CANADIAN MANGANESE COMPANY INC.

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2021

March 29, 2022

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GENERAL

Reference is made in this annual information form (the "**Annual Information Form**" or "**AIF**") to the audited annual consolidated financial statements (the "**Financial Statements**") together with the auditor's report thereon, and management's discussion and analysis ("**Management's Discussion and Analysis**") of Canadian Manganese Company Inc. (the "**Company**"), for the years ended December 31, 2021 and December 31, 2020.

The Financial Statements and Management's Discussion and Analysis are available for review under the Company's profile on the SEDAR website located at www.sedar.com. All financial information in this Annual Information Form is prepared in accordance with International Financial Reporting Standards.

Unless otherwise noted herein, information in this Annual Information Form is presented as at March 29, 2022.

STATEMENT REGARDING FORWARD LOOKING STATEMENTS

Except for statements of historical fact relating to the Company, certain information contained in this Annual Information Form constitutes "forward-looking information" under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the potential of the Company's mineral exploration properties; the level of working capital and cash-flow of the Company in the future, including expectations or anticipations regarding mineral exploration activities, the market and market participants; treatment of the Company under governmental regulatory regimes and tax laws, and the evolution of the regulatory environment and regime; requirements for additional capital and other statements relating to the financial and business prospects of the Company; availability of permits; and potential future impacts of COVID-19.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "continue", "is expected", "budget", "scheduled", "project", "intends", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "will", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to:

- the efficiency and results of operations of the Company;
- the economy generally;
- market participants' interest in the Company's potential products;
- market and competitive conditions;
- current and future stock prices;
- future capital and other expenditures (including the amount, nature and sources of funding thereof);
- competitive advantages;

- fluctuations in foreign currency exchange rates;
- business prospects and opportunities;
- transportation delays, accidents, labour disputes and other risks of the industry;
- political developments, arbitrary changes in law and delays in obtaining governmental approvals;
- anticipated and unanticipated costs;
- management's outlook regarding future trends;
- uncertainty regarding the market and economic impacts of COVID-19; and
- governmental regulation.

Forward-looking information is based on the reasonable assumptions, estimates, analyses and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: availability of financing and/or cash flow to fund current and future plans and expenditures; the impact of increasing competition; the general stability of the economic, market and political environment in Canada and other applicable regions; the general continuance of current industry conditions; the timely receipt of any required regulatory approvals; the ability of the Company to obtain qualified staff, equipment and/or services in a timely and cost efficient manner; currency, exchange and/or interest rates; the applicable regulatory framework, taxes and/or other regulatory matters in the jurisdictions in which the Company operates; and the ability of the Company to successfully develop its properties.

Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: the accuracy of current estimates of the timing, cost, and results of exploration activities; commodity price assumptions; there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, damage to equipment or otherwise; the prices for energy and other key supplies remaining consistent with current levels; ; the economy generally; and/or certain other risks detailed from time-to-time in the Company's public disclosure documents (including, without limitation, those risks identified herein and in the Company's current management's discussion and analysis). Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

MINERAL EXPLORATION AND INFERRED MINERAL RESOURCES

The Company is a mineral exploration company and its properties are in the mineral exploration and project development stage only. The degree of risk is higher where properties are in the mineral exploration stage as opposed to the development or operational stage. An investment in the securities of the Company is speculative and involves a high degree of risk and should only be made by persons who can afford the total loss of their investment. Prospective investors should consider the risk factors in connection with an investment in the Company as set out under the heading "*Risk Factors*". Due to the uncertainty that may be attached to Inferred Mineral Resource estimates, it cannot be assumed that all or any part of an Inferred Mineral Resource estimate will be upgraded to an Indicated or Measured Mineral Resource estimate as a result of continued exploration. Confidence in an Inferred Mineral Resource estimate is insufficient to allow meaningful application of the technical and economic parameters to enable an evaluation of economic viability sufficient for public disclosure, except in certain limited circumstances set out in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. There is no assurance that Mineral Resources will be converted into Mineral Reserves. Inferred Mineral Resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is also no certainty that these Inferred Mineral Resources will be converted to the Measured and Indicated Mineral Resource categories through further drilling, or into Mineral Reserves, once economic considerations are applied.

Forward-looking statements and other information contained herein concerning the mineral exploration industry and management's general expectations concerning the mineral exploration industry are based on estimates prepared by management using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which management believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While management is not aware of any misstatements regarding any industry data presented herein, the mineral exploration industry involves risks and uncertainties and industry data is subject to change based on various factors.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the *Canada Business Corporations Act* (the "**CBCA**") on June 13, 2011.

On June 13, 2014, the Company filed articles of amendment changing the jurisdiction of its registered office from Nova Scotia to Ontario. The registered office and principal business office of the Company is 55 University Ave., Suite 1805, Toronto, Ontario, M5J 2H7.

The Company is a reporting issuer under applicable securities legislation in each of the provinces of Ontario, British Columbia, Alberta, Nova Scotia and Newfoundland.

The shares were listed for trading on the Neo Exchange on January 31, 2022, under the symbol "**CDMN**".

Inter-Corporate Relationships

The subsidiaries of the Company, at December 31, 2021 and the date hereof, and their respective jurisdictions of incorporation are set out below.

GENERAL DEVELOPMENT OF THE BUSINESS

Overview

The Company is an exploration and development company focused on evaluating a manganese project in New Brunswick, Canada (the "**Woodstock Project**"). The Company is engaged in the exploration and development of the Woodstock Project to produce speciality manganese metals. The Company's business objective is to advance the development of the Woodstock Project to become a supplier of High Purity Manganese (Mn) metals for the lithium-ion battery industry.

Through its wholly-owned subsidiary, Technology Metals Inc., the Company also holds mineral licenses considered prospective for nickel, copper and cobalt, covering a total area of 336 km^2 in northwestern Labrador, which is not currently a material property of the Company (the "**Labrador Project**").

Through its 40.7% subsidiary, Mongoose Mining Ltd., the Company also indirectly holds the Cobequid Highlands property consisting of mineral exploration licenses in Nova Scotia with potential for iron-oxide-copper-gold ("**IOCG**") mineralization (the "**Cobequid Highlands property**").

The Company was incorporated in 2011 as a wholly-owned subsidiary of Buchans Minerals Corporation ("**Buchans Minerals**"), a TSX Venture Exchange listed company. Buchans Minerals financed the original exploration of the Woodstock Project, culminating in the preparation of an initial resource estimate in 2013. Later that year, Buchans Minerals was acquired by Minco plc ("**Minco**"), a company listed on AIM of the London Stock Exchange. Minco financed further exploration of the Woodstock Project, culminating in the preparation of a Preliminary Economic Assessment in 2014.

In 2015, Minco transferred its direct ownership of Buchans Minerals (and therefore its indirect ownership of Canadian Manganese) to Buchans Resources Limited ("**Buchans Resources**"), another wholly-owned subsidiary of Minco. In 2017, Buchans Minerals transferred its direct ownership of the Company to Buchans Resources. Following these transactions, the Company became a wholly-owned subsidiary of Buchans Resources, which itself was a wholly-owned subsidiary of Minco.

In 2017, Minco completed a corporate reorganization that included a distribution of its shares of Buchans Resources (including its subsidiary Canadian Manganese) to Minco shareholders.

On December 31, 2019, Buchans Resources completed a reorganization that included distribution of its shares of the Company to Buchans Resources shareholders. Following this reorganization, the Company became a widely held reporting issuer, focused on the advancement and development of the Woodstock Project.

Three Year History

December 31, 2019

The Company had no material events for the year ended December 31, 2019.

December 31, 2020

In 2020 the Company completed a reassessment of strategic focus of the Woodstock Project from the production of Electrolytic Manganese Metal ("**EMM**"), as originally contemplated in 2013 and 2014, to High Purity Manganese Sulphate Monohydrate ("**HPMSM**"), based on an analysis of the opportunity for the Woodstock Project to supply the emerging lithium-ion battery industry.

December 31, 2021

In early 2021, the Company engaged Mercator Geological Services Limited to update the Company's 2014 technical report in a revised National Instrument 43-101 Technical Report, including preparation of a revised resource estimate, assuming the production of HPMSM and updated economic assumptions.

On March 26, 2021, the Company announced that it had entered into an acquisition and amalgamation agreement with Maximos Metals Corp. ("**Maximos**") whereby Maximos and a newly created subsidiary of the Company ("**Subco**") would complete an amalgamation, resulting in Maximos becoming a wholly-owned subsidiary of the Company (the "**Amalgamation**").

On April 30, 2021, the Company completed the acquisition of Maximos by way of a three-cornered amalgamation between Maximos and a wholly owned subsidiary of the Company, to form the amalgamated entity "Technology Metals Inc." ("**Technology Metals**"), which resulted in Maximos becoming a wholly owned subsidiary of the Company (named Technology Metals post-amalgamation), and the shareholders of Maximos becoming shareholders of the Company.

To complete the acquisition of Maximos, a total of 59,683,564 common shares of the Company (each, a "**Common Share**") were issued to holders of Maximos common shares on the basis of 0.55562527 of a Common Share for each Maximos common share. In addition, a total of 5,278,440 the Company stock options were issued in replacement of outstanding Maximos options, with each such the Company option being exercisable at a price of $0.18 per share on or before June 30, 2025, and a total of 4,445,002 the Company share purchase warrants were issued in replacement of Maximos warrants, with each such the Company warrant being exercisable at a price of $0.18 per share on or before March 17, 2024.

On the acquisition date, Maximos held a portfolio of assets and passive interests, primarily located in Atlantic Canada, a licence for the use of the proprietary Nanospectra technology and cash. The primary assets included in the Maximos acquisition provide the Company with potential exposure to several diverse key technology metals - nickel, copper and cobalt, directly through holding 336 km^2 of mineral claims in Labrador in identified prospective sulphide nickel environments. Additionally, Maximos held an investment (53.1% of the outstanding equity on the acquisition date) in Spark Minerals Inc. ("**Spark**"), a private company focused on the advanced exploration of previously identified IOCG (iron-oxide-copper-gold) mineralized breccias, located in Nova Scotia.

Further information on the acquisition of Maximos may be found in the Business Acquisition Report of the Company dated November 17, 2021, filed on SEDAR.

The registered address and principal business office of Maximos/Technology Metals is 55 University Avenue, Suite 1805, Toronto, Ontario M5J 2H7.

Immediately prior to the Amalgamation, and in conjunction therewith, the Company completed an offering on April 29, 2021 (the "**April 2021 Offering**") on a non-brokered private placement basis of subscription receipts ("**Subscription Receipts**") for aggregate gross proceeds of $5,947,500, with (i) 6,666,666 Subscription Receipts being issued at a price of $0.30 per Subscription Receipt and being convertible into flow-through Common Shares, and (ii) 17,544,447 Subscription Receipts being issued at $0.225 per Subscription Receipt and being convertible into Common Shares. The Subscription Receipts automatically converted into Common Shares upon completion of the Amalgamation on April 30, 2021.

On May 5, 2021, the Company appointed Matthew Allas as President and Chief Executive Officer. Previously, Mr. Allas had been President and Chief Executive Officer of Maximos since 2018. On May 5, 2021, the Company appointed Richard Pinkerton as Chief Financial Officer.

On June 21, 2021, the Company completed a further tranche of its non-brokered private placement, whereby it issued 1,136,339 Common Shares at a price of $0.225 per share, for gross proceeds of $255,676.

Throughout 2021, the Company worked with its consultants in the preparation of the updated Technical Report (as defined herein) and has expanded its engagement efforts with stakeholders of the Woodstock Project, including the Government of New Brunswick and local First Nations communities.

In December 2021 the Company filed its technical report prepared in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects, reporting a Mineral Resource Estimate for the Plymouth manganese-iron deposit (Plymouth Deposit) (the "**Woodstock Project**") in New Brunswick. The technical report is entitled "NI 43-101 Technical Report for the Woodstock Project, (Plymouth Manganese-Iron Deposit) Woodstock Area, New Brunswick, Canada" (the "**Report**") and has been prepared by Paul Ténière, M.Sc., P. Geo.; Matthew Harrington, P. Geo. (both of Mercator Geological Services Limited); Dean Thibault, P. Eng.; (Thibault and Associates Ltd) and Lawrence Elgert, P. Eng. (AGP Mining Consultants Inc) with an effective date of November 10, 2021. The Report updates the previous Mineral Resource Estimate of the Plymouth deposit disclosed in the Woodstock Project Preliminary Economic Assessment dated July 10, 2014.

In October 2021, the Company commissioned an independent market study of the battery-grade manganese sulphate market from an international commodity research consulting firm.

In November 2021, the Company commenced a 5,000 metre diamond drilling program on the Woodstock Project, following the Phase I recommendations of the Technical Report, which was substantially advanced during the first quarter of 2022.

In January 2022, Canadian Manganese Company Inc. received final approval to list its common shares on the Neo Exchange Inc. Trading commenced at market open on January 31, 2022 under the symbol "**CDMN**".

Spark Minerals Inc. / Mongoose Mining Ltd.

On March 17, 2021, prior to the Company indirectly acquiring its interest in Spark, Spark entered into a share exchange agreement with Mongoose Mining Ltd. ("**Mongoose**") which set out the intent of the parties for Spark to complete a reverse takeover ("**RTO**") of Mongoose (the "**Mongoose RTO**").

The principal terms of the Mongoose RTO, which closed on November 10, 2021, are summarized below.

On a pre-Mongoose RTO basis, Spark had 24,500,000 common shares issued and outstanding. Concurrent with closing the Mongoose RTO, Spark completed a private placement of 1,904,000 common shares at $0.25 per share for gross proceeds of $476,000.

On a pre-Mongoose RTO basis, Mongoose had 9,403,000 pre-consolidation common shares issued and outstanding. Concurrent with closing the Mongoose RTO, Mongoose completed (i) a consolidation of its pre-consolidation common shares outstanding on a 1 for 2.85 basis, resulting in 3,299,294 post-consolidation common shares; (ii) a private placement of 1,747,001 flow through common shares (post-consolidation) at $0.30 per share for gross proceeds of $524,100; (iii) issued 500,000 common shares at a deemed issue price of $0.25 per share as a finder fee in connection with the Mongoose RTO; and (iv) issued 26,404,000 common shares (post-consolidation) to Spark shareholders on a one-for-one basis to effect the Mongoose RTO.

In summary, upon completion of the Mongoose RTO, the Company exchanged its 53.1% interest in Spark (represented by 13,006,993 shares of Spark's 24,500,000 shares outstanding on a pre-Mongoose RTO basis) for a 40.7% interest in Mongoose (represented by 13,006,993 shares of Mongoose of Mongoose's 31,950,295 shares outstanding on a post-Mongoose RTO basis).

By completing the Mongoose RTO, Spark achieved a public listing for its former shareholders, including the Company, who now hold common shares in Mongoose (which owns 100% of the common shares of Spark). Mongoose is listed on the Canadian Securities Exchange under the trading symbol "**MNG**".

Notwithstanding the Company holds less than a majority interest in Mongoose (on a post-Mongoose RTO basis), the Company has determined that it controls Mongoose, due to its dominant equity interest and level of Board representation relative to any other shareholder or group of shareholders.

Nanospectra Technology Licence

Maximos holds a licence for the exclusive use of the proprietary Nanospectra technology for mineral(s) identification and exploration for manganese, nickel, cobalt and other technology metals worldwide. Prior to entering into the licence agreement, certain Maximos founders were party to and initiated multiple proof of concept test programs with different mineral types (e.g., base and precious metals), across various stages (e.g., producing, development and exploration), and geological environments and jurisdictions. From these tests the following observations were made from the Nanospectra data:

- Identification of a focused elemental signature;
- Identified signature significantly correlated to data obtained from traditional geological evaluation techniques (potentially reducing/eliminating "false positives" provided by some traditional methods); and
- Improvement in time and cost of identification and prioritization of higher probability drill zones (significantly reducing the area of initial study and increase focus of accurate confirmatory geophysical tools).

DESCRIPTION OF BUSINESS

General

Canadian Manganese Company Inc. is a natural resource company engaged in the business of acquiring, exploring, and evaluating mineral properties, with the intent of further developing them or disposing of them if considered advantageous. The shares were listed for trading on the Neo Exchange on January 31, 2022, under the symbol "**CDMN**". The Company is a reporting issuer in the provinces of Ontario, British Columbia, Alberta, Nova Scotia, and Newfoundland and Labrador. The Company is in the exploration and evaluation stages with respect to each of its projects.

MINERAL PROPERTIES

Woodstock Project

Mercator Geological Services Limited prepared the report dated effective November 10, 2021 and entitled "*NI 43-101 Technical Report For The Woodstock Project (Plymouth Manganese-Iron Deposit) Woodstock Area New Brunswick, Canada*" (the "**Technical Report**"). Each of Paul Ténière, Matthew Harrington, Dean Thibault and Lawrence Elgert is a qualified person under National Instrument 43-101 (each a "**Qualified Person**"), and is independent of the Company.

The following summary of the Technical Report has been extracted from the full Technical Report. To obtain further particulars regarding the Woodstock Project, readers should consult the full Technical Report which has been filed with the applicable Canadian securities regulatory authorities, and is incorporated herein by reference. The full Technical Report is available for review under the Company's SEDAR profile at www.sedar.com.

Readers are cautioned that the summary of technical information in this AIF should be read in the context of the qualifying statements, procedures and accompanying discussion within the complete Technical Report and the summary provided herein is qualified in its entirety by the Technical Report. Capitalized and abbreviated terms appearing in the following summary and not otherwise defined herein shall have the meaning ascribed to such terms in the Technical Report.

Please refer to the "*General Development of the Business*" section and the Company's three year history for the most up-to-date information on the Woodstock Project. The summary below refers to the information provided in the Technical Report as of November 10, 2021 and was current at the time of publication.

Summary of Technical Report

Introduction

the Company retained Mercator Geological Services Limited ("**Mercator**") with respect to completing an updated Mineral Resource Estimate ("**MRE**") for the Plymouth manganese-iron deposit (Plymouth Deposit) that comprises the Woodstock Project ("**Project**") located in New Brunswick, Canada. This Technical Report documents the MRE, which was prepared in accordance with the CIM Definition Standards for Mineral Resources and Reserves as amended in 2014 (CIM Standards 2014). The Technical Report was prepared in accordance with National Instrument 43-101 ("**NI 43-101**") Form F-1. The

Company is a public company reporting issuer not listed on an Exchange and is based in Toronto, Ontario, Canada. This technical report may be used to support a public listing of the Company on a Canadian stock exchange.

Property Description and Ownership

The Project is located in western New Brunswick, Canada, approximately 5 km west of the town of Woodstock (pop. 5,200) and 100 km north of the city of Fredericton (pop. 58,220). The Project is comprised of Mineral Claim Number 5472, that contains 232 mineral claim units (5,875 ha) located in Carleton County, New Brunswick, approximately 5 km west of the town of Woodstock. It includes the Plymouth Deposit and is 100% owned by the Company. The Company is also the owner of surface rights covering an area of 53 ha within Mineral Claim 5472 that cover a portion of the Plymouth Deposit.

Geology and Mineralization

The Project area is underlain by a belt of Ordovician and Silurian siltstones and slates, collectively referred to as the Aroostook-Perce belt. Late Ordovician to Early Silurian sediments of the Matapedia Group's Whitehead Falls Formation are overlain by Early Silurian sediments of the Perham Group's Smyrna Mills Formation, which are laterally extensive over much of western and northwestern New Brunswick and Maine, including the Project area. These sequences in the Project area were affected by upright folding during the mid-Devonian Acadian Orogeny.

The Woodstock area iron-manganese deposits are interpreted to represent a series of Early Silurian manganiferous banded iron formations (BIFs) that are hosted by the Smyrna Mills Formation. The Smyrna Mills Formation is composed of dark grey, non-calcareous, silty shale with minor layers of green and red mudstone, and associated ferro-manganiferous siltstone. Six main iron-manganese deposits have been identified in the Woodstock area to date and are interpreted to have formed in the shallow marine basin in which the Smyrna Mills Formation was deposited. Sharp contacts between basin-fill units of red or green shale characterise the stratigraphic succession and both lensing and compositional variation of the manganiferous BIFs has been interpreted to indicate that the deposits are stratigraphically separated and not one continuous unit. The Plymouth Deposit that is the focus of this report is interpreted to consist of an assemblage of iron and manganese oxide and carbonate-silicate-oxide facies rocks that comprise a sub-unit of the Smyrna Mills Formation.

The steeply dipping, northeast trend of bedrock units in the Project area is a function of two folding generations (F1 and F2) associated with the mid-Devonian Acadian Orogeny, which is also marked in this area by a sub-greenschist facies regional metamorphic imprint.

Historical interpretations of the mineralization of the Plymouth Deposit indicated that the iron-manganese mineralization can be subdivided into oxide, silicate-carbonate-oxide, and carbonate facies. The iron-manganese oxide facies that comprises the deposit stratigraphy is represented by red to maroon siltstone and red chert and characterized by the mineral assemblage magnetite, hematite, braunite ($Mn^{+2}Mn^{+3}_6[O_8SiO_4]$) and bixbyite ($[Mn,Fe]_2O_3$) and ranges between 30% and 80% iron-manganese oxides. Work by the Company since 2011 has shown that the manganese mineralization of economic interest in both the red and grey siltstones is dominated by manganese carbonate in the form of rhodochrosite ($MnCO_3$). The iron mineralization in these lithologies was found to be different, with the dominant iron minerals in red siltstone being oxides in the form of hematite, magnetite, and ilmenite. The dominant iron mineral in the grey siltstone was found to be carbonate, in the form of siderite. Layers of iron-manganese mineralization are crosscut by minor veins of quartz, quartz-carbonate, chlorite, and sulfide.

Exploration and Drilling

After acquiring the Project in 2010, the Company engaged Tetra Tech (formerly Wardrop Engineering Inc.) to review and update the two processes that had generated positive operating margins in the earlier work carried out by Witteck. Results of the Tetra Tech study were for internal working purposes only but were succeeded by more comprehensive economic and hydrometallurgical reviews undertaken by Thibault and Associates Ltd. (Thibault) for the Company.

In 2011, the Company completed a five-hole (1,040 m) core drilling program on the Property and further work by Thibault was focused on bench scale hydrometallurgical testing to confirm and optimize the process for leaching manganese from typical Plymouth deposit mineralization. In 2013, 15 additional diamond drill holes were completed (4,082 m) along 7 section lines separated by intervals of approximately 100 m along the length of the deposit. Site supervision, logging, sampling, and project record keeping were the responsibility of BMC personnel in accordance with that company's field operations and Quality Assurance and Quality Control (QA/QC) protocols.

The BMC drilling programs account for the majority of drill hole and analytical data used in the current mineral resource estimate. However, Mercator also included validated results for 6 surface historical diamond drill holes completed in 1985 and 1987 (1,040 m) and two trenches competed in 1987 by a previous operator that were incorporated as horizontal drill holes.

Results of the 2011 and 2013 drilling programs demonstrated continuity of deposit extent and grade consistency across significant mineralized widths. Examples of representative intercepts from different deposit areas include 11.41% Mn over 45.0 m in hole PL-11-006, 11.43% Mn over 89.0 m in hole PL-11-007, 11.28% Mn 217.4 m in hole PL-13-022A , and 9.32% over 202.0 m in PL-13-020. Shorter mineralized interval occur locally, such as 7.41% Mn over 29.5 m in PL-13-018. True widths of the mineralized intercepts are estimated to be between 75% and 90% of the reported intervals. No substantial issues with respect to core loss were reported. Mercator is of the opinion that validated core drilling and trenching results from the BMC and MMR programs are acceptable for use in mineral resource estimation programs.

Mercator prepared a mineral resource estimate based on the validated drilling and trenching results in 2013 and subsequently updated this estimate in 2014 to support a Preliminary Economic Assessment (PEA) of the Plymouth Deposit that was prepared by Tetra Tech. Tetra Tech, Thibault and Associates Inc. (Thibault) and Mercator contributed to this assessment and the associated NI 43-101 Technical Report. Results of the PEA (Kesavanathan et al., 2014) were positive with respect to production and marketing of Electrolytic Manganese Metal (EMM) from the deposit at a processing rate of 3000 tonnes per day.

Data Verification

The data verification program carried out by Mercator for the Project consisted of two main components:

(1) Review of public record and internal source documents cited by previous operators plus BMC and the Company with respect to key geological interpretations, previously identified geochemical or

geophysical anomalies, and historical and current diamond drilling results that support the current mineral resource estimate for the Project; and

(2) Completion of a site visit to the Project between March 30 and March 31, 2021, by report author Paul Ténière, which included visual inspection of the Plymouth Deposit from the roadside and independent witness (IW) check sampling of quarter core samples from the 2011 and 2013 the Company drilling programs. Mercator staff were responsible for data compilation, designing, and assisting BMC and the Company with the 2011 and 2013 drilling programs and interpreting data sets for future exploration targeting using mining industry standards and CIM Mineral Exploration Best Practice Guidelines. Mercator staff completed data verification procedures throughout the entire process, including review of QAQC procedures and results.

The report authors are of the opinion that results of the data validation program indicate that industry standard levels of technical documentation and detail are evident in the 2011 and 2013 drilling and other exploration program results for the Project, and that the associated drilling digital database is acceptable for mineral resource estimation use.

Mineral Processing and Metallurgical Testing

Since 2011, several phases of process development test programs have been completed. Bench scale metallurgical and hydrometallurgical test programs were conducted by Thibault from 2011 to 2015 using core samples obtained from the 2011 drilling of the Plymouth Deposit. The bench scale testing and process development program was based on the development of process technology to produce high purity electrolytic manganese metal (EMM). Blending of the core samples was defined by the Company to represent typical processing feedstocks relative to run-of-mine mineralization characteristics.

Preliminary testing and an assessment of alternative technologies relative to the characterization of the core samples indicated that direct sulphuric acid leaching of the feedstock and subsequent solution purification unit operations can produce a high purity manganese sulphate to produce high purity manganese chemicals and metal. To improve on hydrometallurgical operations, metallurgical unit operations were developed to remove acid consuming minerals prior to leaching unit operations.

Conceptual design of a fully integrated flowsheet to include metallurgical and hydrometallurgical operating was defined for the treatment of the various types of feedstocks of the Plymouth Deposit. Semi-continuous bench scale electrowinning tests over an eight-hour duration consistently produced EMM with a metallic manganese content (based on trace metal impurity analysis) of greater than 99.99% (greater than 4N grade) and with a total manganese content (based on trace metal and non-metallic trace element analysis) ranging from 99.70% to 99.76% manganese. Typical specifications for commercially produced EMM state the minimum total manganese content as 99.70%. A technical and economic assessment of EMM production was completed and reported in the NI 43-101 Preliminary Economic Analysis (PEA) Technical Report prepared by Tetra Tech for the Company dated July 10, 2014.

Subsequent to the 2014 PEA, the Company shifted focus from evaluating the production of EMM to evaluating the production of MSM and HPMSM products to address battery market opportunities. Process development studies and preliminary bench scale studies were completed from 2014 to 2015 to assess alternative process technologies to produce high purity manganese sulphate monohydrate (MSM) from solution phase manganese sulphate used to produce EMM. A flowsheet was developed to include precipitation of calcium and magnesium prior to the crystallization of MSM, based on co-production of MSM with EMM or sole production of MSM.

A high purity MSM (HPMSM - greater than 99% Mn) produced by sulfuric acid dissolution of EMM with subsequent purification of manganese sulfate solution and crystallization was not tested. Production of MSM from EMM is considered to have a high production cost with high energy consumption and is not considered competitive for the production HPMSM for battery end use - based on MSM purity ranging from 31.8% to 32.0% Mn.

Evaporation and crystallization tests were conducted on manganese sulfate solution produced from flowsheet simulation tests. Precipitation methods to remove calcium and magnesium have been tested and MSM grades of 31.3% Mn were achieved. Bench scale studies on product purity and yield had not been completed as of the current date.

Optimization or intensification of MSM processing technology, including solution purification and crystallization unit operations for battery grade end use, was not yet conducted and is the subject of ongoing and future development programs in progress based on the work completed to date.

Based on an assessment of HPMSM production technologies, process optimization to improve on Plymouth Deposit MSM purity and yield can be achieved by defining the optimum operating parameters such as crystallization temperature, manganese sulfate concentration, solution acidity and the use of proprietary reagents to improve on calcium and magnesium removal. Additional research and laboratory studies are recommended to optimize processing approaches for production of MSM and HPMSM from Plymouth Deposit mineralization.

The results of bench scale testing for development of a hydrometallurgical process for the production of a market grade EMM product from the Plymouth Deposit indicate that the process is technically viable and EMM with a metallic manganese content of greater than 99.99% and with a total manganese content ranging from 99.70% to 99.76% manganese. Further bench scale testing is recommended to constrain production of MSM and HPMSM to a similar level of confidence.

Mineral Resource Estimate

The mineral resource estimate described in this report is presented in Table 1.1 and is based on validated results of the 2011 and 2013 drilling programs carried out by the Company, plus validated results of five drillholes and two trenches completed by MRR in 1987. The mineralized zone was modeled as a folded, stratiform manganese-iron deposit occurring within a northeast striking, steeply dipping host sequence of red and grey siliciclastic sedimentary rocks using GEOVIA (formerly Gemcom) Surpac™ (Surpac™) version 6.4.1 deposit modeling software.

Drilling-defined mineralization within the resource estimate block model occurs along a 700 m strike length and reaches a maximum width of approximately 200 m in the central deposit area. Inverse Distance Squared (ID2) interpolation methods and 3 m downhole assay composites were used to assign manganese, iron, and specific gravity values within the block model, with block dimensions of 10 m (x) by 10 m (y) by 10 m (z). Capping of metal grades was not deemed necessary. Metal grade assignment was peripherally constrained by two separate wire-framed solid models based on sectional geological interpretations for the deposit and a minimum included grade of 5% manganese over 12 m in the respective downhole direction of each drillhole. The predominant manganese mineral in the deposit is manganese carbonate ($MnCO_3$).

To meet the requirement of reasonable prospects for eventual economic extraction an optimized pit shell was generated to constrain definition of mineral resources. AGP Mining Consultants Inc. ("AGP") provided pit optimization services that defined a cut-off value of 5% manganese for definition of mineral resources within the pit shell. This reflects conceptual production of 50% MSM and 50% HPMSM at a manganese total recovery factor of 85% and long-term prices of $1500/tonne and $935/tonne for HPMSM and MSM, respectively. Additional optimization parameters are presented in the notes that accompany Table 1.1. Iron content was not considered in the pit optimization but has potential future value that requires assessment through further metallurgical studies. The current mineral resource estimate reflects reasonable prospects for eventual economic extraction using conventional open pit mining methods. Table 1.2 presents a cut-off grade sensitivity analysis for within-pit mineral resources.

Classification of mineral resources in the Inferred Mineral Resource category reflects broad spacing of supporting drill holes. It is reasonable to assume that infill drilling between existing holes will support future definition of Indicated and Measured category mineral resources. Mineral resources were prepared in accordance with the CIM Standards (2014) and CIM MRMR Best Practice Guidelines (2019).

Table 1.1: Plymouth Manganese-Iron Deposit Resource Estimate – Effective November 10, 2021

Type	Mn % Cut-off	Category	Rounded Tonnes	Mn %	Fe %
Pit Constrained	5.00	Inferred	43,070,000	10.01	14.32

Notes:

1) Mineral resources were prepared in accordance with the CIM Standards (2014) and CIM MRMR Best Practice Guidelines (2019).
2) Mineral resources are defined within an optimized conceptual pit shell with average pit slope angles of 45^{o} in bedrock, 20^{o} in overburden, and a 1.7:1 strip ratio (waste: mineralized material).
3) Pit optimization parameters include: pricing of US$1500 /tonne for High Purity Manganese Sulphate Monohydrate - 32% Mn (HPMSM – 32 % Mn), US$ 935/tonne for Manganese Sulphate Monohydrate – 32% Mn (MSM–32%Mn), exchange rate of CDN$1.30 to US$ 1.00, mining at CDN $6.50/t, combined processing, and G&A (1000 tpd) at CDN $193.22/t processed and a process recovery of manganese to MSM and HPMSM of 85%. Iron was not considered in the pit optimization but has potential for future commercial value.
4) Mineral resources are reported at a cut-off grade of 5 % manganese within the optimized conceptual pit shell. This cut-off grade reflects total operating costs used in pit optimization and is used to define "reasonable prospects for eventual economic extraction" by open pit mining methods.
5) Mineral resources were estimated using Inverse Distance Squared methods applied to 3 m downhole assay composites. No grade capping was applied. Model block size is 10 m (x) by 10 m (y) by 10 m (z).
6) Bulk density was estimated using Inverse Distance Squared methods applied to core specific gravity determinations.

7) Mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues
8) Mineral resources are not mineral reserves and do not have demonstrated economic viability.
9) Mineral resource tonnages are rounded to the nearest 10,000.

Table 1.2: Plymouth Manganese-Iron Deposit Cut-off Grade Sensitivity Analysis Within Resources

Type	Mn % Cut-off	Category	Rounded Tonnes	Mn %	Fe %
Pit Constrained	**5.00**	**Inferred**	**43,070,000**	**10.01**	**14.32**
Pit Constrained	6.00	Inferred	41,120,000	10.22	14.57
Pit Constrained	7.00	Inferred	37,950,000	10.53	14.92
Pit Constrained	8.00	Inferred	33,560,000	10.93	15.36
Pit Constrained	9.00	Inferred	28,640,000	11.34	15.83
Pit Constrained	10.00	Inferred	22,330,000	11.86	16.42

Note: This table shows sensitivity of the November 10, 2021, mineral resource estimate to cut-off grade. The base case at a cut-off value of 5.00% manganese is bolded for reference.

Interpretations and Conclusions

Manganese has been used primarily as an additive in steel products, with a proportionately small amount going to electronic equipment, battery manufacture and chemical processing applications. Approximately 89% of the current EMM production is marketed as alloyed manganese and foundry products such as ferromanganese (high, medium, and low carbon types) and silicomanganese. The remainder is produced as high-purity metallurgical and chemical manganese products and as manganese chemicals.

Since 2014, the importance of high purity manganese applications in the emerging battery metals market has increasingly driven industry efforts to define and develop opportunities for production of high-quality manganese products such as EMM, HPEMM and HPMSM. Based on analysis of world supply and demand trends for battery metals carried out for the Company, the market analysis and forecasting firm Benchmark Mineral Intelligence (Benchmark) concluded that opportunities for new producers of HPMSM in particular will begin to appear as early as 2021 and continue to rise gradually through 2040.

Subsequent to the 2014 PEA, the Company has shifted its focus from EMM to MSM and HPMSM products to better address the significant forecast growth in battery market opportunities. This prompted the Company to update the Plymouth Deposit mineral resource estimate to reflect preliminary estimates of MSM and HPMSM processing costs developed by Thibault in June 2021. The report authors applied these costs in the 2021 pit optimization process carried out by AGP to define mineral resources having reasonable prospects for eventual economic extraction using conventional open pit mining methods.

Preliminary operating cost estimates developed by Thibault for combined (50% : 50%) production of MSM and HPMSM reflect an estimated manganese recovery of 85%. Production of EMM is not included in the updated processing flow sheet, which is a different approach from the 2014 PEA that specifically addressed EMM. Conservative processing cost estimates that apply for combined MSM and HPMSM production are in part offset significantly by corresponding higher metal prices of the HPMSM market.

The revised processing model resulted in a mineral resource estimate cut-off grade of 5.0% manganese. This is higher than the 3.5% manganese cut-off grade defined in the 2014 PEA and produces a slight reduction in mineral resource tonnage and increase in average grade in comparison with the 2014 estimate. Observed grade and tonnage variations between the current resource estimate and 2014 estimate reflect combined influence of very sharp natural grade boundaries and the maximum solid-model spatial extents of the deposit, which were developed using a 5% manganese over 12 m minimum qualifying parameter for drill hole intercepts.

All 2021 mineral resources have been assigned to the Inferred Mineral Resource category. This is a result of the spacing of drill holes used to define the current deposit model, which is in the order of 100 m or more. It is anticipated that future infill drilling at 50 m or less hole separation would support the definition of mineral resources into the Indicated and Measured resource categories. Such resource categorization will be required to support future evaluation of the Project through a Pre-feasibility study (PFS) or a Feasibility study (FS).

Processing cost assessments for MSM and HPMSM were applied in the 2021 pit optimization and Thibault has identified the need for refinement of MSM and HPMSM processing details and associated cost projections through completion of further metallurgical studies.

Completion of infill drilling to upgrade mineral resource categorization to levels necessary for PFS or FS programs is required to move the Project forward, in combination with completion of new metallurgical studies focused specifically on optimization of MSM and HPMSM production.

Well-defined opportunities to expand current mineral resources exist in the immediate strike and dip extension areas of the mineralized zones that comprise the currently defined deposit. These are highest in resource expansion priority. The historically explored Hartford manganese-iron occurrence that is located on Canadian Manganese holding a short distance from the main deposit has not been drilled by the Company to date but has good potential for definition of mineral resources. Systematic core drilling in this area will be required to define mineral resources.

The Project is subject to various project risks. Prominent among these are: (1) metal price fluctuations, (2) potential regulatory challenges with respect to future environmental permitting of any future operating site, (3) identification of unforeseen geotechnical issues that may affect mine development, (4) inconsistency between actual bedrock tonnages and metal grades with respect to the mineral resource estimate and its supporting mode, and (5) successful development of a cost-effective processing flow-sheet for MSM and HPMSM. All of these must be addressed on an ongoing basis to minimize and manage their potential impact on the Project. Notwithstanding the above assessment, the report authors have not identified any significant risks or uncertainties that could reasonably be expected to affect the reliability or confidence in the drilling information and mineral resource estimate disclosed in this technical report.

Recommendations

The following recommendations with respect to further evaluation of the Project (Plymouth Deposit) are based on work completed to date by Mercator, AGP and Thibault. The premise underlying the recommendations is that the Project should proceed in a timely manner to the point at which all information necessary to support and complete a PFS is in place. Expenditure estimates for completion of the recommended Phase I and II work programs.

Mercator Recommendations

- Infill drilling at a 50 m section spacing should be carried out to upgrade Inferred Mineral Resources to the Indicated and Measured mineral resource categories. Timely delineation of a sufficient quantity of such mineral resources to support a PFS study would be the focus of this work program. At least 5,000 m of infill drilling will be required to upgrade Plymouth Deposit mineral resources from Inferred to Indicated and Measured categories.

- A geotechnical assessment of the deposit area should be undertaken to establish data required for future open pit design programs. This will require dedicated core drilling support plus assessment of existing archived drill core. An initial core drilling allocation of 1,000 m is recommended.

- Baseline environmental permitting and community consultation studies should be initiated to expedite transition of the project to the PFS stage of evaluation.

- Initial drilling assessment of the North and South Hartford prospects should be undertaken to determine their potential to provide future mineral resources. An initial core drilling program of 1,000 m is recommended.

Thibault Recommendations

- The results of bench scale testing for development of a hydrometallurgical process to produce a market grade EMM product from the Plymouth Deposit indicate that the process is technically viable and EMM with a metallic manganese content of greater than 99.99% and with a total manganese content ranging from 99.70% to 99.76% manganese. Further bench scale testing is recommended to constrain production of MSM and HPMSM to a similar level of confidence. This must be carried out to support any future PFS or FS.

- It is recommended that future process development test programs move towards continuous simulation of the hydrometallurgical flowsheet, including incorporation of all proposed recycle streams, using small scale pilot test equipment to simulate the metallurgical performance of the integrated flowsheet. Optimization of the hydrometallurgical process during the pilot testing phase should be based on the use of a bulk sample containing an appropriate blend of “red” and “grey” mineralization types as defined by a suitable mine plan.

- In addition to small scale continuous pilot testing of the hydrometallurgical process for processing of the run-of-mine Plymouth Deposit mineralized material, it is recommended that optimization of an integrated flowsheet for pre-concentration of the “run of mine” mineralized material by High Gradient Magnetic Separation (HGMS) methods be completed and that satellite bench scale studies be conducted to assess hydrometallurgical processing of the upgraded HGMS feed material for the hydrometallurgical process.

Phase I and II Budget

Implementation of the above recommendations should proceed as a two-phase program. Phase I consists of completion of infill drilling required to upgrade Inferred mineral resources to Indicated and Measured category mineral resources to support a subsequent PFS in Phase II. Phase I also includes completion of additional metallurgical testing preparatory to a substantial metallurgical program to be carried out to support the PFS included in Phase II. Completion of Phase II is contingent on results from the Phase I program. Estimated expenditures for Phase I and II programs appear in Table 1.3 below.

Table 1.3: Budget for Recommended Phase I and Phase II Programs

Item	Phase	Program Component	Estimated Cost (CAD)
1	Phase I	Infill core drilling to upgrade Inferred mineral resources to Indicated and Measured categories, including support costs (minimum 5,000 metres)	\$1,000,000
2	Phase I	Preparation of updated mineral resource estimate based on expanded drilling database	\$75,000
3	Phase I	Metallurgical testing to better constrain processes and costs associated with MSM and HPMSM production	\$250,000
	Subtotal		\$1,325,000
		Contingency	\$132,000
	Total Phase I		**\$1,457,000**

Item	Phase	Program Component	Estimated Cost (CAD)
1	Phase II	Preparation of a Pre-Feasibility Study based on the updated mineral resource estimate from Phase I and further optimized metallurgical and mine planning studies; includes geotechnical, metallurgical, and exploratory drilling components plus environmental permitting and community consultation programs	\$1,500,000
	Subtotal		\$1,500,000
		Contingency	\$150,000
	Total Phase II		**\$1,650,000**

Note: Phase II is contingent on the results of Phase I

RISK FACTORS

The following discussion summarizes the principal risk factors that apply to the Company's business and that may have material adverse effects on the Company's business, financial condition and results of operations and/or the trading price of its Common Shares.

Property Interests

There is no guarantee the Company will be able to raise sufficient funding in the future to explore and develop the Woodstock Project so as to maintain its interests therein. If the Company loses or abandons its interest in the Woodstock Project, there is no assurance that it will be able to acquire another mineral property of merit. There is also no guarantee that a stock exchange will approve the acquisition of any additional properties by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional properties. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or aboriginal or indigenous land claims or title may be affected by undetected defects. Until competing interests in the mineral lands have been determined, the Company can give no assurance as to the validity of title of the Company to those lands or the size of such mineral lands.

Nature of Mineral Exploration and Mining

The Company's future is dependent on its exploration and development programs. The exploration and development of mineral deposits involves significant financial risks over a prolonged period of time, which may not be eliminated even through a combination of careful evaluation, experience and knowledge. Few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures on the Company's exploration properties may be required to construct or repair mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of the property. It is impossible to ensure that preliminary or full feasibility studies on the Company's projects, or the current or proposed exploration programs on any of the properties in which the Company has exploration rights, will result in any profitable commercial mining operations. The Company cannot give any assurance that its current and future exploration activities will result in a discovery of mineral deposits containing mineral reserves.

Estimates of mineral resources and any potential determination as to whether a mineral deposit will be commercially viable can also be affected by such factors as: the particular attributes of the deposit, such as its size and grade; unusual or unexpected geological formations and metallurgy; proximity to infrastructure; financing costs; precious metal prices, which are highly volatile; and governmental regulations, including those relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of metal concentrates, exchange controls and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of any or all of these factors may result in the Company not receiving an adequate return on its invested capital or suffering material adverse effects to its business and financial condition. Exploration and development projects also face significant operational risks including but not limited to an inability to obtain access rights to properties, accidents, equipment breakdowns, labour disputes (including work stoppages and strikes), and other unanticipated interruptions.

The Company's properties are located in New Brunswick and Labrador, and are subject to seasonal climatic conditions, with a winter season extending from December to March during which working conditions and transportation to the projects can be more challenging.

No Earnings and History of Losses

The business of developing and exploring resource properties involves a high degree of risk and, therefore, there is no assurance that current exploration programs will result in profitable operations. The Company has not determined whether any of its properties contain economically recoverable reserves of mineralized material and currently has not earned any revenue from its property; therefore, the Company does not generate cash flow from its operations. There can be no assurance that significant additional losses will not occur in the future. The Company's operating expenses and capital expenditures may increase in future years with advancing exploration, development and/or production from the Company's properties. The Company does not expect to receive revenues from operations in the foreseeable future and expects to incur losses until such time as one or more of its properties enters into commercial production and generates sufficient revenue to fund continuing operations. There is no assurance that any of the projects will eventually enter commercial operation. There is also no assurance that new capital will become available, and if it does not, the Company may be forced to substantially curtail or cease operations.

The Company has no history of earnings or of a return on investment in this sector, and there is no assurance that any of its property interests or other assets will be economically viable or will be advanced to generate earnings, operate profitably or provide a return on investment in the future. No operating revenues are anticipated until one of the Company's projects comes into production, which may or may not occur. The Company will continue to experience losses unless and until it can successfully develop and begin profitable commercial production at one of its properties. There can be no assurance that the Company will be able to do so.

The Company is an early exploration and development stage issuer with no history of revenues or profitability in the mineral resource sector. There can be no assurance that the activities of the Company will be economically viable or profitable in the future. The Company will require additional financing to further explore, develop, acquire, and achieve commercial production on its property interests and, if financing is unavailable for any reason, the Company may become unable to acquire and retain its property interests and carry out its business plan.

Exploration, Development and Operations

Mining operations generally involve a high degree of risk. The Company's operations will be subject to all the hazards and risks normally encountered in the exploration, development and production of manganese, precious and base metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. The financing, exploration, development and mining of any of the Company's exploration properties will furthermore be subject to a number of macroeconomic, legal and social factors, including the price of manganese and other metals, laws and regulations, political conditions, currency fluctuations, the ability to hire and retain qualified people, the inability to obtain suitable adequate machinery, equipment or labour and obtaining necessary services in jurisdictions in which the Company operates. Unfavourable changes to these and other factors have the potential to negatively affect the Company's business, plans, prospects, strategies, financial performance and condition and results.

The exploration for and development of mineral deposits is a speculative venture involving significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate or even mitigate. While the discovery of a commercially viable ore body may result in an increase in value for shareholders, few mineral properties which are explored are ultimately developed into producing mines. At present, none of the Company's properties have a known body of bankable commercial ore and the proposed exploration programs are exploratory. There is no certainty that the expenditures made by the Company towards the exploration and evaluation of mineral deposits on its properties will result in discoveries or production of commercial quantities of manganese or other minerals.

Substantial expenditures may be required to locate, evaluate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site, and substantial additional financing will be required. It is impossible to ensure that the Company will be able to secure the necessary financing needed to pursue the exploration or development activities planned by the Company or that its activities will result in an economically viable or profitable commercial mining operation. The decision as to whether a particular property contains a commercial mineral deposit and should or could be brought into production will depend on the results of exploration programs and/or geological and other studies, and the recommendations of duly qualified engineers and geologists. Several significant factors will be considered, including, but not limited to: (i) the particular attributes of the deposit, such as size, grade, metallurgical characteristics, and proximity to infrastructure; (ii) mineral prices, which are highly cyclical; (iii) government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, permitting, importing and exporting of minerals and environmental protection; (iv) available working capital and ongoing costs of exploration and development; (v) availability, terms and cost of additional funding; and (vi) local community and landowner opposition to access mineral rights. The exact effect of these factors cannot be accurately predicted, but one or any combination of these factors may result in the Company not being able to pursue its business plans or strategy or its shareholders not receiving an adequate return on invested capital.

Early Stage Status and Nature of Exploration

Few properties that are explored are ultimately developed into producing mines. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

The economics of exploring and developing mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, fluctuations in the concentrate sales markets, which may be independent of metals prices, costs of mining and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current planned exploration and development programs of the Company will result in economically viable or profitable commercial mining operations. The profitability of the Company's operations will be, in part, directly related to the costs and success of its exploration and development programs, which may be affected by a number of factors. Substantial expenditures are required to establish mineral reserves that are sufficient to support commercial mining operations and to construct, complete and install mining and processing facilities on those properties that are actually developed.

No assurance can be given that any particular level of recovery of minerals will be realized or that any potential quantities and/or grade will ever qualify as a resource, or that any such mineral resource will ever qualify as a commercially viable (or mineable) deposit which can be legally and economically exploited. Where expenditures on a property have not led to the discovery of mineral reserves, incurred expenditures will generally not be recoverable

Liquidity and Additional Financing

The Company's ability to continue its business operations is dependent on management's ability to secure additional financing. The Company's only source of liquidity is its cash and cash equivalent balances. Liquidity requirements are managed based upon forecasted cash flows to ensure that there is sufficient working capital to meet the Company's obligations.

The advancement, exploration and development of the Company's properties, including continuing exploration and development projects, and, if warranted, construction or repair of mining facilities and the commencement of mining operations, will require substantial additional financing. As a result, the Company will be required to seek additional sources of equity financing in the near future. The Company's ability to raise additional equity financing may be affected by numerous factors beyond its control including, but not limited to, adverse market conditions, commodity price changes and economic downturns. There can be no assurance that the Company will be successful in obtaining any additional financing required to continue its business operations and/or to maintain its property interests, or that such financing will be sufficient to meet the Company's objectives or obtained on terms favourable to the Company. Failure to obtain sufficient financing as and when required may result in the delay or indefinite postponement of exploration and/or development on any or all of the Company's properties, or even a loss of its property interests, which would have a material adverse effect on the Company's business, financial condition and results of operations.

Impact of COVID-19 on the Business of the Company

The current novel coronavirus (COVID-19) global health pandemic is significantly impacting the global economy, and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices and has raised the prospect of an extended global recession. The international response to COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines and a general reduction in consumer activity, globally. Further, as efforts are undertaken to slow the spread of the COVID-19 pandemic, the operation and development of mining projects may be impacted. If the operation or development of one or more of the properties in which the Company holds an interest is delayed for precautionary purposes or other actions are taken in an effort to combat the spread of COVID-19, it may have a material adverse impact on the Company's operations, financial condition and the trading price of the Company's securities.

There have been no impairments of the Company's mineral properties due to the COVID-19 pandemic. In management's assessment, the COVID-19 pandemic, although it may have delayed some field exploration activity, has not negatively impacted the long term value of the Company's mineral properties, which are currently in the exploration and evaluation stage.

Commodity Prices

The profitability of the Company's operations will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. These factors include interest rates, the rate of inflation or deflation, global and regional supply and demand, consumption patterns, forward sales by producers, currency exchange fluctuations, speculative activities and increased production due to improved mining and production methods. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political and economic developments in major mineral-producing countries throughout the world. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable.

The Company's future revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items. The prices of these commodities are affected by numerous factors beyond the Company's control.

Title Matters

The acquisition of title to mineral properties is a very detailed and time-consuming process. The Company may not be the registered holder of some or all of the claims, concessions and leases comprising the properties or any of the mineral property of the Company. These claims, concessions or leases may currently be registered in the names of other individuals or entities, which may make it difficult for the Company to enforce its rights with respect to such claims, concessions or leases. There can be no assurance that proposed or pending transfers will be effected as contemplated. Failure to acquire title to any of the claims, concessions or leases at one or more of the Company's projects may have a material adverse impact on the financial condition and results of operations of the Company.

Once acquired, title to, and the area of, mineral properties may be disputed. There is no guarantee that title to one or more claims, concessions or leases at the Company's properties will not be challenged or impugned. There may be challenges to any of the Company's titles which, if successful, could result in the loss or reduction of the Company's interest in such titles. The Company's properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties. The failure to comply with all applicable laws and regulations, including a failure to pay taxes or to carry out and file assessment work, can lead to the unilateral termination of concessions by mining authorities or other governmental entities.

Insurance and Uninsured Risks

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

Although the Company will maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards that may not be insured against or that 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.

Environmental Protection and Risks

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. To date, applicable environmental legislation has had no material financial or operational effects upon the capital expenditures or operations of the Company.

Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that existing or future environmental regulation will not materially adversely affect the Company's business, financial condition and results of operations.

Government environmental approvals and permits are currently, or may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned exploration, development or operation of mineral properties.

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

Amendments to current laws, regulations and permits governing operations and activities of companies in the mining industry, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs, reduction in levels of production at producing properties, or abandonment or delays in development of new mining properties.

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, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company’s business, financial condition and results of operations.

Competition for Exploration, Development and Operation Rights

The mining industry is intensely competitive in all of its phases, and the Company will compete with other exploration companies which have greater financial resources and technical facilities for the acquisition of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other persons to carry out its mineral exploration and development activities.

Recent increases in metal prices have encouraged increases in mining exploration, development and construction activities, which have resulted in increased demand for, and cost of, exploration, development and construction services and equipment. Increased demand for services and equipment could cause project costs to increase materially, resulting in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and increase potential scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, development or construction costs, result in project delays or both.

Uncertainty and Inherent Sample Variability

No assurance can be given that any tonnages and grades will be achieved or that any level of recovery will be realized. The grade of mineralization recovered may differ materially and adversely from the estimated average grades in any current or future resource estimates. Future production could differ dramatically from resource estimates for, among others, the following reasons:

- mineralization or formations could be different from those predicted by drilling, sampling and similar examinations;
- increases in operating mining costs and processing costs could adversely affect mineral resources;
- the grade of any mineral resources may vary significantly from time to time and there is no assurance that any particular grade may be recovered from the mineral resources; and
- declines in the market price of minerals may render the mining of some or all the mineral resources uneconomic.

Any of these factors may require the Company to reduce its mineral resource estimates or increase its cost estimates. Short-term factors, such as the need for the additional development of a deposit or the processing of new different grades, may impair the Company's profitability. Should the market price of minerals fall, the Company could be required to materially write down its investment in mining properties or delay or discontinue the development of new projects.

Governmental Regulation

The mineral exploration and development activities of the Company are subject to various laws governing prospecting, exploration, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters in local areas of operation. Although the Company's exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development or production. Amendments to current laws and regulations governing the Company's operations, or more stringent implementation thereof, could have an adverse impact on the Company's business and financial condition.

Attracting and Retaining Talented Personnel

The Company's success will depend in large measure on the abilities, expertise, judgment, discretion, integrity and good faith of management and other personnel in conducting the business of the Company. The Company has a small management team and the loss of any of these individuals or the inability to attract suitably qualified staff could materially adversely impact the business. The Company's ability to manage its operating, development, exploration and financing activities will depend in large part on the efforts of these individuals. As at the date hereof, the Company had one full-time employee, the CEO and President. The Company is dependent on the services of key executives, including the CEO and President, and CFO of the Company.

The Company may also experience difficulties in efforts to obtain suitably qualified staff and retaining staff. The Company's success will depend on the ability of management and employees to interpret market and geological data successfully and to interpret and respond to economic, market and other business conditions in order to locate and adopt appropriate investment opportunities, monitor such investments and ultimately, if required, successfully divest such investments.

Further, key personnel may not continue their association or employment with the Company, which may not be able to find replacement personnel with comparable skills. The Company has sought to and will continue to ensure that management and any key employees are appropriately compensated; however, their services cannot be guaranteed. If the Company is unable to attract and retain key personnel, business may be adversely affected. The Company faces intense competition for qualified personnel, and there can be no assurance that the Company will be able to attract and retain such personnel.

Possible Conflicts of Interest of Directors and Officers of the Company

Certain of the directors and officers of the Company also serve as directors and/or officers of other companies involved in mineral resource exploration and development and, consequently, there exists the possibility for such directors and officers to be in a position of conflict. The Company expects that any decision made by any of such directors and officers involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders, but there can be no assurance in this regard.

Permitting Risk

The Company’s operations are subject to receiving and maintaining permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of permits for the existing operations, additional permits for any possible future changes to operations, or additional permits associated with new legislation. Prior to any development or operations on any of its properties, the Company must receive permits from appropriate governmental authorities. There can be no assurance that the Company will continue to hold all permits necessary to develop or continue operating at any particular property.

First Nations Land Claims

The legal nature of aboriginal land claims is a matter of considerable complexity. Various international and national laws, codes, resolutions, conventions, guidelines, and other directives relate to the rights of indigenous peoples. The Company owns or options property in some areas presently or previously inhabited or used by indigenous peoples. The impact of any such claim on the Company’s ownership interest in the properties cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the Company’s properties are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company’s activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with First Nations in order to facilitate exploration work on the properties owned by the Company. Pursuant to section 35 of *The Constitution Act of 1982*, the Federal and Provincial Crowns have a duty to consult Aboriginal peoples and, in some circumstances, a duty to accommodate them. When development is proposed in an area to which an Aboriginal group asserts Aboriginal rights and titles, and a credible claim to such rights and titles has been made, a developer may be required by the Crown to conduct consultations with Aboriginal groups which may be affected by the project and, in some circumstances, accommodate them. The duty to consult and accommodate may adversely impact the Company’s development costs and schedule for its exploration and development projects.

The Company’s future operations are subject to a risk that one or more groups of indigenous people may oppose the exploration or development of a candidate project. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against the Company's activities, and may have a negative impact on the Company's reputation and its business. Opposition by aboriginal people to the Company's future operations may require modification of or preclude development of the projects.

No History of Operations

The Company is an early-stage exploration and development issuer and has no history of exploration, development, mining or refining mineral products. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

Reliance on a Limited Number of Properties

The only material property interest of the Company is its interest in the Woodstock Project. As a result, unless the Company acquires additional property interests, any adverse developments affecting the Woodstock Project would likely have an adverse effect upon the Company and would adversely affect the potential mineral resource development, profitability, financial performance and condition and results of the Company and its strategies and plans. While the Company may seek to acquire additional mineral properties that are consistent with its business objectives, there can be no assurance that the Company will be able to identify suitable additional mineral properties or, if it does identify suitable properties, that it will have sufficient financial resources to acquire such properties or that such properties will be available on terms acceptable to the Company or at all.

Volatility of Market for Common Shares

The market price of the Common Shares may be highly volatile and could be subject to wide fluctuations in response to a number of factors that are beyond the Company's control, including: (i) dilution caused by issuance of additional Common Shares and other forms of equity securities, which the Company expects to make in connection with future financings to fund operations and growth, to attract and retain qualified personnel and in connection with future strategic partnerships with other companies, (ii) announcements of new acquisitions, reserve discoveries or other business initiatives by competitors, (iii) fluctuations in revenue from operations as new reserves come to market, (iv) changes in the market for manganese and/or in the capital markets generally, (v) changes in the demand for minerals and metals; and (vi) changes in the social, political and/or legal climate in the regions in which the Company operates. In addition, the market price of the Common Shares could be subject to wide fluctuations in response to: (a) quarterly variations in operating expenses, (b) changes in the valuation of similarly situated companies, both in the mining industry and in other industries, (c) changes in analysts' estimates affecting the Company, competitors and/or the industry, (d) changes in the accounting methods used in or otherwise affecting the industry, (e) additions and departures of key personnel, (f) fluctuations in interest rates, exchange rates and the availability of capital in the capital markets, and (g) significant sales of the Common Shares, including sales by future investors in future offerings which may be made to raise additional capital. These and other factors will be largely beyond the Company's control, and the impact of these risks, singularly or in the aggregate, may result in material adverse changes to the market price of the Common Shares and/or the Company's results of operations and financial condition.

Acquisitions and Integration

From time to time, the Company may examine opportunities to acquire additional exploration and/or mining assets and businesses. Any acquisition that the Company may choose to complete may be of a significant size relative to the size of the Company, may change the nature or scale of the Company's business and activities, and may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities, if any, depends upon its ability to obtain additional sources of financing, identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate any acquired operations successfully with those of the Company. Any acquisitions would be accompanied by risks. In the event that the Company chooses to raise debt capital to finance any such acquisitions, the Company's leverage will be increased. If the Company chooses to use equity as consideration for such acquisitions, existing shareholders may suffer significant dilution. There can be no assurance that the Company would be successful in obtaining additional sources of financing or in overcoming these risks or any other problems encountered in connection with such acquisitions.

Dilution Risk

In order to finance future operations and development efforts, the Company may raise funds through the issue of Common Shares or securities convertible into Common Shares. The constating documents of the Company allow it to issue, among other things, an unlimited number of Common Shares for such consideration and on such terms and conditions as may be established by the directors of the Company, in many cases, without the approval of shareholders. The size of future issues of Common Shares or securities convertible into Common Shares or the effect, if any, that future issues and sales of the Common Shares will have on the price of the Common Shares cannot be predicted at this time. Any transaction involving the issue of previously authorized but unissued Common Shares or securities convertible into Common Shares would result in dilution, possibly substantial, to present and prospective shareholders of the Company.

Risk of Litigation

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

Internal Controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Dividends

The Company does not intend to declare dividends for the foreseeable future, as the Company anticipates that any future earnings will be re-invested in the development and growth of the business. Therefore, investors will not receive any funds unless they sell their Common Shares, and shareholders may be unable to sell their shares on favorable terms or at all. Investors cannot be assured of a positive return on investment or that they will not lose the entire amount of their investment in Common Shares.

DIVIDENDS AND DISTRIBUTIONS

The Company has never declared or paid cash dividends on the Common Shares. Any future dividend payment will be made at the discretion of the board of directors of the Company (the "**Board**"), and will depend on the Company's financial needs to fund its exploration programs and its future growth, and any other factor that the Board deems necessary to consider in the circumstances.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The Company is authorized to issue an unlimited number of Common Shares without par value. All of the Common Shares are of the same class and, once issued, rank equally as to entitlement to dividends, voting powers (one vote per Common Share) and participation in assets upon dissolution or winding up. No Common Shares have been issued subject to call or assessment.

There are no pre-emptive rights, no conversion or exchange rights, no redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a securityholder to contribute additional capital.

There are no other pre-emptive rights attached to the Company's securities.

Warrants

Pursuant to the April 2021 Offering, the Company issued 333,333 common share purchase warrants to certain finders (the "**Finder Warrants**"). Each Finder Warrant entitles the holder to purchase one Common Share at a price of $0.27 per share until April 29, 2024.

In connection with the acquisition of Maximos, the Company issued 4,445,003 common share purchase warrants (the "**Replacement Warrants**") in replacement of previously issued warrants of Maximos. Each Replacement Warrant entitles the holder to purchase one Common Share at a price of $0.18 per share until March 17, 2024.

Options

The Company maintains a stock option plan (the "**Stock Option Plan**"). The Stock Option Plan is considered a "rolling" stock option plan, which reserves a maximum of 10% of the Company's total outstanding Common Shares at the time of grant for issuance pursuant to the Stock Option Plan. As of the date hereof, there are 7,928,440 options of the Company outstanding exercisable into Common Shares.

Pursuant to the Amalgamation, the Company granted 5,278,440 options (the “**Replacement Options**”) in replacement of previously issued options of Maximos. The Replacement Options are exercisable at $0.18 per Common Share until June 30, 2025.

Effective June 30, 2021, the Company granted 2,650,000 options to directors, employees and eligible consultants which are exercisable at $0.25 per Common Share until June 30, 2026.

Under the Stock Option Plan, a maximum of 10% of the issued and outstanding shares of the Company are proposed to be reserved at any time for issuance on the exercise of stock options. Since the number of Common Shares reserved for issuance under the Stock Option Plan increases with the issue of additional shares of the Company, the Stock Option Plan is considered to be a “rolling” plan.

The term of any options granted under the Stock Option Plan is fixed by the Board and may not exceed five years. The options are non-assignable and non-transferable.

The exercise price of options granted under the Stock Option Plan is determined by the Board, provided that it is not less than the discounted market price, as that term is defined in any recognized exchange’s policy and/or manual or such other minimum price in accordance with such policies from time to time.

RSUs

The Company maintains a restricted share unit (“**RSU**”) plan pursuant to which it may issue RSUs to directors and employees of the Company and its designated subsidiaries. As of the date hereof, the Company has 1,700,000 RSUs outstanding.

Each RSU conditionally entitles the participant to receive one Common Share (or the cash equivalent, at the Company’s discretion) upon attainment of the RSU vesting criteria. The Company may impose additional conditions to any particular RSU award.

The vesting of RSUs is conditional upon the expiry of a time-based vesting period. The duration of the vesting period and other vesting terms applicable to the grant of the RSUs shall be determined at the time of the grant by the Board. Once the RSUs vest, the participant is entitled to receive the equivalent in shares (or the cash equivalent, at the Company’s discretion).

DSUs

The Company also maintains a Deferred Share Unit Plan (“**DSU Plan**”), pursuant to which it may issue Deferred Share Units (“**DSUs**”) to non-executive directors of the Company. As of the date hereof, the Company has no DSUs outstanding.

Generally, a participant in the DSU Plan shall be entitled to redeem his or her DSUs during the period commencing on the business day immediately following the date upon which the non-executive director ceases to hold any position as a director of the Company. Redemptions under the DSU Plan may be in Common Shares (or the cash equivalent, at the Company’s discretion).

MARKET FOR SECURITIES

Markets

The Shares were listed on the Neo Exchange on January 31, 2022 under the symbol "CDMN". The closing price of the Shares on the Neo Exchange on March 29, 2022 was $0.155.

Trading Price and Volume of Shares

Month/Year	Neo Exchange		
	High	Low	Volume
January 2022	$0.50	$0.225	105,007
February 2022	$0.25	$0.10	1,846,471
March 1 – 29, 2022	$0.17	$0.13	876,613

PRIOR SALES

As at the date of this AIF, there are 144,714,580 Common Shares issued and outstanding. Other than described below, there were no Common Shares or securities of the Company issued within 12 months of the date of this AIF.

April 2021 Offering

On April 29, 2021, the Company completed the April 2021 Offering, pursuant to which the Company issued 17,544,447 Subscription Receipts at a price of $0.225 each for gross proceeds of $3,947,500 and 6,666,666 flow-through Subscription Receipts at a price of $0.30 each, for gross proceeds of $2,000,000. Each Subscription Receipt entitled the holder to receive one Common Share, for no additional consideration, on completion of the Amalgamation and each flow-through Subscription Receipt entitled the holder to receive one flow-through Common Share, for no additional consideration, on completion of the Amalgamation.

The gross proceeds of the April 2021 Offering were deposited in escrow on closing and the Subscription Receipts automatically converted into Common Shares and the funds were released to the Company upon completion of the Amalgamation and satisfaction of the other escrow release conditions.

Acquisition of Maximos

In connection with the acquisition of Maximos, a total of 59,683,564 Common Shares were issued to holders of common shares of Maximos on the basis of 0.55562527 of a Common Share for each common share of Maximos.

Also, in connection with the acquisition of Maximos, the Company issued 4,445,003 common share purchase warrants (the “**Replacement Warrants**”) in replacement of previously issued warrants of Maximos. Each Replacement Warrant entitles the holder to purchase one Common Share at a price of $0.18 per share until March 17, 2024.

Additionally, the Company granted 5,278,440 options (the "**Replacement Options**") in replacement of 9,500,000 previously granted options of Maximos. Each Replacement Option entitles the holder to purchase one Common Share at a price of $0.18 per share until June 30, 2025.

Second Tranche Offering of Common Shares

On June 21, 2021, the Company completed a further tranche of its non-brokered private placement, whereby it issued 1,136,339 Common Shares at a price of $0.225 per share, for gross proceeds of $255,676.

Finder Warrants

Finder fees of $229,087 in cash were paid and 333,333 Finder Warrants were issued to certain arms-length parties for assisting in the April 2021 Offering, including the Second Tranche Offering. Each Finder Warrant entitles the holder to purchase one Common Share at a price of $0.27 per share until April 29, 2024.

Grant of RSUs

Effective June 30, 2021, the Company granted a total of 1,700,000 RSUs pursuant to the RSU plan to certain directors, officers, and employees. Upon vesting, each RSU entitles the grantee the right to receive, on or after the payout election date and until the expiry date, one fully paid Common Share, or the then equivalent value in cash, at the Company's discretion.

300,000 RSUs were granted to independent directors, with immediate vesting, a payout election period commencing April 1, 2022, and an expiry date of December 31, 2024.

700,000 RSUs were granted to John Kearney, Chairman, as a one-time grant, with immediate vesting, a payout election period commencing April 1, 2022, and an expiry date of December 31, 2024.

400,000 RSUs were granted to senior officers, including 250,000 RSUs to Matthew Allas, CEO and 100,000 to Richard Pinkerton, CFO, half (50%) with immediate vesting and a payout election period commencing April 1, 2022, and one-half (50%) on March 31, 2022, with a payout election period commencing January 1, 2023, and an expiry date of December 31, 2024.

300,000 RSUs were granted to other service providers, half (50%) with immediate vesting and a payout election period commencing April 1, 2022, and half (50%) vesting on March 31, 2022, with a payout election period commencing January 1, 2023, and an expiry date of December 31, 2024.

Options

In connection with the acquisition of Maximos, on April 30, 2021, the Company granted a total of 5,278,440 options exercisable at $0.18 per share until June 30, 2025 in replacement of options previously granted by Maximos.

Effective June 30, 2021, a total of 2,650,000 incentive stock options were granted by the Company to directors, officers, consultants and other service providers. All of these stock options are exercisable at a price of $0.25 per share until June 30, 2026 and will vest quarterly over a period of two years.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

On completion of the acquisition of Maximos, certain of the former shareholders of Maximos entered into voluntary escrow agreements with respect to the Common Shares, with Fogler, Rubinoff LLP acting as escrow agent. 34,659,586 Common Shares are subject to a 24-month escrow, with one-quarter of such shares to be released from escrow on the 6, 12, 18 and 24-month anniversaries of the listing of the Common Shares on an exchange. In addition, 2,639,220 Common Shares are subject to a 12-month escrow, with one-half of such shares to be released from escrow on the 6 and 12-month anniversaries of the listing of the Common Shares on an exchange.

Designation of Class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of Class(1)
Common Shares	37,298,806	25.8%

Note:

(1) Based on 144,714,580 Common Shares outstanding as at the date of this AIF.

DIRECTORS AND OFFICERS

The following table sets forth the name and province and country of residence of each director and executive officer of the Company, as well as such individual's position with the Company, principal occupation within the five preceding years and periods of service as a director (if applicable). Each of the directors of the Company will hold office until the next annual meeting of shareholders and until such director's successor is elected and qualified, or until the director's earlier death, resignation or removal. As of the date hereof, an aggregate of 10,723,925 Common Shares (representing approximately 7.4% of all issued and outstanding Common Shares) are beneficially owned or controlled or directed (directly or indirectly) by all of the directors and officers of the Company, as a group.

Name, place of residence and position with the Company	Principal occupation during past five years	Director or Officer of Issuer since:	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present[1]:	Percentage of Common Shares (undiluted)[2]:
Matthew Allas Director, President, and Chief Executive Officer *Toronto, Ontario, Canada*	President and CEO of Maximos; Investment Banker	April 30, 2021	2,459,017	1.7%
John Allan[3][4][5] Director *St. John's, Newfoundland and Labrador, Canada*	Independent Businessman	June 24, 2021	224,615	0.01%
John Hurley[3][5] Director *Conception Bay South, Newfoundland and Labrador, Canada*	President & CEO, Trinity Resources Ltd.	June 26, 2020	Nil	Nil
John F. Kearney[4][5] Chairman and Director *Toronto, Ontario, Canada*	Mining Executive Chairman and CEO of Buchans Resources Limited, Labrador Iron Mines Holdings Limited and Anglesey Mining plc	Dec. 31, 2017	4,324,745	3.0 %
Aiden F. Carey[3][4] Director *Whitby, Ontario, Canada*	Mining Consultant Senior Vice President Operations of Labrador Iron Mines Holdings Limited	June 26, 2020	Nil	Nil
Danesh Varma Director *Kingston, United Kingdom*	Chartered Professional Accountant CFO of Buchans Resources Limited and Anglesey Mining plc	July 16, 2013	3,705,548	2.6%
Richard Pinkerton Chief Financial Officer *Toronto, Ontario, Canada*	Chartered Professional Accountant CFO of Labrador Iron Mines Holdings Limited	May 5, 2021	10,000	0.01%
Neil J.F. Steenberg Secretary *Toronto, Ontario, Canada*	Lawyer (retired 2020) Prior to 2020, Principal of Steenberglaw Professional Corporation	Dec. 31, 2017	Nil	Nil

Notes:

(1) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.
(2) Based on 144,714,580 Common Shares issued and outstanding.
(3) Member of the Audit Committee.
(4) Member of the Compensation Committee.
(5) Member of the Nominating and Corporate Governance Committee.

Matthew Allas – Age 41 – *Director, President and Chief Executive Officer*

Mr. Allas has been the President and Chief Executive Officer of Maximos since 2018. For the fourteen years prior, Mr. Allas was an investment banker and investment professional in the natural resource industry where he advised numerous companies on growth and financing strategies. Mr. Allas holds a Bachelor of Arts (Economics, Physics) degree from Mount Allison University.

John Allan – Age 62 – *Director*

Mr. Allan has been involved in private business for over 40 years in Atlantic Canada, with ownership in numerous companies ranging from heavy civil construction, equipment parts, protective clothing for mining and offshore personnel as well as commercial and residential real estate development. Over the past decade Mr. Allan has developed solid relationships with federal, provincial and municipal governments.

John Hurley – Age 52 – *Director*

Mr. Hurley is President and Chief Executive of Trinity Resources, a private company operating a world-class pyrophyllite mine in which supplies aluminum silicate products to various industries worldwide. With over 24 years of experience in the mining and industrial minerals industry, Mr. Hurley's business development initiatives have spanned 14 countries. He holds a Bachelor of Science degree with a major in Chemistry from Memorial University, Newfoundland and Labrador.

John F. Kearney – Age 71 – *Chairman, Director*

Mr. Kearney is Chairman of the Company and a number of public companies, including Labrador Iron Mines Holdings Limited, Buchans Resources Limited and Conquest Resources Limited, and until 2019 was Chairman of Canadian Zinc Corporation. Over the course of his career, he has served as a senior officer (usually Chairman and/or Chief Executive) of more than thirty public companies incorporated in Canada; Ireland; United Kingdom; United States; Australia and elsewhere, the shares of which were listed on various stock exchanges (including London Stock Exchange; AIM Market; Toronto Stock Exchange; New York Stock Exchange; American Stock Exchange; NASDAQ; Australian Stock Exchange).

He was formerly the Chairman or President and Chief Executive Officer of several public companies which developed various mineral properties and projects and which were subsequently acquired by or sold in major transactions including: Scandinavian Minerals Inc., which explored and developed the Kevista nickel /copper project in Finland and was acquired by First Quantum in 2008; Sulliden Exploration Inc., which discovered and explored the Shahuindo gold deposit in Peru, which was subsequently acquired by Rio Alto Mining Limited in August 2014. He was previously the Chairman (and previously President and Chief

Executive and previously Executive Vice President and Secretary) of Northgate Exploration Limited (1979 to 1996) which operated two copper/gold mines near Chibougamau, Quebec, and which were sold to Western Mining of Australia in 1987, and earlier through its subsidiaries operated two lead/zinc mines in Ireland.

Mr. Kearney also served as a director and member of the Executive Committee of the Mining Association of Canada and as a director and President of the Northwest Territories and Nunavut Chamber of Mines. Mr. Kearney is a member of the Prospectors and Developers Association of Canada, Canadian Institute of Mining and Metallurgy and the Law Society of Ireland. He holds degrees in law and economics from University College Dublin and an M.B.A. degree from Trinity College Dublin and the Osgoode Certificate in Mining Law from Osgoode Hall Law School, York University, Toronto. He qualified as a solicitor in Ireland and as a chartered secretary with the Institute of Chartered Secretaries and Administrators in London.

Aiden Carey – Age 54 – *Director*

Mr. Carey is a Mining Consultant and Senior Vice President, Operations of Labrador Iron Mines Holdings Limited since 2011 where he was responsible for LIM's operating functions, including mining and processing, operations and transportation. Prior to 2011, he held senior operating roles with Barrick Gold, Cliffs Natural Resources' Wabush Mines and Cliffs' Michigan operations.

Danesh Varma – Age 72 – *Director*

Mr. Varma is a chartered accountant in England and Wales, with over 37 years of experience in financial management. He is currently a director of Anglesey Mining plc, Brookfield Investment Corp and Labrador Iron Mines Holdings Limited, Mr. Varma serves as the Chief Financial Officer of Anglesey Mining plc, Buchans Resources Limited and Xtierra Inc. Previously, he was President of Westfield Minerals Limited and a director of Northgate Exploration Limited and American Resource Corporation.

Richard Pinkerton – Age 53 – *Chief Financial Officer*

Mr. Pinkerton is a financial executive in Canada, with over 25 years of experience in public companies in the mining and financial services industries. He currently also serves as Chief Financial Officer of Labrador Iron Mines Holdings Limited and was previously an investment banker (10 years) and chartered professional accountant (5 years). He received his Bachelor of Arts degree (Economics) from Harvard University and holds Chartered Professional Accountant (CPA) and Chartered Financial Analyst (CFA) designations.

Neil J.F. Steenberg – Age 71 – *Secretary*

Mr. Steenberg, Corporate Secretary, is a retired lawyer with over 43 years of experience in the practice of securities and mining law. Mr. Steenberg operated an independent business law practice until 2020. Prior to December 2003, Mr. Steenberg was a Partner in the law firm of Gowling Lafleur Henderson LLP where he served as Chair of the firm's national corporate finance and securities practice group. He is currently Secretary of Labrador Iron Mines Holdings Limited and Buchans Resources Limited.

Cease Trade Orders, Bankruptcies, Penalties, or Sanctions

To the knowledge of the Company, except as disclosed hereinafter, as of the date hereof:

(a) no director or executive officer of the Company is, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that:

(i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or

(ii) was subject to an order that was issued after the proposed director 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;

(b) no director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

(i) is, or has been, within 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while such director or executive officer was acting in that capacity, or within a year of such director or executive officer ceased 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; or

(ii) has, within ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or shareholder.

For the purposes of the above section (a), the term “order” means

(a) a cease trade order;

(b) an order similar to a cease trade order; or

(c) 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.

To the knowledge of the Company, as of the date hereof, no director, executive officer or shareholder holding a sufficient number of securities of the Company to materially affect the control of the Company has been subject to:

(a) 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

(b) any other penalties or sanctions imposed by a court or regulatory body.

Labrador Iron Mines Holdings Limited Financial Restructuring

John F. Kearney, Danesh Varma, Aiden Carey, Richard Pinkerton and Neil J.F. Steenberg are directors and/or officers of Labrador Iron Mines Holdings Limited, which on April 2, 2015 instituted proceedings in the Ontario Superior Court of Justice for a financial restructuring by means of a plan of arrangement under the *Companies' Creditors Arrangement Act* which plan was approved on December 6, 2016 and sanctioned by the court on December 14, 2016.

Conflicts of Interest

To the best of the Company's knowledge, there are no known existing or potential conflicts of interest among the Company, directors, executive officers or other members of management of the Company as a result of their outside business interests except that certain directors and officers also serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies. See "*Risk Factors*".

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest in respect of the Company and are required to comply with such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers.

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his or her interest and abstain from voting on such matter.

LEGAL PROCEEDINGS

There are not currently and were not within the most recently completed year of the Company, any material legal proceedings or regulatory actions to which the Company is or was a party or of which any of the Company's properties are or were subject, nor are any such proceedings or actions currently known by the Company to be contemplated.

REGULATORY ACTIONS

There have been no penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date hereof.

There have been no other penalties or sanctions imposed by a court or regulatory body against the Company necessary to contain full, true and plain disclosure of all material facts relating to the securities being listed.

There have been no settlement agreements entered into by the Company before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date hereof.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than in respect of the acquisition of Maximos and the April 2021 Offering, to the knowledge of management, no director or executive officer of the Company or any person or company that is the direct or indirect beneficial owners of, or who exercises control or direction over, more than 10 percent of any class of the Company's outstanding voting securities, or an associate or affiliate of any persons or companies referred to in this paragraph, has any material interest, direct or indirect, in any transaction within the three years before the date of this AIF, or in any proposed transaction, that has materially affected or will materially affect the Company or a subsidiary of the Company. Mr. Matthew Allas, President, Chief Executive Officer and director of the Company, was the Chief Executive Officer and President of Maximos prior to the Company's acquisition of Maximos.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is Computershare Trust Company of Canada, 100 University Avenue, 11th Floor, Toronto, Ontario, M5J 2Y1, Canada.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts that are material to the Company and that were entered into by the Company within the most recently completed year or since the most recently completed year, or were entered into before the most recently completed year and which are still in effect, are the following:

(1) Arrangement Agreement among Buchans Resources, the Company, and Minco Exploration plc dated as of October 28, 2019 relating to the Buchans Plan of Arrangement;

(2) Acquisition and Amalgamation Agreement among the Company, the Company Subco and Maximos dated as of March 25, 2021 relating to the Acquisition of Maximos; and

(3) Subscription Receipt Agreement among the Company and Fogler, Rubinoff LLP dated as of April 29, 2021.

INTERESTS OF EXPERTS

There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made under NI 51-102 by the Company during, or related to, the Company's most recently completed financial year other than McGovern Hurley LLP, the Independent Auditor of the Company for the most recently completed financial year. McGovern Hurley LLP are independent in accordance with the ethical requirements that are relevant to audits of financial statements in Canada. Neither McGovern Hurley LLP nor its partners or associates beneficially own, directly or indirectly, any of the outstanding Common Shares of the Company.

The independent authors of the Technical Report are Paul Ténière, M.Sc., P. Geo, Matthew Harrington P. Geo., Dean Thibault P. Eng. and Lawrence Elgert P. Eng. To the knowledge of the Company, each of these experts holds less than 1% of the outstanding securities of the Company or of any associate or affiliate thereof as of the date hereof. None of the aforementioned firms or persons received, or will receive, any direct or indirect interest in any securities of the Company or of any associate or affiliate thereof in connection with the preparation of the report prepared by such person.

In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

ADDITIONAL INFORMATION

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, if applicable, is contained in the Management Information Circular dated May 7, 2021 filed on SEDAR with respect to the most recent annual meeting of security holders of the Company that involved the election of directors, which was held on June 24, 2021. Additional financial information is provided in the Financial Statements and Management's Discussion and Analysis of the Company for the year ended December 31, 2021, which are available on SEDAR. A copy of the Management Information Circular, Financial Statements and Management's Discussion and Analysis may be obtained upon request from the Company, and those documents and other information in respect of the Company are also available on SEDAR at www.sedar.com.