OROGEN
ROYALTIES INC.

Consolidated Financial Statements

For the Years Ended
December 31, 2021 and 2020

Principal and Registered Office

Suite 1201 – 510 West Hastings Street
Vancouver, BC
V6B 1L8

T: (604) 248-8648
T: (855) 240-3727 (toll free)
F: (604) 248-8663
E: info@orogenroyalties.com

Chief Executive Officer and Director

J. Patrick Nicol

Non-Executive Directors

Timothy M. Janke
Robert P. Felder
Roland Butler
Justin Quigley

Transfer Agent

Computershare
3rd Floor 510 Burrard Street
Vancouver, BC
V6C 3B9
(604) 661-9452

Legal Counsel

Osler, Hoskin & Harcourt LLP
Suite 1700 Guinness Tower 1055 West Hastings Street
Vancouver, BC
V6E 2E9
(604) 692-2760

Auditor

Smythe LLP
1700 – 475 Howe Street
Vancouver, BC
V6C 2B3
(604) 687-1231

Listing

TSX Venture Exchange: OGN
Shares Outstanding: 178,080,133

Orogen Royalties Inc.

Table of Contents

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF OROGEN ROYALTIES INC.

Opinion

We have audited the consolidated financial statements of Orogen Royalties Inc. (the "Company"), which comprise:

- the consolidated statements of financial position as at December 31, 2021, December 31, 2020 and January 1, 2020;
- the consolidated statements of loss and comprehensive loss for the years ended December 31, 2021 and 2020;
- the consolidated statements of cash flows for the years ended December 31, 2021 and 2020;
- the consolidated statements of changes in shareholders' equity for the years ended December 31, 2021 and 2020; and
- the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2021, December 31, 2020 and January 1, 2020, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2021 and 2020 in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 3 to the consolidated financial statements which indicates that the comparative information presented as at and for the years ended December 31, 2020 and January 1, 2020 has been adjusted to reflect that the Company has elected to change its method of accounting for its exploration costs.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $2,831,445 during the year ended December 31, 2021. As stated in Note 1, this event or condition, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Smythe LLP | smythecpa.com

Vancouver
1700 - 475 Howe St
Vancouver, BC V6C 2B3
T: 604 687 1231
F: 604 688 4675

Langley
600 - 19933 88 Ave
Langley, BC V2Y 4K5
T: 604 282 3600
F: 604 357 1376

Nanaimo
201 - 1825 Bowen Rd
Nanaimo, BC V9S 1H1
T: 250 755 2111
F: 250 984 0886

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 auditors' 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 Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

The engagement partner on the audit resulting in this independent auditors' report is Sukhjit Gill.

Smythe LLP

Chartered Professional Accountants
Vancouver, British Columbia
March 14, 2022

Smythe LLP | smythecpa.com

Vancouver
1700 - 475 Howe St
Vancouver, BC V6C 2B3
T: 604 687 1231
F: 604 688 4675

Langley
600 - 19933 88 Ave
Langley, BC V2Y 4K5
T: 604 282 3600
F: 604 357 1376

Nanaimo
201 - 1825 Bowen Rd
Nanaimo, BC V9S 1H1
T: 250 755 2111
F: 250 984 0886

OROGEN ROYALTIES INC.

Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

Current Assets	***Note***	**December 31, 2021**	December 31, 2020	January 1, 2020*
Cash and cash equivalents	*6*	**$ 2,874,867**	$ 3,617,103	$ 3,546,972
Short term investments	*6*	**5,130,030**	7,166,726	6,058,805
Marketable securities	*7*	**1,553,024**	53,664	43,000
Amounts receivable	*8*	**1,254,745**	398,927	346,551
Prepaid expenses and deposits		**110,157**	56,248	39,684
		10,922,823	11,292,668	10,035,012
Non-current Assets				
Mineral property interests	*11*	**40,212,387**	41,442,268	868,802
Property, plant and equipment, net	*9, 10*	**320,959**	429,893	237,841
Reclamation bond	*11*	**209,371**	207,214	173,334
		40,742,717	42,079,375	1,279,977
Total Assets		**$ 51,665,540**	$ 53,372,043	$ 11,314,989
Liabilities and Shareholders' Equity				
Liabilities				
Accounts payable and accrued liabilities	*13, 18*	**$ 181,564**	$ 120,438	$ 189,908
Short term lease liabilites	*10*	**66,903**	155,317	58,331
Joint venture partner deposits	*6*	**435,013**	592,029	91,358
		683,480	867,784	339,597
Non-current Liabilities				
Long term lease liabilities	*10*	**162,393**	177,818	123,181
Provision for environmental rehabilitation	*14*	**-**	-	5,306
Deferred income tax liability	*17*	**128,696**	-	-
		974,569	1,045,602	468,084
Shareholders' Equity				
Share capital	*16*	**72,303,445**	71,225,199	27,517,214
Contributed surplus		**3,592,742**	3,475,013	913,625
Accumulated deficit		**(25,205,216)**	(22,373,771)	(17,583,934)
		50,690,971	52,326,441	10,846,905
Total Liabilities and Shareholders' Equity		**$ 51,665,540**	$ 53,372,043	$ 11,314,989

**See Note 3 - Change in Accounting Policy*

Approved and authorized for issue by the Board on March 14, 2022.

Roland Butler
Director

Robert P. Felder
Director

The accompanying notes are an integral part of these consolidated financial statements.

OROGEN ROYALTIES INC.

Consolidated Statements of Loss and Comprehensive Loss
Year Ended December 31,
(Expressed in Canadian Dollars)

	Note		Years Ended December 31, 2021		2020*
Royalties Operations					
Royalties revenue	*11*	**$**	**609,288**	$	-
Income from Royalties Operations			**609,288**		-
Prospect Generation Operations					
Revenue					
Property option proceeds	*11*	**$**	**1,440,064**	$	6,726
Project management fees			**29,682**		616
			1,469,746		7,342
Expenses					
Acquisition expenditures	*11*		**148,575**		366,462
Exploration expenditures	*11*		**530,893**		620,862
Write-off mineral property acquisition costs	*12*		**1,403,648**		1,600,817
Exploration reimbursements			**(717,004)**		(17,508)
Gain from JV activities			**(185,099)**		(183,784)
			1,181,013		2,386,849
Income (loss) from Prospect Generation Operations			**288,733**		(2,379,507)
Other Operations					
Interest income			**100,136**		88,000
			100,136		88,000
Accounting and legal			**302,526**		179,314
Depreciation	*9*		**186,999**		168,047
Foreign exchange loss			**63,713**		10,173
General and administrative			**342,617**		259,492
Investor services			**104,233**		85,612
Management and professional fees	*18*		**283,511**		186,520
Marketing services			**85,620**		69,301
Salaries and support services	*18*		**1,648,919**		1,723,107
Share-based compensation	*16, 18*		**442,877**		79,107
Travel			**47,902**		21,579
			3,508,917		2,782,252
Loss from Other Operations			**(3,408,781)**		(2,694,252)
Operating Loss Before the Following		**$**	**(2,510,760)**	$	(5,073,759)
Other income			**8,757**		59,504
Marketable securities fair value adjustment	*7*		**(194,521)**		(9,718)
Net loss before income tax			**(2,696,524)**		(5,023,973)
Income tax expense	*17*		**(134,921)**		-
Net Loss and Comprehensive Loss for the Year		**$**	**(2,831,445)**	$	(5,023,973)
Basic and Diluted Loss per Share		**$**	**(0.02)**	$	(0.04)
Basic and Diluted Weighted Average Number of Shares Outstanding			**177,351,807**		118,006,464

**See Note 3 - Change in Accounting Policy*

The accompanying notes are an integral part of these consolidated financial statements.

OROGEN ROYALTIES INC.

Consolidated Statements of Cash Flows
Year Ended December 31,
(Expressed in Canadian Dollars)

	Note	Years Ended December 31, 2021	2020*
Cash Flows Used in Operating Activities			
Net loss		**$ (2,831,445)**	$ (5,023,973)
Add (deduct) items not involving cash:			
Depreciation	*9*	**186,999**	168,047
Loss on marketable securities	*7*	**194,521**	9,718
Unrealized foreign exchange gain		**(26,848)**	(88,996)
Gain from JV activities		**(185,099)**	(183,784)
Write-off mineral property acquisition costs	*12*	**1,403,648**	1,600,817
Acquisition of foreign subsidiary		**-**	(42,853)
Provision for environmental rehabilitation		**-**	(5,306)
Income tax expense		**134,921**	-
Shares received as option payment		**(1,690,826)**	(35,000)
Share-based compensation	*16*	**442,877**	79,107
		(2,371,252)	(3,522,223)
Net change in non-cash working capital balances related to operations:			
Accounts receivables		**(855,818)**	40,638
Prepaid expenses and deposits		**(53,909)**	8,720
Operating lease obligation		**(146,136)**	(93,461)
Accounts payable and accrued liabilities		**54,901**	(389,985)
Joint venture partner deposits		**(157,016)**	420,566
Net Cash Flows Used in Operating Activities		**(3,529,230)**	(3,535,745)
Cash Flows Provided By (Used In) Investing Activities			
Redemption (purchase) in short term investments		**2,036,696**	(1,107,921)
Redemption in marketable securities		**-**	28,800
Reclamation bond		**-**	(5,558)
Mineral property interests, net of recoveries	*11*	**51,753**	(253,496)
Purchase of property, plant and equipment	*9*	**(34,033)**	(77,584)
Cash Flows Provided By (Used In) Investing Activities		**2,054,416**	(1,415,759)
Cash Flows Provided By Financing Activities			
Cash acquired from the acquisition of Renaissance Gold Inc.	*4*	-	4,403,344
Acquisition of foreign subsidiary		-	(19,346)
Proceeds from exercise of warrants	*16*	-	112,319
Proceeds from exercise of stock options	*16*	**718,098**	477,120
Net Cash Flow Provided by Financing Activities		**718,098**	4,973,437
Effects of foreign currency translation on cash and cash equivalents		**14,480**	48,198
Increase (Decrease) in Cash and Cash Equivalents		**(742,236)**	70,131
Cash and Cash Equivalents, Beginning of the Year		**3,617,103**	3,546,972
Cash and Cash Equivalents, End of the Year		**$ 2,874,867**	$ 3,617,103
Cash and cash equivalents are comprised of:			
Cash		**$ 2,398,708**	$ 1,275,072
Cash restricted for exploration		**415,013**	592,029
Short-term money market instruments		**61,146**	1,750,002
		$ 2,874,867	$ 3,617,103
Supplemental Cash Flow Information:			
Interest received		**$ 100,136**	$ 88,000
Net marketable securities received on property option payments		**$ 1,690,826**	$ 44,382
Shares issued for property acquisition		**$ 35,000**	$ 42,874,725

**See Note 3 - Change in Accounting Policy*

The accompanying notes are an integral part of these consolidated financial statements.

OROGEN ROYALTIES INC.

Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

		Share Capital				
	Note	**Shares**	**Amount**	**Contributed surplus**	**Accumulated deficit**	**Shareholders' Equity**
Balance, December 31, 2019*		**85,295,817**	**$ 27,517,214**	**$ 913,625**	**$ (17,583,934)**	**$ 10,846,905**
Share issued under the Plan of Arrangement	*4*	86,808,513	42,874,725	2,960,238	-	45,834,963
Stock option exercise	*16*	2,246,671	689,804	(212,684)	-	477,120
Share-based compensation	*16*	-	-	151,469	-	151,469
Warrant exercise	*16*	291,283	143,456	(31,137)	-	112,319
Reallocation of forfeited options	*16*	-	-	(72,362)	-	(72,362)
Reallocation of forfeited warrants	*16*	-	-	(234,136)	234,136	-
Net loss and comprehensive loss		-	-	-	(5,023,973)	(5,023,973)
Balance, December 31, 2020*		**174,642,284**	**$ 71,225,199**	**$ 3,475,013**	**$ (22,373,771)**	**$ 52,326,441**
Stock option exercise	*16*	3,337,849	1,043,246	(325,148)	-	718,098
Share-based compensation	*16*	-	-	539,223	-	539,223
Reallocation of forfeited options	*16*	-	-	(96,346)	-	(96,346)
Property acquisition	*11*	100,000	35,000	-	-	35,000
Net loss and comprehensive loss		-	-	-	(2,831,445)	(2,831,445)
Balance, December 31, 2021		**178,080,133**	**$ 72,303,445**	**$ 3,592,742**	**$ (25,205,216)**	**$ 50,690,971**

**See Note 3 - Change in Accounting Policy*

1. NATURE OF OPERATIONS AND GOING CONCERN

Orogen Royalties Inc. (the "Company" or "Orogen"), is a royalty and mineral exploration company with a diverse portfolio of precious metal royalties and copper, gold and silver exploration projects in Canada, United States and Mexico. The Company has two business segments – mineral royalties and mineral exploration project generation. The Company also owns a geological database covering parts of Mexico, central Asia, South Pacific, western Canada and western United States.

Orogen uses the project generator business model and its projects, either acquired from other third parties or discovered through the Company's exploration programs, are advanced through option and/or joint venture agreements with industry partners to provide maximum exposure to exploration success. Mineral royalties and revenue are also generated from these option and/or joint venture arrangements.

The Company was incorporated on May 11, 2005 and is a reporting issuer in British Columbia, Alberta, Saskatchewan and Ontario. The shares of the Company commenced trading on the TSX Venture Exchange (the "Exchange") on January 25, 2011. On August 18, 2020, the Company acquired Renaissance Gold Inc. through a Plan of Arrangement (Note 4) under the Business Corporations Act (British Columbia) and was renamed Orogen Royalties Inc. The Company commenced trading on the Exchange under the symbol OGN on August 20, 2020.

The head office, principal registered, and records office of the Company are located at 1201 - 510 West Hastings Street, Vancouver, British Columbia, Canada, V6B 1L8.

These consolidated financial statements have been prepared on the basis that the Company is a going concern, which assumes that the Company will be able to continue in operations and contemplates the realization of its assets and the settlement of its liabilities in the normal course of operations. However, the Company has no significant source of recurring revenue, has experienced recurring losses over the past several fiscal years (2021 - $2,831,445; 2020 - $5,023,973) and has an accumulated deficit as at December 31, 2021 of $25,205,216 (December 31, 2020 - $22,373,771; January 1, 2020 - $17,583,934).

The Company's ability to continue as a going concern is dependent on its ability to obtain additional debt or equity financing to successfully advance its business plan. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

1. NATURE OF OPERATIONS AND GOING CONCERN (CONTINUED)

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally. Since COVID-19 vaccination programs began in early 2021, the Company's operations have generally returned to normal and the Company is pleased to report that COVID-19 did not have a significant impact on the Company's core business including its ability to generate and market mineral property and royalty assets as demonstrated by the number of transactions that were closed during the year in addition to operating two joint venture drill programs. As at December 31, 2021, most of the Company's earn-in option agreements with other partners are in good standing and the termination of earn-in agreements during the year were not due to the impact of COVID-19. However, due to the current development of new COVID-19 variants, the duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

2. STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

Except for cash flow information and financial instruments measured at fair value, these consolidated financial statements were prepared on a historical cost basis using the accrual basis of accounting.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

(a) Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and its subsidiaries (Evrim Exploration Canada Corp. ("EEC"), 1124798 B.C. Ltd., 1174610 B.C. Ltd., Evrim Resources (Barbados) Ltd., Minera Evrim, S.A. de C.V. ("Minera"), Servicios Mineros Orotac, S.A. de C.V. ("SMO"), Opata Resources, S.A. de C.V. ("Opata"), Minera Inmet Mexico S.A. de C.V. ("Inmet"), and Evrim Resources USA Inc. ("Evrim US"). As a result of the Arrangement on August 18, 2020, the Company acquired Renaissance and its subsidiaries including Renaissance Exploration Inc., and Kinetic Gold Corp. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commenced until the date that control ceases. Control is based on whether an investor has power over the investee and the ability to use its power over the investee to affect the value of returns. All significant intercompany transactions and balances have been eliminated.

(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (Continued)

	Place of incorporation	Proportion of ownership interest December 31, 2021	Proportion of ownership interest December 31, 2020	Principal activity
Evrim Exploration Canada Corp.	British Columbia	100%	100%	Mineral exploration
1124798 B.C. Ltd.	British Columbia	100%	100%	Mineral exploration
1174610 B.C. Ltd.	British Columbia	100%	100%	Holding company
Evrim Resources (Barbados) Ltd.	Barbados	100%	100%	Holding company
Minera Evrim, S.A. de C.V.	Sonora, Mexico	100%	100%	Mineral exploration
Servicios Mineros Orotac, S.A. de C.V.	Sonora, Mexico	100%	100%	Service company
Opata Resources, S.A. de C.V.	Sonora, Mexico	100%	100%	Mineral exploration
Minera Inmet Mexico S.A. de C.V.	Sonora, Mexico	100%	100%	Holding company
Evrim Resources USA Inc.	Nevada, USA	100%	100%	Mineral exploration
Renaissance Gold Inc.	British Columbia	100%	100%	Mineral exploration
Renaissance Exploration Inc.	Nevada, USA	100%	100%	Mineral exploration
Kinetic Gold Corp.	British Columbia	100%	100%	Holding company

(b) Use of estimates

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and further periods if the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(i) Share-based compensation

The fair value of share-based compensation is subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Use of estimates (Continued)

(ii) *Valuation of deferred tax assets* and liabilities

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

(iii) *Provision for environmental rehabilitation*

Under IFRS, provisions should be adjusted for changes in the discount rate. The Company has chosen not to discount the provision for environmental rehabilitation, as the amounts are not significant.

(iv) *Leases*

Management uses estimation in determining the incremental borrowing rate used to measure the lease liability, specific to the asset, underlying currency and geographic location. Future lease payments can arise from a change in an index or borrowing rate, if there is a change in the Company's estimate of the expected payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right of use (“ROU”) asset, or is recorded to the statement of loss if the carrying amount of the ROU asset has been reduced to zero.

(v) *Impairment*

After ownership of mineral property interests and royalty assets are established, acquisition, geological, exploration, and early-stage project generation costs incurred directly by the Company are capitalized on a property-by-property basis until the property is placed into production, sold, allowed to lapse or abandoned. The Company conducts impairment tests at the end of each reporting period to determine the future economic and commercial benefit of the project. Where an indicator of impairment exists, the carrying cost is reduced to the recoverable amount and an impairment expense is recognized in profit or loss. Since the Company’s mineral property interests are generally early stage, unless fair value can be established, recoverable amount is generally nil and impairment expense, when recognized, is the carrying costs.

(c) Critical Accounting Judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Critical Accounting Judgments (Continued)

(i) Determination of functional currency

Several factors were considered in making the judgment that the primary economic environment for the Company and all subsidiaries is the Canadian dollar ("CAD"). The Mexican and US subsidiaries are not self-sustaining and require significant resources provided by Orogen. Orogen raises these funds by issuing shares in Canadian dollars. In addition, majority of the option or joint venture agreements are denominated in either Canadian or US dollars.

(ii) Future taxable profits

Determination of the likelihood of future taxable profits to enable use of deferred tax assets requires consideration of current corporate strategies and likely outcomes with respect to taxable income. Present factors do not support the probability of deferred tax assets being recovered.

(iii) Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year as they fall due involves judgment based on historical experience and other factors including the expectation of future events that are believed to be reasonable under the circumstances. Management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern exist.

(iv) Right-of-use assets and lease liability

The Company applies judgment in determining whether the contract contains an identified asset, whether they have the right to control the asset and the lease term and if liability exist at the time of the inception of the contract. The lease term is based on considering facts and circumstances, both qualitative and quantitative, that can create an economic incentive to exercise renewal options. Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option as well as determining when the liability on a contract exists.

(v) Recoverability of accounts receivables

The Company records an allowance for bad debts related to accounts receivable considered to be uncollectable. The allowance is based on the Company's knowledge of the financial condition of its royalty asset operators, joint venture partners, the aging of the receivables, the current business environment and historical experience. A change to those factors could impact the estimated allowance for bad debts.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Critical Accounting Judgments (Continued)

(vi) Capitalization of eligible mineral property interests costs

After obtaining ownership, all acquisition, geological, and exploration costs incurred directly by the Company are capitalized on a property-by-property basis. When a property interest is acquired under an option agreement, where payments are made at the sole discretion of the Company, the acquisition cost is capitalized at the time of payment. Acquisition cost may include cash consideration and/or deemed value of common shares, issued for property interests pursuant to the terms of the agreement.

Option payments received from earn-in agreements, including cash and common shares, cash reimbursements received from partners, and other recoveries on joint venture projects and alliances are treated as a reduction of the carrying value of the related mineral property until the payments are in excess of carrying value, at which time they are then credited to profit or loss.

Government grants are recognized when received/receivable. When the Company is entitled to refundable mineral exploration tax credits or incentive grants, these amounts are recorded as a reduction to carrying value of the mineral property interest. When the Company is entitled to non-refundable exploration tax credits, a deferred income tax benefit is recognized if it is probable that they can be used to reduce future taxable income.

(vii) Impairment of mineral properties

The Company conducts impairment tests at the end of each reporting period to determine the future economic and commercial benefit of its mineral resource properties and royalty assets. Changes in conditions may give rise to significant impairment charges or reversals of impairment in a particular year. Where an indicator of impairment exists, an estimate of the recoverable amount is made, which is the higher of the fair value less costs to sell and value in use. Determining the value in use requires the use of estimates and assumptions including commodity price forecasts, initial and sustaining capital requirements, future operating performance, and discount rate. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. If the recoverable amount of the mineral property is less than its carrying value, the carrying value is reduced to the recoverable amount and an impairment expense is recognized in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Critical Accounting Judgments (Continued)

(viii) Business combinations

Determination of whether a set of assets acquired and liabilities assumed constitute the acquisition of a business or asset, management considers the following parameters in addition to assets acquired and liabilities assumed necessary to constitute a business as defined in IFRS 3 *Business Combinations*:

- Inputs include all non-current assets and especially title and interest to all mineral assets;
- Processes include all systems and processes of the acquired business; and
- Output intended is advancing mineral property projects and developing royalties and other value from them.

(d) Presentation and functional currency

The Company's presentation currency is the CAD. The functional currency of Orogen and its subsidiaries is the CAD.

(e) Foreign currency translation

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the period-end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical exchange rate on the date of the transaction. Non-monetary assets and liabilities that are stated at fair value are translated using the historical exchange rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

(f) Revenue recognition

The Company records revenue from royalty interests, option and earn-in payments from joint venture agreements, joint venture management fees, and sale of mineral properties in accordance with the five-step model in IFRS 15 *Revenue from Contracts with Customers* as follows:

(i) Identify the contract with a customer;
(ii) Identify the performance obligation in the contract;
(iii) Determine the transaction price, which is the total consideration provided by the customer;
(iv) Allocate transaction price among the performance obligations in the contract based on their relative fair values; and

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Revenue recognition (Continued)

(v) Recognize revenue when the relevant criteria are met for each performance obligation.

Revenues from sale of mineral property interests and joint venture management fees are recognized when all the performance obligations identified in the agreements are satisfied.

Revenues from option proceeds are recognized when received. Option proceeds are initially recorded against the capitalized asset value and any excess is recognized in revenue.

Royalty revenues are derived from royalty interests and are based on the extraction and sale of precious and base minerals and metals. Royalty revenue is recognized when the sale of goods, net of all smelting charges, are settled with the operator and are accrued in the period when the precious and base minerals and metals are produced.

(g) Share-based compensation

The Company may grant stock options to buy common shares of the Company to directors, officers, employees and non-employees. The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period for employees using the graded vesting method. Fair value of share-based payments for non-employees is recognized and measured at the date the goods or services are received and is based on the fair value of the goods or services received or the fair value of the equity instruments issued if this is a more reliable measure. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as an expense is adjusted to reflect the number of stock options expected to vest. Charges for options that are forfeited before vesting are reversed from share-based payment reserve. For options that expire or are forfeited after the vesting, the recorded value remains in share-based payment reserve.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Income taxes

Income tax consists of current and deferred tax expense. Income tax expense is recognized in profit or loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regard to previous years.

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(i) Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share, except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting period.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank deposits and highly liquid investments with an original maturity of three months or less.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Property, plant and equipment

Property, plant and equipment is recorded at cost less accumulated depreciation and impairment losses. These assets are depreciated using the declining balance method. Where an item of property, plant and equipment is comprised of significant components with different useful lives, the components are accounted for as separate items of property, plant and equipment. The depreciation method, useful life and residual values are assessed annually.

The costs of day-to-day servicing are recognized in profit or loss as incurred. These costs are more commonly referred to as “maintenance and repairs”.

Depreciation rates applied to declining balances are as follows:

Computer equipment	33%
Computer software	50%
Field equipment	20%
Mobile equipment (trucks)	40%
Office equipment and furniture	20%
Leasehold improvements	17%

(l) Mineral property interests

The Company’s mineral property interests are comprised of mineral properties developed through the Company’s prospect generation operations or rights to ownership that the Company can earn through cash or share payments, incurring exploration expenditures or combinations thereof through earn-in agreements with the underlying property owner(s).

Early-stage acquisition and project generation costs incurred through the Company’s prospect generation operations prior to obtaining ownership, or right to explore a property, are expensed as incurred. After obtaining ownership, all acquisition, geological, and exploration costs incurred directly by the Company are capitalized on a property-by-property basis. When a property interest is acquired under an option agreement, where payments are made at the sole discretion of the Company, the acquisition cost is capitalized at the time of payment. Acquisition cost may include cash consideration and/or deemed value of common shares, issued for property interests pursuant to the terms of the agreement.

Government grants are recognized when received/receivable. When the Company is entitled to refundable mineral exploration tax credits or incentive grants, these amounts are recorded as a reduction to carrying value of the mineral property interest. When the Company is entitled to non-refundable exploration tax credits, a deferred income tax benefit is recognized if it is probable that they can be used to reduce future taxable income.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Mineral property interests (Continued)

Option payments received from earn-in agreements, including cash and common shares, cash reimbursements received from partners, and other recoveries on joint venture projects and alliances are treated as a reduction of the carrying value of the related mineral property until the payments are in excess of carrying value, at which time they are then credited to profit or loss.

Management fees on joint venture projects and considerations received from mineral properties sold, including cash and common shares received, are recorded as income at the time of receipt and the related carrying values of the mineral properties are expensed accordingly.

The Company assesses for indicators of impairment at the end of each reporting period. Where an indicator of impairment exists, the carrying cost is reduced to the recoverable amount and an impairment expense is recognized in profit or loss.

(m) Financial instruments

Financial assets

<u>Initial recognition and measurement</u>

A financial asset is measured initially at fair value plus transaction costs that are directly attributable to its acquisition or issue. On initial recognition, a financial asset is classified as measured at amortized cost or fair value through profit or loss. A financial asset is measured at amortized cost if it meets the conditions that:

(i) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows;
(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
(iii) Is not designated as fair value through profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Financial instruments (Continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets measured at fair value through profit and loss are carried in the consolidated statement of financial position at fair value with changes in fair value therein, recognized in the consolidated statement of loss and comprehensive loss.

Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost, using the effective interest method and net of any impairment allowance, if:

(i) The asset is held within a business whose objective is to hold assets in order to collect contractual cash flows; and
(ii) The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest.

Derecognition

A financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets is derecognized when:

(i) The contractual rights to receive cash flows from the asset have expired; or
(ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest-related charges are reported in profit or loss within interest expense, if applicable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Financial instruments (Continued)

Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements.

The levels of the fair value hierarchy are defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 - Inputs for assets or liabilities that are not based on observable market data.

(n) Environmental rehabilitation

The Company records a liability based on the best estimate of costs for site closure and reclamation activities that the Company is legally or constructively required to remediate. This liability is recognized at the time the environmental disturbance occurs. The provision for reclamation liabilities is estimated using expected cash flows for third party environmental rehabilitation. The estimated cash flow has not been discounted since the amount of the discount would not be significant.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements and assumptions regarding the amount of the future expenditures. These changes are recorded directly as an accretion adjustment with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, effects of inflation and changes in estimates. Changes are charged to profit or loss for the period.

Restoration expense arising from subsequent environmental disturbance, which is incurred on an ongoing basis during exploration, is charged to exploration expenditures as incurred. The costs of reclamation that were included in the rehabilitation provision are recorded against the provision as incurred.

(o) Reclamation bonds

Reclamation bonds are recorded at amortized cost and held by government agencies.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Share capital

The Company records proceeds from share issuances net of issue costs. Common shares issued for consideration other than cash are valued based on their market value at the date of issuance. Proceeds from the issuance of units are allocated between common shares and share purchase warrants on a residual value basis, wherein the fair value of the common shares is based on the market value on the date of announcement of the placement and the balance, if any, is allocated to the attached warrants.

(q) IFRS 16 *Leases*

At the inception of a contract, the Company assess whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) The contract involves the use of an identified asset, either explicitly or implicitly, including consideration of supplier substitution rights;
(ii) The Company has the right to obtain substantially all the economic benefits from the use of the asset throughout the period of use; and
(iii) The Company has the right to direct the use of the asset.

The ROU asset is initially measured based on the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received. The ROU asset is depreciated to the end-of-the-useful-life or the lease term, whichever comes earlier. The Company uses either the straight-line or units-of-production method, depending on which method more accurately reflects the expected pattern of consumption of the future economic benefits. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise the option. The ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortized cost using the effective interest method and remeasured when there is a change in future lease payments.

Future lease payments can arise from a change in an index or borrowing rate, if there is a change in the Company's estimate of the expected payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded to the statement of loss if the carrying amount of the ROU asset has been reduced to zero.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is an indication that the assets are impaired. For mineral properties, the Company considers the following indicators of impairment:

(i) Whether the period for which the Company has the right to explore has expired in the period or will expire in the near future, and is not expected to be renewed;
(ii) Substantive exploration expenditures are neither planned nor budgeted;
(iii) Lack of commercial interest or opportunities on the project over a period of time;
(iv) Exploration activities have not yield to discovery of commercially viable mineral resource and activities are discontinued;
(v) The carrying amount of the mineral asset is unlikely to be recovered in full from sale, joint venture or earn-in arrangements; and
(vi) Other factors including significant drop in metal prices or deterioration of availability of equity financing.

Where an indicator of impairment exists, an estimate of the recoverable amount is made, which is the higher of the fair value less costs to sell and value in use. Determining the value in use requires the use of estimates and assumptions including commodity price forecasts, initial and sustaining capital requirements, future operating performance, and discount rate. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. If the recoverable amount of the mineral property is less than its carrying value, the carrying value is reduced to the recoverable amount and an impairment expense is recognized in profit or loss.

(s) Change in accounting policy

Effective January 1, 2021, the Company changed its accounting policy related to acquisition and exploration costs of its mineral property interests. Previously, the Company accounts for its mineral property interests by charging all acquisition and exploration costs to operations as incurred and crediting all property sales and option proceeds to operations. When the existence of a mineral reserve on a property has been established, future acquisition, exploration and development costs will be capitalized for that property, then amortized using the unit-of-production method following commencement of production.

The Company will continue to expense early-stage acquisition and project generation costs incurred through the Company's prospect generation operations prior to obtaining ownership; however, after obtaining ownership, all acquisition, geological, and exploration costs incurred directly by the Company are capitalized on a property-by-property basis.

The change in policy has been made to more appropriately disclose the operations of the Company and the value of its mineral properties.

(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Change in accounting policy (Continued)

The impact of the change in policy has been applied retrospectively in these consolidated financial statements and the summary of the impact of these changes is disclosed below:

Summary of Impact on the Prior Year Statement of Financial Position

As at December 31, 2020	**Note**	**As Reported**	**Adjustments**	**As Restated**
Mineral property interests	(i), (ii)	$ -	$ 41,442,268	$ 41,442,268
Total Non-current Assets		637,107	41,442,268	42,079,375
Total Assets		11,929,775	41,442,268	53,372,043
Accumulated deficit	(i), (ii)	(63,816,039)	41,442,268	(22,373,771)
Total Shareholders' Equity		10,884,173	41,442,268	52,326,441
Total Liabilities and Shareholders' Equity		$ 11,929,775	$ 41,442,268	$ 53,372,043

As at January 1, 2020		**As Reported**	**Adjustments**	**As Restated**
Mineral property interests	(ii)	$ -	$ 868,802	$ 868,802
Total Non-current Assets		411,175	868,802	1,279,977
Total Assets		10,446,187	868,802	11,314,989
Accumulated deficit	(ii)	(18,452,736)	868,802	(17,583,934)
Total Shareholders' Equity		9,978,103	868,802	10,846,905
Total Liabilities and Shareholders' Equity		$ 10,446,187	$ 868,802	$ 11,314,989

Summary of Impact on Pior Year Consolidated Statements of Loss and Comprehensive Loss

For the Year Ended December 31, 2020		**As Reported**	**Adjustments**	**As Restated**
Option proceeds	(i)	$ (239,581)	$ 232,855	$ (6,726)
Acquisition expenditures	(i)	42,103,466	(41,737,004)	366,462
Exploration expenditures	(i)	1,107,212	(486,350)	620,862
Write-off mineral property acquisition costs	(i)	-	1,600,817	1,600,817
Gain from JV activities	(i)	-	(183,784)	(183,784)
Net Loss and Comprehensive Loss for the Year		$ 45,597,439	$ (40,573,466)	$ 5,023,973
Basic and Diluted Loss per Share		$ 0.39	$ (0.43)	$ (0.04)
Basic and Diluted Weighted Average Number of Shares Outstanding		118,006,464	-	118,006,464

(i) *Capitalized $41,737,004 of acquisition expenses, mostly related to mineral property assets acquired through the Plan of Arrangement and $486,350 in exploration expenses. Impairment of $1,600,817 for mineral property assets was also recognized for the year ended December 31, 2020. Proceeds from option payments of $232,855 were also capitalized to mineral property assets. A gain of $183,784 was recognized for recoveries were greater than carrying costs on mineral properties.*

(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Change in accounting policy (Continued)

(ii) Capitalized $868,802 in mineral property interests related acquisition and exploration expenses incurred prior to January 1, 2020.

Summary of Impact on Prior Year Consolidated Statements of Cash Flows

	As Reported	Adjustments	As Restated
Net Cash Flows Used in Operating Activities	$ (3,789,241)	$ 253,496	$ (3,535,745)
Cash Flows Used In Investing Activities	(1,162,262)	(253,497)	(1,415,759)
Net Cash Flow Provided by Financing Activities	4,973,437	-	4,973,437
Increase in Cash and Cash Equivalents	$ 70,131	$ -	$ 70,131
Cash and Cash Equivalents, Beginning of the Year	$ 3,546,972	$ -	$ 3,546,972
Cash and Cash Equivalents, End of the Year	**$ 3,617,103**	**$ -**	**$ 3,617,103**

Summary of Impact on Prior Year Statement of Change in Equity

	Accumulated Deficit		
	As Reported	**Adjustments**	**As Restated**
Balance as at January 1, 2020	$ (18,452,736)	$ 868,802	$ (17,583,934)
Net Loss and Comprehensive Loss for the Year	(45,597,439)	40,573,466	(5,023,973)
Balance as at December 31, 2020	$ (63,816,039)	$ 41,442,268	$ (22,373,771)

	Total Shareholders' Equity		
	As Reported	**Adjustments**	**As Restated**
Balance as at January 1, 2020	$ 9,978,103	$ 868,802	$ 10,846,905
Net Loss and Comprehensive Loss for the Year	(45,597,439)	40,573,466	(5,023,973)
Balance as at December 31, 2020	$ 10,884,173	$ 41,442,268	$ 52,326,441

4. PLAN OF ARRANGEMENT

On June 9, 2020, the Company entered into a friendly merger of equals transaction with Renaissance, a company listed on the Exchange under the symbol REN. The transaction was completed through a Plan of Arrangement (the “Arrangement”) on August 18, 2020, whereby the Company acquired Renaissance. Renaissance shareholders exchanged all issued and outstanding common shares, options and warrants at a ratio of one (1) common share, option, or warrant for 1.2448 (the “Exchange Ratio”) common shares, options or warrants of the Company.

As a result, the Company issued 86,808,513 common shares with a total fair value of $42,874,725 or $0.49 per share. In addition, the Company issued 6,486,152 replacement stock options and 23,283,387 replacement warrants.

(Expressed in Canadian Dollars)

4. PLAN OF ARRANGEMENT (CONTINUED)

The total consideration for acquiring a 100% interest in Renaissance was $45,834,963. For accounting purposes, the acquisition has been recorded as an asset acquisition as Renaissance did not meet the definition of a business, as defined in IFRS 3 *Business Combination*, as it did not have substantive processes or outputs. Accordingly, the Company applied the principles of IFRS 6 *Exploration for Evaluation of Mineral Resources* and IFRS 2 *Share-based Payment* in accounting for the acquisition.

The identifiable assets and liabilities of Renaissance as of August 18, 2020 were as follows:

Assets Acquired		
Cash and cash equivalents	$	4,714,526
Marketable securities		9,382
Amounts receivable		30,815
Prepaid expenses and deposits		25,284
Equipment		40,658
Mineral property interests		41,701,004
Reclamation bond		28,322
Right of use assets		205,079
		46,755,070
Liabilities Assumed		
Accounts payable and accrued liabilities		(320,515)
Current operating lease liabilities		(102,721)
Joint venture partner deposits		(80,105)
Long term operating lease liabilities		(105,585)
		(608,926)
Net Assets Acquired	**$**	**46,146,144**
Consideration		
Orogen shares issued (86,808,513)		42,874,725
Orogen options issued (6,486,152)		471,606
Orogen warrants issued (23,283,387)		2,486,589
Orogen finders' warrants issued (18,672)		2,043
Total Equity Consideration	**$**	**45,834,963**
Transaction cost		311,181
Total Cost of Acquisition	**$**	**46,146,144**

(Expressed in Canadian Dollars)

5. CAPITAL MANAGEMENT

The capital structure of the Company consists of equity attributable to common shareholders comprising share capital, contributed surplus and accumulated deficit. The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern and enable it to provide shareholder returns and benefits for all stakeholders in the development of its mineral property interests. These objectives remain unchanged from previous years.

The Company manages and adjusts its capital structure in response to changes in the risk characteristics of its underlying assets and/or changes in economic conditions. To maintain or adjust the capital structure, the Company may issue new shares or other equity instruments. The Company is not subject to externally imposed capital requirements.

6. CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

Cash and cash equivalents include $2,813,721 (December 31, 2020 - $1,867,101; January 1, 2020 - $762,972) in the operating bank accounts and $61,146 (December 31, 2020 - $1,750,002; January 1, 2020 - $2,750,000) of short term guaranteed investment certificates ("GICs") that are cashable within six months. As of December 31, 2021, $435,013 of cash and cash equivalents were restricted for exploration expenditures (December 31, 2020 - $592,029; January 1, 2020 - $91,358).

Short-term investments include $5,130,030 (December 31, 2020 - $7,166,726; January 1, 2020 - $6,058,805) of GICs with maturities ranging from six to twenty-four months earning interest from 1.50% to 2.03% (December 31, 2020 – 1.00% to 1.60%; January 1, 2020 – 2.05% to 2.25%).

7. MARKETABLE SECURITIES

During the year ended December 31, 2021, the Company returned 149,573 common shares to Golden Ridge with deemed fair value of $22,436 upon the cancellation of the Ball Creek option agreement. The Company also received common shares with a total fair value of $1,713,262 from Kodiak Copper Corp., Eminent Gold Corp., and Stampede Metals Corp. as a result of exploration property dispositions and/or option agreements completed during the year (Note 11).

Fair value as at January 1, 2020	$	43,000
Shares acquired through the Arrangement		9,382
Shares sold		(24,000)
Shares received – Golden Ridge Resources Ltd.		35,000
Fair value adjustment		(9,718)
Fair value as at December 31, 2020	$	53,664
Shares returned to Golden Ridge Resources Ltd.		(22,436)
Shares received- Kodiak Copper Corp.		1,472,500
Shares received- Eminent Gold Corp.		45,000
Shares received- Stampede Metals Corp.		195,762
Fair value adjustment		(194,521)
Foreign exchange gain		3,054
Fair value as at December 31, 2021	**$**	**1,553,024**

(Expressed in Canadian Dollars)

8. AMOUNTS RECEIVABLE

	December 31, 2021	December 31, 2020	January 1, 2020
Trade receivables	**$ 904,771**	$ 98,854	$ -
Other receivables	**-**	-	43,395
Current tax receivables	**349,974**	300,073	303,156
	$ 1,254,745	$ 398,927	$ 346,551

All receivables are current (less than 30 days) except for the current tax receivable of which $349,974 (December 31, 2020 - $300,073; January 1, 2020 - $303,156) is between 90 to 180 days.

(Expressed in Canadian Dollars)

9. PROPERTY, PLANT AND EQUIPMENT

Cost		Computer Equipment and Software		Field Equipment		Leasehold Improvements		Mobile Equipment		Office Equipment and Furniture		Right-of-use Assets		Total
Balance as at January 1, 2020	$	321,622	$	26,317	$	16,995	$	29,668	$	31,975	$	254,747	$	681,324
Acquisitions (Dispositions)		87,165		104,115		-		3,716		71,783		317,960		584,739
Balance as at December 31, 2020	$	408,787	$	130,432	$	16,995	$	33,384	$	103,758	$	572,707	$	1,266,063
Acquisitions (Dispositions)		(1,609)		(96,857)		-		-		(41,733)		54,365		(85,834)
Balance as at December 31, 2021	**$**	**407,178**	**$**	**33,575**	**$**	**16,995**	**$**	**33,384**	**$**	**62,025**	**$**	**627,072**	**$**	**1,180,229**
Accumulated Depreciation														
Balance as at January 1, 2020	$	(280,333)	$	(23,949)	$	(16,995)	$	(29,668)	$	(25,694)	$	(66,844)	$	(443,483)
Depreciation		(74,895)		(95,907)		-		17,171		(49,839)		(189,217)		(392,687)
Balance as at December 31, 2020	$	(355,228)	$	(119,856)	$	(16,995)	$	(12,497)	$	(75,533)	$	(256,061)	$	(836,170)
Disposition		33,383		89,039		-		-		41,477		-		163,899
Depreciation		(24,116)		(2,758)		-		(7,632)		(4,516)		(147,977)		(186,999)
Balance as at December 31, 2021	**$**	**(345,961)**	**$**	**(33,575)**	**$**	**(16,995)**	**$**	**(20,129)**	**$**	**(38,572)**	**$**	**(404,038)**	**$**	**(859,270)**
Carrying amounts														
December 31, 2020	$	53,559	$	10,576	$	-	$	20,887	$	28,225	$	316,646	$	429,893
December 31, 2021	**$**	**61,217**	**$**	**-**	**$**	**-**	**$**	**13,255**	**$**	**23,453**	**$**	**223,034**	**$**	**320,959**

(Expressed in Canadian Dollars)

10. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Company has lease agreements which qualifies for reporting under IFRS 16 *Leases*. The continuity of the ROU assets and lease liabilities for years ended December 31, 2021 and 2020 is as follows:

Right-of-Use Assets		
Value of right-of-use assets, January 1, 2020	$	187,903
Addition		317,960
Depreciation		(189,217)
Value of right-of-use assets, December 31, 2020	$	316,646
Addition		54,365
Depreciation		(147,977)
Value of right-of-use assets, December 31, 2021	**$**	**223,034**

Lease Liabilities		
Lease liabilities, January 1, 2020	$	181,512
Beginning balance adjustment		23,634
Addition		221,450
Lease payments		(93,461)
Lease liabilities, December 31, 2020	$	333,135
Addition		173,087
Disposition		(130,790)
Lease payments		(146,136)
Lease liabilities, December 31, 2021	**$**	**229,296**

Lease Liabilities		**December 31, 2021**		December 31, 2020		January 1, 2020
Current portion	**$**	**66,903**	$	155,317	$	58,331
Long-term portion		**162,393**		177,818		123,181
	$	**229,296**	$	333,135	$	181,512

11. MINERAL PROPERTY INTERESTS

Exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable operations. Many of the Company's mineral property interests are located outside of Canada and are subject to the risks associated with foreign investment, including increases in taxes and royalties, renegotiations of contracts, currency exchange fluctuations and political uncertainty. 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, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements. These risks are not unique to foreign jurisdictions and apply equally to the Company's property interests in Canada.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

The Company reports the following property updates and changes that took place during the year ended December 31, 2021. Refer to the Management's Discussion and Analysis for the year ended December 31, 2021 for a complete disclosure of the Company's properties.

Mexico

I. **Ermitaño**: the project is located in Sonora, Mexico.

(a) *Sale Agreement:* In September 2018, the Company transferred 100% of its interest in the property to First Majestic Silver Corp. ("First Majestic") for US$1,000,000 subject to a 2.0% NSR royalty.

(b) *Royalty Revenue:* the Company recognized $609,288 (2020 - $nil) in royalty revenue generated from the Ermitaño project that commenced production in November 2021.

II. **Sarape:** In August 2017, the Company announced the acquisition of the Sarape gold-silver project in central Sonora, Mexico. Sarape was identified through the Company's generative programs with reconnaissance exploration completed in early 2017. The project is 100% owned by the Company.

(a) *Option Agreement:* On August 25, 2020, the Company optioned the Sarape project to Hochschild Mining PLC ("Hochschild"). Hochschild can earn a 100% interest in the project by making staged cash payments of US$5.35 million and incurring exploration expenditures of US$5.0 million over a five-year period per the following schedule:

	Cash payment (US$)	**Status**	**Minimum cumulative work expenditure (US$)**	**Status**
August 25, 2020	$50,000	*Received*	-	
August 25, 2021 (1st anniversary)	$50,000	-	-	*Agreement terminated- September 19, 2021*
February 25, 2022 (18 months)	-		$500,000	*Terminated*
August 25, 2022 (2nd anniversary)	$50,000		-	*Terminated*
August 25, 2023 (3rd anniversary)	$100,000		$2,000,000	*Terminated*
August 25, 2024 (4th anniversary)	$100,000		$3,000,000	*Terminated*
August 25, 2025 (5th anniversary)	$5,000,000		$5,000,000	*Terminated*
Total	**$5,350,000**			

Upon earn in, the Company will retain a 3.0% NSR royalty of which 1.0% can be repurchased for US$2.0 million.
On September 19, 2021, the option agreement with Hochschild was terminated.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

Canada

I. **Ball Creek**: the property is in northwest British Columbia.

(a) *Acquisition Agreement:* On April 20, 2015, the Company acquired a 100% interest in the Ball Creek property from LUFF Enterprises Ltd. (formerly Ascent Industries Corp. and Paget Minerals Corp.) Preexisting encumbrances payable to Sandstorm Gold Royalties ("Sandstorm") include:

- 2.0% net smelter return ("NSR") royalty payable to Sandstorm and the Company has an option to repurchase 1.0% of the NSR royalty for $1.0 million;
- $1.0 million payable to Sandstorm upon announcement of a measured or indicated mineral resource estimate (NI 43-101 compliant) of at least 1.0 million oz gold equivalent resource; and
- $3.0 million payable to Sandstorm on a positive NI 43-101 compliant Feasibility Study.

To earn a 100% interest, the Company is required to make the following payments:

- $150,000 upon closing of the agreement (paid);
- If the Company enters into an option agreement whereby the Company would receive payments related to the property at any time within the four years following the date of the agreement, the Company will be required to pay additional consideration of 40% of payments received during the first year, 30% of payments received during the second year, 20% of payments received during the third year and 10% of payments received during the fourth year; and
- Milestone share payments (or cash equivalent at the Company's election) of:

	Share or cash equivalent payments	**Status**
Signing	100,000	*Issued- 2017*
Completion of 10,000 metres of drilling	250,000	*Agreement terminated- December 12, 2020*
Announcement of M&I Resource Estimate of at least 500 million tonnes at grade of at least 0.50% copper equivalent	400,000	-
Completion of a NI 43-101 Feasibility Study	500,000	-
Total Shares	**1,250,000**	

Both the Company and LUFF are each entitled to 50% of the existing bond in place, with the Company's share being $20,000.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

Canada (Continued)

I. **Ball Creek** (Continued):

(a) *Acquisition Agreement (Continued):*

On December 12, 2020, the Company terminated the agreement with LUFF and paid $20,000 in consideration to acquire 100% interest in Ball Creek. The Company has no further obligation to LUFF and retains 100% interest in the Ball Creek property.

(b) *Option Agreement:* on July 9, 2019, the Company entered into an option agreement with Golden Ridge Resources Ltd. ("Golden Ridge") on the Ball Creek project. Golden Ridge can earn an 80% interest in the Ball Creek project by issuing 1,000,000 Golden Ridge shares, making cash or cash equivalent share payments of up to $300,000, additional cash payments of up to $4.25 million, making a production decision supported by an NI 43-101 compliant Feasibility Study and providing evidence of project financing that is mutually acceptable to both parties in accordance with the Feasibility Study. The Company retains the right to purchase 1.0% of a pre-existing 2.0% NSR royalty for $1.0 million.

The following is the payment schedule per the option agreement:

	Cash or cash equivalent share payments	**Status**
Five business day from TSX Approval	1,000,000 (shares)	*Received*
July 9, 2020- 2025 (1st to 6th anniversary)	$50,000 cash or cash equivalent share payment/anniversary	*149,573 Common Shares Received*
July 9, 2026-2029 (7th to 10th anniversary)	$125,000 cash /anniversary	-
July 9, 2030- 2034 (11th to 15th anniversary)	$250,000 cash /anniversary	-
July 9, 2035- 2039 (16th to 20th anniversary)	$500,000 cash /anniversary	-

A portion of the first four years' share and cash payments will be subject to the purchase agreement with LUFF. The Company received 1,000,000 Golden Ridge shares of which 400,000 were transferred to LUFF.

On February 8, 2021, the Company and Golden Ridge terminated the option agreement. The Company paid a consideration of $15,000 and returned 149,573 Golden Ridge common shares with a deemed fair value of $22,436 to Golden Ridge.

11. MINERAL PROPERTY INTERESTS (CONTINUED)

Canada (Continued)

I. **Ball Creek** (Continued):

(b) *Option Agreement (Continued):*

The Company has placed a reclamation bond of $40,000 (2020 - $75,000) for the property.

II. **Axe**: the property is in south-central British Columbia.

(a) *Acquisition Agreement:* On December 6, 2016, the Company acquired a 100% interest in the Axe property from Nova Mentis Life Science Corp. ("Nova") (formerly Liberty Leaf Holdings Ltd.) and Bearclaw Capital Corp. ("Bearclaw"), subject to:

- 1.0% NSR royalty covering 21 claims and the Company has an option to repurchase the 1.0% NSR royalty for $1.5 million; and
- 2% NSR royalty on four separate claims and the Company has an option to repurchase 1.0% of the NSR royalty $1.0 million and the remaining 1.0% NSR royalty for $2 million.

To earn a 100% interest, the Company is required to make the following payments:

- $30,000 ($21,000 to Nova and $9,000 to Bearclaw) upon closing of the agreement (*paid*); and
- Share or cash equivalent payments at the Company's selection according to the following milestones:

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

Canada (Continued)

II. **Axe** (Continued):

(a) *Acquisition Agreement (*Continued):

	Share or cash equivalent payments	**Status**
Upon entering into a future option agreement	75,000	*Issued*
Upon entering into a future agreement to drill 5,000 metres	75,000	*Assigned to Kodiak Copper Corp. (“Kodiak”) whereby Kodiak will make a cash payment to the value of 75,000 common shares of the Company up to a maximum of $50,000.*
Upon announcement of a measured or indicated mineral resource estimate (NI 43-101 compliant) of at least 500 million tonnes at a grade of at least 0.40% copper equivalent	200,000	*Assigned to Kodiak whereby Kodiak will make a cash payment to the value of 200,000 common shares of the Company up to a maximum value of $150,000.*
Completion of a NI 43-101 compliant Feasibility Study	250,000	*Assigned to Kodiak whereby Kodiak will make a cash payment to the value of 250,000 common shares of the Company up to a maximum value of $200,000.*
Total Shares	**600,000**	

(b) *Sales Agreement:* On April 16, 2021, the Company sold the Axe project to Kodiak for consideration of 950,000 common shares of Kodiak for a deemed fair value of $1,472,500 and a 2.0% NSR royalty, of which 0.5% can be purchased for $2.0 million. Kodiak also assumes the remaining obligation owed to Nova and Bearclaw, up to certain limits (see part (a)), in accordance with the December 6, 2016 acquisition agreement.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

Canada (Continued)

II. **Lemon Lake:** is a copper-gold project located in south-central British Columbia.

(a) *Acquisition Agreement:* On October 4, 2018, the Company acquired a 100% interest in the Lemon Lake property from Metalogic Exploration Inc. The agreement was subsequently amended on February 17, 2021. To earn a 100% interest, the Company is required to make cash or share equivalent payments according to the following milestones:

	October 4, 2018 Agreement- cash or share equivalent payments	February 17, 2021, Amendment- cash or share equivalent payments	Status
Closing of agreement	$15,000	$15,000	*Paid*
Upon entering into a Future Option Agreement	$25,000	-	
February 18, 2022- On the 1st anniversary of the Acme option agreement	-	$7,500	*Paid*
February 18, 2023- On the 2nd anniversary of the Acme option agreement	-	$17,500	
Upon entering into an agreement to drill 10,000 metres	$25,000	$25,000	
Upon announcement of a M&I or inferred (NI 43-101 compliant) mineral resource estimate of at least 200,000,000 tons at a grade of at least 0.50% Copper Equivalent	$150,000	$150,000	
Upon decision to bring the property into commercial production	$500,000	$500,000	
Total	**$715,000**	**$715,000**	

The Company has placed a reclamation bond of $75,000 (2020 - $75,000) for the property.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

Canada (Continued)

III. **Lemon Lake** (Continued):

(b) *Option Agreement:* On February 18, 2021, the Company entered into an agreement with Acme Company Limited ("Acme"), a private British Columbia based company to option the Lemon Lake property. Acme can acquire a 100% interest in the Lemon Lake by making cash payments of $575,000 and work expenditures of $3.0 million over a five-year period according to the following schedule and granting a 1.0% NSR royalty to the Company:

	Option payments	**Status**	**Minimum work expenditure**	**Status**	**Milestone payments**	**Status**
On or before February 18, 2022 (1st anniversary)	-		$75,000		$7,500	*Received*
February 18, 2023 (2nd anniversary)	$10,000		$75,000		$17,500	
February 18, 2024 (3rd anniversary)	$65,000		$350,000		-	
February 18, 2025 (4th anniversary)	$100,000		$1,000,000		-	
February 18, 2025 (5th anniversary)	$400,000		$1,500,000		-	
Upon the completion of an aggregate of 10,000 metres of drilling as part of Mining Work	-		-		$25,000	
Upon the announcement of a measured or indicated mineral resource estimate of at least 200,000,000 tons at a grade of at least 0.50% Copper Equivalent	-		-		$150,000	
Upon the Optionee's decision to bring a mine on the Property into commercial production.	-		-		$500,000	
Total	**$575,000**		**$3,000,000**		**$700,000**	

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States

I. **Silicon:** The Silicon project is located in Bare Mountain mining district, Nye County, Nevada.

(a) *Acquisition Agreement:* On February 20, 2015, the Company entered into a royalty agreement with Altius (formerly Callinan Royalties Corporation) whereby the Company retained 100% ownership of the Silicon property, discovered through an alliance between the Company and Altius pursuant to an October 22, 2013 alliance agreement, for a 1.5% NSR royalty payable to Altius.

(b) *Sale Agreement:* On May 1, 2017, the Company entered into an option agreement with AngloGold Ashanti NA ("AngloGold") whereby AngloGold may acquire 100% interest in the Silicon project by making aggregate payments of US$3.0 million over three years. In addition, the 1.5% royalty obligation payable to Altius was transferred to AngloGold. The Company also retains a 1.0% NSR royalty on future production from the project. On June 3, 2020, AngloGold exercised its option to acquire 100% of the project by making the final payment of US$2.4 million.

(c) *Plan of Arrangement:* the Silicon project was added to the Company's portfolio of mineral property assets through the Arrangement (Note 4). Due to the advanced nature of the project, the balance of the purchase price premium of $36,602,063 was allocated to this project on acquisition.

II. **Jupiter:** The Jupiter project is located in Nye County, Nevada. The Company holds 100% interest in the project subject to a 1.0% NSR royalty to Altius.

(a) *Option Agreement*: On November 30, 2017, the Company entered into an earn-in agreement with Ramelius Resources Ltd. ("Ramelius"), whereby Ramelius can earn a 75% interest in the project by:

- Making a cash payment of US$25,000 upon signing the agreement (received); and
- Funding a total of US$3.0 million in exploration expenditures over a five-year period. If a production decision is made in respect of the project, the Company must either contribute to ongoing joint venture expenditures in proportion to its ownership interest, dilute to a royalty interest, or allow Ramelius to provide project financing for the Company, whereby Ramelius may increase its project interest to 80%.

On March 3, 2021, both the Company and Ramelius terminated the agreement.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States

III. **Spring Peak**: The Spring Peak project is located in Mineral County, Nevada.

(a) *Acquisition Agreement:* On January 20, 2012, as amended on September 5, 2013 and April 12, 2016, the Company entered into mineral lease and option to purchase agreements with Gregory J. Kuzma and Heidi A. Kuzma (the "Kuzma Lease"). The Company is required to make cash payments according to the following milestones:

	Cash payments (US$)	**Status**
January 20, 2012 (Execution Date)	$10,000	*Paid*
January 20, 2013 (1st anniversary)	$10,000	*Paid*
May 18, 2016- upon the execution of a 3rd party option agreement	$12,500	*Paid*
30 day after Permit Date- December 13, 2019	$20,000	*Paid*
February 7, 2019- upon the execution of the January 17, 2019 Option Agreement with OceanaGold (US) Inc.	$12,500	*Paid*
December 13, 2020- 1st anniversary of Permit Date*	$30,000	*Paid*
December 13, 2021- 2nd anniversary of Permit Date*	$40,000	*Assigned to Headwater Gold Inc.*
3rd -11th anniversaries of drill permit	$50,000/anniversary	*Assigned to Headwater Gold Inc.*
12th anniversary to termination	$60,000/ anniversary	*Assigned to Headwater Gold Inc.*

**The drill permit was received on December 13, 2019.*

The Company has the option to purchase the Spring Peak project for US$500,000 within one year following the completion of a technical report that documents a minimum 500,000-ounce gold equivalent inferred resource. The Kuzma Lease is subject to a 2.5% NSR royalty, of which 1.5% of the NSR royalty may be repurchased for US$1.5 million.

(b) *Option Agreement:* On January 17, 2019, the Company entered into an earn-in agreement with OceanaGold (US) Inc. ("OceanaGold") whereby OceanaGold can earn a 51% interest in the project by making total cash payments of US$215,000 and incur total exploration expenditures of US$4.0 million according to the following schedule:

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States (Continued)

III. **Spring Peak** (Continued):

(b) *Option Agreement* (Continued):

	Cash payments (US$)	**Status**	**Minimum work expenditure (US$)**	**Status**
January 17, 2019 (Effective Date)	$15,000	*Received*	-	-
January 17, 2020 (1st anniversary)	$25,000	*Received*	$150,000	*Agreement Terminated on February 10, 2021*
January 17, 2021 (2nd anniversary)	$25,000	*Agreement terminated on February 10, 2021*	$100,000	*Agreement terminated on February 10, 2021*
January 17, 2022 (3rd anniversary)	$50,000	-	$100,000	-
January 17, 2023 (4th anniversary)	$50,000	-	$100,000	-
January 17, 2024 (5th anniversary)	-	-	$100,000	-
OceanaGold earning and being transferred 51% interest	$50,000	-	-	-
Total	**$215,000**	**-**	**$550,000**	**-**

Upon signing of this agreement, OceanaGold shall apply to the U.S. Forest Service for a permit in OceanaGold's name (or its designated affiliate's name) to carry out drilling activities as described in the plan of operations ("Permit"). If the Permit is granted within the first agreement year, then OceanaGold shall expend such exploration and development expenditure that:

- Aggregates to $300,000 within the 12 months following the grant of the Permit; and
- Aggregates to the minimum annual expenditure for that agreement year.

If the permit is not granted during the first agreement year, OceanaGold may choose to terminate this agreement at any time after having fulfilled the irrevocable obligation by giving written notice to terminate to the Company.

Once the 51% interest has been earned, OceanaGold may elect to exercise an option to earn an additional 24% interest by incurring US$6.0 million in exploration and development expenditures according to the following schedule:

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States (Continued)

III. **Spring Peak** (Continued):

(b) *Option Agreement* (Continued):

	Minimum annual expenditure (US$)
1st anniversary of Option Exercise Date	$500,000
2nd anniversary of Option Exercise Date	$500,000
3rd anniversary of Option Exercise Date	$500,000
4th anniversary of Option Exercise Date	$500,000

The Company became the operator for the drilling program in August 2020. The Company received $416,061 or US$326,764 in exploration expenditure advances from OceanaGold during the year. On February 10, 2021, the option was terminated and as at December 31, 2021 - $nil (2020 - $416,061) was outstanding.

(c) *Option Agreement:* On July 12, 2021, the Company entered into an exploration and option agreement with Headwater Gold Inc. ("Headwater") to acquire 100% interest in the Spring Peak project with the following consideration:

	Cash payments (US$)	**Cash or Common shares payment**	**Minimum work requirements**	**Status**
On signing	$10,000	-	-	*Received*
Receipt of final approval from US Forest Service on Headwater's full Plan of Operations	-	$250,000	-	
On or before July 12, 2023 (2nd anniversary)	-	-	$250,000	
Total	***$10,000***	***$250,000***	***$250,000***	

The Company will retain a 0.5% NSR royalty and an option to purchase an additional 0.5% NSR royalty for US$1.0 million. Headwater is also required to maintain existing underlying vendor payments and royalties.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States (Continued)

IV. **Callaghan and Raven/Yamana Alliance:** the Company holds 100% interest in the Callaghan and Raven projects and are Carlin-type gold targets located in Lander County, Nevada.

(a) *Option Agreement*: On July 23, 2021, the Company signed two option agreements with Meridian Gold Company ("Meridian"), a wholly owned subsidiary of Yamana, for the option of Raven and Callaghan gold projects and a three-year funded generative exploration alliance. Callaghan and Raven projects are Carlin-type gold targets located in Lander County, Nevada.

Under the terms of the Option agreement, Meridian can earn up to 100% interest in the Raven and Callaghan projects by making cash payments and incurring minimum exploration expenditures according to the following:

	Cash payments (US$)	Status	Minimum work requirements (US$)	Status
Effective Date	$50,000	*Received*	-	
July 23, 2022 (1st anniversary)	$50,000		$375,000*	
July 23, 2023 (2nd anniversary)	$50,000		$500,000	
July 23, 2024 (3rd anniversary)	$50,000		$750,000	
July 23, 2025 (4th anniversary)	$50,000		$1,000,000	
July 23, 2026 (5th anniversary)	$50,000		$2,000,000	
Total	**$300,000**		**$4,625,000**	

*minimum of US$100,000 must be incurred on each of the Callaghan and Raven properties.

The Company will retain a 2.5% NSR royalty on the Raven project and 3.0% NSR royalty on the Callaghan project, with a buy down right up to 1.0%% on each NSR royalty for up to US$10.0 million.

Under the terms of the Alliance agreement, generative exploration program will be conducted within a 4,000 square kilometre area of influence ("AOI") in Nevada. Projects staked within the AOI and selected by Meridian will be subject to similar earn-in terms as the Option agreement. The Company will retain a 1.0% NSR royalty on the ground acquired within the AOI.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States (Continued)

V. **Ecru:** the Company holds 100% interest in the Ecru property located in Nevada.

(a) *Option Agreement:* On March 8, 2021, the Company entered into an option agreement with Moneghetti Minerals Limited ("Moneghetti") to option the Ecru gold project located in Nevada. Moneghetti can acquire a 100% interest in Ecru by making cash payments of US$2.5 million, work expenditures of US$5.0 million over a six-year period according to the following schedule:

	Cash payments (US$)	**Status**	**Minimum aggregate work expenditure (US$)**	**Status**
On signing	$25,000	*Paid*	-	-
August 8, 2022 (18 months)	$50,000		$200,000	
August 8, 2023 (30 months)	$50,000		$500,000	
August 8, 2024 (42 months)	$100,000		$1,000,000	
August 8, 2025 (54 months)	$100,000		$2,000,000	
August 8, 2026 (66 months)	$175,000		$3,000,000	
March 8, 2027 (72 months)	$2,000,000		$5,000,000	
Total	**$2,500,000**			

The Company retains a 2.0% NSR royalty on the property. Moneghetti will also make annual payments of US$50,000 starting on the first year of exercising the option until the project is placed into commercial production. In addition, Moneghetti will pay US$7.50 per ounce to a maximum US$7.5 million on all mineral resources and reserves at the time of a production decision.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States (Continued)

VI. **Manhattan Gap:** the Company holds 100% interest in the Manhattan Gap property located in Nevada.

(a) *Option Agreement:* On April 20, 2021, the Company entered into an option agreement with Stampede Metals Corp. ("Stampede Metals") to acquire 100% interest in the Manhattan Gap project located in Nevada with the following consideration:

	Cash payments (US$)	Common shares payment	Minimum work requirements	Status
On signing (cash)	$18,243	375*	-	*Received*
On signing (common shares)	$158,000*		-	*Received*
April 20, 2022 (1st anniversary)	-		500 metres of drilling	
April 20, 2027 (6th anniversary)	-		7,500 metres of drilling	
Total	***$176,243***			

**Estimate fair value of $158,000 as Stampede Metals is not a public issuer*.

In the event Stampede Metals has not completed the 7,500 metres of drilling on the 6th anniversary of the option agreement, Stampede Metals will make a cash payment of US$500,000 to the Company. Upon commencement of commercial production, Stampede Metals will pay the Company US$2.50 per gold-equivalent ounces and will also grant the Company a 1.5% NSR royalty.

VII. **Kalium Canyon:** the Company holds 100% interest in the Kalium Canyon gold property in Walker Lane epithermal belt located in Nevada.

(a) *Acquisition agreements:* On June 8, 2021, the Company entered into an agreement with Bridgeport Gold Inc. ("Bridgeport") to acquire 21 claims comprising of the Argentite Project located in Esmeralda County, Nevada for consideration of 100,000 common shares of the Company with a fair value of $0.35 per share or $35,000 and 1.0% NSR royalty. The Company will also assume a 2.0% NSR royalty on eight of the 21 claims.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States (Continued)

VII. **Kalium Canyon** (Continued):

(b) *Option Agreement:* On June 21, 2021, the Company entered into an option agreement with Badger Minerals LLC ("Badger") to acquire 100% interest in the Kalium Canyon project with the following consideration:

	Cash payments (US$)	**Minimum work requirements**	**Status**
On signing	$25,000	-	*Received*
June 21, 2022 (1st anniversary)	$50,000	$250,000	
June 21, 2023 (2nd anniversary)	$100,000	$500,000	
June 21, 2024 (3rd anniversary)	$100,000	$1,000,000	
June 21, 2025 (4th anniversary)	$250,000	$1,500,000	
June 21, 2026 (5th anniversary)	$1,225,000	$1,750,000	
Total	***$1,750,000***	***$5,000,000***	

Within 60 days following the commencement of commercial production, Badger is required to pay the Company a one time payment of US$5.00 per ounce of gold equivalent contained in the property based on NI 43-101 mineral reserve and resource estimates in a feasibility study up to a maximum of US$10.0 million.

The Company retains a 3.0% NSR royalty on the project of which 0.5% can be purchased for US$2.0 million.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States (Continued)

VIII. **Gilbert South:** the Company holds 100% interest in the Gilbert South property located in Nevada.

(a) *Acquisition agreements:*

On November 17, 2017, the Company entered into an option agreement with Nevada Select Royalty Inc. ("Nevada Select") to acquire 100% right, title and interest on certain claims of the Gilbert South Property. The Company has the following obligations:

	Cash payments (US$)	**Status**
On Closing Date	$668	*Paid*
On Effective Date (November 17, 2017)	$5,000	*Paid*
November 17, 2018- 2021 (1st to 4th anniversary)	$5,000	*Paid (1st to 3rd anniversaries, 4th anniversary obligation transferred to Eminent Gold)*
November 17, 2022 and onward	$10,000	*Obligation transferred to Eminent Gold*

Nevada Select retains a 2.0% NSR royalty on the project.

On August 19, 2015, the Company entered into a royalty agreement with Timberline Resources Corporation ("Timberline") and Wolfpack Gold (Nevada) Corporation ("Wolfpack") to acquire certain claims of the Gilbert South Project in exchange for 1.0% NSR royalty on the property. The Company has the right to buy down the 1.0% NSR royalty for US$1.5 million for fractions thereof at pro-rata.

(b) *Option Agreement:* On June 24, 2021, the Company entered into an option agreement with Eminent Gold Corp. ("Eminent Gold") to acquire 100% interest in the Gilbert South project located in Nevada with the following consideration:

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States (Continued)

VIII. **Gilbert South** (Continued):

(b) *Option Agreement* (Continued):

	Cash payments (US$)	Common shares payment	Minimum work requirements	Status
On signing (cash)	$25,000	50,000	-	*Received*
June 24, 2022 (1st anniversary)	$50,000	100,000	-	
June 24, 2023 (2nd anniversary)	$100,000	150,000	-	
June 24, 2024 (3rd anniversary)	$100,000	200,000	-	
June 24, 2025 (4th anniversary)	$100,000	-	-	
June 24, 2026 (5th anniversary)	$500,000	-	-	
To be incurred during the option period	-	-	$100,000	
Total	***$875,000***	***500,000***	***$100,000***	

In addition to the underlying NSR royalty held by Nevada Select (2.0% NSR royalty on certain claims) and by Timberline and Wolfpack (1.0% NSR royalty on certain claims), the Company will retain a 2.0% NSR royalty on the ”G/L” claims of which 1.0% can be purchased for US$1.0 million. Eminent Gold will also assume all underlying vendor obligations.

VIII. **Ghost Ranch:** the Company holds 100% interest in the Ghost Ranch project located in Nevada.

(a) *Option Agreement:* On August 23, 2021, the Company entered into an exploration and option agreement with Ivy Minerals Inc. (“Ivy Minerals”) to acquire 51% interest in the Ghost Ranch project by performing the following Earn-in Obligation:

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States (Continued)

VIII. **Ghost Ranch** (Continued)

(a) *Option Agreement* (Continued):

	Minimum obligation (US$)	**Cumulative earn-in amount (US$)**	**Other**
On or before 1 year after Effective Date (August 23, 2022)	$100,000	-	Ivy Minerals shall perform geoscientific work
On or before the 18th month after Effective Date (February 23, 2023)	$150,000	$150,000	-
On or before 2 years after Effective Date (August 23, 2023)	$100,000	-	Ivy Minerals shall preform geoscientific work
On or before 3 years after Effective Date (August 23, 2024)	$100,000	-	Ivy Minerals shall preform geoscientific work
On or before the 30th month after Effective Date (February 23, 2024). Deadline shall be extended, if required, to obtain approval of the plan of operations.	-	-	4,000 feet drilled
On or before 4 years after Effective Date (August 23, 2025)	$100,000	-	Ivy Minerals shall preform geoscientific work
On or before 4 years after Effective Date (August 23, 2025)	-	$1,500,000	Ivy Minerals shall incur commutative earn-in obligations including all federal annual mining claim maintenance fees
Total	***$550,000***	***$1,650,000***	

Upon completion of the initial Earn-in Obligation on or before the fourth anniversary of the Effective Date, August 23, 2025, Ivy Minerals may exercise its option to earn and vest an undivided 51% interest in Ghost Ranch. Orogen will retain 49% interest and 0.5% NSR royalty. If Ivy Minerals does not complete the Earn-in Obligation by August 23, 2025, Ivy Minerals shall have no right, title or interest in the property.

11. MINERAL PROPERTY INTERESTS (CONTINUED)

United States (Continued)

VIII. **Ghost Ranch** (Continued)

(a) *Option Agreement* (Continued):

After completion of the initial earn-in, Ivy Minerals and the Company shall form a joint venture with the Company to develop Ghost Ranch. Both parties shall contribute to future exploration and development work expenditures in accordance with their respective participating interest. If either party chooses not to participate at the level of its interest in the joint venture, its interest will be diluted. If at any time a party's participating interest in the joint venture is diluted or falls below 10%, such diluted party shall deem to have withdrawn from the joint venture and their interest be converted to a 1.0% NSR royalty.

The Company shall retain a total of 1.5% NSR royalty in the event that the Company's interest in the joint venture is diluted below 10%.

Prospect Generation Operations

During the year ended December 31, 2021, the Company expensed $148,575 (2020 - $366,462) in acquisition and $530,893 (2020 - $620,862) in exploration expenditures related to early-stage prospect generation programs. These expenses were not capitalized to mineral property interests as the programs did not result in project development.

Reclamation Bonds

As at December 31, 2021, the Company holds $209,341 (December 31, 2020 - $207,214; January 1, 2020 - $173,334) of reclamation bonds. Of this amount, $94,371 (2020 - $nil) relates to properties that had no updates or changes during the year ended December 31, 2021. Refer to the Management's Discussion and Analysis for the year ended December 31, 2021 for a complete disclosure of the Company's properties.

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

Exploration Expenditures

The following table summarizes the movement in the Company's mineral properties during the year ended December 31, 2021:

Mineral Property Interests	Location	Status	Operator	December 31, 2020	Additions	Recoveries	Gain (loss)	Impairment	Translation	December 31, 2021
Astro	Canada	Available		$ -	$ 1,125	$ -	$ -	$ -	$ -	**$ 1,125**
Ball Creek	Canada	Spinout		370,996	44,470	(32,455)	-	-	-	**383,011**
Lemon Lake	Canada	Optioned	Acme Company Limited	96,749	14,359	-	-	-	-	**111,108**
Onjo	Canada	Royalty		116,033	3,726	-	-	-	-	**119,759**
Nechako	Canada	Available		-	99,732	-	-	-	-	**99,732**
Trek 31	Canada	Optioned	Pacific Imperial Mines Inc.	168,412	3,595	(1,513)	-	-	-	**170,494**
Tabor	U.S.	Optioned	i-80 Gold Corp.	85,661	1,123	-	-	-	(13)	**86,771**
Buffalo Canyon	U.S.	Available		445,661	-	-	-	(445,661)	-	**-**
Callaghan	U.S.	JV	Yamana Gold Inc.	46,512	216,337	(164,083)	-	-	(197)	**98,569**
Cina Mine	U.S.	Available		17,334	-	-	-	(17,334)	-	**-**
Cine Mountain	U.S.	Available		-	74,953	-	-	-	-	**74,953**
Diamond Point	U.S.	Available		73,369	19,638	-	-	-	(5)	**93,002**
Ecru	U.S.	Optioned	Moneghetti Minerals Limited	108,926	1,173	(25,356)	-	-	(9)	**84,734**
Si2	U.S.	Optioned	K2 Gold Corporation Inc.	43,695	17,096	-	-	-	(8)	**60,783**
Fireball	U.S.	Available		54,491	-	-	-	(54,491)	-	**-**
Ghost Ranch	U.S.	Optioned	Ivy Minerals Inc.	292,831	965	-	-	-	(23)	**293,773**
Gilbert South	U.S.	Optioned	Eminent Gold Corp.	317,220	5,463	(80,492)	-	-	(106)	**242,085**
Jake Creek	U.S.	Available		94,187	-	-	-	(94,187)	-	**-**
Jupiter	U.S.	Available		310,494	-	-	-	(310,494)	-	**-**
Kalium Canyon	U.S.	Optioned	Badger Minerals LLC	42,045	38,835	(31,695)	-	-	(174)	**49,011**
Maggie Creek	U.S.	JV	U.S. Gold Corp.	113,255	1,697	-	-	-	-	**114,952**
Manhattan Gap	U.S.	Optioned	Stampede Metals Corp.	162,977	2,016	(223,441)	58,448	-	5,981	**5,981**
Polaris	U.S.	Available		48,342	-	-	-	(48,342)	-	**-**
Raven	U.S.	JV	Yamana Gold Inc.	684,875	109,724	(116,015)	-	-	(14)	**678,570**
Silicon	U.S.	Royalty		36,602,063	-	-	-	-	-	**36,602,063**
South Roberts	U.S.	Available		288,112	-	-	-	(288,112)	-	**-**
Spring Peak	U.S.	Optioned	Headwater Gold Inc.	257,395	1,547	(12,678)	-	-	(11)	**246,253**
Trinity Silver	U.S.	Available		71,490	-	-	-	(71,490)	-	**-**
Pearl String	U.S.	Available		73,537	-	-	-	(73,537)	-	**-**
Yamana Alliance	U.S.	JV	Orogen Royalties Inc.	-	10,136	(8,557)	-	-	-	**1,579**
Badesi	Mexico	Available		30,925	23,893	-	-	-	-	**54,818**
Llan del Nogal	Mexico	Available		397,296	108,599	-	-	-	-	**505,895**
Sarape	Mexico	Available		-	843,344	(965,806)	122,462	-	-	**-**
Yanira	Mexico	Available		-	1,833	-	-	-	-	**1,833**
La Joya	Mexico	Available		27,385	4,148	-	-	-	-	**31,533**
Total				**$ 41,442,268**	**$ 1,649,527**	**$ (1,662,091)**	**$ 180,910**	**$ (1,403,648)**	**$ 5,421**	**$ 40,212,387**

(Expressed in Canadian Dollars)

11. MINERAL PROPERTY INTERESTS (CONTINUED)

Exploration Expenditures (Continued)

The following table summarizes the movement in the Company's mineral properties during the year ended December 31, 2020:

Mineral Property Interests	Location	Status	Operator	December 31, 2019	August 18, 2020 Acquisition	Additions	Recoveries	Gain (loss)	Impairment	December 31, 2020
Astro	Canada	Available		$ -	$ -	$ 22,777	$ (32,703)	$ 9,926	$ -	$ -
Ball Creek	Canada	Available		326,088	-	79,908	(35,000)	-	-	370,996
Lemon Lake	Canada	Optioned	Acme Company Limited	95,993	-	756	-	-	-	96,749
Onjo	Canada	Available		-	-	116,033	-	-	-	116,033
Trek 31	Canada	Optioned	Pacific Imperial Mines Inc.	101,424	-	154,185	(87,197)	-	-	168,412
Tabor	U.S.	Optioned	i-80 Gold Corp.	-	82,532	3,129	-	-	-	85,661
Buffalo Canyon	U.S.	Available		-	445,661	-	-	-	-	445,661
Callaghan	U.S.	JV		-	-	46,512	-	-	-	46,512
Cina Mine	U.S.	Available		-	17,334	-	-	-	-	17,334
Diamond Point	U.S.	Available		-	72,174	1,195	-	-	-	73,369
Ecru	U.S.	Optioned	Moneghetti Minerals Limited	-	106,835	2,091	-	-	-	108,926
Si2	U.S.	Available		-	41,841	1,854	-	-	-	43,695
Fireball	U.S.	Available		-	54,491	-	-	-	-	54,491
General Reconnaissance	U.S.	Available		-	1,215,130	-	-	-	(1,215,130)	-
Ghost Ranch	U.S.	Available		-	287,434	5,397	-	-	-	292,831
Gilbert South	U.S.	Available		-	292,198	25,022	-	-	-	317,220
Jake Creek	U.S.	Available		-	94,187	-	-	-	-	94,187
Jupiter	U.S.	Available		-	310,494	-	-	-	-	310,494
Kalium Canyon	U.S.	Available		-	1,016	41,029	-	-	-	42,045
Maggie Creek	U.S.	JV	U.S. Gold Corp.	-	113,255	-	-	-	-	113,255
Manhattan Gap	U.S.	Available		-	160,086	2,891	-	-	-	162,977
McDo	U.S.	Available		-	67,823	-	-	-	(67,823)	-
Polaris	U.S.	Available		-	48,342	-	-	-	-	48,342
Raven	U.S.	JV		-	681,551	3,324	-	-	-	684,875
Secret Canyon	U.S.	Available		-	304,034	-	-	-	(304,034)	-
Silicon	U.S.	Royalty		-	36,602,063	-	-	-	-	36,602,063
South Roberts	U.S.	Royalty		-	288,112	-	-	-	-	288,112
Spring Peak	U.S.	Available		-	255,554	1,841	-	-	-	257,395
Spruce East	U.S.	Available		-	13,830	-	-	-	(13,830)	-
Trinity Silver	U.S.	Available		-	71,490	-	-	-	-	71,490
Pearl String	U.S.	Available		-	73,537	-	-	-	-	73,537
Badesi	Mexico	Available		8,475	-	22,450	-	-	-	30,925
Llan del Nogal	Mexico	Available		325,225	-	72,071	-	-	-	397,296
Sarape	Mexico	Optioned	Hochschild Mining PLC	8,716	-	19,606	(202,180)	173,858	-	-
La Joya	Mexico	Available		2,881	-	24,504	-	-	-	27,385
Total				**$ 868,802**	**$ 41,701,004**	**$ 646,575**	**$ (357,080)**	**$ 183,784**	**$ (1,600,817)**	**$ 41,442,268**

(Expressed in Canadian Dollars)

12. WRITE-OFF MINERAL PROPERTY ACQUISITON COSTS

The Company assess the carrying value of its mineral properties annually to determine whether any indication of impairment exists. Indication of impairment exists where the estimated recoverable amount for value in use or fair value is lower than the asset's carrying value. The determination of recoverable amount for value in use requires the use of estimates and assumptions including commodity price forecasts, initial and sustaining capital requirements, future operating performance, and discount rate. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between parties. Other factors including future exploration plan, additional capital requirements, and the marketability of the project are also considered. For the year ending December 31, 2021, the Company recognized an impairment of $1,403,648 (2020 - $1,600,817) for mineral assets in accordance with level three of the fair value hierarchy that were deemed impaired under the Company's impairment assessment criteria. Management estimated the recoverable value of certain properties based on a fair value less costs of disposal approach to be $nil.

13. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2021	December 31, 2020	January 1, 2020
Trade payables	**$ 121,906**	$ 69,313	$ 130,320
Accrued liabilites	**59,658**	51,125	59,588
	$ 181,564	$ 120,438	$ 189,908

The average credit period of purchases is one month. The Company has financial risk management policies in place to ensure that all payables are paid within the agreed-upon credit terms.

14. PROVISION FOR ENVIRONMENTAL REHABILITATION

The Company's exploration activities are subject to various federal, provincial and state laws and regulations governing the protection of the environment. Management's current estimate of reclamation and other future site restoration costs to be incurred for existing mineral property interests has been included in these consolidated financial statements as a provision for environmental rehabilitation. The undiscounted amount of the estimated cash flows required to settle the obligations is $nil (December 31, 2020 - $nil; January 1, 2020 - $5,306).

Environmental Rehabilitation	
Balance, January 1, 2020	$ 5,306
Revision in estimates	(5,306)
Balance, December 31, 2020	$ -
Balance, December 31, 2021	**$ -**

(Expressed in Canadian Dollars)

15. COMMITMENTS AND CONTINGENCIES

During the year ended December 31, 2021, the Company entered into a new office lease agreement for its Vancouver office commencing May 1, 2022 until April 30, 2028. Commitments outstanding for within the next twelve months is $40,278 for lease and operating costs, and the estimate for the remaining life of the lease is $233,353.

The Company has a leased office for its Nevada operations at 4750 Longley Lane, Suite 106-107, Reno, Nevada. The lease agreement expires on June 30, 2022. Total rent and estimated operating cost for the remaining life of the lease is $54,378.

	Less than one year	One to four years	Total
Canada			
Office Lease	$ 40,278	$ 233,353	$ 273,631
Other	2,580	645	3,225
US			
Office Lease	54,378	-	54,378
	$ 97,236	**$ 233,998**	**$ 331,234**

16. SHARE CAPITAL

(a) Authorized and issued

The Company's authorized share capital is an unlimited number of common shares without par value and as at December 31, 2021, the Company had 178,080,133 common shares outstanding.

Issuance of common shares

On June 23, 2021, the Company issued 100,000 common shares to Bridgeport Gold Inc. with fair value of $0.35 per share or $35,000 in connection with a June 8, 2021 acquisition of 21 mining claims comprising the Argentite Project located in Esmeralda County, Nevada (Note 11).

Warrant exercise

No warrants were exercised during the year ended December 31, 2021.

During the year ended December 31, 2020, 291,283 common share purchase warrants were exercised with an average exercise price of $0.39 per share for gross proceeds of $112,319 and $31,137 was reclassed from contributed surplus to capital stock.

16. SHARE CAPITAL

(a) Authorized and issued (Continued)

Stock options exercise

During the year ended December 31, 2021, 3,337,849 stock options were exercised for gross proceeds of $718,098 with an average weighted exercise price of $0.22 per share and $325,148 was reclassed from contributed surplus to capital stock.

During the year ended December 31, 2020, 2,246,671 stock options were exercised with an average exercise price of $0.21 per share for gross proceeds of $477,120 and $212,684 was reclassified from contributed surplus to capital stock.

(b) Incentive stock options

The Company has a rolling stock option plan (the “Plan”) that allows for the reservation of common shares issuable under the Plan up to a maximum of 10% of the issued and outstanding common shares at any given time. The Plan allows the board of directors to grant stock options of the Company to encourage equity participation among senior officers, employees, consultants and directors through the acquisition of common shares of the Company.

The following stock options were granted during the year ended December 31, 2021:

On March 25, 2021, the Company granted 500,000 stock options to a director of the Company. The stock options vest one-third immediately and one-third on the first and second anniversaries of issuance, an exercise price of $0.33, and a life of five years expiring on March 25, 2026.

On August 3, 2021, the Company granted 500,000 stock options to a director of the Company. The stock options vest one-third immediately and one-third on the first and second anniversaries of issuance, an exercise price of $0.37, and a life of five years expiring on August 3, 2026.

On October 26, 2021, the Company granted 3,100,000 stock options to directors, officers, employees and consultants of the Company. The stock options vest one-third immediately and one-third on the first and second anniversaries of issuance, an exercise price of $0.36, and a life of five years expiring on October 26, 2026.

The following stock options were granted during the year ended December 31, 2020:

On August 25, 2020, the Company issued 6,486,152 stock options in exchange for 5,210,600 Renaissance Gold Inc.’s stock options in connection with the August 18, 2020 Plan of Arrangement (Note 4). The stock options had a total fair value of $471,606 and have a weighted average exercise price of $0.24 per share and weighted average life of 1.90 years.

(Expressed in Canadian Dollars)

16. SHARE CAPITAL (CONTINUED)

(b) Incentive stock options (Continued)

On November 24, 2020, the Company granted 500,000 stock options to an officer of the Company. The stock options have a vesting period of five years, an exercise price of $0.33, and a life of four years expiring on November 24, 2023.

Changes in share purchase options during the year:

	December 31, 2021			December 31, 2020		
	Number of Shares		**Weighted Average Excerise Price**	Number of Shares		Weighted Average Excerise Price
Outstanding, beginning balance	**8,304,481**	**$**	**0.26**	4,815,000	$	0.27
Granted	**4,100,000**	**$**	**0.36**	6,986,152	$	0.31
Exercised	**(3,337,849)**	**$**	**0.22**	(2,246,671)	$	0.21
Forfeited/Expired	**(1,595,008)**	**$**	**0.38**	(1,250,000)	$	0.28
Outstanding, ending balance	**7,471,624**	**$**	**0.31**	8,304,481	$	0.26
Options exerciseable	**4,388,291**	**$**	**0.28**	7,604,481	$	0.25

The following share purchase options were outstanding at December 31, 2021:

Expiry Date	**Options Outstanding (number of shares)**	**Options Exerciseable (number of shares)**		**Exercise Price**	**Weighted Average Remaining Life**
2022-07-24	291,283	291,283	$	0.21	0.56
2022-11-09	1,185,333	1,185,333	$	0.25	0.86
2023-08-14	373,440	373,440	$	0.16	1.62
2024-02-12	200,000	150,000	$	0.32	2.12
2024-07-17	821,568	821,568	$	0.23	2.55
2025-11-23	500,000	200,000	$	0.33	3.90
2026-03-25	500,000	166,667	$	0.33	4.23
2026-08-03	500,000	166,667	$	0.37	4.59
2026-10-26	3,100,000	1,033,333	$	0.36	4.82
	7,471,624	**4,388,291**	**$**	**0.31**	**3.43**

(Expressed in Canadian Dollars)

16. SHARE CAPITAL (CONTINUED)

(b) Incentive stock options (Continued)

The Company determines the fair value of options using the Black-Scholes option pricing model and used the following assumptions:

Grant Date	**October 26, 2021**	**August 3, 2021**	**March 25, 2021**	November 23, 2020
Volatility	**85.54%**	**89.84%**	**93.07%**	223.00%
Risk Free Interest I	**1.42%**	**1.27%**	**0.93%**	0.45%
Expected Life	**5 years**	**5 years**	**5 years**	5 years
Dividend Yield	**0.00%**	**0.00%**	**0.00%**	0.00%

The option pricing model requires the use of highly subjective estimates and assumptions. The expected volatility assumption is based on the historical and implied volatility of the Company's common share price on the TSX-V. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model.

The total share-based compensation expense charged against operations for the year ended December 31, 2021 was $539,222 (2020 - $151,469). Share-based compensation related to forfeited options of $96,345 (2020 - $72,362) was derecognized during period, by setting of against share-based compensation cost and contributed surplus. Net share-based compensation expensed recognized during the period was $442,877 (2020 - $79,107).

(c) Warrants

Share purchase warrants outstanding at December 31, 2021 and 2020 are as follows:

	December 31, 2021			December 31, 2020		
	Number of Shares		**Weighted Average Excerise Price**	Number of Shares		Weighted Average Excerise Price
Outstanding, beginning balance	**23,010,776**	**$**	**0.39**	6,333,629	$	0.50
Issued	**-**	**$**	**-**	23,302,059	$	0.39
Exercised	**-**	**$**	**-**	(291,283)	$	0.39
Expired	**-**	**$**	**-**	(6,333,629)	$	0.50
Outstanding, ending balance	**23,010,776**	**$**	**0.39**	23,010,776	$	0.39

(Expressed in Canadian Dollars)

16. SHARE CAPITAL (CONTINUED)

(c) Warrants (Continued)

Expiry Date	Warrants Outstanding (number of shares)		Exercise Price	Weighted Average Remaining Life
May 16, 2023	15,895,231	$	0.39	1.37
April 30, 2024	7,115,545	$	0.40	2.33
	23,010,776	**$**	**0.39**	**1.67**

17. INCOME TAXES

(a) Income tax expense differs from the amount that would be computed by applying the Canadian statutory income tax rate of 27% (2020 - 27%) to loss before income taxes.

		December 31, 2021		December 31, 2020
Loss before tax		**$ (2,696,524)**		$ (5,023,973)
Statutory income tax rate		**27%**		27%
Expected income tax recovery		**(728,061)**		(1,356,472)
Items non-deductible for income tax purposes		**(45,442)**		84,434
Impact on change in tax rate		**(299,463)**		-
Differences between Canadian and foreign tax rates		**(49,114)**		(79,675)
Change in estimate and other		**60,805**		(1,595,200)
Origination and reversal of temporary differences		**(93,953)**		(288,336)
Unused tax losses and tax offsets not recognized		**1,020,307**		3,235,249
Total income taxes	**$**	**134,921**	$	-
Deferred income taxes	**$**	**128,696**	$	-
Current income taxes	**$**	**6,225**	$	-

The Mexican corporate tax rate is anticipated to remain at 30% indefinitely. The United States statutory income tax rate is 28.81% (2020 – 27%)

(b) The tax effected items that give rise to significant portions of the deferred income tax assets and deferred income tax liabilities are as follows:

		December 31, 2021
Deferred income tax liabilities:		
Mineral property interests		**128,696**
Net deferred income tax liabilities	**$**	**128,696**

(Expressed in Canadian Dollars)

17. INCOME TAXES (CONTINUED)

(c) The Company recognizes tax benefits on losses or other deductible amounts generated in countries where it is probable the Company will generate sufficient taxable income to utilize its deferred tax assets. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	December 31, 2021	December 31, 2020
Non-capital losses	**$ 38,667,000**	$ 78,742,260
Mineral properties	**7,402,778**	5,513,036
Available for sale securities	**111,752**	60,997
Share issue costs	**56,733**	179,477
Equipment	**182,793**	156,267
	$ 46,421,056	$ 84,652,037

(d) The Company's unused non-capital tax losses have the following expiry years:

Year	Canada	Mexico	USA	Total
2024	$ -	$ 880,000	$ -	880,000
2025	-	460,000	-	460,000
2026	-	745,000	-	745,000
2027	-	-	-	-
2029	-	-	-	-
2030	10,000	-	-	10,000
2031	1,771,000	-	-	1,771,000
2032	1,598,000	-	-	1,598,000
2033	1,501,000	-	-	1,501,000
2034	1,695,000	-	-	1,695,000
2035	1,420,000	-	13,000	1,433,000
2036	1,136,000	-	3,000	1,139,000
2037	1,622,000	-	-	1,622,000
2038	2,039,000	28,000	4,000	2,071,000
2039	1,718,000	1,793,000	14,090,000	17,601,000
2040	2,222,000	936,000	1,713,000	4,871,000
2041	15,000	507,000	748,000	1,270,000
	$ 16,747,000	**$ 5,349,000**	**$ 16,571,000**	**$ 38,667,000**

18. RELATED PARTY TRANSACTIONS

Transactions between the Company and related parties are disclosed below.

(a) Due to related parties

Included in accounts payable and accrued liabilities at December 31, 2021 was $332 (December 31, 2020 - $303; January 1, 2020 - $8,170).

(Expressed in Canadian Dollars)

18. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions involving related parties

During the year ended December 31, 2021, the Company paid $nil (2020 - $6,055) for community engagement services to a company with a director in common.

(c) Compensation of key management personnel

The remuneration paid to directors and other key management personnel during the years ended December 31, 2021 and 2020 were as follows:

		December 31, 2021		December 31, 2020
Salaries of senior executives (i)	**$**	**590,020**	$	675,632
Short-term employee benefits		**16,517**		31,532
Non-executive directors' fees		**160,790**		163,771
Annual bonus of senior executives		**35,765**		27,708
Termination costs		**182,664**		23,001
Share-based compensation		**416,398**		30,575
	$	**1,402,154**	$	952,219

(i) Senior executives include the Chief Executive Officer, Chief Financial Officer, Vice President Exploration.

(Expressed in Canadian Dollars)

19. SEGMENTED INFORMATION

During the years ended December 31, 2021 and 2020, the Company operated in one industry segment: mineral exploration; within three geographic segments: Canada, United States and Mexico. The Company's non-current assets by geographic areas for the years ended December 31, 2021 and 2020 are as follows:

December 31, 2021	**Canada**	**United States**	**Mexico**	**Total**
Non-Current Assets:				
Mineral properties interest	**$ 885,229**	**$ 38,733,079**	**$ 594,079**	**$ 40,212,387**
Property, plant and equipment	**253,497**	**59,021**	**8,441**	**320,959**
Reclamation bond	**169,834**	**39,537**	**-**	**209,371**
	$ 1,308,560	**$ 38,831,637**	**$ 602,520**	**$ 40,742,717**

December 31, 2020	Canada	United States	Mexico	Total
Non-Current Assets:				
Mineral properties interest	$ 752,190	$ 40,234,472	$ 455,606	$ 41,442,268
Equipment	217,553	176,312	36,028	429,893
Reclamation bond	179,834	27,380	-	207,214
	$ 1,149,577	$ 40,438,164	$ 491,634	$ 42,079,375

January 1, 2020	Canada	United States	Mexico	Total
Non-Current Assets:				
Mineral properties interest	$ 523,505	$ -	$ 345,297	$ 868,802
Equipment	218,960	-	18,881	237,841
Reclamation bond	173,334	-	-	173,334
	$ 915,799	$ -	$ 364,178	$ 1,279,977

The Company's mineral property revenues by geographic areas for the years ended December 31, 2021 and 2020 are as follows:

December 31, 2021	**Canada**	**United States**	**Mexico**	**Total**
Revenues:				
Royalties revenue	**$ -**	**$ -**	**$ 609,288**	**$ 609,288**
Property option proceeds	**1,440,064**	**-**	**-**	**1,440,064**
Project management fees	**-**	**29,682**	**-**	**29,682**
	$ 1,440,064	**$ 29,682**	**$ 609,288**	**$ 2,079,034**

December 31, 2020	Canada	United States	Mexico	Total
Revenues:				
Property option proceeds	$ -	$ 6,726	$ -	$ 6,726
Project management fees	616	-	-	616
	$ 616	$ 6,726	$ -	$ 7,342

20. FINANCIAL RISK MANAGEMENT

(a) Fair value of financial instruments

The fair values of cash and cash equivalents, short term investments, amounts receivable, accounts payable and accrued liabilities, and joint venture partner deposits approximate their carrying values due to the short-term to maturities of these financial instruments. The carrying value of marketable securities have been based on quoted market prices, a Level 1 measurement according to the fair value hierarchy. The carrying value of lease liabilities approximates fair value as the interest rates approximate market rates.

(b) Categories of financial instruments

		December 31, 2021		December 31, 2020		January 1, 2020
Financial Assets						
FVTPL						
Cash and cash equivalents	**$**	**2,874,867**	$	3,617,103	$	3,546,972
Short term investments		**5,130,030**		7,166,726		6,058,805
Marketable securities		**1,553,024**		53,664		43,000
Loans and Receivables						
Trade receivable		**904,771**		98,854		-
	$	**10,462,692**	$	10,936,347	$	9,648,777
Financial Liabilities						
Other Financial Liabilities						
Accounts payable and accrued liabilities	**$**	**181,564**	$	120,438	$	189,908
Short term lease liabilites		**66,903**		155,317		58,331
Joint venture partner deposit		**435,013**		592,029		91,358
Long tream lease liabilities		**162,393**		177,818		123,181
	$	**845,873**	$	1,045,602	$	462,778

The Company's financial instruments are exposed to certain financial risks, which include foreign currency risk, interest rate risk, credit risk, liquidity risk and other price risk. The Company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company's exposure to these risks and its methods of managing the risks remain consistent.

(c) Foreign currency risk

The Company incurs certain expenses in currencies other than the Canadian dollar. The Company is subject to foreign currency risk as a result of fluctuations in exchange rates. The Company manages this risk by maintaining bank accounts in US dollars and Mexican pesos ("MXN") to pay these foreign currency expenses as they arise. Receipts in foreign currencies are maintained in those currencies. The Company does not undertake currency hedging activities. The Company also does not attempt to hedge the net investment and equity of integrated foreign operations.

(Expressed in Canadian Dollars)

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Foreign currency risk (Continued)

The carrying amounts of the Company's foreign currency denominated monetary assets are as follows:

	December 31, 2021		December 31, 2020		January 1, 2020	
	US(*)	**MXN(*)**	US(*)	MXN(*)	US(*)	MXN(*)
Cash and cash equivalents	**$ 515,446**	**$ 25,202**	$ 131,301	$ 129,979	$ 387,784	$ 17,180
Amounts receivable	**273,813**	**959,262**	9,702	279,269	-	-
Accounts payable and accrued liabilities	**(41,514)**	**(9,376)**	(47,698)	(8,680)	(9,309)	(5,520)
Joint venture partner deposits	**(415,013)**	**-**	(592,029)	-	(252,085)	-
Net assets denominted in foreign currency	**$ 332,732**	**$ 975,088**	$ (498,724)	$ 400,568	$ 126,390	$ 11,660

*Figures in this table are Canadian dollars, converted from the foreign currency, at the closing exchange rate for that date.

The Company uses a sensitivity analysis to measure the effect on total assets of reasonably foreseen changes in foreign exchange rates. The analysis is used to determine if these risks are material to the financial position of the Company. On the basis of current market conditions, the Company has determined that a 10% change in foreign exchange rates would affect the fair value of total assets by -3.74% (2020 – 0.30%).

The sensitivity of the Company's loss and comprehensive loss due to changes in the exchange rate between the Mexican peso and the Canadian dollar, and between the US dollar and the Canadian dollar are approximated in the table below. The change, due to the effect of the exchange rate on financial instruments, is reported in the consolidated statements of loss and comprehensive loss as foreign exchange gains (losses).

	December 31, 2021		December 31, 2020	
	10% Increase in MNX: CAD Rate	**10% Increase in USD: CAD Rate**	10% Increase in MNX: CAD Rate	10% Increase in USD: CAD Rate
Change in net loss and comprehensive loss	**$ 52,082**	**$ 293,732**	$ (482,664)	$ 37,447

(d) Interest rate risk

The Company's cash and cash equivalents consist of cash held in bank accounts and GICs that earn interest at a fixed interest rate. Future cash flows from interest income on cash and cash equivalents will be affected by declining cash balances. The Company manages interest rate risk by investing in short-term fixed interest financial instruments with varying maturity periods when feasible to provide access to funds as required. A 25-basis point change in interest rate would not have a significant impact on comprehensive loss based on the cash and cash equivalents at the end of the year.

(Expressed in Canadian Dollars)

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Interest rate risk (Continued)

Actual financial results for the coming year will vary since the balances of financial assets are expected to decline as funds are used for Company expenses.

(e) Credit risk

Credit risk is the risk of an unexpected loss if an exploration partner, counterparty or third party to a financial instrument fails to meet its contractual obligations. To reduce credit risk, cash and cash equivalents and short-term investments are on deposit at major financial institutions. The Company is not aware of any counterparty risk that could have an impact on the fair value of such investments. The carrying value of the financial assets represents the maximum credit exposure.

The Company minimizes credit risk by reviewing the credit risk of the counterparties to its arrangements on a periodic basis. The Company's concentration of credit risk and maximum exposure thereto is as follows:

	December 31, 2021	December 31, 2020	January 1, 2020
Short-term money market instruments	**$ 61,146**	$ 1,750,002	$ 2,750,000
Cash bank accounts	**2,813,721**	1,867,101	796,972
Short term investments	**5,130,030**	7,166,726	6,058,805
Marketable securities	**1,553,024**	53,664	43,000
Trade receivable	**904,771**	98,854	-
	$ 10,462,692	$ 10,936,347	$ 9,648,777

At December 31, 2021, the Company's short-term money market instruments were invested in GICs earning annual interest rates of 1.50% to 2.03% (December 31, 2020 – 1.00% to 1.60%; January 1, 2020 – 2.05% to 2.25%).

(f) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis, including exploration plans. The Company attempts to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations, holdings of cash and cash equivalents and short-term investments.

The Company's policy is to invest its excess cash in highly liquid, fully guaranteed, bank-sponsored instruments. The Company staggers the maturity dates of its investments over different time periods when feasible to maximize interest earned. The Company has invested part of the excess cash flow through a financial institution.

(Expressed in Canadian Dollars)

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

(f) Liquidity risk (Continued)

The following table summarizes the Company's significant liabilities and corresponding maturities.

Due Date		**December 31, 2021**		December 31, 2020		January 1, 2020
0-90 days	**$**	**181,564**	$	120,438	$	189,908
91-365 days		**501,916**		747,346		149,689
365+ days		**291,089**		177,818		123,181
	$	**974,569**	$	1,045,602	$	462,778

(g) Commodity price risk

The Company's royalty revenues are derived from a royalty interest and are based on the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered. Consequently, the economic viability of the Company's royalty interests cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

(h) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk and foreign currency risk. The Company is not exposed to significant equity price risk related to its marketable securities.

21. SUBSEQUENT EVENTS

(a) On January 18, 2022, the Company entered into an option agreement with K2 Gold Corporation ("K2") to earn 100% interest in the Si2 project subject to the following obligations:

	Cash payments (US$)	**Status**	**Minimum cumulative work requirements (US$)**	**Status**
On signing	$50,000	*Received*	-	-
January 18, 2023 (1st anniversary)	$100,000		$150,000	
January 18, 2024 (2nd anniversary)	$100,000		$650,000	
January 18, 2025 (3rd anniversary)	$250,000		$1,250,000	
January 18, 2026 (4th anniversary)	$500,000		$1,750,000	
January 18, 2027 (5th anniversary)	$1,500,000		$2,500,000	
Total	***$2,500,000***			

The Company retains 2.0% NSR royalty once the obligations are completed and the earn-in option is exercised.

21. SUBSEQUENT EVENTS (CONTINUED)

(b) On January 31, 2022, the Company announced the appointment of Brian Massey as President and CEO of Ball Creek SpinCo. Ball Creek SpinCo is to be created by the spinout of the Ball Creek copper-gold porphyry project from the Company, located in the Golden Triangle, British Columbia. As previously announced, the spinout of the Ball Creek Project will be completed by way of a Plan of Arrangement under the British Columbia Business Corporation Act with a targeted completion date in mid-2022.

(c) On February 3, 2022, the Company completed a purchase and sales agreement with Pacific Ridge Exploration Ltd. (“Pacific Ridge”) to sell 100% interest in the Onjo project for $50,000 cash, 750,000 common shares of Pacific Ridge, and retaining a 2.0% NSR royalty, of which 0.5% can be purchased for US$1.5 million.

Subsequent to the year ended December 31, 2021, 135,333 stock options were exercised with a weighted average exercise price of $0.30 for gross proceeds of $40,833, resulting in 4,344,458 stock options outstanding with a weighted exercise price of $0.28. In addition, 31,120 common share purchase warrants with an exercise price of $0.39 were exercised for gross proceeds of $12,000 resulting in 22,979,656 common share purchase warrants outstanding with a weighted exercise price of $0.39.

OROGEN
ROYALTIES INC.

Management Discussion & Analysis

For the year ended
December 31, 2021

Introduction

This Management Discussion and Analysis ("MD&A") of the financial position and results of Orogen Royalties Inc. (the "Company" or "Orogen"), was prepared to conform to National Instrument 51-102F1 and was approved by the Board of Directors prior to its release. Readers are cautioned that the MD&A contains forward-looking statements and that actual events may vary from management's expectations. Readers are encouraged to read the Forward-Looking Statement disclaimer included with this MD&A.

The audited consolidated financial statements and MD&A are presented in Canadian dollars, unless otherwise indicated, and have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The statements and any summary of results presented in the MD&A were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Please consult the audited consolidated financial statements for the years ended December 31, 2021 and 2020, for more complete financial information.

All of the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via www.sedar.com and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.

About Orogen

Orogen is a royalty and mineral exploration company with a diverse portfolio of precious metal royalties and copper, gold and silver exploration projects in Canada, United States and Mexico. The Company has two business segments – mineral royalties and mineral exploration project generation. The Company also owns a geological database covering parts of Mexico, central Asia, South Pacific, western Canada and western United States.

Orogen uses prospect generation to manage exploration and financial risks. Prospect generation allows Orogen to grow its existing royalties and securities assets in a disciplined and sustainable manner, while gaining exposure to exploration opportunities and discoveries. In addition, Orogen is in a position to operate counter-cyclical to the market by acquiring exploration targets when the projects are inexpensive and sell them into well capitalized markets when the project demand is strong. The foundation of the Company's royalties have been built on prospect generation and has resulted in two discoveries including the Ermitaño and Silicon projects with several more royalties currently under exploration.

Orogen identifies, stakes and acquires new projects and performs early-stage work to demonstrate their geologic potential. The Company then seeks partners who bring the capital and expertise to delineate a mineral deposit. Orogen retains exposure to the property through royalties, milestone payments, and equity consideration.

The Company was incorporated on May 11, 2005, as a capital pool company for the purposes of the policies of the TSX Venture Exchange (the "Exchange") and is a reporting issuer in British Columbia, Alberta, Saskatchewan and Ontario. The shares of the Company commenced trading on the Exchange under the symbol EVM on January 25, 2011. On August 18, 2020, the Company acquired Renaissance Gold Inc. through a Plan of Arrangement under the Business Corporation Act (British Columbia) and was renamed Orogen Royalties Inc. The Company commenced trading on the Exchange under the symbol OGN on August 20, 2020.

The head office, principal registered, and records office of the Company are located at 1201 - 510 West Hastings Street, Vancouver, British Columbia, Canada, V6B 1L8.

Date

This MD&A has been prepared based on information available to the Company as of March 14, 2022.

1.2 Overview

The Company has no substantial revenue and supports its operations through the sale of equity or assets such as mineral properties. The value of any mineral property is dependent upon the existence or potential existence of economically recoverable mineral reserves. See Section 1.14 “Risk Factors”, below.

(a) Management Changes

(i) On January 13, 2021, the Company announced the appointment of Mr. Daniel Pace as Vice President of Exploration of the Company. Mr. Pace takes over from Mr. Dave Groves who is retiring from the Company;

(ii) On January 29, 2021, the Company announced the resignation of Mr. David Caulfield from the Board of Directors;

(iii) On February 10, 2021, the Company announced the appointment of Mr. J. Patrick Nicol to the Board of Directors;

(iv) On February 16, 2021, the Company announced the resignation of Mr. Paul van Eeden as Director and Chairman of the Company;

(v) On March 25, 2021, the Company announced the appointment of Mr. Roland Butler to the Board of Directors;

(vi) On June 15, 2021, Mr. Daniel Pace resigned as Vice President of Exploration;

(vii) On August 3, 2021, the Company announced the appointment of Mr. Justin Quigley to the Board of Directors; and

(viii) On October 26, 2021, the Company appointed Mr. Marco LoCascio as Vice President of Corporate Development.

(b) Plan of Arrangement

On June 9, 2020, the Company entered into a friendly merger of equals transaction with Renaissance Gold Inc. ("Renaissance"), a company listed on the Exchange under the symbol REN. The transaction was completed through a Plan of Arrangement under the Business Corporation Act (the "Arrangement") on August 18, 2020, whereby the Company acquired Renaissance. Renaissance shareholders exchanged all issued and outstanding common shares, options and warrants at a ratio of one (1) common share, option, or warrant for 1.2448 (the "Exchange Ratio") common shares, options or warrants of the Company. As a result, the Company issued 86,808,513 common shares with a total fair value of $42,874,725 or $0.49 per share. In addition, the Company issued 6,486,152 replacement stock options and 23,302,059 replacement warrants.

The total consideration for acquiring a 100% interest in Renaissance was $45,834,963.

(c) Financial Position

As at December 31, 2021, the Company had working capital of $10,239,343 (2020 - $10,424,884) and an accumulated deficit of $25,205,216 (2020 - $22,373,771). During the year ended December 31, 2021 the Company incurred a net loss of $2,831,445 (2020 – $5,023,973) comprised of the following business segments:

(i) Royalty operations: the Company recognized $609,288 (2020 – $nil) in royalty revenue generated from the Ermitaño project that commenced production in November 2021. The Company holds a 2.0% net smelter return ("NSR") royalty on this project with First Majestic Silver Corp. as the operator.

(ii) Prospect generation operations: the Company recognized $1,469,746 (2020 – $7,342) in gross revenue from sale of mineral property interests and project management fees. The Company incurred $1,181,013 (2020 – $2,386,849) in net expenses, resulting in a net income of $288,733 (2020 – loss $2,379,507) during the year.

(iii) Other operations: the Company recognized $3,508,917 (2020 – $2,782,252) in general, administrative and overhead expenses, an increase in 26% of costs due to increase in operational activities since the completion of the Arrangement.

(d) Share Capital: During the year ended December 31, 2021, 3,337,849 (2020 – 2,246,671) stock options were exercised for gross proceeds of $718,098 (2020 – $477,120) with an average weighted exercise price of $0.22 (2020 – $0.21) per share.

On June 23, 2021, the Company issued 100,000 common shares to Bridgeport Gold Inc. with deemed value of $0.35 per share or $35,000 in connection with a June 8, 2021 acquisition of 21 mining claims comprising the Argentite Project located in Esmeralda County, Nevada.

(Expressed in Canadian Dollars)

(e) Subsequent events:

(i) On January 18, 2022, the Company entered into an option agreement with K2 Gold Corporation ("K2") to earn 100% interest in the Si2 project subject to the following obligations:

	Cash payments (US$)	**Status**	**Minimum cumulative work requirements (US$)**	**Status**
On signing	$50,000	*Received*	-	-
January 18, 2023 (1st anniversary)	$100,000		$150,000	
January 18, 2024 (2nd anniversary)	$100,000		$650,000	
January 18, 2025 (3rd anniversary)	$250,000		$1,250,000	
January 18, 2026 (4th anniversary)	$500,000		$1,750,000	
January 18, 2027 (5th anniversary)	$1,500,000		$2,500,000	
Total	***$2,500,000***			

The Company retains 2.0% NSR royalty once the obligations are completed and the earn-in option is exercised.

(ii) On January 31, 2022, the Company announced the appointment of Brian Massey as President and CEO of Ball Creek SpinCo to be created by the spinout of the Ball Creek copper-gold porphyry project from the Company, located in the Golden Triangle, British Columbia. As previously announced, the spinout of the Ball Creek Project will be completed by way of a Plan of Arrangement under the British Columbia Business Corporation Act with a targeted completion date in mid-2022.

(iii) On February 3, 2022, the Company completed a purchase and sales agreement with Pacific Ridge Exploration Ltd. ("Pacific Ridge") to sell 100% interest in the Onjo project for $50,000 cash, 750,000 common shares of Pacific Ridge, and retaining a 2.0% NSR royalty, of which 0.5% can be purchased for US$1.5 million.

(iv) Subsequent to the year ended December 31, 2021, 135,333 stock options were exercised with a weighted average exercise price of $0.30 for gross proceeds of $40,833, resulting in 4,344,458 stock options outstanding with a weighted exercise price of $0.28. In addition, 31,120 common share purchase warrants with an exercise price of $0.39 were exercised for gross proceeds of $12,000 resulting in 22,979,656 common share purchase warrants outstanding with a weighted exercise price of $0.39.

(f) Mineral Properties- Summary of Activities:

(i) **Ball Creek:** On February 8, 2021, the Company and Golden Ridge Resources Ltd. (“Golden Ridge”) terminated the July 19, 2019 option agreement on the Ball Creek project. The Company paid consideration of $15,000 and returned 149,573 Golden Ridge common share with a deemed fair value of $22,436 to Golden Ridge;

(ii) **Axe:** On April 16, 2021, the Company sold the Axe project to Kodiak Copper Corp. (“Kodiak”) for consideration of 950,000 common shares of Kodiak for a deemed fair value of $1,472,500 and a 2.0% NSR royalty, of which 0.5% can be purchased for $2.0 million. Kodiak also assumes the remaining obligation owed to Nova and Bearclaw, up to certain limits, in accordance with the December 6, 2016 acquisition agreement;

(iii) **Lemon Lake:** On February 18, 2021, the Company entered into an agreement with Acme Company Limited (“Acme”) to option the Lemon Lake property. Acme can acquire a 100% interest in the Lemon Lake by making cash payments of $575,000 and work expenditures of $3.0 million over a five-year period and granting a 1.0% NSR royalty to the Company;

(iv) **Jupiter:** On March 3, 2021, the Company and Ramelius Resources Ltd. terminated the November 30, 2017 farm-in and joint venture agreement on the Jupiter project;

(v) **Spring Peak:** On February 10, 2021, the Company and OceanaGold (US) Inc. terminated the January 17, 2019 Spring Peak option agreement;

(vi) **Ecru:** On March 8, 2021, the Company entered into an agreement with Moneghetti Minerals Limited (“Moneghetti”) to option the Ecru project. Moneghetti can acquire a 100% interest in Ecru by making cash payments of US$2.5 million and work expenditures of US$5.0 million over a six-year period;

(vii) **Manhattan Gap:** On April 20, 2021, the Company entered into an option agreement with Stampede Metals Corp. (“Stampede Metals”) to acquire 100% interest in the Manhattan Gap for total consideration of US$176,243 including US$18,243 in cash and US$158,000 in deemed value of common shares of Stampede Metals in addition to meeting minimum drilling requirements by Stampede Metals;

(viii) **Gilbert South:** On June 24, 2021, the Company entered into an option agreement with Eminent Gold Corp. (“Eminent Gold”) to acquire 100% interest in the South Gilbert for total cash payment of US$875,000, issuance of 500,000 common shares of Eminent Gold, and a total minimum exploration expenditure of US$100,000 over a five year period. The company also retains a 2.0% NSR royalty on the overall project of which 1.0% can be purchased for US$1.0M million. Eminent Gold will also assume all underlying vendor obligations;

(ix) **Spring Peak:** On July 12, 2021, the Company signed an option agreement with Headwater Gold Inc. (“Headwater”) to earn a 100% interest in the Spring Peak project by making a cash payment of US$10,000, a cash or share payment of US$250,000 subject to receipt of certain permits from the US Forest Service, incur exploration expenditures US$250,000 within 24 months of the agreement date, and maintaining all underlying obligations. The Company also retains a 0.5% NSR royalty and has the option to purchase an additional 0.5% NSR royalty for US$1.0 million;

(x) **Kalium Canyon:** the Company entered into an option agreement with Badger Minerals LLC (“Badger”) on June 21, 2021. Badger may earn 100% interest in the Kalium Canyon project by making total cash payments and exploration expenditures of US$1.75 million and US$5.0 million over a five-year period, respectively. The Company also retains a 3.0% NSR royalty of which 0.5% can be purchased for US$2.0 million;

(xi) **Ghost Ranch:** On August 23, 2021, the Company entered into an exploration and option agreement with Ivy Minerals Inc. (“Ivy Minerals”) to acquire 51% interest in the Ghost Ranch project by spending US$1.65 million over a four-year period, including a firm commitment of 4,000 feet of drilling. The Company will retain a 49% interest in Ghost Ranch and reserve a 0.5% NSR royalty. Both Ivy and Orogen will then participate in a joint venture to develop Ghost Ranch. If either parties’ equity interest in Ghost Ranch falls below 10%, their interest will convert to a 1% NSR royalty. Orogen would then retain a total 1.5% NSR royalty in the event the Company is diluted below 10%;

(xii) **Sarape**: On September 19, 2021, Hochschild Mining PLC and the Company terminated the August 25, 2020 option agreement following their recently completed drilling program;

(xiii) **Si2**: On January 19, 2022, the Company signed an earn-in agreement with K2 Gold Corporation (“K2”) for 100% interest in the Si2 project subject to K2 making total cash payments of US$2.5 million and incurring exploration expenses of US$2.5 million over a five-year period and grant the Company a 2.0% NSR royalty once the earn-in obligations are fulfilled; and

(xiv) **Onjo**: On February 3, 2022, the Company announced the sale of the Onjo project to Pacific Ridge Exploration Ltd. (“Pacific Ridge”) for $50,000 cash, 750,000 common shares of Pacific Ridge and a 2.0% NSR royalty of which 0.5% can be purchased for US$1.5 million.

(Expressed in Canadian Dollars)

1.3 Selected Annual Information

	Year ended December 31, 2021	Year ended December 31, 2020	Year ended December 31, 2019
Revenue and interest income	$2,179,170	$95,342	$ 405,988
Net loss	2,831,445	5,023,973	2,364,054
Net loss per share	0.02	0.04	0.04
Total assets	51,665,540	53,372,043	11,314,989
Current liabilities	683,480	867,784	339,597
Long-term liabilities	291,089	177,818	128,487
Shareholders' equity	50,690,971	52,326,441	10,846,905
Cash dividends declared	Nil	Nil	Nil

1.4 Results of Operations

Mineral Property Interests

The Company has two business segments – mineral royalties and mineral exploration project generation. The Company uses the project generator business model and its projects, either acquired from other third parties or discovered through the Company's exploration programs, are advanced through option and/or joint venture agreements with industry partners to provide maximum exposure to exploration success. Mineral royalties and revenue are also generated from these option and/or joint venture arrangements.

The following table summarizes the business segments and details of the Company's complete royalty asset and project portfolio:

Project Name	Location	Metals	Underlying Agreements and Encumbrances		Mineral Royalties		Joint Venture/ Alliances	Projects Optioned	
			Counter Party	NSR Royalty	Counter Party	NSR Royalty	Counter Party	Counter Party	NSR Royalty
Mineral Royalties									
Ermitaño	Sonora, Mexico	Au, Ag	-	-	First Majestic Silver Corp.	2.0%	-	-	-
Cumobabi	Sonora, Mexico	Au, Ag	-	-	First Majestic Silver Corp.	1.5%	-	-	-
La Lola	Sonora, Mexico	Au, Ag	-	-	Heliostar Metals S.A. DE C.V.	2.0%	-	-	-
Cumaro	Sonora, Mexico	Au, Ag	-	-	Heliostar Metals S.A. DE C.V.	1.0%	-	-	-
Caule	Jalisco, Mexico	Au	-	-	Rockstar Mining S.A. de C.V.	0.5%	-	-	-

(Expressed in Canadian Dollars)

Silicon	Nevada, United States	Au	-	-	AngloGold Ashanti NA	1.0%	-	-	-
South Roberts	Nevada, United States	Au	-	-	Ivy Minerals	0.5-1.0%	-	-	-
Axe	BC, Canada	Au, Cu	Liberty Leaf Holdings Ltd. and Bearclaw Capital Corp.	1.0% - 2.0%	Kodiak Copper	2.0%	-	-	-
Ball Creek	BC, Canada	Au, Cu	Luff Enterprises Ltd.	2.0%	SpinCo	0.5%	-	-	-
Onjo	BC, Canada	Au, Cu	-	-	Pacific Ridge Exploration Ltd.	2.0%	-	-	-
Argentina Royalties	Argentina	Au	-	-	Magna Terra Minerals	1.0%	-	-	-
Joint Venture and Alliances									
Maggie Creek JV	Nevada, United States	Au	Various	3.0%	-	-	US Gold Corp.	-	-
Raven	Nevada, United States	Au	Ivy Minerals Inc.	0.5%	-	-	Meridian Gold Company	-	2.5%
Callaghan	Nevada, United States	Au	-		-	-	Meridian Gold Company	-	3.0%
Yamana Alliance	Western, United States	Au	-	-	-	-	Yamana Gold Inc.	-	-
Projects Optioned									
Lemon Lake	BC, Canada	Au, Cu	Metalogic Exploration Inc.	-	-	-	-	Acme Company Limited	1.0%
TREK 31	BC, Canada	Au, Cu	-	-	-	-	-	Pacific Mineral Mines Inc.	3.0%
Tabor	Nevada, United States	Au	-	-	-	-	-	i-80 Gold Corp.	3.0%
Mustang Canyon (Tabor)	Nevada, United States	Au	Ely Gold Royalties Inc.	2.0%	-	-	-	i-80 Gold Corp.	1.0%
Ecru	Nevada, United States	Au	-	-	-	-	-	Moneghetti Minerals Limited	2.0%
Kalium Canyon	Nevada, United States	Au	-	-	-	-	-	Badger Minerals LLC	3.0%
Gilbert South	Nevada, United States	Au	Variable	2-3%	-	-	-	Eminent Gold Corp.	2.0%

(Expressed in Canadian Dollars)

Spring Peak	Nevada, United States	Au	Kuzma	2.5%	-	-	-	Headwater Gold Inc.	0.5%
Ghost Ranch	Nevada, United States	Au	-	-	-	-	-	Ivy Minerals Inc.	0.5% to 1.5%
Si2 (Elba)	Nevada, United States	Au	-	-	-	-	-	K2 Gold Corporatio n.	2.0%
Manhattan Gap	Nevada, United States	Au, Ag, Cu	-	-	-	-	-	Stampede Metals Corp.	1.5%
Projects Available									
Sarape	Sonora, Mexico	Au, Ag	-	-	-	-	-	-	-
Suanse	Mexico	Au, Ag	San Marco Resources Inc.	1.0%	-	-		-	-
Llano del Nogal	Mexico	Au, Ag, Cu	-	1.0%- base metals; 1.5%- precious metals	-	-	Altius Minerals Corp	-	-
Astro	Northwest Territories, Canada	Au	- Newmont Mining Corporation	0.5%	-	-		-	-
Jupiter	Nevada, United States	Au	Altius Minerals Corp.	1.0%	-	-	-	-	-
Pearl String	Nevada, United States	Au	-	-	-	-	-	-	-
Jake Creek	Nevada, United States	Au	-	-	-	-	-	-	-
Cine Mountain	Nevada, United States	Au, Ag	-	-	-	-	-	-	-
Diamond Point	Nevada, United States	Au	-	-	-	-	-	-	-
Buffalo Canyon	Nevada, United States	Au	Geocorp and Parratt	1%	-	-	-	-	-
Trinity Silver	Nevada, United States	Ag	Variable	2%	-	-	-	-	-

The following summarizes the Company's material mineral properties and projects including the underlying agreements and encumbrances when they were acquired from other third parties, the terms and conditions of option agreements when they have been optioned to other joint venture partners to advance the projects, and their current work status.

Mineral Property Interests- Continued

Mexico Portfolio

I. Ermitaño: the project is located in Sonora, Mexico.

(a) *Sale Agreement:* In September 2018, the Company transferred 100% of its interest in the property to First Majestic Silver Corp. ("First Majestic") for US$1,000,000 subject to a 2.0% NSR royalty.

(b) Project Update:

On March 31, 2021, First Majestic filed a National Instrument 43-101 ("NI 43-101") Technical Report on Mineral Resource and Mineral Reserve Estimates (the "Technical Report") on its Santa Elena project which includes the Ermitaño with an effective date of December 31, 2020. Results from the Technical Report were as follows:

- A total of 198 core drill holes totaling 69,315 metres were drilled on at the Ermitaño project from 2016 to 2020, including six metallurgical and four geotechnical holes;
- Bench scale metallurgical testing has been conducted for some of Ermitaño project's core samples which supports recovery assumptions of 85% for silver and 96% for gold;
- Cut-off grade used to determine mineral resource estimates were based on mining and processing from the last 24 months of operations at the Santa Elena mine and these economic parameters result in a silver equivalent cut-off grade of 110 g/t silver;
- Indicated resources totaling 2,453,000 tonnes grading 4.25 g/t gold and 64 g/t silver for 335,000 ounces of contained gold and 5.01 million ounces silver. Indicated resources of gold and silver have increased by 7.7% and 6.6% respectively;
- Inferred resources totaling 6,022,000 tonnes grading 2.69 g/t gold and 57 g/t silver for 522,000 ounces of contained gold and 11.09 million ounces of silver. Inferred resources for gold and silver have increased significantly by 41% and 58% respectively;
- The Technical Report concluded positive economics for the Santa Elena life of mine plan with additional drilling programs recommended at the Santa Elena and Ermitaño properties. This includes an annual drilling of 1,000 metres underground infill drill program at the Ermitaño property to increase confidence in current Indicated and Inferred Mineral Resources and a 15,000 metres near-mine drill program to explore expansions of the mineralization; and
- This was due to successful step out drilling east of the main zone and to the southwest at the Soledad vain which is located on the ground of the Ermitaño project.

Mineral Property Interests- Continued

On November 24, 2021, First Majestic published the Ermitaño NI 43-101 Technical Report on Mineral Resource and Mineral Reserve Estimates- Pre-Feasibility Study ("PFS"), effective June 30, 2021 with the following highlights:

- P&P Reserves of 2,835 kt grading 3.69 g/t gold and 54 g/t silver containing 337,000 ounces gold and 4.9 million ounces silver;
- Measured and Indicated Resources of 2,958 kt grading 4.27 g/t gold and 61 g/t silver containing 406,000 ounces gold and 5.8 million ounces silver (*Note: Measured and Indicated Mineral Resources are reported inclusive of Mineral Reserves*);
- Inferred Resources of 5,072 kt grading 2.70 g/t gold and 64 g/t silver containing 440,000 ounces gold and 10.6 million ounces silver;
- First Majestic's PFS considers only revenue from Proven and Probable Mineral Reserves. The analysis considers current and projected costs incurred at the Santa Elena mine, processing plant, including costs for development in the Santa Elena mine and at the Ermitaño project;
- LOM capital and operating provisions recommend an annual 5,000 metres of underground infill drilling to increase the confidence of indicated and inferred resources and 15,000 metres of near mine drilling explore for expansions to the known mineralized area;

The following table outlines Ermitaño's LOM production schedule:

Ermitaño LOM	Units	Total	2021	2022	2023	2024	2025	2026	2027
Total Ore	Kt	2,835	77	384	629	669	486	380	210
Silver Grades	g/t Ag	54	40	40	45	70	51	57	44
Gold Grades	g/t Au	3.69	3.47	4.32	4.90	3.60	2.92	2.64	3.01
Silver Mined	MOz	4.9	0.1	0.5	0.9	1.5	0.8	0.7	0.3
Gold Mined	kOz	337	9	53	99	77	46	32	20

Orogen's expected revenue on P&P Reserves over the LOM is as follows:

	Units	Total	2021	2022	2023	2024	2025	2026	2027
Orogen's expected Revenue	**US$M**	**$12.25**	**$0.3**	**$1.85**	**$3.45**	**$2.95**	**$1.7**	**$1.25**	**$0.75**

- Drilling at Luna indicates potential for a second Ermitaño-type deposit from drilling reported by First Majestic: EW-21-237 grading 10.1 g/t gold and 108 g/t silver over 2.0 metres, EW-21-193 grading 8.3 g/t gold and 63 g/t silver over 1.8 metres, and EW-21-192 grading 0.3 g/t gold and 2,455 g/t silver over 3.0 metres (all holes are true width); and
- The Company recognized $609,288 (2020 - $nil) in royalty revenue generated from the Ermitaño project that commenced production in November 2021. A total of 103,742 mt produced with average head grades of 5.28 g/t gold and 49 g/t silver which are 52.1% and 22.5% higher than expected in PFS, respectively.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

II. **Cumobabi:** the project is located in Sonora, Mexico.

(a) *Acquisition Agreement:* Pursuant to the Cumobabi acquisition agreement (as amended) with Kiska Metals Corporation, now Centerra Gold Inc. ("Centerra"), the Company issued 25,000 (fair valued $32,250) and 50,000 (fair valued $18,750) common shares on September 17, 2018 and 2019, respectively. In the event the property is put into commercial production (in which case it is acknowledged that the Company will receive an NSR royalty in accordance with the terms of the First Majestic option agreement), the Company will pay to Centerra one-third (1/3) of all amounts received under the NSR royalty commencing on the second anniversary of commercial production (as defined pursuant to the terms of the agreement governing the NSR royalty.

On May 23, 2018, Centerra transferred the NSR royalty rights to 10782343 Canada Limited/ Triple Flag.

(b) *Sale Agreement:* In September 2018, First Majestic acquired 100% interest in the Cumobabi project for US$500,000 subject to a 1.5% NSR royalty.

III. **Sarape:** In August 2017, the Company announced the acquisition of the Sarape gold-silver project in central Sonora, Mexico. Sarape was identified through the Company's generative programs with reconnaissance exploration completed in early 2017. The project is 100% owned by the Company with no underlying royalties and is located near excellent infrastructure with roads and power crossing the 5,776-hectare property.

(a) *Option Agreement:* On August 25, 2020, the Company optioned the Sarape project to Hochschild Mining PLC ("Hochschild"). Hochschild can earn a 100% interest in the project by making staged cash payments of US$5.35 million and incurring exploration expenditures of US$5.0 million over a five-year period per the following schedule:

	Cash payment (US$)	**Status**	**Minimum cumulative work expenditure (US$)**	**Status**
August 25, 2020	$50,000	*Received*	-	
August 25, 2021 (1st anniversary)	$50,000	-	-	*Agreement terminated- September 19, 2021*
February 25, 2022 (18 months)	-		$500,000	*Terminated*
August 25, 2022 (2nd anniversary)	$50,000		-	*Terminated*
August 25, 2023 (3rd anniversary)	$100,000		$2,000,000	*Terminated*
August 25, 2024 (4th anniversary)	$100,000		$3,000,000	*Terminated*

(Expressed in Canadian Dollars)

August 25, 2025 (5th anniversary)	$5,000,000		$5,000,000	*Terminated*
Total	**$5,350,000**			

Mineral Property Interests- Continued

Upon earn in, the Company will retain a 3.0% NSR royalty of which 1.0% can be repurchased for US$2.0 million.

On September 19, 2021, the option agreement with Hochschild was terminated.

(b) *Project Update:*

On April 15, 2021, the Company announced a 3,100 metre drill program on the project. The 3,162.70 metre, nine-hole program was concluded in mid-July 2021 with eight holes testing the Sarape vein. All eight holes intercepted weakly anomalous gold and silver within a quartz-carbonate vein with the widest section of vein, 33m downhole length in SAR 21-17 grading 0.03 g/t gold and 3.39 g/t silver including 1.9 metres grading 0.13 g/t gold and 16.56 g/t silver. The highest gold grade of 9.5 g/t gold over 0.7 metres in hole SAR 21-12 was centered on several, up to five-centimetre fragments with visible gold within a tectonic breccia. The 2021 drilling confirmed that the Sarape vein continues to depth, with hole SAR 21-15 intersecting the vein 460m below the surface, and that the prospective precious metal hosting tan-green quartz stage continues to the northwest past hole SAR 21-17.

Only one hole at the Chiltepin area was ended short of the target due to concerns about the ground stability. The Chiltepin vein remains untested by drilling. Hochschild subsequently terminated the Option Agreement and the Company is seeking a new exploration partner for the project.

Drill Hole	From (m)	To (m)	Downhole length (m)	Gold (g/t)	Silver (g/t)
SAR 21-10	No Significant Values				
SAR 21-11	No Significant Values				
SAR 21-12	96.6	99	2.4	3.8	15.3
incl.	97.4	98.1	0.7	9.5	29.2
SAR 21-13	No Significant Values				
SAR 21-14	333.5	344.0	10.6	0.19	10.6
incl.	336.5	340.1	3.6	0.35	17.5
SAR 21-15	No Significant Values				
SAR 21-16	No Significant Values				
SAR 21-17	203	207.5	4.5	0.1	12.1
CHI 21-02	No Values				

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

IV. Suanse: the project is located in Sonora, Mexico and covers 1,115 hectares of ground north of the Company's porphyry target on the Llano del Nogal project.

(a) *Acquisition Agreement:* On November 21, 2019, the Company entered into an agreement with San Marco Resources Inc. ("San Marco") to acquire 100% interest in Suanse project for US$75,000 per the following schedule:

	Cash payment (US$)	**Status**
Signing	$25,000	*Paid*
Completion of 1,000 metres of drilling	$25,000	
Entering into a future option agreement	$25,000	
Total	**$75,000**	

San Marco holds a 1.0% NSR royalty and the Company has a buyback right to acquire the 1.0% NSR royalty by paying $1.0 million.

V. Cumaro: the Cumaro project is located 45 kilometres from Las Chispas mine and 45 kilometres southeast of the Cananea copper mine. Cumaro is owned by Heliostar Metals S.A. DE C.V. and the Company holds a 1.0% NSR royalty on the project.

(a) *Project Update:* Drilling commenced in December 2021 with a total of 19 holes completed to date. Sixteen holes totalling 2,160 metres have been completed at the Verde Target and three holes totalling 642 metres were completed at the Dos Amigos Target. Gold mineralization encountered in 10 of 11 drill holes from the Verde Target intercepts include:

- VVDH22-09: 0.89 g/t gold equivalent over 8.1 metres including 1.65 g/t over 3 metres;
- VVDH21-02: 1.87 g/t gold equivalent over 1.15 metres; and
- VVDH21-01: 1.79 g/t gold equivalent over 1.1 metres.

The Verde Target is the first of five prospects which will be drill tested during this campaign. Assays are pending for five remaining drill holes at Verde and six holes at Dos Amigos and Palmita vein corridors. Drilling is also ongoing on targets in eastern half of the Cumaro property.

VI. La Lola: the project is located in Sonora, Mexico and covers 6,309 hectares of land along the northern Sierra Madre Gold Belt and hosts the La Barra vein that has been traced for over five kilometres on the La Lola property. The La Barra vein and smaller parallel veins display high-level features of epithermal gold-silver veins and have never been drilled.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

(a) *Acquisition Agreement:* On March 25, 2019, the Company entered into an agreement with a group of third parties to purchase 100% of the La Lola property by making a total cash payment of US$100,000 per the following schedule:

	Cash payment (US$)	**Status**
Signing	$25,000	*Paid*
March 25, 2020 (1st anniversary)	$25,000	*Paid*
March 25, 2021 (2nd anniversary)	$25,000	*Project sold- July 24, 2020*
March 25, 2022 (3rd anniversary)	$25,000	*Project sold- July 24, 2020*
Total	**$100,000**	

The optionor holds 1.0% NSR royalty. The Company or any other third party it elects shall have a buyback right of the 1.0% NSR royalty by paying US$500,000.

(b) *Sale Agreement:* On July 24, 2020, the Company sold the project to Heoliodor Metals S.A. DE C.V., a private company, for US$12,500. The Company retains a 2.0% NSR royalty, of which 1.0% may be repurchased for US$1.75 million.

(c) *Project Update:*

On March 4, 2021, Heliostar announced a 1,500 metre drilling program on the 63.6 square kilometre at the La Lola property. La Lola contains the prospective La Barra vein, a five-kilometre-long quartz-carbonate-fluorite vein with elevated values of gold, silver and pathfinder elements. In outcrop the vein is up to 40 metres wide and has textures typical of shallow epithermal formation. Broad clay alteration, fluorite and low temperature textures suggest that the surface expression of the La Barra vein is the top of an epithermal system and that the metal- rich zone of the epithermal system may exist at depth.

Precious metals values in rocks generally contain low values, as would be expected, based on the shallow level expression of the geological model. However, values up to 56.6 g/t gold and up to 424 g/t silver have been found within the larger vein zone and are believed to represent stronger pulses of mineralization which were able to propagate closer to the surface. Historic mining on the vein has focused on fluorite that occurs near surface within the vein zone and is a shallow level feature of other productive systems such as at the Los Gatos mine in Chihuahua.

On March 29, 2021, Heliostar Metals announced the results of a 1,500 metre drilling program. Three holes were completed with the following results:

- LOLA21-01 - no significant results;
- LOLA21-02 - 2.5 metres grading 92.0 g/t silver; and
- LOLA21-03 – assays pending.

Mineral Property Interests- Continued

On June 3, 2021 Heliostar Metals announced the completion of four holes at La Loa with assays from LOLA 21-03 and 21-04 pending.

VII. Llano del Nogal: the project is located in Sonora, Mexico and is a 98 square kilometre concession covering 25 square kilometres of altered volcanic and intrusive rocks on the prolific Nacozari porphyry copper trend in northern Mexico.

(a) *Alliance Agreement*: On December 18, 2012, the Company signed an agreement with Altius Minerals Corp. ("Altius") for a four-year, $1.5 million, regional exploration alliance. Altius has the right of first offer on the sale of any alliance Project royalties owned by the Company.

Pursuant to the alliance agreement with Altius, encumbrances on the Llano del Nogal project include:

- Llano del Nogal Claims - 1.0% NSR royalty on base metals and 1.5% NSR royalty on precious metals payable to Altius; and
- Coyotes Claims - 1.5% NSR royalty payable to Altius and the 1.5% NSR royalty can be repurchased for US$1.5 million.

Canada Portfolio

I. Ball Creek: Ball Creek is a copper porphyry and epithermal gold project comprising 52,442 hectares, located in the Golden Triangle, northwestern British Columbia. The ground contains several porphyry copper-gold and epithermal gold systems associated with Jurassic intrusive rocks.

(a) *Acquisition Agreement:* On April 20, 2015, the Company acquired a 100% interest in the Ball Creek property from LUFF Enterprises Ltd. (formerly Ascent Industries Corp. and Paget Minerals Corp.) Preexisting encumbrances payable to Sandstorm Gold Royalties ("Sandstorm") include:

- 2.0% NSR royalty payable to Sandstorm and the Company has an option to repurchase 1.0% of the NSR royalty for $1.0 million;
- $1.0 million payable to Sandstorm upon announcement of a measured or indicated mineral resource estimate (NI 43-101 compliant) of at least 1.0 million oz gold equivalent resource; and
- $3.0 million payable to Sandstorm on a positive NI 43-101 compliant Feasibility Study.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

To earn a 100% interest, the Company is required to make the following payments:

- $150,000 upon closing of the agreement (paid);
- If the Company enters into an option agreement whereby the Company would receive payments related to the property at any time within the four years following the date of the agreement, the Company will be required to pay additional consideration of 40% of payments received during the first year, 30% of payments received during the second year, 20% of payments received during the third year and 10% of payments received during the fourth year; and
- Milestone share payments (or cash equivalent at the Company's election) of:

	Share or cash equivalent payments	**Status**
Signing	100,000	*Issued- 2017*
Completion of 10,000 metres of drilling	250,000	*Agreement terminated- December 12, 2020*
Announcement of M&I Resource Estimate of at least 500 million tonnes at grade of at least 0.50% copper equivalent	400,000	*Terminated*
Completion of a NI 43-101 Feasibility Study	500,000	*Terminated*
Total Shares	**1,250,000**	

Both the Company and LUFF are each entitled to 50% of the existing bond in place, with the Company's share being $20,000 (2020 - $20,000).

On December 12, 2020, the Company terminated the agreement with LUFF and paid $20,000 in consideration to acquire 100% interest in Ball Creek. The Company has no further obligation to LUFF and retains 100% interest in the Ball Creek property.

(b) *Option Agreement:* on July 9, 2019, the Company entered into an option agreement with Golden Ridge Resources Ltd. ("Golden Ridge") on the Ball creek project. Golden Ridge can earn an 80% interest in the Ball Creek project by issuing 1,000,000 Golden Ridge shares, making cash or cash equivalent share payments of up to $300,000, additional cash payments of up to $4.25 million, making a production decision supported by an NI 43-101 compliant Feasibility Study and providing evidence of project financing that is mutually acceptable to both parties in accordance with the Feasibility Study. The Company retains the right to purchase 1.0% of a pre-existing 2.0% NSR royalty for $1.0 million.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

The following is the payment schedule per the option agreement:

	Cash or cash equivalent share payments	**Status**
Five business day from TSX Approval	1,000,000 (shares)	*Received*
July 9, 2020- 2025 (1st to 6th anniversary)	$50,000 cash or cash equivalent share payment/anniversary	*149,573 Common Shares Received in Q3-2020. These -shares were subsequently returned to Golden Ridge when the option agreement was terminated on February 8, 2021.*
July 9, 2026-2029 (7th to 10th anniversary)	$125,000 cash /anniversary	*Agreement terminated- February 8, 2021*
July 9, 2030- 2034 (11th to 15th anniversary)	$250,000 cash /anniversary	*Terminated*
July 9, 2035- 2039 (16th to 20th anniversary)	$500,000 cash /anniversary	*Terminated*

A portion of the first four years' share and cash payments will be subject to the purchase agreement with LUFF. The Company received 1,000,000 Golden Ridge shares of which 400,000 were transferred to LUFF.

On February 8, 2021, the Company and Golden Ridge terminated the option agreement. The Company paid a consideration of $15,000 and returned 149,573 Golden Ridge shares to Golden Ridge.

The Company has placed a reclamation bond of $40,000 (2020 - $40,000) for the property.

(c) *Corporate Transaction:* On August 18, 2021, the Company announced the spinout the Ball Creek project into a new company ("SpinCo") by way of a Plan of Arrangement under the British Columbia Corporation Act. Shareholders of the Company will maintain their existing ownership of common shares in the Company and gain new shares of SpinCo on a ratio to be determined. In addition, the Company will also retain 0.5% NSR royalty on the project. SpinCo will focus on the exploration and advancement of the project.

II. **Axe:** The Axe project covers multiple alkalic copper-gold porphyry centers in the Southern Quesnellia Terrane of south-central British Columbia. The primary target on the project is an outcropping porphyry copper target at the 1516 zone which is expressed on the surface as 2,200 metres by 400 metres zone of greater than 150 ppm copper in soils.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

a) *Acquisition Agreement:* On December 6, 2016, the Company acquired a 100% interest in the Axe property from Liberty Leaf Holdings Ltd. ("Liberty Leaf") and Bearclaw Capital Corp. ("Bearclaw"), subject to:

- 1.0% NSR royalty covering 21 claims and the Company has an option to repurchase the 1.0% NSR royalty for $1.5 million; and
- 2.0% NSR royalty on four separate claims and the Company has an option to repurchase 1.0% of the NSR royalty $1.0 million and the remaining 1.0% NSR royalty for $2.0 million.

To earn a 100% interest, the Company is required to make the following payments:

- $30,000 ($21,000 to Liberty Leaf and $9,000 to Bearclaw) upon closing of the agreement (paid); and
- Share or cash equivalent payments at the Company's selection according to the following milestones:

	Share or cash equivalent payments	**Status**
Upon entering into a future option agreement	75,000	*Issued*
Upon entering into a future agreement to drill 5,000 metres	75,000	*Assigned to Kodiak Copper Corp. ("Kodiak") whereby Kodiak will make a cash payment to the value of 75,000 common shares of the Company up to a maximum of $50,000.*
Upon announcement of a measured or indicated mineral resource estimate (NI 43-101 compliant) of at least 500 million tonnes at a grade of at least 0.40% copper equivalent	200,000	*Assigned to Kodiak whereby Kodiak will make a cash payment to the value of 200,000 common shares of the Company up to a maximum value of $150,000.*
Completion of a NI 43-101 compliant Feasibility Study	250,000	*Assigned to Kodiak whereby Kodiak will make a cash payment to the value of 250,000 common shares of the Company up to a*

(Expressed in Canadian Dollars)

		maximum value of $200,000.
Total Shares	**600,000**	

(b) *Sale Agreement:* On April 16, 2021, the Company sold the Axe project to Kodiak for consideration of 950,000 common shares of Kodiak for a deemed fair value of $1,472,500 and a 2.0% NSR royalty, of which 0.5% can be purchased for $2.0 million. Kodiak also assumes the remaining obligation owed to Nova and Bearclaw, up to certain limits (see part (a)), in accordance with the December 6, 2016 acquisition agreement.

III. **Lemon Lake:** The Lemon Lake Project is a 26 square kilometer alkalic porphyry copper-gold project located 6 kilometres east of the Hamlet of Horsefly in the Cariboo Mountains, British Columbia. The project covers the Lemon Lake stock and a copper-gold porphyry target defined by soils, IP and shallow percussion drilling through glacial till.

(a) *Acquisition Agreement:* On October 4, 2018, the Company acquired a 100% interest in the Lemon Lake property from Metalogic Exploration Inc. The agreement was subsequently amended on February 17, 2021. To earn a 100% interest, the Company is required to make cash or share equivalent payments according to the following milestones:

	October 4, 2018 Agreement- cash or share equivalent payments	**February 17, 2021, Amendment- cash or share equivalent payments**	**Status**
Closing of agreement	$15,000	$15,000	*Paid*
Upon entering into a Future Option Agreement	$25,000	-	
February 18, 2022 - On the 1st anniversary of the Acme option agreement	-	$7,500	*Paid*
February 18, 2023 - On the 2nd anniversary of the Acme option agreement	-	$17,500	
Upon entering into an agreement to drill 10,000 metres	$25,000	$25,000	
Upon announcement of a M&I or inferred (NI 43-101 compliant) mineral resource estimate of at least 200,000,000 tons at a grade of at least 0.50% copper equivalent.	$150,000	$150,000	
Upon decision to bring the property into commercial production	$500,000	$500,00	
Total	**$715,000**	**$715,000**	

The Company has placed a reclamation bond of $75,000 (2020 - $75,000) for the property.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

(b) *Option Agreement:* On February 18, 2021, the Company entered into an agreement with Acme Company Limited ("Acme"), a private British Columbia based company to option the Lemon Lake property. Acme can acquire a 100% interest in the Lemon Lake by making cash payments of $575,000 and work expenditures of $3.0 million over a five-year period according to the following schedule and granting a 1.0% NSR royalty to the Company:

	Option payments	**Status**	**Minimum work expenditure**	**Status**	**Milestone payments**	**Status**
On or before February 18, 2022 (1st anniversary)	-		$75,000		$7,500	*Received*
February 18, 2023 (2nd anniversary)	$10,000		$75,000		$17,500	
February 18, 2024 (3rd anniversary)	$65,000		$350,000		-	
February 18, 2025 (4th anniversary)	$100,000		$1,000,000		-	
February 18, 2025 (5th anniversary)	$400,000		$1,500,000		-	
Upon the completion of an aggregate of 10,000 metres of drilling as part of Mining Work	-		-		$25,000	
Upon the announcement of a measured or indicated mineral resource estimate of at least 200,000,000 tons at a grade of at least 0.50% copper equivalent	-		-		$150,000	
Upon the Optionee's decision to bring a mine on the property into commercial production.	-		-		$500,000	
Total	**$575,000**		**$3,000,000**		**$700,000**	

(c) Project Update: Acme completed mapping, sampling and airborne magnetics on the property in 2021 which defined two drill targets that will be tested in 2022.

IV. **TREK 31:** On February 18, 2020, the Company announced its ownership of the TREK 31 property which covers a Blackwater-Davidson like intermediate sulfidation target in the Nechako Plateau of British Columbia. The property was staked in 2018 covering one of the largest and strongest geochemical anomalies identified by Geoscience BC's TREK initiative.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

(a) *Option Agreement:* On October 13, 2020, the Company entered into an option agreement with Pacific Imperial Mines Inc. ("Pacific Imperial") whereby Pacific Imperial can earn up to a 100% interest in the project by making cash payments totaling US$1.3 million and incurring $3.0 million in exploration expenditures over a five-year period. The Company will retain a 3.0% NSR royalty on the TREK 31 claims of which 1.0% can be repurchased for $3.0 million.

	Option payments (US$)	**Status**	**Minimum aggregate work expenditure**	**Status**
April 13, 2021 (6 months from Effective Date)	$20,000	*Received*	-	-
October 13, 2021 (1st anniversary)	$30,000	*Received*	$300,000	*Extended for nine months*
October 13, 2022 (2nd anniversary)	$50,000		$1,000,000	
October 13, 2023 (3rd anniversary)	$100,000		$1,500,000	
October 13, 2024 (4th anniversary)	$100,000		$2,000,000	
October 13, 2025 (5th anniversary)	$1,000,000		$3,000,000	
Total	**$1,300,000**			

(b) *Project Update:*

Basal Till geochemical sampling by the Company outlined a 2.3 kilometre by 900 metre gold-in-till anomaly situated down ice of a major structural break between rocks of the Stikine Terrane and magnetic rocks interpreted to be volcanic and intrusive rocks of Eocene age. TREK-31 exhibits potential for a Blackwater-Davidson deposit exploration target.

On February 23, 2021, the Company announced that with Pacific Imperial, it has complete additional till sampling and approximately 12 kilometres of pole dipole IP geophysics on the TREK-31 project. The survey defined a greater than 200 metre wide chargeability anomaly within a highly resistive unit immediately south of a pronounced magnetic high and coincident with a strong gold in basal till anomaly. This geophysical signature prompted the acquisition of an additional 26.1 square kilometres of claims and will serve as the basis for drill targeting by Pacific Imperial in 2021. The Company has placed a reclamation bond of $14,000 (2020 - $14,000) for the property.

Mineral Property Interests- Continued

V. ***Astro:*** The 250-square-kilometre Astro project is located six kilometres north of the Mile 222 airstrip and 195 kilometres northeast of Ross River along the Canol Road in the Northwest Territories, providing seasonal road access to the southern boundary of the property. The Astro project was generated from a July 10, 2017 alliance between the Company and Newmont Mining Corporation ("Newmont"). The alliance focused on generating greenfield exploration opportunities in terranes favorable for world-class gold orebodies. On April 10, 2020, the Company and Newmont have both agreed to terminate the alliance agreement.

The Company has placed a reclamation bond of $40,834 (2020 - $40,834) for the property. Newmont retained a 0.5% NSR royalty on all minerals produced from the project of which the entire royalty can be purchased for US$1.0 million.

VI. ***Onjo:*** is a copper-gold porphyry project located in north central British Columbia in the Quesnellia arc and on a magnetic trend hosting the Mount Milligan mine and the Kwanika and Chuchi copper-gold deposits. It is also within ten kilometres from Centerra Gold's Mt. Milligan Mine.

(a) *Sale Agreement*: On February 3, 2022, the Company completed a purchase and sales agreement with Pacific Ridge Exploration Ltd. ("Pacific Ridge") to sell 100% interest in the Onjo project for $50,000 cash, 750,000 common shares of Pacific Ridge, and retaining a 2.0% NSR royalty, of which 0.5% can be purchased for US$1.5 million.

VII. ***Other Projects***

On February 23, 2021, the Company announced that it has acquired three land positions in the Nechako Plateau targeting Blackwater-Davidson like intermediate sulfidation epithermal gold systems covered by shallow glacial till. Surficial mapping and till sampling will be used in conjunction with geophysics to advance these projects to a drill ready stage.

United States Portfolio

I. **Silicon:** The Silicon project is located in Bare Mountain mining district, Nye County, Nevada.

(a) *Acquisition Agreement:* On February 20, 2015, the Company entered into a royalty agreement with Altius (formerly Callinan Royalties Corporation) whereby the Company retained 100% ownership of the Silicon property, discovered through an alliance between the Company and Altius pursuant to an October 22, 2013 alliance agreement, for a 1.5% NSR royalty payable to Altius.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

(b) *Sale Agreement:* On May 1, 2017, the Company entered into an option agreement with AngloGold Ashanti NA ("AngloGold") whereby AngloGold may acquire 100% interest in the Silicon project by making aggregate payments of US$3.0 million over three years. In addition, the 1.5% royalty obligation payable to Altius was transferred to AngloGold. The Company also retains a 1.0% NSR royalty on future production from the project. On June 3, 2020, AngloGold exercised its option to acquire 100% of the project by making the final payment of US$2.4 million.

(c) *Project Update:* On February 22, 2022, AngloGold announced a maiden 3.37 million ounce inferred gold resource at the Central-Silicon zone on the Silicon project. Highlights from AngloGold's Annual Report includes the following:

- Maiden resource of 3.37 million ounces of oxide gold from the Central-Silicon zone as of December 31, 2021;
- Resources do not include the Merlin zone, located approximately two kilometres south of Central-Silicon and on the same structural trend;
- Conceptual plan of 300,000 ounces of annual production from North Bullfrog and Silicon using heap leach and gravity recovery;
- Silicon prefeasibility studies planned in 2022 and 2023 are underway with permitting and mine construction to come in future years; and
- Ongoing exploration and infill drilling are planned to continue at the Central-Silicon and Merlin areas.

II. **Yamana Alliance**: the Company has an alliance with a subsidiary of Yamana Gold Inc. ("Yamana") on the Raven and Callaghan projects as follows:

(a) *Option Agreement*: On July 23, 2021, the Company signed two option agreements with Meridian Gold Company ("Meridian"), a wholly owned subsidiary of Yamana, for the option of Raven and Callaghan gold projects and a three-year funded generative exploration alliance. Callaghan and Raven projects are Carlin-type gold targets located in Lander County, Nevada.

Under the terms of the Option agreement, Meridian can earn up to 100% interest in the Raven and Callaghan projects by making cash payments and incurring minimum exploration expenditures according to the following:

	Cash payments (US$)	**Status**	**Minimum work requirements (US$)**	**Status**
Effective Date	$50,000	*Received*	-	-
July 23, 2022 (1st anniversary)	$50,000		$375,000*	
July 23, 2023 (2nd anniversary)	$50,000		$500,000	
July 23, 2024 (3rd anniversary)	$50,000		$750,000	
July 23, 2025 (4th anniversary)	$50,000		$1,000,000	

(Expressed in Canadian Dollars)

July 23, 2026 (5th anniversary)	$50,000		$2,000,000	
Total	**$300,000**		**$4,625,000**	

*minimum of US$100,000 must be incurred on each of the Callaghan and Raven properties.

The Company will retain a 2.5% NSR royalty on the Raven project and 3.0% NSR royalty on the Callaghan project, with a buy down right up to 1.0%% on each NSR royalty for up to US$10.0 million.

Under the terms of the Alliance agreement, generative exploration program will be conducted within a 4,000 square kilometre area of influence (“AOI”) in Nevada. Projects staked within the AOI and selected by Meridian will be subject to similar earn-in terms as the Option agreement. The Company will retain a 1.0% NSR royalty on the ground acquired within the AOI.

III. **Jupiter:** The Jupiter project is located in Nye County, Nevada. The Company holds 100% interest in the project subject to a 1.0% NSR royalty to Altius.

(b) *Option Agreement*: On November 30, 2017, the Company entered into an earn-in agreement with Ramelius Resources Ltd. (“Ramelius”), whereby Ramelius can earn a 75% interest in the project by:

- making a cash payment of US$25,000 upon signing the agreement (received); and
- funding a total of US$3.0 million in exploration expenditures over a five-year period. If a production decision is made in respect of the project, the Company must either contribute to ongoing joint venture expenditures in proportion to its ownership interest, dilute to a royalty interest, or allow Ramelius to provide project financing for the Company, whereby Ramelius may increase its project interest to 80%.

(c) Project Update:

Ramelius completed 3533 metres of RC drilling in 17 holes on the project between 2017 and 2019. Thirteen of the holes were drilled along a 1.4 kilometre fence in the north eastern portion of the project where a broad zone of low grade gold mineralization was intercepted near the Tertiary unconformity. The highest intercept in the drill program was 9.14 metres grading 1.10 g/t gold. On March 3, 2021, both the Company and Ramelius terminated the agreement.

IV. **Maggie Creek**: The Maggie Creek project is located in Eureka County, Nevada.

(a) *Acquisition Agreement:* On August 20, 2015 the Company acquired the Maggie Creek project from Wolfpack Gold (Nevada) Corporation (“Wolfpack”) in exchange for a 1.0% NSR royalty that can be bought down for US$1.5 million, or fractions thereof at the pro-rata cost, at any time during the term of the agreement. In addition, a 2.0% NSR royalty is payable to EMX Royalty Corp. pursuant to a pre-existing deed of royalties.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

(b) *Option Agreement:* On February 15, 2019, the Company entered into an earn-in agreement with Orevada Metals Inc. that was subsequently acquired by US Gold Corp. ("US Gold"). Pursuant to the agreement, US Gold can earn a 70% interest in the project. The agreement was subsequently amended on December 17, 2019 to postpone the First and Second Work Obligation to June 15, 2021.

To earn a 50% interest in the project, US Gold is to required to pay US$17,034 for BLM fees when the agreement was signed (received) and incur US$4.5 million in exploration expenditures by with the according to the following schedule:

	Cash payments (US$)	**Status**	**Minimum work expenditure (US$)**	**Status**
Effective Date	$32,034*	*Received*	-	-
June 15, 2021 (1st anniversary) "First Work Obligation"	-	-	$100,000	*Completed*
June 15, 2021 (2nd anniversary) "Second Work Obligation"	-	-	$200,000	*Completed*
June 15, 2022 (3nd anniversary)	-		$500,000	*Completed*
June 15, 2023 (4th anniversary)	-		$700,000	
June 15, 2024 (5th anniversary)	-		$1,000,000	
June 15, 2025 (6th anniversary)	-		$1,000,000	
June 15, 2026 (7th anniversary)	-		$1,000,000	
Completion of exploration minimum expenditure requirements	$250,000		-	
Total	**$282,034**		**$4,500,000**	

**Includes $15,000 for initial option payment and $17,034 for reimbursement of claim fees.*

Upon completing the initial earn-in expenditures, US Gold shall vest its 50% interest by paying the Company US$250,000, up to US$125,000 of which may be paid in shares of US Gold, provided such shares are listed on Toronto Stock Exchange, TSX Venture Exchange or Canadian Stock Exchange (or their equivalent), at US Gold's sole election.

US Gold can earn an additional 20% interest in the project by producing a Feasibility Study.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

(c) *Project Update:*

On February 23, 2021, US Gold has submitted a Notice of Intent for a spring 2021 drill program. The program is planned to test the northeast extension of the Chukar-Alunite fault zone under post-mineral cover. This structural corridor is one of the primary controls on Nevada Gold Mines' adjacent Gold Quarry deposit where it hosts more than 25 million ounces of gold[1].

On April 7, 2021, US Gold announced that drilling was underway with up to 1,500 metres planned in up to 2 holes.

On June 30, 2021, U.S. Gold provided a drilling update with results from a two-hole 1,353 metre drill program. The first hole, MC21-1c encountered typical lower plate stratigraphy with sometimes intense alteration, brecciation and faulting throughout. The strongest alteration and sulphides, including sooty pyrite and orpiment in brecciated hydrothermal dolomite, was encountered within the Wispy Member of the Popovich at 823 metres. This interval was anomalous in gold, arsenic, mercury and thallium, with a high of 165 ppb of gold.

The second hole, MC21-2c, angled to the north from the same pad as MC21-1c. This hole was terminated at 458 metres within Upper Plate Vinini siltstone and mudstone. The Vinini in MC21-2c displays much more intense clay alteration and sulfidation than in MC21-2c.

V. **Spring Peak**: The Spring Peak project is located in Mineral County, Nevada.

(a) *Acquisition Agreement:* On January 20, 2012, as amended on September 5, 2013 and April 12, 2016, the Company entered into mineral lease and option to purchase agreements with Gregory J. Kuzma and Heidi A. Kuzma (the "Kuzma Lease"). The Company is required to make cash payments according to the following milestones:

	Cash payments (US$)	**Status**
January 20, 2012 (Execution Date)	$10,000	*Paid*
January 20, 2013 (1st anniversary)	$10,000	*Paid*
May 18, 2016- upon the execution of a 3rd party option agreement	$12,500	*Paid*
30 day after Permit Date- December 13, 2019	$20,000	*Paid*
February 7, 2019- upon the execution of the January 17, 2019 Option Agreement with OceanaGold (US) Inc.	$12,500	*Paid*
December 13, 2020- 1st anniversary of Permit Date*	$30,000	*Paid*
December 13, 2021- 2nd anniversary of Permit Date*	$40,000	*Assigned to*

[1] Muntean, J.L., 2020, Carlin-Type Gold Deposits in Nevada: Geologic Characteristics, Critical Processes, and Exploration, SEG Special Publication no. 23, pp. 775-795

(Expressed in Canadian Dollars)

		Headwater Gold Inc.
3rd -11th anniversaries of drill permit	$50,000/anniversary	*Assigned to Headwater Gold Inc.*
12th anniversary to termination	$60,000/ anniversary	*Assigned to Headwater Gold Inc.*

The Company has the option to purchase the Spring Peak project for US$500,000 within one year following the completion of a technical report that documents a minimum 500,000-ounce gold equivalent inferred resource. The Kuzma Lease is subject to a 2.5% NSR royalty, of which 1.5% of the NSR royalty may be repurchased for US$1.5 million.

(b) *Option Agreement:* On January 17, 2019, the Company entered into an earn-in agreement with OceanaGold (US) Inc. ("OceanaGold") whereby OceanaGold can earn a 51% interest in the project by making total cash payments of US$215,000 and incur total exploration expenditures of US$4.0 million according to the following schedule:

	Cash payments (US$)	**Status**	**Minimum work expenditure (US$)**	**Status**
January 17, 2019 (Effective Date)	$15,000	*Received*	-	-
January 17, 2020 (1st anniversary)	$25,000	*Received*	$150,000	*Agreement terminated- February 10, 2021*
January 17, 2021 (2nd anniversary)	$25,000	*Agreement terminated- February 10, 2021*	$100,000	*Terminated*
January 17, 2022 (3rd anniversary)	$50,000	*Terminated*	$100,000	*Terminated*
January 17, 2023 (4th anniversary)	$50,000	*Terminated*	$100,000	*Terminated*
January 17, 2024 (5th anniversary)	-	*Terminated*	$100,000	*Terminated*
OceanaGold earning and being transferred 51% interest	$50,000	*Terminated*	-	*Terminated*
Total	**$215,000**	**-**	**$550,000**	**-**

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

Upon signing of this agreement, OceanaGold shall apply to the U.S. Forest Service for a permit in OceanaGold's name (or its designated affiliate's name) to carry out drilling activities as described in the plan of operations ("Permit"). If the Permit is granted within the first agreement year, then OceanaGold shall expend such exploration and development expenditure that:

- aggregates to $300,000 within the 12 months following the grant of the Permit; and
- aggregates to the minimum annual expenditure for that agreement year.

If the Permit is not granted during the first agreement year, OceanaGold may choose to terminate this agreement at any time after having fulfilled the irrevocable obligation by giving written notice to terminate to the Company. Once the 51% interest has been earned, OceanaGold may elect to exercise an option to earn an additional 24% interest by incurring US$6.0 million in exploration and development expenditures according to the following schedule:

	Minimum annual expenditure (US$)
1st anniversary of Option Exercise Date	$500,000
2nd anniversary of Option Exercise Date	$500,000
3rd anniversary of Option Exercise Date	$500,000
4th anniversary of Option Exercise Date	$500,000
Total	**$6,000,000**

The Company became the operator for the drilling program in August 2020. The Company received $416,061 or US$326,764 in exploration expenditure advances from OceanaGold during the year. As at December 31, 2021 $nil (2020 - $416,061) was outstanding. On February 10, 2021, the option was terminated.

(c) *Option Agreement:* On July 12, 2021, the Company entered into an exploration and option agreement with Headwater Gold Inc. ("Headwater") to acquire 100% interest in the Spring Peak project with the following consideration:

	Cash payments (US$)	**Cash or Common shares payment**	**Minimum work requirements**	**Status**
On signing	$10,000	-	-	*Received*
Receipt of final approval from US Forest Service on Headwater's full Plan of Operations	-	$250,000	-	
On or before July 12, 2023 (2nd anniversary)	-	-	$250,000	
Total	***$10,000***	***$250,000***	***$250,000***	

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

The Company will retain a 0.5% NSR royalty and an option to purchase an additional 0.5% NSR royalty for US$1.0 million. Headwater is also required to maintain existing underlying vendor payments and royalties.

(d) *Project Update:*

Headwater announced the completion of its drill program on the Spring Peak project on September 15, 2021 which consisted of five reverse circulation drill holes totaling 1,350 metres. Results announced by Headwater on November 22, 2021 returned gold anomalous quartz veins in four of five holes with a new blind gold discovery made with drill hole SP21-03 which intersected 38.1 metres grading 1.00 g/t gold including 9.2 metres grading 2.49 g/t gold. Drill results confirms the presence of a laterally continuous gold-bearing epithermal boiling zone below a cap of silica sinter and barren alteration at surface. Vein textures and multi-element geochemistry suggest the mineralization encountered occurs in the top of the targeted boiling horizon, with follow-up targets immediately down dip.

VI. **Tabor (*formerly Baby Doe*)**: the Company holds a 100% interest in the Tabor project, located in Esmeralda County, Nevada.

(a) *Option Agreement:* On August 24, 2020, the Company entered into an earn-in agreement with Au-Reka Gold Corporation, a subsidiary of i-80 Gold Corp. (formerly Premier Gold Mines U.S.A.) ("I-80") whereby I-80 can earn up to a 100% of interest in the project as follows:

- an initial 55% interest can be earned by making US$200,000 in cash payments and completing US$5.0 million of exploration expenditures over a four-year period:

	Other payments (US$)	**Status**	**Option payments (US$)**	**Status**	**Minimum work expenditure (US$)**	**Status**
August 24, 2020	-		$25,000	Received	-	-
30 days before BLM Payment Due Date for 2020/2021 Tabor holdings cost	$46,972	Received	-	-	-	-
On or Before August 24, 2021 (1st anniversary)	-		-	-	$100,000	*Completed*
The later of i) August 24, 2021 or 2) the Permit Date	-		$25,000		-	
1st anniversary of Permit Date*	-		$50,000	-	$200,000	

(Expressed in Canadian Dollars)

If the two committed expenditure amounts are not met, the difference between the actual expenditures and the $300,000 commitment will be paid in cash to the Company.						
Following the 1st anniversary of the Permit Date, minimum annual Expenditures of at least an additional $150,000 until the earliest of the following: (1) the fourth anniversary of the Permit Date; and (2) Expenditures in the total aggregate amount of $5,000,000.	-		-		-	
2nd anniversary of Permit Date	-		$50,000		$150,000	
3rd anniversary of Permit Date	-		$50,000		$150,000	
4th anniversary of Permit Date	-				$150,000	
Total	**$46,972**		**$200,000**		**$5,000,000**	

**Permit Date means the date the United States Forest Service or Bureau of Land Management, as applicable, approves I-80's notice of intent to conduct exploration activities or exploration plan of operations pursuant to which I-80 is authorized to conduct exploration drilling on the Property.*

- the remaining 45% interest can be earned by making a US$300,000 payment and incurring US$5.0 million in exploration expenditures:

	Cash Payments (US$)	**Minimum aggregate work expenditure (US$)**
Bump-Up Option Notice	$300,000	
4th anniversary of Bump-Up Notice-Above and beyond those made as part of the Initial Earn-In Option Payments		$5,000,000
Total	**$300,000**	**$5,000,000**

- a payment of US$500,000 upon completion of the earn in.

I-80 will also assume all obligations on the adjoining Mustang Canyon property, including cash payments of US$200,000 and a 2.0% NSR royalty to Ely Gold Royalties Inc.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

I-80 has to make a further payment of US$1.0 million upon making a commercial production decision and an additional cash payment equal to US$7.50 per gold-equivalent ounce in resources and reserves, up to a maximum US$10.0 million, within 90 days of such decision.

The Company will retain a 3.0% NSR royalty on the Tabor claims and a 1.0% NSR royalty on the Mustang claims. Half of the NSR royalty on all the claims can be repurchased by I-80 for US$3.0 million.

(b) *Project Update:*

On February 23, 2021, the Company announced that I-80 expanded the project area by an additional 16.9 square-kilometres for a total project area of 25 square-kilometres. I-80 is advancing the project through geologic and alteration mapping supported by radiogenic dating of both host rocks and alteration phases on the project. An airborne magnetics survey is scheduled for 2021 and will be used in conjunction with the surface mapping to define drill targets. Permitting is underway in preparation for a 2022 drill program.

VII. Mustang Canyon ***(Tabor)***

(a) *Acquisition Agreement:* The Company entered into an option agreement with Nevada Select Royalty Inc., a wholly owned subsidiary of Ely Gold Royalties Inc. ("Ely Gold") on June 24, 2020 to purchase 100% of 27 unpatented mining claims of the Mustang Canyon property whereby Ely Gold is the registered and beneficial owner. The total purchase price for the property is US$200,000 with payments to be made according to the following milestones:

	Cash payments (US$)	**Status**
On Signing of Agreement	$10,000	*Paid*
Upon signing of a 3rd party agreement related to the Mustang Canyon Project*	$15,000	*Paid*
10 business days after Issuance of NS Claims Permit	$25,000	*Obligation transferred to I-80**
1st anniversary of NS Claims Permit	$25,000	*Obligation transferred to I-80**
2nd anniversary of NS Claims Permit	$50,000	*Obligation transferred to I-80**
3rd anniversary of NS Claims Permit	$75,000	*Obligation transferred to I-80**
Total	**$200,000**	

**Pursuant to the August 24, 2020 option agreement with I-80 on Tabor, I-80 has assumed all obligations on the Mustang Canyon property.*

Ely Gold will retain a 2.0% NSR royalty on all properties acquired within Mustang Canyon AOI after the option is exercised.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

VIII. **Ecru:** the Company holds 100% interest in the Ecru property located in Nevada.

(a) *Option Agreement:* On March 8, 2021, the company signed an option agreement with Moneghetti Minerals Limited ("Moneghetti") to option the Ecru gold project located in Nevada. Moneghetti can acquire a 100% interest in Ecru by making cash payments of US$2.5 million, work expenditures of US$5.0 million over a six-year period according to the following schedule:

	Cash payments (US$)	**Status**	**Minimum aggregate work expenditure (US$)**	**Status**
On signing	$25,000	*Received*	-	
August 8, 2022 (18 months)	$50,000		$200,000	
August 8, 2023 (30 months)	$50,000		$500,000	
August 8, 2024 (42 months)	$100,000		$1,000,000	
August 8, 2025 (54 months)	$100,000		$2,000,000	
August 8, 2026 (66 months)	$175,000		$3,000,000	
March 8, 2027 (72 months)	$2,000,000		$5,000,000	
Total	**$2,500,000**			

The Company retains a 2.0% NSR royalty on the property. Moneghetti will also make annual payments of US$50,000 starting on the first year of exercising the option until the project is placed into commercial production. In addition, Moneghetti will pay US$7.50 per ounce to a maximum US$7.5 million on all mineral resources and reserves at the time of a production decision.

IV. **Manhattan Gap:** the Company holds 100% in the Manhattan Gap property located in Nevada.

(a) *Option Agreement:* On April 20, 2021, the Company entered into an option agreement with Stampede Metals Corp. ("Stampede Metals") to acquire 100% interest in the Manhattan Gap with the following consideration:

	Cash payments (US$)	**Common shares payment**	**Minimum work requirements**	**Status**
On signing (cash)	$18,243	-	-	*Received*
On signing (common shares)	$158,000*	375*	-	*Received*
April 20, 2022 (1st anniversary)	-		500 metres of drilling	*Completed*
April 20, 2027 (6th anniversary)	-		7,500 metres of drilling	
Total	***$176,243***			

**Estimate fair value of $158,000 as Stampede Metals is not a public issuer.*

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

In the event Stampede Metals has not completed the 7,500 metres of drilling on the 6th anniversary of the option agreement, Stampede Metals will make a cash payment of US$500,000 to the Company. Upon commencement of commercial production, Stampede Metals will pay the Company US$2.50 per gold-equivalent ounces and will also grant the Company a 1.5% NSR royalty.

(b) *Project Update:* In late 2021, Stampede completed geophysics and drilling on the combined property including over 500m of drilling on Orogen's ground. Results from this drill hole are expected in early 2022.

IX. Gilbert South: the Company holds 100% interest in the Gilbert South gold property in Walker Lane epithermal belt located in Nevada.

(a) Acquisition agreements: On November 17, 2017, the Company entered into an option agreement with Nevada Select Royalty Inc. ("Nevada Select") to acquire 100% right, title and interest on certain claims of the Gilbert South Property, the Company has the following obligations:

	Cash payments (US$)	**Status**
On Closing Date	$668	*Paid*
On Effective Date (November 17, 2017)	$5,000	*Paid*
November 17, 2018- 2021 (1st to 4th anniversary)	$5,000	*Paid (1st to 3rd anniversaries)*
November 17, 2022 and onward	$10,000	*Obligation transferred to Eminent Gold*

Nevada Select retains a 2.0% NSR royalty on the project.

On August 19, 2015, the Company entered into a royalty agreement with Timberline Resources Corporation ("Timberline") and Wolfpack Gold (Nevada) Corporation ("Wolfpack") to acquire certain claims of the Gilbert South Project in exchange for 1.0% NSR royalty on the property. The Company has the right to buy down the 1.0% NSR royalty for US$1.5 million for fractions thereof at pro-rata.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

(b) *Option Agreement:* On June 24, 2021, the Company entered into an option agreement with Eminent Gold Corp. ("Eminent Gold") to acquire 100% interest in the Gilbert South project with the following consideration:

	Cash payments (US$)	Common shares payment	Minimum work requirements	Status
On signing	$25,000	50,000	-	*Received*
June 24, 2022 (1st anniversary)	$50,000	100,000	-	
June 24, 2023 (2nd anniversary)	$100,000	150,000	-	
June 24, 2024 (3rd anniversary)	$100,000	200,000	-	
June 24, 2025 (4th anniversary)	$100,000	-	-	
June 24, 2026 (5th anniversary)	$500,000	-	-	
To be incurred during the term of the option	-	-	$100,000	
Total	***$875,000***	***500,000***	***$100,000***	

In addition to the underlying NSR royalty held by Nevada Select (2.0% NSR royalty on certain claims) and by Timberline and Wolfpack (1.0% NSR royalty on certain claims), the Company will also retain a 2.0% NSR royalty on the overall project of which 1.0% can be purchased for US$1.0 million. Eminent Gold will also assume all underlying vendor obligations.

(c) *Project Update:* Eminent Gold announced results from its first phase exploration program at the Gilbert South project in October and November 2021. from two mapping and sampling programs on Gilbert South that defined two multiple-kilometre long gold-anomalies in soils coincident with mapped fault zones and rock samples that returned up to 30.7 g/t gold. These results define numerous north south trending epithermal quartz veins on the property.

On February 8, 2022 Eminent Gold announced results from a CSAMT study on the property the displayed a strong correlation between gold rich veins on the property and a conductivity and resistivity response. Drilling is planned in 2022.

X. **Kalium Canyon:** the Company holds 100% interest in the Kalium Canyon gold property in Walker Lane epithermal belt located in Nevada.

(a) Acquisition Agreement: *Acquisition agreements:* On June 8, 2021, the Company entered into an agreement with Bridgeport Gold Inc. ("Bridgeport") to acquire 21 claims comprising of the Argentite Project located in Esmeralda County, Nevada for consideration of 100,000 common shares of the Company with a deemed value of $0.35 per share or $35,000 and 1.0% NSR royalty. The Company will also assume a 2.0% NSR royalty on eight of the 21 claims.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

(b) *Option Agreement:* On June 21, 2021, the Company entered into an option agreement with Badger Minerals LLC ("Badger") to acquire 100% interest in the Kalium Canyon project with the following consideration:

	Cash payments (US$)	Minimum work requirements	Status
On signing	$25,000	-	*Received*
June 21, 2022 (1st anniversary)	$50,000	$250,000	
June 21, 2023 (2nd anniversary)	$100,000	$500,000	
June 21, 2024 (3rd anniversary)	$100,000	$1,000,000	
June 21, 2025 (4th anniversary)	$250,000	$1,500,000	
June 21, 2026 (5th anniversary)	$1,225,000	$1,750,000	
Total	***$1,750,000***	***$5,000,000***	

Within 60 days following the commencement of commercial production, Badger is required to pay the Company a one time payment of US$5.00 per ounce of gold equivalent contained in the property based on NI 43-101 mineral reserve and resource estimates in a feasibility study up to a maximum of US$10.0 million.

The Company retains a 3.0% NSR royalty on the project of which 0.5% can be purchased for US$2.0 million.

XI. **Ghost Ranch:** the Company holds 100% interest in the Ghost Ranch project located in Nevada.

(a) *Option Agreement:* On August 23, 2021, the Company entered into an exploration and option agreement with Ivy Minerals Inc. ("Ivy Minerals") to acquire 51% interest in the Ghost Ranch project by performing the following Earn-in Obligation:

	Minimum obligation (US$)	Cumulative earn-in amount (US$)	Other
On or before 1 year after Effective Date (August 23, 2022)	$100,000	-	Ivy Minerals shall perform geoscientific work
On or before the 18th month after Effective Date (February 23, 2023	$150,000	$150,000	-
On or before 2 years after Effective Date (August 23, 2023)	$100,000	-	Ivy Minerals shall preform geoscientific work
On or before 3 years after Effective Date (August 23, 2024)	$100,000	-	Ivy Minerals shall preform geoscientific work
On or before the 30th month after Effective Date (February 23, 2024).	-	-	4,000 feet drilled

(Expressed in Canadian Dollars)

Deadline shall be extended, if required, to obtain approval of the plan of operations.			
On or before 4 years after Effective Date (August 23, 2025)	$100,000	-	Ivy Minerals shall preform geoscientific work
On or before 4 years after Effective Date (August 23, 2025)	-	$1,500,000	Ivy Minerals shall incur commutative earn-in obligations including all federal annual mining claim maintenance fees
Total	**$550,000**	**$1,650,000**	

Upon completion of the initial Earn-in Obligation on or before the fourth anniversary of the Effective Date, August 23, 2025, Ivy Minerals may exercise its option to earn and vest an undivided 51% interest in Ghost Ranch. Orogen will retain 49% interest and 0.5% NSR royalty. If Ivy Minerals does not complete the Earn-in Obligation by August 23, 2025, Ivy Minerals shall have no right, title or interest in the property.

After completion of the initial earn-in, Ivy Minerals and the Company shall form a joint venture with the Company to develop Ghost Ranch. Both parties shall contribute to future exploration and development work expenditures in accordance with their respective participating interest. If either party chooses not to participate at the level of its interest in the joint venture, its interest will be diluted. If at any time a party's participating interest in the joint venture is diluted or falls below 10%, such diluted party shall deem to have withdrawn from the joint venture and their interest be converted to a 1.0% NSR royalty.

The Company shall retain a total of 1.5% NSR royalty in the event that the Company's interest in the joint venture is diluted below 10%.

XII. **Si2 (formerly Elba):** the Company holds 100% interest in the four-square kilometre Si2 project is located 60 kilometres northwest of Tonopah in Esmeralda County, Nevada. The project was generated using the same methodology used by the Company when it staked the Silicon project in 2015. Si2 consists of a large steam heated alteration cell coincident with highly anomalous mercury and no gold or trace elements on surface. This property has the potential to host a buried low-sulphidation epithermal gold deposit.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

(a) *Option Agreement:* On January 18, 2022, the Company entered into an option agreement with K2 Gold Corporation ("K2") to earn 100% interest in the Si2 project subject to the following obligations:

	Cash payments (US$)	**Status**	**Minimum cumulative work requirements (US$)**	**Status**
On signing	$50,000	*Received*	-	-
January 18, 2023 (1st anniversary)	$100,000		$150,000	
January 18, 2024 (2nd anniversary)	$100,000		$650,000	
January 18, 2025 (3rd anniversary)	$250,000		$1,250,000	
January 18, 2026 (4th anniversary)	$500,000		$1,750,000	
January 18, 2027 (5th anniversary)	$1,500,000		$2,500,000	
Total	***$2,500,000***			

The Company retains 2.0% NSR royalty once the obligations are completed and the earn-in option is exercised.

Technical Disclosure

All technical disclosure covering the Company's mineral properties was prepared under the supervision of Laurence Pryer, Ph.D., P.Geo., Exploration Manager for Orogen. Dr. Pryer is a qualified person as defined under the terms of National Instrument 43-101.

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

The following tables summarizes the movement in the Company's mineral properties during the years ended December 31, 2021 and 2020:

Mineral Property Interests	Location	Status	Operator	December 31, 2020	Additions	Recoveries	Gain (loss)	Impairment	Translation	December 31, 2021
Astro	Canada	Available		$ -	$ 1,125	$ -	$ -	$ -	$ -	**$ 1,125**
Ball Creek	Canada	Spinout		370,996	44,470	(32,455)	-	-	-	**383,011**
Lemon Lake	Canada	Optioned	Acme Company Limited	96,749	14,359	-	-	-	-	**111,108**
Onjo	Canada	Royalty		116,033	3,726	-	-	-	-	**119,759**
Nechako	Canada	Available		-	99,732	-	-	-	-	**99,732**
Trek 31	Canada	Optioned	Pacific Imperial Mines Inc.	168,412	3,595	(1,513)	-	-	-	**170,494**
Tabor	U.S.	Optioned	i-80 Gold Corp.	85,661	1,123	-	-	-	(13)	**86,771**
Buffalo Canyon	U.S.	Available		445,661	-	-	-	(445,661)	-	**-**
Callaghan	U.S.	JV	Yamana Gold Inc.	46,512	216,337	(164,083)	-	-	(197)	**98,569**
Cina Mine	U.S.	Available		17,334	-	-	-	(17,334)	-	**-**
Cine Mountain	U.S.	Available		-	74,953	-	-	-	-	**74,953**
Diamond Point	U.S.	Available		73,369	19,638	-	-	-	(5)	**93,002**
Ecru	U.S.	Optioned	Moneghetti Minerals Limited	108,926	1,173	(25,356)	-	-	(9)	**84,734**
Si2	U.S.	Optioned	K2 Gold Corporation Inc.	43,695	17,096	-	-	-	(8)	**60,783**
Fireball	U.S.	Available		54,491	-	-	-	(54,491)	-	**-**
Ghost Ranch	U.S.	Optioned	Ivy Minerals Inc.	292,831	965	-	-	-	(23)	**293,773**
Gilbert South	U.S.	Optioned	Eminent Gold Corp.	317,220	5,463	(80,492)	-	-	(106)	**242,085**
Jake Creek	U.S.	Available		94,187	-	-	-	(94,187)	-	**-**
Jupiter	U.S.	Available		310,494	-	-	-	(310,494)	-	**-**
Kalium Canyon	U.S.	Optioned	Badger Minerals LLC	42,045	38,835	(31,695)	-	-	(174)	**49,011**
Maggie Creek	U.S.	JV	U.S. Gold Corp.	113,255	1,697	-	-	-	-	**114,952**
Manhattan Gap	U.S.	Optioned	Stampede Metals Corp.	162,977	2,016	(223,441)	58,448	-	5,981	**5,981**
Polaris	U.S.	Available		48,342	-	-	-	(48,342)	-	**-**
Raven	U.S.	JV	Yamana Gold Inc.	684,875	109,724	(116,015)	-	-	(14)	**678,570**
Silicon	U.S.	Royalty		36,602,063	-	-	-	-	-	**36,602,063**
South Roberts	U.S.	Available		288,112	-	-	-	(288,112)	-	**-**
Spring Peak	U.S.	Optioned	Headwater Gold Inc.	257,395	1,547	(12,678)	-	-	(11)	**246,253**
Trinity Silver	U.S.	Available		71,490	-	-	-	(71,490)	-	**-**
Pearl String	U.S.	Available		73,537	-	-	-	(73,537)	-	**-**
Yamana Alliance	U.S.	JV	Orogen Royalties Inc.	-	10,136	(8,557)	-	-	-	**1,579**
Badesi	Mexico	Available		30,925	23,893	-	-	-	-	**54,818**
Llan del Nogal	Mexico	Available		397,296	108,599	-	-	-	-	**505,895**
Sarape	Mexico	Available		-	843,344	(965,806)	122,462	-	-	**-**
Yanira	Mexico	Available		-	1,833	-	-	-	-	**1,833**
La Joya	Mexico	Available		27,385	4,148	-	-	-	-	**31,533**
Total				**$ 41,442,268**	**$ 1,649,527**	**$ (1,662,091)**	**$ 180,910**	**$ (1,403,648)**	**$ 5,421**	**$ 40,212,387**

(Expressed in Canadian Dollars)

Mineral Property Interests- Continued

Mineral Property Interests	Location	Status	Operator	December 31, 2019	August 18, 2020 Acquisition	Additions	Recoveries	Gain (loss)	Impairment	December 31, 2020
Astro	Canada	Available		$ -	$ -	$ 22,777	$ (32,703)	$ 9,926	$ -	$ -
Ball Creek	Canada	Available		326,088	-	79,908	(35,000)	-	-	370,996
Lemon Lake	Canada	Optioned	Acme Company Limited	95,993	-	756	-	-	-	96,749
Onjo	Canada	Available		-	-	116,033	-	-	-	116,033
Trek 31	Canada	Optioned	Pacific Imperial Mines Inc.	101,424	-	154,185	(87,197)	-	-	168,412
Tabor	U.S.	Optioned	i-80 Gold Corp.	-	82,532	3,129	-	-	-	85,661
Buffalo Canyon	U.S.	Available		-	445,661	-	-	-	-	445,661
Callaghan	U.S.	JV		-	-	46,512	-	-	-	46,512
Cina Mine	U.S.	Available		-	17,334	-	-	-	-	17,334
Diamond Point	U.S.	Available		-	72,174	1,195	-	-	-	73,369
Ecru	U.S.	Optioned	Moneghetti Minerals Limited	-	106,835	2,091	-	-	-	108,926
Si2	U.S.	Available		-	41,841	1,854	-	-	-	43,695
Fireball	U.S.	Available		-	54,491	-	-	-	-	54,491
General Reconnaissance	U.S.	Available		-	1,215,130	-	-	-	(1,215,130)	-
Ghost Ranch	U.S.	Available		-	287,434	5,397	-	-	-	292,831
Gilbert South	U.S.	Available		-	292,198	25,022	-	-	-	317,220
Jake Creek	U.S.	Available		-	94,187	-	-	-	-	94,187
Jupiter	U.S.	Available		-	310,494	-	-	-	-	310,494
Kalium Canyon	U.S.	Available		-	1,016	41,029	-	-	-	42,045
Maggie Creek	U.S.	JV	U.S. Gold Corp.	-	113,255	-	-	-	-	113,255
Manhattan Gap	U.S.	Available		-	160,086	2,891	-	-	-	162,977
McDo	U.S.	Available		-	67,823	-	-	-	(67,823)	-
Polaris	U.S.	Available		-	48,342	-	-	-	-	48,342
Raven	U.S.	JV		-	681,551	3,324	-	-	-	684,875
Secret Canyon	U.S.	Available		-	304,034	-	-	-	(304,034)	-
Silicon	U.S.	Royalty		-	36,602,063	-	-	-	-	36,602,063
South Roberts	U.S.	Royalty		-	288,112	-	-	-	-	288,112
Spring Peak	U.S.	Available		-	255,554	1,841	-	-	-	257,395
Spruce East	U.S.	Available		-	13,830	-	-	-	(13,830)	-
Trinity Silver	U.S.	Available		-	71,490	-	-	-	-	71,490
Pearl String	U.S.	Available		-	73,537	-	-	-	-	73,537
Badesi	Mexico	Available		8,475	-	22,450	-	-	-	30,925
Llan del Nogal	Mexico	Available		325,225	-	72,071	-	-	-	397,296
Sarape	Mexico	Optioned	Hochschild Mining PLC	8,716	-	19,606	(202,180)	173,858	-	-
La Joya	Mexico	Available		2,881	-	24,504	-	-	-	27,385
Total				**$ 868,802**	**$ 41,701,004**	**$ 646,575**	**$ (357,080)**	**$ 183,784**	**$ (1,600,817)**	**$ 41,442,268**

Trends

Seasonality and market fluctuations may impact Company's expenditures. Exploration activities are carried out in Mexico, United States and Canada and consist of expenses incurred on mineral property operations, administration, and business development.

The level of spending is largely determined by the Company's ability to secure financing through the issuance of equity or debt, the sale of assets and joint venture or alliance agreements with industry partners.

Financial Results

For the years ended December 31, 2021 and 2020:

For the year ended December 31, 2021 ("2021") the Company incurred a net loss of $2,831,445 ($0.02 per share) compared to a net loss of $5,023,973 ($0.04 per share) for the year ended December 31, 2020 ("2020"), resulting in a variance of $2,192,528 This variance was mainly due to the following:

I. **Revenue:** the Company reported $2,179,170 (2020 – $95,342) in total revenue for 2021 from the following:

   (a) **Royalty operations:** the Company recognized $609,288 (2020 – $Nil) in royalty revenue generated from the Ermitaño project that commenced production in November 2021. The Company holds a 2.0% NSR royalty on this project with First Majestic Silver Corp. as the operator;

   (b) **Prospect generation operations:** the Company recognized $1,469,746 (2020 – $7,342) in gross revenue from the sale of projects, earn-in option proceeds, and project management fees. Higher revenue in 2021 was due to a higher number of transactions completed in 2021 compared to 2020; and

   (c) **Other operations:** the Company recognized interest income of $100,136 (2020 – $88,000). Higher interest income in 2021 was due to higher interest rates earned on short term GIC investments.

II. **Acquisition Expenditures:** the Company expensed $148,575 in acquisition costs for 2021 compared to $366,462 in 2020 resulting in a variance of $217,887. Lower acquisition costs in 2021 were due less generative activities on new projects compared to the previous year;

III. **Exploration expenditures:** the Company expensed $530,893 (2020 – $620,862) in exploration expenditures in 2021, resulting in a variance of $89,969 compared to 2020. This was due to a lower number of project generation work conducted during the year;

Financial Results– Continued

IV. **Write-off mineral properties acquisition costs:** the Company recognized an impairment of $1,403,648 (2020 – $1,600,817) on acquisition costs of certain mineral properties in 2021. The Company assess the carrying value of its mineral properties annually to determine whether any indication of impairment exists. Indication of impairment exist where the estimated recoverable amount for value in use or fair value is lower than the asset's carrying value. Other factors including future exploration plan, additional capital requirements, and the marketability of the project are also considered.

V. **Exploration reimbursements:** the Company recorded $717,004 (2020 – $17,508) in exploration expense reimbursements from JV partners in 2021. This was mostly due to the Sarape and Yamana projects where the Company received a reimbursements from partners for exploration expenses incurred; and

VI. **Overhead and G&A:** the Company reported $3,508,917 (2020 – $2,782,252) in total overhead costs for 2021, representing a variance of $726,665 or a 26% increase compared to 2020 and this was due to an increase in activities after completion of the August 18, 2020 Arrangement:

(a) **Accounting and legal:** the Company reported $302,526 (2020 – $179,314) in accounting and legal fees in 2021. Higher legal expenses were due to the increase in the number of sales and earn-in transactions completed in 2021 in addition to ongoing Ball Creek spinout costs;
(b) **Foreign Exchange:** costs of $63,713 (2020 – $10,173) were recognized for foreign exchange loss in 2021. This was mainly due to the Company's change in accounting policy of capitalizing costs of mineral acquisition and exploration costs on active projects which includes capitalizing past expenses;
(c) **General and administrative expenses:** the Company expensed $342,617 (2020 – $259,492) in overhead expenses during the period, representing a variance of $83,125. Higher overhead fees were due to increase in overall activities and the addition of US operations after completion of the August 18, 2020 Arrangement;
(d) **Management and professional fees:** the Company reported $283,511 (2020 – $186,520) in management and professional fees, representing a $96,991 variance. The Company reported lower management fees in 2021 and this was due to a lower number of directors served throughout 2021 compared to 2020, however, this was offset by higher professional and marketing fees;
(e) **Salary and support services:** the Company recorded $1,648,919 for salaries and support services in 2021 compared to $1,723,107 in 2020, representing a decrease of $74,188. This was due to an overall lower employee headcount compared to 2020; and

Financial Results- Continued

(f) **Shared-based compensation:** the Company expensed $442,877 (2020 – $79,107) shared based payment in 2021, representing a variance of $363,770. This was due to a total 4,100,000 (2020 – 500,000) stock options granted to directors, officers, employees and consultants in 2021.

For the three-month periods ended December 31, 2021 and 2020:

For the three-month period ended December 31, 2021 ("2021") the Company incurred a net loss of $2,161,946 ($0.012 per share) compared to a net loss of $1,042,838 ($0.006 per share) for the three-month period ended December 31, 2020 ("2020"), resulting in a variance of $1,119,108. This variance was mainly due to the following:

I. **Royalty revenue:** the Company recognized $609,288 (2020 – $nil) in royalty revenue generated from the Ermitaño project that commenced production in November 2021. The Company holds a 2.0% NSR royalty on this project with First Majestic Silver Corp. as the operator;

II. **Write-off mineral property acquisition costs:** the Company recognized an impairment of $1,403,648 (2020 – $102,036) on acquisition costs of certain mineral properties in 2021; and

III. **Overhead and G&A:** the Company reported $1,415,896 (2020 – $987,297) in total overhead costs for 2021, representing a variance of $428,599 compared to 2020 and this was due to streamlining and improvements in processes over the last couple of months to reduce overhead costs:

(a) **Accounting and legal:** the Company recorded $170,000 (2020 – $43,223) in accounting and legal fees for 2021, representing an increase in $126,777. Higher expenses incurred in 2021 were legal fees related to the ongoing Ball Creek spinout transaction;
(b) **Management and professional fees:** the Company expensed $91,017 (2020 – $58,440) in management and professional fees for 2021, representing an increase in $32,577 and this was due to geological consulting fees related to the ongoing Ball Creek spinout and marketing consulting fees;
(c) **Salary and support services:** the Company recorded $459,521 for salaries and support services in 2021 compared to $779,603 in 2020, representing a decrease of $320,082. The decrease during the current quarter was due to reduction in employee headcount compared to the same period in 2020; and
(d) **Share-based compensation:** $491,168 (2020 – recovery $73,733) were expensed for stock options granted net of costs related to forfeited options that was derecognized in 2021. During the period, the Company granted 3,100,000 stock options compared to 500,00 stock options that were granted in 2020.

(Expressed in Canadian Dollars)

1.5 Summary of Quarterly Results

Selected quarterly information for each of the eight most recently completed financial periods is set out below. All results were compiled using IFRS.

	2021 Q4	2021 Q3	2021 Q2	2021 Q1
Revenues	$ 237,658	$ 144,123	$ 1,784,936	$ 12,453
Net gain/(loss)	$ (2,161,946)	$ (1,199,156)	$ 469,901	$ 59,756
Gain/(loss) per share	$ (0.012)	$ (0.01)	$ 0.003	$ 0.0003

	2020 Q4*	2020 Q3	2020 Q2	2020 Q1
Revenues	$ (12,039)	$ 104,409	$ 2,356	$ 616
Net gain/(loss)	$ 39,674,239	$ (43,432,249)	$ (556,113)	$ (709,850)
Loss per share	$ (0.01)	$ (0.29)	$ (0.01)	$ (0.01)

**Adjusted revenues and net gain/loss after Changes in Accounting Policy.*

The differences shown above are primarily the result of variations in factors such as partner funding, project acquisition, sale of property rights and timing differences. The Company has a portfolio of exploration properties on which it has undertaken significant exploration as well as paying on-going claim maintenance costs.

1.6 Liquidity

The Company's cash and cash equivalents at December 31, 2021, were $2,874,867 (2020 – $3,617,103). Short-term investments at December 31, 2021 were $5,130,030 (2020 – $7,166,726). The Company had working capital of $10,239,343 (2020 – $10,424,884) at December 31, 2021. There was an increase in marketable securities by $1,499,360 from revenue generated mineral properties disposition and optioned. Activities that impacted liquidity also include:

I. **Cashflow:** during the year ended December 31, 2021, $3,529,230 (2020 – $3,535,745) of net cash flow was used in operating activities, inflow of $2,054,416 (2020 – outflow $1,415,759) was generated in investing activities, and $718,098 (2020 – inflow $4,973,437) was provided by financing activities as a result of exercised stock options;

II. **Cash and cash equivalents:** include $2,813,721 (2020 – $1,867,101) in the operating bank accounts and $61,146 (2020 – $1,750,002) of short term guaranteed investment certificates that are cashable within six to twelve months. Increase in cash in operating bank accounts was due to maturity of short term investments during the year;

Liquidity- Continued

III. **Accounts receivable:** the Company reported accounts receivable of $1,254,745 (2020 – $398,927) as at December 31, 2021. Trade receivables of $904,771 (2020– $98,854) are current (less than 30 days). Higher trade receivable balance reported at December 31, 2021 was due to royalty revenue accrued from Ermitaño's fourth quarter production that commenced in November. Current tax receivable of $349,974 (2020 – $300,073) is between 90 to 180 days. No allowance for doubtful accounts or impairment has been recognized for these amounts, as the amounts are all considered recoverable;

IV. **Marketable securities:** the Company has $1,553,024 (2020 – $53,664) in marketable securities as at December 31, 2021. There was an increase in marketable securities by $1,499,360 from revenue generated on mineral properties sold and optioned. These are equity securities received as consideration in connection with joint venture option agreements and can be monetized anytime without restrictions; and

V. **Liabilities:** the Company reported $683,480 (2020 – $867,784) in current liabilities which includes accounts payable and accrued liabilities of $181,564 (2020 – $120,438), short-term lease liabilities of $66,903 (2020 – $155,317), and JV partner advances of $435,013 (2020 – $592,029). These balances are considered reasonable for the Company's activities.

As the Company has no substantial revenues, its ability to fund operations is dependent upon its ability to secure financing through the sale of equity or assets. The value of any mineral property is dependent upon the existence of economically recoverable mineral reserves, or the possibility of discovering such reserves, or proceeds from the disposition of such properties. See Section 1.14 "Risk Factors".

1.7 Capital Resources

The Company had 178,080,133 issued and outstanding common shares as of December 31, 2021 (2020 – 174,642,284). During the year, the Company issued the following common shares:

I. **Exercise of stock options:** During the year ended December 31, 2021, 3,337,849 (2020 – 2,246,671) stock options were exercised for gross proceeds of $718,098 (2020 – $477,120) with an average weighted exercise price of $0.22 per share (2020 – $0.21 per share);

II. **Warrant exercise:** No warrants were exercised during the year ended December 31, 2021. During the year ended December 31, 2020, 291,283 common share purchase warrants were exercised with an average exercise price of $0.39 per share for gross proceeds of $112,319 and $31,137 was reclassed from contributed surplus to capital stock; and

(Expressed in Canadian Dollars)

Capital Resources- Continued

III. **Issuance of common shares:** On June 23, 2021, the Company issued 100,000 common shares to Bridgeport Gold Inc. with deemed value of $0.35 per share or $35,000 in connection with a June 8, 2021 acquisition of 21 mining claims comprising the Argentite Project located in Esmeralda County, Nevada.

1.8 Off-Balance Sheet Arrangements

As a policy, the Company does not enter into off-balance sheet arrangements with special-purpose entities in the normal course of business, nor does it have any unconsolidated affiliates.

1.9 Transactions with Related Parties

Compensation of key management personnel

Transactions between the Company and related parties are disclosed below.

I. Due to related parties

Included in accounts payable and accrued liabilities at December 31, 2021 was $332 (2020 - $303).

II. Transactions involving related parties

During the year ended December 31, 2021, the Company paid $Nil (2020 – $6,055) for community engagement services to a company with a director in common.

III. Compensation of key management personnel

The remuneration paid to directors and other key management personnel during the years ended December 31, 2021 and 2020 were as follows:

		December 31, 2021		December 31, 2020
Salaries of senior executives (i)	**$**	**590,020**	$	675,632
Short-term employee benefits		**16,517**		31,532
Non-executive directors' fees		**160,790**		163,771
Annual bonus of senior executives		**35,765**		27,708
Termination costs		**182,664**		23,001
Share-based compensation		**416,398**		30,575
	$	**1,402,154**	$	952,219

(i) Senior executives include the Chief Executive Officer, Chief Financial Officer, Vice President Exploration.

1.10 Proposed Transactions

The Company has a business plan that includes identifying and acquiring exploration projects, conducting initial exploration and optioning the projects to partners. Acquisitions and dispositions are an essential and on–going part of this plan.

1.11 Critical Accounting Estimates

The preparation of the Company's consolidated financial statements requires management to make certain estimates that affect the amounts reported in the consolidated financial statements.

Accounting estimates considered to be significant were used in Deferred Income Tax Assets, Share-Based Compensation and leases.

Deferred Income Tax Assets and Liabilities

The Company does not believe it is likely that current tax losses will be utilized before they expire, therefore related deferred tax assets have not been recognized in the consolidated financial statements. When the situation changes, such that the future tax benefits of unused tax losses and other deductions carried forward are more likely to be realized, the deferred tax assets will be recorded in the accounts of the Company.

Share-Based Compensation

Calculating share-based compensation requires estimates of expected volatility in the share price, risk-free interest rates, number of options expected to vest, and a determination that standard option pricing models such as Black-Scholes fairly represent the actual compensation associated with options. Share price volatility is calculated using the Company's own trading history. The risk-free interest rate is obtained from the Bank of Canada zero coupon bond yield for the expected life of the options. The Company believes that the Black-Scholes option pricing model is appropriate for determining the compensation cost associated with the grant of options.

Leases

Calculating share-based compensation requires estimates of expected volatility in the share price, risk-free interest rates, number of options expected to vest, and a determination that standard option pricing models such as Black-Scholes fairly represent the actual compensation associated with options. Share price volatility is calculated using the Company's own trading history. The risk-free interest rate is obtained from the Bank of Canada zero coupon bond yield for the expected life of the options. The Company believes that the Black-Scholes option pricing model is appropriate for determining the compensation cost associated with the grant of options.

Critical Accounting Estimates- Continued

Impairment

After ownership of mineral property interests and royalty assets are established, acquisition, geological, exploration, and early-stage project generation costs incurred directly by the Company are capitalized on a property-by-property basis until the property is placed into production, sold, allowed to lapse or abandoned. The Company conducts impairment tests at the end of each reporting period to determine the future economic and commercial benefit of the project. Where an indicator of impairment exists, the carrying costs is reduced to the recoverable amount and an impairment expense is recognized in profit or loss. Since the Company's mineral property interests are generally early stage, unless fair value can be established, recoverable amount is generally nil and impairment expense, when recognized, is the carrying costs.

1.12 Changes in Accounting Policies including Initial Adoption

Effective January 1, 2021, the Company changed its accounting policy related to acquisition and exploration costs of its mineral property interests. Previously, the Company accounts for its mineral property interests by charging all acquisition and exploration costs to operations as incurred and crediting all property sales and option proceeds to operations. When the existence of a mineral reserve on a property has been established, future acquisition, exploration and development costs will be capitalized for that property, then amortized using the unit-of-production method following commencement of production.

The Company will continue to expense early-stage acquisition and project generation costs incurred through the Company's prospect generation operations prior to obtaining ownership, however, after obtaining ownership, all acquisition, geological, and exploration costs incurred directly by the Company are capitalized on a property-by-property basis.

The change in policy has been made to more appropriately disclose the operations of the Company and the value of its mineral properties.

The impact of the change in policy has been applied retrospectively in the consolidated financial statements for the year ended December 31, 2021 and 2020 and the summary of the impact of these changes is disclosed below:

(Expressed in Canadian Dollars)

Changes in Accounting Policies including Initial Adoption- Continued

Summary of Impact on the Prior Year Statement of Financial Position

As at December 31, 2020	Note	As Reported	Adjustments	As Restated
Mineral property interests	(i), (ii)	$ -	$ 41,442,268	$ 41,442,268
Total Non-current Assets		637,107	41,442,268	42,079,375
Total Assets		11,929,775	41,442,268	53,372,043
Accumulated deficit	(i), (ii)	(63,816,039)	41,442,268	(22,373,771)
Total Shareholders' Equity		10,884,173	41,442,268	52,326,441
Total Liabilities and Shareholders' Equity		$ 11,929,775	$ 41,442,268	$ 53,372,043

As at January 1, 2020		As Reported	Adjustments	As Restated
Mineral property interests	(ii)	$ -	$ 868,802	$ 868,802
Total Non-current Assets		411,175	868,802	1,279,977
Total Assets		10,446,187	868,802	11,314,989
Accumulated deficit	(ii)	(18,452,736)	868,802	(17,583,934)
Total Shareholders' Equity		9,978,103	868,802	10,846,905
Total Liabilities and Shareholders' Equity		$ 10,446,187	$ 868,802	$ 11,314,989

Summary of Impact on Pior Year Consolidated Statements of Loss and Comprehensive Loss

For the Year Ended December 31, 2020		As Reported	Adjustments	As Restated
Option proceeds	(i)	$ (239,581)	$ 232,855	$ (6,726)
Acquisition expenditures	(i)	42,103,466	(41,737,004)	366,462
Exploration expenditures	(i)	1,107,212	(486,350)	620,862
Write-off mineral property acquisition costs	(i)	-	1,600,817	1,600,817
Gain from JV activities	(i)	-	(183,784)	(183,784)
Net Loss and Comprehensive Loss for the Year		$ 45,597,439	$ (40,573,466)	$ 5,023,973
Basic and Diluted Loss per Share		$ 0.39	$ (0.43)	$ (0.04)
Basic and Diluted Weighted Average Number of Shares Outstanding		118,006,464	-	118,006,464

(i) *Capitalized $41,737,004 of acquisition expenses, mostly related to mineral property assets acquired through the Plan of Arrangement and $486,350 in exploration expenses. Impairment of $1,600,817 for mineral property assets was also recognized for the year ended December 31, 2020. Proceeds from option payments of $232,855 were also capitalized to mineral property assets. A gain of $183,784 was recognized for recoveries were greater than carrying costs on mineral properties.*

(ii) Capitalized $868,802 in mineral property interests related acquisition and exploration expenses incurred prior to January 1, 2020.

Changes in Accounting Policies including Initial Adoption- Continued

Summary of Impact on Prior Year Consolidated Statements of Cash Flows

	As Reported	Adjustments	As Restated
Net Cash Flows Used in Operating Activities	$ (3,789,241)	$ 253,496	$ (3,535,745)
Cash Flows Used In Investing Activities	(1,162,262)	(253,497)	(1,415,759)
Net Cash Flow Provided by Financing Activities	4,973,437	-	4,973,437
Increase in Cash and Cash Equivalents	$ 70,131	$ -	$ 70,131
Cash and Cash Equivalents, Beginning of the Year	$ 3,546,972	$ -	$ 3,546,972
Cash and Cash Equivalents, End of the Year	**$ 3,617,103**	**$ -**	**$ 3,617,103**

Summary of Impact on Prior Year Statement of Change in Equity

	Accumulated Deficit		
	As Reported	**Adjustments**	**As Restated**
Balance as at January 1, 2020	$ (18,452,736)	$ 868,802	$ (17,583,934)
Net Loss and Comprehensive Loss for the Year	(45,597,439)	40,573,466	(5,023,973)
Balance as at December 31, 2020	$ (63,816,039)	$ 41,442,268	$ (22,373,771)

	Total Shareholders' Equity		
	As Reported	**Adjustments**	**As Restated**
Balance as at January 1, 2020	$ 9,978,103	$ 868,802	$ 10,846,905
Net Loss and Comprehensive Loss for the Year	(45,597,439)	40,573,466	(5,023,973)
Balance as at December 31, 2020	$ 10,884,173	$ 41,442,268	$ 52,326,441

1.13 Financial Instruments and Other Instruments

The Company's activities expose it to a variety of financial risks, which include foreign currency risk, interest rate risk, credit risk and liquidity risk. The Company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Foreign Currency Risk

The Company incurs certain expenses in currencies other than the Canadian dollar. The Company is subject to foreign currency risk as a result of fluctuations in exchange rates. The Company manages this risk by maintaining bank accounts in US dollars and Mexican pesos ("MXN") to pay these foreign currency expenses as they arise. Receipts in foreign currencies are maintained in those currencies. The Company does not undertake currency hedging activities.

The Company also does not attempt to hedge the net investment and equity of integrated foreign operations.

(Expressed in Canadian Dollars)

Financial Instruments and Other Instruments- Continued

The carrying amount of the Company's foreign currency denominated monetary assets are as follows:

	December 31, 2021		December 31, 2020		January 1, 2020	
	US(*)	**MXN(*)**	US(*)	MXN(*)	US(*)	MXN(*)
Cash and cash equivalents	**$ 515,446**	**$ 25,202**	$ 131,301	$ 129,979	$ 387,784	$ 17,180
Amounts receivable	**273,813**	**959,262**	9,702	279,269	-	-
Accounts payable and accrued liabilities	**(41,514)**	**(9,376)**	(47,698)	(8,680)	(9,309)	(5,520)
Joint venture partner deposits	**(415,013)**	**-**	(592,029)	-	(252,085)	-
Net assets denominted in foreign currency	**$ 332,732**	**$ 975,088**	$ (498,724)	$ 400,568	$ 126,390	$ 11,660

**Figures in this table are Canadian dollars, converted from the foreign currency, at the closing exchange rate for that date.*

The Company uses a sensitivity analysis to measure the effect on total assets of reasonably foreseen changes in foreign exchange rates. The analysis is used to determine if these risks are material to the financial position of the Company. On the basis of current market conditions, the Company has determined that a 10% change in foreign exchange rates would affect the fair value of total assets by -3.74% (2020 – 0.30%).

The sensitivity of the Company's loss and comprehensive loss due to changes in the exchange rate between the Mexican peso and the Canadian dollar, and between the US dollar and the Canadian dollar are approximated in the tables below. The change, due to the effect of the exchange rate on financial instruments, is reported in the consolidated statements of loss and comprehensive loss as foreign exchange gains (losses).

	December 31, 2021		December 31, 2020	
	10% Increase in MNX: CAD Rate	**10% Increase in USD: CAD Rate**	10% Increase in MNX: CAD Rate	10% Increase in USD: CAD Rate
Change in net loss and comprehensive loss	**$ 52,082**	**$ 293,732**	$ (482,664)	$ 37,447

Interest Rate Risk

The Company's cash and cash equivalents consist of cash held in bank accounts and GICs that earn interest at a fixed interest rate. Future cash flows from interest income on cash and cash equivalents will be affected by declining cash balances. The Company manages interest rate risk by investing in short-term fixed interest financial instruments with varying maturity periods when feasible to provide access to funds as required. A 25-basis point change in interest rate would have an immaterial impact on comprehensive income based on the cash and cash equivalents at the end of the period. Actual financial results for the coming year will vary since the balances of financial assets are expected to decline as funds are used for Company expenses.

(Expressed in Canadian Dollars)

Financial Instruments and Other Instruments- Continued

Credit Risk

Credit risk is the risk of an unexpected loss if an exploration partner, counterparty or third party to a financial instrument fails to meet its contractual obligations. To reduce credit risk, cash and cash equivalents and short-term investments are on deposit at major financial institutions. The Company is not aware of any counterparty risk that could have an impact on the fair value of such investments. The carrying value of the financial assets represents the maximum credit exposure.

The Company minimizes credit risk by reviewing the credit risk of the counterparties to its arrangements on a periodic basis. The Company's concentration of credit risk and maximum exposure thereto is as follows:

	December 31, 2021	December 31, 2020	January 1, 2020
Short-term money market instruments	**$ 61,146**	$ 1,750,002	$ 2,750,000
Cash bank accounts	**2,813,721**	1,867,101	796,972
Short term investments	**5,130,030**	7,166,726	6,058,805
Marketable securities	**1,553,024**	53,664	43,000
Trade receivable	**904,771**	98,854	-
	$ 10,462,692	$ 10,936,347	$ 9,648,777

At December 31, 2021, the Company's short-term money market instruments were invested in GICs earning annual interest rates of 1.50% to 2.03% (2020 – 1.00% to 1.60%).

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis, including exploration plans. The Company attempts to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations, holdings of cash and cash equivalents and short-term investments.

The Company's policy is to invest its excess cash in highly liquid, fully guaranteed, bank-sponsored instruments. The Company staggers the maturity dates of its investments over different time periods when feasible to maximize interest earned. The Company has invested part of the excess cash flow through a financial institution.

(Expressed in Canadian Dollars)

Financial Instruments and Other Instruments- Continued

The following table summarizes the Company’s significant liabilities and corresponding maturities.

Due Date	**December 31, 2021**	December 31, 2020	January 1, 2020
0-90 days	**$ 181,564**	$ 120,438	$ 189,908
91-365 days	**501,916**	747,346	149,689
365+ days	**291,089**	177,818	123,181
	$ 974,569	$ 1,045,602	$ 462,778

Sensitivity Analysis

The Company measures the effect on total assets or total receipts of reasonably foreseen changes in interest rates and foreign exchange rates. The analysis is used to determine if these risks are material to the financial position of the Company. On the basis of current market conditions, the Company has determined that a 25-base point change in interest rates or a 10% change in foreign exchange rates would be immaterial. Readers are cautioned to refer to Note 19 (b) and (c) of the annual audited consolidated financial statements of the Company for the years ended December 31, 2021 and 2020. Actual financial results for the coming year will vary since the balances of financial assets are expected to change as funds may be raised through equity offering and are used for Company expenses.

1.14 Other Requirements

Risks Factors and Uncertainties

Overview

The Company is subject to many risks that may affect future operations over which the Company has little control. These risks include, but are not limited to, intense competition in the resource industry, market conditions and the Company’s ability to access new sources of capital, mineral property title, results from property exploration and development activities, and currency fluctuations. The Company has a history of recurring losses and there is no expectation that this situation will change in the foreseeable future.

Competition

Other exploration companies, including those with greater financial resources than the Company, could adopt or may have adopted the same business strategies and thereby compete directly with the Company, or may seek to acquire and develop mineral claims in areas targeted by the Company. While the risk of direct competition may be mitigated by the Company’s experience and technical capabilities, there can be no assurance that competition will not increase or that the Company will be able to compete successfully.

Risks Factors and Uncertainties- Continued

Access to Capital

The exploration and subsequent development of mineral properties is capital intensive. Should it not be possible to raise additional equity funds when required, the Company may not be able to continue to fund its operations which would have a material adverse effect on the Company's potential profitability and ability to continue as a going concern. At present, the Company has cash resources to fund planned exploration for the next twelve months. Timing of additional equity funding will depend on market conditions as well as exploration requirements.

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. These conditions may persist for an indeterminate period of time.

Foreign Operations and Political Risk

The Company's mineral properties are located in Canada, US and Mexico. In foreign jurisdictions, mineral exploration and mining activities may be affected in varying degrees by political or economic instability, expropriation of property and changes in government regulations such as tax laws, business laws, environmental laws and mining laws. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may materially adversely affect its business, or if significant enough, may make it impossible to continue to operate in certain countries. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, foreign exchange restrictions, export controls, income taxes, expropriation of property, environmental legislation and exploration health and safety. These risks are not unique to foreign jurisdictions and apply equally to the Company's property interest in Canada.

Mineral Property Tenure and Permits

The Company has completed a review of its mineral property titles and believes that all requirements have been met to ensure continued access and tenure for these titles. However, ongoing requirements are complex and constantly changing so there is no assurance that these titles will remain valid. The operations of the Company will require consents, approvals, licenses and/or permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary consents, approvals, licenses and permits that may be required to carry out exploration, development and production operations at its projects.

Although the Company acquired the rights to some or all of the resources in the ground subject to the tenures that it acquired, in most cases 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 laws usually provide for rights of access to the surface for the purpose of carrying on exploration activities, however, the enforcement of such rights can be costly and time consuming. It is necessary, as a practical matter, to negotiate surface access.

Risks Factors and Uncertainties- Continued

There can be no guarantee that, despite having the right at law to access the surface and carry on exploration activities, the Company will be able to negotiate a satisfactory agreement with existing landowners for such access, and therefore it may be unable to carry out exploration 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 jurisdictions.

Joint Venture Risks

A key aspect of the Company's business is to enter into joint venture agreements with reputable mining companies to advance its projects. Often this results in the Company holding a minority ownership interest in the projects and the Company does not always act as operator of the project, meaning it must rely on the decisions and expertise of its project partners regarding operational matters. The interests of the Company and its project partners are not always aligned, and it may be difficult or impossible for the Company to ensure that the projects are operated in the best interest of the Company. The Company may also be dependent on its project partners for information such as the results of mineral exploration programs. The Company may also experience disputes with project partners regarding operational decisions or the interpretation of agreements in connection with its projects. While the Company strives to maintain effective channels of communication and positive working relationships with all its project partners, there can be no assurance that disputes will not arise that may lead to legal action and could result in significant costs to the Company.

Speculative Nature of Mineral Exploration and Development

The exploration for and development of mineral deposits involves significant risk which even a combination of careful evaluation, experience and knowledge may not adequately mitigate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. There is no assurance that commercial quantities of ore will be discovered on any of the Company's properties.

Even if commercial quantities of ore are discovered, there is no assurance that the mineral property will be brought into production. Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit, such as its size, grade, metallurgy, and proximity to infrastructure; commodity prices, which have fluctuated widely in recent years; and government regulations, including those relating to taxes, royalties, land tenure, land use, aboriginal rights, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, and the Company's business may be adversely affected by its inability to advance projects to commercial production.

Risks Factors and Uncertainties- Continued

Uninsured or Uninsurable Risks

The Company may become subject to liability for pollution or hazards against which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's evaluation of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and operating activities.

Commodity Prices

The Company's royalty revenues are derived from a royalty interest and are based on the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered. Consequently, the economic viability of the Company's royalty interests cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

The prices of gold, silver, copper, lead, zinc, molybdenum, and other minerals have fluctuated widely in recent years and are affected by a number of factors beyond the Company's control, including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, consumption patterns, and speculative activities and increased production due to improved exploration and production methods. Fluctuations in commodity prices will influence the willingness of investors to fund mining and exploration companies and the willingness of companies to participate in joint ventures with the Company and the level of their financial commitment. The supply of commodities is affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit.

Foreign Exchange Risk

Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency. The Company operates in Canada, U.S. and Mexico. The Company funds cash calls to its subsidiary companies outside of Canada in U.S. dollars and Mexican Pesos.

Conflicts of Interest

Certain directors and officers of the Company also serve as directors, officers and advisors of other companies involved in natural resource exploration and development. To the extent that such companies may participate in ventures with the Company, such directors and officers may have conflicts of interest in negotiating and concluding the terms of such ventures. Such other companies may also compete with the Company for the acquisition of mineral property rights. In the event that any such conflict of interest arises, the Company's policy is that such director or officer will disclose the conflict to the board of directors and, if the conflict involves a director, such director will abstain from voting on the matter. In accordance with the *Business Corporations Act*

Risks Factors and Uncertainties- Continued

(BC), the directors and officers of the Company are required to act honestly and in good faith with a view to the best interests of the Company.

Dependence Upon Others and Key Personnel

The success of the Company's operations will depend upon numerous factors including its ability to attract and retain additional key personnel in exploration, marketing, joint venture operations and finance. This will require the use of outside suppliers as well as the talents and efforts of the Company and its consultants and employees. There can be no assurance that the Company will be successful in finding and retaining the necessary employees, personnel and/or consultants in order to be able to successfully carry out such activities. This is especially true as the competition for qualified geological, technical personnel, and consultants can be particularly intense.

Government Regulation

The Company operates in an industry which is governed by numerous regulations, including but not limited to, environmental regulations as well as occupational health and safety regulations.

Most of the Company's mineral properties are subject to government reporting regulations. The Company believes that it is in full compliance with all regulations and requirements related to mineral property interest claims.

However, it is possible that regulations or tenure requirements could be changed by the respective governments resulting in additional costs or barriers to development of the properties. This would adversely affect the value of properties and the Company's ability to hold onto them without incurring significant additional costs. It is also possible that the Company could be in violation of, or non-compliant with, regulations it is not aware of.

COVID-19 outbreak

COVID-19 has threatened a slowdown in the global economy as well as caused volatility in the global financial markets. While the full impact of COVID-19 on the global economy is uncertain, rapid spread of COVID-19 may have an adverse effect on the Company's financial position. The extent to which COVID-19 may impact the Company's business will depend on future developments such as the geographic spread of the disease, the duration of the outbreak, travel restrictions, physical distancing, business closures or business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. Since COVID-19 vaccination programs began in early 2021, the Company's operations have generally returned to normal, however, due to the current development of the new COVID-19 variants, the duration and impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Risks Factors and Uncertainties- Continued

Additional Disclosure for Venture Issuers without Significant Revenue

The significant components of general and administrative expenditures are presented in the consolidated financial statements. Significant components of mineral property expenditures are included in Section 1.4 Results of Operations.

Outstanding Share Data

As of the date of this MD&A, the Company has 178,246,586 issued and outstanding common shares. In addition, the Company has 4,344,458 stock options outstanding that expire through October 26, 2026, and 22,979,656 common share purchase warrants outstanding that expire through August 3, 2026. Details of issued share capital are included in Note 16 of the audited consolidated financial statements for the years ended December 31, 2021 and 2020.

Other Information

All technical reports on material properties, press releases and material change reports are filed on SEDAR at www.sedar.com.

Forward-Looking Statements

This document includes certain forward-looking statements concerning the future performance of the Company's business, its operations, its financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. Forward-looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties. Factors that may cause actual results to vary from forward looking statements include, but are not limited to, the Company's ability to access capital, the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and reliance on key personnel, as described in more detail in this document under "Risk Factors and Uncertainties". Statements relating to estimates of reserves and resources are also forward-looking statements as they involve risks and assumptions (including, but not limited to, assumptions with respect to future commodity prices and production economics) that the reserves and resources described exist in the quantities and grades estimated and are capable of being economically extracted. Actual events or results may differ materially from those projected in the forward-looking statements and we caution against placing undue reliance thereon.