”) Royalty on any future production from the Snoball property. There is no buy-back option on the NSR.

Golden Lion Property

The Golden Lion property is located in the Toadoggone region of northcentral British Columbia, Canada. A 100% ownership interest in the property was acquired effective April 5, 2016, further to a Mineral Property Acquisition Agreement (the “Agreement”), covering four mineral properties, between the Company and vendor C.J. Greig Holdings Ltd. of Penticton, B.C., a company controlled by Charles J. Greig. That portion of the Agreement dealing specifically with the Golden Lion property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 1,350,510 common shares and 337,628, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$160,471 was recorded in 2017 related to the share and warrant restructuring. There were no cash payment or work commitment elements in the Agreement. In addition, the Agreement called for a 0.5% Net Smelter Returns (“NSR”) Royalty on any future production from the Golden Lion property. There is no buy-back option on the NSR.

4. INTEREST IN EXPLORATION PROPERTIES AND EXPLORATION EXPENDITURES (continued)

Holy Cross Property

The Holy Cross property is located in central British Columbia, Canada. A 100% ownership interest in the property was acquired effective April 5, 2016, further to a Mineral Property Acquisition Agreement (the "Agreement"), covering four mineral properties, between the Company and vendor C.J. Greig Holdings Ltd. of Penticton, B.C., a company controlled by Charles J. Greig. That portion of the Agreement dealing specifically with the Holy Cross property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 671,190 common shares and 167,798, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$130,054 was recorded in 2017 related to the share and warrant restructuring. There were no cash payment or work commitment elements in the Agreement. In addition, the Agreement called for a 0.5% Net Smelter Returns ("NSR") Royalty on any future production from the Holy Cross property. There is no buy-back option on the NSR.

Spanish Lake Property

The Spanish Lake property is located in the Cariboo Mining District of central British Columbia, Canada. A 100% ownership interest in the property was acquired effective April 5, 2016, further to a Mineral Property Acquisition Agreement (the "Agreement"), covering four mineral properties, between the Company and vendor C.J. Greig Holdings Ltd. of Penticton, B.C., a company controlled by Charles J. Greig. That portion of the Agreement dealing specifically with the Spanish Lake property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 1,089,650 common shares and 272,413, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$148,791 was recorded in 2017 related to the share and warrant restructuring. There were no cash payment or work commitment elements in the Agreement. In addition, the Agreement called for a 0.5% Net Smelter Returns ("NSR") Royalty on any future production from the Spanish Lake property. There is no buy-back option on the NSR.

The following is a summary of exploration expenditures by property for 2018:

	Snoball \$	Golden Lion \$	Holy Cross \$	Spanish Mountain \$	Total \$
Aircraft	-	10,857	-	-	10,857
Geochemical	3,820	38,410	-	-	42,230
Geological	18,988	27,900	4,400	-	51,287
Aircraft	7,501	-	-	-	7,501
Miscellaneous	-	550	-	69	619
Total	30,309	77,717	4,400	69	112,494

The following is a summary of exploration expenditures by property for 2017:

	Snoball \$	Golden Lion \$	Holy Cross \$	Spanish Mountain \$	Total \$
Aircraft	5,065	2,387	-	-	7,452
Geochemical	2,586	8,250	17,889	-	28,725
Camp & lodging	-	2,800	-	-	2,800
Geological	62,370	4,797	22,166	54,428	143,761
Geophysical	-	18,561	-	-	18,561
Drilling	66,915	51,192	-	-	118,107
Total	136,936	87,987	40,055	54,428	319,406

Evergold Corp.
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5. CAPITAL STOCK, OPTIONS AND WARRANTS (continued)

(a) Authorized

Unlimited number of common shares, without par value.

(b) Issued

10,371,467 common shares

Summary of changes in capital stock:

	Shares #	Amount \$
Balance, December 31, 2016	15,029,959	474,180
Restructuring		
Cancellation of shares	(15,029,959)	-
Issuance of shares	8,188,300	265,000
Issuance of shares and warrants in seed round financing	2,183,167	327,475
Issuance of warrants - valuation		(77,000)
Share issuance costs		(7,125)
Balance, December 31, 2017 and December 31, 2018	10,371,467	982,350

- i. During May 2017, the Company restructured and consolidated its common shares and warrants. As a result of the restructuring, 15,029,959 common shares and 6,514,979 warrants were cancelled, and 2,270,000 replacement units were issued. Each unit consisted of one common share valued at \$0.10 each and one-quarter of one common share purchase warrant exercisable at \$0.12 until May 1, 2022.
- ii. As a result of the restructuring, proportionately more common shares and warrants were issued to the holder of shares and warrants previously issued as compensation for the acquisition of exploration properties. The Company estimated the incremental value of these common shares and warrants to be \$265,000, based on the previous subscription price paid. The incremental value has been recorded as an increase to common shares and as an exploration expenditure.
- iii. On July 12, 2017, the Company completed a private placement financing of 2,183,167 units at \$0.15 per share for gross proceeds of \$327,475. Each unit consisted of one common share and one-half of one common share purchase warrant exercisable at \$0.18 until July 12, 2021. The Company incurred financing costs of \$7,125 in connection with the financing. The estimated grant date fair value of the warrants was determined to be \$77,000 based on the Black Scholes model and the following assumptions: expected life of two years; expected volatility of 100%, expected dividend yield of 0%; risk-free rate of 1%.

5. CAPITAL STOCK, OPTIONS AND WARRANTS (continued)

Warrants

A summary of the Company's warrants is presented below:

	Number of warrants	Weighted average exercise price \$
Balance, December 31, 2016	6,514,979	0.07
Warrants cancelled in share consolidation	(6,514,979)	0.07
Warrants issued	2,047,075	0.12
Compensation warrants issued	1,091,584	0.18
Balance, December 31, 2017 and December 31, 2018	3,138,659	0.14

6. FINANCIAL INSTRUMENTS

Fair Value

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the end of the reporting period based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

7. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management approach during the years ended December 31, 2018 and 2017.

8. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures during 2018 and 2017.

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables included in amounts receivable and prepaid expenses. The Company has no significant concentration of credit risk arising from operations. Financial instruments included in amounts receivable and prepaid expenses consist of goods and services tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable and prepaid expenses is remote.

8. FINANCIAL RISK FACTORS (continued)

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2018, the Company had a cash and cash equivalents balance of \$176,394 (2017 - \$265,786) to settle current liabilities of \$52,645 (2017 - \$693). The Company's ability to continue operations and fund its exploration property expenditures is dependent on management's ability to secure additional financing. Management is continuing to pursue various financing initiatives in order to provide sufficient cash flow to finance operations as well as funding its exploration expenditures. The Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms.

Interest rate risk

The Company has cash, cash equivalents and short-term investment balances subject to interest. Management does not believe the Company is exposed to significant interest rate risk.

Foreign currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company is not exposed to foreign exchange risk.

Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Evergold Corp.
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YEAR ENDED DECEMBER 31, 2018

9. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The below noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

Evergold entered into the following transactions with related parties:

	For the years ended		Amount payable as at	
	December 31 2018	December 31 2017	December 31, 2018	December 31, 2017
	\$	\$	\$	\$
Consulting fees paid or accrued to the Company's Chief Executive Officer	-	-	702	693
Exploration expense paid or accrued to a company controlled by a Director	76,696	301,534	32,604	-
Consulting fees paid or accrued to the Company's Chief Financial Officer	3,000	-	3,390	-
Totals	79,696	301,534	36,696	693

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including directors (executive or non-executive) of the Company.

10. LOAN RECEIVABLE

During 2016, the Company entered into a loan receivable agreement for \$150,000. The loan bore interest at 0%, was unsecured and was due on demand. In April 2019, the loan receivable was fully repaid to the Company.

11. INCOME TAXES

a) Provision for Income Taxes

	2018	2017
	\$	\$
(Loss) before income taxes	(134,662)	(324,714)
Expected income tax recovery based on statutory rate	(36,000)	(86,000)
Adjustment to expected income tax benefit: Change in benefit of tax assets not recognized	36,000	86,000
Deferred income tax provision (recovery)	-	-

b) Deferred Income Taxes

	2018	2017
	\$	\$
Non-capital loss carry-forwards	110,000	88,000
Exploration properties	841,000	728,000
Total	951,000	816,000

12. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the year ended December 31, 2018 was based on the net loss attributable to common shareholders of \$134,662 (year ended December 31, 2017 - \$324,714) and the weighted average number of common shares outstanding of 10,371,467 (year ended December 31, 2017 - 16,538,065). Diluted loss per share did not include the effect of 3,138,658 warrants outstanding (December 31, 2017 - 3,138,658 warrants outstanding) as they are anti-dilutive.

13. COMMITMENTS AND CONTINGENCIES

Environmental Contingencies

The Company's mineral exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

14. SUBSEQUENT EVENTS

On September 16, 2019, the Company filed a (final) prospectus with the Ontario Securities Commission, the Alberta Securities Commission and the British Columbia Securities Commission to undertake a minimum offering of 13,304,370 units and a maximum offering of 15,000,000 units at a price of \$0.20 per unit. Each unit consists of one common share and one half of one common share purchase warrant.



Evergold Corp.

Management's Discussion and Analysis

Year Ended December 31, 2018

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Evergold Corp. ("Evergold" or the "Company") has been prepared by management as at September 16, 2019, and should be read in conjunction with the annual financial statements of the Company for the years ended December 31, 2018 and December 31, 2017 (the "Financial Statements") and related notes.

The Financial Statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All amounts are expressed in Canadian dollars unless otherwise stated. Other information contained in this document has also been prepared by management and is consistent with the data contained in the interim Financial Statements.

The Company's certifying officers are responsible for ensuring that the Financial Statements and MD&A do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's certifying officers certify that the Financial Statements together with the other financial information included in the filings fairly present in all material respects the financial condition, financial performance and cash flows of the Company as of the date of and for the periods presented in the filings.

The Company's Audit Committee and the Board of Directors provide an oversight role with respect to all public financial disclosures by the Company. The Board of Directors approves the Financial Statements and MD&A after the completion of its review and recommendation for approval by the Audit Committee, which meets periodically to review all financial reports, prior to filing.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to risks associated with: geological risks, limited operating history; inability to generate earnings or pay dividends for the foreseeable future; no current assets other than cash; uncertain ability to raise additional funds when required; reliance on a small number of key managers lacking backup; potential conflicts of interest among directors and officers of the Company; lack of liquidity for shareholders of the Company; ability to secure needed permits, ability to physically access and work the Company's property assets due to poor weather or First Nations risks, a potential lack of key contract personnel and services providers needed to execute elements of the Company's exploration plans, and market risk consisting of fluctuations in the Company's share price, metal prices, credit market conditions and investor appetite for early stage exploration companies. See "Risks and Uncertainties".

Management provides forward-looking statements because they believe such statements deliver useful guidance and information to readers when considering their investment objectives. Though management believes such statements to be as accurate as possible in the context of the information available to management at the time in which they are made, management cautions readers that the guidance and information contained in such statements may rapidly be superseded by subsequent events. Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments suggested by such forward-looking statement will be realized or, even if substantially realized, that they will have the expected results, or effects upon, the Company. These forward-looking statements are made as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

The forward-looking statements in this MD&A are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including assumptions regarding business and operating strategies.

Description of the Business

Evergold was incorporated as a privately held junior resource company in October 2015, to serve as a vehicle for the acquisition, exploration and development of mineral properties in Canada. The Company's focus quickly turned to the province of British Columbia and the four 100%-owned property assets that now comprise its portfolio: **Snoball**, located in the heart of northwestern B.C.'s so-called "Golden Triangle"; **Golden Lion**, located in the Toodoggone region of northcentral B.C., 70 kilometres northwest of the Kemess mine; **Holy Cross**, located in central B.C., 60 kilometres due north of New Gold's Blackwater deposit; and **Spanish Lake**, located in the Cariboo region of central interior B.C., approximately 8 kilometres southeast of the Spanish Mountain gold deposit.

All four properties were acquired effective April 5, 2016, further to a Mineral Property Acquisition Agreement (the "Agreement"), between the Company and vendor C.J. Greig Holdings Ltd. of Penticton, B.C., a company controlled by Charles J. Greig. Charles J. Greig is as of the time of writing a director and the principal shareholder of, Evergold Corp. There were no staged cash payment or work commitment elements in the Agreement. The Agreement includes an area of interest provision applicable to each of the four properties extending 3 kilometres from the outermost boundaries of the claims, in which any interest in mineral tenures acquired by either party within 3 years of the Agreement may be added to the respective property by mutual election. In addition, the Agreement called for a 0.5% Net Smelter Returns ("NSR") Royalty on any future production from each of the four properties. There are no buy-back options on the NSRs.

Snoball, Golden Lion, and Holy Cross are interpreted as intrusion-related, precious and base metals-enriched systems. Each presents the potential for a variety of mineralization styles, including high-grade epithermal-style quartz-carbonate gold-silver veins, high-grade copper-gold-silver carbonate replacement/skarns, and bulk tonnage porphyry-style copper-gold-silver. Spanish Lake is a sediment-hosted vein gold prospect.

Property Assets and Exploration Activities

Snoball Property

The helicopter access, 3,545.12 hectare Snoball property is located in the Liard Mining Division of northwestern British Columbia, approximately 140 kilometres north-northwest of the village of Stewart, 25 kilometres northwest of the Bob Quinn Lake gravel airstrip, and 12 kilometres as the crow flies from highway 37. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Snoball property called for the one-time issuance to C.J. Greig Holdings Ltd. of 3 million common shares (paid) and 1.5 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 2,806,950 common shares plus 701,738, 7-year, 12 cent purchase warrants to reflect a property valuation carried out to that date. An incremental value of \$275,686 was recorded in 2017 related to the share and warrant restructuring.

The Snoball prospect is a precious metals enriched, intrusion-related system, centred on a body of diorite emplaced along the northwest-trending, faulted contact between Stuhini Group sedimentary rocks to the west, and Hazelton Group volcanics to the east. Known mineralization styles include 1) high-grade vein-hosted gold-silver, 2) carbonate replacement/skarn, and 3) disseminated bulk tonnage style gold-silver in hornfelsed sediments overlying the intrusion. Potential also exists for bulk-tonnage porphyry-style gold-silver-copper in the intrusion itself.

The property has seen several historical work programs, including gridded geochemical sampling of soils and rocks, mapping, trenching and geophysics, culminating with drilling by Noranda in 1992 (12 holes for 1,500 metres). The great bulk of this historical work, including all of the historical diamond drilling, took place at lower elevations on this rugged property. Evergold's initial evaluation of historical sampling results suggested the actual source of a strong multi-element soil and rock anomaly developed by Noranda was up-slope to the north, at higher elevations well above the areas historically drilled. The Company's own soil and rock sampling (2016, 2017, 2018) of areas up-slope strongly reinforced this hypothesis. Recent (2018) reanalysis of the historical Newmont drill results also points to a strengthening of values in mineralized hornfelsed sediments from south (values generally <100 ppb Au in Noranda hole 92-11), to north (values ranging hundreds to occasionally thousands of ppb Au in holes 92-7 and 92-12).

The Company now believes the principal source of the multi-element anomaly lies along and below Snoball Ridge and Pyramid Peak, neither of which have ever been drilled. The next step is to deliver a NI 43-101 technical report on the Snoball property and to carry out an initial program of drilling, with a target of summer 2019 for doing so.

Golden Lion Property

The helicopter access, 5,099.52 hectare Golden Lion property is located in the Toadoggone region of northcentral British Columbia, approximately 308 kilometres north of Smithers, 70 kilometres northwest of the Kemess copper-gold mine, and 24 kilometres north of the Lawyers (Baker-Cheni Mine) project. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Golden Lion property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 1,350,510 common shares and 337,628, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$160,471 was recorded in 2017 related to the share and warrant restructuring.

The Golden Lion property exhibits high grades of gold, silver and copper in selected outcrop, and high values of a spectrum of elements in soil sampling, across three broad priority target areas known, respectively, as the "GL1", "GL2" and "GL3" Target Areas. Styles of mineralization identified to date on the

property include high-grade vein-hosted epithermal gold-silver, copper-gold-silver carbonate replacement/skarn, and porphyry-style copper-gold-silver.

Evergold acquired the Golden Lion Property in May, 2016 which at that time encompassed just 190.3 hectares overlying the historical Golden Lion showing area, now constituting the core of the GL1 Target Area. The Golden Lion showing was the focus of considerable work by Newmont in the period from 1982 to 1984, including sampling, mapping, trenching, and geophysics, and culminating in the drilling of 22 holes for 2,475 metres in 1984. Evergold added another 1,336.68 hectares of claims in May 2017, following which it carried out its first exploration program that summer, concentrating on the GL1 Target Area. A second field program was carried out in 2018, this time focused on the newly-acquired claims to the east and northeast, underlying what are now the GL2 and GL3 Target Areas.

Work completed by Evergold to date has involved compilation, review, digitization and modeling of historical data, including Newmont's 1982-83 soil sampling and 1984 drill results, as well as geological mapping and prospecting, a 182 line-km airborne magnetometer survey, and rock, soil and stream sediment sampling. The results of these programs were considered highly encouraging, in consequence of which the Company again expanded the Property size early in 2019 with the staking of an additional 3,571.91 hectares. At almost 5,100 hectares, the Golden Lion Property is now about triple the size it was in May 2017.

At the GL1 Target Area, Newmont's mapping, trenching and sampling work in 1982 and 1983 identified 3 zones of mineralization (Zone 1, Zone 2, Zone 3) strung out over 1.7 kms along a linear trend oriented at 300 degrees. Follow-up drilling of Zones 2 and 3 in 1984 returned strong results, for example, 87 metres of 1.01 g/t Au in hole GL-84-20 (est. true width 35 metres), and outlined a broad, irregular, steeply eastward-dipping zone of gold-silver mineralization in stockwork veining and disseminated pyrite hosted within porphyry intrusive emplaced along the northwest-striking Toodoggone-Takla thrust fault boundary.

Soil sampling carried out in 2013 by C.J. Greig & Associates, and 3D modeling by Evergold of Newmont's 1984 drill results demonstrates that the linear 300 degree mineralized trend encompassing GL1 Zones 1, 2 and 3 is open to the northwest, to the southeast, and to depth. Moreover, modeling of the combined soil geochemical results from the Newmont 1982, C.J. Greig 2013 and Evergold 2017 soil sampling programs clearly reveals two trends: the NW-SE trend which was the focus of the historical Newmont drilling, and the second, never drilled, E-W trend. These two trends intersect in a 200-metre undrilled gap between Newmont hole GL-84-20 in the north, the best hole of the 1984 program, and Newmont holes GL-84-10 and GL-84-11 to the south. The most significant near-term exploration potential on GL1 Zones 2 and 3 is therefore believed to lie in this gap between the two, and also down dip to the east, where a larger coalescing system of mineralized fault breccias may exist. The Company concludes these should be a priority for drilling in the next phase of work. Drilling should also test the east-west, strongly anomalous soil geochemical trend identified by work programs in 2013 and 2017.

At the broad new GL2 Target Area, located to the northeast of GL1, Evergold personnel in 2018 sampled porphyry-style Cu-Ag and high-grade epithermal Au-Ag mineralization at the **GL2 EP Zone** target. Rock samples collected from quartz carbonate veins within and around the intrusion returned highs in epithermal-style veining to 18.4 g/t Au, 3180 g/t Ag, 2.1% Cu, 345 ppm Mo, 0.12% Pb and 5.3% Zn (GLVB18-031R), and 2.2% Cu, 10.7 g/t Ag, and 0.70 g/t Au in quartz-veined porphyry intrusive (GLLG18-003R). Several hundred metres to the north, on the other side of an intervening ridge ("**GL2 Ridge**"), the Company also sampled high-grade Cu-Ag-Au carbonate replacement style mineralization at the **GL2 Skarn** target, including highs to 13.5% Cu, 122 g/t Ag, 2.47 g/t Au, 0.1145% Zn and 0.0691% Pb in sample GLAA18-036R. Both the GL2 Skarn and GL2 EP Zone targets appear spatially related to areas of propylitic and lesser phyllic alteration and/or strongly anomalous multi-element soil and rock geochemical anomalies overlying the adjacent crest and slopes of GL2 Ridge, and/or associated with outcropping granodiorite intrusive in the valleys and glacial bowls adjacent to GL2 Ridge.

The GL3 Target Area is centred on the crest of a broad northeast-trending ridge located approximately 1 kilometre southeast and across the intervening valley from, the GL2 Target Area. Soil sample results indicate that, in contrast to GL2, this target is predominantly gold-silver-lead in character. A pronounced high is visible in the magnetic data, directly coincident with the strong soil geochemistry. These geochemical and geophysical results, combined with topographic analysis, suggest a mineralized source directly below.

The next step is to deliver a NI 43-101 technical report on the Golden Lion property and to carry out, with a target of summer 2019, initial drilling focused on 1) the untested gap between GL1 Zones 2 and 3 as well as the untested E-W anomaly; 2) the outcropping GL2 Skarn, the adjacent GL2 Ridge crest and its south-facing slopes, and the EP Zone target in the bowl on its south side, and 3) the GL3 Target Area.

Holy Cross Property

The road accessible, 1,872.15 hectare Holy Cross property is located in central British Columbia, Canada, approximately 30 kilometres south of the community of Fraser Lake, and north of the Blackwater gold deposit. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Holy Cross property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 671,190 common shares and 167,798, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$130,054 was recorded in 2017 related to the share and warrant restructuring.

The primary target type on the Holy Cross property is high-grade and/or bulk-tonnage intrusion-related gold \pm -silver \pm -copper. The property is predominantly underlain by volcanic rocks of the Middle Jurassic to Eocene age Ootsa Group, which have been intruded by a large Jurassic age quartz monzonite stock on the northern portion of the tenures.

Historically mapped, trenched, sampled and surveyed by Noranda (1987-89) with encouraging results (e.g. 1 g/t Au over 8.5 metres in chips, and 24.02 g/t Au and 20.8 g/t Ag from grabs), but never drilled, Holy Cross hosts a robust siliceous alteration system carrying locally elevated gold, copper and silver values over a large area, with attractive coincident geochemical-geophysical anomalies. Part of the property's allure is the heavy glacial drift coverage, which has camouflaged the underlying bedrock.

Geophysical surveying carried out in 2015 identified shallow IP anomalies coincident with geochemical anomalies in the overburden. The next step is to drill, possibly in winter 2019-20.

Spanish Lake Property

The road accessible, 1,572.79 hectare Spanish Lake property is located in the Cariboo Mining District of central British Columbia, Canada, some 80 kilometres east-northeast of Williams Lake and approximately 8 kilometres southeast along strike from the Spanish Mountain gold deposit. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Spanish Lake property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 1,089,650 common shares and 272,413, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$148,791 was recorded in 2017 related to the share and warrant restructuring.

The Spanish Lake property has excellent potential for a sediment-hosted vein gold system akin to that at the nearby Spanish Mountain deposit. Indeed, commencing in 2007, a previous operator, Dajin Resources, identified several areas on the Spanish Lake property of precious metal and pathfinder element enrichment along 1,500 metres of strike in favorable geology, specifically the Nicola Group black phyllite, carbonaceous shale to graphitic mudstone and siliceous siltstone, and exhibiting alteration and structural features similar to that seen at Spanish Mountain.

Follow-up drilling by Dajin in 2011 (12 NQ2 diameter core holes for 2,484 metres) intercepted long intervals of low-grade Spanish Lake-style gold (i.e. sediment-hosted, with abundant microstructures and veining). Best results were achieved from the most southerly group of holes, with AD1-2011-7, 8, 11 and 12 each ending in mineralization, and the two southwestern-most holes AD1-2011-11 and 12 returning long intervals

of 92 and 85.2 metres respectively. True thicknesses are not yet known. The results suggest that only the fringes of the newly discovered zone have been tested.

Facing a major industry downturn, Dajin walked away from the property without filing an assessment report. In 2016 Evergold acquired the property, expanded its size and, in 2017, completed a report on the 2011 work.

As grade and intersection lengths increase to the south and west in the southern 2011 drill pattern, it is proposed that a program of IP and auger soil geochemical sampling target this under-explored, till-covered area. If results of this work are found to be encouraging, drilling would follow.

Overall Performance

All four of the Company's properties are at an early stage of exploration. None of them host discoveries, NI 43-101 compliant mineral resources, nor any zones of mineralization that might potentially become economic to mine. As such, the Company's only source of funds is derived from the issuance of equity, plus whatever interest it may earn from cash balances and the investment of that portion of the proceeds of such equity issuances not otherwise immediately required for exploration purposes, in short-term investments and money market instruments.

The Company's ability to appeal to investors and raise money for its plans is predicated upon a combination of factors including: 1) having strong properties with significant discovery potential that appeal to investors, 2) having management with a track record of success who can effectively promote those properties to the market, 3) having a sound capital structure, 4) offering specific terms on particular financings that are reasonable and offer investors reasonable prospects for gain, and 5) the absence of major economic calamity, reasonably strong metal prices, and a generally positive risk appetite in broader markets at the time the Company seeks to raise additional funds.

Notwithstanding these varied challenges, the Company has to date been successful in its efforts to raise capital, and believes it can continue to do so in future. A portion of the money raised since the Company was incorporated in 2015 has been carefully spent on exploration activities designed to add value to each of its four properties. This value-added has come in the form of the development of specific drill-ready targets on selected properties, targets that did not exist before, and are believed to offer strong discovery potential.

Performance to date overall, therefore, is considered strong: capital raised has been deployed to good effect in terms of generating specific, new, drill-ready targets.

Selected Annual Financial Information

The following is a summary of exploration expenditures by property for 2018:

Category	Snoball \$	Golden Lion \$	Holy Cross \$	Spanish Lake \$	Total \$
Aircraft	7,501	10,857	-	-	18,358
Geochemical	3,820	38,410	-	-	42,230
Geological	18,988	27,900	4,400	-	51,287
Miscellaneous	-	550	-	69	619
Total	30,309	77,717	4,400	69	112,494

The following is a summary of exploration expenditures by property for 2017:

Category	Snoball \$	Golden Lion \$	Holy Cross \$	Spanish Lake \$	Total \$
Aircraft	5,065	2,387	-	-	7,452
Geochemical	2,586	8,250	17,889	-	28,725
Camp & lodging	-	2,800	-	-	2,800
Geological	62,370	4,797	22,166	54,428	143,761
Geophysical	-	18,561	-	-	18,561
Drilling	66,915	51,192	-	-	118,107
Total	136,936	87,987	40,055	54,428	319,406

Fiscal Year	2018 \$	2017 \$	2016 \$
Operating expenses	134,662	324,714	491,170
Loss from operations	134,662	324,714	491,170
Net loss for the year	134,662	324,714	491,170
Loss per share – basic and diluted	0.01	0.02	0.00
Total assets	339,030	421,740	159,330
Total liabilities	37,646	693	636

Results of Operations

Three months ended December 31, 2018 compared to three month ended December 31, 2017

Total operating expenses and net loss were \$43,292 for the three months ended December 31, 2018 compared to \$29,502 in the comparative period in 2017, an increase of \$13,790. The increase was the result of increased exploration activity on the Company's Golden Lion property, partially offset by lower expenditures on the Snoball and Holy Cross properties.

General and administrative expenses totaled \$7,594 in the fourth quarter of 2018, compared to \$3,354 in the prior year period.

Year ended December 31, 2018 compared to year ended December 31, 2017

The net loss for the year ended December 31, 2018 was \$134,662 compared to \$324,714 for the year ended December 31, 2017. The large expenditures in 2017 were primarily related to the common share restructure, which resulted in an increase in exploration expenditures. Expenditures on the Company's Snoball property totaled \$30,309, and included \$3,820 spent on geochemical (2017 - \$2,586), \$18,988 spent on geological (2017 - \$62,370), and \$nil on drilling (2017 - \$66,915). Expenditures on the Golden Lion property totaled \$77,717 (2017 - \$87,987), and primarily consisted of \$38,410 (2017 - \$8,250) on geochemical, and \$27,900 (2017 - \$4,797) on geological expenses. Exploration expenditures on the Company's Holy Cross property were \$4,400 (2017 - \$40,055). Spanish Lake expenditures were \$69 compared to \$54,428 in the prior year. General and administrative expenses amounted to \$22,168 compared to \$5,308 as a result of higher professional fees in 2018 as the Company prepares for its initial public offering.

The following table sets out selected quarterly results of the Company for the eight quarters prior to the effective date of this report. The information contained herein is drawn from the unaudited interim financial statements of the Company.

Calendar Year	2018	2018	2018	2018
Quarter	December 31	September 30	June 30	March 31
Revenue	\$nil	\$nil	\$nil	\$nil
Working capital	286,385	329,677	385,806	415,485
Operating expenses	43,292	56,129	29,680	5,561
Net loss	43,292	56,129	29,680	5,561
Net loss per share ⁽¹⁾	0.00	0.01	0.00	0.00

Calendar Year	2017	2017	2017	2017
Quarter	December 31	September 30	June 30	March 31
Revenue	\$nil	\$nil	\$nil	\$nil
Working capital	421,047	450,549	156,177	156,693
Operating expenses	29,502	25,980	265,518	3,714
Net loss	29,502	25,980	265,518	3,714
Net loss per share ⁽¹⁾	0.00	0.00	(0.03)	0.00

Notes:

(1) Net loss per share on a diluted basis is the same as basic net loss per share as all factors which were considered in the calculation are anti-dilutive.

Operations to date have established and/or enhanced the technical foundation for the proposed Phase I exploration programs for the Snoball and Golden Lion Properties by defining drill targets and allowing for a scoping of the Phase I metrics in terms of the number of holes and metres to be drilled. To date, the Company has made the following expenditures to further these goals for the Snoball and Golden Lion Properties:

a. Snoball Property

The Company has spent \$317,247 on the Snoball Property to prepare for the Phase I exploration program. The expenditures on the Snoball Property to date have allowed the Company to have enough understanding to commence a Phase I exploration program. The Phase I exploration program for the Snoball Property will cost approximately \$694,500. Following completion of the Company's initial public offering, the Company expects to commence the Phase I exploration program for the Snoball Property, subject to receiving necessary permits. For a description of the Snoball Property, please refer to "*Property Assets and Exploration Activities – Snoball Property*".

b. Golden Lion Property

The Company has spent \$265,704 on the Golden Lion Property to prepare for the Phase I exploration program. The expenditures on the Golden Lion Property to date have allowed the Company to have enough understanding to commence a Phase I exploration program. The Phase I exploration program for the Golden Lion Property program will cost approximately \$887,500. Following completion of the Company's initial public offering, the Company expects to commence the Phase I exploration program for the Golden Lion Property, subject to receiving necessary permits. For a description of the Golden Lion Property, please refer to "*Property Assets and Exploration Activities – Golden Lion Property*".

Related Party Transactions

Evergold entered into the following transactions with related parties:

	Years Ended		Amount Payable as at	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
	\$	\$	\$	\$
Consulting fees paid or accrued to the Company's Chief Executive Officer	-	-	702	693
Exploration expense paid or accrued to a company controlled by a Director	76,696	301,534	32,604	-
Consulting fees paid or accrued to the Company's Chief Financial Officer	3,000	-	3,390	-
Totals	79,696	301,534	36,696	693

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including directors (executive or non-executive) of the Company.

Liquidity, Capital Resources, and Outlook

The Company is an exploration-stage company and does not generate revenues. As such, it finances all of its operations and the exploration of its mineral properties entirely through the issuance of share capital. Although Evergold has to date been successful in its attempts to raise capital, there can be no assurance that its future efforts will likewise be successful. The mineral exploration business is high risk and the vast majority of exploration projects will not result in producing mines. The success of future financings will depend on a variety of factors including geological success – i.e. obtaining superior results from exploration; a positive investment climate encompassing strong metal prices, solid stock market conditions, and a “risk-on” appetite among investors; and the Company's track record and the ability and experience of management. If such financing is unavailable, Evergold may be unable to retain its mineral interests and execute its business plans.

As at December 31, 2018, the Company had working capital of \$286,385 compared to \$421,047 at December 31, 2017.

Notwithstanding considerable uncertainty in the global economic outlook, management has been encouraged by market interest in the Company's properties and its proposed exploration plans. Markets appear receptive and management views the outlook for 2019 as promising. Accordingly, subject to Exchange and regulatory approvals, the Company intends to seek an initial public offering in FY 2019, and a listing on the TSX Venture Exchange. If successful, the offering will materially improve the Company's working capital position, and prospects.

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as at December 31, 2018.

Critical Accounting Estimates and Policies

The Company's significant accounting policies and the adoption of new accounting policies are disclosed in Note 3 to the annual financial statements prepared for the year ended December 31, 2018.

Critical accounting estimates used in the preparation of the financial statements include the Company's estimate of the recoverable value of its mineral exploration properties and related deferred exploration and evaluation expenditures, as well as the value of stock-based compensation. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control.

The factors affecting stock-based compensation include estimates of when stock options and compensation warrants might be exercised and stock price volatility. The timing for exercise of options is out of the Company's control and will depend on a variety of factors, including the market value of the Company's shares and financial objectives of the share-based instrument holders. The Company used historical data to determine volatility in accordance with the Black-Scholes option pricing model. However, the future volatility is uncertain and the model has its limitations.

The Company's recoverability of its recorded value of its mineral exploration properties and associated deferred exploration and evaluation expenses is based on current market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company operates in an industry that is dependent on a number of factors including environmental, legal and political risks, the existence of economically recoverable reserves, and the ability of the Company to obtain necessary financing to complete the development, and future profitable production or the proceeds of disposition thereof.

Future Accounting Changes

The Company has not yet adopted certain new IFRS standards, amendments and interpretations to existing standards, which have been published but are only effective for its annual periods beginning on or after January 1, 2019. These include:

IFRS 16 – Leases ("IFRS 16") was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019.

IFRIC 23 - *Uncertainty Over Income Tax Treatments* ("IFRIC 23") was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates. IFRIC 23 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted.

New IFRS standards adopted:

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 3. IFRS 9 was early adopted by the Company on January 1, 2017.

Commitments and Contingencies

Environmental Contingencies

The Company's exploration activities are subject to various provincial and federal laws and regulations governing the protection of archaeological heritage and the environment. Prior to the execution of any exploration programs involving site disturbance, such as on-site camps and drilling operations, application must be made to the appropriate B.C. government ministries for an exploration permit. Permit applications must provide specific detail with regard to the Company's plans, including among other things the nature and estimated total area of surface disturbance, impacts on wildlife, surveys for cultural artifacts, plans for waste disposal, use of locally-sourced water etc. Prior to the start of work, reclamation bonds must be posted with the BC Government to cover remediation of disturbed sites following program completion. The

Company anticipates posting in 2019 with the BC Government two reclamation bonds covering work on two of its four properties, at an estimated total cost of \$30,000.

Financial Instruments & Risks

The Company's financial instruments consist of cash, other receivables, reclamation deposits, trade and other payables, accrued liabilities and amounts due to related parties.

The Company's activities expose it to a variety of financial risks: liquidity risk, market risk (including interest rate, foreign exchange rate and price risk) and credit risk.

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables included in amounts receivable and prepaid expenses. The Company has no significant concentration of credit risk arising from operations. Financial instruments included in amounts receivable and prepaid expenses consist of goods and services tax due from the Federal Government of Canada. Accordingly, management believes that the credit risk associated with these financial instruments is low.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient capital on hand to meet liabilities when due. The Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. As at December 31, 2018, the Company had a more than sufficient cash and cash equivalents balance of \$176,394 (2017 - \$265,786) to settle current liabilities of \$52,645 (2017 - \$693). However, because the Company intends to expand the scale of its exploration activities in the year ahead, its ability to continue as a going concern and to fund the expanded level of exploration expenditures will be dependent upon securing additional financing. Subject to Exchange and regulatory approvals, the Company intends to seek a listing on the TSX Venture Exchange through an Initial Public Offering ("IPO") process, tentatively timed for mid-summer. A successful listing would secure the Company sufficient funds to considerably expand its exploration efforts in summer and fall 2019, while concurrently ensuring the Company has adequate capital for at least the further 12 months beyond the IPO.

Interest Rate Risk

The Company has cash, cash equivalents and short-term investment balances accruing interest, but has zero debt, other than routine short-term payables. Management therefore does not believe the Company is exposed to significant interest rate risk.

Foreign Currency Risk

The Company's functional currency is the Canadian dollar and the vast majority of its purchases are transacted in Canada, in Canadian dollars. The Company is not exposed to foreign exchange risk.

Price Risk

Though not generally impacting day-to-day operations, the Company is exposed to price risk arising from fluctuating commodity prices, with lower metal prices in particular having the potential to negatively impact the prospect for successful future financings and the viability of proposed projects. Under strong economic conditions, price inflation can also negatively impact the viability of planned exploration programs and project development plans. Accordingly, the Company monitors commodity prices, economic conditions and rates of inflation on a regular basis, to keep apprised of trends.

Capital Management

When managing capital, the Company's foremost objective is to generate optimal returns for shareholders. This requires first ensuring that Evergold continues as a going concern and, second, that capital resources are deployed cost-effectively into only those properties and those specific exploration activities, which management believes have the greatest potential to generate positive returns for shareholders. As the Company is essentially a capital pool established to carry out high-risk / potential high reward exploration, with no short or medium-term prospect whatsoever of generating revenues or profits, management seeks instead to deliver positive returns for shareholders through the share price appreciation and capital gains opportunities that usually go hand-in-hand with significant new mineral discoveries, and the further advancement of those discoveries. Management seeks to have sufficient capital on hand to achieve its near-term exploration objectives and to advance discoveries when achieved, as expeditiously as possible. In doing so, it seeks a balance between minimizing shareholder dilution and maintaining an attractive capital structure on the one hand, and the need to achieve and advance discoveries of merit on the other. Management cannot deliver sustainable shareholder returns, in the absence of discoveries of merit.

Given the nature of the business, the Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to generate discoveries and attendant share price appreciation. The Company considers its capital to be equity, which is comprised of capital stock, share purchase warrants, broker compensation warrants, contributed surplus and deficit.

The Company's four properties are all in the exploration stage and it has neither revenues nor profits. As such the Company is wholly dependent on external financing to fund its planned exploration programs and administration costs. The Company will therefore spend its existing working capital and raise additional amounts when conditions permit it to do so.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital in current economic conditions by:

- (i) ensuring cost-effective deployment of existing funds, generally through competitive bidding;
- (ii) avoiding project "overstretch" – i.e. too many properties and projects, and too many commitments;
- (iii) minimizing discretionary disbursements;
- (iv) reducing or eliminating exploration expenditures that are of limited value;
- (v) maintaining a liquidity cushion in order to address any potential disruptions or industry downturns; and
- (vi) exploring alternative sources of liquidity.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate.

The Company is not presently subject to any capital requirements imposed by a regulator or lending institution body. The Company expects that its current capital resources are sufficient to discharge its liabilities as at December 31, 2018. Subject to Exchange and Regulatory approvals, the Company intends to seek an initial public offering of its shares on the TSX Venture Exchange in 2019 to provide the capital required to fund initial drilling in 2019 of its two flagship properties, Snoball and Golden Lion, and to advance exploration on its other two properties also.

Disclosure of Outstanding Share Data (as at September 16, 2019)

The following is a description of the outstanding equity securities and convertible securities previously issued by the Company:

Common Shares

Authorized: Unlimited number of common shares. Outstanding: 10,371,467 common shares.

Warrants

A summary of the Company's warrants outstanding and exercisable at September 16, 2019 is presented below:

Exercise price	Warrants outstanding	Warrants exercisable	Expiry date
\$0.12	2,047,075	2,047,075	May 1, 2022
\$0.18	1,091,584	1,091,584	July 12, 2021
Total	3,138,659	3,138,659	

Risks and Uncertainties

The Company's securities should be considered high risk and highly speculative due to the nature of its business.

Capitalization and Commercial Viability

The Company will require additional funds to further explore and, conditional upon exploration success, potentially develop and mine its properties. The Company has limited financial resources, and there is no assurance that additional funding will be available to it to carry out the completion of all proposed activities, for additional exploration, or for financing the high-cost development typically required to place a property into commercial production. Although the Company has in the past been successful in obtaining financing through the sale of equity securities, there can be no assurance that it will in the future be able to obtain adequate financing on acceptable terms. Failure to obtain additional financing could result in the delay or indefinite postponement of further exploration and development of its properties, and the loss of part or all of its ownership position in its properties.

Global Financial Conditions

Global financial conditions have in recent years been, and continue to be, subject to heightened instability and increased volatility. Access to public capital markets for junior exploration companies has at times been restricted and/or cut off entirely. These factors may negatively impact the ability of the Company to in the future obtain equity or debt financing on terms favourable to the Company, if at all.

Exploration and Development

Mineral exploration and development involves a very high degree of risk. Very few properties which are explored, ultimately develop into producing mines.

The Company's properties do not presently contain mineral "resources" or "reserves", as those terms are defined in National Instrument 43-101, nor is there any guarantee that they ever shall. The process of confirming, or alternatively disproving, the presence of resources or reserves on the Company's properties will require following an exploration and development pathway comprised of sequential steps, the execution of each of which is fraught with risk and predicated on successful results from the step immediately prior to it. Failure at any step generally, though not always, puts an end to exploration or development activities. As the exploration and development pathway is followed, the metal or mineral content of the area under

exploration is quantified and assessed to an increasing degree of certainty, generally by increasing the density of drilling and the amount of sampling and assaying, coupled with volume and grade modelling. With increasing certainty comes, initially, "Inferred" level resources, followed by resources in the "Indicated" and "Measured" categories, none of which have demonstrated economic viability. Only through the later application of technical (metallurgical, mining, processing, environmental etc.) and economic parameters appropriate to the resources under study, and the completion of pre- feasibility and ultimately, feasibility studies by qualified geologists, engineers and geoscientists, can resources potentially be converted to "reserves" ("ore"), which by definition would be potentially economic to mine and process, under the technical and economic criteria utilized in the feasibility study or studies applied to them. These steps and activities are costly. Should ore reserves ultimately be demonstrated to exist on the Company's properties, a positive decision to take the ore reserves thus demonstrated to commercial production would not be a given. In addition to the steps and studies detailed above, a positive production decision would require environmental approvals, the securing of various permits, and consideration and evaluation of additional factors including, but not limited to: (1) the cost of construction of production facilities; (2) the availability and cost of financing; (3) anticipated ongoing costs of production; (4) market prices for the minerals to be produced; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) the political climate and/or governmental regulation and control.

The ability of the Company to profit from the sale of any eventual production from any of the Company's properties will be subject to the prevailing conditions in the marketplace at the time of sale. Many of these factors are beyond the control of the Company and therefore represent a market risk which could impact the long-term viability of the Company and its operations.

Title Matters, Surface Rights and Access Rights

While the Company has performed its own due diligence with respect to title of its four properties, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements of transfer or indigenous land claims, and title may be affected by undetected defects. Until any such competing interests have been determined, there can be no assurance as to the validity of title of the properties.

Although the Company acquires the rights to minerals in the ground subject to the tenures that it acquires, or has a right to acquire, it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mineral exploration and development activities, however, the enforcement of such rights can be costly and time consuming. In areas where there are local populations or land owners, it is necessary, as a practical matter, to negotiate surface access. There is a risk that local communities or affected groups may take actions to delay, impede or otherwise terminate the contemplated activities of the Company. There can be no guarantee that the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out significant exploration and development activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, which assistance may not be provided or, if provided, may not be effective. There can be no assurance that the Company will be successful in acquiring any such rights.

First Nation Rights and Title

The nature and extent of First Nation rights and title remains the subject of active debate, claims and litigation in Canada and including with respect to intergovernmental relations between First Nation authorities and federal, provincial and territorial authorities. There can be no guarantee that such claims will not cause permitting delays, unexpected interruptions or additional costs for the Company's projects.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. The Company's properties lie in remote areas with limited infrastructure. In addition, unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect operations on these properties and the Company's operations, financial condition and results of operations.

Competition

The mining industry is highly competitive, both for mineral properties and key personnel. Many of the Company's competitors for the acquisition, exploration and development of mineral properties, and for capital to finance such activities, will include companies that have greater financial and personnel resources available to them than the Company.

Environmental Risks

All phases of the exploration and mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and provincial and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with exploration and mining operations. The legislation also requires that exploration and mine sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

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

Amendments to current laws, regulations and permits governing operations and activities of mineral resource companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at any future producing properties or require abandonment or delays in the development of new mining properties.

Reliance on Key Employees

The success of the Company will be largely dependent upon the performance of its management and key employees. Potential investors should realize that they are relying on the experience, judgment, discretion, integrity and good faith of the management of the Company. The Company does not maintain life insurance policies in respect of its key personnel. The Company could be adversely affected in the event such individuals do not remain with the Company.

Permits and Licenses

The exploration operations of the Company will require various licenses and permits from various government authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects. Failure to comply with these conditions may render the licenses liable to forfeiture.

The activities of the Company are subject to government approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters, including issues affecting local First Nation populations. Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Company. Further, the exploration and mining licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Company's investments in such projects may decline.

No History of Earnings

The Company has no history of earnings, and there is no assurance that any of its mineral properties will generate earnings, operate profitably or provide a return on investment in the future. The Company expects to incur losses and negative operating cash flow for the foreseeable future as it conducts its exploration activities on its properties. The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future. The future dividend policy of the Company will be determined by its directors.

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow and incurred losses. The negative operating cash flow and losses are expected to continue for the foreseeable future. The Company may never achieve positive operating cash flow.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, several risks and, in particular, unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of the Company.

The Company is not insured against most environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. The Company periodically evaluates the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance. Without such insurance, and if the Company becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds the Company has to pay such liabilities and result in bankruptcy. Should the Company be unable to fully fund the remedial cost of an environmental problem it might be required to enter into interim compliance measures pending completion of the required remedy.

Litigation Risk

Litigation risks to the Company may include, but are not limited to, contesting development or regulatory approvals, traditional title claims, land tenure disputes, environmental claims, and occupational health and safety claims.

Contractual Risk

The Company will become a party to various contracts and it is always possible that contracts to which it is a party will not be fully performed by other contracting parties.

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Unforeseen Expenses

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the audited annual financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited annual financial statements and (ii) the audited annual financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the years presented.

The Company is not required to certify the design and evaluation of the Company's disclosure controls and procedures ("DC&P") or its internal control over financial reporting ("ICFR"). There are inherent limitations on the ability of the certifying officers of the Company to design and implement on a cost effective basis DC&P and ICFR for the Company, which may result in risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports required under applicable securities legislation."

Additional Information

Additional information relating to the Company will be available in the near future at www.evergoldcorp.ca.



Evergold Corporation

Financial Statements

For the 6 months ended June 30, 2019 and 2018

Evergold Corporation

Statements of Financial Position

(Expressed in Canadian dollars)
(unaudited)

	As at June 30 2019 \$	As at December 31 2018 \$
Assets		
Current		
Cash and cash equivalents	24,970	176,394
HST receivable	36,434	12,636
Prepaid expenses and deposits	25,000	-
Reclamation deposit (note 4)	25,000	-
Loan receivable (note 10)	-	150,000
Total assets	111,404	339,030
Liabilities		
Current		
Accounts payable and accrued liabilities (note 9)	94,420	52,645
Shareholders' equity		
Share capital (note 5)	970,032	982,532
Warrants	254,873	254,873
Retained deficit	(1,207,921)	(951,020)
Total shareholders' equity	16,984	286,385
Total liabilities and shareholders' equity	111,404	339,030

The accompanying notes are an integral part of these financial statements

Approved by the Board of Directors and authorized for issue on September 16, 2019.

(signed) "Kevin M. Keough"
Director

(signed) "Rosie Moore"
Director

Evergold Corporation

Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)
(unaudited)

	Three months ended June 30		Six months ended June 30	
	2019	2018	2019	2018
	\$	\$	\$	\$
General and administrative expenses				
Exploration expenditures (note 4)	75,958	24,690	105,644	25,240
Management and consulting fees (note 9)	51,000	-	82,000	-
Professional fees	30,672	3,750	34,422	7,500
Office and miscellaneous	23,583	1,240	34,835	2,501
	181,213	29,680	256,901	35,241
Loss from operations	(181,213)	(29,680)	(256,901)	(35,241)
Interest income	-	-	-	0
Income before taxes	(181,213)	(29,680)	(256,901)	(35,241)
Tax expense	-	-	-	-
Loss and comprehensive loss for the period	(181,213)	(29,680)	(256,901)	(35,241)
Loss per share	(0.02)	(0.00)	(0.02)	(0.00)
Weighted average number of shares – basic and fully diluted	10,371,467	10,371,467	10,371,467	10,371,467

The accompanying notes are an integral part of these financial statements

Evergold Corporation

Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

(unaudited)

	Number of Shares	Share Capital Amount \$	Warrants Reserve \$	Deficit \$	Total \$
Balance at December 31, 2018	10,371,467	982,532	254,873	(951,020)	286,385
Deferred share issuance costs	-	(12,500)	-	-	(12,500)
Net loss	-	-	-	(256,901)	(256,901)
Balance, June 30, 2019	10,371,467	970,032	254,873	(1,207,921)	16,984
Balance at December 31, 2017	10,371,467	982,532	254,873	(816,358)	421,047
Net loss	-	-	-	(35,241)	(35,241)
Balance, June 30, 2018	10,371,467	982,532	254,873	(851,599)	385,806

The accompanying notes are an integral part of these financial statements

Evergold Corporation

Statements of Cash Flows

(Expressed in Canadian dollars)
(unaudited)

	Three months ended June 30		Six months ended June 30	
	2019	2018	2019	2018
	\$	\$	\$	\$
Cash provided by (used in)				
Operating activities				
Loss for the period	(181,213)	(29,680)	(256,901)	(35,241)
Items not affecting cash				
Changes in non-cash working capital:				
HST receivable	(36,434)	(1,189)	(23,798)	(1,381)
Prepaid expenses and deposits	(25,000)	-	(25,000)	-
- Accounts payable and accrued liabilities	43,527	29,943	41,775	34,272
Net cash used in operating activities	(199,120)	(926)	(263,924)	(2,350)
Financing activities				
Change in loan receivable	150,000	-	150,000	-
Deferred share issuance costs	(12,500)	-	(12,500)	-
Net cash generated from financing activities	137,500	-	137,500	-
Investing activities				
Purchase of reclamation deposit	(25,000)	-	(25,000)	-
Net increase (decrease) in cash and cash equivalents	(86,620)	(926)	(151,424)	(2,350)
Cash and cash equivalents, beginning of period	111,590	264,362	176,394	265,786
Cash and cash equivalents, end of period	24,970	263,436	24,970	263,436

The accompanying notes are an integral part of these financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS AND GOING CONCERN

Evergold Corp. (the "Company" or "Evergold") was formed on October 30, 2015. The Company's registered and head office is located at 18 King Street East, Suite 902, Toronto, Ontario M5C 1C4.

These financial statements were approved by the Board of Directors on September 16, 2019.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of the carrying values of mineral properties is dependent upon the discovery of economically recoverable reserves, the preservation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain financing necessary to complete development of the properties, and the future profitable production therefrom or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

As at December 31, 2018, the Company had a deficit of \$951,020 (2017 - \$816,358) and working capital of \$286,385 (2017 - \$421,047). The Company's ability to continue operations and fund its future exploration property expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION

Statement of compliance:

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). These financial statements have been prepared in compliance with IFRS and in accordance with the accounting policies described in Note 3, Summary of Significant Accounting Policies. The policies set out below have been consistently applied to all the periods presented, unless otherwise noted.

Basis of measurement:

These financial statements have been prepared on the historical cost basis except for those financial instruments carried at fair value. In addition, these financial statements are prepared using the accrual basis of accounting except for cash flow information.

Basis of preparation:

These financial statements have been prepared on the basis of a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of operations rather than through a process of forced liquidation. These financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern; such adjustments could be material.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied in preparing the financial statements for the 6 months ended June 30, 2019 and 2018.

Functional and presentation currency:

The Company's presentation and functional currency is the Canadian dollar. The Company does not have any foreign operations. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at period end exchange rates are recognized in the statements of loss.

Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks and investments with original maturities of ninety days or less.

Income taxes:

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in equity or other comprehensive income. Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years. Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in the statements of loss or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent future recovery is probable. At the end of each reporting period, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

Loss per share:

Loss per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and warrants, in the weighted average number of common shares outstanding during the period, if dilutive. In the Company's case, diluted loss per share is the same as basic loss per share for the periods presented as there were no potentially dilutive securities issued during the three months and six months ended June 30, 2019 and 2018.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments:

Financial assets and financial liabilities that are purchased and incurred with the intention of generating profits in the near term are measured at fair value through profit or loss ("FVTPL"). These instruments are measured at fair value with subsequent changes in fair value recognized in the statements of loss. The Company's cash equivalents and short-term investments are classified as FVTPL.

Items classified as loans and receivables are measured at amortized cost using the effective interest method. Any gains or losses on the realization of loans and receivables are recognized in the statements of loss. The Company's cash and loan receivable are classified as loans and receivables. The estimated fair values of these financial instruments approximate their carrying values because of the limited terms of these instruments.

Financial liabilities that are not measured at fair value through profit or loss are classified as other financial liabilities, and are carried at amortized cost using the effective interest method. Any gains or losses arising from the realization of other financial liabilities are recognized in the statements of loss. The Company has classified accounts payable and accrued liabilities and subscription receipts as other financial liabilities. Due to their short-term natures, the fair values of these financial instruments approximate their carrying values.

The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1); (b) inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3). At June 30, 2019 and December 31, 2018, no financial instruments were carried at fair value.

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that the estimated future cash flows of the assets have been negatively impacted. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced by the amount of the impairment and the loss is recognized in the statements of loss.

If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in the statements of loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets:

The carrying value of non-financial assets is assessed for impairment when indicators of such impairment exist. If any indication of impairment exists an estimate of the asset's recoverable amount is calculated. The recoverable amount is determined as the higher of the fair value less costs to sell for the asset and the asset's value in use.

Impairment is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the individual assets of the Company are grouped together into cash generating units ("CGUs") for impairment purposes. Such CGUs represent the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or other groups of assets. This generally results in the Company evaluating its non-financial assets on a geographical or license basis.

If the carrying amount of the asset or CGU exceeds its recoverable amount, the asset or CGU is impaired and an impairment loss is charged to the statement of operations so as to reduce the carrying amount to its recoverable amount.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of the recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statements of loss.

Share-based payments:

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity settled share-based transactions are set out in the stock option note.

The fair value is measured at the grant date and each tranche is recognized on a graded-vesting basis over the period in which options vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the statement of operations such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interests in exploration properties and exploration expenditures:

Interest in Exploration Properties and Exploration Expenditures

Exploration and evaluation costs are expensed as incurred and included in profit or loss until technical feasibility and commercial viability of extraction of reserves are demonstrable. Once a mine development decision has been made by the Company, subsequent expenditures incurred to develop the mine are capitalized to mineral properties.

Exploration expenditures include costs to acquire exploration properties, and costs to explore and evaluate exploration properties.

Equipment:

Equipment is measured at cost less accumulated depreciation and accumulated impairment losses. The cost of equipment comprises its purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the estimated decommissioning and restoration costs associated with the asset. Equipment is depreciated on a diminishing balance basis at 20% per year.

Provisions:

General

Provisions are recognized when (a) the Company has a present obligation (legal or constructive) as a result of a past event, and (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statements of loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Rehabilitation provision

The Company records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, dismantling operating facilities, and restoration, reclamation and re-vegetation of affected areas.

The obligation generally arises when the asset is installed or the ground / environment is disturbed at the exploration or production location. When the liability is initially recognized, the present value of the estimated cost is capitalized by increasing the carrying amount of the related exploration and evaluation asset to the extent that it was incurred prior to the production of related ore. Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in the statement of operations as a finance cost. Additional disturbances or changes in rehabilitation costs are recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur. For closed sites, changes to estimated costs are recognized immediately in the statement of operations.

The Company does not currently have any such significant legal or constructive obligations and therefore no decommissioning liabilities have been recorded as at June 30, 2019 and December 31, 2018.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Critical judgements and estimation uncertainties:

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgements, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

The areas which require management to make significant judgements, estimates and assumptions in determining carrying values include, but are not limited to:

Asset carrying values and impairment charges

In determining whether any impairment losses have been incurred, management assesses the higher of the asset's fair value less costs to sell and its value in use for non-financial assets. These determinations and their individual assumptions require that management make a decision based on the best available information at the end of each reporting period.

While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets.

Capitalization of deferred exploration costs

Management has determined that exploration and property acquisition costs have future economic benefits and are economically recoverable. In making this judgement, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits.

Estimation of decommissioning and restoration costs and the timing of expenditure

Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgement is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgement used in applying valuation techniques. These assumptions and judgements include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgements and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

New IFRS standards adopted:

On January 1, 2019, the Company adopted certain new IFRS standards, amendments and interpretations to existing standards. There was no impact to the financial statements as a result of the adoption of these new standards.

IFRS 16 – Leases ("IFRS 16") was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease.

IFRIC 23 - Uncertainty Over Income Tax Treatments ("IFRIC 23") was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates.

4. RECLAMATION DEPOSITS

Reclamation deposits are held as security toward future exploration work and the related future potential cost of reclamation of the Company's land and unproven mineral interests. Once reclamation of the properties is complete, the deposits will be returned to the Company. As at June 30, 2019, \$25,000 (December 31, 2018 - \$nil) is being held as security on the Company's claims.

5. INTEREST IN EXPLORATION PROPERTIES AND EXPLORATION EXPENDITURES

Snoball Property

The Snoball property is located in the Liard Mining Division of northwestern British Columbia. A 100% ownership interest in the property was acquired effective April 5, 2016, further to a Mineral Property Acquisition Agreement (the "Agreement"), covering four mineral properties, between the Company and vendor C.J. Greig Holdings Ltd. of Penticton, B.C., a company controlled by Charles J. Greig. That portion of the Agreement dealing specifically with the Snoball property called for the one-time issuance to C.J. Greig Holdings Ltd. of 3 million common shares (paid) and 1.5 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 2,806,950 common shares plus 701,738, 7-year, 12 cent purchase warrants to reflect a property valuation carried out to that date. An incremental value of \$275,686 was recorded in 2017 related to the share and warrant restructuring. There were no cash payment or work commitment elements in the Agreement. In addition, the Agreement called for a 0.5% Net Smelter Returns ("NSR") Royalty on any future production from the Snoball property. There is no buy-back option on the NSR.

Golden Lion Property

The Golden Lion property is located in the Toadoggone region of northcentral British Columbia, Canada. A 100% ownership interest in the property was acquired effective April 5, 2016, further to a Mineral Property Acquisition Agreement (the "Agreement"), covering four mineral properties, between the Company and vendor C.J. Greig Holdings Ltd. of Penticton, B.C., a company controlled by Charles J. Greig. That portion of the Agreement dealing specifically with the Golden Lion property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 1,350,510 common shares and 337,628, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$160,471 was recorded in 2017 related to the share and warrant restructuring. There were no cash payment or work commitment elements in the Agreement. In addition, the Agreement called for a 0.5% Net Smelter Returns ("NSR") Royalty on any future production from the Golden Lion property. There is no buy-back option on the NSR.

Holy Cross Property

The Holy Cross property is located in central British Columbia, Canada. A 100% ownership interest in the property was acquired effective April 5, 2016, further to a Mineral Property Acquisition Agreement (the "Agreement"), covering four mineral properties, between the Company and vendor C.J. Greig Holdings Ltd. of Penticton, B.C., a company controlled by Charles J. Greig. That portion of the Agreement dealing specifically with the Holy Cross property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 671,190 common shares and 167,798, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$130,054 was recorded in 2017 related to the share and warrant restructuring. There were no cash payment or work commitment elements in the Agreement. In addition, the Agreement called for a 0.5% Net Smelter Returns ("NSR") Royalty on any future production from the Holy Cross property. There is no buy-back option on the NSR.

Spanish Lake Property

The Spanish Lake property is located in the Cariboo Mining District of central British Columbia, Canada. A 100% ownership interest in the property was acquired effective April 5, 2016, further to a Mineral Property Acquisition Agreement (the "Agreement"), covering four mineral properties, between the Company and vendor C.J. Greig Holdings Ltd. of Penticton, B.C., a company controlled by Charles J. Greig. That portion of the Agreement dealing

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4. INTEREST IN EXPLORATION PROPERTIES AND EXPLORATION EXPENDITURES (continued)

specifically with the Spanish Lake property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 1,089,650 common shares and 272,413, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$148,791 was recorded in 2017 related to the share and warrant restructuring. There were no cash payment or work commitment elements in the Agreement. In addition, the Agreement called for a 0.5% Net Smelter Returns (“NSR”) Royalty on any future production from the Spanish Lake property. There is no buy-back option on the NSR.

The following is a summary of exploration expenditures by property for the first six months of 2019:

	Snoball \$	Golden Lion \$	Holy Cross \$	Spanish Mountain \$	Total \$
Geochemical	317	6,362	-	-	6,678
Geological	13,622	50,587	1,000	2,475	67,683
Environmental	2,146	2,530	-	-	4,675
Camp & lodging	1,055	1,975	1,094	-	4,123
Aircraft	5,741	8,141	-	-	13,883
Permitting	-	72	195	-	267
Drilling	-	375	-	-	375
Vehicles & transport	-	56	-	-	56
Miscellaneous	619	6,985	150	150	7,903
Total	23,499	77,081	2,439	2,625	105,644

The following is a summary of exploration expenditures by property for the first six months of 2018:

	Snoball \$	Golden Lion \$	Holy Cross \$	Spanish Mountain \$	Total \$
Geochemical	-	23,796	-	-	23,796
Geological	-	-	825	-	825
Miscellaneous	-	550	-	69	619
Total	-	24,346	825	69	25,240

5. CAPITAL STOCK, OPTIONS AND WARRANTS

(a) Authorized

Unlimited number of common shares, without par value.

(b) Issued

10,371,467 common shares

Evergold Corp.
NOTES TO THE FINANCIAL STATEMENTS (EXPRESSED IN CANADIAN DOLLARS)
SIX MONTHS ENDED JUNE 30, 2019 AND 2018

5. CAPITAL STOCK, OPTIONS AND WARRANTS (continued)

Summary of changes in capital stock:

	Shares #	Amount \$
Balance, December 31, 2017 and December 31, 2018	10,371,467	982,350
Deferred share issuance costs	-	(12,500)
Balance, June 30, 2019	10,371,467	970,032

On July 12, 2017, the Company completed a private placement financing of 2,183,167 units at \$0.15 per share for gross proceeds of \$327,475. Each unit consisted of one common share and one-half of one common share purchase warrant exercisable at \$0.18 until July 12, 2021. The Company incurred financing costs of \$7,125 in connection with the financing.

Warrants

A summary of the Company's warrants is presented below:

	Number of warrants	Weighted average exercise price \$
Balance, December 31, 2017, 2018 and June 30, 2019	3,138,659	0.14

6. FINANCIAL INSTRUMENTS

Fair Value

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the end of the reporting period based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

7. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management approach during the periods ended June 30, 2019 and December 31, 2018.

8. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures during 2019 and 2018.

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables included in amounts receivable and prepaid expenses. The Company has no significant concentration of credit risk arising from operations. Financial instruments included in amounts receivable and prepaid expenses consist of goods and services tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable and prepaid expenses is remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2019, the Company had a cash and cash equivalents balance of \$24,970 (December 31, 2018 - \$176,394) to settle current liabilities of \$94,420 (December 31, 2018 - \$52,645). The Company's ability to continue operations and fund its exploration property expenditures is dependent on management's ability to secure additional financing. Management is pursuing, subject to receipt of regulatory and exchange approvals, an initial listing of its shares on the TSX Venture Exchange in order to fund operations and exploration expenditures. The Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms.

Interest rate risk

The Company has cash, cash equivalents and short-term investment balances subject to interest. Management does not believe the Company is exposed to significant interest rate risk.

Foreign currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company is not exposed to foreign exchange risk.

Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Evergold Corp.
NOTES TO THE FINANCIAL STATEMENTS (EXPRESSED IN CANADIAN DOLLARS)
SIX MONTHS ENDED JUNE 30, 2019 AND 2018

9. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The below noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

Evergold entered into the following transactions with related parties:

	For the 6 months ended		Amount payable as at	
	June 30, 2019	June 30, 2018	June 30, 2019	December 31, 2018
	\$	\$	\$	\$
Consulting fees paid or accrued to the Company's Chief Executive Officer	62,500	-	28,250	702
Exploration expense paid or accrued to a company controlled by a Director or former Director	86,291	12,851	18,766	32,604
Consulting fees paid or accrued to the Company's Chief Financial Officer	19,500	-	5,085	3,390
Totals	168,291	12,851	52,101	36,696

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including directors (executive or non-executive) of the Company.

10. LOAN RECEIVABLE

During 2016, the Company entered into a loan receivable agreement for \$150,000. The loan bore interest at 0%, was unsecured and was due on demand. In April 2019, the loan receivable was fully repaid to the Company.

11. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the three months ended June 30, 2019 was based on the net loss attributable to common shareholders of \$181,213 (June 30, 2018 - \$29,680) and the weighted average number of common shares outstanding of 10,371,467 (June 30, 2018 - 10,371,467).

The calculation of basic and diluted loss per share for the six months ended June 30, 2019 was based on the net loss attributable to common shareholders of \$256,901 (June 30, 2018 - \$35,241) and the weighted average number of common shares outstanding of 10,371,467 (June 30, 2018 - 10,371,467).

Diluted loss per share in all periods did not include the effect of 3,138,658 warrants outstanding (June 30, 2018 - 3,138,658 warrants outstanding) as they are anti-dilutive.

12. COMMITMENTS AND CONTINGENCIES

Environmental Contingencies

The Company's mineral exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

13. SUBSEQUENT EVENTS

On September 16, 2019, the Company filed a (final) prospectus with the Ontario Securities Commission, Alberta Securities Commission and the British Columbia Securities Commission to undertake a minimum offering of 13,304,370 units and a maximum offering of 15,000,000 units at a price of \$0.20 per unit. Each unit consists of one common share and one half of one common share purchase warrant.



Evergold Corp.

Management's Discussion and Analysis

Three and Six Month Periods Ended June 30, 2019

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Evergold Corp. ("Evergold" or the "Company") has been prepared by management as at September 16, 2019 and should be read in conjunction with the interim financial statements of the Company for the three and six months ended June 30, 2019 and June 30, 2018 (the "Financial Statements") and related notes. Additional information on the Company may be found at www.evergoldcorp.ca, or under the Company's profile at www.sedar.com.

The Financial Statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All amounts are expressed in Canadian dollars unless otherwise stated. Other information contained in this document has also been prepared by management and is consistent with the data contained in the interim Financial Statements.

The Company's certifying officers are responsible for ensuring that the Financial Statements and MD&A do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's certifying officers certify that the Financial Statements together with the other financial information included in the filings fairly present in all material respects the financial condition, financial performance and cash flows of the Company as of the date of and for the periods presented in the filings.

The Company's Audit Committee and the Board of Directors provide an oversight role with respect to all public financial disclosures by the Company. The Board of Directors approves the Financial Statements and MD&A after the completion of its review and recommendation for approval by the Audit Committee, which meets periodically to review all financial reports, prior to filing.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to risks associated with: geological risks, limited operating history; inability to generate earnings or pay dividends for the foreseeable future; no current assets other than cash; uncertain ability to raise additional funds when required; reliance on a small number of key managers lacking backup; potential conflicts of interest among directors and officers of the Company; lack of liquidity for shareholders of the Company; ability to secure needed permits, ability to physically access and work the Company's property assets due to poor weather or First Nations risks, a potential lack of key contract personnel and services providers needed to execute elements of the Company's exploration plans, and market risk consisting of fluctuations in the Company's share price, metal prices, credit market conditions and investor appetite for early stage exploration companies. See "Risks and Uncertainties".

Management provides forward-looking statements because they believe such statements deliver useful guidance and information to readers when considering their investment objectives. Though management believes such statements to be as accurate as possible in the context of the information available to management at the time in which they are made, management cautions readers that the guidance and information contained in such statements may rapidly be superseded by subsequent events. Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments suggested by such forward-looking statement will be realized or, even if substantially realized, that they will have the expected results, or effects upon, the Company. These forward-looking statements are made as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

The forward-looking statements in this MD&A are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including assumptions regarding business and operating strategies.

Description of the Business

Evergold was incorporated as a privately held junior resource company in October 2015, to serve as a vehicle for the acquisition, exploration and development of mineral properties in Canada. The Company's focus quickly turned to the province of British Columbia and the four 100%-owned property assets that now comprise its portfolio: **Snoball**, located in the heart of northwestern B.C.'s so-called "Golden Triangle"; **Golden Lion**, located in the Toodoggone region of northcentral BC 70 kilometres northwest of the Kemess mine; **Holy Cross**, located in central BC 60 kilometres due north of New Gold's Blackwater deposit; and **Spanish Lake**, located in the Cariboo region of central interior BC, approximately 8 kilometres southeast of the Spanish Mountain gold deposit.

All four properties were acquired effective April 5, 2016, further to a Mineral Property Acquisition Agreement (the "Agreement"), between the Company and vendor C.J. Greig Holdings Ltd. of Penticton, B.C., a company controlled by Charles J. Greig. Charles J. Greig is as of the time of writing a director and the principal shareholder of, Evergold Corp. There were no staged cash payment or work commitment elements in the Agreement. The Agreement includes an area of interest provision applicable to each of the four properties extending 3 kilometres from the outermost boundaries of the claims, in which any interest in mineral tenures acquired by either party within 3 years of the Agreement may be added to the respective property by mutual election. In addition, the Agreement called for a 0.5% Net Smelter Returns ("NSR") Royalty on any future production from each of the four properties. There are no buy-back options on the NSRs.

Snoball, Golden Lion, and Holy Cross are interpreted as intrusion-related, precious and base metals-enriched systems. Each presents the potential for a variety of mineralization styles, including high-grade epithermal-style quartz-carbonate gold-silver veins, high-grade copper-gold-silver carbonate replacement/skarns, and bulk tonnage porphyry-style copper-gold-silver. Spanish Lake is a sediment-hosted vein gold prospect.

Property Assets and Exploration Activities

Snoball Property

The helicopter access, 3,545.12 hectare Snoball property is located in the Liard Mining Division of northwestern British Columbia, approximately 140 kilometres north-northwest of the village of Stewart, 25 kilometres northwest of the Bob Quinn Lake gravel airstrip, and 12 kilometres as the crow flies from highway 37. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Snoball property called for the one-time issuance to C.J. Greig Holdings Ltd. of 3 million common shares (paid) and 1.5 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 2,806,950 common shares plus 701,738, 7-year, 12 cent purchase warrants to reflect a property valuation carried out to that date. An incremental value of \$275,686 was recorded in 2017 related to the share and warrant restructuring.

The Snoball prospect is a precious metals enriched, intrusion-related system, centred on a body of diorite emplaced along the northwest-trending, faulted contact between Stuhini Group sedimentary rocks to the west, and Hazelton Group volcanics to the east. Known mineralization styles include 1) high-grade vein-hosted gold-silver, 2) carbonate replacement/skarn, and 3) disseminated bulk tonnage style gold-silver in hornfelsed sediments overlying the intrusion. Potential also exists for bulk-tonnage porphyry-style gold-silver-copper in the intrusion itself.

The property has seen several historical work programs, including gridded geochemical sampling of soils and rocks, mapping, trenching and geophysics, culminating with drilling by Noranda in 1992 (12 holes for 1,500 metres). The great bulk of this historical work, including all of the historical diamond drilling, took place at lower elevations on this rugged property. Evergold's initial evaluation of historical sampling results suggested the actual source of a strong multi-element soil and rock anomaly developed by Noranda was up-slope to the north, at higher elevations well above the areas historically drilled. The Company's own soil and rock sampling (2016, 2017, 2018) of areas up-slope strongly reinforced this hypothesis. Recent (2018) reanalysis of the historical Newmont drill results also points to a strengthening of values in mineralized hornfelsed sediments from south (values generally <100 ppb Au in Noranda hole 92-11), to north (values ranging hundreds to occasionally thousands of ppb Au in holes 92-7 and 92-12).

The Company now believes the principal source of the multi-element anomaly lies along and below Snoball Ridge and Pyramid Peak, neither of which have ever been drilled. During the quarter the Company retained David W. Tupper, B.Sc., P.Geo., a Qualified Person as defined by National Instrument NI 43-101, to prepare a technical report on the Snoball Property. This report was delivered on May 23, 2019, and recommends a Phase I program encompassing 2,400 metres of core drilling, focused on Snoball Ridge and Pyramid Peak. At the time of writing management is progressing toward a proposed initial listing of the Company's shares on the TSX Venture Exchange. Closing is targeted for October, 2019, and is conditional upon receipt of all regulatory and Exchange approvals. A successful initial listing is a necessary precursor step to pursuing the recommended exploration program on the Snoball Property.

Golden Lion Property

The helicopter access, 5,099.52 hectare Golden Lion property is located in the Toadoggone region of northcentral British Columbia, approximately 308 kilometres north of Smithers, 70 kilometres northwest of the Kemess copper-gold mine, and 24 kilometres north of the Lawyers (Baker-Cheni Mine) project. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Golden Lion property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 1,350,510 common shares and 337,628, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$160,471 was recorded in 2017

related to the share and warrant restructuring.

The Golden Lion property exhibits high grades of gold, silver and copper in selected outcrop, and high values of a spectrum of elements in soil sampling, across three broad priority target areas known, respectively, as the "GL1", "GL2" and "GL3" Target Areas. Styles of mineralization identified to date on the property include high-grade vein-hosted epithermal gold-silver, copper-gold-silver carbonate replacement/skarn, and porphyry-style copper-gold-silver.

Evergold acquired the Golden Lion Property in May, 2016 which at that time encompassed just 190.3 hectares overlying the historical Golden Lion showing area, now constituting the core of the GL1 Target Area. The Golden Lion showing was the focus of considerable work by Newmont in the period from 1982 to 1984, including sampling, mapping, trenching, and geophysics, and culminating in the drilling of 22 holes for 2,475 metres in 1984. Evergold added another 1,336.68 hectares of claims in May 2017, following which it carried out its first exploration program that summer, concentrating on the GL1 Target Area. A second field program was carried out in 2018, this time focused on the newly-acquired claims to the east and northeast, underlying what are now the GL2 and GL3 Target Areas.

Work completed by Evergold to date has involved compilation, review, digitization and modeling of historical data, including Newmont's 1982-83 soil sampling and 1984 drill results, as well as geological mapping and prospecting, a 182 line-km airborne magnetometer survey, and rock, soil and stream sediment sampling. The results of these programs were considered highly encouraging, in consequence of which the Company again expanded the Property size early in 2019 with the staking of an additional 3,571.91 hectares. At almost 5,100 hectares, the Golden Lion Property is now about triple the size it was in May 2017.

At the GL1 Target Area, Newmont's mapping, trenching and sampling work in 1982 and 1983 identified 3 zones of mineralization (Zone 1, Zone 2, Zone 3) strung out over 1.7 kms along a linear trend oriented at 300 degrees. Follow-up drilling of Zones 2 and 3 in 1984 returned strong results, for example, 87 metres of 1.01 g/t Au in hole GL-84-20 (est. true width 35 metres), and outlined a broad, irregular, steeply eastward-dipping zone of gold-silver mineralization in stockwork veining and disseminated pyrite hosted within porphyry intrusive emplaced along the northwest-striking Toodoggone-Takla thrust fault boundary.

Soil sampling carried out in 2013 by C.J. Greig & Associates, and 3D modeling by Evergold of Newmont's 1984 drill results demonstrates that the linear 300 degree mineralized trend encompassing GL1 Zones 1, 2 and 3 is open to the northwest, to the southeast, and to depth. Moreover, modeling of the combined soil geochemical results from the Newmont 1982, C.J. Greig 2013 and Evergold 2017 soil sampling programs clearly reveals two trends: the NW-SE trend which was the focus of the historical Newmont drilling, and the second, never drilled, E-W trend. These two trends intersect in a 200-metre undrilled gap between Newmont hole GL-84-20 in the north, the best hole of the 1984 program, and Newmont holes GL-84-10 and GL-84-11 to the south. The most significant near-term exploration potential on GL1 Zones 2 and 3 is therefore believed to lie in this gap between the two, and also down dip to the east, where a larger coalescing system of mineralized fault breccias may exist. The Company concludes these should be a priority for drilling in the next phase of work. Drilling should also test the east-west, strongly anomalous soil geochemical trend identified by work programs in 2013 and 2017.

At the broad new GL2 Target Area, located to the northeast of GL1, Evergold personnel in 2018 sampled porphyry-style Cu-Ag and high-grade epithermal Au-Ag mineralization at the **GL2 EP Zone** target. Rock samples collected from quartz carbonate veins within and around the intrusion returned highs in epithermal-style veining to 18.4 g/t Au, 3180 g/t Ag, 2.1% Cu, 345 ppm Mo, 0.12% Pb and 5.3% Zn (GLVB18-031R), and 2.2% Cu, 10.7 g/t Ag, and 0.70 g/t Au in quartz-veined porphyry intrusive (GLLG18-003R). Several hundred metres to the north, on the other side of an intervening ridge ("**GL2 Ridge**"), the Company also sampled high-grade Cu-Ag-Au carbonate replacement style mineralization at the **GL2 Skarn** target, including highs to 13.5% Cu, 122 g/t Ag, 2.47 g/t Au, 0.1145% Zn and 0.0691% Pb in sample GLAA18-036R. Both the GL2 Skarn and GL2 EP Zone targets appear spatially related to areas of propylitic and lesser phyllic alteration and/or strongly anomalous multi-element soil and rock geochemical anomalies overlying the adjacent crest and slopes of GL2 Ridge, and/or associated with outcropping granodiorite intrusive in the valleys and glacial bowls adjacent to GL2 Ridge.

The GL3 Target Area is centred on the crest of a broad northeast-trending ridge located approximately 1 kilometre southeast and across the intervening valley from, the GL2 Target Area. Soil sample results indicate that, in contrast to GL2, this target is predominantly gold-silver-lead in character. A pronounced high is visible in the magnetic data, directly coincident with the strong soil geochemistry. These geochemical and geophysical results, combined with topographic analysis, suggest a mineralized source directly below.

During the quarter the Company retained David W. Tupper, B.Sc., P.Geo., a Qualified Person as defined by National Instrument NI 43-101, to prepare a technical report on the Golden Lion Property. This report was delivered on May 27, 2019, and recommends a Phase I program encompassing 2,400 metres of core drilling, targeting the GL1, GL2, and GL3 areas. At the time of writing management is progressing toward a proposed initial listing of the Company's shares on the TSX Venture Exchange. Closing is targeted for October, 2019, and is conditional upon receipt of all regulatory and Exchange approvals. A successful initial listing is a necessary precursor step to pursuing the recommended exploration program on the Golden Lion Property.

Holy Cross Property

The road accessible, 1,872.15 hectare Holy Cross property is located in central British Columbia, Canada, approximately 30 kilometres south of the community of Fraser Lake, and north of the Blackwater gold deposit. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Holy Cross property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 671,190 common shares and 167,798, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$130,054 was recorded in 2017 related to the share and warrant restructuring.

The primary target type on the Holy Cross property is high-grade and/or bulk-tonnage intrusion-related gold+/-silver+/-copper. The property is predominantly underlain by volcanic rocks of the Middle Jurassic to Eocene age Ootsa Group, which have been intruded by a large Jurassic age quartz monzonite stock on the northern portion of the tenures.

Historically mapped, trenched, sampled and surveyed by Noranda (1987-89) with encouraging results (e.g. 1 g/t Au over 8.5 metres in chips, and 24.02 g/t Au and 20.8 g/t Ag from grabs), but never drilled, Holy Cross hosts a robust siliceous alteration system carrying locally elevated gold, copper and silver values over a large area, with attractive coincident geochemical-geophysical anomalies. Part of the property's allure is the heavy glacial drift coverage, which has camouflaged the underlying bedrock.

Geophysical surveying carried out in 2015 identified shallow IP anomalies coincident with geochemical anomalies in the overburden. The next step is to drill, possibly in winter 2019-20, to which end management has applied for an exploration permit in the event a decision, uncertain at this time, is taken to do so.

Spanish Lake Property

The road accessible, 1,572.79 hectare Spanish Lake property is located in the Cariboo Mining District of central British Columbia, Canada, some 80 kilometres east-northeast of Williams Lake and approximately 8 kilometres southeast along strike from the > 5 million ounce Spanish Mountain gold deposit. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Spanish Lake property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 1,089,650 common shares and 272,413, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of \$148,791 was recorded in 2017 related to the share and warrant restructuring.

The Spanish Lake property has excellent potential to host a sediment-hosted vein gold system akin to that at the nearby Spanish Mountain deposit. Indeed, commencing in 2007, a previous operator, Dajin Resources Corp., identified several areas on the Spanish Lake property of precious metal and pathfinder element enrichment along 1,500 metres of strike in favorable geology, specifically the Nicola Group black phyllite, carbonaceous shale to graphitic mudstone and siliceous siltstone, and exhibiting alteration and structural features similar to that seen at Spanish Mountain.

Follow-up drilling by Dajin in 2011 (12 NQ2 diameter core holes for 2,484 metres) intercepted long intervals of low-grade Spanish Mountain-style gold (i.e. sediment-hosted, with abundant microstructures and veining). Best results were achieved from the most southerly group of holes, with AD1-2011-7, 8, 11 and 12 each ending in mineralization, and the two southwestern-most holes AD1-2011-11 and 12 returning long intervals of 92 and 85.2 metres respectively. True thicknesses are not yet known. The results suggest that only the fringes of the newly discovered zone have been tested.

Facing a major industry downturn, Dajin Resources walked away from the property without filing an assessment report. In 2016 Evergold acquired the property, expanded its size and, in 2017, completed a report on the 2011 work.

As grade and intersection lengths increase to the south and west in the southern 2011 drill pattern, it is proposed that a future program of IP and auger soil geochemical sampling target this under-explored, till-covered area. If results of this work are found to be encouraging, drilling would follow.

Overall Performance

All four of the Company's properties are at an early stage of exploration. None of them host discoveries, NI 43-101 compliant mineral resources, nor any zones of mineralization that might potentially become economic to mine. As such, the Company's only source of funds is derived from the issuance of equity, plus whatever interest it may earn from cash balances and the investment of that portion of the proceeds of such equity issuances not otherwise immediately required for exploration purposes, in short-term investments and money market instruments.

The Company's ability to appeal to investors and raise money for its plans is predicated upon a combination of factors including: 1) having strong properties with significant discovery potential that appeal to investors, 2) having management with a track record of success who can effectively promote those properties to the market, 3) having a sound capital structure, 4) offering specific terms on particular financings that are reasonable and offer investors reasonable prospects for gain, and 5) the absence of major economic calamity, reasonably strong metal prices, and a generally positive risk appetite in broader markets at the time the Company seeks to raise additional funds.

Notwithstanding these varied challenges, the Company has to date been successful in its efforts to raise capital, and believes it can continue to do so in future. The money raised since the Company was incorporated in 2015 has been carefully spent on exploration activities designed to add value to its properties. This value-added has come in the form of the development of multiple drill-ready targets on the Snoball, Golden Lion and Holy Cross properties, targets that for the most part did not exist before, and are believed to offer strong discovery potential.

Overall performance to date is therefore considered strong: capital raised has been largely deployed into the ground, to good effect in terms of generating specific, new, drill-ready targets. Initial drill testing of several of these targets will be the overriding focus for the Company over the next quarter or two, subject to first completing the initial public offering and listing of its shares on a Canadian stock exchange discussed above, and below under *Liquidity, Capital Resources and Outlook*. This initial drilling work and related field activities will follow the recommendations of the Snoball and Golden Lion technical reports.

Selected Annual Financial Information

The following is a summary of exploration expenditures by property for the first six months of 2019:

Category	Snoball \$	Golden Lion \$	Holy Cross \$	Spanish Lake \$	Total \$
Geochemical	317	6,362	-	-	6,679
Geological	13,621	50,587	1,000	2,475	67,683
Environmental	2,146	2,529	-	-	4,675
Camp & lodging	1,055	1,974	1,094	-	4,123
Aircraft	5,741	8,142	-	-	13,883
Permitting	-	72	195	-	267
Drilling	-	375	-	-	375
Vehicles & transport	-	56	-	-	56
Miscellaneous	619	6,984	150	150	7,903
Total	23,499	77,081	2,439	2,625	105,644

The following is a summary of exploration expenditures by property for the first six months of 2018:

Category	Snoball \$	Golden Lion \$	Holy Cross \$	Spanish Lake \$	Total \$
Geochemical	-	23,796	-	-	23,796
Geological	-	-	825	-	825
Miscellaneous	-	550	-	69	619
Total	-	24,346	825	69	25,240

Fiscal Year	For the 6 months and as at June 30, 2019	For the 6 months and as at June 30, 2018
Operating expenses	\$256,901	\$35,241
Loss from operations	256,901	35,241
Net loss for the year	256,901	35,241
Loss per share – basic and diluted	0.02	0.00
Total assets	111,404	339,030
Total liabilities	94,420	52,645

Results of Operations

	Three months ended June 30		Six months ended June 30	
	2019	2018	2019	2018
	\$	\$	\$	\$
Expenses				
Exploration expenditures	75,958	24,690	105,644	25,240
Management and consulting fees	51,000	-	82,000	-
Professional fees	30,672	3,750	34,422	7,500
Office and miscellaneous	23,583	1,240	34,835	2,501
Loss from operations	(181,213)	(29,680)	(256,901)	(35,241)
Interest income	-	-	-	0
Income before taxes	(181,213)	(29,680)	(256,901)	(35,241)
Tax expense	-	-	-	-
Loss and comprehensive loss for the period	(181,213)	(29,680)	(256,901)	(35,241)

Total operating expenses and net loss were \$256,901 for the six months ended June 30, 2019 compared to \$35,241 in the comparative period in 2018, an increase of \$221,660. The increase was primarily the result of increased exploration activity on the Company's Golden Lion property.

General and administrative expenses totaled \$151,257 in the first six months of 2019, compared to \$10,001 in the prior year period as the Company prepares for its initial public offering.

The following table sets out selected quarterly results of the Company for the eight quarters prior to the effective date of this report. The information contained herein is drawn from the unaudited interim financial statements of the Company.

Calendar Year	2019	2019	2018	2018
Quarter	June 30	March 31	December 31	September 30
Revenue	\$nil	\$nil	\$nil	\$nil
Working capital	(8,016)	210,697	286,385	329,677
Operating expenses	181,213	75,688	43,292	56,129
Net loss	181,213	75,688	43,292	56,129
Net loss per share (1)	0.02	0.01	0.00	0.01

Calendar Year	2018	2018	2017	2017
Quarter	June 30	March 31	December 31	September 30
Revenue	\$nil	\$nil	\$nil	\$nil
Working capital	385,806	415,485	421,047	450,549
Operating expenses	29,680	5,561	29,502	25,979
Net loss	29,680	5,561	29,502	25,979
Net loss per share (1)	0.00	0.00	0.00	0.00

Notes:

(1) Net loss per share on a diluted basis is the same as basic net loss per share as all factors which were

considered in the calculation are anti-dilutive.

Operations to date have established and/or enhanced the technical foundation for the proposed Phase I exploration programs for the Snoball and Golden Lion Properties by defining drill targets and allowing for a scoping of the Phase I metrics in terms of the number of holes and metres to be drilled. To date, the Company has made the following expenditures to further these goals for the Snoball and Golden Lion Properties:

a. Snoball Property

The Company has spent \$324,728 on the Snoball Property to prepare for the Phase I exploration program. The expenditures on the Snoball Property to date have allowed the Company to gain enough geophysical understanding of the Snoball Property to commence a Phase I exploration program. The Phase I exploration program for the Snoball Property will cost approximately \$694,500. Following completion of the Company's initial public offering, the Company expects to commence the Phase I exploration program for the Snoball Property, subject to receiving necessary permits. For a description of the Snoball Property, please refer to "Property Assets and Exploration Activities – Snoball Property".

b. Golden Lion Property

The Company has spent \$287,834 on the Golden Lion Property to prepare for the Phase I exploration program. The expenditures on the Golden Lion Property to date have allowed the Company to gain enough geophysical understanding of the Golden Lion Property to commence a Phase I exploration program. The Phase I exploration program for the Golden Lion Property program will cost approximately \$887,500. Following completion of the Company's initial public offering, the Company expects to commence the Phase I exploration program for the Golden Lion Property, subject to receiving necessary permits. For a description of the Golden Lion Property, please refer to "Property Assets and Exploration Activities – Golden Lion Property".

Related Party Transactions

Evergold entered into the following transactions with related parties:

	For the 6 months ended June 30,		Amounts Payable as at June 30, December 31,	
	2019	2018	2019	2018
	\$	\$	\$	\$
Consulting fees paid or accrued to the Company's Chief Executive Officer	62,500	-	28,250	702
Exploration expense paid or accrued to a company controlled by a Director	86,291	12,851	18,766	32,604
Consulting fees paid or accrued to the Company's Chief Financial Officer	19,500	-	5,085	3,390
Totals	168,291	12,851	52,101	36,696

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including directors (executive or non-executive) of the Company.

Liquidity, Capital Resources, and Outlook

The Company is an exploration-stage company and does not generate revenues. As such, it finances all of its operations and the exploration of its mineral properties entirely through the issuance of share capital. Although Evergold has to date been successful in its attempts to raise capital, there can be no assurance that its future efforts will likewise be successful. The mineral exploration business is high risk and the vast majority of exploration projects will not result in producing mines. The success of future financings will depend on a variety of factors including geological success – i.e. obtaining superior results from exploration; a positive investment climate encompassing strong metal prices, solid stock market conditions, and a “risk-on” appetite among investors; and the Company’s track record and the ability and experience of management. If such financing is unavailable, Evergold may be unable to retain its mineral interests and execute its business plans.

As at June 30, 2019, the Company had working capital of (\$8,016) compared to \$286,385 at December 31, 2018.

Notwithstanding considerable uncertainty in the global economic outlook, management has been encouraged by market interest in the Company’s properties and its proposed exploration plans. Markets appear receptive and management views the outlook as promising. Accordingly, a process to seek a listing of the Company’s shares on the TSX Venture Exchange has been initiated, to be accompanied by an initial public offering, details of which may be found in a preliminary prospectus that has been filed with the appropriate regulators and the TSXV, and posted to the Company’s new profile at www.sedar.com. The initial listing process is anticipated to conclude during the month of October, 2019, and remains subject to receipt of all regulator and Exchange approvals. If successful, the initial listing and attendant offering will materially improve the Company’s working capital position, and prospects.

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as at June 30, 2019.

Critical Accounting Estimates and Policies

The Company’s significant accounting policies and the adoption of new accounting policies are disclosed in Note 3 to the interim financial statements prepared for the 6 months ended June 30, 2019.

Critical accounting estimates used in the preparation of the financial statements include the Company’s estimate of the recoverable value of its mineral exploration properties and related deferred exploration and evaluation expenditures, as well as the value of stock-based compensation. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company’s control.

The factors affecting stock-based compensation include estimates of when stock options and compensation warrants might be exercised and stock price volatility. The timing for exercise of options is out of the Company’s control and will depend on a variety of factors, including the market value of the Company’s shares and financial objectives of the share-based instrument holders. The Company used historical data to determine volatility in accordance with the Black-Scholes option pricing model. However, the future volatility is uncertain and the model has its limitations.

The Company’s recoverability of its recorded value of its mineral exploration properties and associated deferred exploration and evaluation expenses is based on current market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company operates in an industry that is dependent on a number of factors including environmental, legal and political risks, the existence of economically recoverable reserves, and the ability of the Company to obtain necessary financing to complete the development, and future profitable production or the proceeds of disposition thereof.

Commitments and Contingencies

Environmental Contingencies

The Company's exploration activities are subject to various provincial and federal laws and regulations governing the protection of archaeological heritage and the environment. Prior to the execution of any exploration programs involving site disturbance, such as on-site camps and drilling operations, application must be made to the appropriate B.C. government ministries for an exploration permit. Permit applications must provide specific detail with regard to the Company's plans, including among other things the nature and estimated total area of surface disturbance, impacts on wildlife, surveys for cultural artifacts, plans for waste disposal, use of locally-sourced water etc. Prior to the start of work, reclamation bonds must be posted with the BC Government to cover remediation of disturbed sites following program completion. As of the date of writing the Company has posted a \$25,000 reclamation bond covering anticipated work on the Snoball property, and posted a second reclamation bond for a similar amount covering anticipated work on the Golden Lion Property.

Financial Instruments & Risks

The Company's financial instruments consist of cash, other receivables, reclamation deposits, trade and other payables, accrued liabilities and amounts due to related parties.

The Company's activities expose it to a variety of financial risks: liquidity risk, market risk (including interest rate, foreign exchange rate and price risk) and credit risk.

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables included in amounts receivable and prepaid expenses. The Company has no significant concentration of credit risk arising from operations. Financial instruments included in amounts receivable and prepaid expenses consist of goods and services tax due from the Federal Government of Canada. Accordingly, management believes that the credit risk associated with these financial instruments is low.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient capital on hand to meet liabilities when due. The Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. As at June 30, 2019, the Company had cash and cash equivalents balance of \$24,970 (December 31, 2018 - \$176,394) to settle current liabilities of \$94,420 (December 31, 2018 - \$52,645). The Company intends to expand the scale of its exploration activities in the year ahead and its ability to continue as a going concern and to fund the expanded level of exploration expenditures will be dependent upon securing additional financing by way of the previously discussed initial public offering and listing of its shares on the TSX Venture Exchange, which remains subject to receipt of all regulatory and Exchange approvals.

Interest Rate Risk

The Company has cash, cash equivalents and short-term investment balances subject to interest. Management does not believe the Company is exposed to significant interest rate risk.

Foreign Currency Risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company is not exposed to foreign exchange risk.

Price Risk

Though not generally impacting day-to-day operations, the Company is exposed to price risk arising from fluctuating commodity prices, with lower metal prices in particular having the potential to negatively impact the prospect for successful future financings and the viability of proposed projects. Under strong economic conditions, price inflation can also negatively impact the viability of planned exploration programs and project development plans. Accordingly, the Company monitors commodity prices, economic conditions and rates of inflation on a regular basis, to keep apprised of trends.

Capital Management

When managing capital, the Company's foremost objective is to generate optimal returns for shareholders. This requires first ensuring that Evergold continues as a going concern and, second, that capital resources are deployed cost-effectively into only those properties and those specific exploration activities, which management believes have the greatest potential to generate positive returns for shareholders. As the Company is essentially a capital pool established to carry out high-risk / potential high reward exploration, with no short or medium-term prospect whatsoever of generating revenues or profits, management seeks instead to deliver positive returns for shareholders through the share price appreciation and capital gains opportunities that usually go hand-in-hand with significant new mineral discoveries, and the further advancement of those discoveries. Management seeks to have sufficient capital on hand to achieve its near-term exploration objectives and to advance discoveries when achieved, as expeditiously as possible. In doing so, it seeks a balance between minimizing shareholder dilution and maintaining an attractive capital structure on the one hand, and the need to achieve and advance discoveries of merit on the other. Management cannot deliver sustainable shareholder returns, in the absence of discoveries of merit.

Given the nature of the business, the Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to generate discoveries and attendant share price appreciation. The Company considers its capital to be equity, which is comprised of capital stock, share purchase warrants, broker compensation warrants, contributed surplus and deficit.

The Company's four properties are all in the exploration stage and it has neither revenues nor profits. As such the Company is wholly dependent on external financing to fund its planned exploration programs and administration costs. The Company will therefore spend its existing working capital and raise additional amounts when conditions permit it to do so.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital in current economic conditions by:

- (i) ensuring cost-effective deployment of existing funds, generally through competitive bidding;
- (ii) avoiding project "overstretch" – i.e. too many properties and projects, and too many commitments;
- (iii) minimizing discretionary disbursements;
- (iv) reducing or eliminating exploration expenditures that are of limited value;
- (v) maintaining a liquidity cushion in order to address any potential disruptions or industry downturns; and
- (vi) exploring alternative sources of liquidity.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. The Company is not presently subject to any capital requirements imposed by a regulator or lending institution body.

The Company's current capital resources are not sufficient to discharge all of its liabilities as at June 30, 2019. To this end, as previously discussed, management has for several months been pursuing an initial listing of its shares on the TSX Venture Exchange, to be accompanied by a significant financing. If successful, this initiative, which remains subject to Exchange and regulatory approvals, will provide the capital required to fully meet its existing obligations, to fund the Phase I drill programs recommended in the technical reports for its two flagship properties, Snoball and Golden Lion, and to cover overheads for the next twelve months.

Disclosure of Outstanding Share Data (as at September 16, 2019)

The following is a description of the outstanding equity securities and convertible securities previously issued by the Company:

Common Shares

Authorized: Unlimited number of common shares. Outstanding: 10,371,467 common shares.

Warrants

A summary of the Company's warrants outstanding and exercisable at September 16, 2019 is presented below:

Exercise price	Warrants outstanding	Warrants exercisable	Expiry date
\$0.12	2,047,075	2,047,075	May 1, 2022
\$0.18	1,091,584	1,091,584	July 12, 2021
Total	3,138,659	3,138,659	

Risks and Uncertainties

The Company's securities should be considered high risk and highly speculative due to the nature of its business.

Capitalization and Commercial Viability

The Company will require additional funds to further explore and, conditional upon exploration success, potentially develop and mine its properties. The Company has limited financial resources, and there is no assurance that additional funding will be available to it to carry out the completion of all proposed activities, for additional exploration, or for financing the high-cost development typically required to place a property into commercial production. Although the Company has in the past been successful in obtaining financing through the sale of equity securities, there can be no assurance that it will in the future be able to obtain adequate financing on acceptable terms. Failure to obtain additional financing could result in the delay or indefinite postponement of further exploration and development of its properties, and the loss of part or all of its ownership position in its properties.

Global Financial Conditions

Global financial conditions have in recent years been, and continue to be, subject to heightened instability and increased volatility. Access to public capital markets for junior exploration companies has at times been restricted and/or cut off entirely. These factors may negatively impact the ability of the Company to in the future obtain equity or debt financing on terms favourable to the Company, if at all.

Exploration and Development

Mineral exploration and development involves a very high degree of risk. Very few properties which are explored, ultimately develop into producing mines.

The Company's properties do not presently contain mineral "resources" or "reserves", as those terms are defined in National Instrument 43-101, nor is there any guarantee that they ever shall. The process of confirming, or alternatively disproving, the presence of resources or reserves on the Company's properties will require following an exploration and development pathway comprised of sequential steps, the execution of each of which is fraught with risk and predicated on successful results from the step immediately prior to it. Failure at any step generally, though not always, puts an end to exploration or development activities. As the exploration and development pathway is followed, the metal or mineral content of the area under exploration is quantified and assessed to an increasing degree of certainty, generally by increasing the

density of drilling and the amount of sampling and assaying, coupled with volume and grade modelling. With increasing certainty comes, initially, "Inferred" level resources, followed by resources in the "Indicated" and "Measured" categories, none of which have demonstrated economic viability. Only through the later application of technical (metallurgical, mining, processing, environmental etc.) and economic parameters appropriate to the resources under study, and the completion of pre-feasibility and ultimately, feasibility studies by qualified geologists, engineers and geoscientists, can resources potentially be converted to "reserves" ("ore"), which by definition would be potentially economic to mine and process, under the technical and economic criteria utilized in the feasibility study or studies applied to them.

These steps and activities are costly. Should ore reserves ultimately be demonstrated to exist on the Company's properties, a positive decision to take the ore reserves thus demonstrated to commercial production would not be a given. In addition to the steps and studies detailed above, a positive production decision would require environmental approvals, the securing of various permits, and consideration and evaluation of additional factors including, but not limited to: (1) the cost of construction of production facilities; (2) the availability and cost of financing; (3) anticipated ongoing costs of production; (4) market prices for the minerals to be produced; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) the political climate and/or governmental regulation and control.

The ability of the Company to profit from the sale of any eventual production from any of the Company's properties will be subject to the prevailing conditions in the marketplace at the time of sale. Many of these factors are beyond the control of the Company and therefore represent a market risk which could impact the long-term viability of the Company and its operations.

Title Matters, Surface Rights and Access Rights

While the Company has performed its own due diligence with respect to title of its four properties, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements of transfer or indigenous land claims, and title may be affected by undetected defects. Until any such competing interests have been determined, there can be no assurance as to the validity of title of the properties.

Although the Company acquires the rights to minerals in the ground subject to the tenures that it acquires, or has a right to acquire, it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mineral exploration and development activities, however, the enforcement of such rights can be costly and time consuming. In areas where there are local populations or land owners, it is necessary, as a practical matter, to negotiate surface access. There is a risk that local communities or affected groups may take actions to delay, impede or otherwise terminate the contemplated activities of the Company. There can be no guarantee that the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out significant exploration and development activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, which assistance may not be provided or, if provided, may not be effective. There can be no assurance that the Company will be successful in acquiring any such rights.

First Nation Rights and Title

The nature and extent of First Nation rights and title remains the subject of active debate, claims and litigation in Canada and including with respect to intergovernmental relations between First Nation authorities and federal, provincial and territorial authorities. There can be no guarantee that such claims will not cause permitting delays, unexpected interruptions or additional costs for the Company's projects.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. The Company's properties lie in remote areas with limited infrastructure. In addition, unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect operations on these properties and the Company's operations, financial condition and results of operations.

Competition

The mining industry is highly competitive, both for mineral properties and key personnel. Many of the Company's competitors for the acquisition, exploration and development of mineral properties, and for capital to finance such activities, will include companies that have greater financial and personnel resources available to them than the Company.

Environmental Risks

All phases of the exploration and mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and provincial and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with exploration and mining operations. The legislation also requires that exploration and mine sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

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

Amendments to current laws, regulations and permits governing operations and activities of mineral resource companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at any future producing properties or require abandonment or delays in the development of new mining properties.

Reliance on Key Employees

The success of the Company will be largely dependent upon the performance of its management and key employees. Potential investors should realize that they are relying on the experience, judgment, discretion, integrity and good faith of the management of the Company. The Company does not maintain life insurance policies in respect of its key personnel. The Company could be adversely affected in the event such individuals do not remain with the Company.

Permits and Licenses

The exploration operations of the Company will require various licenses and permits from various government authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects. Failure to comply with these conditions may render the licenses liable to forfeiture.

The activities of the Company are subject to government approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters, including issues affecting local First Nation populations. Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Company. Further, the exploration and mining licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Company's investments in such projects may decline.

No History of Earnings

The Company has no history of earnings, and there is no assurance that any of its mineral properties will generate earnings, operate profitably or provide a return on investment in the future. The Company expects to incur losses and negative operating cash flow for the foreseeable future as it conducts its exploration activities on its properties. The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future. The future dividend policy of the Company will be determined by its directors.

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow and incurred losses. The negative operating cash flow and losses are expected to continue for the foreseeable future. The Company may never achieve positive operating cash flow.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, several risks and, in particular, unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of the Company.

The Company is not insured against most environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. The Company periodically evaluates the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance. Without such insurance, and if the Company becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds the Company has to pay such liabilities and result in bankruptcy. Should the Company be unable to fully fund the remedial cost of an environmental problem it might be required to enter into interim compliance measures pending completion of the required remedy.

Litigation Risk

Litigation risks to the Company may include, but are not limited to, contesting development or regulatory approvals, traditional title claims, land tenure disputes, environmental claims, and occupational health and safety claims.

Contractual Risk

The Company will become a party to various contracts and it is always possible that contracts to which it is a party will not be fully performed by other contracting parties.

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Unforeseen Expenses

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the audited annual financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited annual financial statements and (ii) the audited annual financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the years presented.

Additional Information

Additional information relating to the Company may be obtained from www.evergoldcorp.ca or the Company profile at www.sedar.com.

CERTIFICATE OF THE COMPANY

Dated: September 16, 2019

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, and Ontario.

(Signed)

"Kevin M. Keough"
Kevin M. Keough
Chief Executive Officer

(Signed)

"K. Tracy Albert"
K. Tracy Albert
Chief Financial Officer

On behalf of the Board of Directors

(Signed)

"Darwin Green"
Darwin Green
Director

(Signed)

"Rosie Moore"
Rosie Moore
Director

CERTIFICATE OF THE PROMOTER

Dated: September 16, 2019

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, and Ontario.

(Signed)

"Kevin M. Keough"
Kevin M. Keough
Chief Executive Officer

CERTIFICATE OF THE PROMOTER

Dated: September 16, 2019

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, and Ontario.

(Signed)

"Charles J. Greig"
Charles J. Greig

CERTIFICATE OF THE PROMOTER

Dated: September 16, 2019

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, and Ontario.

(Signed)

"P. Alexander Walcott"
P. Alexander Walcott

CERTIFICATE OF THE AGENT

Dated: September 16, 2019

To the best of our knowledge, information and belief, this Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, and Ontario.

Leede Jones Gable Inc.

(Signed)

"Richard H. Carter"

Name: Richard H. Carter
Title: Senior Vice-President, General Counsel
and Corporate Secretary