KORE MINING LTD.

ANNUAL INFORMATION FORM
For the Financial Year Ended December 31, 2020

April 29, 2021

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual information form ("**AIF**") of KORE Mining Ltd. ("**KORE**" or the "**Company**") contains forward-looking statements relating to the future operations of the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects", "intends", "indicates" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the future plans and objectives of the Company are forward-looking statements. Forward-looking statements in this AIF include, but are not limited to, statements with respect to: the results of the PEAs (as defined below), next steps and timing regarding follow-up programs at the Imperial and Long Valley Projects (as defined below), financings and the intended use of proceeds resulting therefrom, results and developments in the Company's operations in future periods, planned exploration activities, the adequacy of the Company's financial resources, future operating and capital costs, closure costs, the projected NPV (as defined below), IRR (as defined below), timelines, permit timelines, and the ability to obtain the requisite permits, economics and associated returns of the Imperial and Long Valley Projects, the technical viability of the Imperial and Long Valley Projects, the market and future price of and demand for gold, the environmental impact of the Imperial and Long Valley Projects, the ongoing ability to work cooperatively with stakeholders, including the local levels of government and other events or conditions that may occur in the future. Such forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business. Management believes that these assumptions are reasonable. Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.

Such factors include, among others: risks related to exploration and development activities at the Company's projects, and factors relating to whether or not mineralization extraction will be commercially viable; risks relating to the ongoing COVID-19 pandemic; risks related to mining operations and the hazards and risks normally encountered in the exploration, development and production of minerals, such as unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction and removal of materials; uncertainties regarding regulatory matters, including obtaining permits and complying with laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters, and the potential for existing laws and regulations to be amended or more stringently implemented by the relevant authorities; uncertainties regarding estimating mineral resources, which estimates may require revision (either up or down) based on actual production experience; risks relating to fluctuating metals prices and the ability to operate the Company's projects at a profit in the event of declining metals prices and the need to reassess feasibility of a particular project that estimated mineral resources will be recovered or that they will be recovered at the rates estimated; risks related to title to the Company's properties, including the risk that the Company's title may be challenged or impugned by third parties; the ability of the Company to access necessary resources, including mining equipment and crews, on a timely basis and at reasonable cost; competition within the mining industry for the discovery and acquisition of properties from other mining companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel; access to suitable infrastructure, such as roads, energy and water supplies in the vicinity of the Company's properties; and risks related to the stage of the Company's development, including risks relating to limited financial resources, limited availability of additional financing and potential dilution to existing shareholders; reliance on its management and key personnel; inability to obtain adequate or any insurance; exposure to litigation or similar claims; currently unprofitable operations; risks regarding the ability of the Company and its management to manage growth; and potential conflicts of interest.

The foregoing list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and the Company's actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this AIF.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this AIF and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward- looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

INTRODUCTION

Currency

Unless otherwise indicated, all references to "$" in this AIF are to Canadian dollars and all references to "US$" or "USD$" in this AIF are to U.S. dollars.

The following table reflects the low and high rates of exchange for one United States dollar, expressed in Canadian dollars, during the periods noted, the rates of exchange at the end of such periods and the average rates of exchange during such periods, based on the Bank of Canada daily exchange rates.

	Years Ended December 31		
	2020	**2019**	**2018**
Low for the period	$1.2697	$1.2988	$1.2288
High for the period	$1.4510	$1.3600	$1.3642
Rate at the end of the period	$1.2730	$1.2988	$1.3642
Average	$1.3405	$1.3269	$1.2957

On April 28, 2021, the Bank of Canada daily exchange rate was US$1.00 equaled $1.2357.

Non-IFRS Measures

Items marked with a * or noted as "Non-IFRS Measure" in this AIF are alternative performance measures. Alternative performance measures are furnished to provide additional information. These non-IFRS performance measures are included in this AIF because the Company believes these statistics are key performance measures that provide investors, analysts and other stakeholders with additional information to understand the costs associated with the Company's projects. These performance measures do not have a standard meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

"**Cash Costs**" and "**Cash Costs (LOM)**" are a non-IFRS measure reported by KORE on an ounces of gold sold basis. Cash costs include mining, processing, refining, general and administration costs and royalties but exclude depreciation, reclamation, income taxes, capital and exploration costs for the life of the mine ("**LOM**"), defined below as eight years.

"**All-In-Sustaining-Costs**" ("**AISC**") is a non-IFRS measure reported by KORE on a per ounce of gold sold basis that includes all cash costs noted above (mining, processing refining, general and administration and royalties), as well as sustaining capital and closure costs, but excludes depreciation, capital costs and income taxes.

Scientific and Technical Information

Unless otherwise indicated, scientific and technical information in this AIF has been reviewed and approved by Marc Leduc, P.Eng., the Chief Operating Officer of KORE who is a "Qualified Person" as defined in National Instrument 43- 101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**").

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

Cautionary Statement Regarding Estimates of Mineral Resources

Information regarding Mineral Resource estimates in this AIF has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States Securities and Exchange Commission ("**SEC**") Industry Guide 7. In October 2018, the SEC approved final rules requiring comprehensive and detailed disclosure requirements for issuers with material mining operations. The provisions in Industry Guide 7 and Item 102 of Regulation S-K, have been replaced with a new subpart 1300 of Regulation S-K under the United States Securities Act and will become mandatory for SEC registrants after January 1, 2021. The changes adopted are intended to align the SEC's disclosure requirements more closely with global standards as embodied by the Committee for Mineral Reserves International Reporting Standards (CRIRSCO), including Canada's NI 43-101 and CIM Definition Standards. Under the new SEC rules, SEC registrants will be permitted to disclose "Mineral Resources" even though they reflect a lower level of certainty than Mineral Reserves. Additionally, under the new rules, Mineral Resources must be classified as "measured", "indicated", or "inferred", terms which are defined in and required to be disclosed by NI 43-101 for Canadian issuers and are not recognized under Industry Guide 7. Accordingly, the Mineral Resource estimates and related information may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements under the United States federal laws and the rules and regulations thereunder, including SEC Industry Guide 7.

A "Mineral Resource" is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

An "Inferred Mineral Resource" is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

An "Indicated Mineral Resource" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors (as defined below) in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.

A "Measured Mineral Resource" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.

A “Mineral Reserve” is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a pre-feasibility study or feasibility study.

A “Probable Mineral Reserve” is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.

A “Proven Mineral Reserve” is the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.

For the purposes of the CIM Definition Standards, “Modifying Factors” are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated on June 16, 1981 under the *Company Act* (British Columbia) under the name Eureka Resources, Inc. On March 30, 1990, the Company amalgamated with Hawthorne Gold Corporation, with the amalgamated company continuing as Eureka Resources, Inc. ("**Eureka**"). On October 30, 2018, the Company completed its acquisition of 1065591 B.C. Ltd. (then KORE Mining Ltd., a private company) ("**PrivCo**") by way of a three-cornered amalgamation under the *Business Corporations Act* (British Columbia) (the "**Transaction**"). The Transaction constituted a reverse takeover under the policies of the TSX Venture Exchange (the "**TSXV**") and, in connection with the Transaction, the Company changed its name to "KORE Mining Ltd."

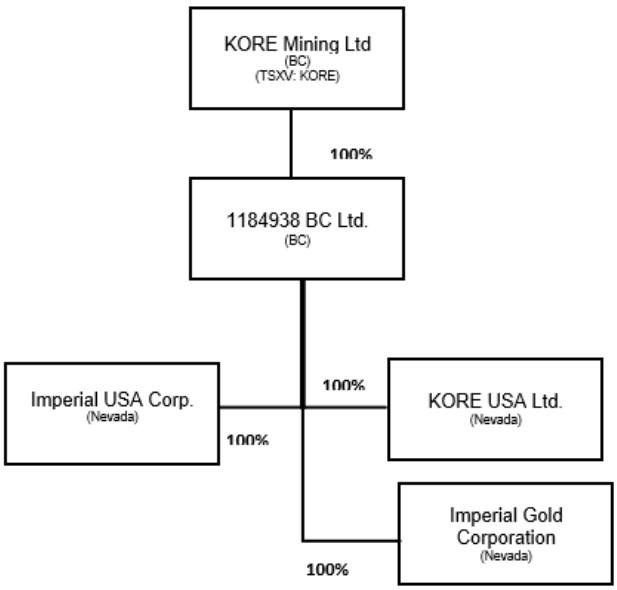
Prior to the Transaction, the Company had a financial year end of October 31. Following the Transaction, the Company changed its financial year end to December 31.

The common shares of the Company (the "**Common Shares**") are currently listed and posted for trading on the TSXV under the symbol "KORE" and on the OTCQX Venture Market ("**OTCQX**") in the United States under the symbol "KOREF". The Company is a reporting issuer in British Columbia and Alberta and files its continuous disclosure documents with the applicable Canadian securities authorities in such provinces. Such documents are available on SEDAR at www.sedar.com. KORE's filings through SEDAR are not incorporated by reference in this AIF.

The Company's head office is located at Suite 960, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9 and its registered and records office is located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

Intercorporate Relationships

KORE currently has the following wholly-owned subsidiaries as of the date of this AIF:



Unless otherwise noted or inconsistent with the context, references to KORE or the Company in this AIF are references to KORE Mining Ltd. and its subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

Overview

The Company's business is the acquisition, exploration and development of North American gold projects. The Company currently owns 100% of two gold projects in California.

The Company's most advanced gold project, the Imperial project in Imperial County, California (the "**Imperial Project**"), is being prepared for mine development permitting and the surrounding Mesquite-Picacho District claim block is being explored for new discoveries. The Imperial Project is located in Imperial County, California, with access to labour and infrastructure associated with the Mesquite gold mine, located nine miles away. KORE filed an amended technical report for the Imperial Project in January, 2020, and also filed a technical report supporting a positive preliminary economic assessment ("**PEA**") of the Imperial Project in May 2020. KORE is actively exploring the Mesquite-Picacho District and is planning to drill in H2 2021, subject to permitting.

KORE also owns 100% of the Long Valley project located in Mono County, California (the "**Long Valley Project**"). KORE filed a PEA for the Long Valley Project in October 2020, which confirmed the Long Valley Project as a potential low-cost heap leach project. The Company is permitting exploration drilling at the Long Valley Project and planning to drill the project in the summer of 2021.

Three Year History of the Company

Prior to (and including) the Transaction, the following events occurred:

Financial year ended December 31, 2018

- In October 2018, the Company completed the Transaction pursuant to an amalgamation agreement (the "**Amalgamation Agreement**") dated February 24, 2018, whereby it acquired all of the issued and outstanding shares of PrivCo. In connection with the Transaction, the Company issued 61,360,880 Common Shares to the former securityholders of PrivCo who obtained control of the amalgamated entity through their resulting ownership of approximately 86% of the Common Shares of the resulting entity. In connection with the closing of the Transaction, the Company changed its name from Eureka Resources Inc. to KORE Mining Ltd. and changed its trading symbol to "KORE". Pursuant to the Transaction, all securityholders of PrivCo exchanged their common shares for Common Shares at an exchange rate of 3.28006406082785 per Common Share for every one PrivCo common share.
- In October 2018, concurrently with the Transaction, the Company completed a brokered private placement by issuing 3,900,000 units for proceeds of $1,950,000. Each unit consisted of one share and one-half share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of $0.75 until October 30, 2020, subject to an acceleration clause whereby if the Company gives notice that the closing price has equaled or exceeded $1.00 per share for a period of ten consecutive dates, the Company may accelerate the expiry date of the warrants to 30 days from the date said notice is given. In addition, the Company issued 500,000 units on the same terms as above, for proceeds of $250,000 pursuant to the conversion of $250,000 of convertible debt. PI Financial Corp. acted as agent for the offering.
- In October 2018, the Company completed the previously mentioned Transaction in accordance with the Amalgamation Agreement described herein and filed on SEDAR at www.sedar.com. Management of the Company was changed with James Hynes being appointed Chairman. A new board of directors was appointed that comprised James Hynes (Chairman), Adrian Rothwell, Brendan Cahill, Robert J .("Don") MacDonald, and Harry Pokrandt.

Financial year ended December 31, 2019

- In May 2019, the Company completed a $4,000,000 investment (the "**Investment**") by Macquarie Bank Ltd. and its affiliates (collectively, "**Macquarie**"). As part of the Investment, Macquarie subscribed for 6,000,000

Common Shares at a price of $0.25 per Common Share and acquired a 1% NSR royalty on the Imperial Project.

- Effective July 3, 2019, Scott Trebilcock was appointed President, Chief Executive Officer and a Director of the Company.
- In August 2019, the Company completed a non-brokered private placement for proceeds of $3,000,000, issuing 10,000,000 Common Shares at a price of $0.30 per share with Mr. Eric Sprott.
- In October 2019, Marc Leduc was appointed Chief Operating Officer of the Company to lead development of the Imperial Project.
- Effective November 13, 2019, the Common Shares commenced trading on the OTCQX under the symbol "KOREF".
- In December 2019, the Company filed an amended NI 43-101 technical report and Mineral Resource estimate for the Long Valley Project. The revised Indicated Mineral Resource of 1,247,000 ounces and Inferred Mineral Resource of 486,000 ounces are from 66.8 million tonnes of 0.58 grams per tonne and 23.6 million tonnes of 0.65 grams per tonne, respectively.
- In December 2019, the Company filed a new NI 43-101 technical report and Mineral Resource estimate for the Imperial Project. The Mineral Resource estimate sets out an Indicated Mineral Resource of 877,000 ounces and an Inferred Mineral Resource of 1,336,000 ounces from 45.7 million tonnes of 0.59 grams per tonne gold and 90.9 million tonnes of 0.46 grams per tonne gold respectively.

Financial year ended December 31, 2020

- In April 2020, the Company announced a positive PEA for the Imperial Project, which was filed on May 19, 2020. This PEA demonstrates the Imperial Project's potential to be a robust mid-tier gold mine with compelling project economics.
- In May 2020, the Company completed a non-brokered private placement with Mr. Eric Sprott and Macquarie for proceeds of $3,000,000, consisting of 6,666,666 Common Shares at a price of $0.45 per share.
- In June 2020, the Company completed a non-brokered private placement with Mr. Eric Sprott for brokered private placement to raise gross proceeds of $7,500,000 consisting of 6,000,000 Common Shares at a price of $1.00 per share and 1,000,000 flow through Common Shares at $1.50 per share. Mr. Eric Sprott also received 3,500,000 warrants exercisable to acquire one new Common Share at a price of $1.50 per share for a period of 24 months as part of the placement.
- In October 2020 the Company filed a positive PEA for the Long Valley Project which was filed on October 27, 2020. This PEA demonstrates the Long Valley Project's potential to be a robust mid-tier gold mine with compelling project economics. The Long Valley PEA included a revised Mineral Resource Estimate which sets out an Indicated Mineral Resource of 1,217,000 ounces and an Inferred Mineral Resource of 456,000 ounces from 63.7 million tonnes of $0.59 grams per tonne gold and 22.0 million tonnes of 0.64 grams per tonne gold respectively.
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- On December 16, 2020 the Company signed an arrangement agreement with Karus Gold Corp. ("**Karus**") pursuant to which the Company agreed to a court approved plan of arrangement spin-out of all of its Canadian gold exploration assets to Karus (the "**Spin-Out**"). The Spin-Out involved a distribution of common shares of Karus to KORE shareholders, such that each shareholder of KORE would receive one common share of Karus for every two common shares of KORE held, with the effect that, on the effective date of the Spin-Out, the shareholders of KORE, other than dissenting shareholders, would own 100% of Karus.
- In December 2020 the Company filed a technical report for the South Cariboo property located in British Columbia, Canada, as part of the Spin-Out transaction.

Subsequent to financial year ended December 31, 2020

- The Spin-Out was approved by the shareholders of KORE at a special meeting of shareholders held on January 20, 2021, and was effective on January 25, 2021, pursuant to which KORE loaned Karus $500,000, which was subsequently repaid as of the date of this AIF.

- The Company signed a Memorandum of Understanding ("MOU") with the Bureau of Land Management in California, advancing the Company's permitting for its planned 2021 drill program on the Imperial Project.

DESCRIPTION OF THE BUSINESS

Summary

As described above under "*General Development of the Business*" and below under "*Mineral Project Disclosure*," the principal business of the Company is mineral resource exploration and development. KORE has two 100% owned gold projects in California (the Imperial Project and the Long Valley Project). The primary focus of the Company is the advancing exploration of the Mesquite -Picacho District and the Long Valley Project as well as the start of mine permitting of the Imperial Project

KORE does not own any producing properties and, consequently, has no current operating income or cash flow from the properties it holds, nor has it had any income from operations in the past three financial years. As a consequence, operations of KORE are funded solely by equity financings, other than a one time sale of a royalty interest to Macquarie.

Principal Products

The Company is in the mineral exploration and development business, does not have any marketable products at this time and is not distributing any products at this time. In addition, the Company does not know when or if certain of its properties will reach the development stage and if so, what the estimated costs would be to reach commercial production.

Specialized Skills and Knowledge

The Company's business requires specialized skills and knowledge in the areas of geology, drilling, planning, implementation of exploration programs and compliance, permitting, business negotiations, accounting and management. To date, KORE has been able to readily locate and retain such professionals in Canada and the United States, and believes it will be able to continue to do so. See "*Risk Factors – Reliance on Management and Key Personnel*".

Competitive Conditions

The precious metal mineral exploration and mining business is competitive in all phases of exploration, development and production. Competition in the mineral exploration and production industry can be significant at times. The Company competes with a number of other companies that have resources significantly in excess of those of the Company, in the search for and the acquisition of attractive precious metal mineral properties, qualified service providers, labour, equipment and suppliers. The Company also competes with other mining companies for production from, mineral concessions, claims, leases and other interests, as well as for the recruitment and retention of qualified employees and consultants. The ability of the Company to acquire precious metal mineral properties in the future will depend on its ability to develop its present properties and on its ability to select and acquire suitable producing properties or prospects for precious metal development or mineral exploration in the future, and on its ability to retain qualified personnel and/or contractors, of which there is no assurance. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company. See "*Risk Factors – Competition*".

Business Cycles

The gold sector is very volatile and cyclical. In addition to commodity price cycles and recessionary periods, exploration activity may also be affected by seasonal and irregular weather conditions in the areas where the Company operates. See "Risk Factors" below.

Environmental Protection

KORE's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for limitations, restrictions and prohibitions on accidental or intentional releases

and emissions, and impacts to cultural and biological resources from mining and exploration activities such as drilling. A breach of such legislation may result in imposition of fines and penalties. Certain types of operations may also require the submission and approval of environmental reviews and impact assessments.

Environmental legislation is evolving in a manner that means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies including its directors, officers and employees. New environmental laws and regulations, amendments to existing laws and regulations, or more stringent implementations of existing laws and regulations could have a material adverse effect on the Company by potentially increasing capital and/or operating costs. See "*Risk Factors*".

Employees

As at December 31, 2020, KORE and its subsidiaries had four employees. Field work and drilling services are provided by contractors on a seasonal and as-needed basis. The Company also relies on and engages consultants on a contract basis to assist the Company in carrying on its administrative and exploration activities.

Economic Dependence

The Company's business is not substantially dependent on any contract upon which its business depends. It is not expected that the Company's business will be affected in the current financial year by the renegotiation or termination of any contracts or sub-contracts.

Foreign Operations

The Company's two mineral projects are located in the United States. See "*Mineral Project Disclosure – The Imperial Project*" and "*Mineral Project Disclosure – The Long Valley Project*." Mineral exploration and mining activities in the United States may be affected in varying degrees by government regulations relating to the mining industry. Any changes in regulations or shifts in political conditions may adversely affect KORE's business. Operations may be affected in varying degrees by government regulations with respect to initiatives enacted in response to the COVID-19 pandemic, or restrictions on permitting, production, price controls, income taxes, expropriation of property, environmental legislation and mine safety. Future development and operations may be affected in varying degrees by such factors as government regulations or changes thereto. See "*Risk Factors – Risks Inherent in the Mining Business*."

Social or Environmental Policies

The Company is committed to carrying out all of its activities in an ethical manner that prioritizes health and safety, recognizes the concerns of communities, local stakeholders and preserves the natural environment. The Company ensures that all personnel are trained and instructed in their assigned tasks and that safety procedures are followed at all times. The importance of ethical behavior and preservation of the natural environment is stressed to all personnel, and all are charged with monitoring operations to ensure they are being carried out in an environmentally-friendly manner. The Company ensures that it will work with and consult local communities and stakeholders, recognizing this practice as a benefit to all.

RISK FACTORS

The operations of the Company are subject to significant uncertainty due to the high-risk nature of its business, which is the acquisition, financing, exploration, development and operation of mining properties. The following risk factors could materially affect the Company's financial condition and/or future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. If any of the Company's properties move to a development stage, the Company would be subject to additional risks respecting any development and production activities. The risks and uncertainties described below are not the only risks and uncertainties that the Company faces. Additional risks and uncertainties, including those that the Company does not know about now or that it currently deems immaterial, may also adversely affect the Company's business

Infectious Diseases and COVID-19

Outbreaks or the threat of outbreaks of viruses or other infectious diseases, pandemic or a similar public health threat, such as the novel coronavirus (COVID-19) pandemic, and the response thereto, could have a material adverse effect on the Company, both operationally and financially. The global response to the COVID-19 pandemic has resulted in, among other things, border closures, severe travel restrictions and extreme fluctuations in financial and commodity markets. Additional measures may be implemented by one or more governments in jurisdictions where the Company operates. Labour shortages due to illness or government imposed isolation programs or prevention measures, or restrictions on the movement of personnel or possible supply chain delays or disruptions could result in a reduction or interruption of the Company's operations, including mine shutdowns or suspensions. While the Company's operations have not been materially impacted to date, the Company has seen delays in the drill permit process for both Long Valley and Imperial, in part due to COVID-19. There can be no assurance that the Company will remain materially unaffected by the current COVID-19 pandemic or potential future public health crises, which could cause decreased demand or the inability to sell precious metals, declines in the price of precious metals, capital markets volatility, or other unknown but potentially significant impacts. The extent to which COVID-19 and any other pandemic or public health crisis impacts the Company's business, affairs, operations, financial condition, liquidity, availability of credit and results of operations will depend on future developments that are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of and the actions required to contain the COVID-19 pandemic or remedy its impact, among others.

Risks Inherent in the Mining Business

The Company is subject to the risks typical in the mining business including uncertainty of success in exploration and development; operational risks including unusual and unexpected geological formations, and other conditions involved in the drilling and removal of material; regulatory and permitting risks, including risks related to compliance with environmental legislation; uncertainty regarding Mineral Resource estimates; fluctuating mineral prices; risks relating to title; availability of necessary equipment; competition for acquisition of claims and the recruitment of suitable personnel; and availability of necessary infrastructure. Below is a summary of these risks:

Exploration and Development Risks

The exploration for minerals and development of mineral properties involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Company's Mineral Resource base. Whether a mineral deposit will be commercially viable depends on a number of factors, which include, among other things, the following:

- the interpretation of geological data obtained from drill holes and other sampling techniques;
- feasibility studies (which include estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed);
- the particular attributes of the deposit, such as size, grade and metallurgy; expected recovery rates of metals from the ore;
- proximity to infrastructure and labour; the ability to acquire and access land; the availability and cost of water and power; anticipated climatic conditions;
    - cyclical metal prices; fluctuations in inflation and currency exchange rates;
    - higher input commodity and labour costs; and
- government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

The exact effect of these factors cannot be accurately predicted, but the combination of any of these factors may adversely affect the Company's business.

Operational Risks

The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, seismic activity, flooding, accidental spills or releases, equipment failure and transportation accidents any of which could

result in damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

Regulatory Requirements and Permitting Risks

The operations of the Company will require permits from various governmental authorities, and such operations will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for the conduct of exploration and development operations will be obtainable on reasonable terms or at all, or that applicable laws and regulations, either now or in the future will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements (when and if any necessary permits are obtained) may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. The occurrence of any failure of compliance or enforcement action may have an adverse impact on our reputation and could adversely affect our results of operations.

In addition, certain types of operations require the submission and approval of environmental impact reviews and assessments. Environmental legislation is evolving in a manner that will likely, in the future, require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

Amendments to current laws and regulations governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new properties. There can be no assurances that future changes in regulations could cause a mining operation to be uneconomic.

Change in U.S. Regulatory Framework

In late 2020 the U.S. held a general election that brought a change in leadership in the executive branch and a change in the control in the U.S. Senate. These changes resulted in a change in the leadership in the U.S. Department of Interior and U.S. Department of Agriculture both of which act as regulators respectively for Imperial and Long Valley. This change in leadership could result in changes to regulations for permitting future operations at the projects that could result in delays in exploration and future project development.

Mineral Validity Examination of the Mill Site Claims at Imperial

As part of the current exploration permitting activity being performed at Imperial, the US Bureau of Land Management ("BLM") is performing a Mineral Validity Examination on the Mill Site claims at Imperial. In 2002 a Mineral Validity Examination was performed on the claims at Imperial and showed that both the Lode Claims (claims that contain the mineralization) and Mill Site Claims (claims where project infrastructure and processing facilities will be located) were valid. The BLM is conducting a Mineral Validity Examination on 11 of the Mill Site claims where the Company plans on drilling geotechnical and hydrogeological borings. There is a possibility that the BLM could change their findings in this current Mineral Validity Examination resulting in the company having to move some of its future facilities on to areas that are not within the Indian Pass Mineral Withdrawal.

Mineral Resource Estimates

There are numerous uncertainties inherent in estimating Mineral Resources, including many factors beyond our control. Such estimation is a subjective process, and the accuracy of any Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. There can be no assurance that Mineral Recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Resource estimates may require revision (either up or down) based on actual production experience. Any future Mineral Resource figures will be estimates and there can be no assurance that the minerals are present or will be recovered, or that the Company's projects can be brought into profitable production. Any material reductions in Mineral Resource estimates could have a material adverse effect on our results of operations and financial condition. Inferred Mineral Resources do not have demonstrated economic viability and have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. A significant amount of exploration work must be completed in order to determine whether an inferred Mineral Resource may be upgraded to a higher confidence category.

Fluctuating Mineral Prices

The mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a Mineral Resource are discovered, a profitable market will exist for the sale of the same. There can be no assurance that metal prices will be such that the Company's properties can be mined at a profit and that estimated Mineral Resources will be recovered or that they will be recovered at the rates estimated. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Metal prices are subject to volatile price changes from a variety of factors, including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. Declining mineral prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Title to Properties

Transaction of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed and it is not uncommon in the United States for issues to arise with respect to surface rights. The Company may have to negotiate with third parties to secure its title, rights-of-way or surface rights. The Company cannot give any assurance that title to its properties or surface rights will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that Company, as the case may be, does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures.

The Company's Quiet Title Action May Not Be Successful

The Company has engaged an independent law firm to manage its quiet title action with respect to a 1.5% royalty interest held by a now-dissolved entity with respect to the Imperial Project in Imperial County, California. Pursuant to a title review performed by a separate independent law firm, there was no recorded conveyance or assignment of the 1.5% royalty interest held by a now-dissolved entity prior to the dissolution of such royalty holder, pursuant to which the Company also holds a right of first refusal for any conveyance or transfer. Accordingly, the Company has treated this royalty as if it no longer exists and will investigate actions to formally discharge this royalty. The results of such legal proceedings cannot be predicted with certainty and the outcome of such legal proceeding may not result favorably for the Company and may affect the overall profit and revenue stream of the Imperial Project if the royalty is not discharged. The process may also result in taking away certain time and effort from the Company's management and will include the payment of certain legal fees.

Lack of Availability of Resources

Mining exploration requires ready access to mining equipment such as drills, and crews to operate that equipment. There can be no assurance that such resources will be available to the Company on a timely basis or at a reasonable cost. Failure to obtain these resources when needed may result in delays in the Company's exploration programs.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other mining companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Infrastructure

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

Risks Related to the Stage of the Company's Development

The Company is subject to the risks typical of an enterprise in its early stages of development, including risks relating to limited financial resources, limited availability of additional financing, and potential dilution to existing shareholders; reliance on its management and key personnel; inability to obtain adequate or any insurance; exposure to litigation or similar claims; currently unprofitable operations; risks regarding the ability of the Company and its management to manage growth; and potential conflicts of interest. Below is a summary of these risks:

Financing Risks and Dilution to Shareholders

The Company has limited financial resources, no operations and no revenues. In order to execute its anticipated growth strategy, the Company will require additional equity and/or debt financing to support on-going operations, to undertake capital expenditures, or to undertake business combination transactions or other initiatives. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. The Company's inability to raise additional financing could limit the Company's growth and may have a material adverse effect upon its business, operations, results, financial condition or prospects.

If additional funds are raised through further issuances of equity or securities convertible into equity, existing shareholders could suffer significant dilution. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities.

Reliance on Management and Key Personnel

The success of the Company will be largely dependent upon the performance of the directors and officers, as well as the Company's ability to attract and retain key personnel. The loss of the services of any of these individuals may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company will be able to continue to retain the services of its directors, officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks. Although the Company intends to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, any such insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium

costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business, which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company, such decision could adversely affect the Company's ability to continue operating and the market price for its securities and could use significant financial and personnel resources of the Company. Even if the Company is involved in litigation and wins, litigation can redirect and consume significant resources.

In addition to being subject to litigation in the ordinary course of business, in the future, the Company may be subject to class actions, derivative actions and other securities litigation and investigations. This litigation may be time consuming, expensive and may distract the Company from the conduct of its daily business. It is possible that the Company will be required to pay substantial judgments, settlements or other penalties and incur expenses that could have a material adverse effect on its operating results, liquidity or financial position. Expenses incurred in connection with these lawsuits, which would be expected to include substantial fees of lawyers and other professional advisors, and the Company's obligations to indemnify officers and directors who may be parties to such actions, could materially adversely affect the Company's reputation, operating results, liquidity or financial position. Further, it is not known with certainty if any of this type of litigation or any resulting expenses will be fully or even partially covered by the Company's insurance. In addition, these lawsuits may cause insurance premiums to increase in future periods.

Unprofitable Operations

The Company has incurred losses since completion of the Transaction with the former KORE Mining Ltd. in November 2018. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to grow its business. It is not expected that the Company will generate any revenues from its activities for the foreseeable future.

Management of Growth

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

Conflicts of Interest

Certain of the directors and officers of the Company are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies.

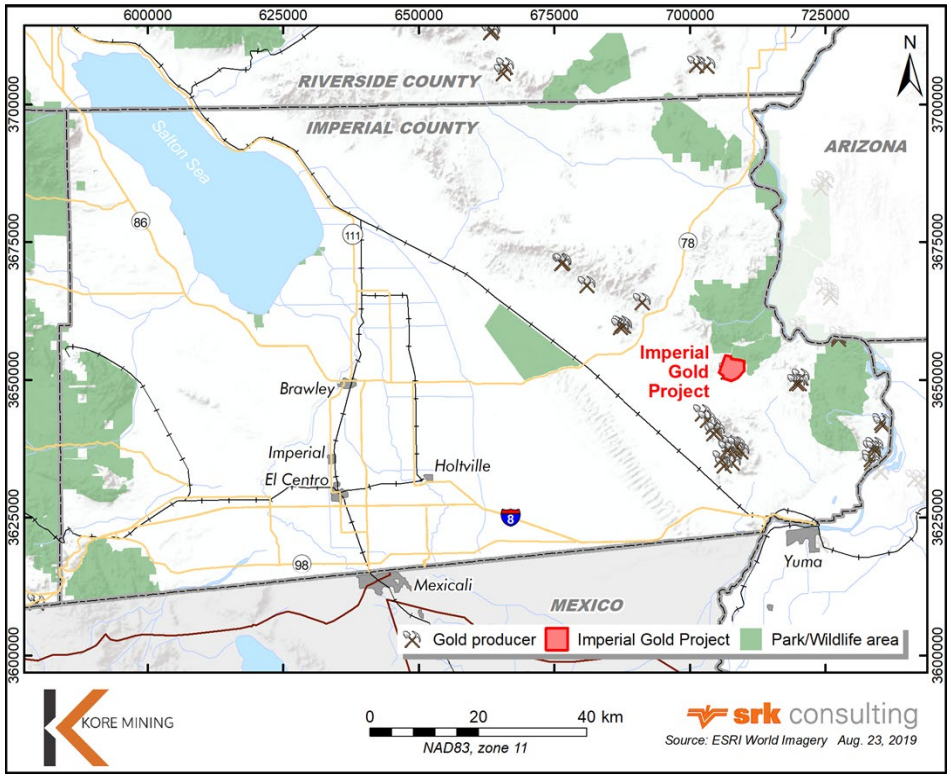
MINERAL PROJECT DISCLOSURE

Imperial Gold Project

The bulk of the information in this section is derived from the "Preliminary Economic Assessment – Technical Report, Imperial Gold Project, California, USA" dated May 19, 2020 with an effective date of April 6, 2020 (the "**Imperial Technical Report**"). The Imperial Technical Report was prepared by Global Resource Engineering ("**GRE**") and SRK Consulting (Canada) Inc ("**SRK**") with Terre Lane, RMSME MMSAQP and Todd Harvey, PhD, RMSME of GRE and Glen Cole, P.Geo., of SRK, being the authors. The Mineral Resource portion of the PEA is the same as the Company's previous technical report on the Imperial Project dated December 30, 2019 and for this updated technical report, Glen Cole, PGeo. of SRK is the Qualified Person responsible for SRK's sections of the report. The Imperial Technical Report has been filed with Canadian securities regulatory authorities and prepared pursuant to NI 43-101 and is available for review under the Company's issuer profile on SEDAR at www.sedar.com. Messrs. Cole, Harvey and Ms. Lane are each a Qualified Person under NI 43-101.

Project Description, Location and Access

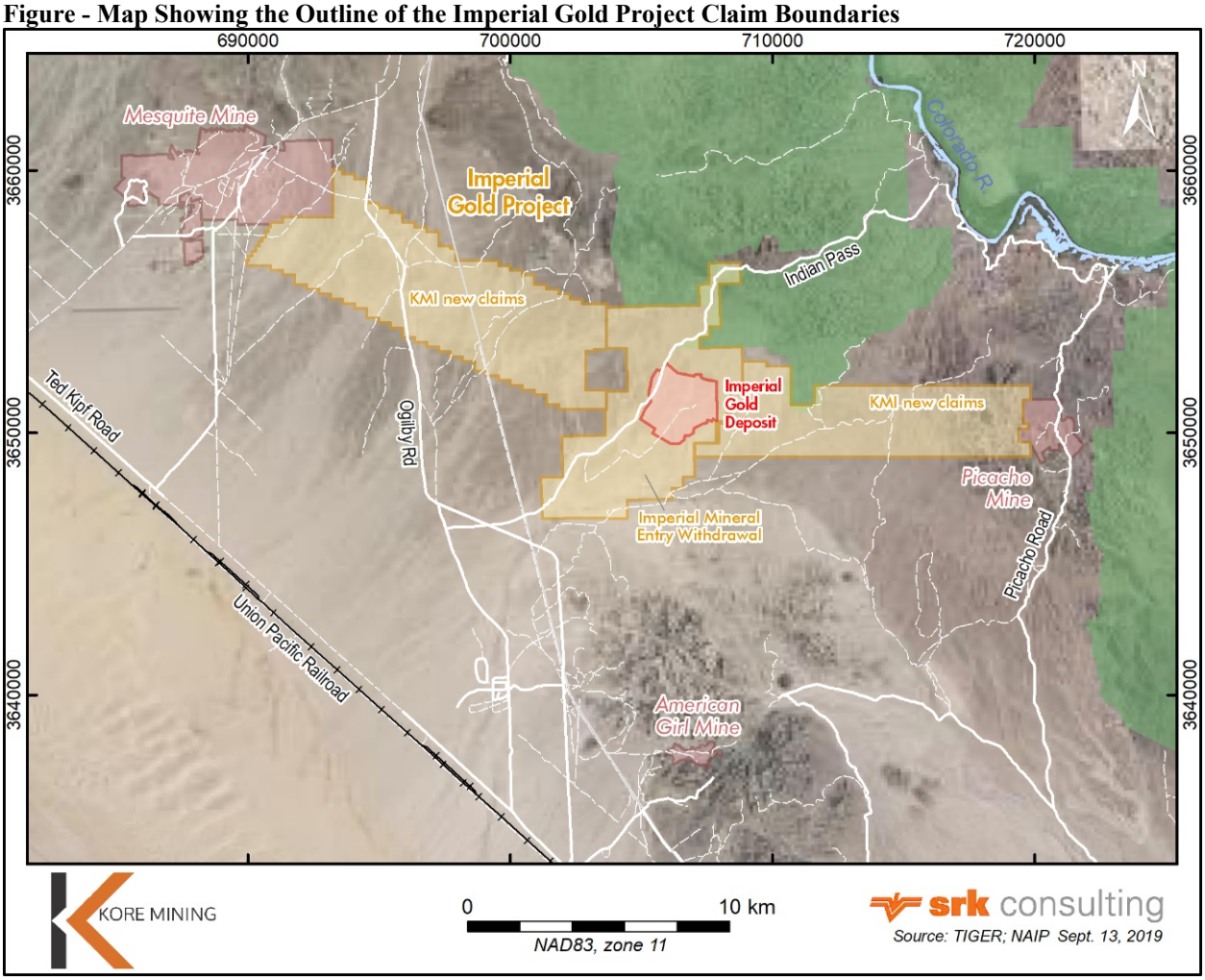
The Imperial Project is located in Imperial County in the desert region of southeast California, USA. It is located along the Indian Pass Road 26 road-miles northwest of Yuma, Arizona per the following figure.



The Imperial Project is located on public land administered by the Bureau of Land Management ("**BLM**").

The operating Mesquite Mine and the closed Picacho Mine are located roughly ten miles to the northwest and east, respectively, of the property. The closed American Girl Mine is about eight miles south of the Imperial Project per the following figure:

Figure - Map Showing the Outline of the Imperial Gold Project Claim Boundaries



the Imperial Project property originally consisted of contains 654 unpatented mining claims, and in 2020, the Company staked an additional 1,005 being the "KMI New Claims" in the map above. The total area of all the claims is approximately 26,363 acres held by Imperial USA Corp. Within the defined project boundary area there are 468 claims covering 2,020 acres made up of the UYA and BB claims that have been validated by the Mineral Examiner of the BLM.

In March 2021, the Company staked a further 4,600 acres, to bring the total area held by Imperial USA Corp to over 31,000 acres.

Requirements to Maintain the Imperial Property

The Imperial Property can be maintained in good standing by:

- Firstly paying an annual claim maintenance fee to the BLM for each claim which is due prior to the end of the fiscal tenure year which starts and ends at noon on September 1st of the current year, and
- Secondly by recording an affidavit that the maintenance fees have been paid with the local County Recorder. Failure to comply will result in forfeiture of the claims.

An annual inspection/survey of the location corner posts must be conducted to ensure that posts and information contained with the posts is legible and in good condition. Annual taxes are assessed from July 1st to June 30th of the following year by Imperial County and due for payment on November 1st of the current year and February 1st of the following year. Notice of taxes is mailed to the recorded owner.

Royalties and Other Property Encumbrances

There is a 1% NSR royalty payable to Newmont Corporation ("**Newmont**") on any mineral production from the Imperial Project pursuant to the March 2017 Share Purchase Agreement, which was subsequently sold by Newmont to Maverix Metals Inc in 2020.

In May 2019, the Company issued a 1% NSR royalty to Macquarie on any mineral production from the Imperial Project.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

Road access to the site from Yuma is eight miles west on Interstate Highway 8 to State Highway S34 (Ogilby Road), 13 miles north on S34 to Indian Pass Road, and five miles northwest along Indian Pass Road. Highways 8 and S34 are paved roads, while Indian Pass Road is a good gravel road maintained by the county. Approximately one mile of the Indian Pass Road would have to be temporarily re-located around the West Pit. It is assumed that workers at the Imperial Project would travel from Yuma and surrounding communities to the site each day.

Climate

The Imperial Project site is located in the Colorado Desert and has a typical desert climate with very hot summers, warm winters, and very low annual precipitation of 3 to 5 inches. The region enjoys over 4,000 hours of sunshine per year. The maximum temperatures generally occur in July when the maximum temperature averages about 100°F and the average minimum temperature is 80°F. In December, the coldest month, the average high is about 70°F and the average low about 45°F.

The majority of the precipitation in the region occurs in winter with very little rain falling in April, May and June. Evaporation rates are estimated to be 100 inches per annum and the probable maximum precipitation event is 4.65 inches caused by localized thunderstorms with the potential to cause flash flooding (WSE, 1996). In 1997, 3.6 inches of rain was recorded at the near-by Marine Corps Air Station Yuma as a result of the landfall of Hurricane Nora.

The Imperial Project operation is not anticipated to be materially impacted by weather.

Local Resources and Infrastructure

The Imperial Project is located near Yuma, Arizona a city of over 100,000 people. There are abundant mining support services and skilled labour available in Yuma.

Water for the site would be provided from wells located approximately five miles away, near the junction of Indian Pass and Ogilby Roads.

Electrical power is available within five miles of the Imperial Project site.

Vegetation

Vegetation in the Imperial Project area is typical of a hot desert climate in the region. The lack of precipitation and high temperatures limits vegetation growth to specialized species. Ocotillo and Jumping Cholla are common in the area and occur as single, widely spaced individuals. Mesquite and palo verde trees occur in and around the stream beds.

Physiography

The Imperial Project is located at between 700 ft and 900 ft above sea level on a plain southwest of the Chocolate Mountains and north of the Cargo Muchacho Mountains. The Imperial Project area is generally flat with rolling pediments of up to about 100 ft in height.

History

Due to the extent of the alluvial cover on the Imperial Project, exploration has historically consisted primarily of drilling. Initial exploration strategies focused on wide-spaced definition drilling of buried gravity and structural anomalies. Mineralized zones were projected down dip and followed with additional drilling to depths exceeding 1,000 ft. Later exploration strategies focused on the development of the entire deposit and tested down-dip areas for economic mining limits. To date, 349 exploration boreholes totaling 195,047 ft have delineated the mineralized zones defined in the geology and Mineral Resource modeling completed.

Exploration by Gold Fields Mining Corporation (1980-1986)

Gold Fields Mining Corporation (Gold Fields), between 1980 and 1986, acquired a 16,000-acre land holding and conducted a regional exploration program searching for low-grade, heap leachable gold deposits similar to their discovery at the Mesquite mine. Gold Fields was attracted to the Imperial Project area by encouraging geochemical dry stream wash gold results, favourable widely spaced gravity, resistivity and aeromagnetic results, and the presence of placer gold and lode gold underlying Anna M. and Richard L. Singer's claims within the Imperial Project area.

Drilling on the Imperial Project by Gold Fields is summarized in Deposit Types below.

Exploration by Imperial County Joint Venture (1987-1993)

In 1987, Gold Fields entered into an option agreement with the Imperial County Joint Venture comprising of Glamis Gold (65%) and Amir Mines Inc. (35%).

In 1987, the Imperial County Joint Venture conducted an exploration program consisting of 1,066 samples of experimental gas vapour phase geochemical survey over the strike of the gravity-resistivity trend, as well as reverse circulation ("**RC**") drilling in the West, East, and Golden Queen areas (located east of the East area), and on a few of the gas vapour anomalies.

In 1989, Amir Mines Inc. changed its name to Imperial Gold Corporation and again in 1990 to Arizona Star Resources Limited.

Exploration by the joint venture between 1989 and 1992 consisted solely of drilling. A summary of the drilling activities by the Imperial County Joint Venture can be found in Deposit Types below.

Exploration by Glamis Gold (1994-1996)

In 1994, Glamis Gold, under the name of wholly-owned subsidiary Chemgold Inc., became the sole owner and operator of the property and initiated an accelerated development drilling and pre-feasibility program. The 1994, 1995, and 1996 exploration programs focused on definition drilling within the East, West, and Central areas, as well as

metallurgical testing, engineering studies, environmental studies, density studies and culminated with a feasibility study completed in April 1996.

A summary of the drilling activities by the Glamis Gold can be found in Deposit Types below.

Previous Mineral Resource Estimates

Following the completion of exploration drilling by the Imperial County Joint Venture, the overall geological Mineral Reserve in 1990 was estimated by Mine Development Associates (MDA) from Reno, Nevada as 13.3 Mt at 0.022 oz/t gold (Garagan, 1990). The reader is cautioned that this historical Mineral Resource and Mineral Reserve estimate was prepared prior to the implementation of the NI 43-101 guidelines and, therefore, the values reported should not be relied upon. A qualified person has not done sufficient work to classify this historical estimate as current Mineral Resources and they have not verified to determine their relevance or reliability. This historical Mineral Resource and Mineral Reserve estimate is superseded by the Mineral Resource statement reported herein. The Company is not treating this historical estimate as a current Mineral Resource. They are included in this section for illustrative purposes only and should not be disclosed out of context.

In 1996, MDA from Wheat Ridge, Colorado prepared an updated Mineral Resource estimate that was applied in an historical feasibility mining study commissioned by Glamis Gold (MDA, 1996). Open pit Mineral Resources were constrained by the East and West conceptual pits. The conceptual pit envelopes were designed at a gold price of $400/oz. The Mineral Resources were reported at a COG of 0.007 oz/t gold. A qualified person has not done sufficient work to classify this historical estimate as current Mineral Resources. The issuer is not treating this historical estimate as a current Mineral Resource and they have not verified to determine their relevance or reliability. This historical Mineral Resource and Mineral Reserve estimate is superseded by the Mineral Resource statement reported herein. The Company is not treating this historical estimate as a current Mineral Resource. They are included in this section for illustrative purposes only and should not be disclosed out of context.

In 2012, Delta Gold Ltd. ("**Delta**") entered into a purchase agreement for the Imperial Project that was never completed and commissioned SRK to prepare an updated Mineral Resource model upon which a PEA was based (SRK, 2012). This Mineral Resource model was the first Mineral Resource evaluation prepared for the Imperial Project in accordance with the Canadian Securities Administrators NI 43-101 guidelines. and was based on a database comprising 349 RC boreholes, 344 of which were located within the Mineral Resource estimation area.

Analytical data used for the SRK (2012) Mineral Resource model was primarily sourced from drilling completed between 1987 and 1996 by Gold Fields, Glamis Gold, and other historical operators. The Mineral Resource statement which was informed by a total of 190,134 ft of RC drilling.

Geological Setting, Mineralization and Deposit Types

Regional Geology

The Imperial Project is located on the southern flank of the Chocolate Mountains, structurally aligned and equidistant between the Picacho and Mesquite gold deposits. The Imperial Project area is underlain by a sequence of Jurassic age gneisses and schists. This package of rocks is part of the amphibolite grade metamorphic suite of the Chocolate Mountain thrust sequence. The thrust system has displaced metamorphic and igneous rocks north-eastward over metamorphic greenschist facies Pelona and Orocopis schists during the Mesozoic time period. The metamorphic rocks are unconformably overlain by Cenozoic andesite, basalt flows, and tuffs. Overlying the volcanic rocks are Paleocene age fanglomerate gravels with variable thicknesses reaching up to 700 ft. A thin veneer of Miocene flood basalts and Quaternary age alluvium locally caps the gravels. A plan showing the regional geology setting is provided in the following figure.

Property Geology

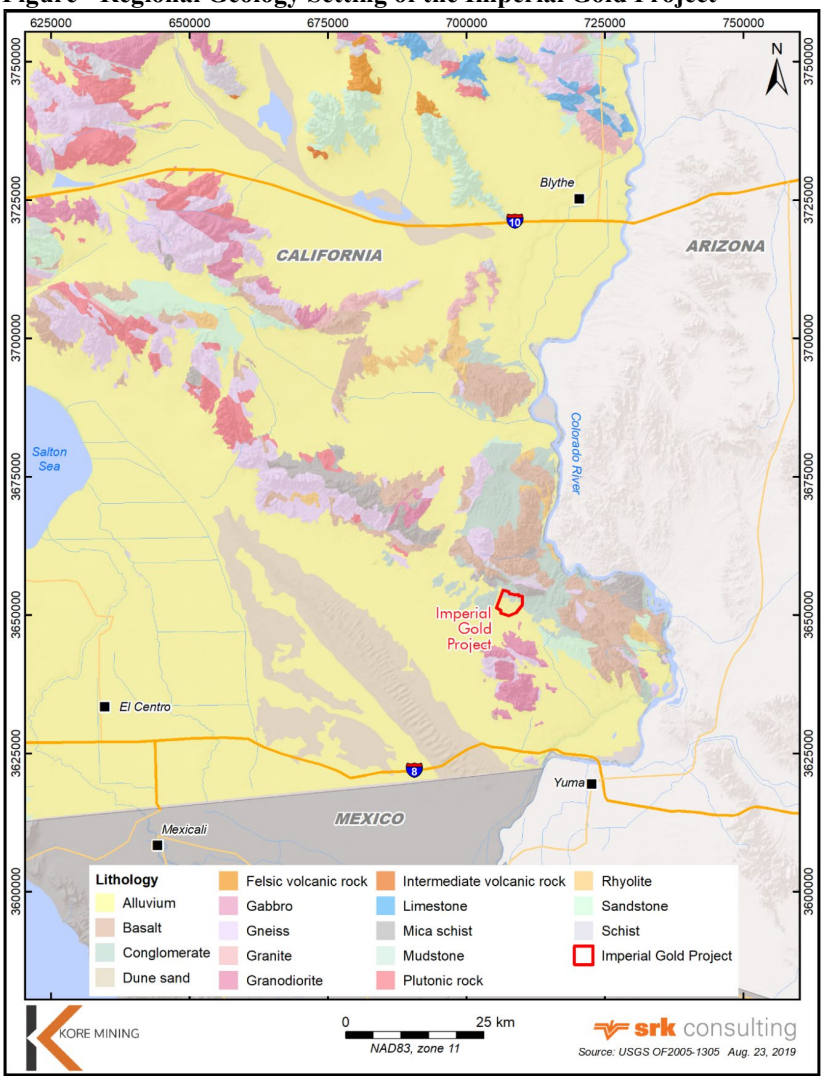
The Jurassic age metamorphic gneisses and schists underlying the Imperial Project have similarities to rocks found at the Mesquite and Picacho gold mines. There are very few outcrops which necessitated that the geological model be

developed by interpreting drilling results. The dominant application of RC drilling and the local variations of texture and composition within the stratigraphic sequence currently make it difficult to correlate between boreholes. Core and rock chip logging placed more emphasis on recognizing changes in alteration, mineralization, and apparent structural discontinuities in order to correlate stratigraphy between boreholes and sections. Surface geological information was limited to examining a few outcrops in the Singer deposit area, which is located between the West and East portions of the deposit.

The predominant rock type intersected in the boreholes below the Paleocene gravels is the Jurassic- age biotite gneiss. The biotite gneiss contains numerous gradational divisions of biotite-chlorite gneiss and quartz feldspathic gneiss with gradational sequences into their schistose equivalents. The biotite gneiss package occurs across the entire project, while a muscovite-sericite rich unit is prevalent in the East portion of the deposit. Gold mineralization is hosted within the biotite gneiss and the sericite gneiss units.

The biotite gneiss units are capped by an upper felsic gneiss, logged commonly as a quartzite, which is predominant in the Central area of the Imperial Project hosting the Singer mineralization. The quartzite is possibly a silicified version of the quartz feldspathic gneiss and may have acted as a cap to upwelling mineralized fluids (Scott 1992). If correct, then the Singer area, which is part of the Central area, may represent the top or peripheral top of the mineralizing hydrothermal system.

Figure - Regional Geology Setting of the Imperial Gold Project



The metamorphic units are unconformably overlain by thin andesite basalt flows that are generally less than 100 ft in thickness. Paleocene age fanglomerates and alluvium with variable thicknesses of 10 ft to 700 ft cover 95% of the Imperial Project area. A thin veneer of Miocene flood basalts and Quaternary age alluvium locally caps the gravels.

The footwall of the metamorphic units usually consists of a siliceous breccia unit, which varies from 10 ft to 170 ft in thickness. The unit appears to parallel the fault planes of the low angle thrust sheet. The breccia is interpreted to have been injected along fault contacts as the result of the pressure release of hydrothermal fluids. A 1990 petrographic report describes the rock type as having a highly variable grain size and consisting of brecciated gneiss and dacite fragments in a rock flour matrix (Garagan, 1990). There is no indication of strain or rotation in drill cuttings and surface rock specimens have uncrushed zoned feldspars, suggesting the unit is not of tectonic origin. The siliceous breccia is flat lying to gently inclined with dips of 5° to 15° southward steepening in dip to 60° to 70° south along thrust planes.

Below the siliceous breccia unit, a footwall gneiss unit consisting of hornblende biotite gneisses occurs. This footwall unit tends to be very hard and shows rare and thin mineralized intercepts. Below this, the footwall conglomerate unit is a well indurated, clay-carbonate cemented material with coarse sub-angular gneissic fragments varying from 10 ft to 200 ft in thickness.

An interpretative East-West longitudinal section across the deposit is shown in Figure 7-2 of the Imperial Technical Report, whereas two other interpretative cross sections are provided in Appendix B of the Imperial Technical Report.

Mineralization and Alteration

Gold mineralization occurs primarily within haematitic and limonitic altered breccias, microfractures and gouge zones developed in the host biotite gneiss and sericite gneiss units. Minor quartz veining, very-fine grained pyrite pseudomorphs and silicified zones are also common.

The density of fractures, extent of the red-brown to yellow haematitic/limonitic coatings and pyrite pseudomorphs within the host units are notable mineralized features. Logging of core and cuttings samples from the Imperial Project site indicated no fresh pyrite or sulphide mineralization is present due to the oxidized state exhibited throughout the deposit.

The deposits were oxidized to a depth in excess of 750 ft indicating that the deposits were oxidized near surface and down dropped by faulting to their current locations.

The majority of gold mineralization occurs stratigraphically above a siliceous breccia horizon. This distinct relationship between the siliceous breccia and the overlying host rock units is traceable across the deposit. Sporadic mineralization is also noted along the cemented gravel and volcanic contacts and in fault structures within the brecciated volcanic and conglomeritic units. Low grade mineralization also occurs within the overlying cemented gravel units as narrow layers eroded from exposed mineralized gneissic units.

The mineralization and alteration character of the deposit varies across the deposit as described below.

East Area

Gold mineralization in the East area occurs within a west-northwest trending fault zone with a strike length of 3,200 ft, a variable width of up to 800 ft, and an average thickness of approximately 85 ft. The mineralized zone is a tabular body, predominantly flat lying to gently dipping 5° to 15° south. The mineralized body is cut by a series of east-west striking normal faults. The fault bound mineralized lenses of the tabular body are offset progressively deeper southward across the series of faults.

The east-west normal faulting may represent extension or possibly a change from a positive flower structure to a negative flower structure. It was noted that the dip of the mineralized lenses to the north steepen to 45° to 70° to the

south. It was explained that the change in dip may be coincidental with the inflection of the flower structure thrust sheet where it steepens to a 60° to 70° dip to the south (Scott, 1992).

Another explanation may be that the shallow mineralized lenses were thrust over the adjacent, relatively stable stratigraphy, and then during the extensional period, a section of the shallow mineralized lenses located along the edge of the relatively stable stratigraphy was dragged down and southward along the south dipping normal fault. The mineralized lenses are cut by north-northeast trending normal faults that drop stratigraphy to the east and west. Paleocene to recent gravels covers the East portion of the deposit, averaging approximately 200 ft in thickness.

Gold values in the East area are elevated where the pervasiveness of limonitic alteration increases and is accompanied by silicification, quartz veining, pyritization and gouge zones. The distribution of the hematitic and limonitic alteration zones within the East area exhibit a definite spatial association to the siliceous breccias. A vertical zonation is noted in several mineralized intersections associated with the breccias from limonitic to hematitic alteration moving up in the stratigraphy. The thickness of the limonitic zone is variable, ranging from 10 ft to 75 ft. The hematitic zones are typically thicker, up to 150 ft. Hematitic and limonitic alteration show crude correlation with an increase in gold grade/thickness along linear trends oriented to the east-northeast. The linear trends are believed to reflect the presence of high angle mineralized structures. Similar structures also occur in the nearby Picacho and Mesquite mine sites.

West Area

The West area is similar to the East area and was modelled by the Qualified Person as an extension of the same mineralized body. Mineralization occurs as a tabular body made up of several zones with planar dimensions of 1,200 ft in length, 1,000 ft in width and an average thickness between 90 ft and 120 ft. Mineralization intercepts occur as shallow as 20 ft from surface and average 80 ft to 120 ft below surface.

The gold mineralization is down faulted to the south by a series of east-west trending vertical to steeply south dipping normal faults. Vertical displacement on these structures is variable from 80 ft to 260 ft. Drill data suggests that the mineralized zone is cut off to the west by a north-northeast trending structure that displaces stratigraphy down to the west. The amount of strike slip displacement is unknown on this structure. The West area gold mineralization is limited to the east by a northeast trending fault and to the east of this fault is situated the Central area. Mineralization to the north tapers into a series of discontinuous lenses or is cut off by a north dipping antithetic fault to the flower structure.

Central Area

The Central area is a down faulted block of the same stratigraphy encountered in the West and East pits. Structurally the area differs slightly from the West and East pits. Bedrock intersections occur predominantly in the shallow portion of the “flower structure”. Mineralization is not as prevalent in the shallowest portion of the thrust structure in the West and East pits. This may be the result of the structural preparation of the host and explain the narrow (10 ft to 40 ft) sporadic intersections in the Singer Pit area.

Mineralization is hosted by biotite to biotite-chlorite quartz-feldspar gneisses and to a lesser degree sericite schists. Mineralization is also spatially related to a fault gouge zone that represents the fault contact between the gneissic package and underlying gravels. Gold values are associated with hematite fractured gneisses with localized zones of quartz veining, gouge zones, and to a lesser degree limonite alteration, silicification and brecciation of the host rock. Mineralization commonly occurs stratigraphically below a fine-grained, quartz-rich unit that has a variable thickness (5 ft to 180 ft). This unit, descriptively-logged as “quartzite”, may represent a facies change within the gneissic package or more likely a silicified quartz feldspathic unit that acted as a cap to mineralizing fluids. The “quartzite” is fractured and altered by hematite along fractures but seldom hosts any mineralization.

A siliceous breccia unit in the Central area has mineralization occurring stratigraphically above although not directly adjacent to the breccia unit. However, in areas where the breccia appears to have a steep dip to the south mineralization may occur both above and below the breccia horizon. An example is drill hole I-11, which intersected 0.045 oz/t gold over 20 ft below the breccia.

The Imperial Project gold deposit is believed to represent epithermal gold mineralization related to Tertiary-age low angle detachment faults and associated extensional faults. The epithermal gold mineralization is structurally controlled and transitional between low and high-sulphidation systems.

Deposit Types

Structural data from the Mesquite mining district suggests that the gold mineralization accompanied dextral strike-slip faulting during Oligocene (Willis & Tosdal, 1992). Dextral strike-slip faults in the mining district have northwesterly strikes and extension fault and veins strike northerly, consistent with a north south-oriented shortening and east-west-oriented extensional strains during mineralization (Willis & Tosdal, 1992).

Exploration

Exploration work conducted on the Imperial Project was completed prior to KORE's involvement. Historical exploration is summarized in the History section above.

Drilling

Exploration drilling conducted on the Imperial Project was completed prior to KORE's involvement. The following section summarizes the drilling efforts completed by previous operators. The table below summarizes the drilling activities by year, drilling type and operator.

Summary of Drilling on the Imperial Gold Project

Year	Operator	Type	No. Holes	Total (ft)
1982-1986	Gold Fields	RC	53	27,880
1987-1992	Imperial County Joint Venture	RC	169	71,539
1994	Glamis Gold	RC	45	34,565
1995	Glamis Gold	RC	32	29,890
1994-1995	Glamis Gold	Core[a]	9	4,913
1996	Glamis Gold	RC	41	26,260
Total	**All**	**All**	**349**	**195,047**

Core drilling was dedicated to metallurgical testwork and was not used in the previous or current Mineral Resource estimates.

Aside from nine core boreholes, all drilling on the property utilized RC methods. Initial RC drilling methods varied with the preference of the operator, the borehole depth and individual borehole conditions. Generally, areas with thick overlying gravel units (greater than 500 ft) required wet drilling methods to prevent borehole wall collapse.

Dry RC drilling methods were utilized when possible during the later drilling programs. Groundwater was encountered at the southern end of the East and West areas, generally at the 100 ft elevation (approximately at 700 ft borehole depth). Groundwater necessitated wet drilling and sampling methods. Later exploration programs utilized dual walled RC, drilling dry with a tri-cone bit and low air pressure. This combination produced better chip recoveries of 75% to 95%. Samples were collected at five-foot intervals, irrespective of geological contacts.

In 1994 and 1995, a core drilling program was completed by Glamis Gold which included seven HQ (2.5-inch diameter) and two PQ (3.3-inch diameter) holes drilled in the East and West deposits. All core drilling was performed utilizing wireline, triple-tube technology.

Drilling was completed on a local mine grid coordinate system.

Drilling by Gold Fields (1982-1986)

Between 1982 and 1986, reconnaissance drilling by Gold Fields testing gravity high anomalies along a regional gravity trend resulted in the initial mineralized intersections in the Indian Rose (West area), located 2,000 ft west of the original Singer showings, and the Ocotillo (East area), approximately 4,500 ft east-southeast of the West area in a

southwesterly trend. The Singer area (or Central area) is located between the East and West areas. These three mineralized zones appeared at the time to potentially be part of the same deposit.

Gold Fields drilled a total of 53 boreholes for 27,880 ft. Boreholes K-77, K-78, K-149 to K 154, and K-156 tested a gravity anomaly trend and intersected gold mineralization in the East area. Individual significant intersection and composite weighted averages were 0.135 oz/t gold from 450 ft to 455 ft in K-77; 0.21 oz/t gold over 140 ft and averaging 0.016 oz/t over 180 ft in K-149; 0.019 oz/t gold over 130 ft in K-153; and 0.035 oz/t gold over 90 ft in K-77. However, the initial investigations suggested the deposit did not meet Gold Fields' corporate criteria for size and grade.

Drilling by Imperial County Joint Venture (1987-1992)

In 1987, the Imperial County Joint Venture conducted approximately 20,000 ft of RC drilling in the West area, East area, and Golden Queen area (located east of the East area), and on a few gas vapour anomalies. The 17-borehole drilling program tested the southeast continuity of mineralization from the West area to the East area. Five of the boreholes intersected gold mineralization (Nordin, 1988).

In 1989, 32 RC boreholes, totaling 11,265 ft, were drilled in the Imperial Project area. Eighteen of the boreholes tested the East area, three of the holes tested the Golden Queen area and eleven holes tested three gas vapour anomalies. The pre-existing gravity data were reinterpreted. Gold mineralization was further intersected in the East area and a large alteration zone was intersected in the Golden Queen area (Garagan, 1989).

Exploration in 1990 consisted of the drilling of 44 RC boreholes totaling 22,120 ft. A total of 15,480 ft in 29 boreholes were drilled in the East and West areas. The remaining holes were drilled on gravity anomalies. A resistivity survey was carried out on the horst block between the eastern boundary of the East area and the Golden Queen area. A compilation of the West and East areas was completed. The drilling program intersected significant gold mineralization and resulted in the substantial increase in the size of the Mineral Resource (Garagan, 1990).

Exploration from July 1991 to February 1992 consisted of 94 RC boreholes totaling 40,705 ft. In addition, geological mapping and sampling were completed, as well as an airborne photographic survey. The objective of the program was to further delineate known mineralized zones in the West and East areas and determine mineralogical and structural characteristics of the zones.

Drilling by Glamis Gold (1994-1996)

Drilling by Glamis Gold between 1994 and 1996 focused on definition drilling within the East, West, and Central areas. Between 1994 and 1995, definition drilling totaled 86 RC boreholes for 69,368 ft. In 1996, a total of 41 RC boreholes were drilled for 26,260 ft including infill between the East and West areas which were not included in the WSE 1996 FS Mineral Reserve and Mineral Resource estimate.

A total of nine HQ (2.5-inch diameter) and four PQ (3.3-inch diameter) core boreholes were drilled in the East and West areas between 1994 and 1995. The core drilling program was dedicated to obtaining bulk mineralized samples and independent metallurgical testwork. The core was also logged for alteration, structural, and geotechnical information and utilized for metallurgical and analytical testing.

Sampling, Analysis and Data Verification

Sample preparation, analyses and security procedures for historical samples taken by the previous operators, Gold Fields and Glamis Gold, are not specifically documented and therefore difficult to review. The authors of the Imperial Technical Report understand that samples were assayed for gold at the Mesquite and Picacho mine laboratories. The preparation and assaying technique were not documented. Assay records are preserved on paper logs, level maps, and sections.

The majority of the recently completed gold analysis was conducted by American Assay Laboratory ("**AAL**") and Chemex Labs Inc. ("**Chemex**") at undisclosed locations. Chemex is accredited to ISO/IEC standards to provide complete assurance regarding quality performance in sample preparation and analysis. AAL is not accredited.

Verification sampling completed by Delta was conducted at ALS Canada Ltd. (ALS Minerals) in North Vancouver, British Columbia in order to verify selected historically sampled intervals. The management system of the ALS Group of laboratories is accredited ISO 9001:2000 by QMI Management Systems Registration.

In the opinion of the qualified person of the Imperial Technical Report, the sample preparation, security, and analytical procedures used by previous operators is poorly documented and therefore difficult to assess. The known analytical quality control measures implemented on the Imperial Project is limited to field duplicates and umpire check assays in 1991-1992 and umpire check assays in 1994-1996. Other checks on the data were likely performed by each operator but are not known to the qualified person.

Mineral Processing and Metallurgical Testing

Several bottle roll cyanidation and column leach cyanidation tests have been completed from 1988 – 1996 on samples from the Imperial Project deposit.

Coarse material bottle roll recoveries ranged from 60% to 100%, with an average of approximately 86.3% when employing the hot cyanide assay technique. Column test recoveries ranged from 61.5% to 95%, with an average of 84.2%.

The above averages use both biotite- and sericite-type ores. Testing of biotite gneiss material result in approximately 86.5% recovery from bottle roll tests, and 83.9% recovery from column leach tests. Sericite Gneiss material shows approximately 86.1% recovery from bottle roll tests, and 84.9% recovery from column leach tests for crushed ore ranging from -2" in 1994-1995 tests to a P90 of 1" for tests completed in 1996. The average for the column tests by material type and size is given in the following table.

Summary of Column Leach Tests by Material Size and Type

Year	Size of Material	Material Type		Overall Average
		BGN	SGN	
1994-1995	-2" (50.8 mm)	82.6%	85.3%	83.2%
1996	P90: 1" (25.4 mm)	90.4%	84.3%	87.3%
Overall		83.9%	84.9%	84.2%

The bottle roll tests tended to have low cyanide consumption, with the average consumption from all material tested at a level of 0.16 kg/tonne of ore, with biotite gneiss tests using slightly less cyanide (0.16 kg/t) compared to sericite gneiss (0.17 kg/t). Column Leach tests recorded approximately 0.35 kg/tonne ore cyanide consumption, with tests involving biotite gneiss recording 0.35 kg/t, and 0.37 kg/t for sericite gneiss.

Overall, the Imperial Project material test was amenable to coarse sized cyanidation. Two major types of mineralogy have been identified: biotite- and sericite gneiss; both types of material exhibited good recovery with fast leach kinetics. There was some indication that lower grade materials may have lower gold recovery due to the constant tail effect.

Recommended Process Variables

The original feasibility study Western States Engineering in 1996 used the average Picacho gold extraction of 73% for Imperial material, assuming a conventional dedicated leach pad and effective leach period of 210 days. Each lift of 25 ft or 50 ft would be leached for 90 days before new material was dumped directly from trucks. An ultimate pad height of 300 ft was indicated based on the production rate of 20,000 t/d to 30,000 t/d.

The PEA produced by SRK in 2012 concluded that crushed material would have a higher recovery than ROM ore as column leach test work was conducted on minus 2-inch feed and achieved over 80% recovery for both BGN and SGN samples. Based on this their gold recovery recommendation for a 2-inch crushed product was 83%.

GRE has developed a hybrid heap leach system consisting of both a crushed feed and a ROM feed to the heap leach facility (HLF). This was an alternative case discussed in the Imperial Technical Report. Approximately 20,000 tpd of crushed product is proposed to be truck dumped on the HLF along with approximately 13,000 tpd of ROM material.

For a ROM only option GRE agrees with the previous recommendations and believes that an ultimate gold recovery of 73% should be achievable. This fits well with the data provided by Picacho and GRE's experience with other neighboring mines that utilize a ROM HLF.

ROM Only Option – Base Case Presented in the Imperial Technical Report

- ROM Particle Size: Nominal minus 6"
- ROM Gold Recovery: 73% recovery
- Primary Leach Duration: 90 days with two secondary cycles of similar duration

Given that the new design is a hybrid of crush and ROM a modified recovery calculation is required. A cutover grade will be employed to determine what material is directed to crushing and a cutoff grade (COG) will determine what is sent to ROM or waste. The current cut-over grade for crushing has a minimum of 0.014 opt (0.47 g/t). Given that the ROM material will be lower grade a more conservative gold recovery estimate has been applied of 65%. The crushed material gold recovery is predicted at 80% slightly lower than the SRK prediction of 83%. GRE lowered this recovery because of the variability in the metallurgical test data. Although most of the column and bottle roll tests performed exceptionally, there are a few outliers that still lack explanation.

Combined Crush/ROM Option – Alternative Case Presented in the Imperial Technical Report

- Crush Particle Size: P80 1"
- Crush Gold Recovery: 80% recovery
- Primary Leach Duration: 90 days with two secondary cycles of similar duration
- ROM Particle Size: Nominal minus 6"
- ROM Gold Recovery: 65% recovery
- Primary Leach Duration: 90 days with two secondary cycles of similar duration

The reagent consumptions were estimated from both the test work and from data provided by Picacho and neighboring mines. These are conservative estimates.

Reagent Consumptions

- CN consumption: 0.42 lb./t (0.21 kg/t)
- Lime Consumption: 2.4 lb./t (1.2 kg/t)

In summary, a review of the all historical test work by GRE, indicated that the Imperial Project material should be amenable to heap leaching. Run-of-mine ("**ROM**") heap leaching has been utilized with an estimated average gold recovery of 73% using a primary extraction cycle of 90 days and a total cycle of 270 days.

Mineral Resource Estimates

The Mineral Resource Statement presented herein represents the second Mineral Resource evaluation prepared for the Imperial Project in accordance with the Canadian Securities Administrators NI 43-101. As no additional data has been generated for the Imperial Project since 2012, the Mineral Resource model described in the Imperial Technical Report is unchanged from that generated by SRK (2012) but has been re-stated to consider current 2019 economics.

No Mineral Reserve has been estimated for the Imperial Project.

The Mineral Resource model prepared by the qualified person considers 349 boreholes drilled by various operators during the period of 1987-1996. The Mineral Resource estimate was completed under the supervision of Glen Cole, PGeo. (APGO #1416), who is an independent qualified person as this term is defined in NI 43-101. The effective date of this Mineral Resource estimate is December 30, 2019.

Gold grades were estimated by ordinary kriging constrained within modeled grade zone domain solids. Gold grades were estimated within each domain separately using capped composites from within that domain and applying appropriate search parameters.

The authors of the Imperial Resource Estimate considered that the blocks located within the conceptual pit envelope show "reasonable prospects for economic extraction" and can be reported as a Mineral Resource. Mineral Resources are reported at a Cut-Off-Grade ("COG") of 0.003 oz/t Au and include all Mineral Resource blocks above cut-off inside the conceptual pit shell. The COG was based on a gold price of $1,500/oz gold and a gold metallurgical recovery of 80%.

Imperial Resource Estimate (Imperial Units)

Classification	Quantity ('000 tons)	Grade Gold (oz/t)	Contained Gold ('000 oz)
Indicated			
Grade Zone (Domains 100, 120)	50,379	0.0174	877
Total Indicated	**50,379**	**0.0174**	**877**
Inferred			
Grade Zone (Domains 100, 110, 120)	79,869	0.0156	1,245
Gravel with grade (Domain 200)	10,557	0.0041	43
Bedrock with grade (Domain 300)	9,748	0.0050	48
Total Inferred	**100,174**	**0.0133**	**1,336**

Reported at a COG of 0.003 oz/ton Au using a price of US$1,500 /oz Au inside a conceptual pit shell optimized using mining operating costs of US$1.40 per ton, metallurgical and process recovery of 80%, combined processing and G&A costs of US$2.30 per ton, US$0.50 per ton of sustaining capital and overall pit slope of 45 degrees. All figures rounded to reflect the relative accuracy of the estimates.

Imperial Resource Estimate (Metric Units)

Classification	Quantity ('000 tonnes)	Grade Gold (g/t)	Contained Gold ('000 oz)
Indicated			
Grade Zone (Domains 100, 120)	45,703	0.59	877
Total Indicated	**45,703**	**0.59**	**877**
Inferred			
Grade Zone (Domains 100, 110, 120)	72,456	0.54	1,245
Gravel with grade (Domain 200)	9,577	0.14	43
Bedrock with grade (Domain 300)	8,843	0.17	48
Total Inferred	**90,876**	**0.46**	**1,336**

Reported at a COG of 0.1g/ton Au using a price of US$1,500 /oz Au inside a conceptual pit shell optimized using mining operating costs of US$1.54 per tonne, metallurgical and process recovery of 80%, combined processing and G&A of US$2.53 per tonne, US$0.55 per tonne of sustaining capital and overall pit slope of 45 degrees. All figures rounded to reflect the relative accuracy of the estimates.

Mining Methods

The Imperial Project mine deposit is planned to be mined using conventional open pit mining methods. The mine design and planning are based on the estimated grade of the Mineral Resource model and Whittle pit shell analysis. The results are summarized in the following table.

Mine Plan Quantities

Pit	Indicated Material			Inferred Material			Waste Tons	Stripping Ratio
	Tons	Au (opt)	Au (tr oz)	Tons	Au (opt)	Au (tr oz)		
West P1	13,930,919	0.013	183,460	2,563,509	0.015	37,555	22,194,139	1.3
West P2	4,417,325	0.014	62,996	14,002,624	0.016	219,805	40,160,246	2.2
East P1	6,153,719	0.018	111,596	1,781,270	0.016	27,897	39,544,618	5.0
East P2	16,223,124	0.021	348,355	3,837,004	0.017	65,585	40,637,029	2.0
East P3	3,081,872	0.025	75,974	8,120,222	0.018	147,923	43,488,065	3.9
East P4	5,614,028	0.018	101,009	7,657,766	0.020	149,351	62,721,500	4.7
Singer P1	0	-	0	2,741,791	0.015	41,600	5,536,997	2.0
Singer P2	0	-	0	1,361,528	0.016	22,262	1,659,162	1.2
Totals	**49,420,987**	**0.018**	**883,390**	**42,065,714**	**0.017**	**711,978**	**255,941,756**	**2.8**

Processing and Recovery Methods

The Imperial Project would employ open pit mining with a conventional heap leach system on a 365 day per year 24 hour per day basis. The heap leach will utilize ROM material. The ROM is delivered directly from the open pit to the heap via the mine haul trucks. The trucks will pass under a silo that will deposit a measured amount of lime on the load for pH control.

The heap leach would consist of a suitable area lined with a containment system. The material lifts are targeted at 32 ft in height with a total heap height of 328 ft. Once a suitable area has been stacked (cell), the cell would be irrigated with dilute cyanide solution. The solution leaches gold from the heap materials and is transported to the gold recovery circuit as pregnant leach solution (PLS) and recovered in the Adsorption-Desorption-Recovery plant (ADR). The ADR plant consists of a series of columns containing activated carbon (CIC) that adsorb the gold. The gold is recovered by a desorption system and recovered as doré.

Infrastructure, Permitting and Compliance Activities

Project Infrastructure

A limited amount of infrastructure is currently available on site. Power, water, and all other systems necessary for a mining and processing operation will be required.

Sufficient water appears to be available on the Imperial property. One ground water well currently exists, and a second well is planned for this project. Groundwater supplies would be developed to meet the Imperial Project water requirements.

Power is available near the mine site from the grid through a 161kV power line. There are no electrical substations at the site. Local labour for mining is available.

Site Permitting Background

In 1994, an application was submitted to the U.S. Department of the Interior (DOI) BLM for approval of a plan of operations for the Glamis Imperial Project (Glamis Project) under the Federal Land Policy and Management Act (FLPMA). An application was also submitted to the County of Imperial (County) for approval of a reclamation plan pursuant to the California Surface Mining and Reclamation Act (SMARA). The County and BLM coordinated the preparation of an environmental impact statement/environmental impact report (EIS/EIR) under the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

Opposition to the Imperial Project elevated its consideration to the DOI Secretary and based on a then-recent legal opinion of the DOI Solicitor, a Record of Decision (ROD) was initially issued in early 2001 denying the Glamis plan of operations, primarily because of unavoidable adverse impacts to Native American cultural resources. However, following a change of Administration, later that year the new DOI Solicitor reconsidered and rescinded the prior Solicitor's legal opinion and recommended that DOI reconsider the ROD on Glamis Imperial's plan of operations.

On November 23, 2001, the DOI Secretary concurred and formally rescinded the prior ROD denying the plan of operations. The BLM subsequently issued its final Mineral Report on September 27, 2002, confirming that Glamis Imperial held valid existing rights to the mining claims and the vast majority of the mill sites, and that Glamis Imperial could profitably produce from an open pit mine substantial Mineral Reserves from the Glamis Project as proposed.

Meanwhile, in September 2002, the California Legislature added Section 2773.3 to the California Public Resources Code, requiring the backfilling of metallic mines and mines "located on, or within one mile of, any Native American sacred site and located in an area of special concern." In December 2002, the California State Mining and Geology Board approved a new regulation implementing the requirements of Section 2773.3. At the time, these statutes and regulations made open-pit gold mining cost prohibitive in California because of the cost of backfilling relative to the price of gold, and Glamis therefore suspended its effort to develop the Glamis Project. However, the mineral claims have been maintained in good standing for more favorable economics.

KORE's revised project (the Imperial Project) would include mining at least the same Mineral Resources as the Glamis Project but would include a re-evaluated engineering design for the Mineral Resource and updated environmental data. From a permitting perspective, the site conditions and land use entitlement requirements have not substantially changed since the proposal of the Glamis Project. Certain updates (analysis of greenhouse gas emissions, for example) will be necessary to update and amend the existing plan of operations in conformance with current requirements. However, because technology has been significantly improved since the original Glamis Project was considered, air emissions from mining equipment, for example, are much reduced compared to the prior environmental estimates.

The following provides an overview of the permits and other land use entitlements required for a modern precious metal mine in California, and the approach to amending and updating the existing plan of operations and environmental documentation.

Primary Entitlements

The plan of operations and reclamation plan are the primary plans required for a mining project on federal lands.

Plan of Operations

As the Imperial Project applicant, KORE must file a plan of operations with BLM (43 CFR § 3809.11). The BLM 3809 regulations apply to mining activities on BLM-managed lands in the western United States. The plan of operations must demonstrate that the proposed operations would not result in "unnecessary or undue degradation" of public lands. The plan of operations must also include operator information, a description of operations, a reclamation plan, a monitoring plan, an interim management plan, and a reclamation cost estimate (43 CFR § 3809.401). The existing plan of operations is substantially complete and would need to be updated to apply to current regulations and the details of KORE's Imperial Project.

Reclamation Plan

Under federal law, KORE must file a reclamation plan for the Imperial Project (43 CFR § 3601.42) that specifies the proposed manner in which the areas disturbed by operations will be reclaimed and the associated schedule for reclamation. In addition, SMARA, applies to surface mining operations on federal land in California, and requires the submittal of a reclamation plan. The existing reclamation plan is substantially complete and would be updated to address current regulations and the details of KORE's Imperial Project.

Environmental Review and Key Environmental Permits - NEPA/CEQA Environmental Review

Discretionary actions that qualify as "projects" in California require environmental review under CEQA. In addition, projects that either occur on federal land or require federal approval require environmental review under NEPA. The joint NEPA/CEQA environmental review was previously completed for the Glamis Project, including detailed technical evaluations. These evaluations remain substantially applicable to KORE's Imperial Project, requiring only certain revisions necessary to account for changed regulatory requirements, changes to the existing environmental

setting, if any, and design changes in comparison to the Glamis Project. Thus, the previously prepared joint NEPA/CEQA environmental document and associated technical studies can be incorporated by reference, allowing the updated NEPA/CEQA documents prepared for KORE's Imperial Project to be focused on any regulatory, environmental, and design changes.

The following environmental permits are required subsequent to NEPA/CEQA review and project approval**:**

Section 7 of the Federal Endangered Species Act (ESA): In conjunction with the environmental review for any federal approvals needed for the Imperial Project (e.g., BLM approval of a plan of operations), under Section 7 of the (ESA), the approving federal agency will need to consult with the U.S. Fish and Wildlife Service (USFWS) regarding the potential for "take" of federally listed species. The Imperial Project site is located in an area known to contain desert tortoise and Yuma clapper rail habitat. The desert tortoise is listed as "threatened" and the Yuma clapper rail is listed as "endangered" under the ESA. However, no critical habitat has been identified for either species within the existing mining claims. A biological opinion for the Glamis Project was previously issued by the USFWS.

Section 2081 of the California Endangered Species Act (CESA): If implementation of KORE's Imperial Project has the potential to adversely affect state-listed endangered or threatened fish and wildlife, the California Department of Fish and Wildlife (CDFW) must be contacted and advised of the Imperial Project and its potential impacts. If a federal incidental take permit is required under the ESA for impacts to a federally listed species, and the same species is also protected under CESA, the Imperial Project proponent may submit the federal incidental take statement to CDFW to determine whether the federal document is "consistent" with CESA. If the federal permit is found to be "consistent" with CESA, a state incidental take permit would also be issued.

Section 404 Permit of the Federal Clean Water Act (CWA): CWA Section 404 requires a permit from the U.S. Army Corps of Engineers (USACE) for the discharge of dredge or fill material into the Waters of the United States, including streams and wetlands (33 USC § 1344). Because the Imperial Project site was previously determined to include desert washes that were determined to be jurisdictional Waters of the United States, potential impacts to those desert washes, if still in existence, could trigger the need for a CWA Section 404 permit. USACE would review the permit application and consult with the U.S. Environmental Protection Agency (EPA) before issuing the Section 404 permit.

The Final EIS released for the prior Glamis Project determined that 114.5 acres of Waters of the U.S. were present on the mine site. Since that determination, there have been several court decisions regarding the scope of federal jurisdiction under the CWA. For example, in *Solid Waste Agency of Northern Cook County v. U.S. Army Corps of Engineers*, 531 U.S. 159 [2001] *(SWANCC)*, a plurality of U.S. Supreme Court Justices held that the CWA did not give the USACE authority to assert federal jurisdiction over "isolated waters" (i.e., the ponds that were not connected with or adjacent to a traditional navigable water of the United States). Additionally, the Court held that where the use of waters for migratory birds was the only basis for asserted CWA jurisdiction, and no "significant nexus" to navigable waters existed, the CWA did not apply. Later, in *Rapanos v. United States*, 547 U.S. 715 (2006), the U.S. Supreme Court determined that the scope of federal agency regulatory authority should extend only to "relatively permanent, standing or continuously flowing bodies of water" connected to traditional navigable waters, and to "wetlands with a continuous surface connection to" such relatively permanent waters.

Note also that the Trump Administration has directed the EPA to reconsider the definition of Waters of the United States and the EPA is in the process of publishing a revised rule to define the scope of CWA Section 404 authority.

Streambed Alteration Agreement of California Fish and Game Code Section 1602: The California Fish and Game Code (Section 1602) requires anyone proposing an activity that may substantially modify a stream to notify CDFW. The notification requirement applies to activities proposed in or near a stream, even if water only flows intermittently through a bed or channel. After receiving notification of the proposed activity, if CDFW determines that the activity may substantially adversely affect fish and wildlife resources, a streambed alteration agreement would be prepared. The agreement would contain conditions to mitigate the Imperial Project's expected impacts on the waterbody.

The technical studies prepared for the Glamis Imperial Project identified several desert washes that appeared as "blue-line streams" on standard U.S. Geological Survey maps and therefore, were presumed to be "waters of the state" subject to the jurisdiction of CDFW. Accordingly, a streambed alteration agreement was required to permit disturbance

of these desert washes. If those desert washes still exist and the proposed project plan will disturb the desert washes, KORE's Imperial Project may require a streambed alteration agreement.

Capital Costs, Operating Costs and Preliminary Economic Assessment Summary

In April 2020, the Company announced the results of its PEA on the Imperial Project and it published the Imperial Technical Report in May 2020, available under the Company's profile on SEDAR at www.sedar.com. The PEA, with an effective date of April 6, 2020 and filed on May 19, 2020, was prepared in accordance with NI 43-101 by Terre Lane, RMSME MMSAQP and Todd Harvey, PhD, RMSME of GRE and Glen Cole, P.Geo. of SRK, with support of Geo-Logic Associates - Monte Christie, GE PE. The team was led by Marc Leduc, P.Eng. the COO of KORE.

Note that a PEA is preliminary in nature, includes inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the PEA will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The PEA is a conceptual study, and the disclosure in this AIF contains forward-looking information about potential future results and events. Please refer to the cautionary statements under the heading "*Cautionary Note Regarding Forward-Looking Statements*" above, which include associated assumptions, risks, uncertainties and other factors.

Unless otherwise stated, all masses are in short tons, which is the equivalent to 2,000 pounds or 907.2 kilograms.

Economics		**Pre-Tax**	**Post-Tax**
Net present value ($NPV_{5\%}$) at 0.75C$/US$	*C$ millions*	$584	$458
Net present value ($NPV_{5\%}$)	*US$ millions*	$438	$343
Internal rate of return (IRR)	*%*	52%	44%
Payback (undiscounted)	*years*	2.3	2.7
LOM avg. annual cash flow after tax & capital	*US$ millions*	$105	$90
LOM cumulative cash flow (undiscounted)	*US$ millions*	$697	$580
Gold price assumption	*per ounce*	$1,450	
Mine life	*years*	8	
Average annual mining rate	*million tons/yr*	43.4	
Average annual gold production	*thousand ounces/yr*	146	
Total LOM recovered gold	*million ounces*	1.17	
Initial capital costs	*US$ millions*	$143.5	

LOM calculation and "**Mine Life**" is defined as the duration of mining operations, eight years. There are additional years of site work for residual leaching, washing, back-filling and reclamation modelled.

The following table demonstrates the post-tax sensitivities of NPV and IRR to gold price per ounce. The base case, highlighted in the table below, assumes US$1,450 per ounce of gold:

Economic Sensitivities to Gold Prices *(post-tax)*		
Per ounce of gold	**($NPV_{5\%}$) millions**	**IRR%**
US$1,300	US$234	34%
US$1,450	**US$343**	**44%**
US$1,600	US$450	52%
US$1,800	US$590	64%
US$2,000	US$729	75%

GRE notes that the Imperial Project has an abundant collection of data as a result of the exploration, engineering and environmental studies completed in the 1980s and 1990s. During that period, the Imperial Project had geotechnical drilling and modelling, heap leach designs, plant designs, surface water management designs, and hydrogeological modelling, to name just a few, that provided a credible data set to the Imperial Project team. The Imperial Project also has metallurgical sampling and testing completed both by previous owners and an independent lab, reviewed by GRE, to support the initial engineering design. This data will act as an important background and aid in the design of future work on the Imperial Project.

Mining & Processing

The PEA presents an open-pit ROM heap leach scenario where oxide ore is stacked on the leach pads directly from the mine and is not crushed, although the team considered several other scenarios. KORE management ultimately selected the scenario with the lowest pre-production capital. A more capital-intensive approach could yield a mine and processing plan with higher project NPV and gold production.

Mining Plan and Processing Summary		
Mine life	*years*	8
Mining rate	*average tons per day*	124,000
Strip ratio	*waste: mineralization*	2.8
Total tonnage mined	*million tons*	347.4
Total mineralized material mined	*million tons*	91.5
Heap leach stacking rate	*average tons per day*	33,000
Average LOM grade	*gram per metric tonne*	0.60
Average LOM recovery	*%*	73%

A detailed mine plan by year is included in the April 6, 2020 news release available under the Company's profile on SEDAR at www.sedar.com.

Operating Costs

Mining costs for owner operated mining, processing and other costs were developed from a mix of first-principle engineering and benchmarked to the many ROM heap leach operations in California and nearby Nevada. The Imperial Project is located near a large skilled labour pool and on the same road and power infrastructure as the operating Mesquite mine, located nine miles away providing further confidence in the cost estimates.

Operating Costs (LOM average) (1)		
Mining costs (per ton mined)	*US$/st mined*	$1.45
Mining costs	*US$/st processed*	$5.51
Processing costs	*US$/st processed*	$1.85
G&A costs	*US$/st processed*	$0.74
Total site operating costs	*US$/st processed*	$8.11
Cash Costs * (Non-IFRS Measure)		
Cash costs (LOM)*	*US$/oz*	$672

(1) Not including post-production reclamation and backfilling. See LOM description above.

Initial pre-production & sustaining capital costs

Initial capital costs in the PEA are US$143 million including a 25% contingency of US$23.7 million. The initial mine fleet will be expanded in Year 1 of operations. Infrastructure costs are low due to the proximity of road, water and power infrastructure. Initial capital also assumes KORE is the owner-operator of all equipment. Further enhancements may be possible with contract mining or processing of the gold from the carbon columns at an off-site treatment plant. Sustaining capital is mainly for heap leach pad expansion and additional mining equipment.

Pre-Production and Sustaining Capital Costs *(US$ millions)*	
Mining and mine infrastructure	$35.3
Heap leach pads and plant	$47.0
Infrastructure and G&A	$15.7
Working capital	$7.5
Contingency (25%)	$23.6
Pre-production mining	$14.3
Total Pre-Production Cost	**$143.5**
LOM sustaining capital	$60.5
Closure incl. backfill (1)	$147.7

(1) Closure cost includes final backfilling of the open pit and site reclamation to California's regulated standards. The cost includes US$107 million in mining cost, US$12 million in site operating G&A during back-filling of the final pit, in addition to US$25 million in other site closure costs. Backfill will return the site to plus 25 feet of original topography while re-establishing natural desert washes (drainages). A 95-million-ton clean alluvial sand and gravel stockpile remain and serve as an aggregate source for local and regional infrastructure. The balance of the closure cost is for normal non-backfill site closure costs to remediate disturbances, remove structures, etc.

All In Sustaining Cost (Non IFRS Measure)

AISC* are competitive with peer projects and in the second quartile when compared to the World Gold Council AISC cost metric. Imperial's AISC* is built up as follows:

AISC* per ounce	
Operating cost (1)	US$643
Royalties (2)	US$29
Sustaining capital	US$52
Closure	US$127
Total AISC*	**US$851**

(1) Operating costs includes US$5 per ounce offsite refining.

(2) Royalties consist of: (a) 1% NSR royalty to Maverix Metals Inc; and (b) 1% NSR royalty to Macquarie.

Alternate Economic Cases

GRE estimated cost and revenue for two other options: implementing a crusher to increase gold recovery from the heap leach and hiring a contract mining company to run mining operations to decrease the initial capital cost. Neither of these cases are incorporated into the final economic analysis, conclusions, or recommendations. They are only presented here for discussion.

Crushing Feed to Heap Leach Pad

GRE evaluated the Imperial Project using a crushed material component. A crushing circuit sized for an average throughput of 8.2 million short tons per year (7.5 tonnes per year) was added to the processing evaluation. The expected change in recovery was ROM decreasing to 65% and crushed material increasing to 80% from the ROM only case of an overall recovery of 73%. The minimum gold grade required for crushing was estimated at 0.014 oz/ton (0.48 grams per tonne). However, by using the highest grade from the mine to fill the crusher feed, the minimum grade of material crushed never falls below the minimum required. Average recovery based on this method of utilizing the crusher results in an increase of overall gold recovery to 78%. Processing cost increases to $2.48/ton ($2.73/tonne); NPV at a discount rate of 5% increases to $355 million, and IRR drops to 40%.

Contract Mining

GRE also evaluated the Imperial Project with mining operations performed by a contract mining company. Contract mining would enable the Imperial Project to lower capital costs overall, but especially the initial capital costs which can have a great impact on NPV. The tradeoff would be an increased operating cost. Using estimates from an owner-operator cost with a profit factor and industry quotes from contract mining companies, GRE established that an average cost for contract mining is $2.04/ton ($2.25/tonne). Capital costs related to mine operation drop to $461,000; NPV at a discount rate of 5% drops to $272 million and IRR increases to 49%.

Exploration, Development and Production

KORE is actively exploring the Imperial Project and regional claims of the Mesquite-Picacho-Imperial District. In 2020 KORE performed several field exploration activities including ground based geophysics, dry stream bed geochemical sampling, geological mapping and bedrock sampling. All of these activities were intended to either

develop or follow up on anomalies in the Mesquite-Imperial-Picacho trend. This work has identified several prospective areas which the KORE continues to work on.

KORE has presented a Plan of Operations to the BLM and is currently preparing an Environmental Assessment (EA) to obtain the permits to drill. The Plan of Operation includes drilling targets within the main Imperial zone as well as two other zones located between the Mesquite Mine and the Imperial Project. KORE estimates that permits will be obtained and drilling will start in the second half of 2021.

KORE is also preparing the Imperial Project to enter permitting for mine development in late 2021 by preparing the Imperial Project Plan of Operations for submittal to the BLM. This Plan of Operations for project development will be submitted once the site drilling Plan of Operations is approved.

KORE has been engaging with local stakeholders to inform them of site activities and build support for the future project development. There is no production at the Imperial Project at this time.

Long Valley Gold Project

The bulk of the information in this section is derived from the "Economic Assessment NI 43-101 Technical Report for the Long Valley Project, Mono County, California, USA" dated October 27, 2020 with an effective date of September 21, 2020 (the "**Long Valley Technical Report**") and prepared by Terre Lane, RMSME MMSAQP and Todd Harvey, PhD, RMSME of GRE and Neil Prenn, P.E. and Steven I. Weiss, C.P.G. of Mine Development Associates, Inc. (the "**Authors**" and "**MDA**", respectively) which has been filed with Canadian securities regulatory authorities and prepared pursuant to NI 43-101. The Long Valley Technical Report is available for review under the Company's issuer profile on SEDAR at www.sedar.com. Messrs. Lane, Harvey, Prenn and Weiss are each a Qualified Person under NI 43-101.

Project Description, Location and Access

Location and Means of Access

The Long Valley Property is located about 7 miles to the east of the town of Mammoth Lakes and about 45 miles north of the town of Bishop, California. Both towns are connected by U.S. Highway 395, which passes a few miles west of the property. Access to the property from the highway is via a series of graded gravel roads. The mining claim group is centered at 37 degrees 40 minutes North latitude and 118 degrees 51 minutes West longitude. The claims cover all or portions of Sections 13, 14, 15, 22, 23, 24, 25, and 26, T3S, R28E, Mount Diablo Base and Meridian.

Nature and Extent of Title

At the time of preparation of the 2020 Technical report, the Long Valley Property consisted of 95 contiguous, unpatented mining claims that cover an area of approximately 1,800 acres. Later in 2020 KORE completed a program of staking 693 additional claims consisting of 14,104 acres to capture district scale exploration potential and resources growth targets that trended off the then current claims. The claims are administered by the U.S. Department of the Interior, BLM on federally owned lands administered by the Inyo National Forest, U.S. Department of Agriculture. All of the claims are located in Mono County in east-central California. The surface rights in the area of the claims are owned by the U.S. government, with the area being subject to a surface grazing lease issued by the U.S. Forest Service.

The claims will remain in effect for as long as the annual claim maintenance fees are paid to the U.S. government. The claims must also be maintained by ensuring that the claim posts and location notices are properly upright and visible. The claims will remain in effect for as long as the claim holding fees are paid to both the U.S. government and the county. The claims must also be maintained by ensuring that the claim posts and location notices are properly upright and visible. In addition, KORE must file and record with the Mono County Recorder an Affidavit Notice of Intent to Hold and Payment of Annual Maintenance Fee in lieu of assessment work.

There are no other gold or silver properties known in the general area of the Long Valley property. About one-half mile north of the claim block is an area of previous mining activity by Standard Industrial Minerals for the extraction of kaolinite clay that was mined from a series of small open pits and trucked off-site for processing.

Existing Royalties or Other Encumbrances

KORE acquired the claims from Vista Gold California LLC, a subsidiary of Vista Gold Corp. (both companies are referenced as "**Vista**" in this section), through a purchase agreement dated March 29, 2017. In addition to a royalty to Vista described below, KORE agreed to pay Vista cash consideration of US$1,350,000, payable as follows:

(a) US$350,000 at closing (paid on March 31, 2017);
(b) US$500,000 on or prior to the 30th day after commencement of commercial production; and
(c) US$500,000 on or prior to the 12-month anniversary of the commencement of commercial production.

Vista may elect to receive shares of KORE in place of cash for the payments identified as (b) and (c) above.

The property is not subject to any production royalties or encumbrances except for a 1.0% NSR owed to Royal Gold, Inc. on any gold production from the property pursuant to a royalty deed between Vista and Royal Gold dated August 23, 2002 and subsequently assigned to KORE by Vista on March 31, 2017. In addition, through an agreement between KORE and Vista dated March 31, 2017, KORE granted Vista a perpetual 0.5% to 2.0% NSR at the following rates to be determined quarterly based on the gold price:

Gold Price (US$/oz Au)	**Royalty Rate**
Under $1,400	0.5% NSR
$1,401 to $1,600	1.0% NSR
Above $1,600	2.0% NSR

The royalty agreement between KORE and Vista allows KORE to repurchase a total of 1% of the royalty rate applicable to any royalty payable when the gold price is above US$1,600 per oz Au for US$2,000,000 if repurchased prior to announcement of a feasibility study or for US$4,000,000 if repurchased prior to commencement of commercial production, subject to various terms and conditions. KORE's option to repurchase a portion of the royalty rate is extinguished following the commencement of commercial production. The royalty agreement between KORE and Vista also included a security interest in favor of Vista over the Long Valley claims in respect of any future obligations arising under the royalty only.

The purchase agreement between KORE and Vista included a grant of rights to Vista regarding placer claims pursuant to an agreement between Standard Industrial Minerals, Inc. ("**Standard**") and Vista dated January 22, 2007. Standard granted Vista the right to "explore, develop, mine, remove and sell the gold, silver and other materials located on and under the ground" where Standard's Little Antelope No. 3 and Little Antelope No. 4 unpatented placer mining claims overlap the Long Valley No. 31-38 and LV No. 98 unpatented lode mining claims; that right was transferred from Vista to KORE in 2017.

The 2007 mining deed that conveyed the unpatented lode mining claims from Standard to Vista included a provision that reserved to Standard all material mined from the property that contains kaolinite but does not contain economic values of gold and/or silver and was not needed by Vista for construction purposes related to the property, both as determined by Vista, and the right to have such mined kaolinite material transported and deposited at Standards facilities near the property at Standard's sole cost and expense. This reservation did not obligate Vista to evaluate any mined material for its value or suitability as kaolinite ore nor handle the kaolinite-bearing material in any special way different from the normal material handling process for material deemed not economic as gold and/or silver ore. At the time Vista purchased the claims from Standard, Standard was mining kaolinite from an operation within a mile north of the unpatented lode mining claims purchased by Vista, but that operation is not currently active.

Factors Affecting Access or Title

The Company is not aware of any significant factors, risks or issues that may affect access, title, or the right or ability to perform work on the Long Valley Project. The Company is not aware of any environmental liabilities related to the Long Valley Property.

Under the Mining Law of 1872, which governs the location of unpatented mining claims on federal lands, the locator has the right to explore, develop, and mine minerals on unpatented mining claims without payments of production royalties to the U.S. government, subject to the surface management regulation of the BLM and U.S. Forest Service, with the area of the claims being subject to a surface grazing lease issued by the U.S. Forest Service. KORE has rights to use the unpatented mining claims for mining-related purposes to September 1, 2021 and may continue to do so on a yearly basis beyond that by timely annual payment of claim maintenance fees and other filing requirements.

History

Gold mineralization was first recognized on the property by Standard in the early 1980s as being present in small amounts in and around their kaolinite clay mining operations. Standard optioned the property to Freeport Minerals ("**Freeport**") in 1983, who prospected the area and defined several distinct mineralized zones, referred to as the North, Middle and South. Freeport drilled about 80 shallow RC holes in mostly the North and South zones during 1983-1984. Freeport dropped the property, but additional drilling was performed by Standard in 1986, with 24 shallow rotary holes drilled mostly in the South zone.

Royal Gold acquired the property from Standard under a lease/purchase option agreement in 1988 and shortly thereafter drilled 52 air track holes in the South zone (Martin et al. (1997a) reported that Royal Gold drilled 53 holes in this program, but 52 are in the project database). Royal Gold also had performed various metallurgical and engineering studies and submitted permitting documents in support of constructing a small operation based on Mineral Resources in the South zone. However, in 1990, Battle Mountain Gold ("**Battle Mountain**") and Royal Gold formed a joint venture to further explore and perhaps develop the property. During 1990 and 1991 Battle Mountain, as the operator, completed geologic mapping, geochemical sampling, and geophysical surveying of the area and also drilled 59 RC holes. These holes were mostly in the South zone, but also resulted in the discovery of two new zones contiguous with the South zone, the Hilton Creek zone and the Southeast zone.

Battle Mountain dropped out of the joint venture in 1993, but work continued by Royal Gold. During the period 1994 through 1997, Royal Gold aggressively explored the property drilling some 625 holes mostly in the Hilton Creek and Southeast zones. Only 10 core holes were drilled, with the balance being RC holes. During this time, Royal Gold also undertook extensive studies related to metallurgical investigations, preliminary engineering studies, including Mineral Resource estimations, and initiated baseline-type environmental studies of the biological, water, and archeological resources of the area.

In mid-1997, Amax Gold Inc. ("**Amax**") performed extensive due diligence investigations in consideration of forming a joint venture with Royal Gold to place the property into production. Their work included drilling 46 RC holes and 10 core holes, as well as extensive re-assay and check-assay work and the re-logging of older holes. Many of the holes were intended as "twins" to earlier Royal Gold holes. Amax elected not to proceed with the formation of the joint venture because of the continued deterioration of the gold price and their pending merger with Kinross Gold Corporation.

Following Amax's departure, Royal Gold did not perform any additional drilling, but did continue with some of the environmental studies, reclaimed the drill roads and sites, performed some additional geochemical sampling, re-estimated Mineral Resources, and initiated a community public relations campaign. Due to the continued decline in the gold price and the decision by Royal Gold to become a royalty holding company, Royal Gold turned the property back to Standard, effective August, 2000. Except for maintaining the claims in good standing, Standard performed no further work on the Long Valley property. There has been no further drilling on the property since 1997.

In January 2003, Vista signed a purchase option agreement with Standard for the Long Valley Project and completed the purchase of the claims in January 2007. Vista maintained the claims in good standing but conducted no exploration on the property from 2003 until their sale of the property to KORE in 2017.

There have been fairly extensive geochemical surveys conducted over the Long Valley property, but only one known geophysical survey prior to KORE's acquisition of the property in 2017. The geochemical surveys have been performed by personnel working for either Battle Mountain or Royal Gold. Documentation of the results of both of the geochemical programs is sparse, but it appears that both surveys consisted of the collection of between 100 and 200, predominantly rock and fewer soil samples. These samples were analyzed for gold, silver, arsenic, antimony, and mercury, and perhaps other elements as well. The surveys indicated that the entire area is mildly to highly anomalous in these elements and that potentially economic mineralization is known by drilling to underlie the area of many of the better anomalies. Other geochemical anomalies remain untested by drilling. MDA has not analyzed the sampling methods, quality, and representativity of surface sampling on the Long Valley property because drilling results form the basis for the mineral resource estimate.

An IP/resistivity geophysical survey was performed for Battle Mountain by DMW Surveys of Reno, Nevada, in the southern part of the area. Four possible target areas were identified from this survey, and it is believed that these areas have subsequently been drilled, with mineralization indicated in both the Hilton Creek and Southeast zones.

Several periods of geological mapping have been performed in the area by employees of, or consultants to, Battle Mountain and Royal Gold. The mapping identified areas of alteration, silicification, and brecciation within the predominantly volcaniclastic rocks in the area, which have been demonstrated to be favorable for gold mineralization. Many of these areas have been drilled with positive results, but other areas remain untested. In addition, much of the area is covered with soil or post-mineralization rocks, which could conceal areas favorable for mineralization.

There are numerous drill holes which have intercepted significant intervals of gold and silver mineralization. The area of these drill holes is generally defined as the North and Middle zones and, with further drilling and the discovery of additional mineralized intercepts, they might also be the location of significant gold mineralization. All of the holes are vertical, and all intercepts are thought to represent true thickness.

There has been no historical gold production from the Long Valley property, and the only mining activity in the area has been associated with the mining of kaolinite clay.

Historical Mineral Inventory Estimates

All estimates described in this section were prepared prior to 2000 and are presented herein merely as an item of historical interest with respect to the exploration targets at Long Valley. There were a number of mineral resource estimates and associated mineral reserve calculations prepared on behalf of Royal Gold by the outside consulting group Mine Reserves Associates ("**MRA**") of Lakewood, Colorado, during the period 1995 to 1998. It is believed that these estimates were not prepared in full compliance with the provisions included in National Instrument 43-101 – *Standards for Disclosure of Mineral Projects*, as they do not clearly differentiate between "Measured", "Indicated", and "Inferred" categories of mineralization and as to whether these categories contribute to the estimates. Accordingly, these estimates should not be relied upon. KORE is not treating these historical estimates as current mineral resources or mineral reserves. These historical estimates are superseded by the current mineral resource estimate discussed in the Long Valley Technical Report.

In December 1997, Behre Dolbear & Company Inc. ("**Behre Dolbear**") calculated reserves based on several density factors, because testwork by Amax had indicated widely variable densities. The base case was from the 1997 MRA calculation. The author has not done sufficient work to classify these historical estimates as current mineral resources or mineral reserves, and the issuer is not treating these historical estimates as current mineral resources or mineral reserves. Accordingly, these estimates should not be relied upon.

2003 and 2008 MDA Mineral Resource Estimates for Vista Gold

MDA prepared a mineral resource estimate of the Long Valley deposit for the previous operator in 2003 that was the first estimate reported in accordance with NI 43-101 standards of disclosure at that time.

In January 2008, MDA prepared a Technical Report for Vista describing a preliminary economic assessment of the Long Valley project, but the resource estimate or model was not updated from the 2003 estimate. The 2003 estimate did not report resources constrained within a pit.

The 2003 mineral resource estimate reported in both the 2003 and 2008 Technical Reports were prepared in accordance with the CIM Standards and NI 43-101 reporting requirements in effect at that time, but that mineral resource estimate does not meet current CIM Standards and NI 43-101 reporting requirements. It is reported here as a matter of historical interest. Therefore, KORE is not treating the 2003 mineral resource estimate as current mineral resources, and that 2003 estimate and the 2008 preliminary economic assessment should not be relied upon.

2018 and 2019 MDA Mineral Resource Estimates for KORE

In April 2018, MDA prepared a technical report for KORE updating the mineral resources for the Long Valley gold project. The mineral resources were amended in December 2019. The mineral resource estimates reported in 2019 Technical Reports were prepared in accordance with the CIM Standards and NI 43-101 reporting requirements in effect.

Geological Setting, Mineralization and Deposit Types

Regional Geology

The Long Valley property is contained entirely within the late Pleistocene Long Valley collapse caldera, which was formed about 760,000 years ago. The Long Valley caldera and related adjacent volcanic rocks comprise a late Pliocene to Quaternary volcanic complex developed along the western edge of the Basin and Range Province, at the base of the Sierra Nevada frontal fault escarpment. The caldera is an oval depression elongated east-west and measuring some 10 by 19 miles. Major collapse was related to the eruption of the Bishop Tuff, which has been dated at about 0.76 Ma. The pre-volcanic basement rocks in the area are mostly Mesozoic granitic rocks of the Sierra Nevada batholith and surrounding Paleozoic and Mesozoic metamorphic rocks. The pre-Cenozoic rocks are totally covered by younger volcanic rocks within the caldera.

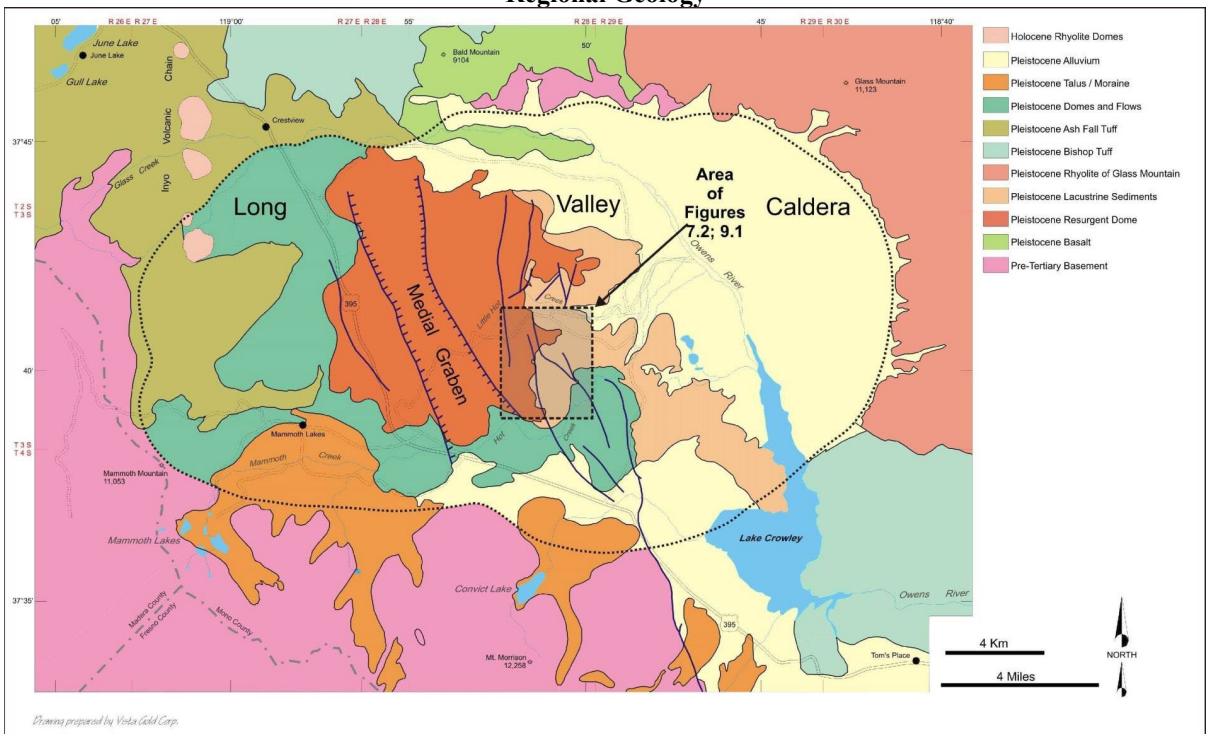
Local and Project Geology

The Long Valley gold property is located near the center of the caldera and is underlain by most of the lithologic units related to caldera formation and subsequent magmatic resurgence. A thick sequence of interbedded volcaniclastic and sedimentary rocks were deposited in a lacustrine setting that occupied much or all of the caldera. These rocks consist of finely varved siltstones interbedded with fine- to coarse-grained ash- and pumice-fall layers, conglomerates and debris-flow deposits, as well as more local deposits of intercalated silica sinter. Clast lithologies are primarily volcanic in origin with a large proportion of rhyolite pumice and ash. These lithologies have an aggregate preserved thickness of more than 1,500 feet based on drill holes within the property.

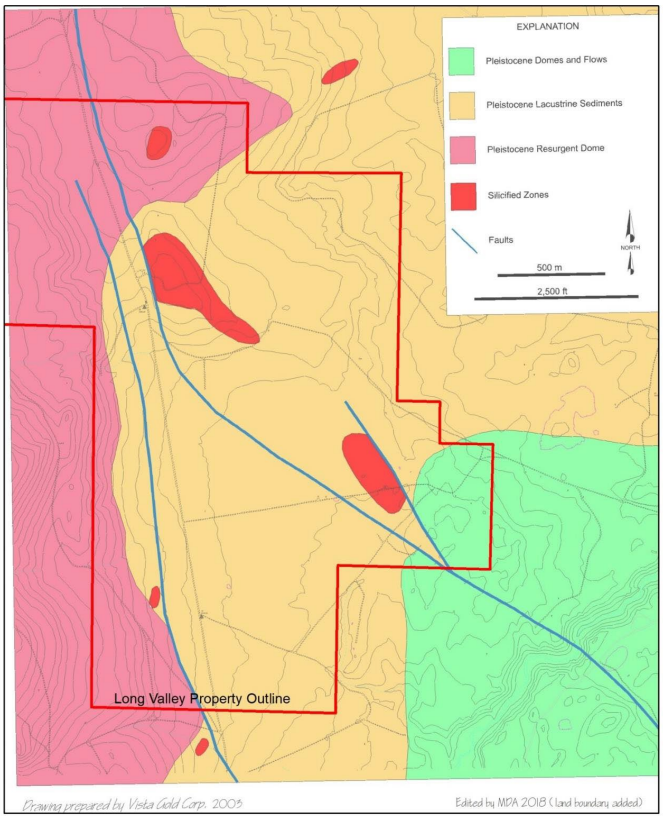
In the central part of the caldera, the intracaldera lacustrine sequence was intruded by a large body of rhyolite that erupted through the generally flat-lying lake sediments and interbedded tuffs and debris-flow deposits to emerge as a large, composite, “resurgent” rhyolite flow-dome exposed just west of the gold deposit. It is composed of generally aphyric to sparsely sanidine-bearing rhyolite lava and breccia. Rhyolite breccia and blocks of this flow-dome make up much of the debris-flow units within the adjacent intracaldera lacustrine sedimentary sequence and were likely shed from the erupting flow-dome. The abundant layers of ash, pumice, and debris-flow deposits interbedded within the varved siltstone are interpreted to be co-eruptive with the rhyolite flow-dome, indicating lacustrine sedimentation continued as the rhyolite flow-dome was emplaced. All the aforementioned units have been mineralized in variable amounts. Re-logging of RC drill chips from selected drill holes in the Hilton Creek zone indicates that the rhyolite extends beneath variable thicknesses of the lacustrine volcaniclastic sequence for least 3,000 feet east of the rhyolite

exposed at surface. A geologic map of the project area is shown below.

Regional Geology



Deposit Geology



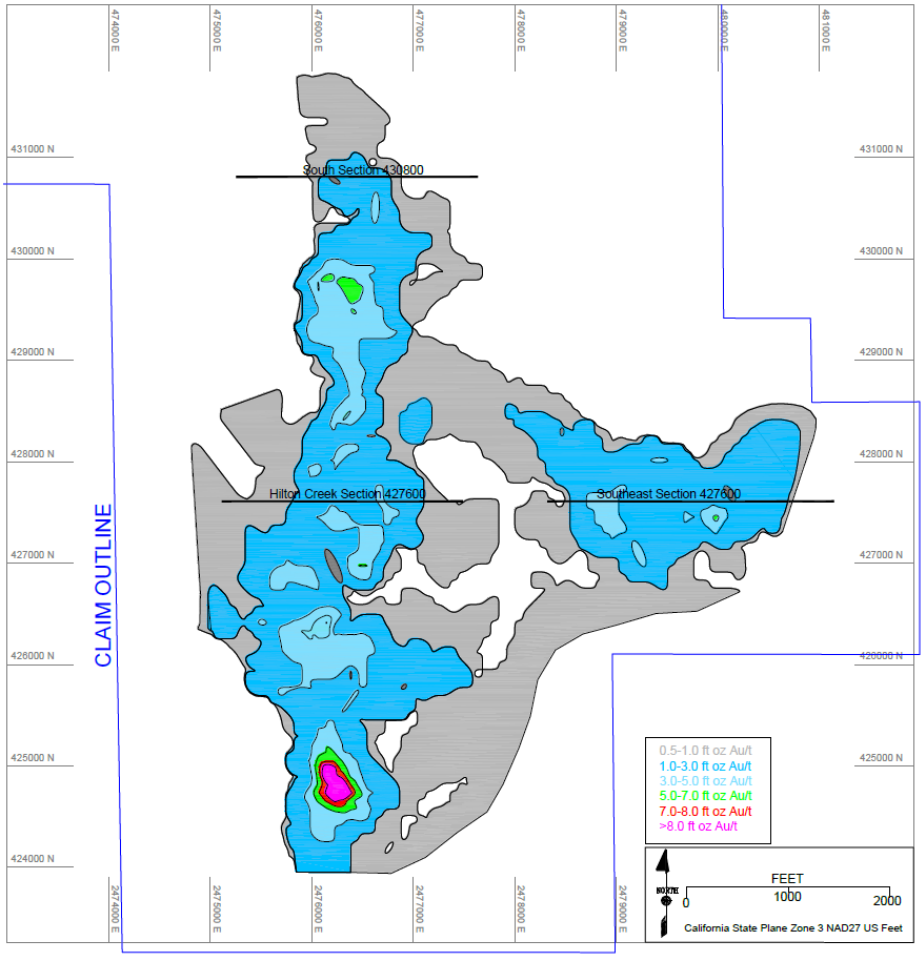
A younger, distinctly quartz-bearing group of rhyolite domes were erupted near the margins of the caldera at about 200,000 to 300,000 years ago. Associated with and younger than all the rhyolite domes is a rather clean, well-sorted arkosic sandstone. Both of these later units crop out to the southeast of the gold deposit. These units are interpreted to be post-mineralization in age, as is recent alluvium up to some 60 feet thick, which covers most of the Hilton Creek gold zone.

The eastern limit of outcrop of the resurgent rhyolite within the central part of the Long Valley caldera has been interpreted by previous operators to be controlled by a north-south trending fault zone that extends south of the property, beyond the southern caldera margin, where it is known as the Hilton Creek fault zone. This normal fault zone with down-to-the-east displacement also seems to be one of the controls on the distribution of gold mineralization in the Long Valley gold deposit.

Mineralization

Several areas or zones on the Long Valley property are known to be mineralized with low grades of gold and silver. These areas are known as the North, Middle (also called Central), South, Southeast, and Hilton Creek areas (The Middle, South, Southeast, and Hilton Creek areas are shown below; the North Zone lies just north of the current property boundary). Based on drilling, mineralization appears to generally be contiguous between the South, Southeast, and Hilton Creek zones. These same zones appear to contain the vast majority of the estimated mineral resources. Drilling is widely spaced in and between the North, Middle, and South zones, and it may be possible that with additional drilling, these zones may be shown to be contiguous with the better-defined zones to the south.

Grade-Thickness Map of the South, Southeast, and Hilton Creek Zones



The principal host rocks for the gold mineralization are the caldera-fill interbedded siltstone, tuff, and volcaniclastic sedimentary rocks and, to a lesser extent, the adjacent and underlying resurgent rhyolite. The base of the oxidized zone was generally defined by Royal Gold as the last occurrence of the oxide mineralization within the mineralized zone. As such, mixed oxide-sulfide and sulfide mineralization occurs above this boundary. This oxide/sulfide boundary modeled by Royal Gold is undulating to locally flat-lying, lies at depths of between 100 and 250 feet, and is often coincident with or slightly above the current water table. Grades of gold mineralization are typically the same both above and below the oxide/sulfide boundary.

Gold-silver mineralization is quite continuous throughout the zones and is well defined using a 0.010 oz Au/ton cutoff grade. Numerous zones of higher-grade mineralization (0.050 oz Au/ton) are present within the continuous zones of low-grade (0.010 oz Au/ton) gold mineralization, particularly in the Hilton Creek zone. These higher grades may relate to zones of enhanced structural preparation. Silver grades are generally in the range of 0.1 to 0.5 oz silver (Ag)/ton within the gold-mineralized zones, appear to be more erratic in nature, but generally have a positive correlation with higher gold values. A gold grade-thickness map is presented below, using a 0.5-foot-oz Au/ton cutoff.

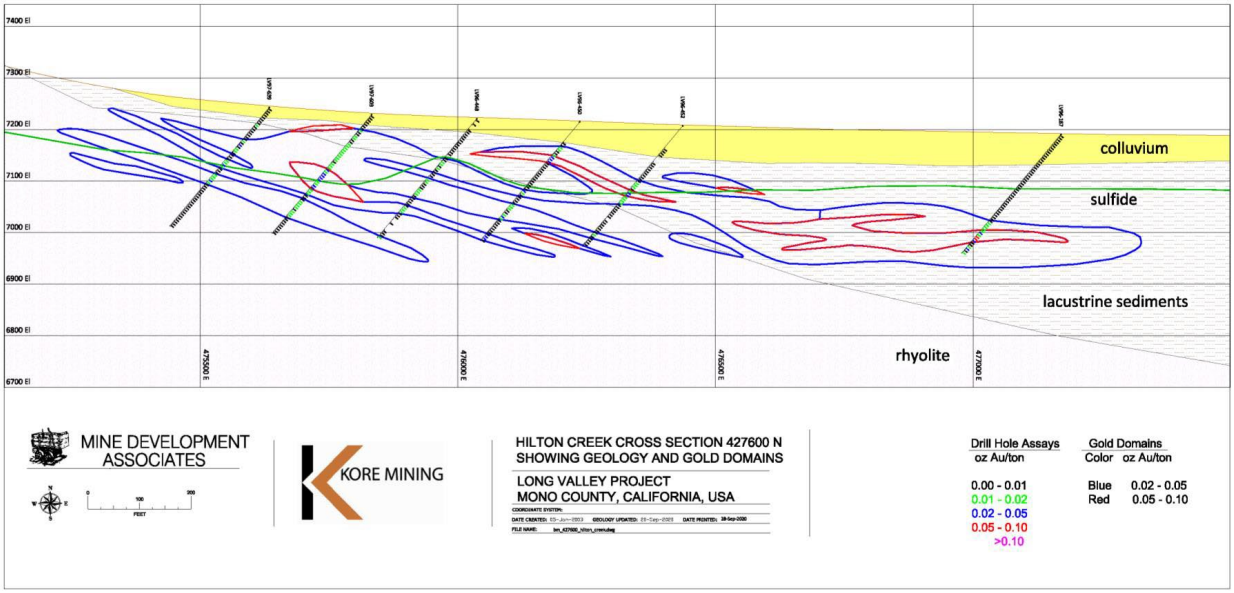
Mineralized zones contain fracture coatings, veinlets, and disseminated iron oxide minerals that were formerly grains of pyrite and marcasite. Opal and chalcedony veinlets with pyrite or marcasite, or iron oxides, are common, but generally less than a few tenths of an inch in width. Adularia is present in fractures and veinlets at depth and as patches of replacement of the rhyolite groundmass in the western margin of the deposit. In much of the deposit, mineralization is associated with zones of clay alteration and/or silicification. These alteration types are well developed in all of the volcaniclastic sediments and, as such, host-rock type does not appear to have a major control over the distribution and grade of mineralization. The predominant clay mineral has been determined to be kaolinite, while the silicification

types can be chalcedony, quartz, or opal. Multiple periods of brecciation and silicification are evidenced by cross-cutting silica veinlets and silicified breccia fragments in otherwise clay-altered rocks.

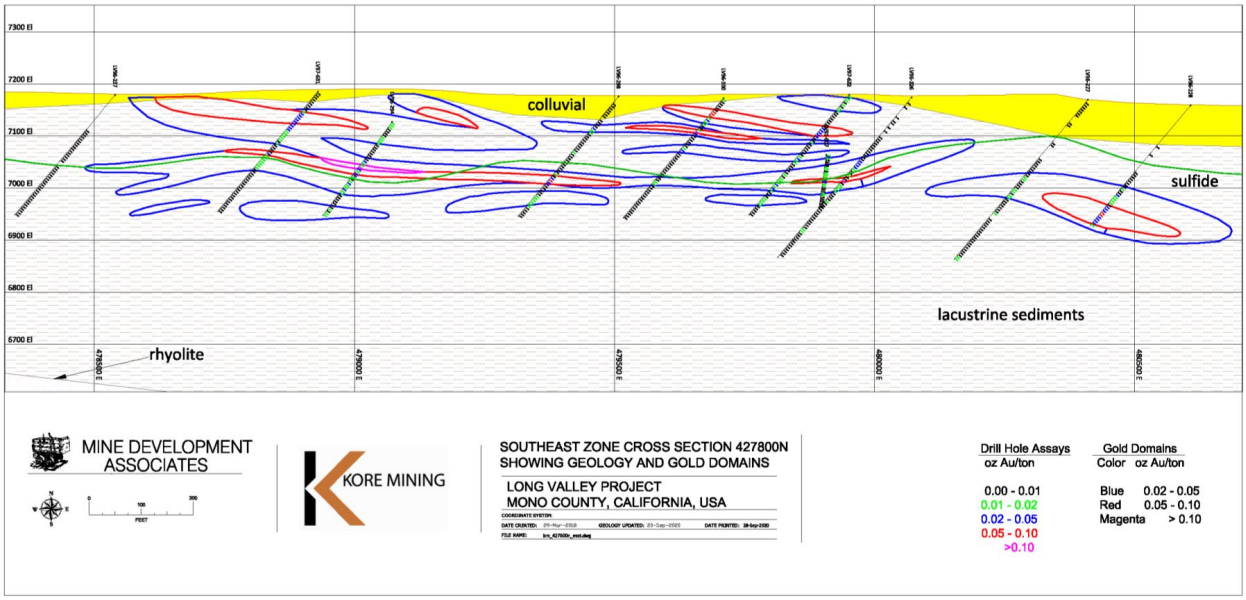
The distribution of the mineralization appears to be spatially related to faults associated with the north-south-trending Hilton Creek fault zone. Splays of this fault zone are projected to trend through the central part of the Hilton Creek mineralized zone, as well as the Southeast zone, with the assumption that the altering and mineralizing fluids ascended along these fault conduits and then spread laterally. Higher-grade zones may also be related to areas of cross-faults and fractures.

The Hilton Creek mineralized zone is known to be some 8,000 feet in length, while the Southeast zone is about 5,000 feet in length. The mineralized zones are generally flat-lying or have a slight dip (10-15 degrees) to the east and have a width in plan view (across the trend) in the range of 500 to 1,500 feet, but average about 1,000 feet in width. The mineralized zones are typically from 50 to 200 feet thick and average about 125 feet thick in the Hilton Creek zone, and 75 feet thick in the Southeast zone. Mineralization in the South and Southeast zones typically is exposed at or very near the surface, while the top of the Hilton Creek mineralization is usually covered by 20 to 50 feet of alluvium. The following three figures are east-west cross sections through the Hilton Creek, Southeast, and South zones, respectively, showing the modeled gold zones to indicate thickness, lateral extent, and continuity of mineralization.

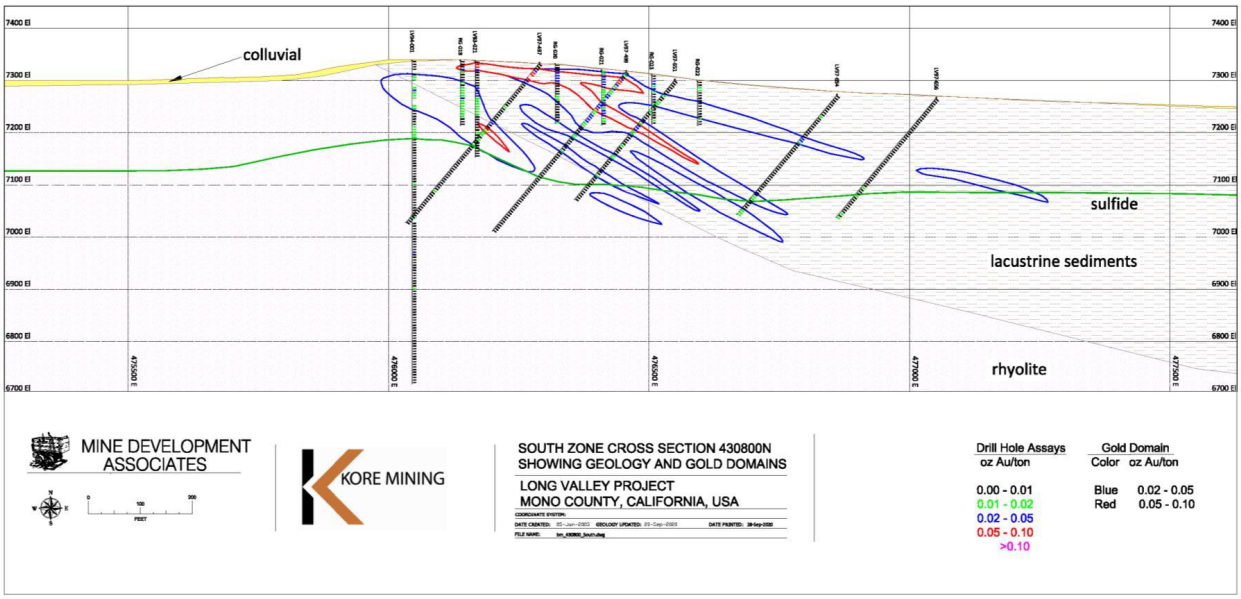
Hilton Creek Cross Section



Southeast Zone Cross Section



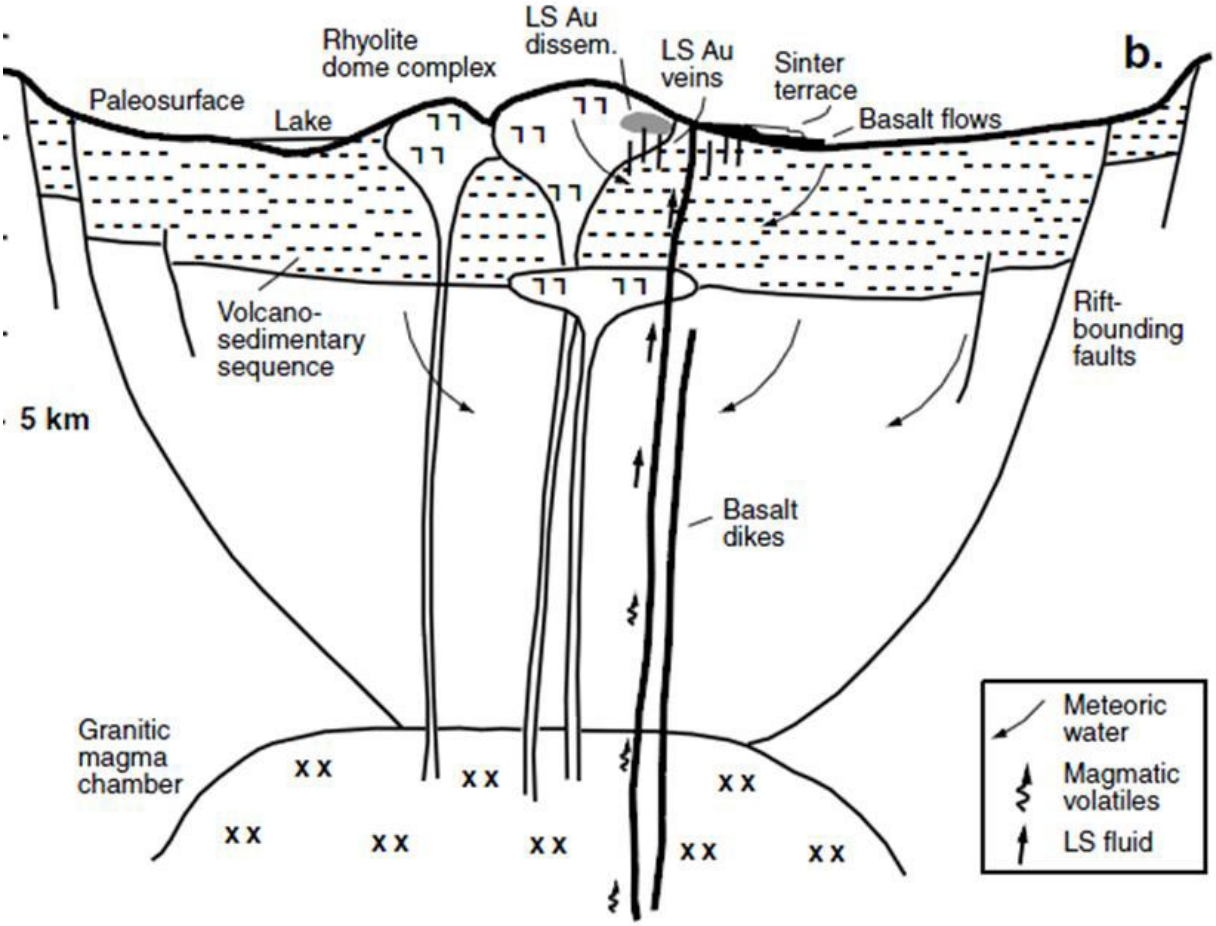
South Zone Cross Section



Deposit Type

The mineralization identified at the Long Valley property is typical of the shallower portions of an epithermal, low-sulfidation type of gold-silver deposit. Other examples of this type of deposit, which share some similarities to Long Valley, include the McLaughlin deposit in California and the Hycroft (Sulfur) deposit in Nevada. In common with these deposits, gold and silver mineralization appears to have taken place at very shallow depths and is associated with a relatively recent volcanic-related hydrothermal system. In addition, the mineralized zones are typically associated with clay alteration (kaolinite) and silica replacement of volcaniclastic host rocks. This type of deposit typically contains very low amounts of base metals. A schematic diagram for this type of deposit model is shown below. In the case of Long Valley, basalt flows are not present, and sinter is equivocal.

Schematic Model of a Low-Sulfidation Epithermal Mineralizing System

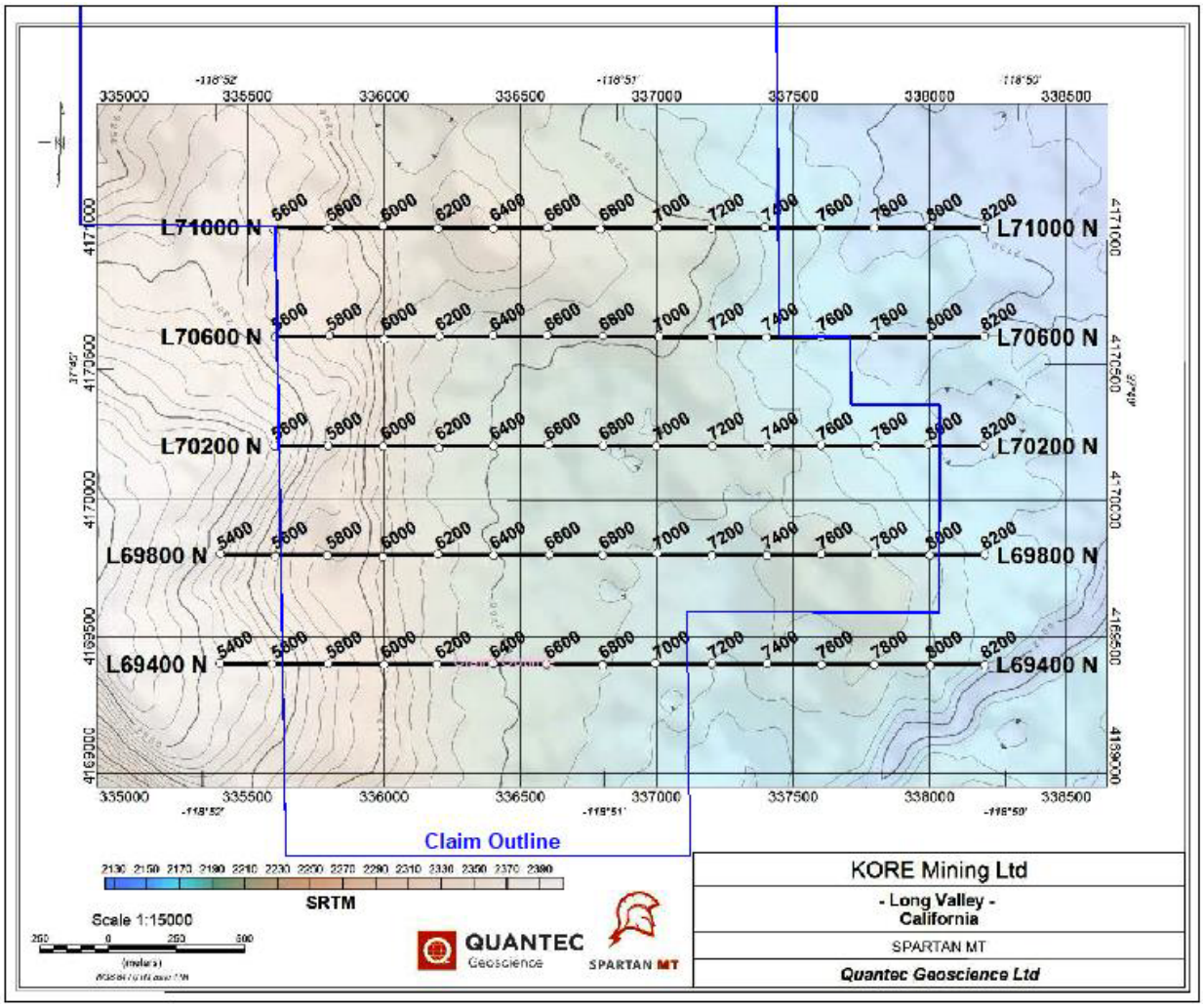


(After Sillitoe and Hedenquist, 2003)

Exploration

Since acquiring the Long Valley project in March 2017, KORE commissioned a geophysical survey conducted from December 10th through December 20th, 2017, by Quantec Geoscience Ltd. A Spartan magnetotelluric ("**MT**") survey acquired data from 72 sites distributed along five survey lines that were oriented east-west on approximately 1,300-foot line spacing. The below figure shows the coverage area of the five lines, which total approximately 8.3-line miles and cross the southern portion of the property.

Magnetotelluric Survey Coverage Map



The instrumentation used for the survey included:

- Receiver systems: RT160Q Quantec data logger
- Synchronization: GPS clock (10 nanosecond precision)
- Receiver electrodes: Ground contacts using Quantec steel plates
- Magnetic sensors (HF): Geometrics G100K magnetic field sensors
- Magnetic sensors (LF): Phoenix MTC50 magnetic field sensors.

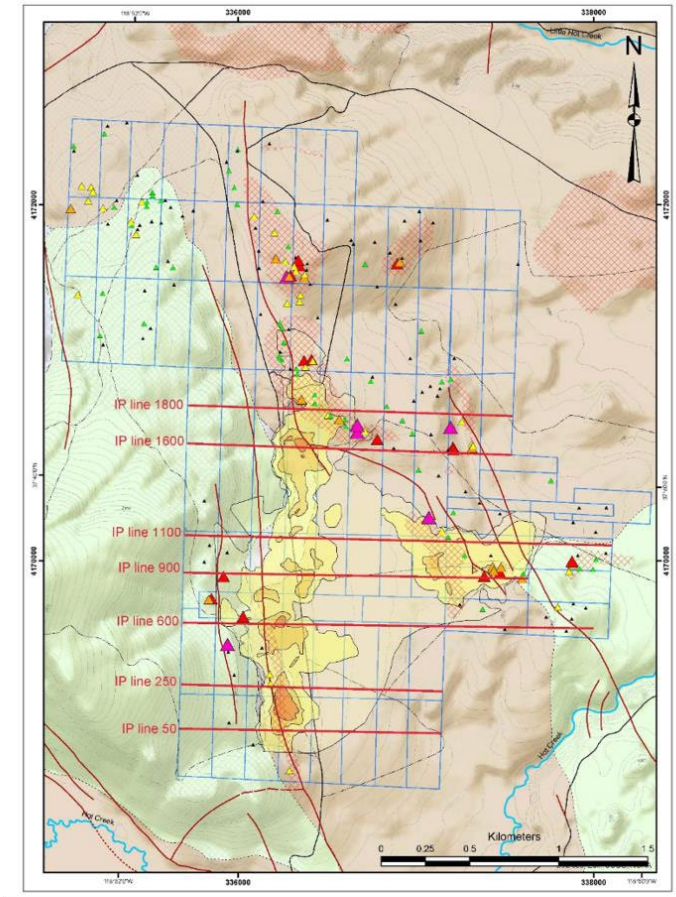
Tensor magnetotelluric soundings were processed with remote reference. The site configuration consisted of a cross-shaped electrode field with HF and LF magnetic sensors located at each site; the E-field dipole lengths were Ex: 100 meters and Ey: 100 meters. The remote site configuration consisted of cross-shaped E-fields with HF and LF magnetic sensors located at the site and oriented in the same direction as the local sites. The final processed data were presented as MT sounding curves of apparent resistivity and phase and as pseudo-section plots of observed XY and YX apparent resistivity and phase. Tournerie (2018) reported that the measured magnetotelluric data are of very good quality (smooth curves, and low errors) for the frequencies from 10kHz to 0.01Hz; more noise is observed for the lowest

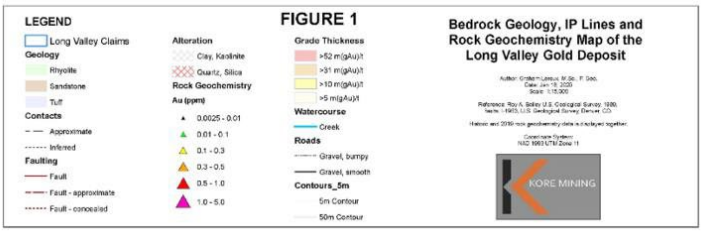
frequencies. A few sites were presenting more noise near 1Hz, but the sites were repeated at the end of the survey. The data sites have been improved for these repeated measurements.

The MT survey is expected to highlight silicified zones near the surface and identify structure suitable for mineralization at depth. As of the effective date of this Long Valley Technical Report, KORE had not yet received the final report on interpretation of the survey results from their geophysical consultant.

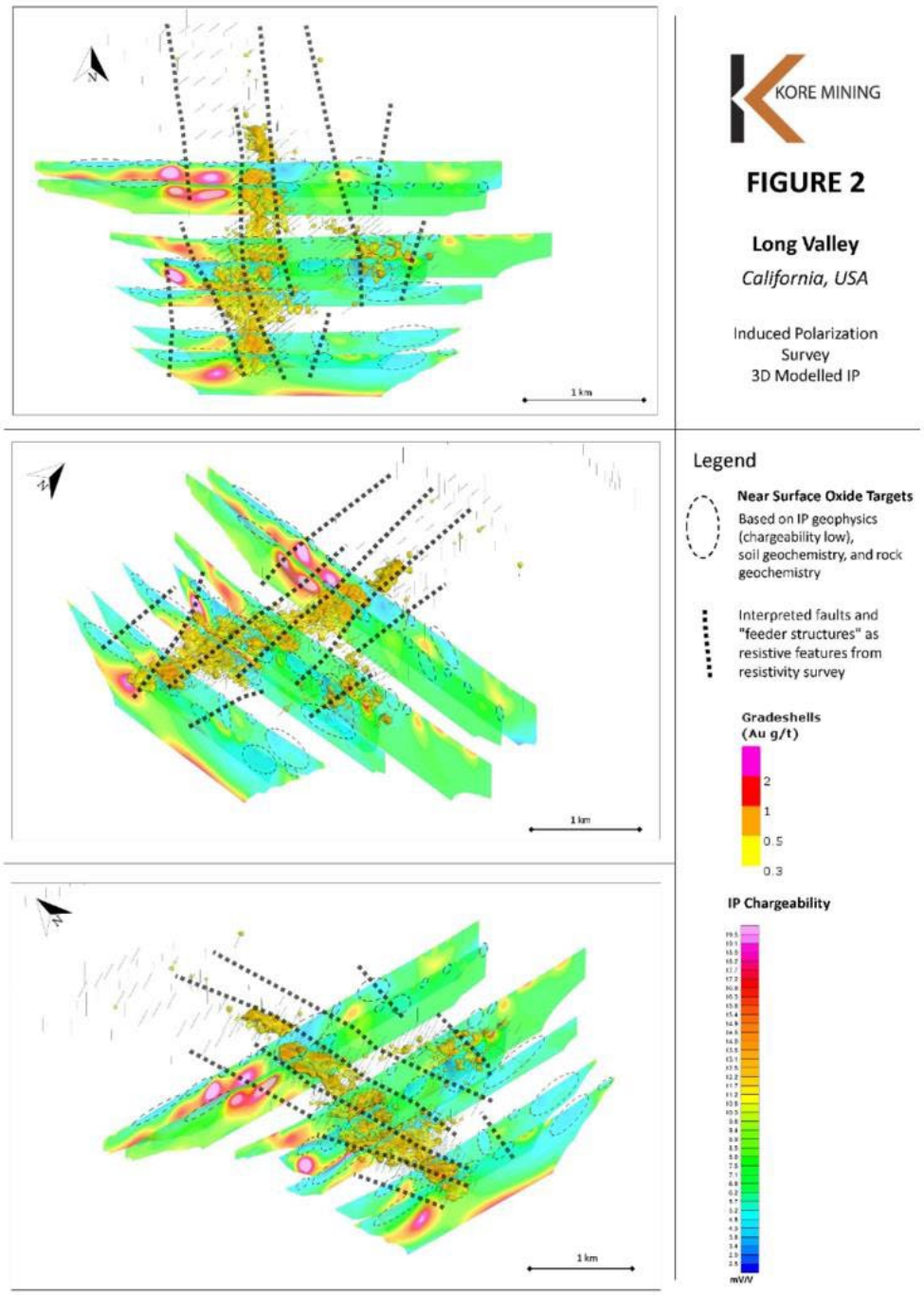
In 2019 and 2020, geologists working for KORE re-logged RC cuttings from 232 of 896 drill holes. KORE geologists also conducted geological mapping, collected rock and soil samples and ran two lines of induced polarization and resistivity and ground magnetic geophysical surveys coinciding with the re-logged holes and soil sampling lines. KORE's rock-chip sample results and geology are shown along with the locations of the IP/Res lines. IP and resistivity results and their interpretation by KORE are shown on the following figures.

2020 Surface Geology, IP Lines, Alteration and Grade-Thickness



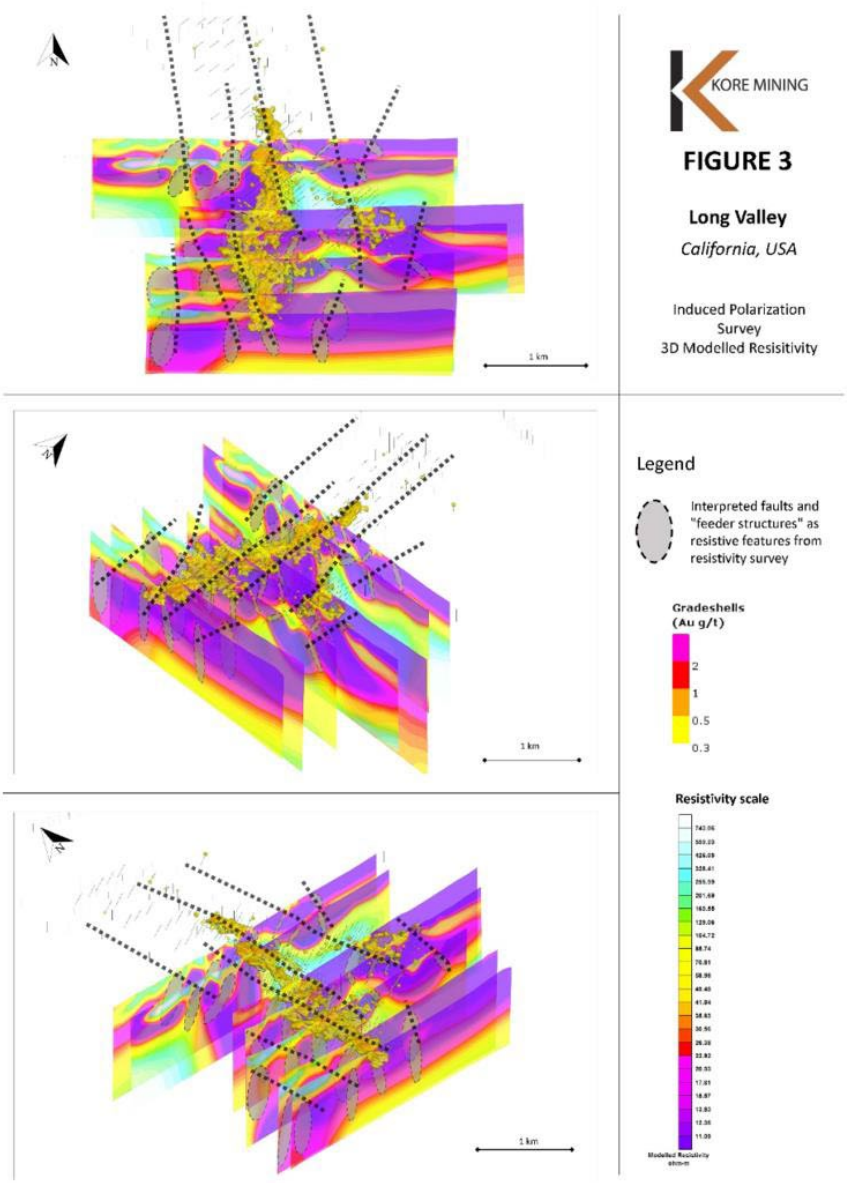


Plan Map of Near Surface Oxide Gold Anomalies from 2020 Chargeability



(from KORE, 2020)

KORE Structural Interpretation from Resistivity 2020



(from KORE, 2020)

Drilling

Freeport, Standard, Royal Gold, Battle Mountain, and Amax drilled the Long Valley project between 1983 and 1997; no drilling has been conducted since 1997. The database contains 896 drill holes, totaling 268,275 feet. Eight hundred of the holes were drilled using RC methods; 20 were core holes. Collar coordinate information is missing for seven of the drill holes.

Sampling, Analysis and Data Verification

Sampling

Little is known about the sampling procedures prior to 1994. Freeport's samples were analyzed by Monitor Labs, who used aqua regia dissolution, followed by atomic absorption ("**AA**") analysis of the samples. Monitor Labs was independent of Freeport and all later operators of the project. Battle Mountain used Barringer Laboratories and Bondar Clegg Laboratories for sample preparation and fire assaying (AA finish) of one assay ton pulps. Both of these laboratories were independent of Battle Mountain and later operators of the project. It is not known what certifications, if any, these laboratories maintained at the time

Sampling procedures starting in 1994 were well documented. Royal Gold's RC samples, taken in five-foot intervals, were collected and bagged at the drill site by taking a 5 to 10-pound split of each sample from the drill holes. Sample bags were sealed by the drill crew and not opened until they reached American Assay Labs ("**American Assay**") in Sparks, Nevada. The assay lab picked up the samples at the drill site, transported them to the lab, dried the samples, then crushed, split, pulverized, and blended them to obtain assay pulps. Most of the assays were completed by fire assay methods with an AA finish. No duplicate samples were taken routinely at the rig (Martin et al., 1997a). American Assay was independent of Royal Gold and subsequent operators of the project. It is not known what certifications, if any, this laboratory maintained at the time.

A similar procedure was used by Amax, but their samples were analyzed by Chemex Labs ("**Chemex**"). Amax collected samples that ranged in size from five to 20 pounds (lbs) at the drill hole, then bagged and shipped the samples to Chemex for sample preparation. The samples were dried, weighed, crushed, blended, split, and pulverized to obtain a 600 gram sample to make assay pulps. Chemex completed fire assays with AA finish from one assay ton pulps. Chemex was independent of Amax and subsequent operators of the project. It is not known what certifications, if any, this laboratory maintained at the time.

Royal Gold collected the samples from their first two core holes at the drill site, placed them in core boxes, and sent the whole core to American Assay's sample preparation facility to split by sawing, prepare, and assay the samples. Half of the core was assayed, and the remaining half in the highly mineralized intervals was used for bottle roll tests. Samples were either grouped by rock type within 5-foot intervals or prepared in 5-foot intervals. The remaining core holes drilled by Royal Gold were large-diameter holes used for metallurgical testing.

Amax prepared assay samples from core holes by crushing whole core and then following the RC sample preparation and assaying methods.

Historical Sample Security

Samples were sealed in bags at the site and collected by commercial laboratory personnel.

Historical Quality Assurance/Quality Control Check Samples, Check Assays, Standard Check Assays

For the report of MDA (2003), duplicate-sample assays and check-sample assays were compiled and evaluated by MDA.

Freeport completed check assays on about 40 samples, which indicated good agreement (0.011 vs. 0.012 oz Au/ton). Several drill holes completed during 1994 by Royal Gold were assayed by using one and two assay-ton pulps for comparison. The one assay ton and two assay ton results compare favorably when one sample is omitted from drill hole LV94-014.

During Royal Gold's 1996 drilling, six large samples were collected from drill hole LV96-311. Each sample represented about half of the total material collected at the drill hole interval. To compare a larger sample to the typical 5 to 10-pound split samples, the entire sample was reduced to -85 mesh prior to taking any splits of the sample.

Royal Gold used American Assay for all their drill hole sample assaying. American Assay completed 876 duplicate sample checks or repeat assays on the same pulp as part of their normal assay procedure, which indicated good agreement.

Over 3,300 check assays were completed on sample pulps, and about 350 checks were done on coarse reject material. The results were compiled by MDA (2003). These assays were performed by Chemex for Amax and compare well with the American Assay analyses for Royal Gold, although the checks tend to be slightly lower in grade.

A total of 305 cyanide soluble test results were compared to American Assay fire assays. This comparison demonstrates a wide range in response, with many of the samples having significantly lower cyanide soluble assay than fire assay, which can be used to indicate metallurgical properties. Further, this suggests that the oxide, mixed, and sulfide boundaries must be carefully drawn as the metallurgical response from sulfides is considerably different than that from oxide materials.

Data Verification

Mr. Prenn supervised, and takes full responsibility for, the verification of the Long Valley drilling database. That verification was conducted in 2003 and that database has not been subsequently modified. Although not described by MDA (2003), the database verification was accomplished by a detailed examination of data limited to 51 drill holes, or about 6% of the drill holes in the project area. Hole locations, sample numbers, assays, and interval depths in the project database were visually compared to copies of drill logs and laboratory assay certificates. Where errors in database entries were found, the database was corrected using values from the assay certificates. Mr. Prenn reviewed written notes specifying the data compared to the logs and laboratory certificates, and corrections made to the database. Mr. Prenn found, in his opinion, the corrections to be acceptable and no further database verification to be necessary.

A limitation to data verification was that Mr. Prenn did not observe any of the historical drilling while it was in progress to assess the drilling and sampling methods and procedures. During the initial site visit in 2002, Mr. Prenn observed the reclaimed drill roads and pads and verified with visual inspection evidence that the historical drilling had been conducted in the area shown on historical maps. However, due to the reclamation, precise determination of hole collar locations could not be made, but this limitation is considered low risk due to the sub-horizontal geometry of the deposit. During that visit, Mr. Prenn also collected 10 surface samples for independent verification of rock density data.

On February 21, 2018, Mr. Prenn traversed the property and verified by personal inspection that there were no areas of recent disturbance that would indicate material drilling or other exploration activities were conducted since his visit in 2002. Mr. Weiss conducted a personal inspection of the property on September 20, 2020. Mr. Weiss traversed the South, Hilton Creek and Southeast zones and verified by visual examination that there were no areas of disturbance that would indicate drilling or trenching were conducted since the visit of Mr. Prenn in 2018. No disturbances were observed from the geophysical surveys and surface geochemical sampling conducted by KORE.

Mr. Prenn concludes, based on the site visits in 2002, 2018 and 2020, the database verification conducted in 2003 under Mr. Prenn's supervision, and including his evaluation of the Quality Assurance/Quality Control (QA/QC) check assay and density results, that the project drilling data are of sufficient quality and are adequate for the purposes used in this summary.

MDA has maintained in storage files for the project that includes the original assay information, Muerhoff data review notes, drill hole databases, core photographs, metallurgical test reports and other documents from past years of work on this project. In addition, KORE has RC chips for at least 626 RC drill holes, assay certificates for most RC and core holes, check assay certificates, core hole photographs, some RC chip photographs, maps, drill collar surveys, metallurgical testing reports, and density test reports.

Mineral Processing and Metallurgical Testing

A moderate amount of metallurgical testing was completed on samples from the Long Valley property from about 1989 through 1997. None has been conducted since 1997. The test work was generally well done, and the results were fairly consistent across laboratories.

The test work supports that the oxide materials are generally free milling and amenable to heap leach recovery, and the sulfide materials are more refractory and not suitable for heap leach recovery. Transitional materials fall somewhere in between these two extremes.

Bottle roll tests on oxide samples show an average gold extraction of approximately 76% for the gold and 21% for the silver during cyanide leach tests. These results demonstrate the good leaching characteristics of the gold, and most of the samples gave fairly consistent results through 14 tests performed by three different labs. Bottle roll tests on the mixed oxide-sulfide samples showed an average gold extraction of about 49% and 19% for silver, with considerable variation between individual samples. Bottle roll test results on the sulfide samples also show a wide range of results. Fifteen samples were tested by three different labs, and gold extractions ranged from zero to over 50%. The average recovery for sulfides was 11% for gold and 24% for silver. Tests also show that both gold and silver extractions increase at smaller particle sizes for all classes of material.

The results of column leach tests conducted by both Hazen Research and Kappes Cassiday were generally good. The average gold extraction from all column tests was 85%. Silver extraction was generally low, averaging only 7.6% (with only four of the tests recording silver extraction data). The material tested in the columns was generally classified as oxide type material. Column extractions improved with decreasing particle size from 86% at 76 millimeters (mm) to 93% at 25 mm. Run of mine tests (P80 125 mm) showed lower recovery in most cases, ranging from 63% to 92%, with similar conditions with the exception of agglomeration.

Agglomeration improved recovery and percolation within the column tests. Lime and cyanide consumptions were low for the oxide materials with an estimated heap leach facility (HLF) dosage of 0.05 kilograms per tonne(kg/t) cyanide and 0.19 kg/t lime. Reagent consumptions increase with increasing sulfide grades.

Column rinse testing indicates that the cyanide levels can be effectively reduced by rinsing the heap materials.

The most critical issue for Long Valley is to ensure the proper designation of the oxide, transition, and sulfide materials within the ore body so that appropriate gold recoveries can be assigned and the placement of material on the HLF can be correctly monitored.

Mineral Resource Estimates

Mineral resource estimation described in this section for the Long Valley project follows the guidelines of Canadian CIM. The gold-grade block model for this resource estimate was completed in 2003 (MDA, 2003). The gold resource estimate for this summary was completed on July 15, 2020. The previous, 2003 resource block model was updated using density and geologic models based on interpretations completed in 2020 with information from KORE's re-logging of drill-hole cuttings. The block gold-grade estimates remain unchanged from the 2003 block model. Silver resources were not estimated and there are no mineral reserves estimated for the Long Valley project as part of the Long Valley Technical Report.

The authors of the Long Valley Technical Report report resources at cutoffs that are reasonable for deposits of this nature given anticipated mining methods and plant processing costs, while also considering economic conditions, because of the regulatory requirements that a resource exists "in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction."

Data

The gold resources for the Long Valley project were estimated using data provided to MDA primarily by Vista for the 2003 report (MDA, 2003). Hardcopy and digital data received from Vista included: drill hole database with collar

locations, down hole survey data, analytical data; topographic data, drill hole location maps, drill hole cross sections, geologic drill logs, and numerous in-house reports.

For the Long Valley Technical Report and the current mineral resources, the geologic database has been upgraded as a result of KORE's 2020 re-logging effort in which a significant portion of the drill holes within the resource areas were re-logged focusing on lithology, alteration, and oxidation.

The drill hole data were checked prior to loading the data into a database; a few minor errors were discovered and corrected prior to importing the data into a Surpac® mining software database. Analytical results that were less than the detection limit were set to zero. All subsequent modeling of the Long Valley resource was performed using Surpac®.

Geology Pertinent to the Resource Model

The mineralization identified at the Long Valley property is typical of the shallower portions of an epithermal, low-sulfidation type of gold-silver deposit. The principal host rocks for the gold mineralization are the flat-lying, caldera-fill interbedded siltstone, tuff, and volcaniclastic sedimentary rocks and, to a lesser extent, the adjacent and underlying resurgent rhyolite that crops out along the west margin of the north-south-trending Hilton Creek fault zone. This normal fault zone (down to the east), along with splays of this fault zone which extend into the central part of the Hilton Creek mineralized zone, as well as the Southeast zone, seem to control the distribution of gold mineralization in the Long Valley deposit. It is assumed that alteration and mineralizing fluids ascended both along these fault conduits, and also along the gently east-dipping sedimentary-rhyolite (intrusive/structural?) contact, and then spread laterally with higher-grade mineralization being related to areas of cross-faults and fractures.

In much of the deposit, mineralization is associated with zones of clay alteration and/or silicification. These alteration types are well developed in all of the volcaniclastic sediments and, as such, host-rock type does not appear to have a major control over the distribution and grade of mineralization. The predominant clay mineral has been determined to be kaolinite, while the silicification types can be chalcedony, quartz, or opal. Multiple periods of brecciation and silicification are evidenced by cross-cutting silica veinlets and silicified breccia fragments in otherwise clay-altered rocks.

The Hilton Creek mineralized zone is known to be some 8,000 feet in length, while the Southeast zone is about 5,000 feet in length. The mineralized zones are generally flat-lying or have a slight dip (10-15 degrees) to the east and have a width in plan view (across the trend) in the range of 500 to 1,500 feet, but average about 1,000 feet in width. The mineralized zones are typically from 50 to 200 feet thick and average about 125 feet thick in the Hilton Creek zone, and 75 feet thick in the Southeast zone. Mineralization in the South and Southeast zones typically is exposed at or very near the surface, while the top of the Hilton Creek mineralization is usually covered by 20 to 50 feet of alluvium.

Based on drilling, mineralization appears to generally be contiguous between the South, Southeast, and Hilton Creek zones. These same zones appear to contain the vast majority of the estimated mineral resources described in this summary. Drilling is widely spaced in and between the North, Middle, and South zones, and it may be possible that with additional drilling, these zones may be shown to be contiguous with the better-defined zones to the south.

Gold-silver mineralization is quite continuous throughout the zones and is well defined using a 0.010 oz Au/ton cutoff grade. Numerous zones of higher-grade mineralization (0.050 oz Au/ton) are present within the continuous zones of low-grade (0.010 oz Au/ton) gold mineralization, particularly in the Hilton Creek zone. These higher grades may relate to zones of enhanced structural preparation. Silver grades are generally in the range of 0.1 to 0.5 oz Ag/ton within the gold-mineralized zones, appear to be more erratic in nature, but generally have a positive correlation with higher gold values. Due to the generally low silver grades and poor metallurgical recoveries, silver is a minor contributor to the deposit economics. Accordingly, silver was not included in the grade model and resource estimate.

Geology Model

East-west cross sections were plotted on 100-f00t intervals through the Hilton Creek, South, and Southeast areas. The topographic profile and drill hole traces were plotted on each cross section, with gold sample assays and logged geology along the drill traces.

Using the drill data as a guide, the overburden-bedrock contact and the contact between the rhyolite and lacustrine sequence were modeled on each section and 3D surfaces of each were created. The surfaces were used to code the block model by lithology and were also used to assign density into the block model.

Oxidation Model

The initial metallurgical model was based on an oxide-sulfide boundary provided to MDA by Vista for the 2003 report (MDA, 2003). The surface was created by R. Steininger, consultant to Royal Gold and Mono County Mining Company, who generally determined the boundary location by recording the last occurrence of oxide minerals observed in the drill cuttings or core (Steininger, pers. comm.). This boundary represents the deepest limits of oxidation.

Mr. Prenn reviewed the cyanide bottle roll data and the oxide-sulfide boundary was then revised in local areas to correspond with the marked decrease in gold extraction values characteristic of the sulfide material. This boundary represents the deepest limits of oxidation.

In order to better define the oxide zone as determined by Steininger, Mr. Prenn reviewed the cyanide bottle-roll leach results from samples coded as oxide.

Visual recognition in drill cuttings, along with decreased (<50%) gold recovery values from cyanide bottle-roll leach assays, indicated a transition zone at the base of the oxide zone that occurs approximately 150 to 200 feet below the topographic surface. Below 200 feet, the low gold extraction values of <25% indicate sulfide is the dominant material type. Using these limiting depths, the model was coded first to oxide and sulfide using the oxide/sulfide boundary. Where the boundary is at a depth greater than 150 feet, the model is coded as transition material below 150-foot depth, but above the oxide/sulfide boundary.

Density Model

The densities of the rocks present in the Long Valley deposit are highly variable, with density test results ranging from 0.93 to 2.83 g/cm3. The results of 12 density tests completed by Royal Gold on core from seven drill holes are summarized below. Amax completed 93 tests on core from 10 drill holes. Mr. Prenn collected 10 samples during the 2002 site visit for density verification.

the lithology model and gold domain envelopes were used to code the Royal Gold and Amax drill data. After reviewing the spatial distribution and statistical characteristics of the density data, seventeen highly anomalous measurements were removed from the data set. The density data were then converted to tonnage factor values and an average tonnage factor by rock type.

Long Valley Mineral Resource Model

Gold resources modeled and estimated for the Long Valley project are contained within the Hilton Creek, South, and Southeast zones. The author plotted the gold grade distribution of all drill sample data (excluding air track samples) from these three zones to help identify grade populations to aid in the resource modeling. The overall distribution of gold grades is somewhat linear, with subtle breaks around 0.01, 0.02, 0.05, 0.10, and 0.15 oz Au/ton and a distinct break at about 0.25 oz Au/ton. Nine samples above this break were capped to 0.25 oz Au/ton prior to compositing and grade estimation.

The cross sections were reviewed to determine if the gold grade populations identified in the grade distribution plot represented continuous zones of mineralization. The author found that grade ranges of approximately 0.009 to 0.02,

0.02 to approximately 0.10, and greater than 0.10 oz Au/ton showed the best continuity between drill holes and from section to section and constructed mineral envelopes ("domains") using these three grade ranges.

The cross-sectional grade model was digitized and transferred to 10-foot spaced level maps for the final interpretation and refinement. A three-dimensional block model was made of the deposit area with blocks 20 feet x 20 feet x 10 feet vertical in size. The model blocks were coded to the appropriate gold zone. Background mineralization is that mineralization outside of the defined grade domains, but within the model extents.

Bedrock drill samples were composited down hole into 10-foot composites. Down hole composites were used, rather than compositing strictly within each grade envelope, in order to better model the apparent gradational contacts between grade populations, as suggested by the distribution plot of the sample data and supported by review of the data on cross section.

Gold Grade Estimation

Variography was initially performed separately on composites from each gold domain, using various lag distances and numerous directions, but none showed sufficient structure that could be modeled. Variograms were constructed using the combined composites from domains 1 to 3 (Hilton Creek / South zone) and combined composites from domains 21 to 23 (Southeast zone) which resulted in variograms that showed good continuity.

Three kriging passes were used to estimate the gold resources within the Hilton Creek / South zone and Southeast zone; gold domains 1 to 3 and 21 to 23, respectively. The first pass was done to estimate blocks within the variogram range; the second pass was done to avoid over-smoothing and better honor the local data; and the third pass was done to fill in the portions of the domains left unestimated by passes one and two with inferred material. All blocks that received estimated grades during the third pass are considered Inferred. The background mineralization (domain 99) was estimated in two passes to restrict the over-extrapolation of higher-grade values that would be unrestrained by their exclusion from the grade domain envelopes.

Long Valley Resource Classification

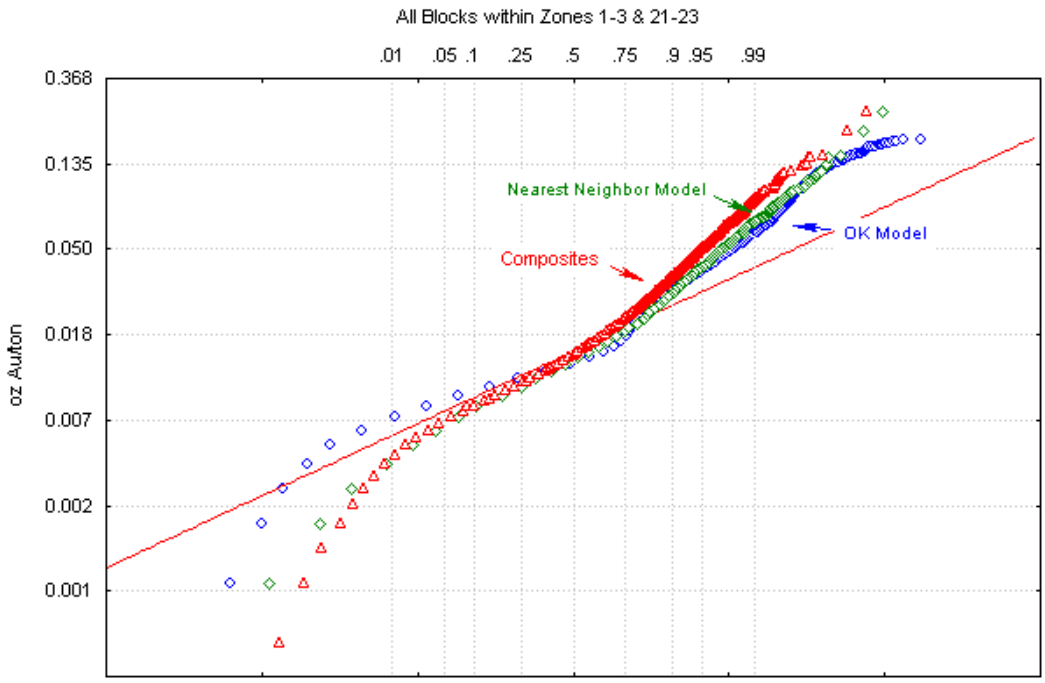
Gold mineral resources for the Long Valley property were classified based on gold domain and the average distance of the composites used to estimate the model blocks. For any given model block to be classified as Indicated, the grade of the block had to be estimated from at least two composites.

There is general agreement among geologists who have been involved with the Long Valley project that there is likely a high-angle structural control on higher grade (+ 0.1 oz Au/ton) mineralization. In lieu of hard data to support this, MDA modeled the high-grade zones with the same geometry as the lower grade mineralization. To compensate for this uncertainty, the inclusion of this higher-grade material in the Indicated resource category was more restrictive than if there were better geologic support. With increased geologic knowledge, a portion of the Indicated resources might be placed into the Measured category if additional controls on mineralization were identified.

Model Checks

A nearest neighbor model of the deposit was completed in 2003 as a check of the kriged 2003 model. The results of the nearest neighbor model compared favorably and there has been no material change with the current estimate. Below compares the distribution of the kriged and nearest neighbor block gold grades and the drill composites for gold domains 1 to 3 and 21 to 23.

Distribution of Block Models and Composites



Long Valley Resource Estimate

A pit was optimized so that resources could be reported based on calculated cutoff grades of the material contained within the optimized pit.

The Long Valley gold resources are tabulated below. The estimated resources are reported at cutoffs that are reasonable given anticipated mining methods, processing costs, and economic conditions, which fulfills regulatory requirements that a resource exists "in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction."

The material above the cutoff grades contained in the optimized pit at a $1,800 gold price, based on the parameters in the table below:, is reported as the current resource effective September 21, 2020.

Long Valley Resources (Imperial Units)

Material Type	Cutoff (oz Au/ton)	K tons	Indicated oz Au/ton	K ozs Au	Ktons	Inferred oz Au/ton	Kozs Au
Oxide	0.005	35,276	0.018	635	8,997	0.020	180
Transition	0.006	4,026	0.014	56	1,277	0.016	20
Sulfide	0.006	30,914	0.017	526	14,033	0.018	253
Total	variable	70,216	0.017	1,217	24,307	0.019	453

Long Valley Resources (Metric Units)

Material Type	Cutoff (oz Au/ton)	K tonnes	Indicated g Au/t	K ozs Au	K tonnes	Inferred g Au/t	Kozs Au
Oxide	0.17	32,001	0.62	635	8,162	0.690	180
Transition	0.21	3,653	0.48	56	1,159	0.550	20
Sulfide	0.21	28,045	0.58	526	12,731	0.620	253
Total	variable	63,699	0.58	1,217	22,051	0.650	453

The cyanide bottle-roll assays show decreasing gold recoveries with depth, as expected since it was recognized that even in the oxide zone, there were still some areas of remnant sulfide material. But at about 150 feet, the recoveries started decreasing at a faster rate which corresponds to the transition zone and then recoveries fall below 20% at depths greater than 200 feet corresponding to the sulfide zone. The variable cutoff grades used in the reported resources reflect the increased gold processing costs for the transition and sulfide material types.

The relatively high percentage of Indicated resources within the total reported resource results from the close, systematic drill spacing throughout the deposit which has defined relatively continuous, and generally flat-lying, tabular mineralization.

The deposit geology is such that almost all mineralization is known to occur within a package of nearly flat-lying caldera-fill lacustrine siltstone and tuff, with no apparent preference to rock type, lying adjacent to, and above, a rhyolite intrusion. Specific controls on the high-grade mineralization are not well understood. However, the close, systematic drill spacing and generally flat-lying, tabular nature of the mineralization, which is known to mimic the general stratigraphic orientation, offset the risk on the resource of not having a more detailed geologic model.

Obtaining mine operating permits for the project may be more difficult than normal due to the project's location in California and proximity to the town of Mammoth Lakes, California, where the predominant source of revenue is derived from tourism. The main anticipated issues relating to the future development of a mining operation at Long Valley would likely be the impact on the current tourism-based economy and particularly the potential visual impacts, impacts to ground water in the area, and the use and containment of cyanide solutions. At this stage of the project these potential impacts have not been quantified.

The Long Valley gold resources are located approximately 1.5 miles north of the Hot Creek fish hatchery operated by the California Department of Wildlife. At this stage of the project, any potential impacts the fish hatchery may have on permitting or development of the project have not been quantified.

The Long Valley property is contained entirely within the late Pleistocene Long Valley caldera, which was formed about 760,000 years ago. Repeated eruption of dacite and rhyodacite from vents on the southwest rim of the caldera 220,000 to 50,000 years ago formed Mammoth Mountain, a dome complex. The USGS monitors the area for volcanic activity and does not have an advisory or watch alert level for the caldera. The authors believe that this is a low-level risk in the short period of time needed to develop and mine the project.

Mineral Reserve Estimation

"Mineral Reserves" differ from "Mineral Resources" in that Mineral Reserves are known to be economically feasible for extraction. The CIM Definition Standards require the completion of a Preliminary Feasibility Study (PFS) as the minimum prerequisite for the conversion of Mineral Resources to Mineral Reserves. At this time, a PFS has not been completed for the Long Valley project. Therefore, reserve estimates have not been made.

Mining Operations

The Long Valley Project is planned to be mined using conventional open pit mining methods. The mine design and planning are based on the estimated grade of the resource model (provided by MDA) and Whittle pit shell analysis. The ore and waste will be drilled and blasted using a rotary blasthole drill and ammonium nitrate fuel oil (ANFO) and

transported in dump trucks. The mine plan calls for the leachable material from the pits to the heap leach pad at a rate of 22,000 short tons per day. The mine plan includes concurrent backfilling and closure within +/- 25 feet of original topography.

Block Model Dimensions

Dimension	X Direction	Y Direction	Z Direction
Minimum Corner	474,500	423,500	6,495
Block Size	20	20	10
Number of Blocks	325	410	104

Pit Design

For the Long Valley project, average mining cost and G&A cost from similar deposits were used as a basis for Whittle costs. Processing costs used in the Whittle pit analysis were specifically evaluated for the Long Valley deposit. Whittle inputs are shown in the table below. Additional Whittle constraints include limiting the pits to the permitted area.

Whittle Inputs

Input	Unit	Value
Mining Cost	$/ton	1.60
Processing Cost	$/ton	3.85
G&A Cost	$/ton	0.81
Oxide Recovery	%	80
Transition Recovery	%	60
Sulfide Recovery	%	20
Pit Slope	degrees	45
Gold Price	$/tr. oz.	1650
Selling Cost	$/tr. oz.	5

Initial analysis generated 86 pit shells by revenue factors from 0.3 to 2.0 by increments of 0.02. Since backfilling waste has a large impact on pit design and scheduling, whittle pit shells were evaluated on a directional basis rather than a nested pit shell basis for a more accurate estimation of scheduling. GRE examined the effect of mining the pit shell in four phases from South to North, and from North to South, to determine which direction would provide a better value. The $1650 pit shell analysis with pushbacks going from South to North yielded an NPV with an additional $10 million over the North to South direction.

Within the 4 phased South to North pits, pit shells for production scheduling were generated by increasing the revenue factor of 0.1 to 1.0 by increments of 0.1. These shells are used to generate the production schedule. The ultimate pit (the figure above) consists of two separate pits, a larger pit and smaller satellite pit.

The primary pit is divided into 3 phases with similar quantity of material, and the smaller satellite pit is considered as a separate 4th phase (see figure below).

Below is a graph of pit shell ore and waste tons and Net Present Value (NPV) at a discount rate of 10%. The pit at $1650/tr. oz. gold is called out on the graph. GRE used the $1,650 Whittle pit shell to design an ultimate pit, due to the high NPV and the desired production rate of 100,000 oz of gold per year and contained amount of gold greater than one million troy ounces.

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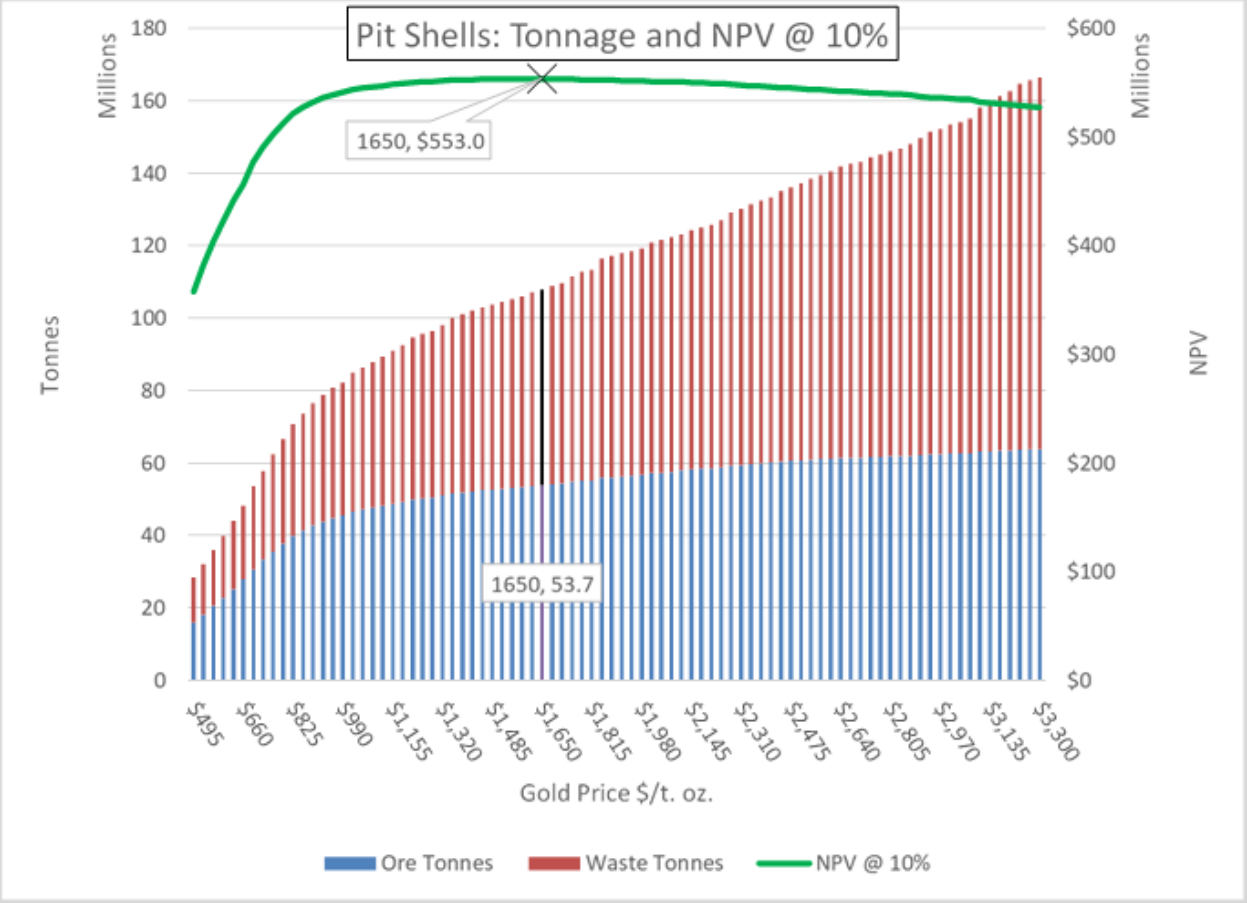
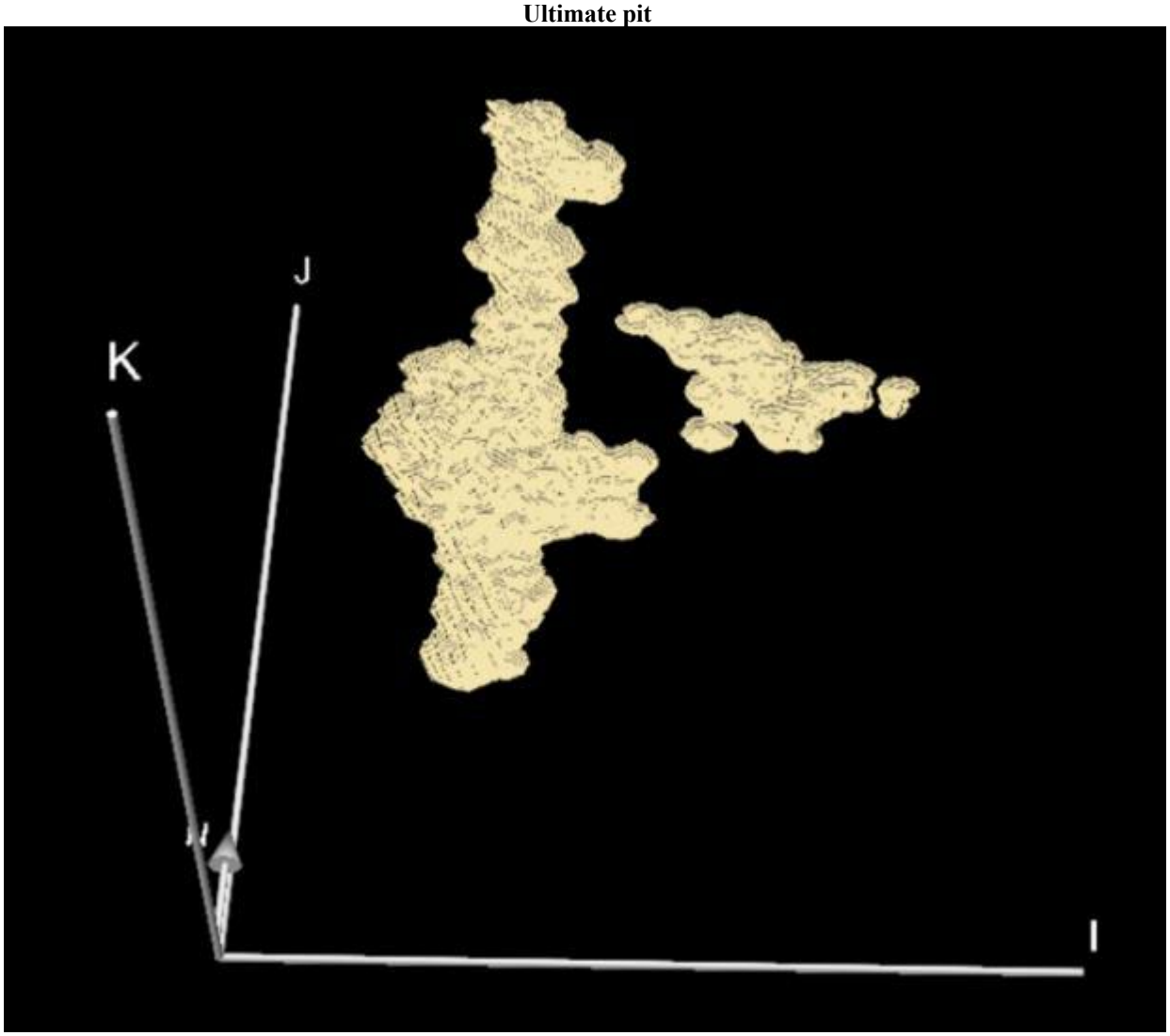
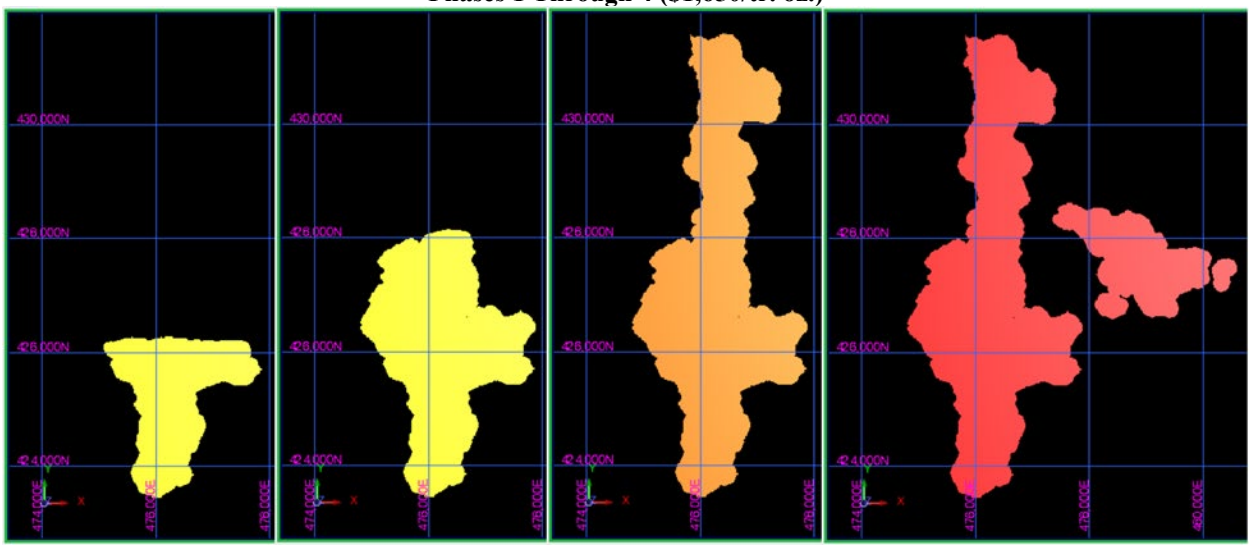
Whittle Pit Shells – Tonnage and NPV



Ultimate pit

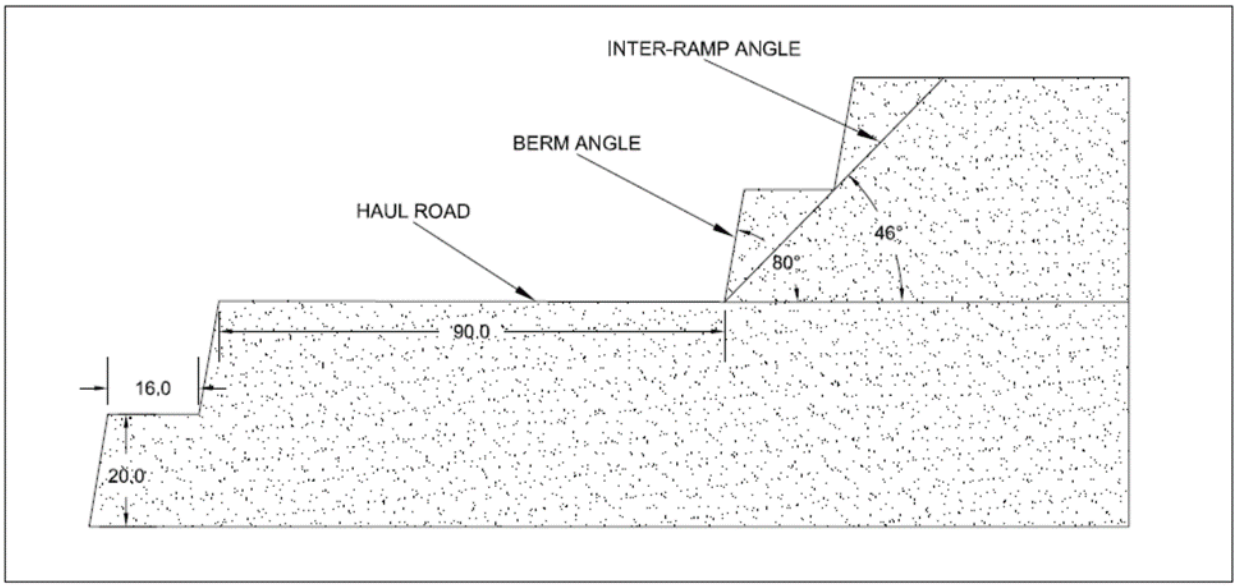


Phases 1 Through 4 ($1,650/tr. oz.)



Within the phases, pits were designed with an overall pit slope of 45°, using a batter angle of 80°, bench height of 20 feet (doubled 10 feet benches). Catch berms are 16 feet wide. All in-pit haul roads were designed with a maximum 10% grade and a width of 90 feet.

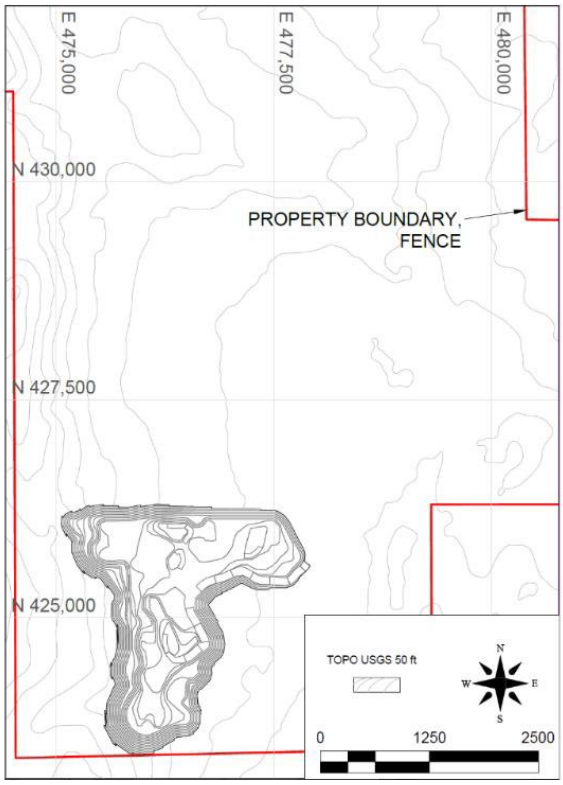
Pit Slope Profile



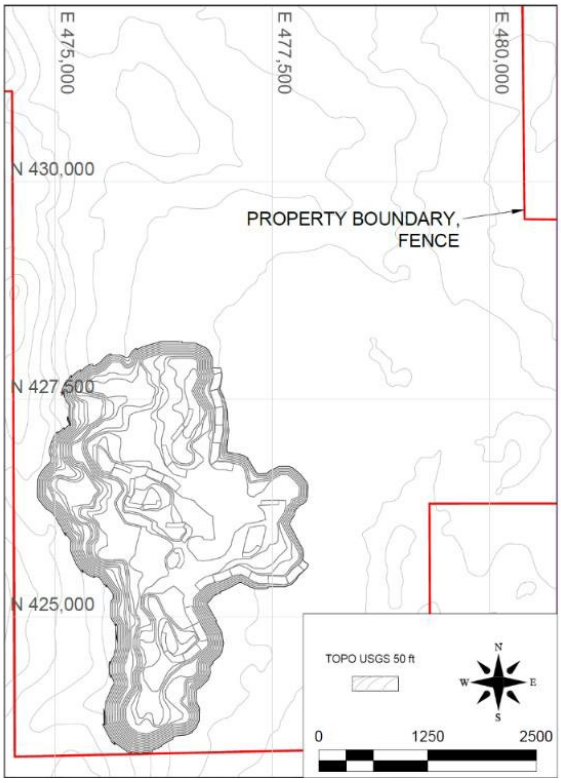
Pit Resources

GRE selected the cutoff grade of 0.004 oz/t for oxide material, 0.005 oz/t for transition material and 0.017 oz/t for sulfide material. The below maps shows the pit bottom within the phases, and the resources within the phases are shown in the table below.

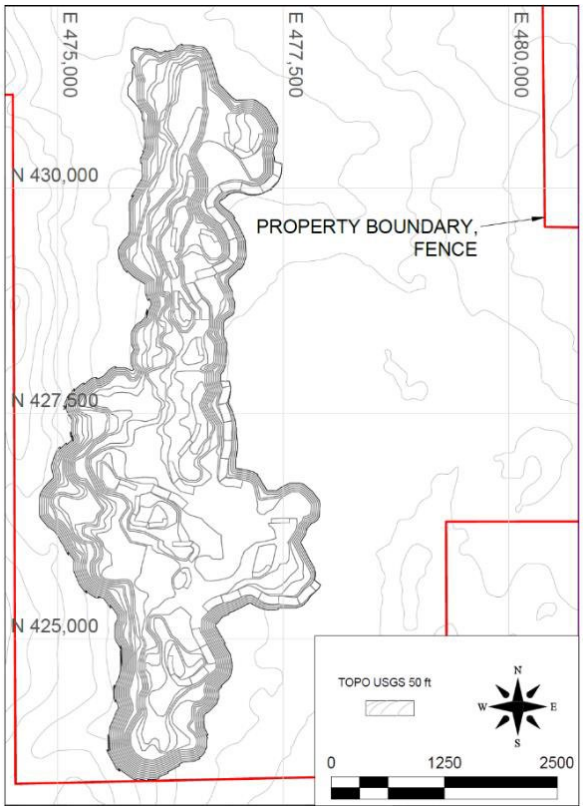
Phase 1



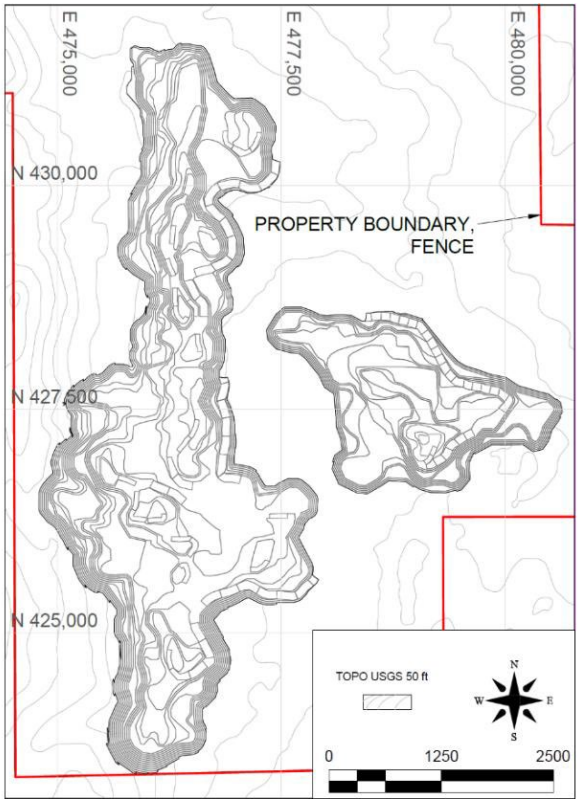
Phase 2



Phase 3



Phase 4



Pit Resource

Phase	Leachable Material – Indicated (1000s Tons)			Leachable Material – Inferred (1000s Tons)			Waste	Au – Indicated (1000s oz)			Au – Inferred (1000s oz)			Stripping Ratio
	Oxides	Transition	Sulfides	Oxides	Transition	Sulfides		Oxides	Transition	Sulfides	Oxides	Transition	Sulfides	
Phase 1	13,122	1,581	1,178	1,041	362	251	18,675	247	23	42	28	6	12	1.07
Phase 2	10,500	1,041	1,196	1,016	42	199	19,497	181	15	42	21	1	7	1.39
Phase 3	8,345	713	1,514	1,874	368	436	19,296	150	10	58	47	6	21	1.46
Phase 4	3,005	577	157	4,879	433	326	19,033	39	7	3	79	6	8	2.03
Total	**34,972**	**3,913**	**4,045**	**8,810**	**1,205**	**1,211**	**76,501**	**618**	**55**	**145**	**175**	**19**	**47**	**1.41**

Mine Scheduling

A preliminary mining schedule was generated from the base case pit resource estimate. GRE used the following assumptions to generate the schedule:

- Leachable Material Production Rate: 22,000 tons per day (tpd)
- Mine Operating Days per Week: 7
- Mine Operating Weeks per Year: 50
- Mine Operating Shifts per Day: 2
- Mine Operating Hours per Shift: 12

The resources were reported by 10-foot bench, showing tons of leachable material, waste, and ounces of gold. Pre-stripping of waste was included if waste occurred on a bench that had no corresponding leachable material or if the tonnage of waste on a bench exceeded five times the tonnage of leachable material on that bench. The production rate for pre-strip benches was set to three and a half times the leach material production rate, or 77,000 tpd. Leachable material mined along with pre-stripped waste was placed into a stockpile for later processing.

For all the benches, all waste on a bench were scheduled to be mined over the same duration as the leachable material on that bench. This scheduling method resulted in inconsistent leach material quantity mined. GRE used pre-stripping and phasing, to have similar ore production throughout the mine life.

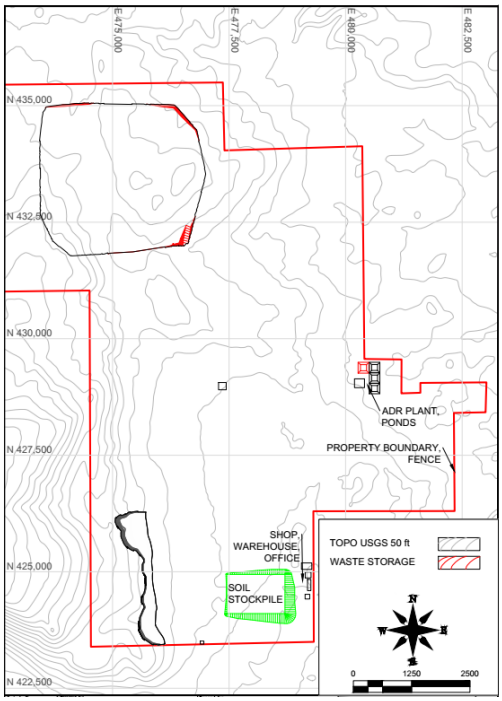
The mining and processing rate is ramped up in year 1. The first quarter production rate is 11,000 tpd, second quarter production rate is 16,000 tpd and after that the production is 22,000 tpd for the mine life.

The mining schedule is summarized below.

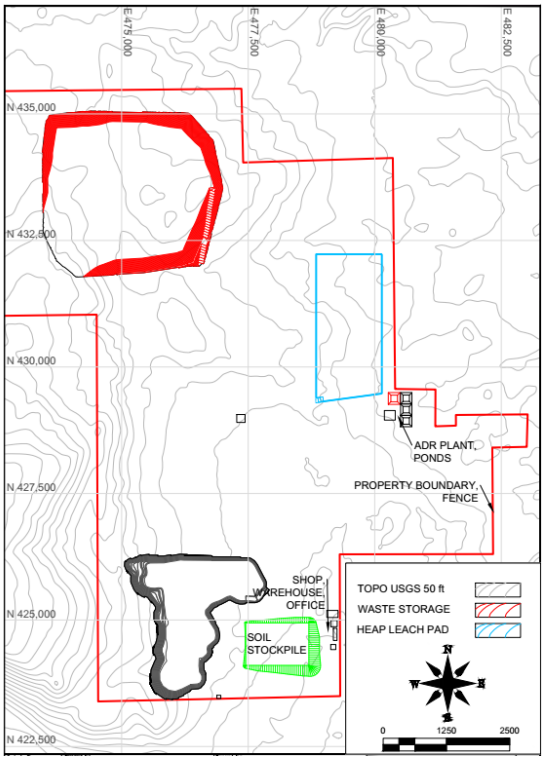
Mine Schedule Summary (1000s)

Material		Year								Total
		-1	1	2	3	4	5	6	7	
Leachable Tons - Indicated (1000s)	Oxides	96	5,914	6,762	4,820	6,287	5,063	3,481	2,549	34,972
	Transition	0	3	263	1,353	706	446	565	577	3,913
	Sulfides	0	0	136	1,045	327	892	1,488	157	4,045
Leachable Tons - Inferred (1000s)	Oxides	23	460	755	324	619	1,426	1,828	3,376	8,810
	Transition	0	3	105	259	24	57	323	433	1,205
	Sulfides	0	0	9	242	68	143	423	326	1,211
Leachable Tons Total (1000s)		**118**	**6,381**	**8,030**	**8,043**	**8,030**	**8,028**	**8,108**	**7,417**	**54,156**
Contained Au oz - Indicated (1000s)	Oxides	2	110	129	76	119	88	61	33	618
	Transition	0	0	4	19	10	6	8	7	55
	Sulfides	0	0	4	38	9	34	57	3	145
Contained Au oz - Inferred (1000s)	Oxides	0	13	18	8	15	31	40	51	175
	Transition	0	0	2	4	1	1	5	6	19
	Sulfides	0	0	0	12	2	6	20	8	47
Contained Au oz Total (1000s)		**2**	**122**	**157**	**158**	**155**	**167**	**191**	**108**	**1,060**
Waste Tons (1000s)		**1,168**	**11,596**	**5,561**	**11,839**	**7,236**	**14,763**	**14,052**	**10,286**	**76,501**
Stripping ratio		**9.86**	**1.82**	**0.69**	**1.47**	**0.90**	**1.84**	**1.73**	**1.39**	**1.41**

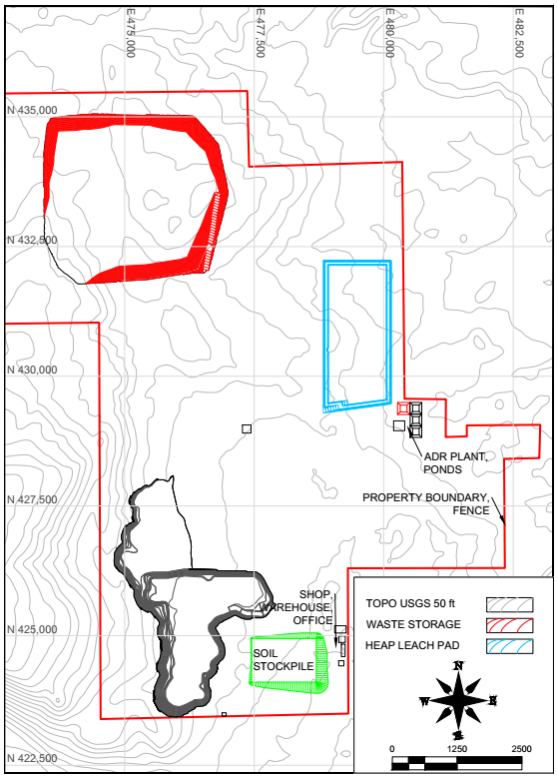
Mine Plan, Year -1



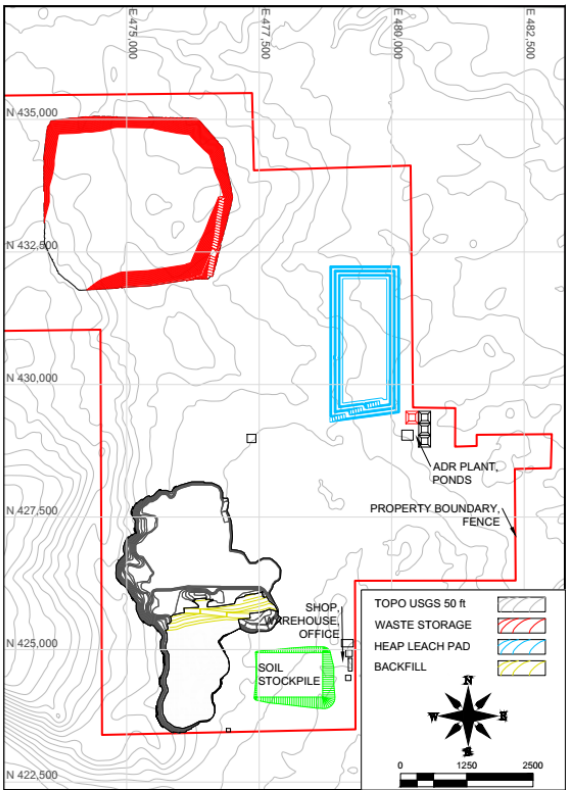
Mine Plan, Year 1



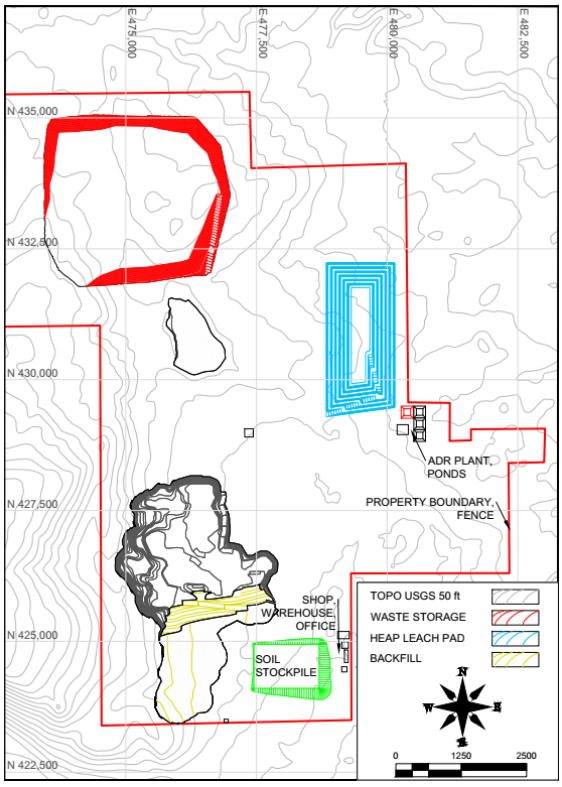
Mine Plan, Year 2



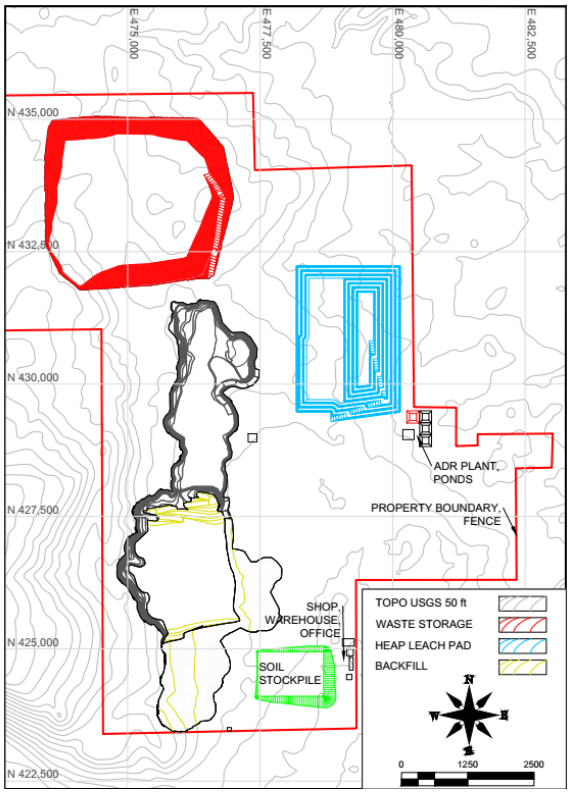
Mine Plan, Year 3



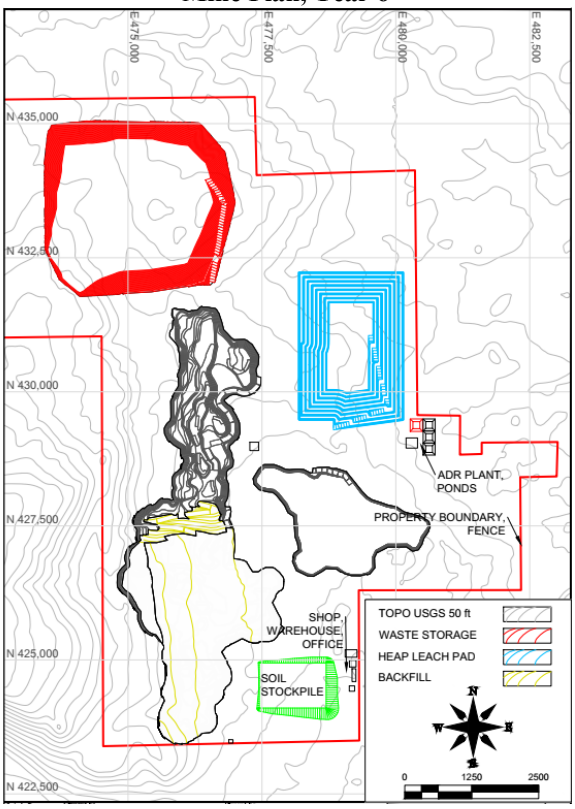
Mine Plan, Year 4



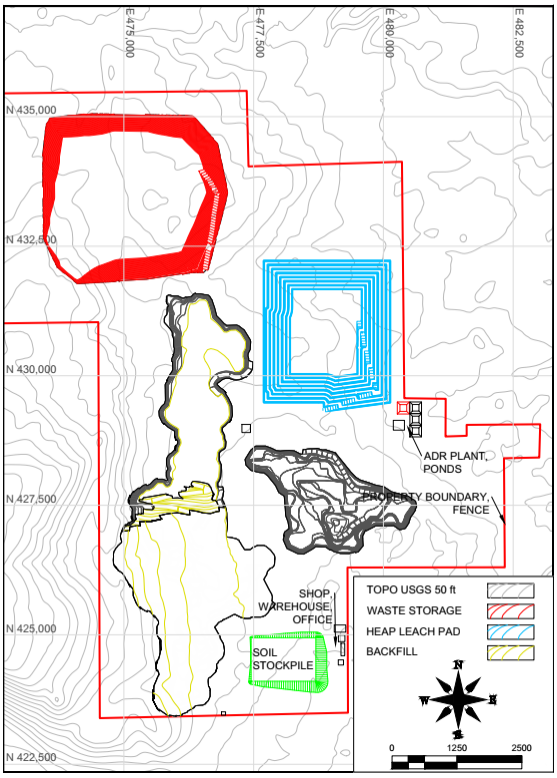
Mine Plan, Year 5



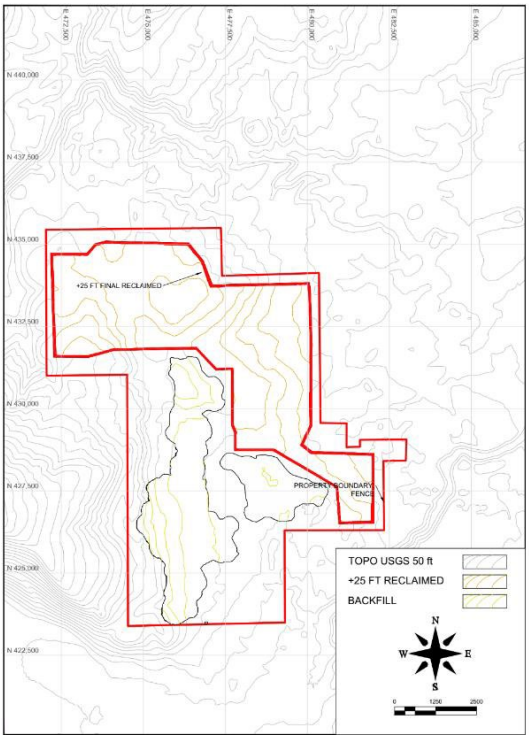
Mine Plan, Year 6



Mine Plan, Year 7



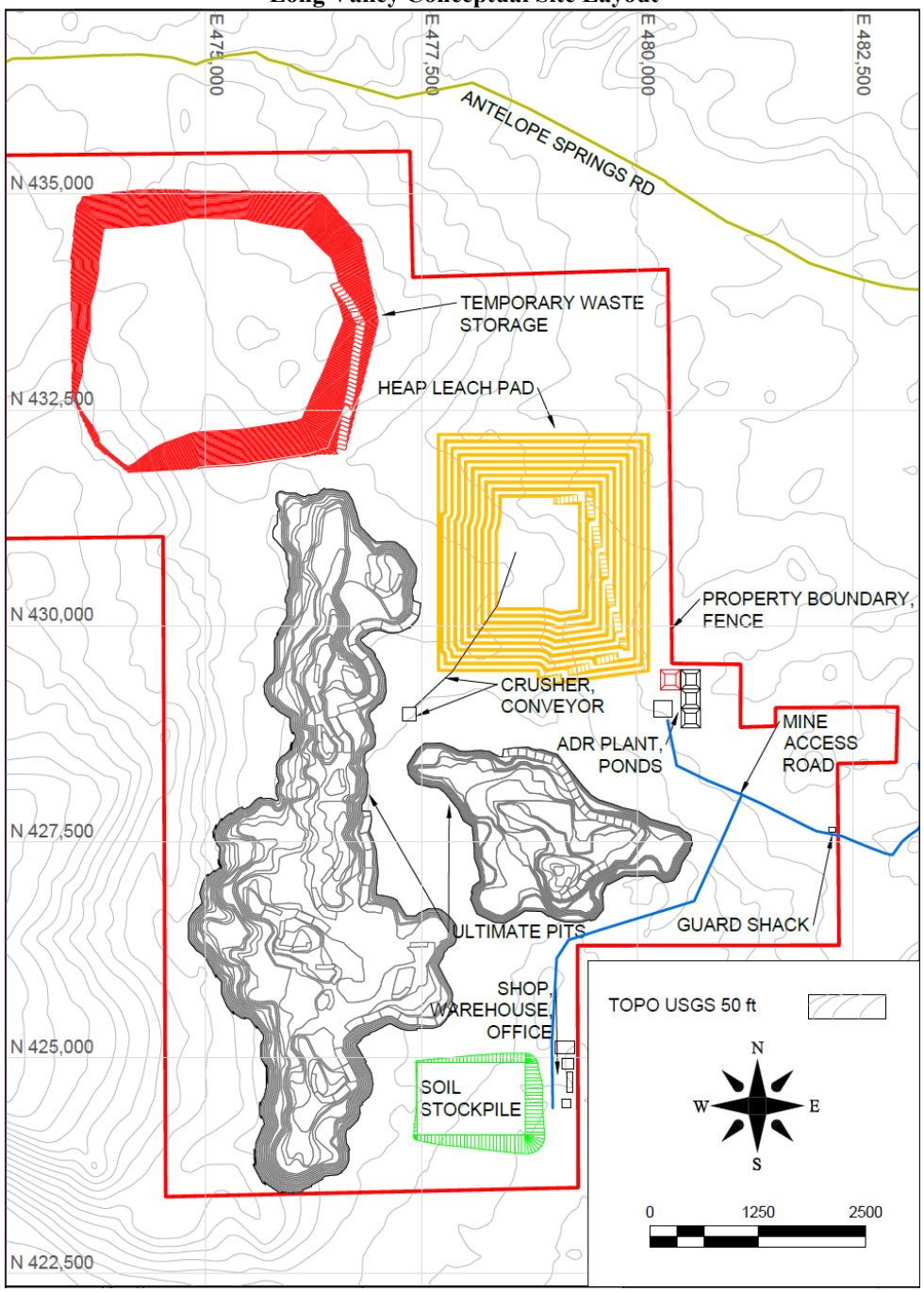
Long Valley Post Reclamation



Facilities for crushing, the leach pad, ADR plant, administrative offices, warehouse, and other facilities are present at the site for the long valley project. The leach pad will need to be expanded as the project progresses.

GRE developed conceptual layouts for the project, including waste dump locations and sizes, leach pad location and size, and access road routes. The below illustrates the conceptual long valley project layout with pits, pads, and dumps.

Long Valley Conceptual Site Layout



Recovery Methods

Process Description

The Long Valley project would employ open pit mining with a conventional heap leach system on a 365 day per year 24 hour per day basis. The heap leach will utilize crushed run-of-mine (ROM) material at a P80 of 1½ inches (37.5 mm). The crushed material will be agglomerated with cement and transported to the heap leach via conveyor belt.

The heap leach would consist of a suitable area lined with a containment system, typically a linear low-density polyethylene (LLDPE) liner with an over liner of sized material to facilitate drainage and to protect the liner during initial stacking. Within this over liner would be placed drainage pipes to conduct the leach solution to the centralized collection ponds. The crushed material is stacked in lifts on the lined pad by a radial stacker. The stacker would be fed by a series of jump or grasshopper conveyors that would be fed from the main overland conveyor from the agglomeration. The lifts are targeted at 32 feet (10 meters) in height with a total heap height of 328 feet (100 meters). Once a suitable area has been stacked (cell), the cell would be irrigated with dilute cyanide solution. Stacking would continue to advance, and each area irrigated with cyanide solution for a set period (primary leach cycle). The solution leaches gold and silver from the heap materials and is transported to the recovery circuit as PLS.

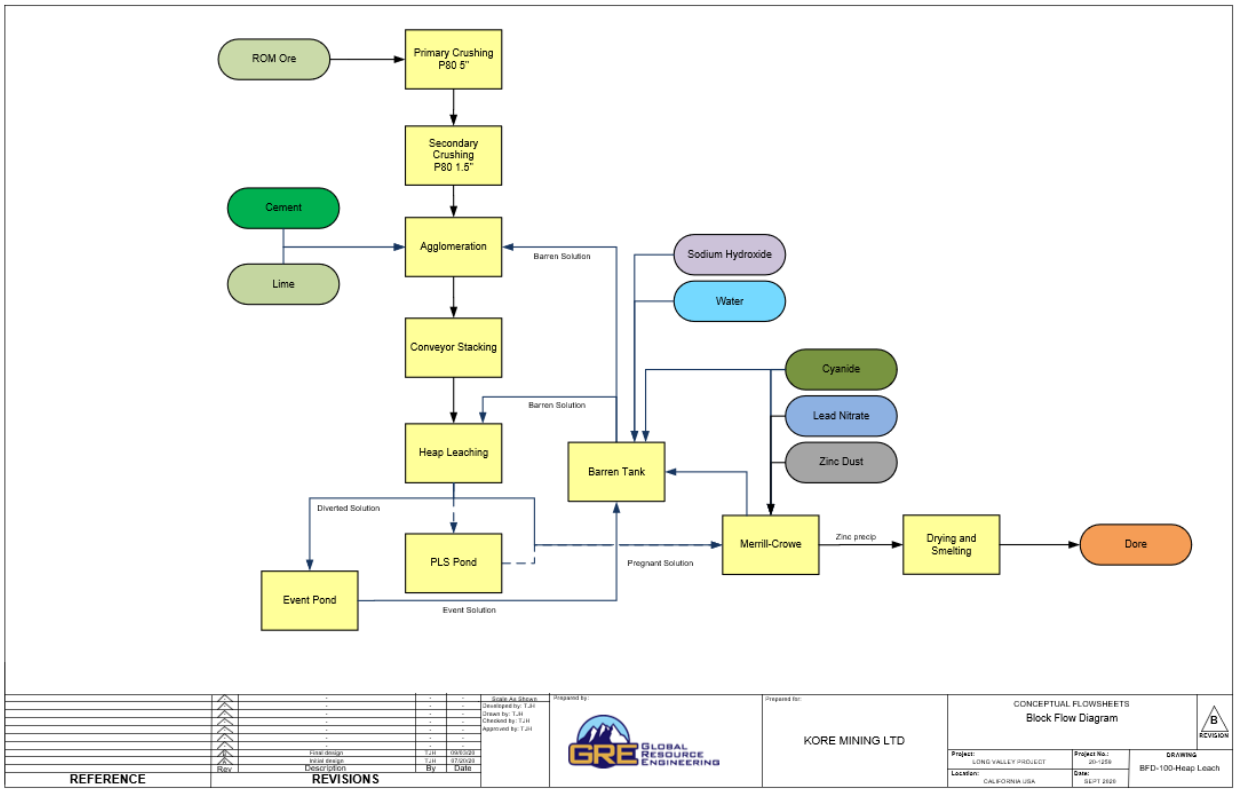
This PLS would be processed directly in the Recovery plant, diverted to a dedicated pond, or recirculated to the heap. The Recovery plant is to utilize the Merrill-Crowe system for precious metal recovery as it is predicted that the PLS will contain appreciable silver along with gold. The anticipated silver to gold concentration ratio is 3.9 to 1.

The PLS first undergoes clarification to remove any suspended solids prior to being pumped to the Crowe tower for de-aeration. The de-aerated solution then mixes with fine zinc powder, dissolved lead nitrate and additional cyanide. The zinc powder acts to precipitate the precious metals which are then captured in a downstream filter press. The depleted “barren” solution would report to the heap leach barren tank and be recirculated back to the heap after having the reagent levels adjusted (pH and cyanide) to the required set points.

Once the filter press is fully loaded with precipitate, the precipitate is removed and dried prior to being smelted for precious metal recovery. A gold and silver doré bar will be produced for sale to an offsite refinery.

The heap leach is typically designed to have multiple lifts installed. Each new lift goes on top of the last lift until the heap reaches its ultimate height. Heap leaches often utilize 10 or more lifts to reach an ultimate height of 328 feet to 492 feet (100 to 150 meters). The configuration of the heap leach is heavily dependent on the permeability characteristics of the material, the terrain available, and the geotechnical aspects of the site. The below shows the conceptual flowsheet.

Conceptual Heap Leach Flowsheet



Crushing Circuit

The crusher is designed to process approximately 26,400 tpd (23,900 metric tonnes per day) on a 24-hour basis with an availability of 80%. The design crushing rate is 1,100 short tons per hour (997 metric tonnes per hour).

The run of mine feed passes over a vibrating grizzly with a 3-inch (75-mm) opening. The undersize reports directly to the jaw crusher discharge conveyor while the oversize feeds the jaw crusher. The jaw crusher would crush to a nominal 7-inch (175-mm), with the crushed product reporting by conveyor to screen feed bin. A vibrating feeder beneath the feed bin feeds a double deck screen equipped with a top deck with 5-inch (125 mm) openings and the lower deck with 1.5-inch (37.5 mm) openings. The screen undersize reports to the final product conveyor and the screen oversize is split into two streams and feeds two standard cone 4-foot crushers with a closed side setting of 1.2 inches (30 mm). The discharge from the crushers falls onto the final product conveyor. The secondary crushing circuit is operated in open circuit. This crushing circuit would be capable of achieving a P80 of 1½-inch.

Agglomeration

The final crushed product is conveyed to a rotary drum agglomerator. Barren cyanide solution, and cement/lime would be added to the material prior to mixing. The target is to deliver approximately 50% of the total cyanide demand to the ore while not exceeding 8 to 10% moisture by weight. The agglomerated material would be conveyed via a combination of overland and grasshopper conveyors to a prepared permanent leach pad.

The ore is stacked using a radial stacker to lift heights of 32 feet (ten meters). Stacking would be conducted in retreat mode during the creation of each leach cell. The agglomerated mixture would be allowed to cure for several days prior to solution application.

Heap Leach Circuit

Ore would be stacked for a sufficient period to allow enough surface area to be created for irrigation, this also allows operations personnel to be a safe distance from active irrigation areas. Irrigation is provided by an emitter-type irrigation system designed to deliver 0.005 gpm/ft2 (12 lph/m2). The emitter layout is designed to provide suitable ore wetting. The heap would be placed under primary irrigation for a period of approximately 90 days. After the primary leach, irrigation would be discontinued and advanced to the next cell. No rinse phase is included because of the multiple lift system employed. Subsequent lifts will be placed on top of the previous lift, up to a total of 10 lifts. Rinsing will be conducted as part of the final closure.

The precious metal leach solution or PLS flows from the heap leach pad to the PLS sump by gravity. The solution is pumped from the sump to the recovery circuit. Excess solution is diverted to the PLS pond. Solution is collected from each heap cell by a series of drainpipes under the heap that transport the solution to perimeter piping. The solution can be directed to either the PLS or Event Pond piping. Storm water collected from the pad during heavy precipitation events can be diverted to an event pond. The storm water can be used as fresh make up water to the circuit.

Recovery Plant – Merrill-Crowe

GRE has included a Merrill-Crowe plant for recovery of gold and silver from the pregnant solution due to the potentially high silver solution grades. An Adsorption-Desorption Recovery (ADR) plant would be preferred but further test work is required to validate the solution tenors. The capital costs are nearly identical for the two.

The PLS solution reports to a series of pressure leaf clarifiers to remove the suspended solids. Suspended solids not only blind the zinc dust cake and filter media within the precipitation filter presses but can slow down the zinc precipitation through passivation on the metallic zinc surface. The clarification filter is coated with diatomaceous earth as required. The highly porous diatomaceous earth filters the suspended solids from the solution. The suspended solids concentration after clarification will typically be less than 5 ppm. Cleaning the clarifiers will be done after the clarifier is taken offline from the process solution stream. The clarifiers are cleaned by backwashing with water. The diatomaceous earth and removed solids will be discharge to a purpose-built pond. This pond will need period excavation.

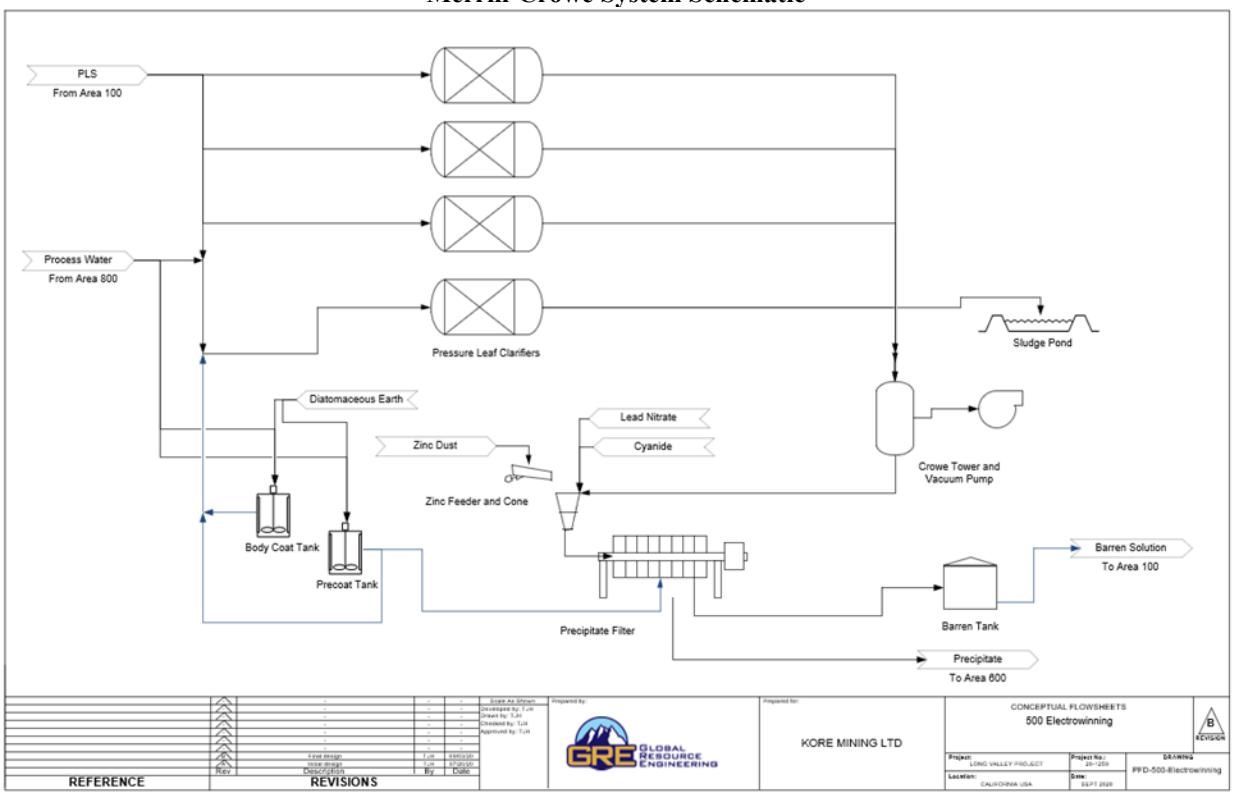
After passing through the clarifiers, the solution will be fed to the de-aeration tower (Crowe tower), where a negative pressure generated by a vacuum pump removes dissolved oxygen from the solution. The presence of dissolved oxygen slows down the reaction with the metallic zinc and increases the precious metals content in the barren solution due to re-dissolution of precious metals. The dissolved oxygen concentration of the de-aeration tower is targeted for less than 1 ppm.

Zinc is used to precipitate the gold and silver from the cyanide solution. Zinc is less noble than gold and silver and gives exchanges electrons to these metals along with copper and other metals. This reaction reduces the gold and silver to their native states. The gold and silver under reduction while the zinc is oxidized and becomes soluble. Zinc is fed into the solution after de-aeration to prevent oxidation and passivation of the zinc surface. Zinc is fed at a specific rate into solution to precipitate the desired metals. Lead nitrate can also be added at a rate of approximately 10% of the zinc rate. The lead increases the zinc reactivity and inhibits the formation of zinc hydroxide on the zinc surface. Typically, zinc is added in excess of the stoichiometric quantity depending upon the solution grade (4x). Lower grade solutions require a higher proportion of zinc addition. Additional cyanide is also typically added to ensure the correct precipitation reactions.

Gold and silver precipitates will be collected within a recessed plate and frame precipitate filter press (2x). The discharge solution from the filter press is the barren solution. The precipitate filters will be emptied on a weekly basis. Prior to opening, the filter will be purged with low pressure compressed air to remove the excess solution and partially dry the filter cake precipitate. The precipitate will be collected from the press and dried prior to refining.

Refining is a multistep process. The cake will first be dried, followed by retorting to remove any contained mercury. After completion of retorting, the cake will be mixed with appropriate fluxes and smelted in an electric melting furnace. Doré (a mixture of gold and silver) will be stored in a vault until shipment to a third-party refinery.

Merrill-Crowe System Schematic



Conceptual Heap Leach Pad and Pond Design

The heap leach facility (HLF) consists of the following system components:

- Heap leach pad
- Liner system
- Leachate (solution) collection system
- Storm pond
- Stormwater management system
- Freshwater supply

To minimize capital expenditure, the heap leach pad has been designed in phases, with each phase requiring advanced expansion of the engineered pad. The HLF would be constructed in three phases, with the pad foundation preparation, liner installation, and collection piping advanced as the leach pad expands. The capacity of each stacking stage includes an initial three-year period two additional two-year period.

The initial HLF development (Phase 1) would also include the full development of the solution handling system, storm pond, and perimeter diversion ditches prior to commencing ore stacking and leaching. The below table shows the development phases and the lift capacity in ore volume and duration. Design details for each of the HLF components are discussed further in the following sections.

Heap Capacity

Development Phase	Elevation (abs m)	Lift Capacity (days)	Mine Life (years)	Ore Volume	
				(m^3)	(cum m^3)
1	10	244	0.7	3,223,805	3,223,805
	20	445	1.2	2,659,900	5,883,705
	30	608	1.7	2,142,474	8,026,179
	40	734	2.0	1,671,520	9,697,699
	50	829	2.3	1,247,025	10,944,724
	60	894	2.5	868,961	11,813,684
	70	935	2.6	537,239	12,350,924
	80	954	2.6	251,436	12,602,360
2	10	1080	3.0	1,657,887	14,260,247
	20	1198	3.3	1,561,485	15,821,732
	30	1309	3.6	1,465,092	17,286,824
	40	1412	3.9	1,368,714	18,655,537
	50	1509	4.1	1,272,362	19,927,900
	60	1598	4.4	1,176,066	21,103,966
	70	1680	4.6	1,079,911	22,183,877
	80	1754	4.8	984,319	23,168,196
	90	1822	5.0	900,835	24,069,031
	100	1869	5.1	612,377	24,681,408
3	10	1916	5.3	1,243,362	25,312,393
	20	2005	5.5	1,171,047	26,483,441
	30	2088	5.7	1,098,733	27,582,174
	40	2166	5.9	1,026,421	28,608,595
	50	2238	6.1	954,110	29,562,704
	60	2305	6.3	881,801	30,444,505
	70	2366	6.5	809,497	31,254,002
	80	2422	6.6	737,200	31,991,202
	90	2473	6.8	664,915	32,656,117
	100	2517	6.9	592,656	33,248,772

Heap Leach Pad

The heap leach pad consists of a perimeter berm, pad liner system, and leachate collection system to collect and convey the leachate solution to the ADR plant, which should be located adjacent to the heap leach facility. The leach pad has an approximate final footprint area of 6,781,263 square feet (630,000 square meters). The heap leach pad is designed to be operated as a fully drained system with no leachate storage within the HLF. Prior to the start of each of the development stages, the pad foundation must be prepared. Foundation preparation involves stripping the topsoil and vegetation and the removal of any rocks. The topsoil would be stockpiled at a convenient location and used for reclamation of the HLF area at closure. The underlying soils would be excavated down to a competent, stable foundation to provide a uniform and graded surface for the pad liner. Grading and backfill would be used to level the surface and to ensure that the pad grading will promote leachate flow towards the collection piping system and sump. A minimum pad grade of 1-2% is required.

Liner System

A liner system is planned to maximize solution recovery and minimize environmental impacts by minimizing leachate losses through the bottom of the leach heap pad. The liner system consists of both barrier and drainage layers using a

combination of synthetic and natural materials to provide leachate solution containment that meets the accepted standards for leach pad design. The pad is designed to operate with minimal solution storage within the pad structure during normal operating conditions. The liner system is designed to meet the required performance standards assuming fully saturated solution storage conditions. A double liner system has been employed with two layers of synthetic material.

Liner Design

A liner system has been developed for the pad using an engineered composite double liner design. The double liner system is designed to be installed as the primary liner system under the entirety of the HLF. The double liner system consists of the following components:

- 1.6-foot-thick (0.5-meter-thick) over liner (1.5-inch [38-mm] minus with less than 10% fines content) using ore as the material
- 80-mil (2-mm) LLDPE geomembrane
- 1-foot-thick (0.3-meter-thick) compacted low permeability soil liner
- Leak Detection and Recovery System (LDRS)
- 60-mil (1.5-mm) LLDPE geomembrane.
- LLDPE was proposed for the geomembrane liner systems for the heap leach pad because it has the following benefits (Lupo, 2005):
    - Generally higher interface friction values, compared to other geomembrane materials
    - Ease of installation in cold climates due to added flexibility,
    - Good performance under high confining stresses (large heap height)
    - Higher allowable strain for projects where moderate settlement may become an issue.

Construction

Development of the heap leach liner would be constructed in three phases, with pad expansions proposed after three years of initial production to meet ore stacking requirements. The liner system would be constructed with both the synthetic and natural layers extending to the top of the perimeter berms to provide full containment. The synthetic liners and geotextiles would be anchored and backfilled in a trench along the heap leach pad perimeter and perimeter berms to ensure that ore loading does not compromise the liner coverage of the heap leach pad footprint by pulling the liner into the pad. Along the pad toe, all liners would be tied into their corresponding liner layer along the foundation of the pad to provide a continuous seal and drainage connection.

The perimeter berm would be constructed as part of the liner tie-in around the perimeter of the pad footprint to ensure that heap solution is contained within the pad and to prevent surface runoff entering the pad collection system. A 1-foot-thick (0.3-meter-thick) bedding sand layer would be placed on the face of the confining embankment directly underneath the second (bottom) geomembrane liner to provide additional integrity protection to the liner.

Over Liner

A protective layer of approximately 1.5 feet (½ meter) of coarse crushed ore/waste would be placed over the entire liner system footprint to protect the liner's integrity from damage during ore placement. The over liner acts as the drainage layer, allowing solution drainage into the pipe collection system. The over liner material must be competent and be free from fines.

Solution Collection System

Collection and recovery of the leach solution is facilitated by the solution collection system in conjunction with the heap leach liner, over liner, and LDRS. The collection system consists of the following pipe and sump components:

- Lateral collection pipes
- Collection header pipes
- Main header collection pipes
- Leachate collection sumps

The solution collection system would be designed to facilitate quick and efficient solution conveyance off the pad to reduce the potential risk of solution losses through liner system. The entire piping system would be constructed from perforated corrugated plastic tubing (CPT), which is embedded within the over liner layer.

The lateral collection pipes, which would be spaced approximately 16 feet (five meters) apart under the entire pad footprint, feed directly into the collection header pipes, which then flow into the main header. The main header pipes would be positioned along the centerline of each heap leach pad cell and terminate at the upstream toe of the perimeter berm at the leachate collection ditch. Two leachate collection ditches allow solution to flow by gravity to the required storage pond. The collection pipes would be fitted with gate valves to allow solution to be directed to one of the three perimeter collection ditches – PLS, Barren, or Storm.

Leak Detection and Recovery System

The LDRS would be designed to capture and convey any solution that may leak through the overlying primary geomembrane layer. The LDRS consists of a 1-foot-thick (0.3-meter-thick) sand layer embedded with 4-inch (100-mm) diameter perforated CPT collection pipes. Any leakage recovered by the LDRS would be conveyed into the LDRS sump at the downstream toe of the HLF. A level-switch controlled submersible sump pump would transfer the recovered solution via a pipe installed within the LDRS sand layer and connect into the main solution recovery line for processing. Monitoring of the leakage recovery would be undertaken by recording pump operating hours.

Leakage Detection Cells

To facilitate more accurate leak identification, the entire pad solution collection system is typically subdivided into multiple independently monitored areas (cells) separated by small berms. Each of these cells has a dedicated leakage detection collection system comprising a drain gravel layer beneath the inner composite liner system which conveys the leakage to a 4-inch (100-mm) diameter perforated collection pipe within the LDRS collection trench. The LDRS ditches flow by gravity at a minimum 0.5 % slope towards the LDRS collection sump, located along the sides of the leach pad. The flow rates from the dedicated collection pipes are continuously monitored and measured prior to discharging into a sump.

Solution Storage Systems:

Event Pond

The Event Pond is designed to provide storage for excess leachate and runoff generated during rainfall events. The pond is situated immediately down gradient of the HLF, and pond flows are conveyed via solution collection piping inside lined ditches. The Event Pond is designed to meet the following design criteria:

- Storage capacity to contain the excess HLF leachate and surface runoff from the 1 in 100-year 24-hour storm event without discharge
- Overflow designed to discharge the 1 in 200-year 24-hour storm event

The storage requirements for the Event Pond were established based on containment of the entire estimated surface runoff generated from the HLF (at the Phase 3 footprint) during the 1 in 100-year 24- hour storm event. Based on the surface runoff estimates, the following storage requirements for the events pond were identified:

Total runoff estimates for 1 in 100-year 24-hour storm event 2,375,971 cubic feet (67,280 cubic meters)

- • 10% additional factor of safety 2,613,285 cubic feet (74,000 cubic meters)
- • Total pond storage capacity 2,635,569 cubic feet (74,631 cubic meters)

Solution stored in the Event Pond would be pumped back to the heap leach pad using the Event Pond pump station. The pump station is designed to be able to drain the storm volume over a period of approximately ten days.

PLS Pond and Barren Tank

The PLS pond and Barren tank are designed to provide storage for leachate and Merrill-Crowe return solutions. The PLS pond is situated immediately down gradient of the HLF, and pond flows are conveyed via solution collection piping and ditches. The PLS pond and Barren tank are designed to meet the following design criteria:

- Storage capacity to contain sufficient solution volumes to maintain irrigation and feed to the Merrill-Crowe circuits
- The PLS Pond is designed to contain up to 24 hours of solution assuming a maximum irrigation rate of 0.005 gpm/ft2 (12 lph/m2)
- The PLS Pond is designed with a capacity of approximately 1,108,633 cubic feet (31,393 cubic meters)
- The Barren tank is designed to hold 5 minutes of solution at a capacity of 3,885 cubic feet (110 cubic meters)

Excess solution flows to any of these ponds/tanks would be diverted to the PLS or Event Storm Pond for recycle back to the heap.

Pond Liner System

The engineered double liner system designed for the ponds uses the same design principles as the HLF pad liner system. The liner design consists of the following layer configuration:

- 60-mil (1.5 mm) high-density polyethylene (HDPE) geomembrane
- 1-foot-thick (0.3-meter-thick) low permeability soil liner
- Geosynthetic “geonet” drainage layer
- 60-mil HDPE geomembrane

The liner system installed on the upslope of the pond embankment would have an additional 1-foot-thick (0.3-meter-thick) bedding sand layer that would interface with the lower geomembrane layer to protect the integrity of the liner.

Installation of a LDRS is not required for the Storm Pond as the pond is operated as a dry facility and would only receive and store runoff water during significant storm events. In the event that leakage does occur through the double liner system, this water would be conveyed via the geonet layer to a 3-foot-thick (1-meter-thick) drainage blanket that underlies the Event Pond embankment. This drainage blanket discharges to a sump for solution return to the pond.

It is recommended that HDPE geomembrane be used for the pond liner system rather than LLDPE. Unlike the heap leach pad, the pond liner system would not be subjected to high confining stresses from ore stacking, and HDPE has a higher ultraviolet resistance, which is critical for exposed surfaces like that of the ponds.

Runoff Collection and Diversion

The surface water management system proposed for the site consists of a series of ditches constructed around the perimeter of the HLF to intercept overland surface runoff around the HLF pad and to convey surface water away from the active site. The ditches are designed to meet the following design criteria:

- Conveys the 1 in 100-year 24-hour duration storm event
- Minimum freeboard = 1-foot (0.3 meters)
- Minimum ditch grade = 0.01 foot/foot (meter/meter)
- Side slopes = 2H:1V
- Channel shape = trapezoidal.

Lining and protection of the ditch channels from erosion and scouring may be required for all permanent ditches. Temporary ditches would be constructed between heap phases.

Infrastructure, Permitting and Compliance Activities

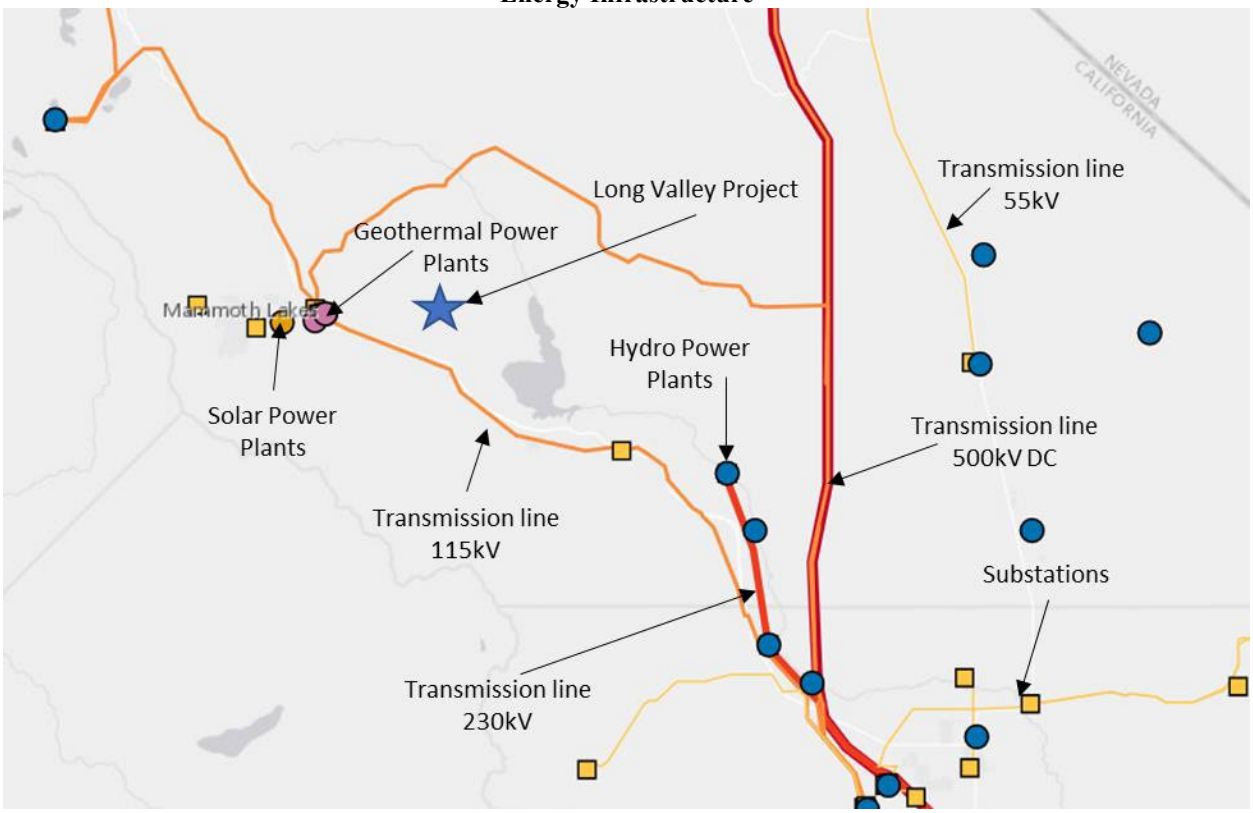
Water Supply

Heap operation over the estimated mine life indicates that operation of the HLF requires a water supply with an approximate average flowrate of 450 gpm (100 m3/hr). An additional 150 gpm (34 m3/hr) is required for mine, shop, and office water consumption.

Electric power

There is nearby power reticulation with a 115kV line at the U.S. Highway 395 and a nearby power plant, Upper Gorge just west of Lake Crowley. A substation and a power line could be installed to connect the project power to the local grid at an estimated cost of 1.8 million USD.

Energy Infrastructure



Water Balance and Water Supply

The following summarizes key components of the hydrologic analysis completed for the project by GRE.

GRE completed a preliminary hydrological assessment of the Long Valley Project site using a combination of HLF design data, project data, and climate information obtained from publicly available sources.

Meteorological information was acquired from the Western Regional Climate Center (WRCC). Gauging station information for the area compiled from US Geological Survey databases. Annual pan evaporation records were obtained from a technical report prepared by Farnsworth and Thompson (1982). Monthly distribution of pan evaporation was obtained from WRCC.

Water Balance

Modeling of the heap operation on a monthly basis over the projected mine life indicates that operation of the HLF requires a water supply with an approximate average flowrate of 450 gpm (101 m3/hr). An additional 150 gpm (34 m3/hr) is required for mine, shop, and office water consumption.

A water balance around the heap leach was produced using average rainfall, evaporation and temperatures. Key parameters included in the hydrologic assessment were average precipitation, average runoff, and pan evaporation. No simulation was conducted to incorporate major events at this stage of the study. Table 18-1 presents the monthly distribution of average precipitation at the project site.

Long Valley Site Average Climate Conditions

Month	Precipitation (mm)	High Average (deg C)	RH (%)	Low Average (deg C)	RH (%)	Pan Evaporation (mm)
Jan	40.0	4.40	60	-6.10	83	0.0
Feb	48.0	5.70	53	-5.10	83	97.5
Mar	47.0	9.70	37	-2.00	73	184.4
Apr	29.0	14.10	27	0.70	68	257.3
May	35.0	19.70	23	5.30	65	345.4
June	18.0	25.70	18	10.10	54	414.3
July	30.0	29.50	20	14.30	56	456.7
Aug	39.0	28.30	22	13.30	57	404.4
Sept	30.0	23.60	20	8.80	55	287.5
Oct	30.0	16.50	28	2.60	67	174.8
Nov	29.0	9.10	46	-2.40	78	74.7
Dec	28.0	4.40	61	-6.20	82	0.0
	403.0					2697.0

Previous estimates calculated the mean annual runoff for the mine site to be approximately 0.04 inches/year.

Water Balance

A preliminary operational average monthly water balance model was developed for the HLF. The intent of the modeling was to estimate the magnitude and extent of any water surplus or deficit conditions in the HLF based on annual average climatic conditions. The modeling timeline was for 8 years of HLF operations.

The model incorporates the following major project components:

- Heap Leach Pad
- Mine Usage
- Shop Usage
- General Usage
- Fresh Water Supply
- Pond and Tank Storage – PLS, Barren and Event

The findings of the water balance were that the HLF would operate in a water deficit. The deficit is most pronounced in the early years and is reduced as water stored within the ore is released from the earlier leaching stages. The total make-up required by the HLF is estimated at 1.6 billion gallons (6.1 million cubic meters [m3]) over the life of the facility. The HLF water requirement ranges from 261 million gallons to 290 million gallons annually (990 thousand m3 to 1.1 million m3 annually). The project requires a significant amount of water at start up due to the initial ore wetting requirements and the solution retention in the heap. GRE estimates that approximately 136 million gallons (515,000 m3) of fresh water would be necessary at the start of heap operations.

The water balance was based on assumed moisture content values for the stacked ore and climatic conditions for the site. The model is sensitive to these values and they should be reviewed and confirmed for future design studies. The following criteria were employed in the water balance:

- Natural Moisture Content – Ore 4%
- Field Moisture Content – Ore 12%
- Drain-Down Final Moisture Content 10%
- Evaporation Losses – 5% total
- Pan Evaporation for pond based on Bishop, CA.
- Average Irrigation Rate 0.005 gpm/ft2 (12.2 lph/m2)
- Pad Area – Phase 1,2, and 3: 3,616,674 square feet (ft2), 5,425,011 ft2 and 6,781,264 ft2 (336,000, 504,000, 630,000 m2)
- Climate Conditions monthly temperature, precipitation and evaporation

Mine Facilities

Waste Rock Storage Facilities

The waste rock storage facility (WRSF) is planned to be temporarily located north of the ultimate pit limits. The WRSF will contain 21.7 million tons of waste material, 28.4% of total waste. The sides of the WRSF are at a 2.5:1 slope with a 90 feet wide ramp providing haul truck access at a 10% grade. The remaining waste will be stored in concurrent backfills in mined out phases of the pit. The backfilling of the previously mined out pits during the active mine life is planned to minimize the amount of waste material that needs to be reclaimed at the end of the mining operation. Backfills are designed at a 2.5:1 slope and have an access ramp 90 feet wide at a 10% grade. The pits would be backfilled from the bottom up to original ground elevations. The backfill WRSFs are utilized concurrently through the mine life for waste produced from the pit. After mining has finished, the remaining pit volume is filled with the depleted heap leach material.

Mine WRSF Development Schedule

The somewhat linear advancement of the main pit and relatively flat pit bottom provide an excellent opportunity for backfilling concurrently during active mining operations.

Prestripping and production bench waste at the start of the schedule are stored in the WRSF north of the pits. Once Phase 1 is complete in Year 3, backfilling can begin concurrent to production mining. When Phase 1 backfill is full in Year 5, waste storage resumes in the WRSF north of the pit until later in Year 5 when pit Phase 2 is available for backfill. Phase 2 is backfilled until it is filled in Year 7, the final year of mine life. The remaining waste in Year 7 is placed into the open Phase 3 backfill. Table 18-2 shows the storage by WRSF by year.

WRSF by Year, Millions of Tons

WRSF	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Dump 1	1.2	11.6	5.6	2.6	-	0.8	-	-	21.8
Phase 1 BF	-	-	-	9.3	7.2	0.5	-	-	17.0
Phase 2 BF	-	-	-	-	-	13.5	14.1	1.4	29.0
Phase 3 BF	-	-	-	-	-	-	-	8.9	8.9

To comply with California law, pits are backfilled so the final surface is a close approximation of original topo. The surface WRSF and heap leach pad are rehandled back into the pit. Any material left on the surface stays within +25 feet of original topo. The below shows the Long valley mine plan post reclamation.

The backfill material will be utilized to re-create the washes with sufficiently high berms, as well as curtain the runoff to the stream channel. The design would mimic the existing wash topography and physiological characteristics. The following are some conceptual design criteria that would be incorporated into the next phases of engineering.

- The backfill area would not impound water.
- Any washes would be rebuilt to pre-mining elevations.
- The centerline of the wash through the pit backfill area would maintain the pre-mining slope (fall) of the original wash. The entrance and exit of the wash through the pit area should not include any drops or rises but should smoothly match to the existing slope.
- The wash bottom would be reconstructed with stockpiled wash materials (sands and gravels).
- The pit backfill areas outside the washes can be below the pre-mining topography but should mimic the morphology of the pre-mining slopes in that vicinity unless they are steeper than 3H:1V.
- The final reclamation surface will be less than or equal 25 feet above the current surface topography over almost all of the project area if the waste dumps and HLF material are required to be removed to within 25 feet of original topography.
- The maximum slope would be 3H:1V.

Land Use Entitlements

Federal—Plan of Operations (PO)/Reclamation Plan

The Project area is located on National Forest land managed by the Mammoth Ranger District in Mammoth Lakes, California; therefore, the USFS would require a complete application for a Plan of Operations/Reclamation Plan (PO) prior to authorizing the mining operations. The PO application must contain site-specific information about the proposed Project in sufficient detail to satisfy regulating authorities. The PO needs to describe the property owner and operator, the type of operation to be conducted (including the mining method and beneficiation process), and reclamation procedures with associated costs. The USFS could, upon review, request additional information to ensure that the PO is complete.

County—Mining Permit and Reclamation Plan

Prior to constructing and operating a mining project in Mono County, a mining plan and a reclamation plan, consistent with the California Surface Mining and Reclamation Act (SMARA), must be submitted to and approved by the Mono County. Most of the required information is similar to that required by the USFS for the PO and includes a complete and accurate description of the mine development.

Mining Operations Permit

Prior to engaging in extraction, processing, or any other mining operations within the territorial boundaries of Mono County, a Mining Operations Permit must be approved by the Mono County Planning Commission. Although information requirements for the Mining Operations Permit are similar in nature to those for the mining and reclamation plan under SMARA, the Mining Operations Permit requires a separate permit application, and the permit would be in addition to the SMARA reclamation plan.

The ordinance requiring a Mining Operations Permit in Mono County adopted by the Mono County is intended to provide greater control in approving proposed mining operations located on land over which the County lacks full land-use and zoning authority (e.g., federal land administered by federal agencies). The Mining Operations Permit application would require a detailed description of all proposed mining activities, but would be focused primarily on proposed processing activities that utilize hazardous chemicals. Under the ordinance, hazardous chemicals cannot be used in connection with any processing activity unless it can be shown that the activity will not, under any reasonable foreseeable scenario, cause significant adverse impacts on the environment (as defined under CEQA).

Reclamation Plan and Financial Assurances

In addition to the land use permit to mine (in this case a PO from the USFS), surface mining activities in the State of California are regulated in accordance with SMARA. SMARA requires that a site-specific Reclamation Plan that is a land use entitlement to be prepared and implemented. A Reclamation Plan is a description of the mined condition and

plan for the methods that mined lands would be reclaimed to a usable condition which is readily adaptable for alternative land uses. SMARA also requires that an assessment of the estimated cost to reclaim a project be prepared, approved by Mono County as well as the California Office of Mining Reclamation; it is reviewed and updated annually. No surface disturbing activities may occur prior to securing a reclamation financial assurance with the lead agency in the amount agreed upon by the reviewing agencies.

For the Long Valley Project, Mono County, the USFS, and the Lahontan Regional Water Quality Control Board (LRWQCB) would review the cost estimate and ultimately agree upon a reclamation cost. The LRWQCB will hold one financial assurance for the facilities under its permit, and the USFS or Mono County will hold the financial assurance bond for the remainder of the facilities. The reclamation of an open pit heap leach facility will provide for third-party costs to implement reclamation should the operator fail to do so. The financial assurance will provide for reclaiming the heap leach facility and with meeting SMARA's backfilling provisions applicable to all metals mines in California.

Operating Permits

Waste Discharge Requirements

The owner or operator of any facility proposing to discharge waste to land must submit a "Report of Waste Discharge" to the appropriate Regional Water Quality Control Board (RWQCB), which must either approve WDRs, or waive the need for WDRs, before the facility or project discharges waste to land. Certain facilities common to mining operations (e.g., surface impoundments, heaps and waste rock piles) are typically subject to construction and/or closure requirements established in California Code of Regulations, Title 23, Division 3, Chapter 15, and are issued WDRs. The Project is located in the RWQCB-Lahontan Region.

The "Report of Waste Discharge" must provide a complete and accurate description of all waste discharges by type, quality, quantity, interval and method of discharge. This includes a characterization of both the ore and waste to determine potential acid rock drainage (ARD) and leachable metals. Upon submittal, the RWQCB evaluates the "Report of Waste Discharge" to ensure completeness as well as compliance with all applicable regulations.

Air Quality Authority to Construct

Any operator proposing to construct, modify or operate a facility or equipment that would emit pollutants from a stationary source into the atmosphere would need to first obtain an Authority to Construct from the applicable County or Regional Air Pollution Control District (APCD). For a facility in Mono County, the appropriate APCD is the Great Basin Unified APCD, whose principal office is located in Bishop, California. The Project is assumed to be a minor source of air pollutants and would probably not require a "Federal Title V Operating Permit" or a "Prevention of Significant Deterioration Permit".

Air Quality Permit to Operate

In addition to the Authority to Construct, a Permit to Operate must also be obtained from the Great Basin Unified APCD. The Permit to Operate is required to operate any facility that emits air pollutants which is not otherwise exempted by rule. In general, to obtain approval of the Permit to Operate the operator is required to certify that construction of the facility was completed according to the terms and conditions of the Authority to Construct and that the facility will meet the APCD's regulations. If specified in the Authority to Construct or the APCD 's regulations, source testing of some or all sources may be required to demonstrate compliance.

Jurisdictional Wetlands and Waters

Under Section 404 of the Clean Water Act (CWA), a permit must be obtained from the USACE before any " waters of the United States," which include wetlands, stream channels, and ephemeral stream channels, are dredged or filled. Acquisition of either a general or individual permit requires a delineation of "waters of the United States" and completion of the appropriate application.

The mapping for the claim area includes the following four vegetation types: barren, eastside pine, pinyon-juniper, and sagebrush. Despite the upland vegetation community types, there is potential for wetlands and waters to be present on the site because the mapping is conducted on such a broad scale that it is not a reliable source for identifying jurisdictional features.

Topography of the site indicates presence of linear features particularly in the eastern portion of the claim that may be considered jurisdictional dry washes under current Corps guidance.

Prior site surveys indicate that jurisdictional features are present at the site. Jurisdictional wetlands and waters may appear dry during much of the year and the absence of flowing or standing water is not considered to be a reliable indicator of the absence of these features. Particularly since dry washes have been incorporated into current jurisdictional determinations by both federal and state resource agencies, further assessment of the site would be required to determine the extent of these features on the claim.

Environmental Review

Preparation of a Joint EIS/EIR

Federal and California regulations have provisions which encourage the preparation of joint environmental documents. CEQA guidelines contain clear authority for state and local agencies to prepare joint environmental documents with federal agencies. NEPA regulations issued by the President's Council on Environmental Quality contain similar provisions.

For the Project, the preparation of a joint EIS/EIR would probably be undertaken by the USFS and the Mono County Planning Department as the lead agencies under NEPA and CEQA, respectively. Because the Project is located entirely on National Forest land, however, the USFS would likely take the "lead" role in the preparation of the joint document. However, the EIS/EIR must contain all the content and components, as well as all public notice and review, required under both NEPA and CEQA. Preparation of a joint EIS/EIR would likely require a Memorandum of Understanding (MOU) between the lead agencies.

National Environmental Policy Act (NEPA)

Given the presumed use of cyanide and the other potential activities associated with the Project, it is almost certain that the USFS, as lead agency, would decide that the Project could result in significant impacts to the human environment, thereby triggering, as mandated by NEPA, the preparation of an EIS. The EIS would evaluate the proposed action and any logical alternatives to the proposed action to determine the extent of any environment impacts. At the completion of the process, the USFS would issue a Record of Decision (ROD) to authorize the proposed action, or authorize an alternative to the proposed action, and which would discuss in detail the rationale used in making the decision.

An EIS is a technical and complete assessment of impacts to the environment caused by the proposed action. Baseline studies would be reviewed and approved by agency staff. In addition, there are requirements which provide numerous opportunities for comment by the public throughout the process of preparing the EIS. Under NEPA, the federal government is required only to give appropriate consideration to environmental values. Although an EIS must evaluate all reasonable alternatives to the proposed action and must propose appropriate measures to mitigate identified impacts, there is no requirement for federal land managers to adopt feasible alternatives or mitigation measures. To this end, courts have held that NEPA is essentially procedural and its only role is to ensure that environmental impacts of a proposed project are considered.

California Environmental Quality Act (CEOA)

CEQA has requirements similar to NEPA in that the potential significant environmental impacts of the proposed action and feasible alternatives must be evaluated in an EIR prepared by the Mono County Planning Department (MCPD), as lead agency, under CEQA. There are, however, substantial differences between NEPA and CEQA. CEQA differs from NEPA in that CEQA places a relatively higher value on environmental protection compared with economic

growth. CEQA requires agencies to implement feasible alternatives or mitigation measures that would reduce project-related environmental impacts to below a level of significance; an agency cannot satisfy the statute only by considering the environmental impacts of a proposed project. Only if an agency finds there to be "overriding considerations" can that agency approve a project without adopting those feasible alternatives or mitigation measures identified in the EIR.

Timeline for Key Permits and Approvals

Permit/Authorization	Timeline	Work Needed
Environmental Impact Statement (EIS) *(NEPA, 42 USC § 4321 et seq.)*	18–24 months The USFS would become involved in the process at the time of pre-application meeting and application submittal.	An EIS is needed to address the environmental consequences of the Project.
Environmental Impact Report (EIR) *(CEQA, PRC § 21000 et seq.; 14 CCR § 15000 et seq.)*	Prepared concurrently with the NEPA document. The County would become involved in the process at the time of pre-application meeting and application submittal.	The analysis for the Project would be prepared under new requirements under CEQA (e.g., GHG).
Plan of Operations *(36 CFR § 228.4)*	Processed concurrently with the NEPA document. The USFS would become involved in the process at the time of pre-application meeting and application submittal.	For approval of construction and operation.
Mining Operations Permit Mono County Ordinance Chapter 7.10	Processed concurrently with SMARA reclamation plan	For approval of construction and operation.
Mining/Reclamation Plan and Financial Assurance *(SMARA) (PRC § 2710 et seq.)*	Processed concurrently with the CEQA and NEPA review. The County would become involved in the process at the time of pre-application meeting and application submittal.	This would be done as part of the reclamation plan process with Mono County. Project will need to comply with the current backfilling regulations.
Water Discharge Permit (Water Code 13000 et seq.)	6–9 months to obtain, after CEQA document is complete	Obtain for project as approved.
Individual/Nationwide Section 404 Discharge Permit *(Clean Water Act, 33 USC § 1341)*	12-18 months	Obtain for project as approved.
Lake/Streambed Alteration Agreement *(Fish and Game Code § 1603)*	6–9 months to obtain, after CEQA document is complete	Obtain for project as approved (as applicable).
Section 401 (Water Quality) Certification *(CWA, 33 USC § 1251: If the Project Requires USACE 404 permit)*	2–6 months, after CEQA document is complete	Obtain for project as approved.
Authority to Construct *(Local district rules, per Health and Safety Code § 42300 et seq.)*	6 months, after CEQA document is complete	Obtain for project as approved.

Notes: USFS = U.S. Forest Service; CEQA = California Environmental Quality Act; CCR = California Code of Regulations; CWA= Clean Water Act; NEPA = National Environmental Policy Act; PRC = Public Resources Code; USC = U.S. Code; USACE = U.S. Army Corps of Engineers.

Community Concerns

Public outreach was undertaken in 1990 by the USFS. Issues of concern raised by the local community included: surface and groundwater hydrology effects, proximity to geothermal spring systems and seismic stability of the area archaeological resources, cyanide use and wildlife, proximity to a fish hatchery, noise and dust and visual resources relative to Highway 395. The issues of concern are expected to be the same today. The project may encounter resistance being located in a region largely valued for passive (hiking, camping, hunting and fishing) and active recreation (skiing and other winter sports) activities with the local economy largely reliant on tourism.

Capital and Operating Costs

Capital Cost Estimate

Capital costs are presented for the mining, mineral processing, and administrative portions of the operation. The capital cost estimate has been prepared for the PEA under the assumption of processing 22,000 short tons per day of leachable material on a heap leach. Sources for costs used in the economic model include cost data from Infomine (InfoMine, 2020), GRE's internal data and first principle estimates, and costs from similar projects in North America.

Initial capital costs are defined as all costs until a sustained positive cash flow is reached. This includes labor and development costs in the pre-production year. Sustaining capital is defined as the capital costs incurred in the periods after a sustained positive cash flow is achieved through the end of mine life. All capital cost estimates cited in this summary are referenced in US dollars.

Long Valley Capital Costs

Initial and Sustaining Capital Costs	Total Cost ($ millions)
Mining & mine Infrastructure	40.6
Heap leach pads and plant	55.5
Infrastructure & G&A	18.5
Working capital	4.6
Contingency (25%)	27.9
Total Pre-Production Capital	**147.0**
Pre-production mining	13.9
Total Pre-Production Cost	**160.9**
Sustaining capital	18.2
Closure, incl. Backfill	72.4

Mining

Mining capital costs used to develop the economic model are summarized in the below table. GRE considered all the mining equipment necessary for a larger scale operation.

Long Valley Project Mine Capital Costs Summary (1000s)

Item	Quantity	Units	$/Unit	Total Cost
Excavator CAT 6040	2	ea	$8,420	$16,840
Haul Truck CAT 785D	7	ea	$2,344	$16,407
Bulldozer D10	3	ea	$1,091	$3,272
Drill	2	ea	$2,000	$4,000
Loader CAT 992K	1	ea	$2,208	$2,208
Water Truck	2	ea	$1,140	$2,280
ANFO Truck	1	ea	$220	$220
Lube Truck	2	ea	$84	$168
Mechanics Truck	2	ea	$71	$141
Grader	1	ea	$443	$443
Small Excavator	1	ea	$305	$305
Backhoe	1	ea	$129	$129
Small Crane	1	ea	$395	$395
Light Plant	6	ea	$25	$152
Dewatering Pump	1	ea	$165	$165
4x4 Pickup	10	ea	$46	$461
Total				$47,586

Note: Costs rounded to nearest thousand may not sum due to rounding.

Mineral Processing and Heap Leach

The $55,526,249 cost of the process plant, including the first phase of the heap leach pad, is incurred in the preproduction year. Heap leach expansion occurs in years two and four of production with a cost of $6,278,681 and $4,709,011, respectively. The total capital cost for the heap leach in each of those years is $66,513,941. The breakdown of the unit costs of the process plant is shown on the table below

Long Valley Project Mineral Processing and Heap Leach Capital Costs (1000s)

Capital Costs	Cost
Crushing	$6,544
Agglomeration and Stacking	$4,496
Leach Pad, Ponds, Sol'n Dist and Collection	$16,212
Gold Recovery	$1,405
Utilities	$5,986
Installation Labor	$9,550
Concrete	$879
Piping	$2,965
Structural Steel	$879
Instrumentation	$769
Insulation	$241
Electrical	$879
Coatings and Sealants	$255
Spares and First Fill	$2,149
Engineering/Management	$7,739
Total - Fixed Equipment	**$60,949**
Mobile Equipment	
Pad	$5,200
Maintenance	$125
Light Vehicles	$240
Total - Mobile Equipment	**$5,565**
Total – Fixed and Mobile Equipment	**$66,514**

Note: Costs rounded to nearest thousand may not sum due to rounding.

Infrastructure and Administrative

All buildings and associated infrastructure installed on the property on a permanent or semi-permanent basis are considered facilities. They include material and installation cost.

Infrastructure and administrative capital costs were estimated using GRE's experience with similar sized projects in the American West and current project costs. Administrative capital costs applied to the economic model are listed in the below chart.

Long Valley Project Infrastructure and Administrative Capital Costs (1000s)

Description	Total Cost
Haul Roads	$460
Office	$788
Warehouse	$1,000
Mine Shop	$3,500
Fuel Bay	$100
Wash Bay	$200
Security and Fencing	$250
Surface Water Management	$500
Water Well with Pump	$1,250
New Well Pump	$67
Back Up Gen Set	$346
Sub-Station	$1,500
Power Line 33KV	$1,767
Computers	$150
Software	$255
Tech Equipment	$100
Office Equipment	$250
Total	**$12,483**

Working Capital

Working capital is the necessary cash on hand for one month's operating cost. The estimated total is $4,567,000. Note that this cost is recovered at the end of production.

Contingency

GRE has added a 25% contingency to the capital cost estimate totaling $36,292,000.

Closure

Closure cost includes final backfilling of the open pit and site reclamation to California's stringent standards. The cost includes US$38.7 million in mining cost, US$13.4 million in site operating G&A during back-filling of the final pit, in addition to US$15.3 million for rinsing and neutralizing the heap leach pad. Backfill will return the site to plus 25 feet of original topography while re-establishing drainages. The combined cost for the three parts of closure is $67.5 million.

Operating Costs Estimate

Operating costs in the economic model are calculated based on current actual costs, first principles, estimated using the experience of GRE senior staff, or scaled from Infomine. The operating costs are categorized by mining, mineral processing, or administrative functions.

Mining

Operating costs for mining include equipment operation, labor, and consumable materials. Mining equipment includes production equipment and support equipment. Mining production equipment hours are calculated using the equipment productivity estimates and the number of tons required to be moved.

Mining support equipment hours are calculated using the number of shifts that the equipment is operated per day, the number of pieces of equipment, and the operating hours per day. The operating hours per day are calculated assuming utilization of 90%, availability of 95%, and two twelve-hour shifts per day. The below table summarizes the mining costs by year.

Long Valley Mining Equipment Operating Costs by Year (1000s)

Equipment	Quantity	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Excavator CAT 6040	2	$1,023	$2,349	$1,776	$2,598	$1,995	$2,978	$2,895	$2,313	**$17,925**
Haul Truck CAT 785D	6	$2,822	$5,409	$3,523	$5,497	$3,937	$6,000	$5,042	$3,640	**$35,870**
Bulldozer D10	3	$285	$1,734	$1,734	$1,734	$1,734	$1,734	$1,734	$1,734	**$12,424**
Drill	2	$213	$1,298	$1,298	$1,298	$1,298	$1,298	$1,298	$1,298	**$9,299**
Loader CAT 992K	1	$163	$990	$990	$990	$990	$990	$990	$990	**$7,096**
Water Truck	2	$186	$1,131	$1,131	$1,131	$1,131	$1,131	$1,131	$1,131	**$8,105**
ANFO Truck	1	$33	$202	$202	$202	$202	$202	$202	$202	**$1,445**
Lube Truck	2	$20	$120	$120	$120	$120	$120	$120	$120	**$858**
Mechanics Truck	2	$19	$116	$116	$116	$116	$116	$116	$116	**$830**
Grader	1	$31	$190	$190	$190	$190	$190	$190	$190	**$1,362**
Small Excavator	1	$24	$148	$148	$148	$148	$148	$148	$148	**$1,062**
Backhoe	1	$9	$55	$55	$55	$55	$55	$55	$55	**$397**
Small Crane	1	$19	$118	$118	$118	$118	$118	$118	$118	**$846**
Light Plant	6	$9	$57	$57	$57	$57	$57	$57	$57	**$411**
Dewatering Pump	1	$1	$4	$4	$4	$4	$4	$4	$4	**$31**
4x4 Pickup	10	$149	$906	$906	$906	$906	$906	$906	$906	**$6,489**
Total		**$5,007**	**$14,828**	**$12,369**	**$15,165**	**$13,002**	**$16,048**	**$15,008**	**$13,024**	**$104,451**

Note: Costs rounded to nearest thousand may not sum due to rounding.

Blasting material consumption is determined assuming a powder factor of 0.5 lb/ton of material mined. The main explosive used is assumed to be ANFO. The cost of blasting is summarized below.

Long valley Project Blasting Costs by Year (1000s)

Item	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Explosives	$232	$3,236	$2,446	$3,579	$2,748	$4,102	$3,989	$3,187	**$23,518**
Ore Control/Sample Testing	$39	$539	$408	$596	$458	$684	$665	$531	**$3,920**
Misc	$500	$500	$500	$500	$500	$500	$500	$500	**$4,000**
Total	**$770**	**$4,275**	**$3,354**	**$4,675**	**$3,706**	**$5,286**	**$5,154**	**$4,218**	**$31,438**

Note: Costs rounded to nearest thousand may not sum due to rounding.

Manpower for the mine includes both hourly-rate employees and salaried employees. The number of required equipment operators was estimated using the quantities of equipment required, the number of personnel per piece of equipment, and shifts per day. Numbers of required salaried personnel are estimated based on GRE's experience. A burden factor of 40% was added to all hourly personnel and 36% for salaried personnel. The burden includes fringe benefits, holidays, vacation and sick leave, absentees, insurances, etc. A summary of the manpower costs is provided in the below table.

Long Valley Project Mining Labor Cost Summary by Year (1000s)

Position	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Hourly Personnel									
Heavy Equipment Operators	$356	$1,780	$1,780	$1,780	$1,780	$1,780	$1,780	$1,780	**$12,819**
Support Equipment Operators	$89	$534	$534	$534	$534	$534	$534	$534	**$3,828**
Production Truck Drivers	$344	$3,484	$2,787	$3,484	$2,787	$4,181	$3,484	$2,787	**$23,339**
Blasters	$75	$159	$159	$159	$159	$159	$159	$159	**$1,187**
Mine Laborers	$603	$1,270	$1,270	$1,270	$1,270	$1,270	$1,270	$1,270	**$9,494**
Drill Operators	$227	$1,380	$1,380	$1,380	$1,380	$1,380	$1,380	$1,380	**$9,890**
Oilers/Mechanics	$247	$3,749	$3,374	$3,749	$3,374	$3,937	$3,749	$3,374	**$25,553**
Salaried Personnel									
Mine Superintendent	$190	$190	$190	$190	$190	$190	$190	$190	**$1,523**
Mine Engineer	$136	$136	$136	$136	$136	$136	$136	$136	**$1,088**
Geologist	$136	$136	$136	$136	$136	$136	$136	$136	**$1,088**
Surveyor/Tech	$169	$169	$169	$169	$169	$169	$169	$169	**$1,349**
General Foreman	$136	$136	$136	$136	$136	$136	$136	$136	**$1,088**
Shift Supervisor	$408	$408	$408	$408	$408	$408	$408	$408	**$3,264**
Extras	$118	$118	$118	$118	$118	$118	$118	$118	**$940**
Total	**$3,233**	**$13,650**	**$12,578**	**$13,650**	**$12,578**	**$14,534**	**$13,650**	**$12,578**	**$96,450**

Note: Costs rounded to nearest thousand may not sum due to rounding.

Mineral Processing

Operating costs for mineral processing include labor, reagents, power, and consumables. Mineral processing operating costs used in the economic model are categorized as either fixed or variable costs. Fixed costs do not vary over the life of the mine and are applied regardless of the quantity of ore mined. Variable costs are scaled on a per ton basis.

The processing costs shown in the below table include all post mining activities until shipment off site for smelting and refining, including crushing and agglomeration, leaching, ADR plant, and refining. Costs include post-mining processing of any stockpiled material.

Operating costs for salaried and hourly labor are based on GRE estimates of required manpower for the operation and GRE senior staff experience with processing employee wages. A 35% percent burden factor was estimated for all employees. Costs include continued irrigation for 6 months after mine production has ceased.

Long Valley Project Mineral Processing Costs by Year (1000s)

Item	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Total
Production Process Fixed										
Salaried Labor	$0	$1,343	$1,343	$1,343	$1,343	$1,343	$1,343	$1,343	$1,343	**$10,746**
Hourly Labor	$0	$5,657	$5,657	$5,657	$5,657	$5,657	$5,657	$5,657	$5,657	**$45,252**
Variable Costs										
Reagents and Consumables for Oxides	$139	$7,458	$8,796	$6,018	$8,079	$7,592	$6,212	$6,932	$0	**$51,225**
Reagents and Consumables for Transition	$0	$2	$121	$532	$241	$166	$293	$333	$0	**$1,689**
Reagents and Consumables for Sulfides	$0	$0	$146	$1,299	$399	$1,046	$1,930	$488	$0	**$5,309**
Power	$53	$2,871	$3,614	$3,619	$3,614	$3,613	$3,649	$3,338	$0	**$24,370**
Fixed Cost Year 8 of Continued Irrigation	$0	$0	$0	$0	$0	$0	$0	$0	$4,586	**$4,586**
Total	**$192**	**$17,332**	**$19,676**	**$18,469**	**$19,332**	**$19,417**	**$19,083**	**$18,090**	**$11,585**	**$143,177**

Note: Costs rounded to nearest thousand may not sum due to rounding.

Administrative

Administrative operating costs are estimated for the project based on GRE's experience with similar sized mines located in the American West. The below tables lists the estimated administrative operating costs and the estimated quantities and salaries of administrative staff required to operate the mine.

Long Valley Project Administrative Service and Supply Costs by Year (1000s)

Item	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Maintenance Supplies	$101	$101	$101	$101	$101	$101	$101	$101	**$808**
Office Supplies/Software	$152	$152	$152	$152	$152	$152	$152	$152	**$1,213**
Transportation	$144	$144	$144	$144	$144	$144	$144	$144	**$1,152**
Light Vehicle Operating Costs	$220	$220	$220	$220	$220	$220	$220	$220	**$1,760**
Corporate Compliance	$100	$100	$100	$100	$100	$100	$100	$100	**$800**
Public Relations Expense	$101	$101	$101	$101	$101	$101	$101	$101	**$808**
Communications	$101	$101	$101	$101	$101	$101	$101	$101	**$808**

Item	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Insurance, Misc. Taxes, Fees, Licenses	$560	$560	$560	$560	$560	$560	$560	$560	$4,480
Safety Supplies	$30	$30	$30	$30	$30	$30	$30	$30	$240
Environmental (Testing, etc)	$160	$160	$160	$160	$160	$160	$160	$160	$1,280
Training Supplies	$13	$13	$13	$13	$13	$13	$13	$13	$107
Outside Audit (Accounting, Metallurgy, etc)	$120	$120	$120	$120	$120	$120	$120	$120	$960
Travel	$120	$120	$120	$120	$120	$120	$120	$120	$960
Legal	$225	$225	$225	$225	$225	$225	$225	$225	$1,800
Data Processing	$72	$72	$72	$72	$72	$72	$72	$72	$576
Access Road Maintenance	$100	$100	$100	$100	$100	$100	$100	$100	$800
Security (Night Shift)	$80	$80	$80	$80	$80	$80	$80	$80	$640
Cleaning	$32	$32	$32	$32	$32	$32	$32	$32	$256
Miscellaneous (10%)	$243	$243	$243	$243	$243	$243	$243	$243	$1,944
Total	$2,674	$2,674	$2,674	$2,674	$2,674	$2,674	$2,674	$2,674	$21,392

Note: Costs rounded to nearest thousand may not sum due to rounding.

Long Valley G&A Labor Costs by Year (1000s)

Item	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
General Manager	$272	$272	$272	$272	$272	$272	$272	$272	$2,176
Purchasing Manager/ Chief Accountant	$136	$136	$136	$136	$136	$136	$136	$136	$1,088
Purchaser	$84	$84	$84	$84	$84	$84	$84	$84	$675
Accounting Clerk	$84	$84	$84	$84	$84	$84	$84	$84	$675
Human Resources/Relations Manager	$136	$136	$136	$136	$136	$136	$136	$136	$1,088
Human Resources/Payroll Clerk	$68	$68	$68	$68	$68	$68	$68	$68	$544
Security/Safety/Training Manager	$122	$122	$122	$122	$122	$122	$122	$122	$979
Environmental Supervisor	$163	$163	$163	$163	$163	$163	$163	$163	$1,306
Environmental Technicians	$84	$84	$84	$84	$84	$84	$84	$84	$675
IT Manager	$122	$122	$122	$122	$122	$122	$122	$122	$979
Warehouseman ON SITE	$299	$299	$299	$299	$299	$299	$299	$299	$2,394
Accounts Payable Clerk	$75	$75	$75	$75	$75	$75	$75	$75	$598
Guards	$299	$299	$299	$299	$299	$299	$299	$299	$2,394
Laborers / Janitorial ON SITE	$75	$75	$75	$75	$75	$75	$75	$75	$598
Total	$2,021	$2,021	$2,021	$2,021	$2,021	$2,021	$2,021	$2,021	$16,168

Note: Costs rounded to nearest thousand may not sum due to rounding.

The total estimated operating costs, and the operating unit costs are shown on the below tables.

Long Valley Project Operating Cost Summary (1000s)

Item	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Mine Operating Costs	$9,011	$32,753	$28,301	$43,499	$30,067	$37,431	$43,820	$29,819	**$254,700**
Process Operating Costs	$192	$17,332	$19,676	$18,469	$19,332	$19,417	$19,083	$18,090	**$131,591**
G&A Operating Costs	$4,706	$4,716	$4,727	$4,738	$4,749	$4,749	$4,749	$4,749	$37,882
Total Operating cost	**$13,908**	**$54,801**	**$52,705**	**$66,706**	**$54,147**	**$61,596**	**$67,652**	**$52,658**	**$424,174**

Note: Costs rounded to nearest thousand may not sum due to rounding.

Long Valley Project Operating Unit Costs

Item	Basis	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Mine	($/mined ton)	$7.00	$1.82	$2.08	$2.19	$1.97	$1.64	$1.98	$1.88	**$7.00**
Process	($/process ton)	$1.62	$2.72	$2.45	$2.30	$2.41	$2.42	$2.35	$2.64	**$1.62**
G&A	($/ore ton)	$64.36	$1.21	$0.96	$0.96	$0.92	$0.84	$0.74	$0.89	**$64.36**

Economic Analysis

Readers are advised that Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability under National Instrument 43-101. This PEA is preliminary in nature and includes inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves under National Instrument 43-101. Readers are advised that there is no certainty that the results projected in this preliminary economic assessment will be realized. Conditions regarding these events have potential to change, and as such, present an inherent risk. Actual results could differ from the projections estimated in this summary. The economic analysis is modeled at the time of a production decision. It allows for 1 year of preproduction and construction. Costs incurred for exploration, engineering, and permitting over 3 to 5 years leading up to a production decision are not include.

The project has a short pre-production period of less than 1 year, a production life of 7 years, and a reclamation and closure time of 5-6 years.

Summary of Long Valley Economic Results

Economics	Unit	Pre-Tax	Post-Tax
Net present value (NPV5%) at 0.75C$/US$	C$ millions	$463	$364
Net present value (NPV5%)	US$ millions	$347	$273
Internal rate of return (IRR)	%	57%	48%
Payback (undiscounted)	Years	1.6	1.8
LOM avg. annual cash flow after tax & capital	US$ millions	$96	$83
LOM cumulative cash flow (undiscounted)	US$ millions	$475	$385
Gold price assumption	US$ per ounce	$1,600	
Mine life	Years	7	
Average annual mining rate	million tons/yr	18.5	
Average annual gold production	thousand ounces/yr	102	
Total LOM recovered gold	thousand ounces	717	
Initial capital costs	US$ millions	$161	

Economic Analysis

The economic analysis includes the 1% NSR royalty payable to Royal Gold and the second 1% NSR royalty that is payable to Vista Gold for a total of a 2% NSR royalty. The undiscounted value of the 2% total NSR royalty for the base case is $23 million.

The U.S. federal income tax is based on the Internal Revenue Code of 1986, as amended and the relevant state and local statutes, the regulations thereunder, and judicial and administrative interpretations thereof, on the following assumptions and tax return elections by the taxpayer, based on the PEA cashflows and capital expenditures. As of October 21, 2020, the U.S. federal corporate income tax rate is twenty-one (21) percent, the State of California rate is (8.84) percent.

The federal and state income tax is based on the following assumptions and tax elections:

The Long Valley Project is owned by a California Corporation ("taxpayer") which is a wholly owned direct or indirect subsidiary of KML. The Long Valley Project has acquired an economic interest in the minerals in place and is operated and treated as a single mine under Section 614. The Long Valley Project will elect to expense exploration expenditures under Section 617(a) as incurred. Long Valley will deduct mine development costs as incurred under Section 616(a) for Phase I and 616(b) for Phase II. The Long Valley Project will elect out of Section 168(k) bonus depreciation. The Long Valley Project will elect to accrue and deduct reclamation costs under Section 468. All of Long Valley's metal sales will be delivered outside of the United States. California Property Tax is imposed under Revenue and Taxation Code 20584 and the regulations on real and personal property based upon the municipality and county where the mine is located.

Gold Recoveries and Revenue

GRE considered the following key economic parameters to determine the best scenario: NPV, IRR, payback period, mine life, and initial capital cost. GRE selected cutoff grade of 0.004 oz/t for oxide ore, 0.005 oz/t for transition ore and 0.017 oz/t for sulfide ore, and $1,600/oz as gold price.

Gold recovery assumed to occur over six months period, the below table shows the cumulative and incremental recovery for different material types.

Long Valley Cumulative and Incremental Recovery

	Oxides		Transition		Sulfides	
Month	Au Ext (%)	Inc Ext (%)	Au Ext (%)	Inc Ext (%)	Au Ext (%)	Inc Ext (%)
1	51.60	51.60	30.78	30.78	12.69	12.69
2	70.08	18.48	45.97	15.19	17.23	4.55
3	74.50	4.42	52.46	6.50	18.32	1.09
4	75.99	1.49	54.32	1.85	18.69	0.37
5	79.01	3.01	55.57	1.26	19.43	0.74
6	80.00	0.99	60.00	4.43	20.00	0.57

The below tables summarizes the gold recoveries and revenues, the results of the economic model and the all-in-sustaining-cost (AISC).

Long Valley Project Gold Recoveries and Revenues (1000s)

Revenue	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Total
Contained Gold	2	122	157	158	155	167	191	108	0	1,060
Recovered Gold	0	93	123	91	114	109	105	80	2	717
Gold Revenue	$0	$148,487	$196,557	$145,669	$182,881	$173,664	$168,219	$128,500	$3,770	$1,147,747
Royalty	$0	($2,960)	($3,919)	($2,904)	($3,646)	($3,462)	($3,354)	($2,562)	($75)	($22,883)
Net Smelter Revenue	$0	$145,062	$192,024	$142,309	$178,663	$169,659	$164,340	$125,536	$3,683	$1,121,277

Note: Costs rounded to nearest thousand may not sum due to rounding

Long Valley Project Summary of Economic Model ($ millions)

Description	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Total
Net Smelter Revenue	$0.00	$145.06	$192.02	$142.31	$178.66	$169.66	$164.34	$125.54	$3.68	$0.00	$0.00	$0.00	$0.00	$0.00	**$1,121**
Total Operating Costs	$13.91	$54.80	$52.70	$66.71	$54.15	$61.60	$67.65	$52.66	$35.98	$2.93	$2.93	$10.95	$10.95	$0.00	**$488**
Pre-Tax Operating Cash Flow	($13.91)	$90.26	$139.32	$75.60	$124.52	$108.06	$96.69	$72.88	($32.29)	($2.93)	($2.93)	($10.95)	($10.95)	$0.00	**$633**
Federal Tax	$0.00	$3.36	$16.37	$4.23	$14.68	$10.26	$7.73	$4.14	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$61**
California Tax	$0.00	$1.41	$7.02	$2.33	$6.39	$4.88	$4.42	$2.48	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$29**
Property Tax	$2.92	$2.98	$2.97	$2.98	$2.67	$1.99	$1.23	$0.44	$0.29	$0.25	$0.21	$0.16	$0.12	$0.07	**$19**
Total Capital Costs	$144.11	$5.88	$7.87	$0.08	$5.91	$2.95	$0.08	$0.02	$1.17	$8.18	$1.12	$0.00	$0.00	$4.10	**$181**
Income After Tax	($160.94)	$76.63	$105.10	$65.98	$94.87	$87.98	$83.22	$65.80	($33.75)	($11.37)	($4.26)	($11.11)	($11.07)	($4.17)	**$343**

Note: Costs rounded to nearest thousand may not sum due to rounding.

Long Valley Project AISC per Ounce

AISC per ounce	Value (US$ millions)
Operating cost (1)	$614
Royalties (2)	$32
Sustaining capital	$25
Closure	$101
Total AISC	**$773**

(1) Operating costs includes US$5 per ounce offsite refining.
(2) Royalties consist of: (a) 1% NSR royalty to Royal Gold; and (b) 1% NSR royalty to Vista Gold.

Sensitivity Analyses

GRE evaluated the after-tax NPV@5% and IRR sensitivity to changes in gold prices, and sensitivities to operating costs and capital costs are shown in the below tables. A graphical summary the NPV and are also shown below.

After Tax NPV@5% and IRR Sensitivity to Gold Price

Gold Price $/tr oz	NPV 5% (millions)	IRR
1000	3.8	6%
1100	50.0	17%
1200	96.7	25%
1300	142.6	32%
1400	187.4	38%
1500	228.6	43%
1600	272.6	48%
1700	308.6	53%
1800	351.7	58%
1900	394.7	63%
2000	437.8	67%
2100	480.9	72%
2200	523.9	76%
2300	567.0	81%
2400	610.0	85%
2500	653.1	90%
2600	696.1	94%
2700	739.2	98%
2800	782.2	102%
2900	825.3	107%
3000	868.4	111%

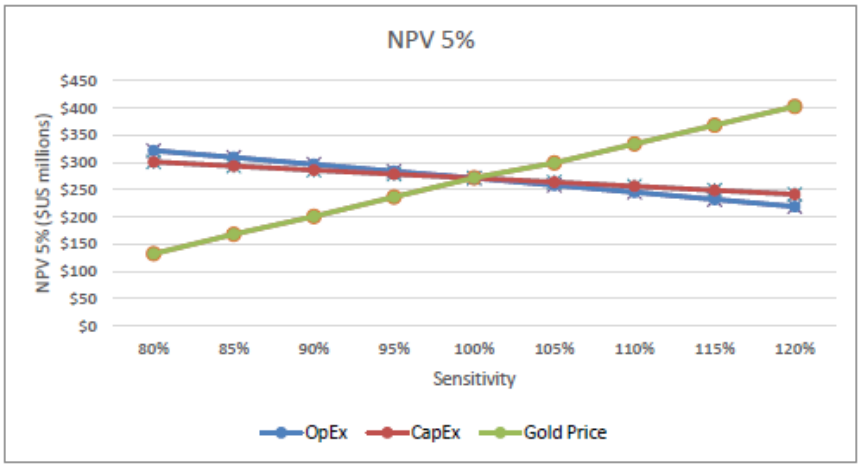
Project Economics Sensitivity to Operating Costs

Sensitivity To OpEx	Operating Cost $/ton ore	Operating Cost $/recovered oz	NPV 0%	NPV 5%	NPV 10%	IRR
80%	$6.40	$484	$406	$323	$256	54%
85%	$6.76	$510	$391	$311	$246	53%
90%	$7.12	$537	$375	$298	$235	51%
95%	$7.48	$564	$359	$285	$225	50%
100%	$7.83	$591	$343	$273	$214	48%
105%	$8.19	$618	$327	$260	$204	47%
110%	$8.55	$645	$311	$247	$193	45%
115%	$8.90	$672	$294	$234	$182	44%
120%	$9.26	$699	$278	$220	$172	42%

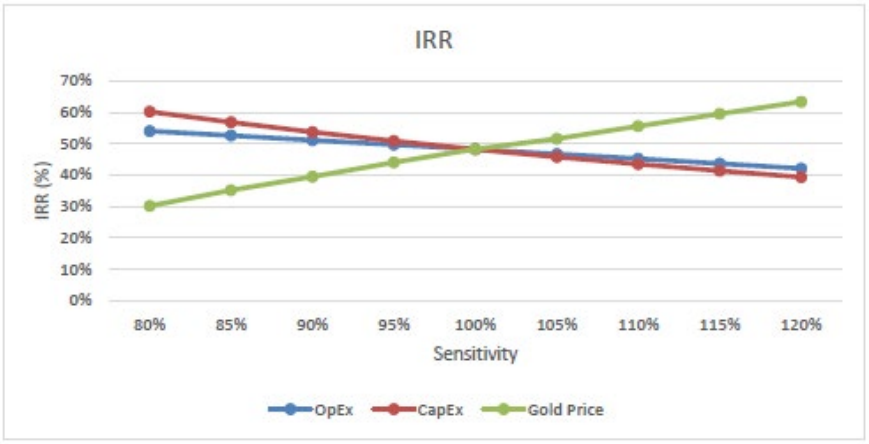
Project Economics Sensitivity to Capital Costs

Sensitivity To CapEx	Capital Cost $ millions	Capital Cost $/recovered oz	NPV 0%	NPV 5%	NPV 10%	IRR
80%	$133.40	$186	$373	$302	$243	60%
85%	$140.29	$196	$366	$295	$236	57%
90%	$147.17	$205	$358	$287	$229	54%
95%	$154.05	$215	$350	$280	$222	51%
100%	$160.94	$224	$343	$273	$214	48%
105%	$167.83	$234	$335	$265	$207	46%
110%	$174.72	$244	$328	$258	$200	44%
115%	$181.59	$253	$320	$251	$193	42%
120%	$188.48	$263	$313	$244	$186	40%

Project NPV Sensitivity



Project IRR Sensitivity



Conclusions of Economic Model

The project economics shown in the PEA are favorable, providing positive NPV values at varying gold prices, capital costs, and operating costs. The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculatively geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves under National Instrument 43-101. Readers are advised that there is no certainty that the results projected in this preliminary economic assessment will be realized.

Exploration, Development and Production

KORE is actively working with the US Forest Service to permit a drilling program at the Long Valley Project. This drilling program is designed to test for additional oxide ounces near surface and also test for new potentially high-grade sulfide “feeder zones”, that can be found with this type of gold mineralization. Approval from the US Forest Service is expected in mid-2021 and KORE expects to start drilling on site once the approval is received. Additionally, KORE plans on performing field mapping in the area where additional claims were recently staked and also perform ground geophysics as well. There are no development or production activities at the Long Valley project.

DIVIDENDS

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

DESCRIPTION OF CAPITAL STRUCTURE

The Company's authorized share capital consists of an unlimited number of Common Shares without par value, of which 106,224,912 Common Shares are issued and outstanding as of the date of this AIF. All of the issued Common Shares rank equally as to voting rights, participation and a distribution of KORE's assets on liquidation, dissolution or winding-up and the entitlement to dividends. Holders of Common Shares are entitled to receive notice of, attend and vote at all meetings of shareholders of KORE. Each Common Share carries one vote at such meetings. Holders of Common Shares are entitled to dividends if and when declared by the Board and, upon liquidation, to receive such portion of the assets of KORE as may be distributable to such holders. There are currently no other series or class of shares which rank senior, in priority to, or *pari passu* with the Common Shares. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares are listed and posted for trading on the TSXV under the symbol "KORE" and on the OTCQX under the symbol "KOREF". The following table sets forth trading information for the Common Shares on the TSXV since January 1, 2020, the commencement of the Company's most recently completed financial year ended December 31, 2020.

Month	Price Range		Monthly Trading Volume
	High ($)	Low ($)	
January 2020	$0.350	$0.245	2,272,660
February 2020	$0.355	$0.250	1,624,318
March 2020	$0.275	$0.150	1,699,999
April 2020	$0.570	$0.195	6,011,161
May 2020	$0.800	$0.485	7,302,678
June 2020	$1.600	$0.610	6,967,370
July 2020	$1.830	$1.220	8,172,357
August 2020	$1.960	$1.280	4,362,770
September 2020	$1.750	$1.240	2,060,705
October 2020	$1.400	$1.000	2,415,896
November 2020	$1.510	$1.140	4,282,726
December 2020	$2.010	$1.370	2,677,744

The closing price of the Common Shares on the TSXV on December 31, 2020 was $1.71.

Prior Sales

The following table summarizes details of securities issued by the Company since January 1, 2020 the commencement of the Company's most recently completed financial year ended December 31, 2020.

Month of Issuance	Security	Price per Security	Number of Securities
April 2020	Stock Options [(1)]	N/A	1,000,000
April 2020	Common shares [(2)]	$0.25	404,760
May 2020	Common shares [(2)]	$0.25	428,572
May 2020	Common shares [(3)]	$0.45	6,666,666
June 2020	Common shares [(4)]	$0.50	140,448
June 2020	Common shares [(4)]	$0.75	125,000
June 2020	Common shares [(2)]	$0.50	300,000
July 2020	Common shares [(4)]	$0.50	18,480
July 2020	Common shares [(4)]	$0.75	1,589,900
July 2020	Units [(5)]	$1.00	6,000,000
July 2020	Units [(6)]	$1.50	1,000,000
August 2020	Common shares [(4)]	$0.50	117,040
August 2020	Common shares [(4)]	$0.75	425,500
September 2020	Stock Options [(7)]	N/A	500,000
October 2020	Common shares [(4)]	$0.50	6,160
November 2020	Common shares [(4)]	$0.50	10,472
December 2020	Stock options [(8)]	N/A	200,000
December 2020	Restricted Share Units [(9)]	N/A	248,000

(1) These stock options are exercisable at a price of $0435 per common share until April 27, 2025.
(2) These common shares were issued pursuant to the exercise of stock options.
(3) These common shares were issued pursuant to a private placement..
(4) These common shares were issued pursuant to the exercise of warrants.
(5) Units issued pursuant to a private placement where each unit consisted of one common share and one half share purchase warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of $1.50 per a period of two years.
(6) Units issued pursuant to a private placement where each unit consisted of one flow through common share and one half share purchase warrant. Each whole warrant entitles the holder to purchase one common share at an exercise price of $1.50 per a period of two years.
(7) These stock options are exercisable at a price of $1.50 per common share until September 3, 2025. Subsequent to grant, 100,000 expired unexercised.
(8) These stock options are exercisable at a price of $1.34 per common share until November 30, 2025
(9) These restricted share units vest in various tranches from December 2021 through December 2023, and must be converted into shares by December 31, 2023

DIRECTORS AND OFFICERS

Name, Occupation and Security Holdings

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

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

As at the date of this AIF, KORE's directors and executive officers beneficially owned, or controlled or directed, directly or indirectly, an aggregate of 9,815,607 Common Shares, representing approximately 9.24% of the issued and outstanding Common Shares.

Name and Place of Residence	Current Office(s) with KORE	Principal Occupation During the Preceding Five Years[(2)]	Date of Appointment as Director
Scott Trebilcock British Columbia, Canada	President, Chief Executive Officer and Director	Chief Executive Officer of the Company since July 2019; Chief Development Officer of Nevsun Resources from October 2009 to December 2018.	July 3, 2019
James Hynes British Columbia, Canada	Executive Chairman	Executive Chairman of the Company since July 2019; Chief Operating Officer and Chairman of the Company until July 2019.	October 30, 2018
Jessica Van Den Akker British Columbia, Canada	Chief Financial Officer	Chief Financial Officer of the Company since October 2019; Chief Financial Officer & Vice-President of Finance at Fiore Management & Advisory Corp. from January 2017 to February 2020; and Chief Financial Officer of Hive Blockchain Technologies Ltd. from June 2017 to October 2018.	N/A
Marc Leduc Colorado, United States of America	Chief Operating Officer	Chief Operating Officer of the Company since October 2019; Independent Director of Silver Elephant Mining Corp. since July 22, 2019; Director of South Star Mining Corp. since March 25, 2019; Independent Director of South Atlantic Gold since April 8, 2020; COO from October 2016 to December 2017 and Interim CEO from October 2017 to December 2017 of NewCastle Gold Ltd; Executive Vice President of US Operations for Equinox Gold Corp. from January 2018 to March 31, 2019; President, CEO and Director of Luna Gold Corp. from January 2015 to August 2016; and Director of Rupert Resources from April 2013 to December 2016.	N/A

Name and Place of Residence	Current Office(s) with KORE	Principal Occupation During the Preceding Five Years[(2)]	Date of Appointment as Director
Brendan Cahill [(1)] Ontario, Canada	Director	President and Chief Executive Officer of Excellon Resources Inc. since November 2012 and March 2013, respectively.	October 30, 2018
Robert J (Don) MacDonald [(1)] British Columbia, Canada	Director	Chief Executive Officer of NorZinc Ltd. since June 2018; Acting President and CEO from 2016 to 2017 and CFO from 2010 to 2017 of KGHM International Ltd. (formerly QuadraFNX Mining Ltd)	October 30, 2018
Harry Pokrandt [(1)] [(3)] British Columbia, Canada	Director	Chairman and Director of Mayfair Gold from October 2020 to pressent, Chief Executive Officer of Hive Blockchain Technologies Ltd. from June 2017 to August 2018; Director of Gold X Resources Ltd (formerly Sandspring Resources Ltd.) from September 2015 – November 2019; Managing Director of Macquarie Capital Markets Canada Ltd. (formerly, Orion Securities Inc.) from December 2007 to June 2015; Director of Lithium X Energy Corp. from November 2015 to March 2018; Director of Fiore Exploration Ltd. from August 2016 to September 2017; and Director of BeMetals Corp. from December 2016 to February 2018.	October 30, 2018
Adrian Rothwell British Columbia, Canada	Director	President and Chief Executive Officer of Angold Resources Ltd. since September 2020; Director and Chair of the Audit Committee of Fireweed Zinc Ltd. since May 2017; Director of Lucky Minerals Inc. since September 2019, President and Chief Executive Officer of the Company from October 2018 to July 2019; President and Chief Executive Officer of KORE from February 2016 to October 2018; and a British Columbia Chartered Professional Accountant and member of Chartered Accountants of Australia and New Zealand.	October 30, 2018

(1) Member of the Audit Committee and Governance and Compensation Committee.
(2) The information as to principal occupation, business or employment may not be within the knowledge of the management of the Company and has been furnished by the respective nominees.
(3) Lead Independent Director.

Director and Executive Officer Biographies

The following are brief biographies of the directors and executive officers of KORE:

Scott Trebilcock, President, Chief Executive Officer and Director

Mr. Trebilcock has over 25 years of experience as a process engineer, management consultant, and mining executive. Most recently he was Chief Development Officer of Nevsun Resources, responsible for strategy, corporate development, investor relations and exploration. Nevsun sold to Zijin Mining for $1.9 billion after a year-long contested defense process led by Mr. Trebilcock. Mr. Trebilcock also drove M&A at Nevsun, including the 2016

acquisition of Reservoir Minerals, and led Nevsun's investor relations program for almost a decade. Mr. Trebilcock holds a B.Sc. in Chemical Engineering, an MBA from Queen's University and is a Chartered Director.

James Hynes, Executive Chairman

Mr. Hynes is a geological engineer and entrepreneur with over 20 years of experience in the mining and metals sector. Mr. Hynes is the Founder and Executive Chairman of both Kore Mining and Karus Gold. Mr. Hynes is also the Founder of Stronghold Silver. Mr. Hynes holds a Bachelor of Science in Engineering (1999) specializing in geological and geotechnical engineering from the University of New Brunswick.

Jessica Van Den Akker, Chief Financial Officer

Ms. Van Den Akker is a Chartered Professional Accountant (CA) with 15 years' experience in the resource sector. She gained extensive experience through a Canadian audit firm providing reporting and accounting assurance services to publicly traded companies, primarily in natural resources. Ms. Van Den Akker is a graduate of Simon Fraser University where she received a Bachelor of Business Administration.

Marc Leduc, Chief Operating Officer

Mr. Leduc is a mining engineer and geologist with over 30 years' experience covering all aspects of the development, operation, planning and evaluation of mining projects, with expertise in designing, constructing and operating large heap leach gold mines. Previously, Mr. Leduc was EVP US Operations for Equinox Gold Corp., COO and then CEO of NewCastle Gold Ltd., CEO of Luna Gold Corp., Chief Operating Officer at Lydian International Limited and President and COO of Bear Creek Mining Corporation. He holds a B.Sc. (Honors) in Mining Engineering from Queen's University and a B.Sc. in Geology from the University of Ottawa.

Brendan Cahill, Director

Mr. Cahill has over 15 years of experience in the mining and metals sector and in corporate finance, and is currently the President & Chief Executive Officer of Excellon Resources Inc., and a director of Group Eleven Resources Corp. He was formerly the Vice President of Corporate Development for Pelangio Exploration Inc. and a lawyer at Davies Ward Phillips & Vineberg LLP. He holds an LL.B. in law from the University of Western Ontario, a B.A. (English) from the University of Toronto and is a member of the Law Society of Upper Canada.

Don MacDonald, Director

Mr. MacDonald is currently the CEO of NorZinc Ltd. developing the Prairie Creek zinc-lead-silver mine in the Northwest Territories. He was formerly the CFO and acting CEO at KGHM International (formerly Quadra FNX Mining) with over 30 years' experience in mine development, operation and financing. He was CFO for NovaGold, De Beers Canada Mining and Dayton Mining and is a director of the Mining Association of Canada. He is a Chartered Professional Accountant, CA and holds Bachelor's and Master's degrees in Engineering from Oxford University.

Harry Pokrandt, Director

Mr. Pokrandt currently serves as the Chairman and Director of Mayfair Gold and is the former CEO of Hive Blockchain Technologies Ltd.. Previously he was Managing Director of Macquarie Capital Markets Canada Ltd. (formerly, Orion Securities Inc.) from 1985 to 2015, Mr. Pokrandt is an exercised investor and advisor for venture companies in the technology and natural resource sectors. Mr. Pokrandt was formerly a director of Lithium X Energy Corp. prior to its sale and Fiore Exploration Ltd., and BQ Metals Corp.

Adrian Rothwell, Director

Mr. Rothwell is currently a director and Chair of the Audit Committee of Fireweed Zinc Ltd. He is a former executive at Goldcorp Inc., CFO for NuLegacy Gold Corp, Kiska Metals, MBMI Resources Inc. He is a British Columbia Chartered Professional Accountant and member of Chartered Accountants of Australia and New Zealand. Mr.

Rothwell also previously spent 10 years at PricewaterhouseCoopers LLP and holds a BA in Economics from Macquarie University.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

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

To the knowledge of management, no director or executive officer of KORE, or shareholder holding a sufficient number of securities of KORE to affect materially the control of KORE, is, as of the date of this AIF, or has been within the 10 years before the date of this AIF, a director or executive officer of any company (including KORE) that, while the person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

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

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

Conflicts of Interest

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

AUDIT COMMITTEE

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

Composition of the Audit Committee

As of the date of this AIF, the Audit Committee is composed of Messrs. Cahill, MacDonald and Pokrandt. Each member is independent within the meaning of NI 52-110. All members of the Audit Committee are financially literate within the meaning of NI 52-110.

Relevant Education and Experience

For details regarding the relevant education and experience of each member of the Audit Committee relevant to the performance of his duties as a member of the Audit Committee, see "*Directors and Officers – Director and Executive Officer Biographies*".

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on:

(a) the exemption in section 2.4 (*De Minimis Non-audit Services*);
(b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
(c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*);
(d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*); or
(e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

Pre-Approval Policies and Procedures for Non-Audit Services

The Audit Committee pre-approves fees for non-audit services.

External Auditor Service Fees (By Category)

The following table sets out, by category, the fees billed by PricewaterhouseCoopers LLP, Chartered Professional Accountants ("**PWC**"), the Company's current external auditor, for the financial years ended December 31, 2020 and 2019.

Financial Year Ended	Audit Fees [(1)]	Audit Related Fees [(2)]	Tax Fees [(3)]	All Other Fees [(4)]
December 31, 2020	$23,538	$37,450	$29,894	n/a
December 31, 2019	$32,550	n/a	$54,651	n/a

(1) The aggregate fees billed by the Company's auditor for audit fees, including quarterly reviews.
(2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit Fees" column. These fees include auditor services in respect to carve out financial statements and work performed in connection with the Company's December 2019 Management Information Circular to approve the spinout of Karus Gold Corp.
(3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning.
(4) The aggregate fees billed for professional services other than those listed in the other three columns.

Exemption

The Company is a "venture issuer" as defined in NI 52-110 and is relying upon the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Since the beginning of the most recently completed financial year ended December 31, 2020, there have been no legal proceedings to which KORE is or was a party or of which any of its projects is or was the subject of, nor are any such proceedings known by KORE to be contemplated.

Since the beginning of the most recently completed financial year ended December 31, 2020, KORE has not had any penalties or sanctions imposed on it by, or entered into any settlement agreements with, a court or a securities regulatory authority relating to securities laws, nor has KORE been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No (a) director or executive officer, (b) person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Common Shares, or (c) associate or affiliate of any of the persons or companies referred to in (a) or (b) has, or has had within the three most recently completed financial years ended December 31, 2020, any material interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect the Company.

TRANSFER AGENT AND REGISTRAR

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

MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business, and except as described elsewhere in this AIF, the Company has not entered into any material contracts within the most recently completed financial year or previous to the most recently completed financial year, that are still in effect as of the date of this AIF.

INTERESTS OF EXPERTS

Information of a scientific or technical nature regarding the Imperial Project in this AIF has been derived from the Imperial Technical Report, prepared by Terre Lane, RMSME MMSAQP and Dr. Todd Harvey, RMSME of Global Resource Engineering and Glen Cole, P. Geo., of SRK Consulting (Canada) Inc. and this information has been included in reliance on such persons' expertise. The authors of the Imperial Technical report own, directly or indirectly, less than 1% of the Common Shares.

Information of a scientific or technical nature regarding the Long Valley Project in this AIF has been derived from the Long Valley Technical Report, prepared by Terre Lane, RMSME MMSAQP and Dr. Todd Harvey, RMSME of Global Resource Engineering and Neil Prenn, P.E. and Steven I. Weiss, C.P.G., and this information has been included in reliance on such persons' expertise. The authors of the Long Valley Technical report own, directly or indirectly, less than 1% of the Common Shares.

All scientific and technical information in this AIF has been reviewed and approved by Marc Leduc, P.Eng., the Chief Operating Officer of KORE, who is a qualified person under NI 43-101. As of the date hereof, Mr. Leduc holds, directly or indirectly, nil Common Shares, 1,000,000 stock options and 60,000 restricted share units. If all the stock options and restricted share units held by Mr. Leduc were exercised, he would hold approximately 1% of the Common Shares.

The Company's auditor is PricewaterhouseCoopers LLP. PricewaterhouseCoopers LLP has informed KORE that it is independent with respect to KORE within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct.

ADDITIONAL INFORMATION

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

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, is contained in the management information circular dated September 4, 2020 prepared in connection with the annual general and special meeting of the Company held on October 9, 2020, which is available on SEDAR at www.sedar.com. Additional financial information about KORE can be found in KORE's financial statements and management's discussion and analysis for the financial year ended December 31, 2020.

SCHEDULE A

KORE MINING LTD.

AUDIT COMMITTEE CHARTER

A. OVERVIEW AND PURPOSE

The Audit Committee of KORE Mining Ltd. ("KORE") has been formed to enable the Board of Directors of KORE to perform its obligations with respect to compliance with applicable securities laws and the rules of the TSX Venture Exchange.

The Audit Committee is responsible to the Board of Directors of KORE. The primary objective of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities with respect to:

(a) disclosure of financial and related information;

(b) the relationship with and expectations of the external auditors of KORE, including the establishment of the independence of the external auditors;

(c) the oversight of KORE's internal controls; and

(d) any other matters that the Audit Committee feels are important to its mandate or that the Board of Directors of KORE chooses to delegate to it.

The Audit Committee will approve, monitor, evaluate, advise or make recommendations in accordance with this Charter, with respect to the matters set out above.

B. ORGANIZATION

1. Size and Membership Criteria

The Audit Committee will consist of three or more Directors of KORE. A majority of the members of the Audit Committee must be independent of management and free from any interest, business or other relationship, other than interests and relationships arising from holding Shares of KORE or other securities which are exchangeable into Shares of KORE, which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of KORE.

All members of the Audit Committee should be financially literate and be able to read and understand basic financial statements, or should strive to become financially literate within a reasonable period of time after being appointed as a member of the Audit Committee. At least one member of the Audit Committee must have accounting or related financial expertise and should be able to analyze and interpret a full set of financial statements, including notes, in accordance with generally accepted accounting principles.

2. Appointment and Vacancies

The members of the Audit Committee are appointed or reappointed by the Board of Directors following each annual meeting of the shareholders of KORE. Each member of the Audit Committee will continue to be a member of the Audit Committee until his or her successor is appointed unless he or she resigns or is removed by the Board of Directors of KORE or ceases to be a Director of KORE. Where a vacancy occurs at any time in the membership of the Audit Committee the Board of Directors of KORE may appoint a qualified individual to fill such vacancy and must appoint a qualified individual if the membership of the Audit Committee is less than three Directors as a result of any such vacancy.

C. MEETINGS

1. Frequency

The Audit Committee will meet at least four times per year on a quarterly basis, or more frequently as circumstances require. In addition, the Audit Committee may also meet at least once per year with management and the external auditors of KORE in separate executive sessions to discuss any matters that the Audit Committee or each of these groups believes should be discussed privately.

2. Chair

The Board of Directors of KORE or, in the event of its failure to do so, the members of the Audit Committee, will appoint a Chair from amongst their number. If the Chair of the Audit Committee is not present at any meeting of the Audit Committee, the Chair of the meeting will be chosen by the Audit Committee from among the members present. The Audit Committee will also appoint a secretary who need not be a Director of KORE.

3. Time and Place of Meetings

The time and place of meetings of the Audit Committee and the procedure at such meeting will be determined from time to time by the members of the Audit Committee, provided that:

(a) a quorum for meetings of the Audit Committee will be two members present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other, and

(b) notice of the time and place of every meeting will be given in writing or facsimile to each member of the Audit Committee, the internal auditors, the external auditors and the corporate secretary of KORE at least 24 hours prior to the time fixed for such meeting.

Any person entitled to notice of a meeting of the Audit Committee may waive such notice (an attendance at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called). A meeting of the Audit Committee may be called by the corporate secretary of KORE on the direction of the President of KORE, by any member of the Audit Committee or the external auditors. Notwithstanding the foregoing, the Audit Committee will at all times have the right to determine who will and will not be present at any part of the meeting of the Audit Committee.

4. Agenda

The Chairman will ensure that the agenda for each upcoming meeting of the Audit Committee is circulated to each member of the Audit Committee as well as each of the external auditors and corporate secretary of KORE in advance of the meeting of the Audit Committee not later than three business days prior to each meeting.

5. Resources

The Audit Committee will have the authority to retain independent legal, accounting and other consultants to advise the Audit Committee, and to set the pay and compensation for such consultants. The Audit Committee may request any officer or employee of KORE or its subsidiaries or the legal counsel to KORE or the external auditors of KORE to attend any meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee.

D. DUTIES AND RESPONSIBILITIES

The Board of Directors of KORE has delegated the following duties and responsibilities to the Audit Committee and the Audit Committee shall have the sole authority and responsibility to carry out these duties and responsibilities.

1. Review and Reporting Procedures

The Audit Committee will make regular reports to the Board of Directors of KORE. The Audit Committee will review and re-assess the Audit Committee Charter on an annual basis and make recommendations for changes to this Charter. The Audit Committee will also periodically perform a self- assessment of its performance against its mandate.

2. Financial Reporting

The Audit Committee will review and discuss with management, the internal auditors (as applicable) and the external auditors of KORE the following financial statements and related information prior to filing or public dissemination:

(a) annual audited financial statements of KORE, including notes;

(b) interim financial statements of KORE;

(c) management discussion and analysis ("**MD&A**") relating to each of the annual audited financial statements and the interim financial statements of KORE;

(d) news releases and material change reports announcing annual or interim financial results or otherwise disclosing the financial performance of KORE, including the use of non-GAAP earnings measures;

(e) the annual report of KORE;

(f) all financial-related disclosure to be included in management proxy circulars of KORE in connection with meetings of shareholders; and

(g) all financial-related disclosure to be included in or incorporated by reference into any prospectus or other offering documents that may be prepared by KORE.

As part of this review process, the Audit Committee will meet with the external auditors without management present to receive input from the external auditors with respect to the acceptability and quality of the relevant financial information.

The Audit Committee will also review the following items in relation to the above listed documents:

(a) significant accounting and reporting issues or plans to change accounting practices or policies and the financial impact thereof;

(b) any significant or unusual transactions;

(c) significant management estimates and judgments; and

(d) monthly financial statements.

Following the review by the Audit Committee of the documents set out above, the Audit Committee will recommend to the Board of Directors that such documents be approved by the Board of Directors and filed with all applicable securities regulatory bodies and/or be sent to shareholders.

3. External Auditors

The Audit Committee is directly responsible for the appointment, compensation and oversight of the work of the external auditors of KORE (including resolution of disagreements between management and the external auditors regarding financial reporting) for the purpose of preparing or issuing its audit report or performing other audit, review or attest services. As a result, the Audit Committee will review and recommend the appointment of the external auditors and the remuneration of the external auditors.

The Audit Committee will review on an annual basis the performance of the external auditors of KORE. The Audit Committee will discuss with the external auditors any disclosed relationships or non- audit services that the external auditors propose to provide to KORE or any of its subsidiaries that may impact the objectivity and independence of the external auditors in order to satisfy itself of the independence of the external auditors.

In addition, the Audit Committee will review on an annual basis the scope and plan of the work to be done by the external auditors of KORE for the coming financial year.

Prior to the release of the annual financial statements of KORE, the Audit Committee will discuss certain matters required to be communicated to the Audit Committee by the external auditors in accordance with the standards established by the Canadian Institute of Chartered Accountants. The Committee will also consider the external auditors' judgment about the quality and appropriateness of KORE's accounting principles as applied in the KORE's financial reporting.

4. Legal and Compliance

The Audit Committee is responsible for reviewing with management of KORE the following:

(a) any off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of KORE and its subsidiaries which would have a material current or future effect on the financial condition of KORE;

(b) major risk exposures facing KORE and the steps that management has taken to monitor, control and manage such exposures, including KORE's risk assessment and risk management guidelines and policies;

(c) any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of KORE and its subsidiaries and the manner in which these matters have been disclosed in the financial statements; and

(d) the quarterly and annual certificates of the Chief Executive Officer and the Chief Financial Officer of KORE certifying KORE's quarterly and annual financial filings in compliance with Multilateral Instrument 52-109 of the Canadian Securities Administrators.

5. Internal Controls

The Audit Committee is responsible for reviewing the adequacy of KORE's internal control structures and procedures designed to ensure compliance with applicable laws and regulations. The Audit Committee is responsible for establishing procedures for the following:

(a) the receipt, retention and treatment of complaints received by KORE regarding accounting, internal accounting controls, or auditing matters; and

(b) the confidential, anonymous submission by employees or consultants of KORE of concerns regarding questionable accounting or auditing matters.

The Audit Committee will review and approve KORE's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors. The Audit Committee will also review the letters from the external auditors of KORE outlining the material weaknesses in internal controls noted from their audit, including relevant drafts of such letters.