

**ANNUAL INFORMATION FORM**

**For the financial year ended December 31, 2020**



**ANNUAL INFORMATION FORM  
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020**

**Dated as at March 31, 2021**

**WHITEHORSE GOLD CORP.**

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## ITEM 1: GENERAL

### 1.1 Date of Information

All information in this Annual Information Form ("AIF") is as of March 31, 2021, unless otherwise indicated.

### 1.2 Forward-Looking Statements

Certain statements and information in this AIF for Whitehorse Gold Corp. ("**Whitehorse**" or the "**Company**") constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian provincial securities laws (collectively, "forward-looking statements"). Forward-looking statements includes, but is not limited to, information with respect to: the potential of the Skukum Gold Project; the future price of minerals, particularly gold, silver, lead and zinc; the realization of mineral resources and reserve estimates; the timing and amount of estimated future production; costs of mining activities and production; capital expenditures; success of exploration activities; government regulation of mining operations; environmental risks; and other forecasts and predictions with respect to the Company and its properties. Estimates of mineral reserves and mineral resources are also forward-looking statements because they incorporate estimates of future developments including future mineral prices, costs and expenses and the amount of minerals that will be encountered if a property is developed. Estimates regarding the anticipated timing, amount and cost of exploration and development activities are based on assumptions underlying mineral reserve and mineral resource estimates and the realization of such estimates. Capital and operating cost estimates are based on the Company's diligence, purchase orders placed by the Company to date, recent estimates of construction and mining costs and other factors. Forward-looking statements are characterized by words such as "plan", "expect", "budget", "target", "schedule", "estimate", "forecast", "project", "intend", "believe", "anticipate", "seek", and other similar words or statements that certain events or conditions "may", "could", "would", "might", or "will" occur or be achieved.

Forward-looking statements are based on the opinions, assumptions, factors and estimates of management considered reasonable at the date the statements are made. The opinions, assumptions, factors and estimates which may prove to be incorrect, include, but are not limited to: the specific assumptions set forth in this AIF, or incorporated by reference herein; the expectations and beliefs of management; that prices for minerals, particularly gold, silver, lead and zinc remain consistent with the Company's expectations; that there are no significant disruptions affecting operations, including labour disruptions, supply disruptions, power disruptions, security disruptions, damage to or loss of equipment, whether due to flooding, political changes, title issues, intervention by local communities, environmental concerns, pandemics (including COVID-19) or otherwise; that operations, development and exploration at the Company's projects proceed on a basis consistent with expectations and the Company does not change its development and exploration plans and forecasts; that prices for key mining supplies, including labour costs and consumables remain consistent with the Company's current expectations; that plant, equipment and processes will operate as anticipated; that there are no material variations in the current tax and regulatory environment or the tax positions taken by the Company; that the Company will maintain access to surface rights; that the Company will be able to obtain and maintain government approvals, permits and licenses in connection with its current and planned operations, development and exploration activities; that the Company is able to meet current and future obligations; and that the Company can access adequate financing, appropriate equipment and sufficient labour, all at acceptable rates.

Forward-looking statements or information are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements or information, including, without limitation, risks relating to the matters described in this AIF under the heading "*Item 4.2 Risk Factors*".

This list of risk factors described in this AIF and elsewhere is not exhaustive of the factors that may affect any of the Company's forward-looking statements or information. Forward-looking statements or information are statements about the future and are inherently uncertain, and actual achievements of the Company or other

future events or conditions may differ materially from those reflected in the forward-looking statements or information due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this AIF under the heading "Risk Factors" and elsewhere. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information.

The Company's forward-looking statements and information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this AIF, and other than as required by applicable securities laws, the Company does not assume any obligation to update forward-looking statements and information if circumstances or management's assumptions, beliefs, expectations or opinions should change, or changes in any other events affecting such statements or information. For the reasons set forth above, investors should not place undue reliance on forward-looking statements and information.

### **1.3 Cautionary Note to U.S. Investors Concerning Preparation of Mineral Resource and Mineral Reserve Estimates**

This AIF has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of the U.S. Securities and Exchange Commission (the "**SEC**"). The terms "mineral resources", "measured mineral resources", "indicated mineral resources" and "inferred mineral resources" used in this AIF are in reference to the mining terms defined in the Canadian Institute of Mining, Metallurgy and Petroleum Standards (the "**CIM Standards**"), which definitions have been adopted by National Instrument 43-101 Standards of Disclosure for Mineral Projects ("**NI 43-101**"). Accordingly, information contained in this AIF providing descriptions of our mineral deposits in accordance with NI 43-101 may not be comparable to similar information made public by other U.S. companies subject to the United States federal securities laws and the rules and regulations thereunder.

Readers are cautioned not to assume that all or any part of mineral resources will ever be converted into reserves. Pursuant to CIM Standards, "inferred mineral resources" are that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Such geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource and must not be converted to a mineral reserve. However, it is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in place tonnage and grade without reference to unit measures.

Canadian standards, including the CIM Standards and NI 43-101, differ significantly from standards in the SEC Industry Guide 7. Effective February 25, 2019, the SEC adopted new mining disclosure rules under subpart 1300 of Regulation S-K of the United States Securities Act of 1933, as amended (the "**SEC Modernization Rules**"), with compliance required for the first fiscal year beginning on or after January 1, 2021. The SEC Modernization Rules replace the historical property disclosure requirements included in SEC Industry Guide 7. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of "measured mineral resources", "indicated mineral resources" and "inferred mineral resources". In addition, the SEC has amended its definitions of "proven mineral reserves" and "probable mineral reserves" to be substantially similar to corresponding definitions under the CIM Standards. During the period leading up to the compliance date of the SEC Modernization Rules, information regarding mineral resources or reserves contained or referenced in this AIF may not be comparable to similar information made public by companies that report according to U.S. standards. While the SEC Modernization Rules are purported to be "substantially similar" to the CIM Standards, readers are cautioned that there are differences between the SEC Modernization Rules and the CIM Standards. Accordingly, there is no assurance any mineral reserves or mineral resources that the Company may report as "proven mineral reserves", "probable mineral reserves", "measured mineral resources", "indicated mineral resources" and "inferred mineral resources" under NI 43-101 would be the same

had the Company prepared the reserve or resource estimates under the standards adopted under the SEC Modernization Rules.

#### 1.4 Currency

All sums of money which are referred to herein are expressed in lawful money of Canada, unless otherwise specified.

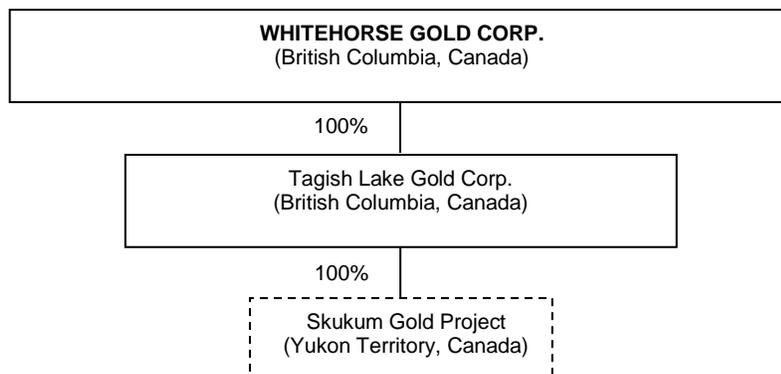
### ITEM 2: CORPORATE STRUCTURE

#### 2.1 Names, Address and Incorporation

The Company was incorporated as "Whitehorse Gold Corp." on November 27, 2019 under the British Columbia *Business Corporations Act* ("**BCBCA**") as a wholly-owned subsidiary of New Pacific Metals Corp. ("**New Pacific**") for purposes of completing the Arrangement (as defined below). The Company's head office and registered office are located at Suite 1750 – 1066 West Hastings Street, Vancouver, British Columbia, V6E 3X1. Whitehorse's website is [www.whitehorsegold.ca](http://www.whitehorsegold.ca). On November 25, 2020, the Company's common shares (the "**Common Shares**") listed for trading on the TSX Venture Exchange (the "**TSXV**"). The Company is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, Prince Edward Island and New Brunswick.

#### 2.2 Intercorporate Relationships

The corporate structure of the Company and its subsidiaries as at the date of this AIF is as follows:



Tagish Lake Gold Corp. ("**Tagish Lake**") was formed on November 30, 2000 under the BCBCA as a result of an amalgamation between Omni Resources Inc. and Trumpeter Yukon Gold Inc.

### ITEM 3: GENERAL DEVELOPMENT OF THE BUSINESS

#### 3.1 Business of Whitehorse

The Company is a gold exploration and development company managed by a team with a strong mineral industry track record. The Company is focused on its 100% owned Skukum Gold Project in the Whitehorse Mining District, approximately 55 km south of Whitehorse, Yukon. The project consists of 1,051 mineral claims, covering approximately 170.3 km<sup>2</sup>, that includes the past-producing Mt. Skukum gold mine, and the Skukum Creek and Goddell gold deposits, and multiple other gold-silver zones and occurrences. The Skukum Gold Project is described in detail under the heading "Item 5 – Mineral Property".

## 3.2 Three Year History

### **Share Exchange Agreement**

On February 12, 2020, Whitehorse entered into a share exchange agreement (the "**Share Exchange Agreement**") with New Pacific, pursuant to which Whitehorse acquired all of the issued and outstanding shares of Tagish Lake (the "**Tagish Lake Shares**") for an aggregate purchase price equal to the fair market value of the Tagish Lake Shares. The purchase price was satisfied by Whitehorse issuing to New Pacific: (a) 20,000,000 Common Shares; and (b) a demand promissory note in the principal amount of \$3,000,000 (the "**Share Exchange Promissory Note**").

### **New Pacific-Whitehorse Debt**

The "**New Pacific-Whitehorse Debt**" was primarily incurred in connection with Whitehorse's acquisition of the Tagish Lake Shares from New Pacific as described above and was comprised of (a) the Share Exchange Promissory Note issued to New Pacific by Whitehorse in consideration for the acquisition of the Tagish Lake Shares under the Share Exchange Agreement, and (b) a promissory note issued to New Pacific by Whitehorse to cover short-term operating expenses (the "**Operating Promissory Note**"), and accrued but unpaid interest thereon. The Share Exchange Promissory Note was issued on February 12, 2020, had a principal amount of \$3,000,000, bearing interest at 6% per annum and was repayable upon demand. The Operating Promissory Note was issued on February 12, 2020, had a principal amount of \$500,000, bearing interest at 6% per annum and was repayable upon demand. On November 18, 2020, Whitehorse repaid the New Pacific-Whitehorse Debt in full using proceeds from the Private Placement (as defined below). It was a condition to completion of the Arrangement that the New Pacific-Whitehorse debt be repaid prior to the effective time of the Arrangement (the "**Effective Time**").

### **The Arrangement**

Whitehorse was incorporated by New Pacific for purposes of completing the Arrangement. On August 25, 2020, Whitehorse and New Pacific entered into an arrangement agreement (the "**Arrangement Agreement**"), pursuant to which, among other things, New Pacific distributed all of the Common Shares held by it (being 20,000,001 Common Shares) to the shareholders of New Pacific (the "**New Pacific Shareholders**") on a *pro rata* basis (approximately 0.13 Common Shares per New Pacific Share held) to New Pacific Shareholders on November 18, 2020 (the "**Arrangement**"). Upon the completion of the Arrangement and the Private Placement (as defined below), New Pacific Shareholders held approximately 46.9% of the issued and outstanding Common Shares and the subscribers in the Private Placement held approximately 53.1% of the issued and outstanding Common Shares. The New Pacific Shareholders of record approved the Arrangement at New Pacific's annual general and special meeting of shareholders held on September 30, 2020. New Pacific obtained the final order of the British Columbia Supreme Court approving the Arrangement on October 7, 2020 (the "**Final Order**").

The Arrangement was subject to the satisfaction or waiver, as applicable, of certain conditions, including, without limitation, the following:

- (a) a special resolution of the New Pacific Shareholders approving the Arrangement;
- (b) an ordinary resolution of the disinterested New Pacific Shareholders approving the Private Placement;
- (c) the Final Order in form and substance satisfactory to each of New Pacific and Whitehorse;
- (d) the Toronto Stock Exchange approving (i) the Arrangement, and (ii) the Private Placement;
- (e) the TSXV listing the Common Shares;
- (f) the Private Placement being completed prior to the Effective Time;

- (g) Whitehorse's repayment of the New Pacific–Whitehorse Debt;
- (h) all other consents, orders and approvals that are required, necessary or desirable for the completion of the Arrangement being obtained or received; and
- (i) the New Pacific Shareholders not having exercised Dissent Rights (as defined in the Arrangement Agreement) with respect to greater than 5% of the outstanding common shares of New Pacific.

On November 18, 2020, following satisfaction of the foregoing conditions, the Arrangement became effective.

Pursuant to the Plan of Arrangement, for each New Pacific Share held immediately prior to the Effective Time of the Arrangement, New Pacific Shareholder received one replacement New Pacific Share and approximately 0.13 of a Common Share, and as a result, held shares in both New Pacific and Whitehorse. Holders of stock options and restricted share units of New Pacific did not receive equivalent securities in Whitehorse as a result of the Arrangement. The Arrangement did not affect the creditors of either Whitehorse or New Pacific (except with respect to the New Pacific-Whitehorse Debt).

The foregoing description of the Arrangement is qualified in its entirety by the text of the Arrangement Agreement and the Plan of Arrangement attached thereto, which is available on Whitehorse's SEDAR profile at [www.sedar.com](http://www.sedar.com). For further details regarding the Arrangement, please refer to New Pacific's management information circular dated August 27, 2020 available on New Pacific's SEDAR profile.

### ***The Private Placement***

On November 17, 2020, Whitehorse completed a private placement (the "**Private Placement**") of 22,656,699 Common Shares at a price of \$0.30 per Common Share for gross proceeds of \$6,797,010, including 11,092,333 Common Shares issued to insiders of New Pacific and Whitehorse. Completion of the Private Placement was a condition to completion of the Arrangement. There were no finder's fees or commissions paid in connection with the Private Placement. See "*Financings*" below for further information regarding the Private Placement.

On September 30, 2020, the requisite majority of "disinterested" New Pacific Shareholders approved the Private Placement.

### ***The TSXV Listing***

On November 25, 2020, the Common Shares commenced trading on the TSXV.

### ***Exploration and Development Properties***

#### *Skukum Gold Project*

The Skukum Gold Project is Whitehorse's material property. The most recent technical report on the Skukum Gold Project filed in accordance with NI 43-101 is the technical report prepared by Ronald G. Simpson, P. Geo, of GeoSim Services Inc. entitled "*Skukum Gold-Silver Project – NI 43-101 Technical Report – Whitehorse Mining District, Yukon Territory, Canada*" dated effective as of October 1, 2020 (the "**Technical Report**"), which is available for review under Whitehorse's SEDAR profile at [www.sedar.com](http://www.sedar.com).

See "*Mineral Property*" below for more information on the Skukum Gold Project.

#### *2020 Exploration and Drill Program*

The Company completed an initial exploration and drill program in 2020 (the "**2020 Program**"). The 2020 Program was primarily focused on gaining geologic understanding of the numerous exploration targets, historic data validation and collection of new data in support of a resource expansion program planned for 2021. In detail, the 2020 Program consisted of reconnaissance mapping, data compilation and a 4-hole, 2,091-metre diamond drilling program on the Skukum Creek deposit.

For more information on the 2020 Program, see "*Mineral Property - Exploration, Development, and Production*" below as well as the Company's news releases dated December 10, 2020, January 18, 2021 and February 17, 2021.

#### *The 2021 Program*

The Company is currently planning and preparing a drill budget for its 2021 resource expansion program at the Skukum Gold Project.

### **3.3 Significant Acquisitions**

The Company made no significant acquisitions in its most recently completed financial year.

## **ITEM 4: DESCRIPTION OF THE BUSINESS**

### **4.1 General**

From incorporation until the date of the Share Exchange Agreement, Whitehorse had no active business. Since the date of the Share Exchange Agreement, Whitehorse has been working towards recommencing activities at the Skukum Gold Project. The Skukum Gold Project is considered Whitehorse's material property. Following listing on the TSXV, Whitehorse continues to focus on further exploration and development of the Skukum Gold Project. The Skukum Gold Project is described above in detail under the heading "*General Development of the Business – Exploration and Development Properties*".

#### *Specialized Skill and Knowledge*

All aspects of Whitehorse's business activities require specialized skills and knowledge. Such skills and knowledge include the fields of geology, mining, metallurgy, engineering, environment issues, permitting, social issues, and accounting. Competition in the resource mining industry has made it more difficult to locate and retain competent employees and consultants in such fields.

#### *Competitive Conditions*

Competition in the mineral exploration industry is intense. The Company competes with other mining companies, many of which have greater financial resources and technical facilities for the acquisition and development of mineral concessions, claims, leases and other interests, as well as for the recruitment and retention of qualified employees and consultants.

#### *Business Cycles*

The mining business is subject to mineral price and investment climate cycles. The marketability of minerals is also affected by worldwide economic and demand cycles. It is difficult to assess if the current commodity prices are long-term trends, and there is uncertainty as to the recovery, or otherwise, of the world economy. If global economic conditions weaken and commodity prices decline as a consequence, a continuing period of lower prices could significantly affect the economic potential of the Company's projects.

#### *Economic Dependence*

The Company's business is not substantially dependent on any contract such as a contract to see the major part of its products or services or to purchase the major part of its requirements for goods, services or raw materials, or on any franchise, license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends.

#### *Bankruptcy and Similar Procedures*

There is no bankruptcy, receivership or similar proceedings against the Company, nor is the Company aware of any such pending or threatened proceedings. There have not been any voluntary bankruptcy, receivership

or similar proceedings by the Company within the three most recently completed financial years or currently proposed for the current financial year.

### *Reorganizations*

Other than the acquisition of the Tagish Lake Shares pursuant to the Share Exchange Agreement and the completion of the Arrangement pursuant to the Arrangement Agreement, there have been no material reorganizations of Whitehorse or Tagish Lake within the three most recently completed financial years nor any material reorganizations of Whitehorse or Tagish Lake proposed for the current financial year.

### *Social Policies*

The board of directors of the Company (the "**Board**") has adopted a written code of business conduct and ethics (the "**Code**"). A copy of the Code may be obtained by contacting the Company at the address on the cover of this AIF. Alternatively, a copy of the Code can be found on the Company's website at [www.whitehorsegold.ca](http://www.whitehorsegold.ca). When proposed transactions or agreements in which directors or officers may have an interest, material or not, are presented to the Board, the directors are required to disclose any such interest and the persons who have such an interest are excluded from all discussion on the matter and are not permitted to vote on the proposal. All such interests in transactions or agreements involving senior Management are dealt with by the Board, regardless of apparent immateriality

### *Employees*

As at December 31, 2020, the Company had 4 employees.

## **4.2 Risk Factors**

### ***Mining Business***

An investment in Whitehorse's securities is highly speculative, due to the high-risk nature of its business, lack of diversification and the present stage of its development. Shareholders of Whitehorse may lose their entire investment. The market price of the Common Shares may be affected by many variables not directly related to the corporate performance of Whitehorse, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments and the breadth of the public market for its shares. The effect of these and other factors on the market price of the Common Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of the Common Shares.

The following risk factors, as well as risks not currently known to the Company, could materially adversely affect the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in the forward-looking statements and information relating to the Company. During the financial year ended December 31, 2020, emerging risks related to the COVID-19 pandemic, which has resulted in profound health and economic impacts globally to date and presents future risks and uncertainties that are largely unknown as at the date of this AIF.

The Company is currently in the business of acquiring and exploring mineral properties, and is exposed to a number of risks and uncertainties that are common to other mineral exploration companies in the same business. The following is a brief discussion of those factors which may have a material impact on, or constitute risk factors in respect of, the Company's future financial performance.

### *COVID-19*

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of pandemics or other health crises, such as the outbreak of COVID-19 that was designated as a pandemic by the World Health Organization on March 11, 2020. The international response to the spread of COVID-19 has led to significant restrictions on travel, temporary business closures, quarantines, global stock

market volatility, and a general reduction in consumer activity. Such public health crises can result in operating, supply chain and project development delays and disruptions, global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and labour shortages, and travel and shipping disruption and shutdowns, including as a result of government regulation and prevention measures, or a fear of any of the foregoing, all of which could affect commodity prices, interest rates, credit risk and inflation. In addition, the current COVID-19 pandemic, and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Company's operations, and the operations of suppliers, contractors and service providers.

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

As at the date of this AIF, the duration of the business disruptions and related financial impact of COVID-19 cannot be reasonably estimated. It is unknown whether and how the Company may be affected if the pandemic persists for an extended period of time.

The Company's exposure to such public health crises also includes risks to employee health and safety. Should an employee, contractor, community member or visitor become infected with a serious illness that has the potential to spread rapidly, this could place the Company's workforce at risk.

#### *No Revenues or Ongoing Mining Operations*

The Company is a development stage mineral company and has no revenue from operations and no ongoing mining operations of any kind. The Company has not developed or operated any mines, and has no operating history upon which an evaluation of the Company's future success or failure can be made. The Company's ability to achieve and maintain profitable mining operations is dependent upon a number of factors, including the Company's ability to successfully build and operate mines, processing plants, and related infrastructure. The Company may not successfully establish mining operations or profitably produce metals at its properties. As such, the Company does not know if it will ever generate revenues.

#### *Mineral Deposits Not Economic*

The determination of whether any mineral deposits on the Company's mineral projects are economical is affected by numerous factors beyond the control of the Company. These factors include: (a) the metallurgy of the mineralization forming the mineral deposit; (b) market fluctuations for metal prices; (c) the proximity and capacity of natural resource markets and processing equipment; and (d) government regulations governing prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection.

#### *Obstacles Implementing Capital Expenditure Projects*

The Company's mineral projects are subject to a number of risks that may make it less successful than anticipated, including: (a) delays or higher than expected costs in implementing recommendations contained in the Technical Report or other technical reports that may be prepared for the Company's mineral projects; (b) negative technical results and/or technical results that fail to deliver the required returns to render the ongoing development of the Skukum Gold Project economic; (c) delays in receiving environmental permits and/or social license from indigenous groups; (d) delays in receiving construction and operating permits; (e) delays or higher than expected costs in obtaining the necessary equipment or services to build and operate the Skukum Gold Project and the Company's other mineral projects; and (f) adverse mining conditions may delay and hamper the ability of the Company to produce the expected quantities of minerals.

#### *General Market Events and Conditions*

The unprecedented events in global financial markets in the past several years which have been heightened

due to emerging risks relating to the spread of COVID-19 have had a profound impact on the global economy. Many industries, including the mining industry, are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's business and industry. A number of issues related to economic conditions could have a material adverse effect on financial condition and results of operations of the Company, specifically: (a) the global credit/liquidity crisis could impact the cost and availability of financing and the Company's overall liquidity; (b) the volatility of metal prices would impact the Company's finances; (c) continued recessionary pressures could adversely impact demand for the production from the Company's mineral projects, if any; and (d) volatile energy, commodity and consumables prices and currency exchange rates would impact the Company's production costs, if any.

#### *No Known Commercial Mineral Deposits*

The Company's mineral projects do not currently contain known amounts of commercial mineral deposits. The Company's program is exploratory only and there is no certainty that the expenditures to be made by the Company will result in the development of any commercial mineral deposits.

#### *Changes in Market Price of Metals*

The potential of the Company's mineral projects to be economically mined is significantly affected by changes in the market price of metals. The market price of metals is volatile and is impacted by numerous factors beyond the control of the Company, including: (a) expectations with respect to the rate of inflation; (b) the relative strength of the U.S. dollar and certain other currencies; (c) interest rates; (d) global or regional political or economic conditions; (e) supply and demand for jewellery and industrial products containing metals; and (f) sales by central banks, other holders, speculators, and producers of gold and other metals in response to any of the above factors. A decrease in the market price of metals could make it difficult or impossible to finance the exploration or development of the Company's mineral projects or cause the Company to determine that it is impractical to continue development of such projects, which would have a material adverse effect on the financial condition and results of operations of the Company. There can be no assurance that the market price of metals will not decrease.

#### *Mining Operations May Not be Established or Profitable*

The Company has no history of production and the Company's mineral projects are currently in the exploration stage. The future development of the Company's mineral projects will require additional financing, permits, social license, design, construction, processing plant, and related infrastructure. As a result, the Company will be subject to all of the risks associated with establishing new mining operations and business enterprises, including: (a) the timing and cost, which will be considerable, of obtaining all necessary permits including environmental, construction, and operating permits; (b) the timing and cost, which will be considerable, of the construction of mining and processing facilities; (c) the availability and costs of skilled labour, power, water, transportation, and mining equipment; (d) the availability and cost of appropriate smelting and/or refining arrangements; (e) the need to obtain necessary environmental and other governmental approvals and permits, and the timing of those approvals and permits; (f) the need to consult with indigenous groups; and (g) the availability of funds to finance construction and development activities.

It is common in new mining operations to experience unexpected problems and delays during permitting, construction, development, and mine start-up. In addition, delays in the commencement of mineral production often occur, and once commenced, the production of a mine may not meet expectations or the estimates set forth in feasibility or other studies. Accordingly, there are no assurances that the Company will successfully establish mining operations or become profitable.

### *Estimates of Mineralization Figures*

The mineralization figures presented in the Technical Report are based upon estimates made by qualified persons. These estimates are imprecise and depend upon interpretation of geologic formations, grade, and metallurgical characteristics and upon statistical inferences drawn from drilling and sampling analysis, any or all of which may prove to be unreliable. Material changes in mineral resources or mineral reserves, grades, stripping ratios, or recovery rates may affect the economic viability of any project. The economic viability of mineral estimates can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, and work interruptions. There can be no assurance that: (a) the estimates made by qualified persons upon which the mineralization figures presented in the Technical Report are based will be accurate; (b) mineral resource or other mineralization figures will be accurate; or (c) this mineralization could be mined or processed profitably.

Mineralization estimates for the Skukum Gold Project may require adjustments or downward revisions based upon further exploration or development work. It is possible that the following may be encountered: unusual or unexpected geologic formations or other geological or grade problems, unanticipated changes in metallurgical characteristics and silver recovery, and unanticipated ground or earth conditions. If mining operations are commenced, the grade of mineralization ultimately mined, if any, may differ from that indicated by drilling results. Estimates of mineral recovery rates used in mineral reserve and mineral resource estimates are uncertain and there can be no assurance that mineral recovery rates in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale.

### *Acquisition and Maintenance of Permits*

Exploration and development of, and production from, any deposit at the Company's mineral projects require permits from various governmental authorities. There can be no assurance that any required permits will be obtained in a timely manner or at all, or that they will be obtained on reasonable terms. Delays or failure to obtain, expiry of, or a failure to comply with the terms of such permits could prohibit development of the Company's mineral projects and have a material adverse impact on the Company.

The Company's current and future operations, including development activities and commencement of production, if warranted, require permits from governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, and other matters. Companies engaged in property exploration and the development or operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations, and permits. The Company cannot predict if all permits which it may require for continued exploration, development, or construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms, if at all. Time delays and associated costs related to applying for and obtaining permits and licenses may be prohibitive and could delay planned exploration and development activities. Failure to comply with or any violations of the applicable laws, regulations, and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

Parties engaged in mining operations may be required to compensate those impacted by 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 mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company's operations and cause increases in capital expenditures or production costs, or reduction in levels of production at producing properties, or require abandonment or delays in development of new mining properties.

### *Operations and Exploration Subject to Governmental Regulations*

The Company's operations and exploration and development activities are subject to extensive laws and regulations governing various matters, including: (a) environmental protection; (b) management and use of toxic substances and explosives; (c) management of natural resources; (d) management of tailings and other wastes; (e) mine construction; (f) exploration, development of mines, production and post-closure reclamation; (g) exports; (h) price controls; (i) taxation and mining royalties; (j) regulations concerning business dealings with indigenous groups; (k) labour standards and occupational health and safety, including mine safety; and (l) historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities, enjoining or curtailing operations, or requiring corrective measures, installation of additional equipment, or remedial actions, any of which could result in the Company incurring significant expenditures. The Company may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations, or permitting requirements. It is also possible that future laws and regulations, or a more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, restrictions on or suspensions of the Company's exploration activities, if any, and delays in the development of the Skukum Gold Project.

### *Impact of Environmental Laws and Regulations*

The Company's mineral projects are subject to regulation by governmental agencies under various environmental laws. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species, and reclamation of lands disturbed by mining operations. Compliance with environmental laws and regulations may require significant capital outlays on behalf of the Company and may cause material changes or delays in the Company's intended activities. There can be no assurance that future changes in environmental regulations will not adversely affect the Company's business, and it is possible that future changes in these laws or regulations or a more stringent enforcement of current environmental laws and regulations by governmental agencies could have a significant adverse impact on some portion of the Company's business, causing the Company to re-evaluate those activities at that time.

### *Mining is Inherently Dangerous*

The business of mining is subject to a number of risks and hazards including environmental hazards, industrial accidents, labour disputes, cave-ins, pit wall failures, flooding, fires, rock bursts, explosions, power outages, periodic interruptions due to inclement or hazardous weather conditions, and other acts of God or unfavourable operating conditions. Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, increased production costs, monetary losses, and possible legal liability.

Where considered practical to do so, the Company will maintain insurance against risks in the operation of its business in amounts which it believes to be reasonable. Such insurance, however, contains exclusions and limitations on coverage. There can be no assurance that such insurance will continue to be available, will be available at economically acceptable premiums, or will be adequate to cover any resulting liability. In some cases, coverage is not available or is considered too expensive relative to the perceived risk. The Company may suffer a material adverse effect on its business if it incurs losses related to any significant events that are not covered sufficiently or at all by its insurance policies.

### *Financing*

Whitehorse expects to be substantially dependent upon the equity and debt capital markets or alternative sources of funding to pursue additional investments. There can be no assurance that such financing will be available to Whitehorse on acceptable terms or at all.

Additional equity or debt financings may significantly dilute positions held by shareholders of Whitehorse, increase Whitehorse's leverage or require Whitehorse to grant security over its assets. If Whitehorse is unable

to obtain such financing, it may not be able to develop the Skukum Gold Project or execute on its business plans. If Whitehorse is unable to obtain financing for business activities, it may determine to allocate income, if any, from other investments to finance business activities.

### *Competition*

The mining industry is intensely competitive. The Company will compete with other mining companies, many of which have greater financial resources for the acquisition of mineral claims and concessions, as well as for the recruitment and retention of qualified employees. Increased competition could adversely affect the Company's ability to attract necessary capital funding.

### *Specialized Skill and Knowledge*

All aspects of the Company's business activities require specialized skills and knowledge. Such skills and knowledge include the fields of geology, mining, metallurgy, engineering, environment issues, permitting, social issues, compliance and accounting. While competition in the resource mining industry has made it more difficult to locate and retain competent employees in such fields, the Company has been successful in finding and retaining experts for the majority of its key activities.

### *Title to Mineral Properties*

Establishing title to mineral properties is a very detailed and time-consuming process. Title to an area of mineral properties may be disputed. While the Company has investigated title to all of its mineral claims and, to the best of its knowledge, title to all of its properties are in good standing, the Company's mineral properties may be subject to prior unregistered agreements or transfers and title may be affected by such undetected defects. There may be valid challenges to the title of the Company's properties which, if successful, could impair exploration, development and/or operations. The Company's mineral properties may be subject to indigenous land claims, prior unregistered agreements or transfers and title may be affected by undetected defects. The Company cannot give any assurance that title to its properties will not be challenged.

### *Indigenous Claims and Consultation*

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

### *Conflicts of Interest*

Certain officers and directors of the Company are also directors, officers, employees, consultants or shareholders of other companies that are engaged in the business of acquiring, developing, and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. Such a conflict poses the risk that the Company may enter into a transaction on terms which place the Company in a worse position than if no conflict existed. The directors are required by law to act honestly and in good faith with a view to the best interest of the Company, and to disclose any interest which they may have in any project or opportunity of the Company. However, each director has a similar obligation to other companies for which such director serves as an officer or director. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his/her interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the Board will consider, among other things, the degree of risk to which the Company may be exposed and its financial position at that time.

### *Outcome of Future Litigation or Regulatory Actions*

Due to the nature of its business, the Company may be subject to regulatory investigations, claims, lawsuits

and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the discovery of evidence process, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on the Company's business.

No assurance can be given with respect to the ultimate outcome of future litigation or regulatory proceedings, and the amount of any damages awarded or penalties assessed in such a proceeding could be substantial. In addition to monetary damages and penalties, the allegations made in connection with the proceedings may have a material adverse effect on the reputation of the Company and may impact its ability to conduct operations in the normal course.

Litigation and regulatory proceedings also require significant resources to be expended by the directors, officers and employees of the Company and as a result, the diversion of such resources could materially affect the ability of the Company to conduct its operations in the normal course of business. Significant fees and expenses may be incurred by the Company in connection with the investigation and defense of litigation and regulatory proceedings. The Company may also be obligated to indemnify certain directors, officers, employees and experts for additional legal and other expenses pursuant to such proceedings, which additional costs may be substantial and could have a negative effect on the Company's future operating results. The Company may be able to recover certain costs and expenses incurred in connection with such matters from its insurer. However, there can be no assurance regarding when or if the insurer will reimburse the Company for such costs and expenses.

#### *Dependence on Certain Key Personnel*

The Company is highly dependent upon its senior management and other key personnel, and the loss of any such individuals could have a materially adverse effect on the business of the Company. In addition, there can be no assurance that the Company will be able to maintain the services of its officers or other key personnel required in the operation of the business. Failure to retain these individuals could adversely impact the Company's business and prospects.

#### *Recent and Current Market Conditions*

Over recent years worldwide securities markets, including those in the Canada and the United States, have experienced a high level of price and volume volatility. Accordingly, the market price of securities of many mining companies, particularly those considered exploration or development-stage companies, have experienced unprecedented shifts and/or declines in price which have not necessarily been related to the underlying asset values or prospects of such companies. There can be no assurance that significant fluctuations in the trading price of the Common Shares will not occur, or that such fluctuations will not have a material adverse impact on the Company's ability to raise equity funding.

#### *Dividends*

To date, the Company has not paid dividends on any of its Common Shares and the Company is not required to pay any dividends on its Common Shares in the foreseeable future. Any decision to pay dividends will be made on the basis of the Company's earnings, financial requirements and other conditions.

### **Company Risk**

#### *Economic Factors Affecting the Company*

Many industries, including the mining industry, are impacted by market conditions. Some of the key impacts of the recent financial market turmoil include emerging risks relating to COVID-19, contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metals markets, and a lack of market liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending,

employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's growth and profitability. Specifically: the volatility of gold, silver, lead and zinc prices may impact the Company's revenues, profits, losses and cash flow; volatile energy prices, commodity and consumable prices and currency exchange rates would impact the Company's production costs; and the devaluation and volatility of global stock markets may impact the valuation of the Company's equity and other securities. These factors could have a material adverse effect on the Company's financial condition and results of operations.

#### *Loss of Investment Risk*

An investment in the Company is speculative and may result in the loss of a substantial portion of an investor's investment. Only potential investors who are experienced in high risk investments and who can afford to lose a substantial portion of their investment should consider an investment in the Company.

#### *No Guaranteed Return*

There is no guarantee that an investment in the Company will earn any positive return in the short term or long term.

#### *Cybersecurity Risks*

The Company is subject to cybersecurity risks including unauthorized access to privileged information, destroy data or disable, degrade or sabotage our systems, including through the introduction of computer viruses. Although we take steps to secure our configurations and manage our information system, including our computer systems, internet sites, emails and other telecommunications, and financial/geological data, there can be no assurance that measures we take to ensure the integrity of our systems will provide protection, especially because cyberattack techniques used change frequently or are not recognized until successful. The Company has not experienced any material cybersecurity incident in the past, but there can be no assurance that the Company would not experience in the future. If our systems are compromised, do not operate properly or are disable, we could suffer financial loss, disruption of business, loss of geology data which could affect our ability to conduct effective mine planning and accurate mineral resources estimates, loss of financial data which could affect our ability to provide accurate and timely financial reporting.

### **ITEM 5: MINERAL PROPERTY**

As at December 31, 2020, the Company considers the Skukum Gold Project to be a material property for the purposes of NI 43-101.

#### **5.1 Skukum Gold Project**

##### **(1) Introduction**

##### *Current Technical Report*

The Skukum Gold Project is considered Whitehorse's material property. The Property is 100% owned by Tagish Lake, a wholly owned subsidiary of the Company.

The most recent technical report on the Skukum Gold Project filed in accordance with NI 43-101 is the Technical Report prepared by Ronald G. Simpson, P. Geo, of GeoSim Services Inc. dated effective as of October 1, 2020 entitled "*Skukum Gold-Silver Project – NI 43-101 Technical Report – Whitehorse Mining District, Yukon Territory, Canada*".

The bulk of the contents of the Technical Report were previously prepared at the request of New Pacific in 2012 and filed on SEDAR on September 14, 2012 in the technical report entitled "*Technical Report, Skukum Gold-Silver Project, Whitehorse Mining District, Yukon Territory, Canada*". by Christopher O. Nass, P. Geo, CME Consultants Inc. and Ronald G. Simpson, P. Geo, GeoSim Services Inc., with an effective date of

July 16, 2012 (Simpson, 2012). The Company requested the author to update the aforementioned report for their use in connection with a transaction relating to the Company, and re-state the Mineral Resource Estimate using current metal price assumptions.

### *Interpretation*

The detailed disclosure set out below regarding the Skukum Gold Project is based on the disclosure in the Technical Report. The Technical Report contains more detailed information and qualifications than as set out below and readers are encouraged to review the Technical Report in its entirety. The following summary is subject to all of the assumptions, information and qualifications set forth in the Technical Report and the detailed disclosure contained in the Technical Report is hereby incorporated by reference. The Technical Report is available for review under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

Within the excerpted information below, the Skukum Gold Project is also referred to as the "**Property**" and the "**author**" means the author of the Technical Report. Further, any references cited within this excerpted information (including tables and figures which are not reproduced and renumbered herein) are provided in the Technical Report and all other defined terms that are not otherwise defined herein will have the definitions ascribed to them in the Technical Report.

The remaining information provided below in respect of the Skukum Gold Project (for greater clarity, under the heading "*Exploration, Development and Drilling*" below) is based on information prepared by or information which has been reviewed and approved by Tim Kingsley, Vice President of Exploration of Whitehorse and Certified Professional Geologist (CPG-11538) with the American Institute of Professional Geologists. Mr. Kingsley is a Qualified Person for the purposes of NI 43-101.

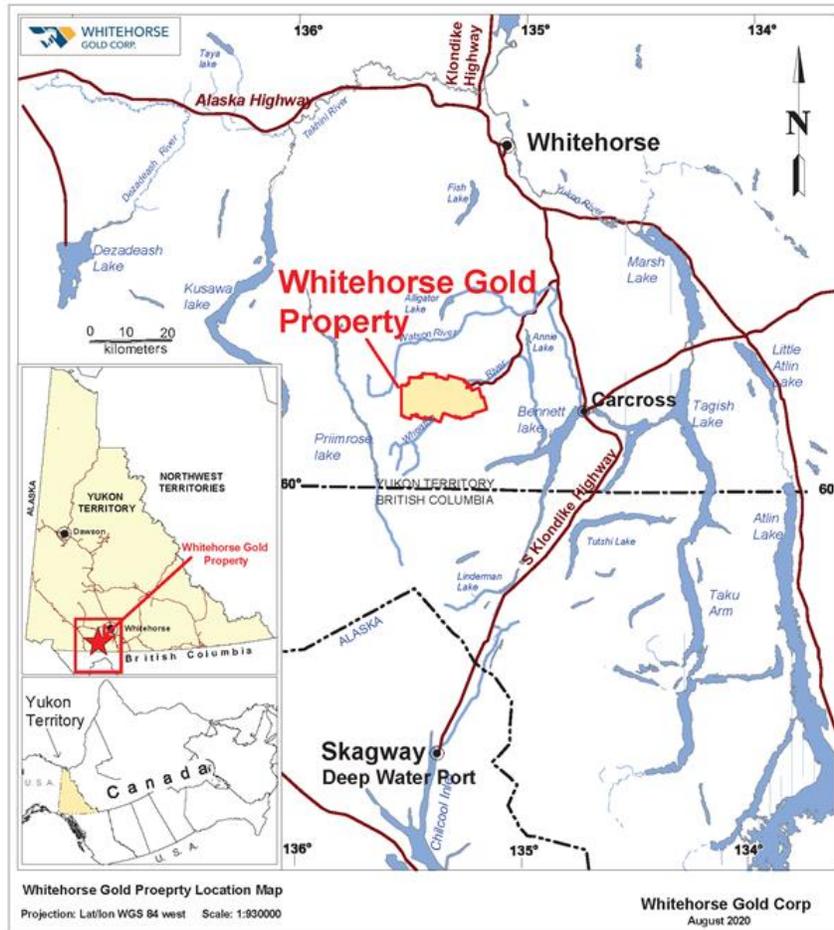
Please also see "*General Development of the Business – Three Year History*" above for background information regarding the history of acquisition and advancement of the Skukum Gold Project.

## **(2) Project Description, Location and Access**

### **(a) Location and Access**

The Property is located approximately 80 kilometres south of Whitehorse, in the Whitehorse Mining District of the Yukon Territory, Canada (Figure 5-1). The Property's approximate center is 60°10'N latitude and 135°30'W longitude and falls on NTS mapsheets 105D03, 105D04, and 105D06.

**Figure 5-1 General Location Map**



*Royalties and Encumbrances*

There are no existing royalties or encumbrances on the Property.

*Permits & Environmental Liabilities*

The Crown holds control of the surface rights on the Property, Tagish Lake held claims and all work undertaken on the surface for hard rock mineral claims and leases is regulated under the *Quartz Mining Act* (Yukon) through the Quartz Mining Land Use Regulation and is managed by the Mining Recorder's Office.

The work permitting process in the Yukon is similar to the rest of Canada in that, although the claim holder has the right to explore for minerals, they must make all the necessary applications to Energy, Mines, and Resources and other environmentally applicable agencies prior to the commencement of work.

Exploration activities including drilling, trenching, blasting, cut lines, and excavating require a Mining Land Use Permit which must be approved under the *Yukon Environmental Socioeconomic Assessment Act* (Yukon). A Class I notification (number: C1Q00263 – Q2020\_0197) is currently in place for the Property and valid to July 14, 2021. The permit requires submittal of an annual report by March 31 of each year, summarizing activities performed in the preceding calendar year. Additional notification and permits including a new class 1 as well as a class 3/4 notification will be applied for as needed in support of planned expanded exploration

activities in 2021–2022. If deemed necessary, a water license may also be obtained through the Yukon Water Board.

In 2019, New Pacific was issued a Directive from the Yukon Government Compliance Monitoring and Inspections ("YGCMI") to stop the discharge of waste from the 1300 Portal at Skukum Creek. The discharge of waste was defined as the water leaving the 1300 portal, for which New Pacific did not have a Water License in place to cover this discharge.

New management of Whitehorse approached YGCMI in July to discuss the issue and seek a resolution. Following numerous meetings, a meeting on August 25, 2020 led to an agreement between Whitehorse and YGCMI whereby YGCMI would issue a Directive to Whitehorse with compliance dates to be mutually agreed upon. At the meeting, stopping the discharge of waste was defined as either stopping the flow of water or treating the water so that it met the previous water license discharge limits. The previous water license under which the portal was developed was developed taking into consideration of the downstream assimilative capacity and the metal loadings in the receiving waters.

The YGCMI has since issued the new directive and Whitehorse has until September 2021 to comply. Whitehorse is working with a water quality consultant on developing a suitable water treatment method to be implemented at the portal.

The quartz claims held by Tagish Lake are valid and are sufficient to support estimation of Mineral Resources. To the extent known there are no other significant factors and risks besides noted in the report that may affect access, title, or the right or ability to perform work on the property.

*Accessibility*

The Property can be accessed by 84 kilometres of all-weather road from Whitehorse, Yukon Territory. Road access from Whitehorse is gained by traveling southeastward on the Alaska Highway for 19 kilometres to Carcross Corner, then south on the South Klondike Highway a further 22 kilometres to the Annie Lake turnoff. The 28-kilometre Annie Lake road is a government-maintained 2 lane gravel road that heads west to the Wheaton River. From the Wheaton River Crossing, a 4-wheel drive ("**4WD**") non-maintained gravel road continues southwestward to the Property and on to the Property's camp. Total travel time from Whitehorse is approximately one hour and 15 minutes.

The camp is located in the north-central portion of the Property, from which numerous roads and trails provide final access to the individual deposits and showings. The last two bridges on the camp access road have been removed so access is currently limited to 4WD vehicles and is dependent on water levels. The permitting process has been initiated to restore bridge access to the camp. Alternatively, the Property can be reached by helicopter from the Whitehorse airport, which is 55 kilometres to the north-northwest of the Property.

Whitehorse has a population of approximately 25,000 residents. Facilities include a commercial airport with regular air service through Air Canada and Air North airlines, fixed wing aircraft bases and two helicopter bases.

**(b) Mineral Tenure**

The Property consists of 1,051 contiguous quartz claims covering an area of approximately 17,030 hectares (Table 5-1) in the Whitehorse Mining District. All Quartz claims are in good standing and registered to Tagish Lake. The claims were first recorded between February 1971 and August 2011. Expiry dates range from April 28, 2021 to January 1, 2022.

**Table 5-1 Skukum Property Mineral Tenures**

Claim Name	Claim Number(s)	Grant Number(s)
CHAR	1-43	YC18781-YC18823
	44-52	YC19347-YC19355
CHIEF	2	YA74385
	12-27	YA74395-YA4410

Claim Name	Claim Number(s)	Grant Number(s)
	32-49	YA74415-YA74432
	52-68	YA74435-YA74451
CL	6-10	YC14135-YC14139
	13-18	YC14140-YC14145
	21-25	YC14148-YC14152
	29-30	YC14156-YC14157
DG	1-22	YB66982-YB67003
ERN	1-15	YA81543-YA81557
	16-22	YA85503-YA85509
	24-27	YA85511-YA85514
	30-33	YA85515-YA85518
GLEE	1-12	YA93875-YA93886
	16-20	YA93890-YA93894
	22	YA93896
	37-46	YA93911-YA93920
	59-80	YA93993-YA94014
KIR	1-33	YA92967-YA92999
KUKU	1-6	YA61199-YA61204
	9-21	YA61207-YA61219
	23-41	YA61221-YA61239
	43	YA61241
	45-48	YA61243-YA61246
	50	YA61624
	65-66	YA61639-YA61640
	97-100	YA61671-YA61674
	194	YA61768
	196-199	YA61770-YA61773
	250-251	YA61824-YA61825
	282-283	YA61856-YA61857
	22	YB97767
LB	1-13	YB67028-YB67040
	15-27	YB67042-YB67054
MB	1-3	YA94610-YA94612
MIL	1-69	YB67168-YB67234
MOM	3-10	YA81769-YA81776
	15-44	YA81781-YA81810
	47-48	YA81813-YA81826
	50	YA81816
	52	YA81818
	54	YA81820
	56	YA81822
	58	YA81824
	60	YA81826
	62-81	YA81828-YA81847
	82-89	YA82000-YA82007
OMNI	1-12	YA93743-YA93754
POP	1-14	Y5415-Y 75428
	15-70	YA81468-YA81523
	71-104	YA86194-YA86227
	101-102	YA93378-YA93379
	103-116	YA93382-YA93395
	117-118	YA94672-YA94673
PUP	29-30	YB97801-YB97802
	85	YA78390
RACA	8-11	Y 60275-Y 60278
RIG	1-8	YE33401-YE33408
SKO	1-3	YE32968-YE32970
	16-45	YE32983-YE33012
SKU	342-373	YE33259-YE33399
	378-406	YE33312-YE33342
	408	YE33342
	414-465	YE33348-YE33399
	480-495	YE33028-YE33043
	510-515	YE33058-YE33063
	516	YE54650

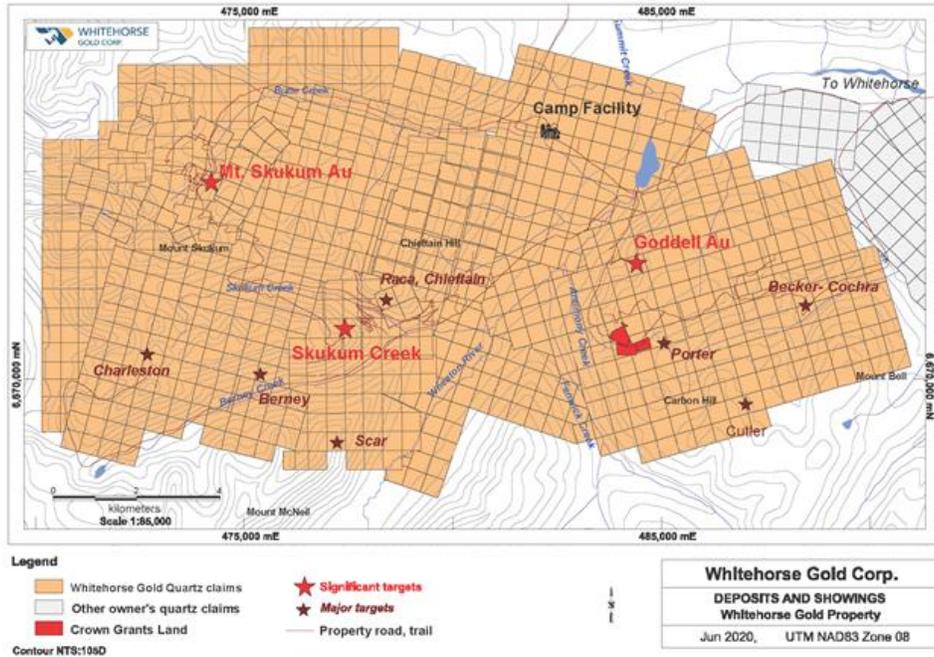
Claim Name	Claim Number(s)	Grant Number(s)
	517	YE33013
	518	YE33409
	700	YE33400
STEN	2	YA92923
	4	YA92925
	9-17	YA92930-YA92938
	19-45	YA92940-YA92966
TECH	1-4	YA82362-YA82365
	5	YB97764
	6	YB26465
	7-13	YA82368-YA82374
	14	YB97763
	15-18	YA82376-YA82379
	19-21	YA86013-YA86015
	22-40	YA92145-YA92163
TEX	1-22	YA92833-YA92854
TM	1-14	YB66868-YB66879
	16-20	YB66881-YB66885
	22-32	YB66886-YB66896
	35-117	YB66899-YB66981
	118-123	YC07981-YC07986
	126-133	YC07989-YC07996
TREE	1-5	YA82961-YA82965
WH	1-8	Y 75547-Y 75554

### (3) History

The Property has been the subject of exploration activities, and some production mining at Mt. Skukum, over its history. The history of work is difficult to follow, as the Property has undergone many ownership changes and wide-ranging exploratory work has been completed on many parts of the Property, ranging from regional geochemical surveys to detailed drilling and underground exploration and development. Exploration and development are principally linked to the three known deposits of the Property, namely Mt. Skukum, Skukum Creek and Goddell Gully.

The only production mining on the property occurred at the Mt. Skukum deposit. Skukum Creek and Goddell Gully have exploratory underground workings and underground drilling however neither deposit nor any other prospect on the property has had any significant mineral production. These deposits as well as other notable prospects and showings are presented in Figure 5-2 and described below.

**Figure 5-2 Deposits and Showings**



**Mt. Skukum (Lake Zone)**

The first claims in the Mt. Skukum area were staked in 1981 by Agip Canada Ltd. ("**Agip**"). Production at Mt. Skukum was undertaken between February 1986 and August 1988 during which a total of 233,400 tons of ore were processed in the plant, recovering 2,500 kilograms (77,790 tr. oz.) of gold.

A summary of the drilling performed from 1982 to 1997 at Mt. Skukum is presented in Table 5-2 below (Zhang, 2012).

**Table 5-2 Summary of Drilling – Mt. Skukum (1982-1989)**

Total Number of Drill holes completed	Total amount of drilling completed (m)	Years of Drilling	Target Zones	Companies Involved
29	3,325.80	1982	Main Cirque	Agip
40	4,380.52	1983	Main Cirque, Brandy	Agip
61	6,097.50	1984	Brandy, Cirque, Lake	Agip
6	168.42	1985	Cirque	Ericson
72	8,864.96	1986	Brandy, Cirque, Lake	Mount Skukum Gold Mining
153	17,125.47	1987	Evening, Ocean, Midnight, Pika, Falls, Lake, Cirque, Fox, Wunder, Brandy, Gully	Mount Skukum Gold Mining
106	12,373.45	1988	Ocean, Morning, Pika, Tango, Lake, Cirque, Fox, Kiwi, Brandy, Sulphide	Mount Skukum Gold Mining
14	3,214.73	1989	Ocean, Tango, Goat	Mount Skukum Gold Mining
3	576.38	1991	Ocean	Wheaton River Mineral
5	608.08	1997	Ocean	Omni

**Skukum Creek**

The Skukum Creek area was originally staked in 1922 to cover anomalous gold and antimony showings and included driving a 41-metre adit and considerable trenching.

Table 5-3 presents a summary of the exploration work carried out on the Skukum Creek deposit prior to 2011 (Zhang, 2012)

**Table 5-3 Drilling and Drifting - Skukum Creek Deposit (1985 - 2008)**

Total Number of Drill holes completed	Total amount of drilling completed (m)	Years drilling and/or underground development completed	Amount of Drift Completed (m)	Companies Involved
23 (s)	2,322.61 (s)	1985	0	Aurum
55 (s)	8,301.47 (s)	1986	0	Aurum
69 UG and 11(s)	2,624.03 (s)4,821.97 (UG)	1987	823; collar the 1300m portal	Aurum and Omni Resources Inc.
13 UG 24 (s)	1,416 (UG)5,165 (s)	1988	1,571; collar the 1350 m portal	Skukum Gold Inc. and Omni Resources Inc.
15 UG	1,647 UG	1996	100	Omni Resources Inc.
7 (s)	2,739 (s)	1997	ND	Omni Resources Inc.
5 (s)	1,321.9 (s)	1998	ND	Omni Resources Inc.
4 (s)15 UG	1,502.35 (s)2,502.52 UG	2001	ND	TLGC
5 UG	248 UG	2003	586	TLGC
14 UG	913.4 UG	2005	ND	TLGC
72 UG	6,446.21 UG	2006	400	TLGC
13 UG	1,783.4 UG	2007	570	TLGC
3 UG	342.6 UG	2008	0	TLGC
<b>TOTALS 129 (s)219 UG</b>	<b>23,976.36 (s)20,121.1 UG</b>	<b>1985-2008</b>	<b>4,050</b>	<b>Various</b>

### ***Goddell Gully***

First recorded exploration in the Goddell area was in 1898 with the discovery of the Porter and Empire Showings, followed in 1906 with the discovery of the Becker-Cochran and Goddell antimony showings.

Table 5-4 presents a summary of the exploration work carried out on the Skukum Creek deposit prior to 2011 (Zhang, 2012)

**Table 5-4 Drilling and Drifting - Goddell Gully (1985 - 2008)**

Total Number of Drill holes completed	Total amount of drilling completed (m)	Years drilling and/or underground development completed	Amount of Drift Completed (m)	Companies Involved
13 (s)	2,857.19 (s)	1987	0	Berglynn Resources Inc. and Skukum Gold Inc.; Skukum Ventures
4 (s)	1,976.33 (s)	1988	0	Skukum Gold
7 (s)	1,573.08 (s)	1990	0	Skukum Gold
5 (s)	2,855.4 (s)	1995	0	Aurum
40 UG	9,242.55 (UG)	1996-1997	780	Trumpeter Yukon Gold and Omni Resources
3 (s)	974.74 (s)	2003	0	TLGC
2(s)	~900 (s)	2004	0	TLGC and Yukon Government
3 UG	342.6 UG	2008	0	TLGC
<b>TOTALS 34 (s) 40 UG</b>	<b>~11,136.74 (s) 9,242.55 UG</b>	<b>1987-2004</b>	<b>780</b>	<b>Various</b>

### ***Historical Mineral Resource Estimates***

There are numerous historical estimates of mineral resources of the deposits on the Property that have been completed by in-house professionals of numerous companies as well as third-party consultants since the late 1980's. The most recent estimates were made by Minetech in 2003 on the Skukum Creek deposit and Goddell Gully deposit and a 2007 resource update on the Skukum Creek deposit.

The 2003 resource estimates for Skukum Creek and Goddell Gully were prepared by D. Roy and P. Hannon of Minetech and documented in the Technical Report entitled "*Resource Report, Tagish Lake Gold Corporation., Skukum Creek and Goddell Gully Deposits*" and dated June 9, 2003.

The 2007 resource estimate update for Skukum Creek was also prepared by D. Roy and P. Hannon of Minetech and documented in the Technical Report entitled "*Tagish Lake Gold Corp, Resource Report Update, for the Skukum Property, Wheaton River, Yukon, Canada*" and dated August 27, 2007.

The historical estimates in this section use the categories set out in section 1.2 of NI 43-101. The historical resource estimates in this section have been upgraded and replaced with a current mineral resource estimate prepared by a Qualified Person. These historical estimates are not to be relied upon. Since the completion of the historical estimates, additional work has been carried out at Skukum Creek (diamond drilling and underground development) and Goddell Gully (diamond drilling) by a previous operator and New Pacific. Current resource estimates for Skukum Creek and Goddell Gully have been prepared by a Qualified Person using all available data, updated models and run at current metal prices. The current resource estimates are presented under the heading "Mineral Resource Estimate" below.

#### *2003 Historical Resource Estimate: Skukum Creek and Goddell Gully*

For Skukum Creek, all sample data were collected as of the end of 2002, totaling 5,135 gold samples and 4,885 silver samples. For Goddell Gully, there were 3,949 core samples in total. At Skukum Creek, specific gravity was estimated using inverse distance weighting. At Goddell, an average specific gravity value of 2.7 t/m<sup>3</sup> was used as no specific gravity sampling had been carried out.

Drilling and channel samples were downhole composited or regularized over one metre intervals. Equivalent gold grades were calculated for each composited silver sample; however, gold and silver grades were calculated separately for each block. At this time, metal prices were assumed as US\$300 per troy ounce gold and US\$4.50 per troy ounce silver. The equivalent grade was equal to the silver grade multiplied by the ratio US\$4.50/US\$300 or 0.015. Top-cuts of 32 g/t Au and 1,300 g/t Ag were applied to Skukum Creek blocks. A top-cut of 45 g/t Au was applied to Goddell Gully blocks.

Cross sections were created to show geology and the equivalent gold grades at 25 metres apart in the Rainbow and Kuhn Zones, and 50 metres apart in the Ridge Zone. Shear zone geology and an outline of "higher grade" material (greater than 5 g/t Au equivalent) within the shear zone were created to develop the wireframe model. The high-grade outline model was used to construct a block model with dimension of 2m<sup>3</sup>, sub-blocked five times across strike and twice down-dip. Concurrently, a polygonal resource estimate was carried out, consisting of calculating the average grade of all samples within each section that were within the outline. Calculating the area of each section and multiplying that by the section width and average specific gravity gave the mass of each section. Measured resources were identified as blocks that were within 15 metres from two underground channel samples, Indicated resources were identified as blocks that were within the outline and were less than 25 metres away from at least two samples and Inferred resources were within the outline and within 40 metres of channel or core results.

At Goddell Gully, the same procedure for outlining geology was used as for outlining geology at Skukum Creek. An outline value was created using 5 g/t Au as a guide for the outline's outer limits. East-west sections were created at section spacing of 50 metres, except for a 100 metre portion over which a 25 metre spacing was used. Two zones were outlined and a specific gravity of 2.7 t/m<sup>3</sup> was used. A block model was constructed with block dimensions of 2 m<sup>3</sup>. Each block was subdivided five times across the strike dimension and twice in the vertical dimension to allow finer geological resolution. A polygonal method was used to estimate resources. Indicated resource was defined as within 15 metres of sampling and Inferred resources within 25 metres of sampling.

A summary of the total Skukum Creek and Goddell Gully resources are presented in Table 5-5 and Table 5-6 at a range of cut-off grades. These historical estimates have been upgraded and replaced with current mineral resource estimates prepared by a Qualified Person. These historical estimates are not to be relied upon.

**Table 5-5 2003 Historical Resource Estimate, Skukum Creek Deposit (after Roy and Hannon, 2003)**

Cut-off Grade (Au Eq g/t)	Measured Resources:			Indicated Resources:			Inferred Resources		
	Tonnage (t)	Au Grade (g/t)	Ag Grade (g/t)	Tonnage (t)	Au Grade (g/t)	Ag Grade (g/t)	Tonnage(t)	Au Grade (g/t)	Ag Grade (g/t)
3	220000	5.46	226	870,000	5.73	173	150,000	5.15	169
4	190000	5.81	240	770,000	6.18	185	130,000	5.69	187
5	160000	6.52	257	640,000	6.84	203	90,000	6.53	225
6	130000	7.39	279	510,000	7.61	226	70,000	7.14	260
7	110000	8.14	296	410,000	8.33	247	60,000	7.83	289
8	92000	8.91	309	340,000	9.06	268	51,000	8.34	307
9	78000	9.68	319	280,000	9.65	287	45,000	8.76	325
10	65000	10.52	325	240,000	10.21	305	40,000	8.99	338

**Table 5-6 2003 Historical Resource Estimate, Goddell Gully Deposit (after Roy and Hannon, 2003)**

Cut-off Grade (Au g/t)	Indicated Resources:		Inferred Resources:	
	Tonnage (t)	Au Grade (g/t)	Tonnage (t)	Au Grade (g/t)
3	400,000	9.55	350,000	8.11
4	360,000	10.26	310,000	8.75
5	320,000	11.02	280,000	9.21
6	260,000	12.25	210,000	10.28
7	220,000	13.44	170,000	11.16
8	180,000	14.56	150,000	11.86
9	150,000	16.05	113,000	12.81
10	110,000	18.24	82,000	14.15

*2007 Historical Resource Estimate: Skukum Creek*

A summary of the procedure and details of the 2007 Skukum Creek resource estimate prepared by Roy and Hannon (2007) of MineTech is presented below. The resource estimate focused on the Rainbow 2 and Berg Zones that were discovered after the 2003 resource estimate.

The resource estimate was based upon all sample data collected as of the end of 2006. At this time, gold equivalent was calculated based on metal prices of gold at US\$650 and silver at US\$13 per troy ounce to establish cut-off grade for the purpose of outlining mineralized zones and reporting resources, but block value was estimated separately for gold and silver. Top-cut values were set at 35 g/t for gold and 350 g/t for silver. An average specific gravity of 2.83 was used. Mineralized zones were interpreted on paper and then digitized in computer. A cut-off grade of 2 g/tonne of gold-equivalent over a minimum horizontal width of 1.2 metres was used. Separate two-dimensional block models were created for each zone. Block dimensions were 5 metres by 5 metres (in the East and Elevation directions). Block thickness values (North direction) were calculated during the estimation process. The geometry of each zone was constrained by the geological outlines. Grade estimation was carried out using inverse distance weighting with a power of two. Horizontal thickness values were calculated for each drilling intercept and inverse distance weighting with a power of three was used to estimate block thickness values. Block specific gravity values were also estimated using inverse distance weighting with a power of two.

Indicated resource was defined as within the outlined geology and within 20 metres of at least two drilling intercepts, and Inferred resource as within the outlined geology but within 40 metres of at least one drilling intercept. There was no Measured resource category as there was no supporting drifting/raising and underground sampling.

A summary of the total Skukum Creek resources is presented in Table 5-7 at a range of cut-off grades. These historical estimates have been upgraded and replaced with current mineral resource estimates prepared by a Qualified Person. These historical estimates are not to be relied upon.

**Table 5-7 2007 Historical Resource Estimate, Skukum Creek Deposit (after Roy and Hannon, 2007)**

Cut-off Grade (Au Eq g/t)	Measured Resources:			Indicated Resources:			Inferred Resource		
	Tonnage (t)	Au Grade (g/t)	Ag Grade (g/t)	Tonnage (t)	Au Grade (g/t)	Ag Grade (g/t)	Tonnage (t)	Au Grade (g/t)	Ag Grade (g/t)
0	260,000	4.7	193	1,170,000	5.3	145	303,000	5.1	124
1	250,000	4.9	200	1,140,000	5.4	149	299,000	5.3	126
2	230,000	5.2	215	1,100,000	5.6	154	288,000	5.5	132
3	220,000	5.3	221	1,000,000	6	164	251,000	6.1	145
4	195,000	5.8	240	880,000	6.5	174	206,000	6.8	155
5	160,000	6.6	261	740,000	7.2	191	160,000	8.2	189

**(4) Geological Setting, Mineralization and Deposit Types**

The Property is situated on the boundary between the Jurassic andesites and siliciclastic rocks of the Stikine Terrane and Paleozoic gneisses of the Nisling Terrane. This package is intruded by the late Triassic to Jurassic Bennett Granite and Cretaceous intrusions of the Coast Plutonic Complex which includes: the Mt. McNeil granodiorite, the Mt. Ward granite and Carbon Hill quartz monzonite. Intermediate Cretaceous volcanic rocks of the Mt. Nansen Group deposited approximately coeval with the Coast Plutonic Complex, are present on the Property east of the Wheaton River. These rocks are separated from the late Paleocene to early Eocene rocks of the Mount Skukum volcanic complex, which outcrop in the northwestern part of the property, by east- to northeast-trending structures.

Three deposit types on the Skukum Property are typically structurally controlled gold±silver±base metal bearing veins, vein breccias or mylonites. The Mt. Skukum deposit is a structurally controlled epithermal gold deposit hosted in Eocene volcanics. Low temperature auriferous quartz-calcite-adularia veins occur along brittle fractures and faults with little shearing and appear to be formed at shallow levels. The Skukum Creek deposit is a structurally controlled, polymetallic gold-silver, deep epithermal vein deposit hosted in Mid-Cretaceous Mt. McNeil granodiorite. In the Skukum Creek area, zones of mineralization are hosted primarily by a series of linked, northeast-trending faults that may represent splays off the Berney Creek fault system. The Goddell Gully deposit is a structurally controlled shear-hosted gold deposit. Mineralization is associated with altered andesite dykes within the shear zone. The shear zone is located within Mid-Cretaceous Carbon Hill granodiorites.

**(5) Exploration**

A considerable amount of historical exploration, including diamond drilling and underground exploration, has been undertaken on the Property. Historical exploration consisted of surface geological surveys, geochemical surveys, ground and airborne geophysical surveys, trenching, and surface and underground drilling. Approximately 121,000 metres was drilled in more than 910 holes, and 7,630 metres of underground drifting and crosscutting were developed, mainly at Mt. Skukum, Skukum Creek and Goddell Gully.

In 2011, New Pacific undertook an exploration program consisting of digital data compilation; surface geochemical sampling, surface geological mapping, supplementary core sampling of historical drill holes, surface and underground diamond drilling, metallurgical testwork, rehabilitation of underground workings and camp upgrades. A total of 51 diamond drill holes totalling 12,487.77 metres were completed at various deposits and prospects on the Property, including Mt. Skukum (Lake Zone), Skukum Creek and Goddell Gully.

See "*Mineral Property - Exploration, Development, and Production*" below for a summary of exploration work completed by the Company under the 2020 Program.

**(6) Drilling**

New Pacific undertook diamond drilling on the Property during 2011. Details and results of the drilling program presented in this section are summarized from the report "Exploration Report for 2011" by A. Zhang (2012). Work consisted of:

- diamond drilling: 51 drill holes totalling 12,487.77 metres;
- geological core logging of all drill holes; and,
- submission of 3,220 drill core samples for analysis excluding control samples.

Drilling completed prior to 2011 was undertaken by previous owners and is discussed under the heading "History" above.

A breakdown of the drilling totals by deposit or prospect is presenting in Table 5-8. A tabulation of drilling specifications is presented in Table 5-9. Coordinates are reported in UTM Zone 8 North (NAD83 datum).

**Table 5-8 Summary of 2011 Drilling**

Deposit/Prospect	Location	Completed		Abandoned		Total	
		Quantity	Metres	Quantity	Metres	Quantity	Metres
Skukum Creek	Surface	6	3,169.51			6	3,169.5
	Underground	13	1,703.70	1	5.60	14	1,709.30
Raca	Surface	2	566.96	3	684.49	5	1,251.45
Chieftain Hill	Surface	1	346.83			1	346.83
Goddell	Surface	3	1,951.86	5	1,235.16	8	3,187.02
Mt. Skukum	Surface	16	2,482.66			16	2,482.66
Antimony Creek	Surface			1	341.00	1	341.00
<b>Total</b>		<b>41</b>	<b>10,221.52</b>	<b>10</b>	<b>2,266.25</b>	<b>51</b>	<b>12,487.77</b>

**Table 5-9 Drill Hole Locations**

Hole	Location (NAD 83 UTM Zone 8 North)			Orientation (°)		Length (m)	Status
	Easting	Northing	Elevation (m)	Dip	Azimuth		
<b>Mt. Skukum (Lake Zone)</b>							
MS11-01	473575.29	6674704	1905.27	106	-50	81.00	completed
MS11-02	473574.99	6674704	1905.26	106	-66	100.53	completed
MS11-02A	473573.82	6674701	1905.27	106	-60	90.00	completed
MS11-03	473573.95	6674702	1905.32	96	-61	100.45	completed
MS11-04	473573.64	6674701	1905.24	117	-61	102.00	completed
MS11-05	473423.92	6674731	1926.42	106	54	345.00	completed
MS11-06	473423.92	6674731	1926.42	128	-51	206.00	completed
MS11-07	473423.92	6674731	1926.42	117	-55	210.00	completed
MS11-08	473440.64	6674748	1925.78	107	-56	243.00	completed
MS11-09	473433.41	6674768	1926.09	106	-59	200.10	completed
MS11-10	473506.88	6674865	1916.97	108	-55	189.00	completed
MS11-11	473529.07	6675111	1863.42	115	-53	111.00	completed
MS11-12	473667.89	6675073	1889.54	109	-50	138.00	completed
MS11-13	473578.03	6675142	1860.77	84	-62	106.58	completed
MS11-14	473575.7	6675142	1860.77	108	-58	90.00	completed
MS11-15	473506.47	6674865	1917.02	108	-64	170.00	completed
<b>Skukum Creek Underground</b>							
SC11-01-UG	477795.24	6671262	1302.92	11.4	-56.5	140.90	completed
SC11-02A-UG	477795.24	6671262	1302.92	14	-60.6	140.10	completed
SC11-03-UG	477795.06	6671263	1303.11	4.5	-55.5	110.50	completed
SC11-04-UG	477795.04	6671262	1303.04	8.4	-63	130.00	completed
SC11-05-UG	477794.98	6671262	1303.01	12.6	-69	134.50	completed
SC11-06-UG	477795.52	6671262	1302.99	19	-73.4	161.40	completed
SC11-07-UG	477793.43	6671262	1302.86	359.6	-70.3	131.40	completed
SC11-08-UG	477793.37	6671262	1302.86	358.3	-65.2	122.30	completed
SC11-09-UG	477792.87	6671260	1302.86	335.4	-76.5	134.40	completed
SC11-10-UG	477792.87	6671260	1302.86	332	-68.2	116.10	completed
SC11-11-UG	477793.2	6671261	1302.85	348.5	-62.5	101.10	completed
SC11-13-UG	477795.56	6671262	1303.22	22.5	-54	140.00	completed
SC11-14-UG	477793.8	6671263	1302	16	-51	5.60	abandoned
SC11-15-UG	477795.56	6671262	1303.22	17.5	-57	141.00	completed

Hole	Location (NAD 83 UTM Zone 8 North)			Orientation (°)		Length	Status
	Easting	Northing	Elevation (m)	Dip	Azimuth	(m)	
<b>Skukum Creek Surface</b>							
SC11-01	477945.46	6671171	1444.59	327	-63.5	412.83	completed
SC11-02	477945.45	6671171	1444.47	315	-74	551.44	completed
SC11-03	477945.49	6671172	1444.73	290	-65	449.55	completed
SC11-04	477945.88	6671172	1444.58	291	-70	617.50	completed
SC11-05	477945.95	6671172	1444.61	299	-75	632.12	completed
SC11-06	478102.3	6671141	1368.33	331	-60	506.07	completed
<b>Goddell Gully</b>							
GG11-01	484094	6672880	1188.27	110.5	-47.3	369.11	abandoned
GG11-02	484051.5	6672905	1176.31	110	-45	633.44	completed
GG11-03	484051.6	6672905	1176.32	107	-45	325.18	abandoned
GG11-04	484051.2	6672905	1176.24	110.5	-50	638.10	completed
GG11-05	483729.8	6673089	1017.31	180	-62	24.90	abandoned
GG11-06	484045.1	6672906	1175.95	143	-67	680.32	completed
GG11-09	484045.2	6672906	1175.66	108	-72	160.58	abandoned
GG11-10	484045.2	6672906	1175.94	108	-66	355.39	abandoned
<b>Raca Zone</b>							
RACA11-01	478317.68	6671615	1232.57	325	-61	350.55	completed
RACA11-02	478317.35	6671616	1232.57	325	-45	216.41	completed
RACA11-03	478498.32	6671509	1215.2	308	-56	170.14	abandoned
RACA11-04	478500.3	6671507	1215.06	308	-60	310.14	abandoned
RACA11-05	478394.39	6671572	1225.53	310	-68	204.21	abandoned
<b>Chieftain Hill</b>							
CFT11-01	478904.49	6672507	1791.92	120	-60	346.83	completed
<b>Antimony Creek</b>							
ATM11-01	483653.45	6670863	1350.08	167.5	-64	341.00	abandoned

Surface drill hole collars were surveyed using a dual frequency Trimble GNSS R8 RTK Base Station and receiver. Survey accuracy of this instrument configuration is expected to be less than 5 centimetres, according to the manufacture specifications. Existing control points were used where available. New control points were also established elsewhere on the Property to aid in future exploration. Underground drill holes were surveyed using a Nikon DTM522 Total Station. The surveying of underground holes is referenced to the control points 2389 (at 1300 level portal) and Omni 9 as back sights for the traverse. In addition, two temporary control points 1668 and 1669 (No.3 Crosscut) were set up by Underhill Geomatics of Whitehorse Surveyors in July 2011.

Downhole surveys were carried out by drillers using electronic single shot Reflex EZ- SHOTTM instrument. Surface drill holes were surveyed at 50 metre intervals and the end of hole. Underground drill holes were surveyed at 30 metre intervals and at end of hole.

#### *Mt. Skukum Lake Zone*

The objective of drilling at the Lake Zone of Mt. Skukum was to confirm the high-grade nature of the mineralization of the Lake Zone, to infill drill the gap areas of historical data, and to define potential step-outs of the high grade pockets demonstrated by historical drilling. Sixteen (16) drill holes were completed totaling 2,482.66 metres. A total of 782 drill core samples were collected excluding control samples. A drill hole plan map of the area is presented in Figure 10-1 of the Technical Report and a representative cross section is presented in Figure 10-2 of the Technical Report.

#### Geology

The dominant rock type cored is the porphyritic andesite flows and andesitic pyroclastic rocks of Tertiary age. The rocks are gently west dipping, propylitically altered along fractures and slight sericite alteration observed locally. Away from fractures are fresh andesite rocks with phenocrysts of plagioclase and hornblende in millimetres size. The rocks unanimously contain disseminated pyrrhotite and pyrite, locally the content of sulphide more than 10%. The Lake Zone consists of two separate subparallel quartz- calcite-sericite veins,

breccias and stockworks. Drilling indicated two subparallel veins, LV1 and LV2, striking 014° and dipping west at 45 to 75° with strike extent more than 600 metres.

### Mineralization and Results

The vein minerals consist of quartz, calcite, sericite and adularia and have features of high-level emplacement such as crustification, chalcedonic quartz, brecciation textures with well-formed cockscomb quartz, and calcite crystals. Large drusy cavities are common in framework supported breccias containing wall rock fragments and colloform layers of quartz. Veins can be divided into two types: early, blue-grey, pyrite-bearing chalcedonic quartz veins, and later gold-bearing coarser grained quartz-carbonate veins (McDonald, 1990). The early barren chalcedonic quartz occurs primarily as veinlets with minor pyritic selvages and envelopes and associated pervasive wall-rock alteration. The later, coarser grained, quartz-carbonate veins constitute most vein material in gold-bearing zones, cross cutting earlier chalcedonic veinlets, and form a final filling in fractures already partially filled by chalcedonic material. Ore minerals are electrum and native silver (McDonald, 1990).

The width of the mineralized veins average approximately 2 metres. However the veins may rapidly swell laterally to more than ten metres wide or pinch out as narrow veinlets or small stockworks with a sharp drop of gold grades (Figure 10-2 of the Technical Report). However, on strike or down dip the vein zones can easily be correlated based on the presence of quartz-calcite veins and stockworks. Because of the nature of the mineralization, more drilling is required to define the resource with better confidence and facilitate mining planning.

Significant intersections (>1.0 g/t Au) of the Lake Zone in are presented in Table 5-10. All intersection widths are core lengths, which is close to true width as the drill hole is almost normal to the dip and strike of the vein (Zhang, 2011)

**Table 5-10 Significant Intercepts - Lake Zone**

Hole	Interval (m)			Results	
	From	To	Length*	Au (g/t)	Ag (g/t)
MS11-01	41.15	60.10	18.95	14.66	37.9
including	41.15	53.40	12.25	21.13	50.0
MS11-02	56.00	62.57	6.57	7.57	24.8
including	57.58	59.00	1.42	21.80	70.5
MS11-02A	54.50	60.00	5.50	19.96	76.9
including	56.10	58.70	2.60	39.75	152.8
MS11-03	55.50	61.50	6.00	8.67	32.1
including	55.50	57.00	1.50	29.60	113.0
MS11-04	<i>no significant results</i>				
MS11-05	232.00	234.00	2.00	1.65	1.6
MS11-06	<i>no significant results</i>				
MS11-07	95.00	97.00	2.00	1.48	12.5
MS11-08	180.00	182.00	2.00	5.01	3.4
MS11-09	189.12	190.52	1.40	26.60	17.0
MS11-10	<i>no significant results</i>				
MS11-11	<i>no significant results</i>				
MS11-12	<i>no significant results</i>				
MS11-13	63.00	66.50	3.50	30.25	29.5
MS11-14	<i>no significant results</i>				
MS11-15	<i>no significant results</i>				

\* All intersection widths are core lengths, which are close to true widths as the drill holes are almost normal to the dip and strike of the vein

### *Skukum Creek*

A drill hole plan map is presented in Figure 10-3 of the Technical Report and a representative cross section and longitudinal section is presented in Figure 10-4 of the Technical Report. The objective of the underground

drilling program was to confirm and infill drill the high grade pocket of the Rainbow Zone near the bottom of the 1225 metre level ramp. The pocket was intended to be the target of the planned bulk metallurgy sampling. The drill rig was set up at the south end of the No.3 crosscut at the 1300 metre level drift. A total of 1,709 metres were drilled in 14 holes. The objective of the surface drilling was to test the down dip extension of the Rainbow Zone. A total of 3,169.50 metres were drilled in six drill holes. A total of 600 drill core samples were collected; 184 samples from surface drill holes and 416 samples from underground drill holes.

### Geology

The dominant lithology cored at Skukum Creek is coarse-grained and equigranular biotite-hornblende granodiorite of middle Cretaceous. Fresh granodiorite is very magnetic whereas close to and within the shear zones, alteration of sericite and chlorite is pervasive, and the rock is weakly magnetic to non-magnetic.

Dykes of andesite and rhyolite are very common within the shear zones. The dykes commonly experienced alterations of chlorite and sericite. Strong shear fabrics to brecciation are common in these dykes. Dykes are in lenticular shape on strike and down dip, with width normally in the range of a few metres and occasionally more than ten metres. Associated with the dykes are mineralized quartz sulphide veins and breccias.

The most important structure is the altered shear zones which hosts mineralization. The width of the hosting structure of the Rainbow Zone is normally about 10 to 30 metres wide, consisting of cleaved and altered rocks of granodiorite, andesite and rhyolite dykes, breccia zones and quartz sulphide veins. The overall strike of the shear structure is about 60 degrees and dipping southeast at 80 degrees.

Drill hole SC11-06 successfully penetrated through the Portal Dyke (dacite) with a core length of about 146 metres. The Rainbow Zone does not appear to continue on the east of the dyke as fresh and non-fractured granodiorite was encountered in the projected location of the Rainbow Zone. Another explanation is that the Rainbow Zone extension on the east side of the Portal Dyke might be offset from the projected position by faulting along the dyke, but testing this hypothesis requires further drilling (Zhang, 2012).

Both SC11-04 and SC11-05 encountered thick dacite dyke beneath the Rainbow mineralized zone in the depth range of 537.17 to 617.5 metres (end of hole) and 588.35-to 632.12 metres (end of hole), respectively. The dyke is very similar to the Portal Dyke in terms of composition, texture and appearance. The relationship of the dacite dyke exposed in SC11-04 and SC11-05 with the Portal Dyke is unknown.

### Mineralization and Results

The mineralization style at the Rainbow Zone and other zones at Skukum Creek is quartz sulphide veins with width from less than one metre to a few metres. Within the rhyolite dykes, narrow and braided quartz sulphide veinlets are common. The veins contain high grade of gold and silver as well as minor amount of base metals.

Sulphide minerals in the quartz sulphide vein include arsenopyrite, pyrite, and lesser amounts of sphalerite, galena, chalcopyrite, stibnite and tetrahedrite. The total content of sulphide is about 10 to 20%.

Underground holes targeted the high grade pocket of Rainbow Zone near the bottom of the 1225 metre level ramp, represented by historical drill holes 86-R8 and 87-UG17R which yielded significant intersections of 30.01 g/t Au and 603.6 g/t Ag over 2.95 metres and 11.24 g/t Au and 291.8 g/t Ag over 25.60 metres, respectively.

Intersections from the new underground drill holes show good continuity of mineralization with considerable variation of both grade and width. This demonstrates the spotty nature of the quartz-sulphide vein mineralization.

Mineralization remains open at depth of the Rainbow Zone. Drill hole SC11-02 returned an intersection (core length) of 8.10 g/t Au and 75.3 g/t Ag over 14.22 metres (including 15.19 g/t Au and 162.8 g/t Ag over 5.00 metres). This intersection is about 100 metres below the historical drill limit. The assay results also show a general trend of increasing gold grades and decreasing silver grades with increasing depth (Zhang, 2012).

Significant intersections are presented in Table 5-11. Intersection grades are based on a cut-off grade of 1 g/t Au and widths are reported as core lengths. Intersection true widths range from 50 to 80% of the core length, depending on the angle of the drill hole (Zhang, 2012).

**Table 5-11 Significant Intercepts - Skukum Creek**

Hole	Interval (m)			Results			
	From	To	Length *	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
SC11-01-UG	85.76	90.00	4.24	3.23	135.6	0.59	0.65
SC11-02A-UG	88.90	91.17	2.27	3.30	93.6	0.58	0.54
SC11-03-UG	76.65	78.54	1.89	3.44	95.7	0.30	0.47
	81.51	82.55	1.04	1.93	90.4	0.68	0.72
SC11-04-UG	81.35	85.76	4.41	3.02	122.1	0.52	0.73
	87.65	89.21	1.56	4.99	126.7	0.28	0.43
	92.30	94.62	2.32	4.90	55.0	0.30	0.54
SC11-05-UG <i>including</i>	89.08	97.31	8.23	6.52	321.8	1.10	1.52
	90.48	93.10	2.62	16.63	853.3	2.51	2.94
	103.80	105.90	2.10	1.61	43.9	0.57	0.28
	109.00	110.00	1.00	5.10	27.0	0.13	0.18
SC11-06-UG	123.00	124.11	1.11	4.28	378.0	0.74	0.50
	142.08	143.08	1.00	1.18	3.2	0.01	0.18
SC11-07-UG <i>including</i>	81.83	91.48	9.65	8.43	322.3	1.18	1.63
	81.83	88.09	6.26	11.34	434.2	1.48	1.79
	101.72	103.96	2.24	16.00	406.9	1.54	2.66
SC11-08-UG	74.80	83.00	8.20	2.20	53.3	0.24	0.47
	86.60	89.00	2.40	2.63	11.1	0.07	0.20
SC11-09-UG	78.00	79.70	1.70	4.14	119.8	0.22	0.23
	83.90	91.25	7.35	2.34	22.4	0.14	0.19
	93.40	96.42	3.02	2.09	34.0	0.24	0.29
SC11-10-UG <i>including</i>	61.00	63.00	2.00	1.82	44.1	0.21	0.36
	65.00	71.10	6.10	2.75	34.1	0.16	0.43
	65.00	67.05	2.05	5.30	61.4	0.29	0.73
SC11-11-UG	68.82	73.48	4.66	2.04	174.4	0.56	0.83
	75.48	77.48	2.00	1.27	28.0	0.21	0.40
SC11-13-UG <i>including</i>	103.00	123.15	20.15	7.08	144.0	0.71	0.99
	113.70	120.50	6.80	12.94	225.3	1.23	1.12
SC11-15-UG <i>including</i>	94.42	95.00	0.58	5.85	198.0	0.86	1.41
	97.85	113.65	15.80	2.58	70.1	0.29	0.45
	105.52	107.58	2.06	5.67	53.4	0.23	0.52
SC11-01 <i>including</i>	368.30	380.40	12.10	8.42	82.6	0.47	1.72
	376.00	379.30	3.30	22.75	169.9	1.08	5.42
SC11-02 <i>including</i>	496.78	511.00	14.22	8.10	75.3	0.80	1.30
	504.00	509.00	5.00	15.19	162.8	1.81	2.56
SC11-03	384.69	385.69	1.00	2.03	59.0	2.35	1.72
SC11-04 <i>including</i>	437.50	439.82	2.32	11.11	83.9	0.14	0.74
	438.70	439.82	1.12	21.20	158.0	0.21	1.38
	465.73	466.94	1.21	1.70	36.9	0.20	1.62
SC11-05 <i>including</i>	516.40	523.54	7.14	4.85	65.2	0.54	1.11
	516.40	518.40	2.00	10.03	147.5	1.28	2.14
SC11-06	<i>no significant results</i>						

\* Intersection true widths range from 50 to 80% of the core length, depending on the angle of the drill hole

### Goddell Gully

Diamond drilling at Goddell was designed to confirm the wide gold mineralization at the PD Zone and test the potential up and down dip as well as along strike. Eight (8) holes totaling 3187.02 metres were drilled with three completed to their planned depth; the others were abandoned due to various technical difficulties. A total of 913 core samples were collected excluding control samples.

A drill hole plan map is presented in Figure 10-5 of the Technical Report and a representative cross section and longitudinal section is presented in Figure 10-6 of the Technical Report.

### Geology

The leucocratic quartz monzonite is the dominant rock type encountered in drilling of the Goddell Gully area. Dykes of porphyritic rhyolite and andesite are also quite common especially within the major shear zone. Fresh monzonite is medium-grained and equigranular with sharp boundary of mineral grains. Close to the shear zone, sericite alteration is common, and the mineral grains became blurred. Within the shear zone, monzonite is strongly fractured and altered with most feldspar grains altered to sericite and carbonate, giving an apple green appearance. Biotite in monzonite was completely altered to carbonate and lesser sericite. Petrography study and SEM results (Lang and Rhys, 2002) indicated that the apple green colour is caused by massive sericite-muscovite clots with no green colour activators such as V, U or Cr. Dark ferromagnesian mineral grains in andesite dykes were altered to clots of chlorite, and rhyolite dykes also experienced more or less sericite alteration and silicification.

Three rhyolite dykes were identified and used as markers to help sectional interpretation in historical exploration documents. All these rhyolite dykes display porphyritic texture, and were referred to as quartz feldspar porphyry (QFP) in logging. During drilling in 2011, drill hole GG11-02 penetrated all the three porphyritic rhyolite markers. The north strand, from 360.95 metres to 371.92 metres, contains grains of feldspar and quartz as well as clasts of earlier rhyolite xenolith of similar composition and texture. It seems that some xenolith clasts experienced stronger alteration and display apple green color, but in drill hole GG11-04, the xenolith clasts display a grey color. The "Central Marker" rhyolite dyke, from 386.35 metres to 393.14 metres, in drill hole GG11-02, contains lesser disseminated sulphides and displays flow-banding structure. The "South Marker" dyke, from 460.27 metres to 503.5 metres, did not exhibit sulphides, banding structures or xenolith clasts. The thickness and position of the rhyolite marker dykes can vary dramatically on different sections along strike and make it difficult to ascertain which dyke is which. As a package, the of rhyolite dykes are emplaced within the Goddell Gully shear zone, are consistently present on surface and at depth, and act as a good guide to exploration drilling.

A black graphitic breccia zone, referred to as "Black Breccia", was encountered in the Goddell Gully shear zone. It may represent the most intensely ductile deformed rock of the shear zone and there are multiple such zones of various widths in the Goddell Gully shear structure. The mineral composition of the breccia is unknown as no petrology study has been done on it. However, the graphite is believed to be sourced from hydrothermal activities (Zhang, 2012).

### Mineralization and Results

Gold mineralization at Goddell is mainly characterized by abundant disseminated sulphides contained in intermediate to felsic dykes, breccias and cataclastic quartz monzonite within the Goddell shear zone. Rich, fine acicular arsenopyrite is the indication of high grade of gold. Other sulphides include pyrite and stibnite as well as minor sphalerite. When strongly altered and mineralized, andesite dykes contain abundant acicular arsenopyrite and the dyke shows a dark grey appearance with the original grain texture of dark minerals completely disappeared. A piece of such core (sample 8R292955) from the depth of 525.07 metres to 525.80 metres (0.83 metres) in drill hole GG11-02 returned a value of 90 g/t Au. Gold grades in breccia and cataclastic monzonite are relatively lower, likely determined by the amount of disseminated sulphides. When quartz monzonite is strongly altered and mineralized, grains of both plagioclase and K-feldspar were sericite altered and featured by abundant disseminated acicular arsenopyrite which is enriched as dark 0.5 centimetre dots. No fractures or shear fabrics were observed. The parent mineral of the arsenopyrite dots could be ferromagnesian bearing minerals such as hornblende and biotite.

Structural control played a key role in gold mineralization. Within the Goddell Gully shear zone, low grade gold mineralization is associated with breccia zones and on the contact of dykes with monzonite wall rock. Andesite and rhyolite dykes can be mineralized with minor disseminated arsenopyrite, but gold grade is generally low. Goddell Gully zone is also referred to as "GG Zone". The most important deposition sites for gold are the intersection area of the major Goddell shear structure and its splays in the footwall to the south. Gold

mineralization in the structural intersection area was referred to as "PD Zone" in historical documents, and "Merge Zone" recently. The PD or Merge Zone is located to the south of the rhyolite dykes, characterized by a wide zone of mineralization (Figure 10-5 of the Technical Report). The longest intersection to date is from historical hole 97-41 grading 5.75 g/t Au over a core length of 64.69 metres. Significant intersections from the current drilling include 4.20 g/t Au over a core length of 36.70 metres (GG11-02) and 4.33 g/t Au over a core length of 24.67 metres (GG11-04).

Based on available drill data, the vertical extent of the Merge Zone is 100 to 150 metres, with a lateral extent of 300 to 400 metres. Further away from the structural intersection area, both width and grade of gold mineralization drop dramatically. Away from the major shear zone, the splays cut through quartz monzonite and present as a mineralized fracture from one to a few metres wide. The Golden Tusk Zone to the south of the major Goddell Gully shear zone could be the surface presence of the PD Zone. A few mineralized splay fractures were also encountered outside the major shear structure (i.e. GG11-06).

Significant intersections are presented in Table 5-12. Intersection grades are based on a cut-off grade of 1 g/t Au and widths are reported as core lengths. True widths were not reported by New Pacific but are estimated by the author to be 50% to 65% of the core length depending on the angle of the drill hole.

**Table 5-12 Significant Intercepts - Goddell Gully**

Hole	Interval (m)			Results
	From	To	Length *	Au (g/t)
GG11-01	327.42	328.43	1.01	4.05
	366.72	367.72	1.00	2.38
GG11-02	440.44	441.60	1.16	1.26
	447.60	448.80	1.20	1.54
	454.80	456.00	1.20	2.56
	482.17	483.35	1.18	1.10
	503.50	506.13	2.63	1.41
	507.68	508.75	1.07	1.01
	514.99	551.69	36.70	4.20
including	514.99	532.33	17.34	7.20
	557.13	557.70	0.57	1.06
GG11-04	378.33	378.91	0.58	1.18
	416.05	417.30	1.25	4.46
	466.37	467.50	1.13	1.08
	509.10	512.33	3.23	2.02
	516.79	517.79	1.00	7.50
	530.00	531.00	1.00	7.60
	534.43	535.16	0.73	1.78
	536.06	536.62	0.56	4.35
	540.69	541.34	0.65	4.00
	544.00	568.67	24.67	4.33
including	544.00	552.00	8.00	10.58
	579.00	580.00	1.00	1.35
GG11-06	273.00	274.00	1.00	1.03
	275.00	276.65	1.65	5.04
	502.10	503.10	1.00	2.65

\* True widths are estimated to be 50% to 65% of the core length depending on the angle of the drill hole.

### *Raca Zone*

Drilling at the Raca Zone was designed to test the down-dip and on-strike continuity of the high grade mineralization reported by diamond drilling in 1997. A total of 1,251 metres were drilled in five holes of which only two holes reached the planned depth due to drilling technical difficulties. A total of 727 samples were collected excluding control samples.

## Geology

The dominant lithology encountered at Raca is the andesitic tuff and cherty conglomerate (Tantalus Formation) of late Jurassic as well as the early Jurassic mega crystal K-feldspar granite (Bennett Granite). The andesitic tuff shows porphyritic texture. It contains lots of disseminated pyrite and experienced more or less alteration of sericite. Magnetite bandings and clots of possible hydrothermal origin were noticed locally. The pebble of conglomerate is well rounded chert and quartz of centimetres in size. Groundmass is strongly silicified and sericitized. The size of the K-feldspar grains in the Bennett Granite varies from less than one centimeter up to ten centimeters. The granite is highly fractured and bleached, unanimously experienced strong alteration of sericitation and silicification, and contains more or less disseminated sulphides. A rhyolite dyke about 10 metres wide emplaced along the contact between the andesitic tuff and the granite units. On both the hanging and foot walls of the rhyolite dyke are shear structures.

## Mineralization and Results

Quartz sulphide vein mineralization is hosted along the contact shear zones on hanging and footwalls of the rhyolite dyke, referred to as Zone 2 and Zone 3 respectively. Andesite dykes of various widths are also noticed along the shear zones. The mineralized veins are mostly brecciated. Sulphide minerals include pyrite, arsenopyrite, sphalerite and galena. In many ways the Raca Zone is very similar to the Rainbow Zone of the Skukum Creek gold-silver deposit, such as the hosting shear structure, association with felsic and intermediate dykes, and similar sulphide minerals. Historical documents suggest that the Raca Zone is the eastern extension of the Rainbow Zone, although this hypothesis has not been proven by sufficient drilling. The silver grades are higher and gold grades are much lower in the Raca Zone than those of the Rainbow Zone suggesting the two zones may be distinct.

A separate and new mineralized zone was recorded from the depth 115.20 metres to 116.78 metres (referred to as Zone 1) in the hole RACA11-01. Mineralization is characterized by stockwork veining of sulphides comprising pyrite, arsenopyrite, galena, sphalerite and minor chalcopyrite hosted in altered andesite. This interval returns a high silver grade of 1,280 g/t Ag over 1.58 metres (core length).

Significant intersections are presented in Table 5-13. Intersection grades are based on a cut-off grade of 50 g/t Ag and widths are reported as core lengths. True widths are estimated to be approximately 75% of the core length (Zhang, 2012).

**Table 5-13 Significant Intercepts - Raca Zone**

Hole	Interval (m)			Results	
	From	To	Length	Au (g/t)	Ag (g/t)
RACA11-01	115.20	116.78	1.58	1.91	1,280
	169.22	172.22	3.00	1.92	347
	193.42	194.08	0.66	1.06	248
RACA11-02	134.21	135.40	1.19	0.75	300
	183.58	184.46	0.88	0.19	190

\* True widths are estimated to approximately 75% of the core length.

## *Chieftan Hill*

A single drill hole (CFT11-01) was completed at Chieftan Hill with a total depth of 346.83 metres. The purpose of this drilling was to locate the source of the strong surface soil anomaly of gold. A total of 157 core samples were collected excluding control samples.

## Geology

The dominant lithology encountered at Raca is the andesitic tuff and cherty conglomerate (Tantalus Formation) of late Jurassic as well as the early Jurassic mega crystal K-feldspar granite (Bennett Granite). The andesitic tuff shows porphyritic texture. It contains lots of disseminated pyrite and experienced more or less alteration of sericite. Magnetite bandings and clots of possible hydrothermal origin were noticed locally. The pebble of conglomerate is well rounded chert and quartz of centimetres in size. Groundmass is strongly silicified and

sericitized. The size of the K-feldspar grains in the Bennett Granite varies from less than one centimeter up to ten centimeters. The granite is highly fractured and bleached, unanimously experienced strong alteration of sericitation and silicification, and contains more or less disseminated sulphides. A rhyolite dyke about 10 metres wide emplaced along the contact between the andesitic tuff and the granite units. On both the hanging and foot walls of the rhyolite dyke are shear structures.

### Mineralization and Results

A zone with disseminated pyrite was identified in the pyroclastic flows from the down hole depth of 60 metres to 83.8 metres. The amount of pyrite seems increasing to the lower part up to 5% with moderate sericitic alteration. However, analytical results did not return any anomalous values of metals from this mineralized interval.

No mineralized zone was identified by visual observation in the rhyolite flow. Geochemical analyses indicated anomalous values of gold, silver, lead and zinc from 199.39 metres to 242.00 metres (42.61 metres). Within the zone, is an intersection grading 0.27 g/t Au, 8.1 g/t Ag, 0.14% Pb and 0.24% Zn over a core length 14.12 metres (199.39-213.51m) including a single sample grading 1.98 g/t Au and 4.8 g/t Ag over 1.00 metres (200.39-201.39m). Metal values diminish sharply either way from this zone. This anomalous zone is very similar to the surface soil geochemical anomaly right above the hole and is likely the contributing source. The nature of this mineralization is still unknown.

### *Antimony Creek*

A single drill hole at Antimony Creek (ATM11-01) was designed to test the depth potential of the strongly altered Porter shear structure. The drill hole was terminated at a depth of 341 metres, approximately 200 metres short of the planned depth, due to technical difficulties. A total of 41 core samples were collected, excluding control samples.

### Geology

The dominant rock type encountered in the hole is monzonite of probably the mid- Cretaceous Mount McIntyre Plutonic Suite of the Coast Plutonic Complex. A few small dykes of andesite and rhyolite were also noticed. The dykes emplaced along fracture and shear zones. Reddish mega-crystals of K-feldspar are observed frequently. The size of some K-feldspar grains is up to more than 10 centimetres across the core and giving it appearance of "dyke". Fractured or sheared zones of various sizes are common all the way through the hole with the most intensely sheared section at the depth from 230 metres to 305 metres. The shear and fracture zones are part of the Porter structure. Alteration is pervasive with intensity increased near fractures and shear zones. Common altered minerals are chlorite from Fe-Mg bearing minerals such as biotite and hornblende. Plagioclase is mostly altered to sericite but K-feldspar grains remain fresh or experienced little alteration. In the strongly altered section around the depth 250 metres, both plagioclase and K-feldspar were altered to sericite and carbonate.

### Mineralization and Results

Between 1 to 3% disseminated sulphides were observed in association with the strongly sheared section from 250 metres to 305 metres down hole. Sulphide minerals are mostly pyrite with minor chalcopyrite. Analytical results from this section returned anomalous values of copper in the range of hundreds of ppm. Silver, lead, and zinc are low, in the range of background values. The results of this drill hole do not explain the Ag-As-Cu-Mo-Pb-Zn anomaly at surface. As the drill hole was terminated early due to drilling difficulties, the potential of the Porter Shear structure remains untested at depth.

See "*Mineral Property - Exploration, Development, and Production*" below for a summary of drilling completed by the Company under the 2020 Program.

## (7) Sampling, Analysis and Data Verification

This section includes information on sample preparation, analyses (including quality control) and security related to New Pacific's 2011 exploration program. Information is summarized from "Exploration Report for 2011" by A. Zhang (2012).

### *Density Determinations*

Specific gravity (SG) testing was performed on drill core at a frequency of one test for every box of mineralized intervals, and one test of every three boxes of unmineralized intervals. An Aquatronic™ Salter electronic digital balance was used for the testing. The capacity of the balance is five kilograms and accuracy one gram. Prior to everyday testing work, the balance is calibrated using a one-kilogram standard weight. The wire hanger was then hung and tared off.

At each testing, one piece of core with length about ten to twenty centimetres was weighed in air and in water separately. The depth numbers of the weighed interval, weight numbers, date and names of operators were recorded on a record sheet. The raw data was then entered into a spreadsheet for calculation of specific gravity using the following formula assuming the density of water is one gram per cubic centimeter:

$$\text{S.G.} = (\text{Dry Weight}) / [(\text{Dry Weight}) - (\text{Wet Weight})]$$

Summary of the testing results are given in Table 5-14, broken down to individual deposits, mineralized intervals, and rock types.

**Table 5-14 Specific Gravity Test Results**

Deposit	Interval	Rock Type	No. Tests	Minimum	Maximum	Average
				(g/cm <sup>3</sup> )	(g/cm <sup>3</sup> )	(g/cm <sup>3</sup> )
Mt. Skukum	Mineralized Zone	Quartz-Calcite Stockwork	11	2.60	2.79	2.68
	Unmineralized Zone	Andesitic rocks	159	2.18	3.16	2.68
Skukum Creek	Mineralized Zone	Quartz-Sulphide Veins and Breccia	30	2.15	3.35	2.87
	Unmineralized Zone	Granodiorite/andesite/rhyolite	312	2.26	3.07	2.67
Goddell	Mineralized Zone	Altered/Sheared QZMZ/dykes	22	2.66	2.93	2.77
	Unmineralized Zone	Quartz Monzonite/andesite	350	2.36	2.93	2.69

### *Analytical and Test Laboratories*

Information from assessment reports indicates that drilling between 1983 and 1998 used several certified commercial labs including Chemex, Acme Analytical and Bondar Clegg Canada Ltd. ("**Bondar Clegg**").

During 1986 and 1987 Mt. Skukum drill samples were analyzed at the Mt. Skukum Mine laboratory.

In 2001 and 2002, Acme Analytical was the primary lab and Bondar Clegg was used for check assays. Both were ISO 9002 certified.

In 2003 and 2006, Acme Analytical and Eco Tech were used as primary laboratories and Assayers Canada was used as for check assays.

During the 2011 exploration program, analyses of soil, rock and core samples were performed by Eco-Tech of Kamloops, BC and ALS Minerals of North Vancouver, BC. Both laboratories are ISO 9001:2008 accredited providers of geochemical and environmental analytical services.

## *Sample Preparation and Analysis*

### Field Preparation

Prior to 2001 field preparation protocols were not documented.

#### (a) 2001-2006 Drilling

CME Consulting limited was supervising the exploration programs during this period. At the end of each drill shift, the drill contractor transported the drill core to the core handling facilities at the camp. Boxes were transported with lids securely nailed down to prevent potential core loss. At the core handling facility, all drill core was washed, re-aligned and photographed. Core logging included core recovery percentages, rock quality percentages and geological descriptions. CME geologists marked sample intervals in preparation of core cutting/splitting. From the cut/split core, one half of each sample was placed in individual plastic sample bags while the other half was returned to the core box. Core boxes were racked in down hole sequence within the security of the core logging facility. Sample bags were secured with flagging tape and CME standard and blank quality control samples were inserted into the sample sequence. All samples were then bagged into rice sacks or 28 litre secure pails for transport. Core during the cutting and logging process was at all times within eyesight of CME personnel or was locked in a secure building.

CME personnel transported the rice sacks to Greyhound Courier in Whitehorse for direct delivery to the laboratory.

#### (b) 2011 Drilling

Drill core was delivered to the camp geology building by the drilling contractors each day. Geology staff cleaned and re-aligned the cores prior to core logging. Core recovery and rock quality designation were measured before geological logging. After logging, geologists marked sample intervals in the mineralized zones. Sample length ranged from one to two metres but was sensitive to changes in rock type, structure, alteration, and mineralization. One to two additional samples were marked in the immediate hanging and footwall to bracket potential mineralized zones. Photos of both dry and wet core were taken after logging and sample marking.

All core samples were sawn into two equal halves, one half for submission for analysis and the other for storage at the on-site core yard. Samples for analysis were bagged in pre-numbered plastic bags with one pre-numbered tag in the bag. Standard reference material and blank samples were inserted into the normal sample sequence at frequency of one standard and one blank every thirty routine samples. The sample bags were then sealed securely with staples and delivered to the sample preparation lab of Eco-Tech Laboratories Ltd. (a part of the Stewart Group) in Whitehorse, YT by New Pacific personnel. Each sample delivery batch normally contained approximately one hundred samples.

Due to the acquisition of Stewart Group by ALS Group in July 2011, subsequent sample batches were delivered to the ALS Minerals preparation facility in Whitehorse, YT.

### Laboratory Preparation

#### (a) 2001-2008 Drill Programs – Precious Metal Assay

At Acme Analytical Laboratories, drill core and rock samples were crushed 75% -10 mesh or -200 mesh. Reject and pulp duplicate splits are taken from two samples in every 34 to monitor sub-sampling variation. One quarter to two assay ton splits are weighed. STD Au-1 (Au reference material), STD Ag-2 (Ag reference material) or STD FA-1OR (Au, Pt, Pd, Rh reference material) and a blank are added to each analytical batch to monitor accuracy. Results are reported in imperial (oz/t) or metric (g/mlmt) measure. For metallics testing, 500t gm is pulverized and sieved through a 150 or 200 mesh screen. The oversize material on the screen is weighed and assayed in total. A 1 or 2 assay ton split of the undersize fraction is also assayed.

(b) 2011 Drill Program

Preparation of soil, rock and core samples were performed by Eco-Tech Laboratories Ltd. ("**Eco-Tech**") and ALS Minerals ("**ALS**"). Both laboratories are ISO 9001:2008 accredited providers of geochemical and environmental analytical services.

Soils were prepared by drying and sieving through an -80 mesh screen to obtain a -80 mesh fraction. Samples unable to produce adequate -80 mesh material are screened at a coarser fraction. A 250 gram sub sample of the minus fraction is pulverized on a ring mill pulveriser until 95% passes a -140 mesh screen. The pulverized sub sample is rolled, homogenized, and bagged in a pre-numbered bag for analysis. A "barren" gravel blank is prepared before each job as a "sample prep". This "blank" is analyzed for trace contaminants with the job samples.

Drill core and rock samples are dried and crushed such that at least 70% crushed material must pass through a -10 mesh screen. A 250 gram sub sample of the crushed sample is then pulverized so that 80% can pass through a -200 mesh screen. A barren gravel blank was prepared before each job in the sample prep to monitor for possible contamination along with the processed samples. The pulverized samples were then delivered to the analyzing laboratory, either Eco-Tech or ALS (Zhang, 2012).

Sample Analysis

(a) 2001-2002 Drill Program

All rock, stream sediment, and drill core samples were analyzed for gold and multi-elements by Acme Labs. Multi-elements were determined from a 0.50 gram sample by ICP-ES (Induced Coupled Plasma-Emission Spectrometer) analysis after digestion in a hydrochloric nitric acid solution and are reported in parts per million (ppm) or percent (%). Gold was analyzed by ICP-MS (Mass Spectrometer) techniques from a 10 gram sample after digestion in an aqua regia solution and is reported in parts per billion (ppb). Samples returning 2900 ppb gold and/or 2100 ppm silver were re-analyzed for gold and silver by fire assay of a 1 A.T. (assay ton) sample from the pulp. Results for both elements are reported in grams per tonne (g/t).

Acme Labs is a registered ISO 9002 laboratory and have three BC Certified Assayers on staff. Check analyses, including gravimetric determination of gold and silver, were carried out by Bondar Clegg Canada Ltd. of North Vancouver, British Columbia, an ISO 9002 registered company.

(b) 2003-2006 Drill Programs

All drill core samples from the diamond drilling program were analyzed for gold and multi-elements by Eco-Tech. Historic re-sampled core samples were primarily analyzed at Eco-Tech, though several early samples were analyzed at Acme.

Multi-elements were determined from a 0.50 gram sample by ICP-ES (Induced Coupled Plasma-Emission Spectrometer) analysis after digestion in a hydrochloric-nitric acid solution and are reported in parts per million (ppm) or percent (%). Gold was analyzed by ICP-MS (Mass Spectrometer) techniques from a 10 gram sample after digestion in an aqua regia solution and is reported in parts per billion (ppb).

Acme and Eco-Tech's ICP suite of elements were slightly different, although only in rare or trace elements.

In all instances, regardless of analyzing laboratory, samples returning greater than 900 ppb gold and/or greater than 100 ppm silver were re-analyzed for gold and silver by fire assay of a 1 A.T. (assay ton) sample from the pulp. Results for both elements are reported in grams per tonne (g/t).

Drill core check samples were analyzed by Assayers Canada of Vancouver BC and Acme Labs. All samples were analyzed by 1 A.T. fire assay for gold.

(c) 2011 Drill Program

Analyses of soil, rock and core samples were performed by Eco-Tech of Kamloops, BC and ALS Minerals of North Vancouver, BC. Sample analyses are summarized from Zhang (2012)

(d) Gold Fire Assay

- Eco-Tech

All surface rock samples, soil samples and drill core samples were analysed using method Au2-30 method. A 30 gram sample is used with detection limits of 5 to 1,000 ppb Au. Overlimit samples were re-analyzed using method Au3-30 with detection limits of 0.03 to 100 ppm Au.

- ALS Minerals

A 30 gram sample of pulp sample is used (lab code Au-AA23). Detection limits for this method is 0.005 to 10.0 ppm Au. Overlimit samples were analyzed by gravimetric method (Au-GRA21) with detection limits of 0.05 to 1,000 ppm Au.

(e) Aqua Regia Digestion

- Eco-Tech

Thirty-three (33) elements are analysed using aqua regia digestion (code AR/ES). Any base metal elements (Cu, Pb, Zn) that are overlimit (>1.0% or 10,000 ppm) and silver (>50 ppm) were immediately run as an ore grade assay (code BM2/A).

- ALS Minerals

Aqua regia ICP-AES (lab code ME-ICP41) was used for multi-element analyses. This method analyses a package of 35 elements. Any overlimit results for the elements listed below would re rerun by assay:

- If Ag $\geq$ 50 ppm, then run method Ag-OG46 (detection limit 1-1,500 ppm)
- If Cu $\geq$ 10,000 ppm, then run method Cu-OG46, (detection limit 0.001-40% )
- If Mo $\geq$ 10,000 ppm, then run method Mo-OG46, (detection limit 0.001-10%)
- If Pb $\geq$ 10,000 ppm, then run method Pb-OG46, (detection limit 0.001-20%)
- If Zn $\geq$ 10,000 ppm, then run method Zn-OG46, (detection limit 0.001-60%)

*Quality Assurance and Quality Control*

Prior to 2001, QAQC was limited to internal laboratory checks.

Since 2001, QAQC programs were implemented for all drill core samples by CME. This consisted of two standard references (accuracy and bias) and two blanks (contamination) inserted for each 100 samples submitted to the laboratory for analysis. Each standard and blank consisted of a 150 gram sample size.

In 2011 New Pacific employed a quality control system to monitor the integrity of the database and to provide a measure of accuracy and confidence. The system consisted of reference materials, blanks and check samples and is summarized from Zhang (2012).

## Reference Standards

IN 2001, CME standard sample (CME-1) was created by collecting approximately 150 kilograms of material from the Skukum Creek high-grade ore pile. The material was then sent to CDN Resource Laboratories of Richmond, British Columbia who prepared the material into a standard and packaged the material into 100 gram packets to eliminate possible settling of gold. Gold was determined to be 10.10 g/t Au with a standard deviation of 0.25 g/t Au. Silver was determined to be 1,421.3 g/t Ag with a standard deviation of 31.52 g/t Ag.

New Pacific prepared custom reference materials to be used during the exploration of the Property. The following description of the procedure for creating the reference materials was taken from Zhang (2012), however certificates of analyses and details of the statistical calculations were not available to the author.

Seven (7) pails of mineralized material, approximately 40 kg in weight, were taken from the Skukum Creek stockpile and sent to Eco-Tech for preparation and analysis. Each pail represented a different sample/reference material. The sample material was prepared to 85% passing through -200 mesh. Each sample was the split to 10 sub-samples which were analysed for gold, silver, copper, lead and zinc. The mean and standard deviation of each sample were calculated by omitting the maximum and the minimum of each element, i.e., eight values were used for the calculation. The ten sub-samples were again mixed and homogenized (Zhang, 2012).

One New Pacific-prepared reference material ("**Standard 1**") was used during the 2011 exploration which had nominal values of:

- gold: 6.31 ppm Au ( $1\sigma = 0.57$  ppm Au);
- silver: 46.58 ppm Ag, ( $1\sigma = 1.33$  ppm Ag)

One standard sample of about 100 gram pulp was inserted to the normal sample sequence at every 30 samples prior to shipment to laboratory for analysis. The mean (expected value) for gold is 6.31 ppm with a standard deviation of 0.57. The mean (expected value) for silver is 46.58 ppm with a standard deviation value of 1.33.

A total of 110 standard samples were used in 2011. Upon receipt of assay results from labs, standards were checked against expected value for any significant discrepancies (more than two standard deviations above or below the expected value). The assays from Eco Tech performed well with all values within two standard deviations from the expected value and mostly within one standard deviation. The assays from ALS seem a bit wild with a few beyond the two standard deviations but mostly still within (Figure 11-1 of the Technical Report). The average gold values for Eco Tech assays and ALS assays are 6.28 ppm and 6.18 ppm (omitting values beyond two standard deviations), respectively. The overall average for all assays is 6.31 with standard deviation of 0.57, almost identical to the expected values (Table 5-15), although the graph shows a slight under-statement.

The silver values show roughly the same pattern of gold (Figure 11-2 of the Technical Report). The assays of ALS are more wildly scattered, and a general slight understatement is obvious. Most assays are below the expected value. The average for ALS and Eco Tech is 39.81 ppm and 42.48 ppm, respectively. The overall average is 41.46 ppm (Table 5-15).

**Table 5-15 Comparison of Assays with Expected Values of Standards**

Samples	Elements	# of Samples	Min	Max	Mean	Stdev	Lab
All assays tested by Echo Tech	Au	76	5.40	7.30	6.28	0.43	Echo Tech
Assays within expected range from 5.15 to 7.45, Tested by ALS	Au	28	5.19	7.4	6.18	0.55	ALS
All assays by ALS	Au	33	4.71	9.06	6.34	0.99	ALS
All assays by both Echo Tech and ALS	Au	109	4.71	9.06	6.31	0.62	Echo Tech & ALS
<b>Expected Value</b>	Au				<b>6.31</b>	<b>0.57</b>	
All assays by Echo	Ag	76	38.6	48.2	42.48	1.82	Echo Tech
All assays by ALS	Ag	33	36.3	49.1	39.81	3.55	ALS
All assays by both Echo Tech and ALS	Ag	109	36.3	49.1	41.67	2.75	Echo Tech & ALS
<b>Expected Value</b>	Ag				<b>46.58</b>	<b>1.33</b>	

#### Blanks

In 2001, the CME blank was created using sterilized play sand. The material was analyzed by ALS Chemex Laboratories of Vancouver, BC. Gold and silver grades were determined to be <1 ppb Au and <0.02 ppm Ag.

For the 2011 program the blank material was provided by Eco Tech's preparation facility in Whitehorse, YT. It consists of fresh unmineralized granite crushed to 0.5 centimeter size and packed in plastic rice bags (Zhang, 2012).

A total of 126 blank samples were inserted into the sample sequences.

Results for blank reference material show no evidence of contamination during sample preparation (Zhang, 2012).

#### Duplicate Checks

In 2001, a second laboratory, Bondar-Clegg, analyzed approximately 10% of the fire assayed samples to measure reproducibility (check samples). A total of 8 samples were submitted: 4 prepared pulp samples; and 4 sample rejects. One CME standard and one blank material (both pulps) were also included in the check analysis batch. Samples were analyzed by gravimetric fire assay.

In 2003, CME submitted approximately 10% of all fire-assayed samples to Assayers Canada of Vancouver, BC to measure reproducibility (check samples). A total of 6 sample pulps, which included one CME standard and one CME blank, were submitted for the study. The pulp material was analyzed for gold by fire assay.

In 2011, duplicate check samples were taken as sub-samples of the pulps sent to the analytical labs. One duplicate was taken about every twenty samples and weighs about 50-100 grams each. To better monitor the reproductivity, more duplicate samples were taken in the well mineralized intervals than in the weakly mineralized part identified by visual examination. A total of 182 duplicates were taken in 2011. The duplicates were numbered as separate sequence. The analytical lab for the duplicates is Inspectorate based in Richmond, BC, an ISO 9001-2008 certified provider of mineral and geochemical analysis. To monitor the accuracy and precision of analysis of the check lab, 7 standards and 7 blanks were included in the 182 duplicates.

The assays of gold and silver show very good reproductivity (Figure 11-5 and Figure 11-6 of the Technical Report). Of the 168 normal samples, 75 samples have gold values more than 1 ppm. The original assays of

gold match well with the check assays which are slightly lower (averagely -4.4% for the 75 samples >1ppm gold). There are 35 samples with silver values higher than 50ppm. The check assay of two samples returned odd values for silver. The check value (47.5ppm) of the sample K664022 is significantly lower than the original assay (302ppm) of the sample 291932, which might be a typing error when the check lab prepared the assay report. The check value (544.2ppm) of the sample K664021 is about half lower than the original assay (1,140ppm) of the sample 291930. The check assays are averagely 5.3% lower than the original assays for the 35 samples with silver value higher than 50ppm. If the two samples with odd check values of silver are not considered, the values of the original assay and the check assay match perfectly with the check assay only 1.5% lower than the original assay.

The 7 blanks inserted in the check samples returned values of gold silver lower than detection limit, meaning there is no contamination in the process of sample preparation. Values of gold and silver of standards for both the original and the check samples are lower than the expected values. The accuracy and precision performance of the original gold assay is better than that of the gold check assays (Figure 11-5 and Figure 11-6 of the Technical Report).

### *Sample Security*

For security, the geology building, and core processing area were restricted to New Pacific geology personnel only. At the core cutting facility the samples were sealed by triple folding the top of plastic sample bag and then closed with staples. When no authorized personnel were present, samples were stored in the locked geology building. Bagged samples were placed in rice bags and transported by staff to the preparation labs in Whitehorse, YT where custody of the samples was transferred from New Pacific to Eco-Tech or ALS Minerals.

### *Opinion on Adequacy*

GeoSim is of the opinion that the adequacy of sample preparation, security and analytical procedures are sufficiently reliable to support an Inferred mineral resource estimation and that sample preparation, analysis, and security are generally performed in accordance with exploration best practices at the time of collection.

### *Data Verification*

#### Site Visit Verification

The author visited the site on July 16 and 17, 2013 and on August 26, 2020. The purpose of the visits was to review the drilling, sampling, and quality assurance/quality control procedures. The geology and mineralization encountered in the drill holes completed to date were also reviewed. Underground workings have been sealed off since 2011 but all portals were visited. The Rainbow vein outcrop was examined near the 1350 portal of the Skukum Creek deposit. Data verification included:

- Verification sampling of drill core
- Verification of selected drill hole collars by hand-held GPS
- Verification of the Lake Zone, Skukum Creek and Goddell Gully geodatabases.

Drill core was stored either as pallets or in racks. A few racks had collapsed resulting in core spillage. Drill core from several holes was examined and found to be consistent with drill logs.

Four samples of drill core from various deposits were collected by the author and submitted to Acme Analytical Laboratories Ltd. (Acme) of Vancouver, BC (an ISO 9001:2008 accredited laboratory). Results confirmed the presence of significant grades of gold and silver in the sampled intervals (Table 5-16). Two samples were considerably lower in grade and two returned higher grades than the complete interval assays but these samples only represented 10 to 20 centimetres of material within the corresponding intervals.

**Table 5-16 Verification Samples**

Sample	Hole No.	Depth (m)	Au g/t	Ag g/t	Original Assay Interval (m)				
					From	To	Width	Au g/t	Ag g/t
GSM01	SC11-02	507	60.3	274	506.00	507.00	1.00	19.90	226.0
GSM02	MS11-01	46	9.916	30	45.30	46.40	1.10	6.90	19.5
GSM03	GG11-04	549.5	0.622	<2	549.00	550.00	1.00	17.50	3.4
GSM04	SC11-04UG	88	0.497	47	87.65	88.30	0.65	10.70	264.0

Eight drill hole collars were checked by hand-held GPS and locations confirmed.

At the time of the recent site visit, a tent camp had been established for exploration and historic core was being re-logged and sampled. New core racks were being constructed for new drilling and to preserve historic core. Portals at Skukum Creek and Goddell Gully are presently road-accessible by 4WD vehicle. The access road to the Mt. Skukum area has two significant washouts about 2 km before the Cirque portal

#### Database Verification

The author examined the sample database for location accuracy, down hole survey errors, typographical errors, interval errors and missing sample intervals. Several issues were identified and corrected prior to the mineral resource estimation. Drill hole collars were confirmed to correspond to topographic surfaces or underground workings. Underground samples were also confirmed to correspond to underground development.

#### Conclusions

The author is of the opinion that the data is adequate to support a current mineral resource estimate as defined under NI 43-101

See "*Mineral Property - Exploration, Development, and Production*" below for a summary of Sampling, Analysis and Data Verification information with respect to the 2020 Program.

### **(8) Mineral Processing and Metallurgical Testing**

Between 1988 and 2011, various types of mineral processing and metallurgical test work have been completed on the mineralized material of the Skukum Creek deposits. The most recent work was carried out in 2011. New Pacific sent two batches of metallurgical samples to the Hunan Nonferrous Research Institute of Metallurgy based in Changsha City, Hunan Province, PR China for flotation recovery tests. Each batch weighed about 450 to 500 kilograms, taken from the mineralization stockpile, a product of historical drift development along the Rainbow Zone at Skukum Creek. The metallurgical sample most representative of the average grade showed flotation recovery of approximately 88% for gold and 86% for silver.

### **(9) Mineral Resources and Mineral Reserves Estimates**

#### **(a) Mineral Resources**

Current resource estimates for the Mt. Skukum (Lake Zone), Skukum Creek and Goddell Gully have been prepared by GeoSim Services, Inc. using all available exploration data, up to and including the results of New Pacific's 2011 exploration program.

The underground mining assumptions for determining cut-off grade with reasonable prospects of economic extraction are presented in Table 5-17.

**Table 5-17 Cost Assumptions used in Cut-off Grade Determination**

Assumptions	Value
Gold Price	\$1,450
Silver Price	\$16.50
Gold Recovery %	90%

Assumptions	Value
Silver Recovery %	90%
Mining Cost (US\$/t milled)	\$90
Processing (US\$/t milled)	\$25
G&A Cost (US\$/t milled)	\$10
Total Operating Cost (US\$/t milled)	\$125
Cut-off Grade g/t Au	3.0

The current resource estimates, using a base case 3 g/t gold or 3 g/t gold-equivalent cut-off, are summarized below:

**Table 5-18 Mineral Resources – Mt. Skukum Lake Zone**

Class	Zone	Tonnes	Au g/t	Ag g/t	AuEQ g/t	Contained oz Au	Contained oz Ag	Contained oz AuEQ
Inferred	Lake Vein	90,100	9.28	12.9	9.43	26,882	37,368	27,308

**Table 5-19 Mineral Resources - Skukum Creek**

Class	Zone	Tonnes	Au g/t	Ag g/t	AuEQ g/t	Contained oz Au	Contained oz Ag	Contained oz AuEQ
Indicated	Combined	1,001,300	5.85	166.4	7.75	188,334	5,355,478	249,401
Inferred	Combined	537,000	4.99	108.3	6.22	86,124	1,869,065	107,415

**Table 5-20 Mineral Resources - Goddell Gully**

Class	Zone	Tonnes	Au g/t	Ag g/t	AuEQ g/t	Contained oz Au	Contained oz Ag	Contained oz AuEQ
Indicated	Goddell	329,700	8.13	-	8.13	86,210	-	86,210
Inferred	Goddell	483,900	7.13	-	7.13	110,867	-	110,867

Notes:

- (1) Mineral resource estimate prepared by GeoSim Services Inc. with an effective date of October 1, 2020.
- (2) Totals may not sum due to rounding.
- (3) Mineral resources are diluted to a minimum width of 1.5m
- (4) A base case cut-off grade of 3.0 g/t Au represents an in-situ metal value of US\$126 per tonne at a gold price of US\$1450/oz, silver price of US\$16.50/oz and a metal recovery of 90% for gold and silver which is believed to provide a reasonable margin over operating and sustaining costs for narrow vein mining and processing.
- (5) Mineral resources are not mineral reserves and do not have demonstrated economic viability.

#### *Factors That May Affect the Mineral Resource Estimate*

Areas of uncertainty that may materially impact the Mineral Resource Estimate include:

- Commodity price assumptions.
- Assumptions that all required permits will be forthcoming.
- Metallurgical recoveries
- Mining and process cost assumptions

There are no other known factors or issues that materially affect the estimate other than normal risks faced by mining projects in the Yukon Territory in terms of environmental, permitting, taxation, socio economic, marketing, and political factors. Geosim is not aware of any known legal or title issues that would materially affect the Mineral Resource estimate.

#### **(b) Mineral Reserves**

There are neither historical nor current Mineral Reserves on the Property.

## (10) Exploration, Development, and Production

### The 2020 Program

As disclosed above, under "General Development of the Business – Three Year History", the Company completed the 2020 Program.

The Company's inaugural exploration program was primarily focused on gaining geologic understanding of the numerous exploration targets, completing historic data validation and collecting additional data in support of a resource expansion program planned for 2021. In detail the 2020 exploration program consisted of reconnaissance mapping, data compilation, re-interpretation of the Skukum Gold system and a 4-hole, 2,091-metre diamond drilling program on the Skukum Creek deposit.

Hole SC20-001 intersected mineralization at approximately 434 metres downhole and returned 8.9 metres (8.07m true width) grading 6.54 g/t Au and 186.8 g/t Ag, including 1.2 metres of 21.4 g/t Au and 563 g/t Ag (Table 5-21).

Hole SC20-002 intersected mineralization in the Rainbow Zone at approximately 417 metres downhole and returned 10.5 metres (6.3m true width) grading 8.1 g/t Au and 175 g/t Ag, including 2.4 metres of 25.2 g/t Au and 636 g/t Ag

Hole SC20-003 intersected mineralization in the Rainbow Zone at approximately 417 metres downhole and returned 6.3 metres (5.8 metres true width) grading 11.2 g/t Au and 300 g/t Ag, including 1.3 metres of 30.3 g/t Au and 837 g/t Ag (Table 5-21).

**Table 5-21:** Assay results for the 2020 drill program

Hole ID		From (m)	To (m)	Interval (m) <sup>1</sup>	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	True Width (m)	Zone
SC20-001 (previously released)		434.08	443.01	8.93	6.54	186.83	1.40	0.99	8.07	Rainbow Zone
	Incl.	437.60	439.76	2.16	7.80	306.05	1.79	0.96	1.94	
	Incl.	441.79	443.01	1.22	21.40	563.00	5.27	3.59	1.10	
SC20-002 (previously released)		417.45	427.94	10.49	8.13	175.11	0.84	1.02	6.31	
	Incl.	417.45	419.39	2.24	25.24	636.47	2.53	3.19	1.35	
	Incl.	426.37	427.94	1.57	13.30	152.00	1.23	0.92	0.94	
<b>SC20-003</b>		<b>417.04</b>	<b>423.35</b>	<b>6.31</b>	<b>11.23</b>	<b>299.95</b>	<b>1.24</b>	<b>0.65</b>	<b>5.80</b>	
	Incl.	<b>420.46</b>	<b>421.78</b>	<b>1.32</b>	<b>30.27</b>	<b>837.45</b>	<b>4.20</b>	<b>1.34</b>	<b>1.21</b>	
<b>SC20-004</b>	No significant intercept. Mineralized zone cut by younger dike.									

Notes:

- (1) Length and specific gravity weighted composites.
- (2) Drill location, azimuth and dip of drill holes provided in Table 5-23 below.

**Table 5-22:** Drill hole details for current and historic drill holes presented in this document.

Hole ID	Northing	Easting	Elevation	Total Depth	Collar Azimuth	Collar Dip	Year	Type	Operator
<b>Whitehorse Drill Holes</b>									
SC20-001	478101.1	6671141.2	1390.9	490.42	304.9	48.1	2020	SFC	WHG
SC20-002	478101.8	6671140.7	1390.9	480.67	307.3	46.0	2020	SFC	WHG
SC20-003	478101.6	6671140.7	1390.9	493.2	310.8	47.0	2020	SFC	WHG
SC20-004	478101.8	6671140.7	1390.9	627.0	318.8	52.9	2020	SFC	WHG

### *Quality Assurance and Quality Control*

Drill core from the 2020 Program was logged and sampled in a secure core storage facility located at the Skukum Gold Project site. Core samples from the 2020 Program were cut in half, using a diamond cutting saw. Drill core and surface samples were sent to ALS Laboratories, which is independent of the Company. Sample preparation was performed at the ALS Laboratory in Whitehorse, YT, followed by analysis at the ALS Laboratory in North Vancouver, ALS is an accredited mineral analysis laboratory. All samples were analysed for gold using standard Fire Assay-AA techniques. Samples returning over 10.0 g/t gold were analysed utilizing standard Fire Assay-Gravimetric methods. Samples were also analyzed for a 48 multi-element geochemical suite by ICP-MS with a four-acid digestion. Certified gold reference standards, blanks, field duplicates and coarse reject duplicates were routinely inserted into the sample stream, as part of the Company's QA/QC program.

Historic QA/QC data and methodology were reviewed and are summarized in the Technical Report. The author of the Technical Report considered historical sample preparation, analysis, and security to have been generally performed in accordance with exploration best practices at the time of collection. See "*Sample Preparation, Analyses, and Security*" above for more information.

### *The 2021 Program*

The Company is currently planning and preparing a drill budget for its 2021 resource expansion program at the Skukum Gold Project.

## **ITEM 6: DIVIDENDS AND DISTRIBUTIONS**

The Company has not paid dividends on its Common Shares since incorporation. The Company has no present intention of paying dividends on its Common Shares. Payment of dividends or distributions in the future will be dependent on the earnings and financial condition of the Company and other factors which the directors may deem appropriate at that time.

## **ITEM 7: DESCRIPTION OF CAPITAL STRUCTURE**

The Company has an authorized capital of an unlimited number of Common Shares without par value, of which 42,656,597 Common Shares were issued and outstanding as fully paid and non-assessable as of December 31, 2020. A further 3,450,000 Common Shares have been reserved and allotted for issuance upon the due and proper exercise of certain incentive stock options outstanding as of December 31, 2020. All of the Common Shares rank equally as to dividends, voting powers, participation in assets, and in all other respects. Each Common Share carries one vote per share at meetings of the shareholders of the Company. There are no indentures or agreements limiting the payment of dividends and there are no conversion rights, special liquidation rights, pre-emptive rights or subscription rights attached to the Common Shares. The Common Shares presently issued are not subject to any calls or assessments.

On July 2, 2020, the Board approved and adopted a Stock Option Plan (the "**Existing Option Plan**"). Effective November 18, 2020, the Board adopted certain amendments to the Existing Option Plan to comply with requirements of the TSXV. The Existing Option Plan is a < 10% Fixed Plan (within the meaning of the TSXV's policies). Accordingly, the maximum number of Common Shares reserved for issuance under the Existing Option Plan is fixed and cannot exceed approximately 4,265,670 Common Shares being the aggregate 10% of the total number of Common Shares issued and outstanding on the date of implementation of the Existing Option Plan. On March 3, 2021, subject to TSXV and shareholder approval, the Board approved and adopted a new "rolling 10% plan" reserving for issuance upon the exercise of options granted pursuant to the Proposed Option Plan a maximum of 10% of the issued and outstanding Common Shares from time to time.

As of December 31, 2020, the Company has stock options outstanding to purchase 3,450,000 Common Shares at an exercise price of \$0.315 per share with terms of 10 years (expiring on November 18, 2030).

As of December 31, 2020, the Company has no outstanding warrants.

## ITEM 8: MARKET FOR SECURITIES

### 8.1 Trading Price and Volume

On November 25, 2020, the Common Shares commenced trading on the TSXV under the symbol "WHG":

<u>Period</u>	<u>High</u>	<u>Low</u>	<u>Volume</u>
November 2020	\$1.50	\$0.57	94,137
December 2020	\$4.08	\$1.40	3,763,540

### 8.2 Prior Sales

As of December 31, 2020, the Company has stock options outstanding to purchase 3,450,000 Common Shares at an exercise price of \$0.315 per share with terms of 10 years (expiring on November 18, 2030).

## ITEM 9: ESCROWED SECURITIES

To the knowledge of the Company, the following securities of the Company are subject to escrow:

<b>Designation of Class</b>	<b>Number of Securities held in escrow or that are subject to contractual restrictions on resale</b>	<b>Percentage of Class</b>
Common Shares	5,856,600 <sup>(1)</sup>	13.73%
Options	2,452,500 <sup>(2)</sup>	71.09%

Notes:

- (1) Denotes 90,000 Common Shares held by Kevin Weston, 135,000 Common Shares held by Steve Stakiw, 300,000 Common Shares held by Mark Cruise, 135,000 Common Shares held by Lorne Waldman and 5,196,600 Common Shares held by Silvercorp Metals Inc. ("**Silvercorp**").
- (2) Denotes 900,000 Options held by Kevin Weston, 112,500 Options held by Jean Zhang, 450,000 Options held by Steve Stakiw, 450,000 Options held by Tim Kingsley, 315,000 Options held by Mark Cruise and 225,000 Options held by Lorne Waldman.

The Common Shares and stock options set out in the table above (the "**Escrowed Securities**") have been deposited in escrow with Computershare Investor Services Inc. pursuant to a 36-month Value Security Escrow Agreement and are being released as follows: 10% of the Escrowed Shares were released on November 23, 2020, being the date of issuance of the final exchange bulletin of the TSXV accepting the listing of the Common Shares (the "**Exchange Bulletin**") and an additional 15% of the Escrowed Shares will be released every 6 months thereafter, until all Escrowed Shares have been released (i.e., 36 months following the date of the Exchange Bulletin).

There are no Common Shares subject to contractual restrictions on transfer other than those that are Escrowed Securities.

**ITEM 10: DIRECTORS AND OFFICERS**

**10.1 Name, Occupation and Security Holding**

The Company's directors are elected by shareholders at each annual general meeting and typically hold office until the end of the next annual meeting at which time they will be re-elected or replaced. The following table sets out the names of the directors and officers, all offices in the Company each now holds, each person's principal occupation, business or employment, the period of time during which each has been a director of the Company and the number of Common Shares beneficially owned by each, directly and indirectly, or over which each exercised control or direction as at the date of this AIF.

<b>Name, Position, Province &amp; Country of Residence<sup>(1)</sup></b>	<b>Principal Occupations During Last Five Years<sup>(1)</sup></b>	<b>Date of Appointment As a Director and/or Officer</b>	<b>Shares Beneficially Owned or Controlled (Percentage of Outstanding Shares)<sup>(1)</sup></b>
Kevin Weston CEO and Director <i>Kelowna, BC, Canada</i>	Consultant, VP Operations of Jaguar Mining Inc. and Chief Operating Officer ("COO") at JDS Silver Inc.	August 20, 2020	100,000 (0.23%)
Mark Cruise <sup>(2)(3)(4)</sup> Chair and Director <i>North Vancouver, BC, Canada</i>	Current CEO of New Pacific <sup>(5)</sup> ; Former COO of New Pacific; Former President and CEO of Trevali Mining Corporation	March 4, 2020	343,136 (0.80%)
Lorne Waldman <sup>(2)(3)(4)</sup> Director <i>Vancouver, BC, Canada</i>	Former Senior Vice President of Silvercorp	March 4, 2020	155,881 (0.37%)
Bhakti Pavani <sup>(2)(3)(4)</sup> Director <i>Irvine CA, United States</i>	Managing Director, Natural Resources or a wealth management and financial services firm; Equity Research Analyst at a United States based investment bank	January 11, 2021	Nil
Jean Zhang CFO <i>Coquitlam, BC, Canada</i>	Accounting Manager of Silvercorp; Former Accounting Manager of Aoyuan International Group-West Canada; Former Audit Manager at Deloitte LLP	August 26, 2020	10,000 (0.02%)
Steve Stakiw VP Corporate Affairs <i>Vancouver, BC, Canada</i>	Former Manager and VP, Investor Relations of Trevali Mining Corporation; Consulting Geologist at Miningresearch	March 16, 2020	150,000 (0.35%)
Loralee Johnstone VP Corporate Social Responsibility <i>Whitehorse, YT, Canada</i>	Former Director of Permitting and Sustainability of Coeur Silvertip Holdings, a wholly-owned subsidiary of Coeur Mining; Former VP Permitting and Community Affairs of JDS Silver Inc.	December 7, 2020	50,000 (0.12%)

Tim Kingsley VP Exploration <i>Bellingham, WA, USA</i>	Former Exploration Lead, Americas of Trevalli Mining Corporation	June 15, 2020	Nil
Nikki Graham General Counsel and Corporate Secretary <i>North Vancouver, BC, Canada</i>	Corporate and Securities Lawyer; Current Corporate Counsel of Silvercorp and New Pacific	December 7, 2020	Nil

Notes:

- (1) The information as to residence, principal occupation or employment and Common Shares beneficially owned, directly or indirectly, or controlled is not within the knowledge of the management of the Company and has been furnished by the respective director or officer.
- (2) Denotes member of the Audit Committee (as defined herein).
- (3) Denotes member of the Company's Compensation Committee.
- (4) Denotes member of the Company's Corporate Governance Committee.
- (5) Mr. Cruise's principal occupation is acting as an officer of New Pacific.

As of the date of this AIF, all of the directors, officers and control persons of the Company, as a group, beneficially own, directly or indirectly, or exercise control or direction over 809,017 Common Shares representing 1.90% of the Company's 42,656,597 Common Shares issued and outstanding.

## 10.2 Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director or executive officer of the Company, within the 10 years prior to the date of this AIF, is or has been, a director, chief executive officer or chief financial officer of any company (including the Company) that: (a) while that person was acting in that capacity was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or (b) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued after that person 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 that capacity.

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

No director or executive officer of the Company or a shareholder holding a sufficient number of securities to affect materially the control of the Company has, within the 10 years prior to this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

No director or executive officer of the Company or a shareholder holding a sufficient number of securities to affect materially 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 that would likely be considered important to a reasonable making an investment decision.

### 10.3 Conflicts of Interest

Certain directors and officers of the Company are also directors, officers, employees or shareholders of other companies that are similarly engaged in the business of acquiring and exploiting natural resource properties. These associations to other public companies in the resource sector may give rise to conflicts of interest from time to time. Under the laws of the Province of British Columbia, the directors and officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will disclose such interest in a contract or transaction and will abstain from voting on any resolution in respect of such contract or transaction. See also "Risk Factors" above.

## ITEM 11: AUDIT COMMITTEE

### 11.1 Audit Committee Charter

A copy of the Charter of the Audit Committee is attached hereto as Schedule "A" (the "**Audit Committee Charter**"). A description of the responsibilities, powers and operation of the committee can be found therein.

The Audit Committee, among other things, reviews the annual financial statements of the Company for recommendation to the Board, reviews and approves the quarterly financial statements, oversees the annual audit process, the Company's internal accounting controls and the resolution of issues identified by the Company's auditors, and recommends to the Board the firm of independent auditors to be nominated for appointment by the shareholders at the next annual general meeting. In addition, the Audit Committee meets annually with the Company's auditors both with and without the presence of any members of the Company's management.

### 11.2 Composition of the Audit Committee

The Audit Committee is comprised of Mark Cruise, Lorne Waldman and Bhakti Pavani. A majority of the members of the Audit Committee are independent directors in accordance with the requirements of National Instrument 52-110 *Audit Committees* ("**NI 52-110**"). The following table sets out the names of the members of the Audit Committee and whether they will be "independent" are and "financially literate".

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Mark Cruise	Yes	Yes
Lorne Waldman	Yes	Yes
Bhakti Pavani	Yes	Yes

Notes:

- (1) To be considered independent, a member of the Audit Committee must not have any direct or indirect "material relationship" with Whitehorse as defined under applicable securities laws. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.
- (2) To be considered financially literate, a member of the Audit Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Whitehorse's financial statements.

### 11.3 Relevant Education and Experience

All members of the Audit Committee are experienced business people with a background and experience in financial matters; each has a broad understanding of the accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the

internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavor. In addition, each member of the Audit Committee has knowledge of the role of an audit committee in the realm of reporting companies. Following are the biographies of members of the Audit Committees:

- Mark Cruise: Dr. Cruise is a professional geologist and mining entrepreneur and has over 25 years global base and precious metal experience with both major, mid-tier and junior exploration, development and mining companies. He has extensive experience in equity and debt capital markets in addition to financial reporting and associated controls in increasing positions of authority throughout his career including most recently as CEO of New Pacific and co-founder and CEO of Trevali Mining Corporation.
- Lorne Waldman: Lorne Waldman, MBA, LL.B., is a corporate lawyer and formerly a senior executive and has over 20 years, for NYSE and TSX listed reporting issuers in the mining and technology industry. He is a current member of the Law Society of British Columbia and was a Senior Vice President of Silvercorp, a TSX and NYSE American listed company. Prior to that, he held a senior management positions, including Corporate Secretary and In-house Legal Counsel with a NYSE listed technology manufacturer. He has extensive experience in a wide range of corporate and securities matters, investor relations, corporate communications and First Nations consultation. He also recently served a director and audit committee member for Nam Tai Property Inc., a NYSE listed real estate company.
- Bhakti Pavani: Bhakti Pavani has over 10 years of experience in the financial industry working for several investment banks. A majority of her career has been spent working as an equity research analyst covering the precious metals sector. Ms. Pavani has an MBA degree in Finance from California State University Fullerton and is currently a Level III candidate in the Chartered Financial Analyst program.

#### **11.4 Audit Committee Oversight**

During the last financial year, recommendations of the Audit Committee to nominate or compensate an external auditor were adopted by the Board.

#### **11.5 Pre-Approval of Policies and Procedures**

The Audit Committee has adopted a specific policy and procedure for the engagement of non-audit services as described in Section 4 of the Audit Committee Charter.

#### **11.6 Reliance on Certain Exemptions**

As Whitehorse is listed on the TSXV, it may avail itself of exemptions from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110, which require the independence of each member of an Audit Committee, subject to limited exceptions and the disclosure of Audit Committee information in an annual information form, respectively. During the last financial year, Whitehorse relied on the exemption in Part 3 of NI 52-110 because not all the members of its Audit Committee were independent. Kevin Weston was removed and Bhakti Pavani was appointed to the Audit Committee on March 3, 2021 and, as a result, the Audit Committee is now composed of all independent members.

#### **11.7 External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the services provided by Deloitte LLP, auditors to the Company, to ensure independence. Fees billed by external auditors for audit services in the last two fiscal years are outlined below:

The following table sets out the fees paid by the Company to its auditors in its only financial years since the date of incorporation of the Company:

<b>Financial Year Ended<sup>(1)</sup></b>	<b>Audit Fees (\$)<sup>(2)</sup></b>	<b>Audit Related Fees (\$)<sup>(3)</sup></b>	<b>Tax Fees (\$)<sup>(4)</sup></b>	<b>All Other Fees (\$)<sup>(5)</sup></b>
December 31, 2020	50,000	13,800	Nil	Nil
June 30, 2020	Nil	Nil	Nil	Nil

Notes:

- (1) On February 1, 2021, the Company filed a notice that it had changed its year end from June 30 to December 31. As a result of the change, the Company has a transition period of six months ended December 31, 2020 which refers to the six months from June 30, 2020 to December 31, 2020.
- (2) The aggregate fees billed (before tax and service charge) by the Company's auditor for audit fees.
- (3) The aggregate fees billed (before tax and service charge) for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit Fees" column.
- (4) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice, and tax planning.
- (5) The aggregate fees billed for professional services other than those listed in the other three columns.

**ITEM 12: PROMOTERS**

Under applicable Canadian securities laws, New Pacific may be considered a promoter of Whitehorse in that it took the initiative in founding Whitehorse for the purpose of implementing the Arrangement. As at the date hereof, New Pacific does not hold any Common Shares, as all of the Common Shares held by it were distributed on a pro rata basis to the New Pacific Shareholders pursuant to the Arrangement Agreement.

Pursuant to the Share Exchange Agreement, Whitehorse acquired the Tagish Lake Shares from New Pacific on February 12, 2020 for an aggregate purchase price equal to the fair market value of the Tagish Lake Shares as determined between the parties. The purchase price was satisfied by Whitehorse issuing to New Pacific: (a) 20,000,000 Common Shares; and (b) the Share Exchange Promissory Note (which was repaid in full by Whitehorse on November 18, 2020. Other than the consideration received pursuant to the Share Exchange Agreement, New Pacific did not receive anything of value from Whitehorse.

**ITEM 13: LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

**13.1 Legal Proceedings**

The Company is not aware of any actual or pending material legal proceedings to which the Company is or is likely to be party or of which any of its business or property is or is likely to be subject.

**13.2 Regulatory Actions**

There are no (a) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during its most recently completed financial year; (b) other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision in the Company; or (c) settlement agreements the Company entered into before a court relating to securities legislation or with a securities regulatory authority during its most recently completed financial year.

**ITEM 14: INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Except for the Arrangement and the Private Placement or as disclosed in this AIF, during the three most recently completed financial years, no director, executive officer or person beneficially owning, controlling or directing, indirectly or directly, more than 10% of the Common Shares, nor their respective affiliates or associates, has had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. Lorne Waldman and Silvercorp participated in the Arrangement on the same basis as all other New Pacific Shareholders. Kevin

Weston, Jean Zhang, Steve Stakiw, Mark Cruise, Lorne Waldman and Silvercorp subscribed for Common Shares in the Private Placement. See "*Directors and Officers*" above.

The following table summarizes the Company's transaction with related parties since the date of incorporation of the Company:

<b>Transactions with related parties</b>	Note	Six months ended December 31, 2020	From incorporation on November 27, 2019 to June 30, 2020
New Pacific	(1)(2)	\$ 305,959	\$79,754
Silvercorp	(3)	\$ 56,305	\$ -

Notes:

- (1) New Pacific was the parent of the Company until the effective date of the Arrangement. On November 18, 2020. The transaction amounts were related to the accrued interest in accordance with the New Pacific Debt.
- (2) During the six months ended December 31, 2020, a total of \$225,193 (from incorporation of the Company on November 27, 2019 to June 30, 2020 - \$nil) salaries and benefits expense incurred and paid by the Company prior to New Pacific shareholders' approval of the Arrangement on September 30, 2020 was reimbursed by New Pacific.
- (3) The Company shares office space with Silvercorp and Silvercorp provides various general and administrative services to the Company under the Intercompany Agreement (as defined below). As at the date of this AIF, Silvercorp owns 11,514,286 Common Shares, representing 26.99% of the issued and outstanding Common Shares.

Related party transactions are entered into based on normal market conditions at the amounts agreed on by the parties. As at December 31, 2020, the balances with related parties, which are unsecured, non-interest bearing, and due on demand, are as follows:

<b>Due to related parties</b>	December 31, 2020	June 30, 2020
Payables due to New Pacific	\$ -	\$114,290
Promissory notes due to New Pacific	\$ -	\$3,500,000
Payables due to Silvercorp	\$20,879	\$ -

The Company shares offices with Silvercorp and Silvercorp provides various general and administrative services to the Company on a cost recovery basis, as more particularly set out in the Intercompany Services Agreement between the Company and Silvercorp dated November 16, 2020 (the "**Intercompany Agreement**"). During the financial year ended December 31, 2020, the Company recorded total expenses of \$44,121 (from incorporation on November 27, 2019 to June 30, 2020 - \$nil) for services rendered and expenses incurred by Silvercorp on behalf of the Company.

#### **ITEM 15: TRANSFER AGENTS AND REGISTRARS**

The Company's transfer agent and registrar for the Company's Common Shares is Computershare Investor Services Inc. of 510 Burrard Street, 3rd Floor, Vancouver, British Columbia V6C 3B9.

#### **ITEM 16: MATERIAL CONTRACTS**

Except for contracts entered into by the Company in the ordinary course of business, the only current material contracts entered into or currently anticipated to be entered into by the Company which can reasonably be regarded as presently material are the Arrangement Agreement and the Share Exchange Agreement.

A copy of each of the Arrangement Agreement and the Share Exchange Agreement is available on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

**ITEM 17: INTERESTS OF EXPERTS*****The Technical Report***

GeoSim Services Inc. was commissioned by the Company to prepare the Technical Report titled "*Skukum Gold-Silver Project, NI 43-101 Technical Report, Whitehorse Mining District, Yukon Territory, Canada*" with an effective date of October 1, 2020. The Technical Report is authored by Ronald G. Simpson, P. Geo.

The Company has been informed that there is no registered or beneficial interest, direct or indirect, in any securities or property of Whitehorse or its affiliates or associates: (a) that was held by Mr. Simpson when the Technical Report was prepared; (b) received by Mr. Simpson after the Technical Report was prepared; or (c) to be received by Mr. Simpson. Mr. Simpson is not 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. As at the date of this AIF, Mr. Simpson does not own any Common Shares.

***Auditor***

Deloitte LLP, Chartered Professional Accountants with an office at 939 Granville Street, Vancouver, British Columbia V6Z 1L3, are the auditors for Whitehorse and are independent with respect to Whitehorse within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

**ITEM 18: ADDITIONAL INFORMATION**

Additional information on the Company may be found on the Company's website at [www.whitehorsegold.ca](http://www.whitehorsegold.ca) or under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Additional financial 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, will be contained in the Company's information circular for its 2021 annual meeting of shareholders.

Additional financial information is provided in the Company's most recent financial statements and the management discussion and analysis for its most recently completed financial year.

**SCHEDULE "A"**  
**CHARTER FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF**  
**WHITEHORSE GOLD CORP.**  
**(THE "COMPANY")**

**1.0 Purpose of the Committee**

1.1 The Audit Committee (the "Committee") represents the board of directors of the Company (the "Board") in discharging its responsibility relating to the accounting, reporting and financial practices of the Company and its subsidiaries, and has general responsibility for oversight of internal controls, accounting and auditing activities and legal compliance of the Company and its subsidiaries.

**2.0 Members of the Committee**

2.1 The Committee shall consist of no less than three Directors a majority of whom shall be "independent" as defined under Multilateral Instrument 52-110, while the Company is in the developmental stage of its business. The members of the Committee shall be selected annually by the Board and shall serve at the pleasure of the Board.

2.2 At least one Member of the Audit Committee must be "financially literate" as defined under Multilateral Instrument 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

**3.0 Meeting Requirements**

3.1 The Committee will, where possible, meet on a regular basis at least once every quarter, and will hold special meetings as it deems necessary or appropriate in its judgment. Meetings may be held in person or telephonically, and shall be at such times and places as the Committee determines. Without meeting, the Committee may act by unanimous written consent of all members which shall constitute a meeting for the purposes of this charter.

3.2 A majority of the members of the Committee shall constitute a quorum.

**4.0 Duties and Responsibilities**

The Audit Committee's function is one of oversight only and shall not relieve the Company's management of its responsibilities for preparing financial statements which accurately and fairly present the Company's financial results and conditions or the responsibilities of the external auditors relating to the audit or review of financial statements. Specifically, the Audit Committee will:

- (a) have the authority with respect to the appointment, retention or discharge of the independent public accountants as auditors of the Company (the "auditors") who perform the annual audit in accordance with applicable securities laws, and who shall be ultimately accountable to the Board through the Audit Committee;
- (b) review with the auditors the scope of the audit and the results of the annual audit examination by the auditors, including any reports of the auditors prepared in connection with the annual audit;
- (c) review information, including written statements from the auditors, concerning any relationships between the auditors and the Company or any other relationships that may

adversely affect the independence of the auditors and assess the independence of the auditors;

- (d) review and discuss with management and the auditors the Company's audited financial statements and accompanying Management's Discussion and Analysis of Financial Conditions ("MD&A"), including a discussion with the auditors of their judgments as to the quality of the Company's accounting principles and report on them to the Board;
- (e) review and discuss with management the Company's interim financial statements and interim MD&A and report on them to the Board;
- (f) pre-approve all auditing services and non-audit services provided to the Company by the auditors to the extent and in the manner required by applicable law or regulation. In no circumstances shall the auditors provide any non-audit services to the Company that are prohibited by applicable law or regulation;
- (g) evaluate the external auditor's performance for the preceding fiscal year, reviewing their fees and making recommendations to the Board;
- (h) periodically review the adequacy of the Company's internal controls and ensure that such internal controls are effective;
- (i) review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the auditors that may have a significant impact on the Company's financial reports, and report on them to the Board;
- (j) approve material contracts where the Board of Directors determines that it has a conflict;
- (k) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding the audit or other accounting matters;
- (l) where unanimously considered necessary by the Committee, engage independent counsel and/or other advisors at the Company's expense to advise on material issues affecting the Company which the Committee considers are not appropriate for the full Board;
- (m) satisfy itself that management has put into place procedures that facilitate compliance with the provisions of applicable securities laws and regulation relating to insider trading, continuous disclosure and financial reporting;
- (n) review and monitor all related party transactions which may be entered into by the Company; and
- (o) periodically review the adequacy of its charter and recommending any changes thereto to the Board.

## **5.0 Miscellaneous**

5.1 Nothing contained in this Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.