



Annual Information Form

For the year ended December 31, 2020

Dated March 25, 2021

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APPENDIX A - AUDIT COMMITTEE CHARTER

1. PRELIMINARY INFORMATION

1.1 Date of Information

All information in this annual information form ("AIF") is as at December 31, 2020 unless otherwise indicated.

1.2 Forward-Looking Information

This AIF contains forward-looking information, within the meaning of applicable Canadian securities legislation, which reflects management's expectations regarding Talisker Resources Ltd.'s (the "Company" or "Talisker") future growth, results of operations (including, without limitation, future expenditures), performance, business prospects and opportunities (including the timing and development of new deposits and the success of exploration activities). Words such as "plans", "expects", "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, have been used to identify such forward-looking information. Although the forward-looking information contained in this AIF reflects management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, Talisker cannot be certain that actual results will be consistent with such forward-looking information. A number of factors could cause actual results, performance or achievements to differ materially from the results expressed or implied in the forward-looking information, including those listed in the "Risk Factors" section of this AIF. The documents incorporated by reference herein also identify additional factors that could affect the operating results and performance of Talisker. These factors should be considered carefully and prospective or existing investors should not place undue reliance on any forward-looking information contained in them. Forward-looking information necessarily involves significant known and unknown risks, assumptions and uncertainties that may cause Talisker's actual results, performance, prospects and opportunities in future periods to differ materially from those expressed or implied by such forward-looking information. Although Talisker has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors and risks that cause actions, events or results not to be as anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this AIF based on the opinions and estimates of management, and, except as may be required by applicable securities laws, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise. There can be no assurance that the forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on such forward-looking information.

Forward-looking information and other information contained herein concerning, among other things, mineral exploration and management's general expectations concerning the mineral exploration industry are based on estimates prepared by management using data from publicly available industry sources as well as from market research and industry analysis as well as assumptions based on data and knowledge of the industry which management believes to be reasonable, including, among other things, the actual results of current exploration activities, access to capital and future prices of gold, silver and other base metals, fuel and energy costs, future economic conditions and courses of action. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While management is not aware of any misstatements regarding any industry data presented herein, mineral exploration involves risks and uncertainties and industry data is subject to change based on various factors.

All of the forward-looking statements made in this AIF and the documents incorporated by reference herein are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Talisker.

1.3 Units of Measurement and Currency

All units of measurement in this AIF are metric unless otherwise stated. Some historical records and figures that are disclosed in this AIF are stated in Imperial measurements.

Base metal values are stated in percent (%), parts per billion (ppb), or parts per million (ppm). Historical gold and silver grades are stated in their original unit of “oz Au per ton” (ounces per short ton gold), or, “oz Ag per ton” (ounces per short ton silver), although in some cases metric equivalents are also given for clarity. Recent gold and silver analyses are stated in parts per billion (ppb) and parts per million (ppm) respectively, or g/t Au (grams per metric tonne gold) and g/t Ag (grams per metric tonne silver).

Additional abbreviations and symbols used:

>	greater than
<	less than
BD	below detection
AR	Assessment Report
ARIS	Assessment Report Index System
a.s.l.	above sea level
c.c.	correlation coefficient
C	centigrade
G	gram
Ha	hectare
Kg	kilograms
km	kilometre
T	metric ton
Tpd	tons per day
m	metre
Ma	million years (pertaining to ages and/or elapsed time)
MINFILE	Mineral Inventory – BC Ministry of Energy and Mines
NSR	Net Smelter (return) Royalty
oz.	ounces
Ppb	parts per billion
Ppm	parts per million
QA/QC	quality assurance/quality control
FSR	Forest Service Road

Currencies are stated in Canadian dollars unless otherwise stated.

1.4 Information Incorporated by Reference

Incorporated by reference into this AIF is the technical report on the Bralorne Gold Project, located in south central British Columbia, titled “Bralorne Project, B. C., Canada, NI 43-101 Technical Report” with a release date of September 2, 2020 (and an effective date of July 24, 2020), prepared by Garth Kirkham, P.Geo. of Kirkham Geosystems Ltd. (the “Bralorne Technical Report”). The technical report is available for review under the Company’s profile on the SEDAR website at www.sedar.com.

2. CORPORATE STRUCTURE

2.1 Name, Address and Incorporation

The Company was incorporated on June 3, 1987 as “Bellwether Resources Ltd.” under the *Business Incorporation Act* (British Columbia). On March 20, 1992, the name of the Company was changed to “Eurocontrol Technics Inc.” and on October 11, 2006, the Company was continued in the Province of Ontario. On July 19, 2011, the name of the Company was changed to “Eurocontrol Technics Group Inc.” and on April 17, 2019, the name of the Company was changed to “Talisker Resources Ltd.”, in each case pursuant to articles of amendment filed pursuant to the OBCA.

The registered and head office of the Company is located at Suite 400, 350 Bay Street, Toronto, Ontario M5H 2S6.

2.2 Intercorporate Relationships

Talisker has one wholly-owned subsidiary, Bralorne Gold Mines Ltd. (“Bralorne”), a British Columbia incorporated company.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 Three Year History

Following the completion of the Transaction (as described below) on April 18, 2019, the Company has been engaged in exploring mineral resource properties in the Province of British Columbia acquired in an asset purchase agreement between the Company and Sable Resources Ltd. (“Sable”). Prior to April 18, 2019, the Company was involved in the business of test and measurement technologies and applications which was discontinued on October 31, 2018.

The following is a summary of the Company’s development since the completion of the Transaction.

2019

On January 24, 2019, the Company’s predecessor company, Eurocontrol Technics Group Inc. (“Eurocontrol”) entered into an asset purchase agreement to acquire Sable’s mineral resource properties located in the Province of British Columbia and certain related assets (the “B.C. Properties”) in exchange for paying Sable \$500,000 in cash and issuing Sable 30,000,000 post-consolidation shares at the time of closing and granting Sable, on the closing date, a 1.0% net smelter return royalty on each of the B.C. Properties and assuming certain liabilities relating to the B.C. Properties (the “Transaction”). Additionally, in connection with the Transaction, Eurocontrol announced that it planned to:

1. consolidate its outstanding shares on the basis of one post-consolidation share for each four shares;
2. change its name to “Talisker Resources Ltd.”; and
3. apply to the Canadian Securities Exchange (the “CSE”) to have its shares listed and posted for trading on the CSE and apply to the TSX Venture Exchange (“TSXV”) to have its shares delisted from the TSXV upon completion of the Transaction.

On January 25, 2019, trading in the common shares of Eurocontrol were halted until the de-listing of the common shares from the TSXV.

On March 29, 2019, shareholders of the Company approved the Transaction and other related items of business.

On April 17, 2019, the Company filed Articles of Amendment under the *Business Corporations Act* (Ontario) to change its name to "Talisker Resources Ltd." and to consolidate its shares on a 1 for 4 basis, such that the 92,450,238 common shares outstanding immediately preceding the completion of the Transaction were consolidated to 23,112,554 common shares.

On April 17, 2019, in connection with the Transaction, the Company acquired the B.C. Properties by paying to Sable the sum of \$500,000, issuing to Sable 30,000,000 common shares of Talisker, granting Sable a 1.0% net smelter return royalty on each of the B.C. Properties and assuming certain liabilities relating to the B.C. Properties.

On April 17, 2019, the Company completed a private placement through the issuance of 11,730,000 subscription receipts (each, a "Subscription Receipt") at an issue price of \$0.20 per Subscription Receipt, for gross proceeds of \$2,346,000 (the "Subscription Receipt Private Placement"). The gross proceeds of the Subscription Receipt Private Placement (the "Escrowed Funds") were deposited in escrow.

On April 18, 2019, the Escrowed Funds were released from escrow to the Company concurrently with the closing of the Transaction and each Subscription Receipt was automatically exchanged without any further action by the holder of such Subscription Receipt and for no additional consideration, for one unit of the Company, each unit being comprised of one common share and one common share purchase warrant (each a "Warrant"). Each Warrant entitles the holder to purchase one additional common share at an exercise price of \$0.30 for a period of two years from the date of issuance thereof, provided that if, at any time following the date which is the later of (i) four months and one day after the closing of the private placement; and (ii) the date on which the units are issued, the closing price of the common shares is at least \$0.50 for a period of 10 consecutive trading days, the Company may, at its option, accelerate the expiry date of the Warrants by issuing a news release and giving written notice thereof to all holders of Warrants, and, in such case, the Warrants will expire on the earlier of: (i) the 30th day after the date on which the news release is disseminated by the Company; and (ii) the original expiry date. After completion of the Transaction and the Subscription Receipt Private Placement, the Company had 64,842,554 common shares issued and outstanding and the management and board of directors of Talisker was reconstituted to consist of the following: Terence Harbort, Director, President and Chief Executive Officer; Andres Tinajero, Director and Chief Financial Officer; Charlotte May, Corporate Secretary; Brent Gilchrist, Director; Tom Obradovich, Director; Paul Wood, Director; and Blair Zaritsky, Director.

On April 26, 2019, the Company's common shares commenced trading on the CSE under the ticker symbol "TSK".

On April 30, 2019, the Company announced the staking of an additional 33,321 Ha, including the Remington and Lola claims with Remington claims comprising 31,651 Ha distributed between 20 contiguous claims located 34 km west of the northern tip of the Talisker's Spences Bridge Gold Project and the Lola claim comprising a single claim of 1,670 Ha in the Cadwallader Terrance. The Remington package was staked based on upper level epithermal geochemical signatures identified in historic government and assessment data within the Cretaceous Bridge River group sedimentary and volcanic rocks. The Bridge River Formation is a 30-kilometer long by 10 kilometer wide under explored belt that Talisker believes to be prospective for Low-Sulphidation Epithermal Gold Systems. The Lola claim was staked as Talisker interpreted identified Hg, Sb, Ag and Au geochemical signatures reported in historic government data to be indicative of low sulphidation gold systems.

On May 31, 2019, Talisker entered into a purchase agreement for the Dora Project (defined below) which encompasses six mineral claims, totaling 374.05 Ha, and provides the Company with an option to acquire 100 per cent of the mineral claims that comprise the Dora Project. Under the term of the option agreement, Talisker paid \$10,000 in cash and has agreed to pay \$10,000 and 50,000 common shares of Talisker on May 31, 2020, and May 31, 2021; \$20,000 and 50,000 common shares of Talisker on May 31, 2022; \$50,000 and 150,000 common shares of Talisker on May 31, 2023; and to spend a minimum of \$50,000 on the property per year over five years. The option agreement is also subject to a share bonus of one common share per ounce of gold equivalent in the inferred mineral resources or greater category to a maximum of

250,000 common shares and a 2% NSR. Talisker has the right to purchase 50 per cent of the NSR for \$1,000,000.

On June 12, 2019, the Company announced that it had initiated its extensive Phase I Geochemical Program on its 100% owned claims covering the majority of the Spences Bridge Gold Belt with a team of 22 geologists executing a 4,500 sample program, collecting silt fraction (177 μ m) samples from first and select second order drainage basins. It was also noted that as a parallel part of the program the team would also be mapping alteration and lithology of drainage courses and reviewing existing mineral occurrences and historical government stream anomalies.

On June 18, 2019, the Company announced that it had entered into purchase agreements with two arm's length vendors to acquire the Blustery Mountain property comprising four mineral claims totaling 471.5 Ha in exchange for cash payments of \$30,000, the issuance of 220,000 common shares of Talisker and in the case of three of the minerals claims, a 1% NSR, 50% of which can be purchased by Talisker for \$500,000.

Also on June 18, 2019, the Company granted an aggregate of 3,400,000 options to purchase common shares of the Company exercisable at a price of \$0.20 per share for a period of five years, to directors, officers and consultants of the Company. The Company also granted 100,000 restricted share units ("RSUs") to an employee of the Company under the terms of the Company's restricted share unit plan (the "RSU Plan"). Each RSU entitles the holder to acquire one common share of the Company by delivering an exercise notice in accordance with the RSU Plan.

On June 26, 2019, Talisker announced that the Company's shares had been approved to trade on the OTCQB Market under the symbol "TSKFF".

On August 22, 2019, Talisker provided an update on the Company's Phase 1 regional geochemical program being undertaken on its 100% owned claims covering the majority of the Spences Bridge Gold Belt indicating that a total of 1,988 planned sample sites have been reviewed with 1,207 stream sediment samples collected and that of the planned sample sites, 781 were discarded due to either insufficient drainage incision, poor stream channel development, insufficient sediment material or overwhelming input from colluvial media. It was noted that 902 assays from ultra-trace ICP-MS analysis had been received and that 305 were outstanding and the geostatistical analysis of assay results had identified 17 anomalous basins within the 98th percentile defined by values above 32 ppb Au with seven basins having been identified as highly anomalous with values above 100 ppb Au (0.1g/t) to a maximum returned value of 315 ppb Au (0.315 g/t) utilizing a mean sediment background value (50th percentile) of 1 ppb Au.

On August 28, 2019, the Company announced the initiation of Phase 2 exploration at its Lola and Dora projects comprising, at Lola, of approximately 1,400 soil samples on NE-SW trending lines at 50 meters sample spacing and 200 meters line spacing at the Lola project to evaluate the full extent of the Lola structures and aid in drill targeting, and at Dora, of 747 soil samples on 50 meter spacing on the E-W trending lines and 100 meter spacing on the N-S line covering the entirety of the claim group. It was also announced that the Company would concurrently initiate the drill permitting process on these projects in anticipation of a successful Phase 2 exploration program.

On September 6, 2019, the Company completed a "best efforts" private placement financing (the "September Private Placement") for aggregate gross proceeds of \$4,159,098 in multiple tranches as follows:

- On August 29, 2019, the Company closed the first tranche of the September Private Placement, being the brokered portion pursuant to which 9,642,771 common shares were issued at a price of \$0.14, 8,176,250 flow-through shares were issued at a price of \$0.16 and 4,071,000 charity flow-through shares were issued at a price of \$0.21 for aggregate gross proceeds to the Company of \$3,513,097. In connection with the brokered portion of the private placement, the Company issued an aggregate of 518,566 non-transferrable compensation warrants, each compensation warrant being exercisable into common shares of the Company at a price per compensation warrant of \$0.14 for a period of 24 months from the closing of the September Private Placement.

- Also on August 29, 2019, the Company closed a second tranche of the September Private Placement with the issuance of an additional 785,713 common shares at a price of \$0.14 and an additional 568,750 flow-through shares at a price of \$0.16 for aggregate gross proceeds to the Company of \$200,999.82.
- On September 6, 2019, the Company closed the final tranche of the September Private Placement with the issuance of an aggregate of 1,214,286 common shares at a price of \$0.14 and 1,718,750 flow-through shares at a price of \$0.16 for further aggregate gross proceeds to the Company of \$445,000.

On October 21, 2019, the Company staked a further claim comprising 419 Ha on its Spences Bridge Gold Project.

On October 24, 2019, the Company provided an update on exploration activities on its Spences Bridge Gold Project indicating that a total of 2,217 planned sample sites have been reviewed with 1,332 stream sediment samples collected and that 885 of the planned sample sites were discarded due to either insufficient drainage incision, poor stream channel development, insufficient sediment material or overwhelming input from colluvial media. It was noted that a total of 1,112 assays from ultra-trace ICP-MS analysis had been received with 220 outstanding and that geostatistical analysis of the assay results received had identified 22 anomalous basins within the 98th percentile defined by values above 37.5ppb 32 ppb Au and a total of 10 basins have been identified as highly anomalous with values above 100ppb Au (0.1g/t) to a maximum returned value of 315ppb Au (0.315 g/t). Mean sediment background value (50th percentile) has been identified as 1ppb Au. The Company also noted that these additional results identify anomalies enriched from 37 to 315 times normal background values. The Company also disclosed that it had defined eight multi-basin areas anomalous in gold and epithermal pathfinder elements and that Phase 2 soil sampling, detailed mapping and geophysics have been initiated on these areas.

On December 13, 2019, the Company acquired (the “Acquisition”) a 100% interest in the Bralorne Gold Project located in southwestern British Columbia by acquiring from Avino all of the common shares of Bralorne Gold Mines Ltd. for the following consideration:

1. a cash payment of \$8.7 million;
2. 12,580,000 common shares of Talisker, representing 9.9% of the outstanding common shares of Talisker immediately following the Acquisition; and
3. 6,290,000 common share purchase warrants (“Consideration Warrants”), with each Consideration Warrant being exercisable at \$0.25 for a period of three years from closing, subject to acceleration in the event the closing price of common shares is greater than \$0.35 for 20 or more consecutive trading days at any time following April 14, 2020.

A cash payment of US\$2.5 million will be payable to Avino on commencement of commercial production of the Bralorne Gold Project.

At closing, Bralorne had approximately \$1.9 million in cash, which was sufficient to finance the remaining flow-through expenditures on the Bralorne Gold Project at such time and had no debts or liabilities other than in respect of certain equipment and environmental, permitting, reclamation and rehabilitation costs associated with the Bralorne Gold Project. The Company has filed a Form 51-102F4 – Business Acquisition Report in respect of the acquisition of Bralorne.

The common shares of Talisker and Consideration Warrants are subject to a contractual one-year hold period, subject to certain exceptions. Until Avino holds not less than 5% of outstanding common shares of Talisker, Avino has a pre-emptive right to participate in future equity financings of Talisker to maintain its share ownership percentage interest in Talisker.

In connection with the Acquisition, the Company completed a private placement of 22,222,222 common shares at price of \$0.18 per common share for gross proceeds of \$4.0 million.

On December 23, 2019, the Company entered into a definitive royalty purchase agreement and royalty agreement with Bralorne and Osisko Gold Royalties Ltd (“Osisko”) for the completion of the sale of a 1.2% net smelter returns royalty on all production from the Bralorne Gold Project in exchange for \$6.2 million in cash.

2020

On January 14, 2020, the Company announced the appointment of Morris Prychidny to the Company’s board of directors.

On January 21, 2020, the Company announced that it had changed its auditors from BDO Canada LLP to PricewaterhouseCoopers LLP. BDO Canada LLP resigned as the auditor of the Company effective January 10, 2020 and the board of directors of the Company appointed PricewaterhouseCoopers LLP effective as of the same date, until the next annual general meeting of the Company.

On January 21, 2020, the Company entered into a purchase agreement for the Big Sheep project comprising two mineral claims totaling 162.6 Ha for a cash payment of \$40,000 and the issuance of 250,000 common shares of Talisker.

On February 3, 2020, the Company announced the appointment of Michael McPhie as Vice President, Sustainability and External Affairs.

Also on February 3, 2020, the Company entered into an option agreement with an arm’s length party for the Golden Hornet property further expanding the Company’s land position in the Blue Jay property. The Golden Hornet property comprises 13 mineral claims encompassing 2,206.03 Ha and are strategic mineral claims covering known intrusion related gold vein systems. Under the term of the option agreement, Talisker can acquire 100% of the Golden Hornet property in exchange for payments totaling \$145,000 in cash and 575,000 common shares, payable as to \$10,000 cash on signing and 50,000 common shares, \$10,000 in cash and 50,000 common shares on the first anniversary, \$25,000 cash and 75,000 common shares on the second anniversary, \$50,000 cash and 150,000 common shares on the third anniversary, and \$50,000 cash and 250,000 common shares on the fourth anniversary and to expend \$60,000 per year over four years. The option agreement is also subject to a share bonus of one common share per ounce of gold equivalent in the inferred or greater category to a maximum of 200,000 common shares and a 2% NSR. Talisker has the right to purchase 100% of the NSR for \$1,000,000.

On February 4, 2020, the Company completed a bought deal private placement of 15,333,320 common shares and 16,161,600 charity flow-through common shares at a price of \$0.33 and \$0.495, respectively, raising aggregate gross proceeds of approximately \$13.1 million. The private placement was underwritten by a syndicate of underwriters led by PI Financial and included Eight Capital, Sprott Capital Partners LP and Haywood Securities Inc. In connection with the private placement, the underwriters received compensation warrants equal to 2.0% (or 1.0% in respect of certain “president’s list” purchasers) of the aggregate number of common shares and charity flow-through common shares sold. Each compensation warrant is exercisable to acquire one common share of the Company at a price of \$0.33 per share until February 4, 2022.

On February 12, 2020, the Company announced that it had commenced Phase 1 drilling at the Bralorne Gold Project in south central British Columbia, Canada. The Phase 1 drill program will consist of a planned 2,700m of diamond drilling in five holes ranging in depth from 427m to 671m depth and will target the HW, Main, J and 77 veins. It was noted that the Phase1 drill program forms part of a larger 11,200m program.

On March 26, 2020, the Company announced that it had completed the acquisition of the Royale property comprising four claim blocks totaling 3,827 hectares increasing the strike length of the Bralorne Gold Project. Under the terms of the agreement, Talisker paid \$60,000 cash and issued 600,000 common shares of

Talisker. In connection with the acquisition, the Vendor will retain a 1% NSR that the Company can purchase for \$1,000,000. The Royalle property claims sit directly south of the historic Bralorne-Pioneer mine along strike of the Cadwaller break and host eight exploration targets including mesothermal gold and silver veins and skarn style mineralization. The main target is the Piebiter zone with historic adit sampling returning gold grades of 4.3 g/t over 21 meters and selective grab samples of up to 227 g/t Au. The Chopper silver vein has been delineated for 2,400 meters and with selective grab samples up to 1,585 g/t Ag. The Company noted that these selected samples are not necessarily representative of the mineralization hosted on the property and limited drilling has been completed on the property. A qualified person has not verified the data disclosed in respect of the property, including sampling, analytical and test data underlying this information. The data comes from historic reports prepared by previous owners of the property.

Also on March 26, 2020, the Company announced the appointment of Leonardo de Souza as Vice President, Exploration and Resource Development and that Ruben Padilla, the Company's former Vice President, Exploration has been appointed Director of Geology. Leonardo holds a Bachelor of Science from the Universidade de Brasilia, Brazil. He has 35 years of experience in mineral exploration and 21 years in mineral resource estimation. In exploration, his majority experience is in brownfields exploration for gold and copper, having participated in the addition of over 9 Moz of gold resources in the operations of AngloGold in South America, and over 2 Moz of gold plus 4.6 Blbs of copper in resources of the Salobo project in Brazil for Anglo American. In resource estimation, Leonardo's experience spans a range of commodities and deposit styles in a number of countries, performing resource evaluations from grassroots opportunities to feasibility studies and mining operations. Leonardo is a Certified Professional (CP) and member of the Australian Institute of Mining and Metallurgy (AusIMM).

On March 31, 2020, the Company announced that it had entered into an agreement to purchase 19 Crown Grant mineral claims totaling 358.5 hectares within the Bralorne Gold Camp from NaiKun Wind Energy Group Inc. The NaiKun Crown Grant mineral claims partially underlay the Company's Bralorne Gold Project mineral tenure with the NaiKun Crown Grants located seven kilometers directly along strike of the Bralorne-Pioneer mines.

On April 1, 2020, the Company announced the results from SB-2020-001, the first drill hole in the drill program at the Bralorne Gold Project announced on February 12, 2020.

Also on April 1, 2020, the Company announced that it had temporarily suspended drilling operations for good practices in relation to the COVID-19 pandemic.

On April 9, 2020, the Company announced that it had acquired a 100% interest in the Congress property from Discovery Metals Corp. for 1,000,000 Talisker common shares. The Congress property is located directly north of the historic Bralorne-Pioneer mine and consists of 20 mineral claims, three mining leases and eight crown grants totaling 2,675.50 hectares. The Congress property contains a historic indicated and inferred resource of 192,638 tonnes grading at 9.24 g/t for 57,234 oz (Mine Development Assessment Process – Congress Project Stage 1 Report, September 1988) defined by underground sampling and surface and underground drilling. As the report was prepared prior to NI 43-101 standards for disclosure, Talisker does not know the relationship of the historic resource categories. Talisker has no knowledge of the reliability of the historic resource. Additional drilling and sampling and quality control will be required to verify and upgrade the historical estimate. Talisker's qualified person has not done sufficient work to classify the historical estimate as a current mineral resource and the Company is not treating the historical estimate as a current mineral resource. Several highly prospective exploration targets are present on the ground including the Lou zone with historic drilling intersecting zones ranging from 1.4 to 4 meters with grades between 5 and 11 g/t Au. Eight separate vein zones have been identified away from the Congress and Lou zones. The Company notes that a qualified person has not verified the data disclosed in respect of the property, including sampling, analytical and test data underlying this information. The data comes from historic reports prepared by previous owners of the property.

On May 5, 2020, the Company announced results from the second drill hole, SB-2020-002, at the Bralorne Gold Project.

On May 26, 2020, the Company announced that drilling had re-commenced at the Bralorne Gold Project with new protocols and practices in place to abide by the regulations and guidelines in response to the COVID-19 pandemic.

On June 9, 2020, the Company announced the drill results at the Bralorne Gold Project for holes three (SB-2020-003) and four (SB-202-004) and partial results for hole five (2020-005A), the upper portion of the hole drilled prior to the COVID-19 crisis shut-down.

On June 18, 2020, the Company announced the initiation of its 2020 greenfields exploration program at its wholly-owned Spences Bridge and Remington Gold Projects where a team of 20 geologists will implement the program focused on the completion of the regional stream sediment geochemical program initiated in 2019 (Phase 1). The Phase 2 program will consist of 6,500 soil samples planned to cover three large prospect areas defined by multi-element, multi-basin anomalies and will also include a systematic evaluation of the over 100 new geochemical anomalies generated from the Phase 1 program. In addition, the Company plans on completing permitting for a planned drill program at the Golden Hornet and the Dora Project late in the 2020 field season.

Also on June 18, 2020, the Company announced that it has entered into a definitive purchase agreement with an arm's length vendor to purchase the SC property (166.24 hectares) which is contiguous to the Dora Project. Talisker plans to include the SC property in the Dora Project drill permit application. The SC property contains a large gold in soil anomaly directly above a mapped rhyolitic body hosted within the Spences Bridge Volcanics. The historical trenches exposed strongly silicified rhyolite, hosting stockwork banded low-sulphidation veins and anomalous values up to 1.7 g/t Au. The SC property extends the geochemical anomaly present at Dora which includes historical rock samples as high as 7.68 g/t Au and represents an additional target within the Dora Project. Under the terms of the purchase agreement, Talisker has agreed to pay \$30,000 cash and will issue 150,000 shares to the vendor along with a 1% NSR in return for 100% ownership of the SC property. The NSR can be purchased by Talisker for \$500,000.

On July 6, 2020, the Company announced the addition of a second drill rig in July at the Bralorne Gold Project and that the drill program will be increased from 11,200m to approximately 17,000m in response to successful drilling results.

On July 8, 2020, the Company announced that the Company entered into an agreement with TDG Gold Corp. ("TDG Gold") for TDG Gold to acquire Talisker's mineral resource properties located in the Toodoggone region, including the Baker Gold Project, the Mets lease and the Bot property (the "Toodoggone Properties"). Pursuant to the agreement, TDG Gold will acquire the Toodoggone Properties by issuing to Talisker the greater of 50,000,000 TDG Gold Shares and that number of TDG Gold Shares that equals 30.12% of the issued and outstanding TDG Gold Shares (calculated on a fully-diluted basis) determined immediately following the completion of TDG Gold's listing on a recognized stock exchange.

On July 16, 2020, the Company announced the drill results at the Bralorne Gold Project for holes five (SB-2020-005), the remainder of hole 5A (SB-2020-005A - 737.4-10123.4m) and holes six (SB-2020-006) and seven (SB-2020-007).

On July 30, 2020, the Company announced that it had qualified to trade on the OTCQX® Best Market.

On August 10, 2020, the Company announced that underground dewatering had been commenced at the Bralorne Gold Project. Preliminary dewatering and treatment of water from the 8 level occurred from late April until late June 2020. The beginning of the dewatering program and access to the 8 level will provide the Company with the ability to accelerate its exploration timeline by gaining access to areas very close to its modelled vein targets.

On August 13, 2020, the Company completed a bought deal financing of \$23 million undertaken with a syndicate of underwriters, with Sprott Capital Partners LP and PI Financial Corp. as co-lead underwriters and co-bookrunners, pursuant to which the underwriters agreed to purchase 28,260,870 units at a price of

\$0.46 per unit (aggregating \$13 million in gross proceeds) and 15,625,000 charity flow-through share units at a price of \$0.64 per charity flow-through share unit (aggregating \$10 million in gross proceeds) on a bought deal basis for total gross proceeds of \$23 million. The charity flow-through units qualify as "flow-through shares" within the meaning of the Income Tax Act (Canada). Each unit and charity flow-through unit comprised one common share and one-half of one common share purchase warrant (each whole warrant, a "Warrant"), with each Warrant entitling the holder to purchase one common share at an exercise price of \$0.70 until August 13, 2021.

On August 20, 2020, the Company granted an aggregate of 1,300,000 options to purchase common shares of the Company exercisable at a price of \$0.46 per share with 1,100,000 options exercisable for a period of five years and 200,000 options exercisable for a period of two years.

On September 2, 2020, the Company filed an Annual Information Form for the year ended December 31, 2019 (the "AIF") and a technical report (the "Technical Report") prepared in accordance with National Instrument 43-101 – *Standards for Disclosure for Mineral Projects* ("NI 43-101") in respect of the Bralorne Gold Project, located in Bralorne, British Columbia. The Technical Report includes a Mineral Resource Estimate described under "*Exploration Properties – Southern British Columbia Properties*". The Technical Report has an effective date of July 24, 2020 and includes information on the Bralorne Gold Project as of that date. The current mineral resource estimate is limited to the area between the historic Bralorne and King mines where Avino Silver & Gold Mines Ltd. ("Avino"), the prior owner, concentrated its test mining activities and does not include any of the recent exploration drilling conducted by Talisker since acquiring the Bralorne Gold Project.

On September 8, 2020, the Company announced the drill results at the Bralorne Gold Project for holes SB-2020-008, SB-2020-008W1 and SB-2020-009 as well as partial results from holes SB-2020-012, SB-2020-013 and SB-2020-015.

On September 14, 2020, the Company announced that it had signed an exploration agreement for the Bralorne Gold Project with the Bridge River Indian Band.

On September 28, 2020, the Company announced that it had received conditional approval from the Toronto Stock Exchange (the "TSX") to list its common shares on the TSX. On October 9, 2020, the Company received final approval and on October 14, 2020, the Company's common shares began trading on the TSX under the symbol "TSK". In connection with the listing on the TSX, the Company voluntarily delisted its common shares from the CSE effective October 13, 2020.

Also on October 14, 2020, the Company announced the appointment of Dr. Michael (Mick) Carew to the position of Vice President of Corporate and Strategic Development. Prior to joining Talisker, Dr. Carew spent seven years as a senior mining analyst with Haywood Securities in addition to extensive experience gained from advanced exploration roles with BHP, Ivanhoe and Mount Isa Mines, among others. Dr. Carew holds a PhD in Economic Geology from James Cook University.

On October 19, 2020, the Company announced a second increase to its drilling program from 17,000m announced in July 2020 to 23,000m in response to continued successful drilling results. It was noted that the Company had drilled 14,811m of the planned 23,000m consisting of 20 holes and two wedges and has received 5,715 assay samples (4,542 samples currently at the assay laboratory). It was noted that the drilling program has successfully validated 19 vein targets and identified three new, close to surface vein targets (Charlotte, Empire and Vein 51) and that the remaining program has been designed to test eight additional vein targets and to expand on the newly identified close to surface targets.

On October 27, 2020, the Company provided an update on its greenfields exploration program at its Spences Bridge, Remington and Golden Hornet projects indicating that over the course of the 2020 summer field season, a team of 20 geologists executed a comprehensive geochemical program collecting soil (6,020), stream (273), rock (529) and talus fine (23) samples and 1:5000 scale geological and reconnaissance mapping across all three project areas. It was noted that 13 prospects have been generated by the

completion of the Phase 1 program that was conducted over the entirety of the Spences Bridge Gold Project area and that permitting has been initiated for the purpose of diamond drilling on the Golden Hornet Project and Dora target and anticipates receiving approval in early 2021.

On November 6, 2020, the Company announced the election of the following nominees as directors of the Company: Brent Gilchrist, Terence Harbort, Morris Prychidny, Susan J. Mitchell, Andres Tinajero, Eric Tremblay and Blair Zaritsky and the appointment of PricewaterhouseCoopers LLP as auditors of the Company for the ensuing year.

On November 26, 2020, the Company announced the drill results at the Bralorne Gold Project for holes SB-2020-010, SB-2020-017A, SB-2020-017AW1, SB-2020-018 and SB-2020-019 from its ongoing drill program. It was noted that the Company completed 18,750m of its current 23,000m drill program, results of which continue to verify and prioritize the interpreted expansion and continuity of targeted vein corridors. It was also noted that a further 6,879 core samples are at the assay laboratory pending release.

On December 14, 2020, the Company announced that further to its press release dated July 8, 2020, it has completed the sale of the Toodoggone Properties to TDG Gold. In connection with the sale of the Toodoggone Properties, TDG Gold acquired and assumed all liabilities related to the Toodoggone Properties and the Company received 18,973,699 common shares of TDG Gold (the "TDG Gold Shares"). Talisker's TDG Gold Shares represent a 33.13% undiluted interest and 30.12% fully-diluted interest in TDG Gold. The TDG Gold Shares were approved for listing by the TSX Venture Exchange under the trading symbol "TDG". For so long as Talisker owns not less than 10% of the outstanding TDG Gold Shares, Talisker will have board nomination rights and pre-emptive rights to participate in future equity financings of TDG Gold to maintain its share ownership percentage interest in TDG Gold. Talisker currently has the right to appoint two nominees to the board of directors of TDG Gold.

On December 15, 2020, the Company granted an aggregate of 4,425,000 options to purchase common shares of the Company exercisable at a price of \$0.33 per share for a period of five years, to directors, officers and consultants of the Company. The Company also granted 780,000 RSUs to officers of the Company. The RSUs are payable in common shares of the Company and vest in three equal installments over three years, after the date of the grant.

Recent Developments

On January 14, 2021, the Company announced it had commenced the first stage of its resource delineation drill program at its 100% owned Bralorne Gold Project. It was noted that the program will target conversion to inferred category of veins validated during the 2020 drill program with stage one (50,000m) focusing on veins located within 700m from surface. It was also noted that four drill rigs will be active during winter months increasing to eight rigs after the Spring freshet and that all drilling will be conducted from surface drill pads.

On January 19, 2021, the Company announced assay results from holes SB-2020-020, SB-2020-021 (partial results) and SB-2020-019 (final results) from its resource drill out drill program at the Bralorne Gold Project in British Columbia. It was noted that the 2020 drill program validated 31 vein targets (on 14 known veins) and three new vein discoveries were confirmed. It was also noted that 21,547.95m of drilling was completed in 2020 and that 4,766 samples are awaiting assay at the lab.

On January 26, 2021, the Company announced the results of the systematic rock and soil sampling program conducted at its Golden Hornet property during the 2020 field season and announced a 6,700 metre drill program to test all four mineralized outcropping vein zones including three newly discovered outcropping vein zones extending known historic mineralization including a polymetallic Montana Zone that returned up to 14.05 g/t Au, 7.84% Zn, 1.8% Cu and 4.4% Pb. The program also identified a gold-rich polymetallic sheeted vein complex and a robust 2.8 km x 1.3 km multi-line, multi-station gold anomaly with rock samples

collected in the sampling program validating high-grade historic channel samples of 27.0 g/t over 2.0 m¹ and 22.1 g/t over 5.2 m¹. It was also noted that a drill permit had been submitted with receipt anticipated in early March and that a 1,093 line kilometre airborne Versatile Time-Domain Electromagnetic (VTEM) and Magnetic geophysical survey to identify areas of high sulphide content, targeting both the massive sulphide vein systems and the surrounding disseminated sulphide halos had been initiated with results to be correlated with the geochemistry to assist in confirming the drill plan.

On February 2, 2021, the Company announced further drilling results from its Bralorne Gold Project in British Columbia for hole SB-2020-023 (partial results only). The announcement indicated that drilling continues to demonstrate structural continuity of high-grade gold-bearing veins at depth and that the near-surface gold mineralization at the Charlotte Zone where drilling has defined a strike length of 600m and a width of 270m.

Also on February 2, 2021, the Company announced the confirmation of near-surface bulk tonnage gold mineralization at the Charlotte Zone from surface to a vertical depth of beyond 250m, located directly above the high-grade veins that are the primary focus of the Company's 2021 resource drill program. It was noted that gold mineralization is hosted by four shallow-dipping, parallel structures that dip approximately 40 degrees to the northwest and that 25 intersects from 14 drill holes have defined a broad zone with multiple gold-bearing structures over a strike length of 600m, a width of 270m and extending at least 300m down plunge from surface. It was also noted that a 15,000m core relog and re-sample program has been initiated to identify other areas with near-surface bulk-tonnage potential.

On February 23, 2021, the Company announced further drilling results from its Bralorne Gold Project in British Columbia for holes SB-2020-023, SB-2020-024, SB-2020-025, SB-2020-026A and SB-2020-027. The announcement indicated that results were comprised from both the near-surface bulk tonnage Charlotte Zone and the high-grade veins that comprise the focus of the 2021 resource drill program.

On March 16, 2021, the Company announced further drilling results from its Bralorne Gold Project in British Columbia for holes SB-2020-028, SB-2020-029, SB-2020-030, SB-2021-001, SB-2021-002 and SB-2021-003. The announcement indicated that all drill holes intersected mineralisation including two step-out holes that extended near-surface gold mineralization by ~1,600m increasing near-surface mineralization at the Bralorne Gold Project to approximately 2 km.

On March 25, 2021, the Company a planned strategic investment by New Gold Inc. ("New Gold") and a non-brokered private placement to raise total gross proceeds of up to \$19.1 million through the issuance of 37,366,932 flow-through common shares of the Company at a price of \$0.51 per flow-through common share. The non-brokered private placement is expected to close on or about April 15, 2021 and is subject to the approval of the Toronto Stock Exchange. Immediately following the closing of the non-brokered private placement, New Gold will acquire 37,366,932 common shares, which will provide New Gold with a 14.9% interest in the Company on a pro forma basis. In anticipation of New Gold acquiring its interest, New Gold and Talisker have entered into an investor rights agreement (the "Investor Rights Agreement") which provides that the rights provided to New Gold shall become effective upon the date that New Gold has acquired a 14.9% interest in the Company (the "Effective Date"). Pursuant to the Investor Rights Agreement, during the period commencing on the Effective Date and ending on the date on which New Gold's ownership is less than 10% of the issued and outstanding common shares of Talisker, New Gold will have the right, among other things, to:

- Have a nominee appointed to the board of directors of Talisker (the "**Board**") and have such nominee nominated for election at the Company's meetings of shareholders. If the size of the Board is increased to eight or more members, New Gold shall be entitled to designate an additional nominee.
- Participate on a pro rata basis in equity financings by Talisker in order to maintain its 14.9% interest in Talisker. In addition, New Gold will have certain top-up rights that will allow it to maintain its interest in the event of other dilutive events undertaken by Talisker.

¹ The Company notes that these selected samples are not necessarily representative of the mineralization hosted on the Golden Hornet property. Limited drilling has been completed within the project.

- Certain information and access rights to the Company's properties.

In return for these rights, New Gold has agreed to, among other things:

- For a period of 24 months, ensure it is present at shareholder meetings of the Company and, subject to certain exceptions, not vote against matters that have been unanimously approved by the Board.
- Certain restrictions on disposing its interest in Talisker.
- A 24-month standstill which will prohibit New Gold from taking certain actions, including acquiring more than 14.9% of the issued and outstanding common shares of Talisker, subject to certain exceptions.

3.2 Significant Acquisitions

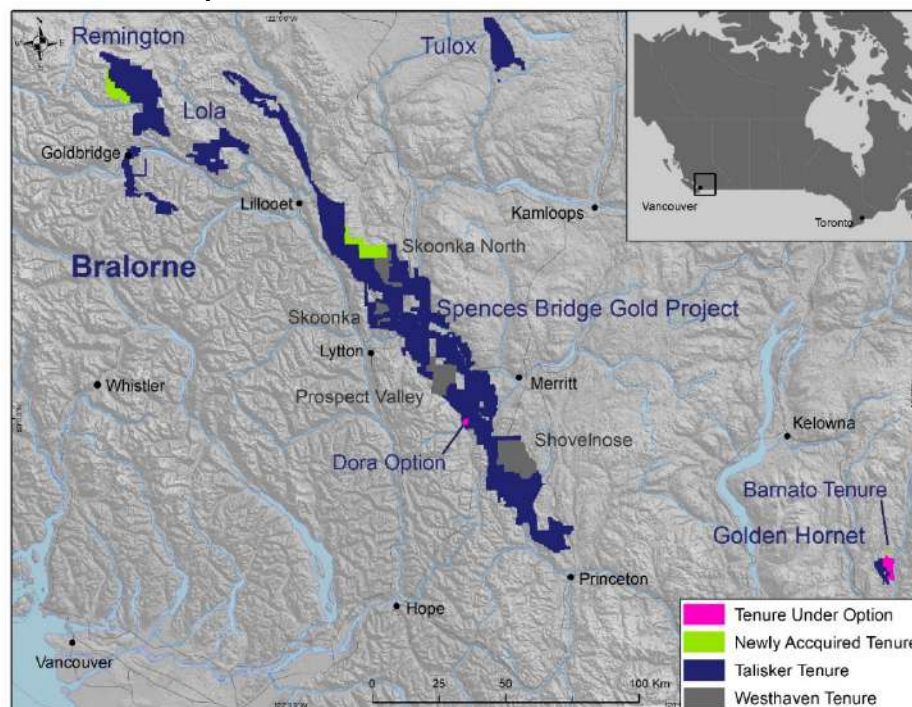
See the Acquisition as described under “Three Year History – 2019”.

4. GENERAL DESCRIPTION OF THE BUSINESS

4.1 General Overview

The Company is a publicly listed company incorporated in British Columbia and continued in the Province of Ontario. The Company is engaged in exploration and evaluation of mineral properties in British Columbia. Talisker's projects include the Bralorne Gold Project, an advanced stage project with a historical high-grade producing gold mine as well as its Spences Bridge Gold Project where the Company holds ~85% of the emerging Spences Bridge Gold Belt and several other early stage greenfields projects. Talisker's properties in British Columbia comprise 282,403 Ha over 258 claims, three leases and 198 crown grant claims. The following map provides an overview of the Company's properties and projects in southern British Columbia as of the date of this AIF.

Talisker BC Properties



Source: Talisker

Competitive Conditions

The mineral exploration and mining industry is very competitive. Talisker competes with other mining companies, including those with larger operations, to retain the most qualified people, additional capital, and resources. There can be no assurance that Talisker will be successful in acquiring additional capital and resources, nor that it will be able to retain all of its key personnel. Additionally, Talisker competes with other mining companies for attractive mineral properties. Given that it competes with companies that may have greater financial resources than itself, Talisker may be adversely affected by competition in this space.

Specialized Skill and Knowledge

All areas of Talisker's business require specialized skill and knowledge. Such skills and knowledge include that in the areas of geology, geophysics, mineral processing, drilling, mineral exploration, and financing. Talisker has an experienced management team. The Board also includes experienced members with specialized skills and knowledge.

Cycles

The mining industry experiences cycles around mineral pricing, which is generally affected by worldwide economic cycles.

Employees

As at December 31, 2020, the Company had 45 full time employees.

4.2 Material Properties

The Company has one material property, the Bralorne Gold Project. The following is a description of the Bralorne Gold Project. As noted below, certain information that follows relating to the Bralorne Gold Project is an extract from the Bralorne Technical Report. The description of the Bralorne Gold Project is based on assumptions, qualifications and procedures which are not fully described herein. The summary and all references to the Bralorne Technical Report are qualified in their entirety by reference to the full text of the Bralorne Technical Report, which is available for review under the Company's profile on SEDAR and may be accessed at www.sedar.com. The scientific and technical information in this AIF that relates to the Bralorne Gold Project has been reviewed by Leonardo de Souza, B.Sc., AusIMM (CP) (Membership 224827), Talisker's Vice President, Exploration and Resource Development. Mr. de Souza qualifies as a "qualified person" under NI 43-101 has verified all of the scientific and technical information respecting the Bralorne Gold Project set forth in this AIF.

Bralorne Gold Project

Located in southern British Columbia, the Bralorne Gold Project consists of over 11,618 Ha over 55 mineral claims and three leases plus 198 Crown Grant claims and has a current mineral resource estimate of 49,000 tonnes at 11.17 g/t for 19,000 ounces in the Measured category, 211,000 tonnes at 9.67 g/t for 72,000 ounces in Indicated category, giving a total of 260,000 tonnes at 9.55 g/t for 91,000 ounces of Measured and Indicated mineral resources, and 317,000 tonnes at 6.55 g/t for 78,000 ounces in the Inferred category, as included in the September 2, 2020 technical report "Bralorne Gold Mine, British Columbia, Canada, NI 43-101 Technical Report" prepared for Talisker. The effective date of the current estimate is July 24, 2020. Talisker believes that the updated estimate is reliable and relevant to continuing exploration at the Bralorne Gold Project.

The Bralorne Gold mine complex produced approximately 4.2 million ounces of gold at a grade of 17.7 g/t Au from 30 veins in three adjacent mines; Bralorne, Pioneer and King, until eventual closure in 1971 due to depressed gold prices.



Bralorne Facilities
Bralorne, BC, Canada

On September 2, 2020, the Company filed the Bralorne Technical Report pursuant to NI 43-101. The following is an extract of items 1.1 to 1.12 in the “Executive Summary” section of the Bralorne Technical Report:

“Executive Summary

1.1 - Introduction

Talisker Resources Ltd. (“Talisker”) acquired Bralorne Gold Mines Ltd. (“BGM”) in December 2019 from Avino Silver and Gold Mines Ltd. (“Avino”), a company that had been exploring and developing the Bralorne property for many years.

Talisker has retained Garth Kirkham, P. Geo. (the “Author”) of Kirkham Geosystems Ltd. (“Kirkham Geosystems”) to produce a Technical Report (the “Report”) in compliance with disclosure and reporting requirements set forth in the Canadian Securities Administrators’ National Instrument 43-101, “Standards of Disclosure for Mineral Projects” (collectively, “NI 43-101”), for the Bralorne Gold Project (the “Bralorne Property”, the “Property” or the “Project”) located in British Columbia.

1.2 - Property Description and Location

The Property and town of Bralorne are located 248 km northeast of Vancouver, British Columbia, Canada, easily accessible from Vancouver by all-weather government-maintained roads (Figure 1-1). The Project is located at UTM Zone 10 (NAD83): 512,593 E, 5,625,215 N, or 50.77855° North, 122.821384° West.

Figure 1-1: Location Map



Source: Talisker 2020

The Property consists of legal mineral properties registered under and subject to the Mineral Tenure Act and Mineral Land Tax Act of the Province of British Columbia. The Property comprises the following (Figure 4-2):

- 181 Crown-granted mineral claims;
- 4 reverted Crown-granted mineral claims;
- 55 metric unit (cell) mineral claims; and
- 3 mining leases.

The Bralorne claims, acquired from Avino in December 2019, consisted of 154 Crown-granted mineral claims, four reverted Crown-granted mineral claims and 31 metric unit (cell) mineral claims.

BGM owns 100% of the Property (Figure 4-2), all of which is contiguous. BGM is a wholly owned subsidiary of Talisker.

Subsequent to the December 2019 purchase, Talisker has acquired additional claims in the area through purchase from various vendors. These include the Royale mineral claims, the NaiKun Crown Grant mineral claims and the Congress property located contiguous to the Company's Bralorne Gold Project.

1.3 - Accessibility

Access can be gained by proceeding north from Vancouver on paved Highway 99 through Squamish, Whistler and Pemberton, 231 km to Lillooet, then west 116 km on Highway 40 through Gold Bridge to the town of Bralorne (Figure 1-1).

1.4 - Infrastructure

The infrastructure at the Project is well developed. A 100 ton per day plant was in place and was operated

from 2011 through 2014 on a trial basis, processing 100-120 t/d of material. In 2017, Avino decided to remove all of the equipment for the 100 ton per day operation from the mill building to allow expansion for a larger processing plant. The mill equipment was sold to an undisclosed purchaser and that which could not be sold was scrapped.

Assets include underground mining equipment, tailings storage facility ("TSF"), and associated surface shops, accommodation and office buildings. The mine site has high speed internet communications. There is a PALL micro-filtration water treatment facility that was installed by Avino in 2016 and continues to operate. The water treatment facility was commissioned to enable the removal of metals, in particular arsenic, from waste and contact water at the site.

The Bralorne mining fleet includes an excavator, two loaders, three scoop trams, three electric locomotives with five mine cars, a rock breaker and an emergency transport vehicle.

The TSF is permitted under the existing mine permit, M-207 with the Province of British Columbia, Canada.

1.5 - Permitting

The Project has in place all necessary permits to operate and explore. Of note is the 14479 Emissions Permit, 14480 Discharge Permit and M-207 Mine Permit.

Permit 14480 was issued by the MOE on March 30, 2011, amended July 29, 2013, and amended on January 16, 2015. This permit authorizes the discharge of effluent to a tailings impoundment, the ground, and Cadwallader Creek from a gold mine and ore concentrator mill located near Gold Bridge, British Columbia, subject to specified terms and conditions. The maximum rate of permitted discharge from the mill and water treatment facility to the tailings pond is 500 cubic meters per day and the authorized discharge period is continuous.

A permit amendment for Permit M-207 was received in November 2017 updating the Permit to current standards and allowing the company to restart the Bralorne Mine at 100 tons per day, which included incorporation of the updated Interim Closure and Reclamation Plan ("ICRP"). Annual reclamation reports are submitted to the EMPR.

Currently, the BC Government assessed the security bond liability to be \$12.3 M. There was a payment schedule set out by the BC Government in 2017 (four install payments), however, it was renegotiated by Avino Resources Ltd. in 2018 and accepted by BC Government. At the time of writing this report, a total of \$1,615,000 toward the bond has been paid by Avino and Talisker is required to add \$250,000 into the security bond every six months (i.e. \$500,000/year).

A known environmental concern at the Property is elevated levels of arsenic in water that drains from underground. The mine drainage is used for process water or treated in the water treatment system for discharge or pumped to the TSF. Treated water is discharged to Cadwallader Creek. Seepages from the TSF report to Cadwallader Creek. Monitoring of the discharges is regulated by Permit 14480. The PALL micro-filtration water treatment facility was installed to address this concern.

1.6 - History

Part of the Property was first staked in 1896. Placer miners followed gold up the Fraser River, the Bridge River, the Hurley River and Cadwallader Creek to discover the sources of gold on the Property. At that time, small-scale production began in the area of the Pioneer mine using an arrastra to treat the ore. In 1928, larger scale production began and operated using then-current mining and milling methods time and produced between 136 tonnes and 500 tonnes per day from then until the mine closed in 1971.

Total historic production from the Bralorne and Pioneer mines is recorded as 7.3 million tonnes grading 17.7 grams per tonne gold (8.0 million short tons at 0.52 ounces per ton), equating to 129.14 tonnes (4.2 million

ounces) of gold (Church and Jones, 1999). Silver production from the deposits is recorded as 29.61 tonnes (952,000 ounces), zinc as 297 kilograms, and lead as 216 kilograms. Minor scheelite production occurred during the Second World War.

The Bralorne Property now encompasses several historic mine workings: the major ones are the Pioneer, Bralorne, King and Taylor-Bridge areas. A total of 30 veins were developed on the Property within the various mines through the 80 kms of tunneling on 44 levels, the deepest of which traced the 77 vein to a depth of 1,900 m (Church and Jones, 1999).

Exploration and development have been performed by various companies from the 1970's and modern exploration methods and techniques have been employed since 2002 through to today.

1.7 - Geology Setting and Mineralization

The Property is situated within the Bridge River district in southwestern British Columbia. The geological setting and metallogeny of the region is described by Hart et al. (2008) and Church and Jones (1999).

The Bridge River district is situated at a tectonic boundary between the Cache Creek and Stikine allochthonous terranes. The Bridge River Terrane is possibly equivalent to the Cache Creek Terrane and comprises slabs of oceanic and transitional crust that were stacked against the continental margin together with island-arc-related units of the Cadwallader Terrane, interpreted as part of the Stikine Terrane. Diverse rock units of these two terranes are structurally deformed and imbricated in the area, together with large fault-bounded slices of gabbroic and ultramafic rocks. These early structures are crosscut by later northwest- and north-trending major faults related to the Fraser-Yalakom regional dextral strike slip fault system, and by Late Cretaceous and Tertiary granitic plutons and related dikes (Church, 1996).

The Bridge River Terrane comprises Mississippian to Middle Jurassic accretionary complexes of oceanic basalt and gabbro and related ultramafic rocks, chert, basalt, shale and argillite. It is juxtaposed with Late Triassic to Early Jurassic island arc volcanic rocks and mostly marine, arc-marginal clastic strata of the Cadwallader Terrane. These assemblages are variably overlain, mostly to the north, by clastic, mostly non-marine successions belonging to the Jurassic-Cretaceous Tyaughton Basin (Hart et. al., 2008).

The region has been intruded by a wide range of Cretaceous and Tertiary plutonic and volcanic rocks and their hypabyssal equivalents. Most significant among these are the dominantly Cretaceous granitoid bodies that form the Coast Plutonic Complex (CPC), which is locally characterized by the 92 Ma Dickson McClure intrusions, and the large individual bodies of the Late Cretaceous Bendor plutonic suite. Hypabyssal magmatism is reflected by emplacement of porphyritic dikes between 84 and 66 Ma, with the youngest magmatic event being 44 Ma lamprophyre dikes (Hart et. al., 2008).

The Bridge River district has been deformed by mid-Cretaceous contractional deformation within the westerly trending Shulaps thrust belt, and by contractional and oblique-sinistral deformation associated with the Bralorne-Eldorado fault system. The timing of this deformation and metamorphism is ca. 130 to 92 Ma, with synorogenic sedimentary flysch, as young as mid-Cretaceous, cut by the faults (Hart et. al., 2008). The Bridge River and Cadwallader Terrane are juxtaposed along the Bralorne-Eldorado fault system, which in the Bridge River district consists of linear, tectonized and serpentized slices of late Paleozoic mafic and ultramafic rocks known as the Bralorne-East Liza Lake thrust belt, a 1 to 3 km wide zone defined by Schiarizza et al., 1997.

The principal stratigraphic assemblages of the local area include the Bridge River Complex and Cadwallader Group. Nomenclature is described by Leitch (1990) and Church and Jones (1999). The Bridge River Complex into two packages, sedimentary and volcanic, with a thickness of 1,000 m or more of ribbon chert and argillite with very minor discontinuous limestone lenses, and large volumes of basalt, some pillowed (Cairnes 1937). The Cadwallader Group has been subdivided into three formations: the lowermost sedimentary Noel Formation, the Pioneer Formation greenstones, and the upper Hurley Formation sedimentary rocks (Cairnes, 1937). The Pioneer Formation, commonly termed "greenstones" in mine usage,

ranges from fine-grained, massive amygdaloidal flows and medium-grained dykes or sills, to coarse lapilli tuffs and aquagene breccias. It is estimated to be at least 300 m thick in the Cadwallader Valley (Cairnes, 1937), but may be thicker elsewhere. The Hurley Formation comprises a rhythmically layered green volcanic wacke and darker argillite. The Noel Formation, consists of black argillites that are less calcareous than those of the Hurley; however, differentiation between the two formations is difficult (Cairnes 1937).

The gold-quartz veins form an approximate *en echelon* array. They have strike lengths of as much as 1,500 m between bounding fault structures, and extend to at least 2,000 m in depth, with no significant changes in grade or style of mineralization recorded. Ores consist mainly of ribboned fissure veins with septa defined by fine-grained chlorite, sericite, graphite or sulphide minerals.

Veins are dominantly composed of quartz, with minor carbonate minerals, mainly calcite and ankerite, and lesser amounts of chlorite, sericite, clay altered mariposite, talc, scheelite and native gold. Sulphides are present and, although locally abundant, make up less than 1% of total vein volume. Pyrite and arsenopyrite are the most abundant sulphides with lesser marcassite, pyrrhotite, sphalerite, stibnite, galena, chalcopyrite and rare tetrahedrite.

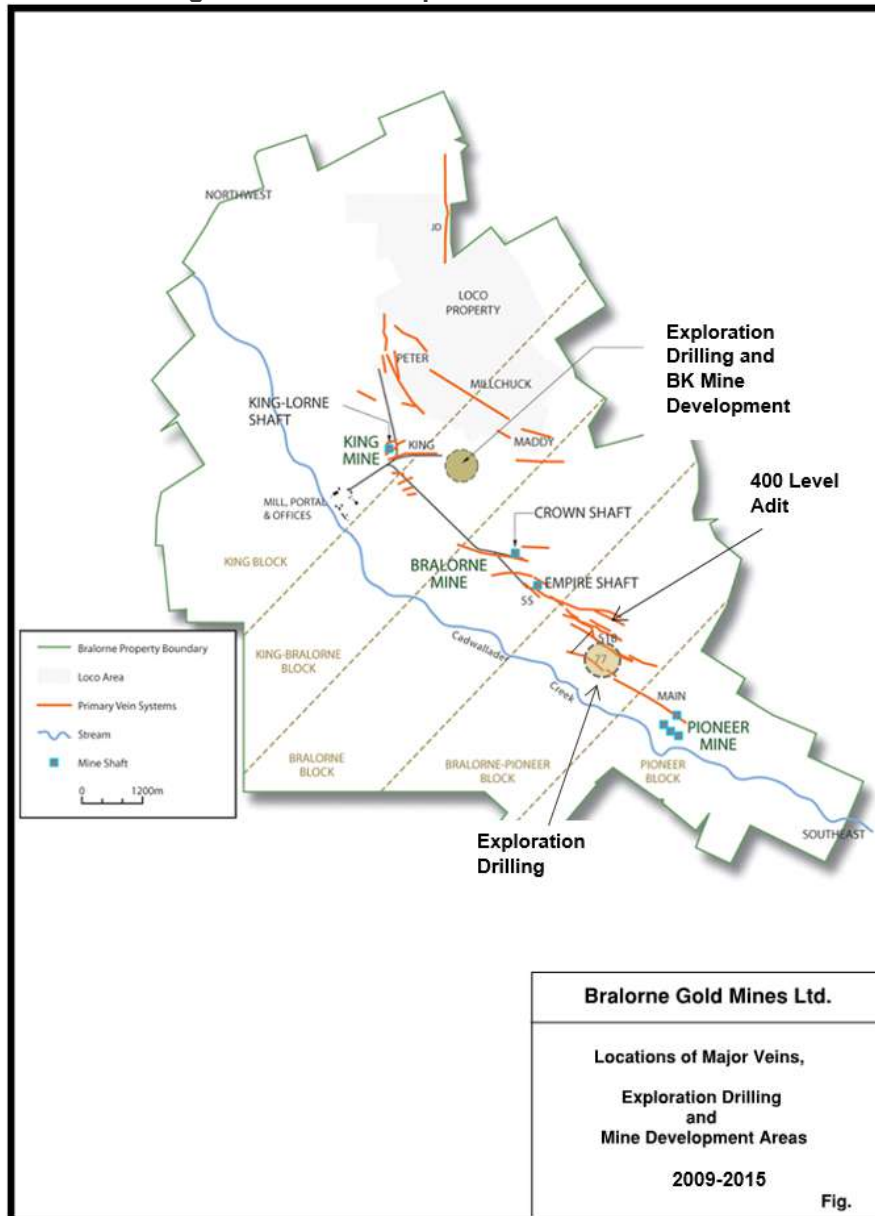
1.8 - Exploration

Exploration activities that have been undertaken over many years and campaigns by various companies however are considered current namely those activities within the 2009 through 2019 exploration and drilling campaigns. With over 40 years of mining production from the Bralorne Property, there is an extensive amount of historic geological data for the Project. This large volume of information has been digitized, collated and validated for integration and analysis utilizing modern exploration methods. Bralorne geologists continue to build on and evaluate the knowledge gained from the well documented mining history.

The focus of the exploration and drilling activities between 2009 and 2015 was on investigating the mineral claims covering these gap areas within the Bralorne-Pioneer mine block.

The goal was to confirm the mineralization in the BK Zone, provide access to the 51BFW veins, explore the mineralization in the Shaft Vein as well as the 77 / 52 Vein zones (Figure 1-3).

Figure 1-2: Location of Drilling and Mine Development Areas from 2009 to 2015



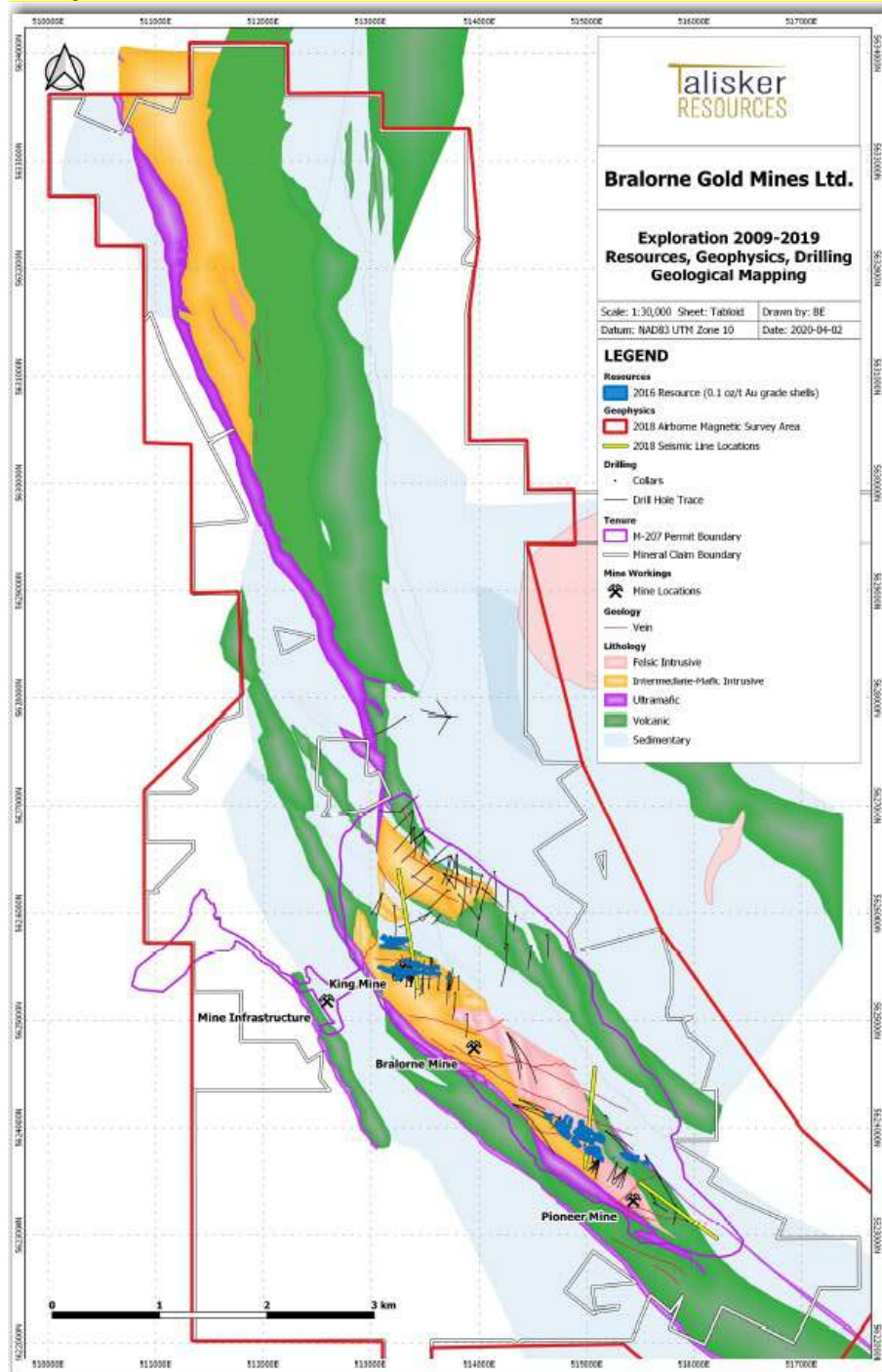
Source: BGM 2016

A renewed plan to evaluate the potential of the remaining underexplored portions of the Property was the focus of the 2018 through 2019 programs. The focus of this exploration was the discovery of new vein structures and poorly tested extensions of known veins.

Data mining included integration of the historic geological dataset into 3D visualization software to leverage modern computing advances to model and interrogate the deposit in ways previously not possible.

Figure 1-4 shows the drilling, regional geology, claim boundaries, major mines and historic resources, along with the location of the 2018 seismic study lines and area covered by the 2018 magnetics survey.

Figure 1-3: Exploration 2009 to 2019 Showing Drilling, Geology, Mines along with location of Geophysical Survey and Historic Resources



Source: Talisker 2020

1.9 - Drilling

Drilling has taken place on the Property over many years and by various owners and operators. The drilling listed in this section is the exploration and development that took place from 2009 onwards which is considered current. A total of 230 holes, both surface and underground, totaled 210,400.0 feet (64,128.7 meters). Table 1.1 summarizes the surface and underground drilling performed on the Property between 2009 and 2020.

Table 1.1: Summary of Drilling from 2009 through 2020

Year	#	Type	Feet	Meters
2009	16	Surface	12,004.0	3,658.8
2010	11	Surface	8,712.0	2,655.4
2011	30	Surface	17,070.0	5,202.9
2011	5	Underground	2,960.0	902.2
2012	3	Surface	2,206.0	672.4
2012	18	Underground	7,466.7	2,275.9
2012	9	Underground Bazooka	452.0	137.8
2013	4	Underground	1,968.5	600.0
2013	6	Underground Bazooka	374.0	114.0
2014	10	Surface	3,459.0	1,054.3
2015	25	Surface	21,569.0	6,574.2
2018	25	Surface	30,536.7	9,307.6
2019	59	Surface	89,644.9	27,322.5
2020	9	Surface	11,977.2	3,650.7
TOTAL	230		210,400.0	64,128.7

Source: Kirkham Geosystems 2020

1.10 - Mineral Resource Estimate

The mineral resource estimate reported herein evaluated the potential for potentially mineable underground resources in and around established veins. In addition, new veins were identified based on current drilling results. The mineral resources are based upon the “reasonable prospects for eventual economic extraction” requirement. This requirement generally implies that quantity and grade estimates meet certain economic thresholds and that mineral resources are reported at an appropriate cut-off grade, taking into account extraction scenarios and processing recovery. The cut-off grade chosen for reporting resources was 0.11 opt Au which is based on a gold price of US\$1,450, gold recovery of 90% and mining, processing and G&A costs of \$115, \$45 and \$40, respectively.

Classification of resources was based on the Canadian Institute of Mining (CIM) definition standards, where distance to nearest composite was used as a guide and measured resources were within 25 ft, indicated within 50 ft and inferred within 100 ft. Final classification of resources was based on the CIM definition standards, which dictate that continuity must be demonstrated. The spacing distances are intended to define contiguous volumes and they should allow for some irregularities due to actual drill hole placement. The final classification volume results were smoothed manually to come to a coherent classification scheme.

The mineral resources are listed in Table 1.2.

Table 1.2: Mineral Resource for Bralorne Gold Project

Mineral Resource for Bralorne Gold Project												
Vein	Measured			Indicated			Measured & Indicated			Inferred		
	Tons	Au opt	Au Ounces	Tons	Au opt	Au Ounces	Tons	Au opt	Au Ounces	Tons	Au opt	Au Ounces
51b FW	8,000	0.265	2,000	29,000	0.210	6,000	38,000	0.222	8,000	136,000	0.203	26,000
51bFW/HW				25,000	0.620	16,000	25,000	0.667	16,000	35,000	0.415	14,000
Alhambra	15,000	0.284	4,000	15,000	0.275	4,000	30,000	0.280	8,000	9,000	0.204	2,000
BK	21,000	0.481	10,000	47,000	0.351	16,000	68,000	0.391	26,000	35,000	0.184	6,000
BK-9870	6,000	0.548	3,000	7,000	0.277	2,000	13,000	0.396	5,000	2,000	0.243	1,000
BKN				35,000	0.380	13,000	35,000	0.380	13,000	44,000	0.314	14,000
Prince									0	12,000	0.173	2,000
Shaft				40,000	0.283	11,000	40,000	0.283	11,000	24,000	0.283	7,000
Taylor				13,000	0.174	2,000	1,000	0.174	3,000	21,000	0.235	5,000
TOTAL	49,000	0.394	19,000	211,000	0.341	72,000	260,000	0.351	91,000	317,000	0.231	78,000

Notes:

1. Numbers are rounded and therefore may not add up exactly.
2. Mineral Resources reported demonstrate reasonable prospect of eventual economic extraction, as required under NI 43-101. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
3. The Mineral Resources may be materially affected by environmental, permitting, legal, marketing, and other relevant issues.
4. Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. However, it is reasonably expected that the majority of Inferred Mineral Resources could have been upgraded to Indicated Resources.

Exclusive of the mineral resources reported in Table 1.2, there is geological potential within the vein domains of between 150,000 – 250,000 tons at a gold grade of between 0.25 – 0.35 opt or between 40,000 – 70,000 ounces of gold. It is important to note that the potential tonnes and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource. In addition, it is uncertain whether further exploration will result in the target being delineated as a mineral resource. The basis for the estimate of geological potential, as stated above, has been derived from existing assay and composite data along with geological interpretations however they are outside and beyond the measured, indicated and inferred delineated boundaries.

1.11 - Conclusions, Risks and Opportunities

Talisker is implementing a multi-stage, multi-year plan to systematically explore the historic Bralorne mining camp. The Author's interpretations and conclusions by area are as follows with Key Risks and Opportunities found in Table 1.3.

Table 1.3: Key Project Risks and Opportunities

Project Element	Economic Risk Level	Comment	Risk	Opportunity
Database	Moderate	A significant amount of historic data remains to be analyzed and digitized. The database should be continually reviewed and renewed to ensure data quality.	Issues with existing data may be discovered which will cause uncertainty.	Potential discovery of new veins. Expansion of existing veins.
Density	Low	Density data is relatively sparse. More data would give higher level of precision for tonnage estimations.	Additional data to support decreased revisions of densities values	Conversely increased revisions of densities values will result in higher

Project Element	Economic Risk Level	Comment	Risk	Opportunity
			will result in lower tonnage values.	tonnage values.
Mined-out Areas	Moderate-high	Stopes, mined out areas, drifts and development have been digitized input and modelled so that the volumes are extracted.	Any exclusions would reduce volumes and tonnages.	Could result in the discovery of panels that were previously un-economic to be re-evaluated.
Geology	Low	Vein solids do not honor drill hole and composite data precisely.	Could cause differences in volumes.	Would be easier to validate and verify for audit purposes.
Geology	Medium	The geology of the area is well known and documented supported by current methods and techniques.	Further work may disprove previous models and therefore result in condemnation of targets.	An increased understanding and alternative theories may result in discovery.
Exploration	Moderate	Exploration has continued to result in discovery and expansion of potential resources in a historic mining camp.	There is no guarantee that exploration and discovery will result in an economically viable operation.	Within this historic mining camp, it is feasible that addition discovery is likely and that an intelligent, systematic program will be successful in uncovering new discoveries.
First Nations	Moderate	Level of detail related to First Nations and local community relationships, negotiations and agreements.	Uncertainty could arise should issues be encountered or are not known.	Increased certainty of project success and social license.
Gold Price	Low	Modeling based on US\$1,300 gold.	Lower gold price will change size and grade of the potential targets.	Higher gold price will change size and grade of the potential targets.

1.12 - Recommendations

In order to further evaluate the resource potential of the Project and advance the Project by evaluating its economic viability, the following recommendations should be considered:

- To explore for significant new veins with 15,000 m of diamond drilling in 24 holes.
- Continue with the historic data compilation along with QA/QC of the master database.

A budget of \$7,653,000 is estimated to complete the aforementioned work and is presented in Table 1.4.

Table 1.4: Budget for Proposed 2020 Work Program

Description	#	Unit	\$/Unit	Totals
Drilling for exploration and resource expansion	15,000	Meters	350	\$5,250,000
Data compilation model update including QAQC				250,000
Environmental and Permitting				200,000
Reporting				30,000
Sub total				\$5,730,000
G&A – Mine Maintenance for nine months				1,350,000
Contingency				573,000
Total				\$7,653,000

Exploration

Talisker is implementing a clearly defined dual-focused exploration strategy. The first part of this strategy is exploring and defining bulk-tonnage inferred resource within 350m from surface above the historic King, Bralorne and Pioneer Mines. The second part of the strategy will involve drilling out inferred resource on high-grade veins between 350m to 750m from surface, targeting well-constrained vein wireframes developed utilizing historic exploration drift assays and level plan mapping.

On February 12, 2020, Talisker announced the commencement of the Phase 1 drill program comprising 2,700m of diamond drilling in five holes that is part of a larger 11,200m program. Phase 1 of the drill program was completed in May 2020.

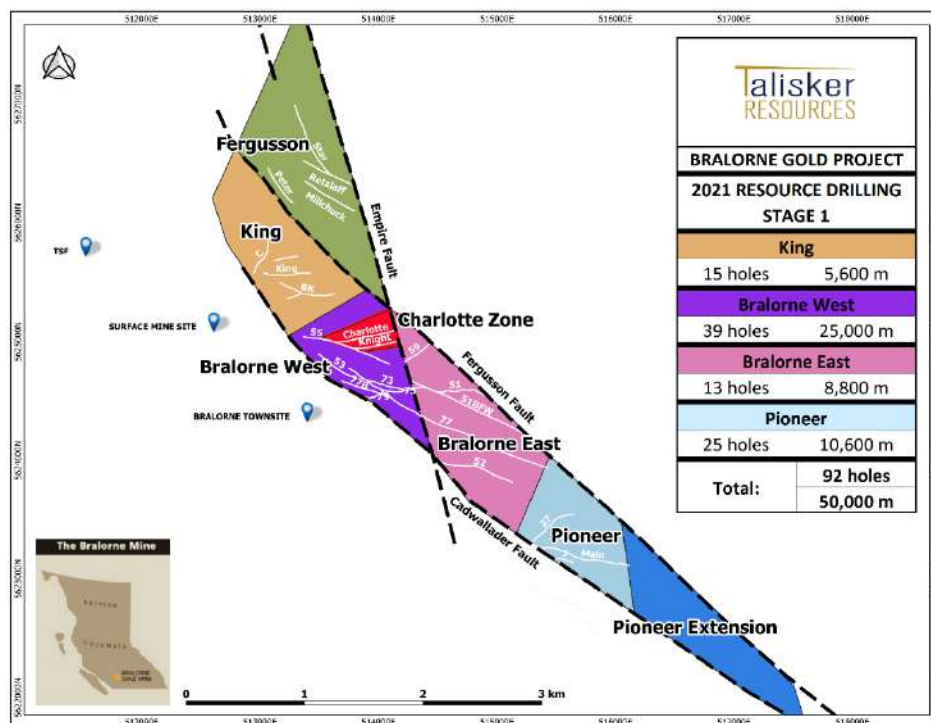
On July 6, 2020, the Company announced the addition of a second drill rig and an increase from 11,200m to approximately 17,000m in response to successful drilling results.

On October 19, 2020, the Company announced a second increase to its drilling program from 17,000m to 23,000m. A total of 21,550m were drilled in 2021.

On January 14, 2021, the Company announced it had commenced the first stage of its resource delineation drill program to target conversion to inferred category of veins validated during the 2020 drill program with stage one of the 2021 drill program to comprise 50,000m of drilling focused on veins located within 700m from surface. Talisker currently has four drill rigs active and will increase to eight rigs after the Spring freshet. All drilling is being conducted from surface drill pads.

The adjacent map shows major high-grade vein structures projected to surface (white) and surface infrastructure.

As of the date of this AIF, the Company has completed 15,780m of the total planned 2021 50,000m drill program.



Source: Talisker

The following table provides a summary of the Company’s drill program to date outlining the currently defined size of the vein targets, average width, number of samples, strike and plunge length and drill holes drilled to date. Assay results from the drill holes announced as of the date of this AIF are included in press releases filed on the Company’s website (www.taliskerresources.com) and under the Company’s profile on the SEDAR website at www.sedar.com.

Targets		Holes Drilled to Date				Completed Validation Holes
		Average Width (m)	Number of Samples	Strike Length (m)	Plunge Length (m)	
Vein	Mine					Drill Hole IDs
Charlotte	Bralorne	6.0	39	690	700	SB-2020-008, 009, 011A, 015, 017, 017A, 019, 021, 023, 024, 025, 027, SB-2021-002 004, 005, 006, 007, 008, 009, 010, 011, 012, 013, 014, 015
Empire	Bralorne	2.0	15	400	700	SB-2020-005A, 006, 007, 013, 014, 025, 026A, 028, SB-2021-002, 004, 005, 006, 007, 008, 009, 013, 015
53	Bralorne	1.4	913	53	111	SB-2020-008, 009, 015, 017A, 019, 021, 023, SB-2021-003A, 011, 012
79	Bralorne					Currently Untested
85	Bralorne					Currently Untested
51	Bralorne	1.0	1020	62	206	SB-2020-005A, 010, 012, 016A, 018, 020
52	Bralorne	1.2	163	70	216	SB-2021-001
55	Bralorne	1.0	1164	64	212	SB-2020-008, 009, 011A, 015, 017A, 017AW1, 019, 021, 023, 024, 028, SB-2021-003A, 011, 014
77B	Bralorne					Currently Untested
93	Bralorne					Currently Untested

Targets		Holes Drilled to Date				Completed Validation Holes
		Average Width (m)	Number of Samples	Strike Length (m)	Plunge Length (m)	
Vein	Mine	Drill Hole IDs				
73	Bralorne	0.9	493	56	193	SB-2020-005A, 026A,030
77	Bralorne	0.8	254	36	221	SB-2020-010, 020, SB-2021-001
75	Bralorne	0.8	29	45	84	Currently Untested
59	Bralorne	0.8	111	24	130	SB-2020-005A, 006, SB-2021-006
81	Bralorne					Currently Untested
9	Bralorne	0.8	144	38	139	SB-2020-006, SB-2020-026A
51BFW	Bralorne					Currently Untested
55HW	Bralorne	0.8	16	24	166	Currently Untested
67	Bralorne	0.8	14	20	115	SB-2021-003A
North	King	0.8	174	60	201	Currently Untested
Shaft	King	0.8	45	28	289	Currently Untested
Peter	King	2.1	76	46	203	Currently Untested
King	King	0.8	202	81	184	Currently Untested
2	King	0.9	51	52	206	Currently Untested
NA	King					Currently Untested
Alhambra	King					Currently Untested
C	King					Currently Untested
27	Pioneer					Potentially related to broad low grade in SB-2020-001/002
NA	Pioneer					Currently Untested
89	Pioneer					Currently Untested
Main	Pioneer	0.9	428	61	202	SB-2020-001, 002, 004. SB-2020-004 intersected the Main vein below modelled target
NA	Pioneer					Currently Untested
J	Pioneer	1.0	102	45	222	SB-2020-001, 002
MainHW	Pioneer	0.9	48	96	126	SB-2020-001, 002
29	Pioneer					Currently Untested
201	Pioneer					Currently Untested

Charlotte Zone

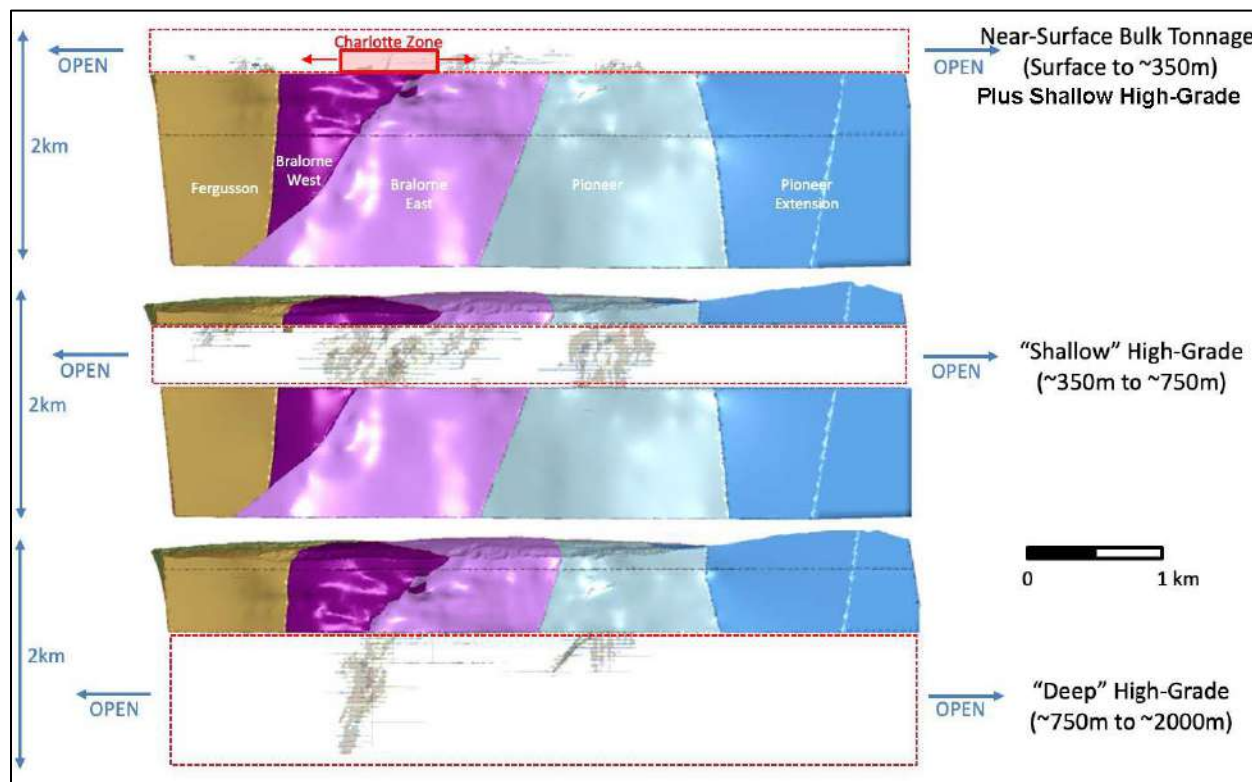
The Charlotte Zone, which outcrops at surface, is located immediately above the high-grade veins at Bralorne West and is comprised of broad intervals of stacked, parallel veins (see figure below). Talisker has confirmed near surface bulk tonnage gold mineralization at the Charlotte Zone from surface to a vertical depth of beyond 250m. Drilling to date of 25 intersects from 14 holes has defined a broad zone with multiple gold-bearing structures over a strike length of 600m, a width of 270m and extending at least 300m down plunge from surface.

The primary focus of the resource drill program remains the high-grade veins, however the Charlotte Zone presents opportunity for significant previously overlooked additional upside. Given the Charlotte Zone is situated adjacent to and immediately above the high-grade veins, no change to the already outlined 50,000m drill program is required.

Highlights from assay results from the Charlotte Zone are included below.

- SB-2020-005A: 10.47 g/t gold over 10.30m, from 102.70m to 113.0m
- SB-2020-007: 3.36 g/t gold over 7.50m from 23.05m to 60.55m
- SB-2020-009: 2.56 g/t gold over 14.25m, from 208.00m to 222.25m
- SB-2020-015: 3.96 g/t gold over 20.20m, from 138.00m to 158.00m
- SB-2020-017A: 1.06 g/t gold over 13.55m, from 470.00m to 483.55m
- SB-2020-019: 2.50 g/t gold over 10.00m, from 201.00 to 211.00m
- SB-2020-021: 1.55 g/t gold over 36.95m, from 208.45 to 245.40m
- SB-2020-023: 1.16 g/t gold over 38.00m, from 80.50m to 118.50m
- SB-2020-023: 1.69 g/t gold over 13.35m from 407.00m to 420.35m

3D cross-sections through the Bralorne deposit (refer to figure 1 for reference) showing the relative target depths for both the near-surface bulk tonnage gold mineralization at the Charlotte Zone and the high-grade veins below the Charlotte Zone.



The Company has initiated a 15,000m core relog and re-sample program to identify other areas with near-surface bulk-tonnage potential.

4.3 Other Properties

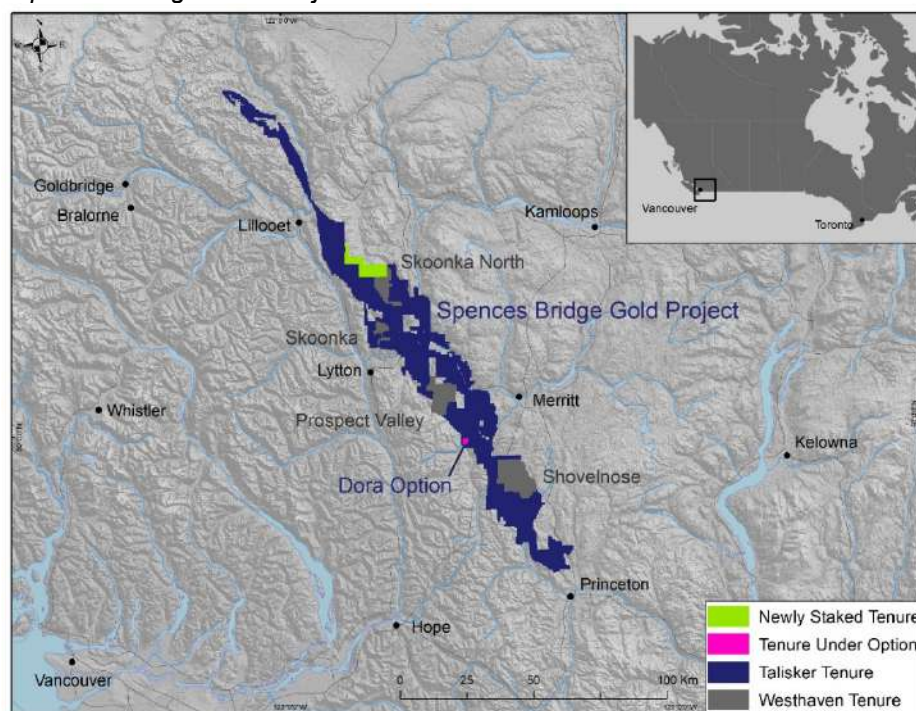
The Company's other properties are described below. The scientific and technical information in this AIF that relates to the properties referred to below has been reviewed by Luis Arteaga, M.Sc., P.Geo., Talisker's Exploration Manager. Mr. Arteaga qualifies as a "qualified person" under NI 43-101.

a) Spences Bridge Gold Project

The Spences Bridge Gold Project is a Regional Program that consists of a 201,163 Ha (135 claims) land package covering ~85% of the Spences Bridge Gold Belt in southern British Columbia and comprises the Company's Spences Bridge and Blustry Mountain claims as shown in the following map. The Spences Bridge Gold Project was acquired as part of the B.C. Properties and since acquisition in April 2019, the Company has been actively involved in negotiations with small third party claim holders with a view to fully consolidating the belt.

In connection with the acquisition of the B.C. Properties, the Company assumed a strategic alliance that Sable had entered into with Westhaven Ventures Inc. ("Westhaven") which owns the Shovelnose Project, Prospect Valley, Skoonka and Skoonka North properties that are contiguous to the Company's claims. The strategic alliance provides for an agreement whereby any ground staked within 5 km of Westhaven's existing projects will be subject to a 2.5% net smelter royalty. Additionally, Westhaven has a 30 day right of first refusal for any properties within the same 5 km radius.

Spences Bridge Gold Project



Source: Talisker

In 2019, Talisker undertook a regional stream sediment and geological reconnaissance program for the Spences Bridge land package. The Phase 1 program consisting of a planned collection of 4,500 stream samples is planned for execution over two field seasons. Sediment samples taken from the 80 mesh silt fraction (177µm) from first and select second order drainages will be analyzed for gold, multi-element and vapor phase elements known as pathfinders for upper level epithermal systems. A team of 22 geologists executed the Phase 1 program. In parallel to the regional geochemistry program, a detailed Phase 2 program consisting of alteration and geological mapping, soil and rock chip sampling and in some cases geophysics was conducted over selected anomalies identified in the Phase 1 program, as well as from

previously identified government mineral file occurrences and historic anomalies identified in assessment reporting.

In 2019, the regional stream sediment program included the review of 2,186 planned sample sites with 1,358 stream sediment samples collected and 828 planned sample sites being discarded due to either insufficient drainage incision, poor stream channel development, insufficient sediment material or overwhelming input from colluvial media. Geostatistical analysis of assay results identified 23 anomalous basins within the 98th percentile defined by values above 37.5ppb Au and a total of 10 basins were identified as highly anomalous with values above 100ppb Au (0.1g/t) to a maximum returned value of 315ppb Au (0.315 g/t). Mean sediment background value (50th percentile) was identified as 1ppb Au. The Company also defined eight multi-basin areas anomalous in gold and epithermal pathfinder elements and Phase 2 soil sampling, detailed mapping and geophysics were initiated on these areas.

On June 18, 2020, the Company announced the initiation of the 2020 greenfields exploration program at its wholly-owned Spences Bridge and Remington Gold Projects.

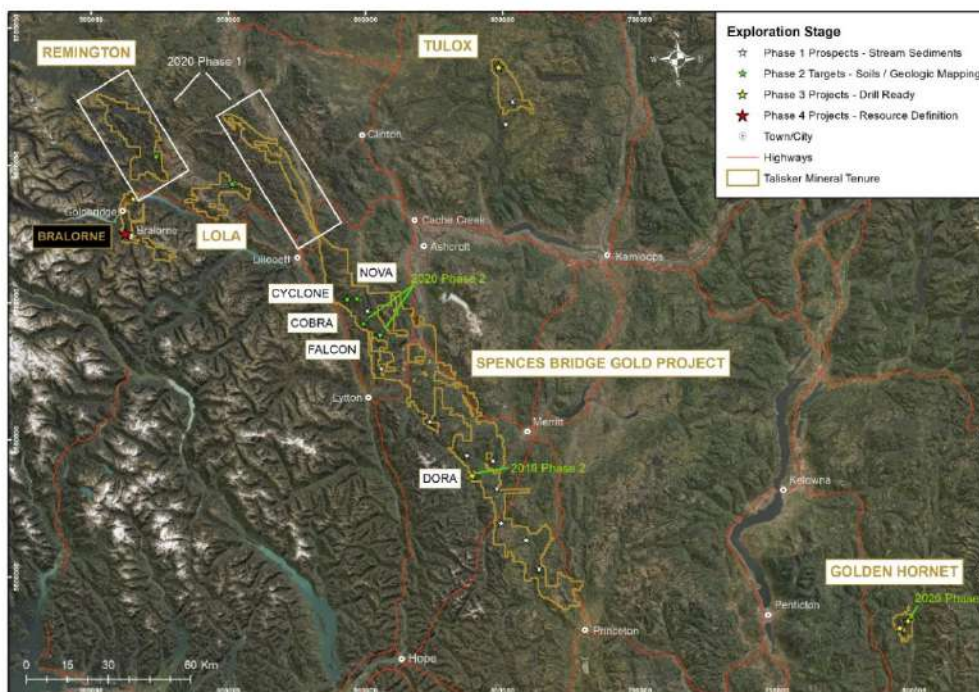
On September 28, 2020, the Company staked five additional mineral tenure claims comprising 6,957 hectares contiguous with tenure comprising the Spences Bridge Gold Project, along the northwestern tenure margin, approximately 40km north-northeast of Lytton.

On October 27, 2020, the Company provided an update on the 2020 field season that was undertaken by a team of 20 geologists. The comprehensive geochemical program conducted over two field seasons collected 6,020 soil samples, 273 stream samples, 529 rock samples and 23 talus fine samples and 1:5000 scale geological and reconnaissance mapping was undertaken over three properties - Spences Bridge, Golden Hornet and Remington projects. A total of 3,382 soil samples, 227 rock samples, 124 stream sediment samples, and 21 talus fine samples were collected during the 2020 field program. Updated Phase 1 results for the Spence Bridge Gold Project since inception include 13 basins greater than 100ppm Au, 27 basins greater than 40.9ppb (98th percentile) to a maximum value of 0.627ppm Au (0.627g/t Au). Detailed geologic mapping took place over seven of the prospect areas developed in 2019.

The collection of 124 stream sediment samples on the northern third of the Spences Bridge Project tenure returned two multi-basin, multi-element prospects (Falcon and Cobra) as well as nine single basin anomalies, including Nova and Cyclone and others that require follow-up.

The completion of the Company's phase 1 program over the entirety of the Spences Bridge Gold Project generated 13 prospects including the discovery of outcropping, epithermal-style quartz veins at four prospects, Nova and Cyclone, where no historic work has previously been reported. The Company notes that these new vein systems are not yet fully understood, however with only five kilometres separating the Nova and Cyclone targets, there is the potential for an extensive epithermal system.

The following map highlights the main prospect areas that have been elevated to identified which are further described below.



Source: Talisker

Cyclone and Nova

The Cyclone and Nova prospects were discovered through follow-up work on Phase 1 exploration from the 2019 field season. Both prospects are highlighted by newly discovered low-sulphidation epithermal systems associated with anomalous stream-sediment samples. The Company notes that no previous work has been reported at either prospect. While the extent of these vein systems is not yet fully understood, with only 5 kilometres separating the Nova and Cyclone target areas, there is potential for an extensive epithermal system. The Company plans on undertaking a 3,900m drill program for these two prospects in 2021. As of the date of this AIF, drill permit applications have been submitted and are awaiting approval.

Falcon and Cobra

Results from the 3,382 soil samples collected earlier in the 2020 field season at the Falcon and Cobra prospects both yielded gold-in-soil geochemical anomalies that were followed up with mapping and prospecting. The Falcon soil geochemistry survey yielded a robust 1500m x 600m, northwest trending coincident gold (including pathfinder elements) anomaly associated with a silica-clay altered rhyolite dome hosting colloform and chalcedonic quartz veins consistent with low-sulphidation epithermal systems. The soil survey at Cobra defined an 1,800m x 600m multi-element anomaly including gold and pathfinder elements consistent with skarn systems. Given epithermal and skarn-type systems require different approaches to exploration, Talisker is assessing its exploration strategy for these prospects which will be drill ready once geophysical surveys have been completed.

Blustry Mountain Property

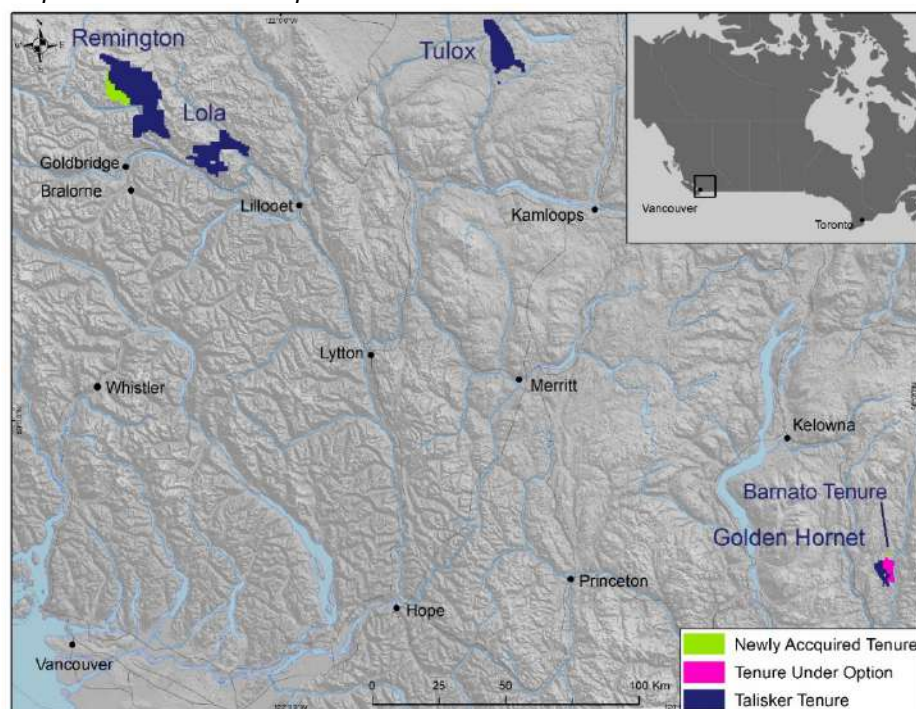
The Blustry Mountain property is located in southern British Columbia near Lytton and consists of four mineral claims comprising 471.5 Ha. The Blustry Mountain claims were acquired as part of Talisker's Spences Bridge Gold Project consolidation plan. Exploration will consist of mapping and sampling via helicopter access, with the goal of defining the footprint of alteration and mineralization within the Blustry Mountain main zone.

There is no current exploration budget for the Blustry Mountain property.

b) Southern BC Properties

The following map provides an overview of the Company's properties located in southern British Columbia including Lola, Remington, Blue Jay, SC and Tulox.

Map of Southern BC Properties



Source: Talisker

Lola Property

The Lola property is located in southern British Columbia near Lillooet and consists of four mineral claims that encompass an area of 4,949 Ha. The Lola claims cover historical Hg geochemical and surround two historical Hg showings known as Golden Eagle located on the northeast side of the Yalakom River, and Red Eagle located on the southwest side. Most of the historical exploration activity that was conducted at the Golden Eagle where minor amounts of mercury ore were mined in the 1940's decade. Assessment reports show the presence of Ag, As, Sb, and Au trace anomalies associated with the mercury mineralization.

The geology is dominated by sediments including sandstones, limestones and minor siltstones; mafic volcanic rocks are also present interbedded within the sediments. Although ultramafic rocks are reported to be localized slivers within the fault zones, that situation is not easily identifiable in the field; multiple outcrops of olivine and pyroxene bearing rocks, sometimes serpentized were observed and it is not clear if they are intrusive or extrusive or what their actual geometry or stratigraphic position is. The main alteration around the showings and along structures is ankerite, accompanied by silica, which forms irregular zones of opal at the Golden Eagle and more formal veins and breccias at the Red Eagle and new alteration zones observed west of it. Pyrite was mostly observed at the Golden Eagle, especially associated to small shear zones within shale horizons and it is absent or trace on the west side of the river. Barite and fluorite were observed in several of the new structures found west of Red Eagle. Cr micas are common within the ankerite-silica zones. Calcite is abundant and present within and out of the structures. Lola structures show characteristics of LS-IS epithermal environment outcropping at a high level above "bonanza" level. It shows good structural continuity and strong alteration intensity.

On August 28, 2019, Talisker announced the initiation of Phase 2 exploration on the Lola property indicating that the Company plans to initiate the drill permitting process in anticipation of a successful Phase 2

exploration program. Preliminary mapping and rock sampling identified multiple northwest trending structures with low to intermediate sulphidation characteristics. Historical data shows a strong geochemical signature of epithermal pathfinders Hg, Sb and Ag, typical of high level (above potential “bonanza” zone) epithermal systems. A soil sampling program planned to collect approximately 1,400 samples began in September 2019 with 321 samples collected on NE-SW trending lines at 50 meters sample spacing and 200 meters line spacing to evaluate the full extent of the Lola structures and aid in drill targeting.

A soil program began in early October 2019 with 316 samples collected out of a proposed 1,387. Weakly anomalous gold was detected, however the structure was mainly highlighted by elevated pathfinder elements Ag, Ba, Cu, Hg and Sb.

No work was completed on the Lola Project in 2020. Limited geologic reconnaissance is planned for the western portion of the Lola Project during the 2021 field season.

Remington Property

The Remington property is located in central British Columbia, north of Lillooet and consists of 22 mineral claims that encompass an area of 33,839 Ha. The reported showings within the Remington claims can be subdivided in three groups a group of Hg, Sb, W showings located on the southwest extreme of the block, which include Paul, Bri, MugWump, Noaxe Creek, Tungsten King, and Tungsten Queen. All these showings are associated with a regional north northwest fault zone that controls the Relay and Tyaughton creeks valleys; abundant ankerite, calcite, fuchsite with minor opaline silica and occasional pyrite is common along the valley and more intense close to the showings. A second group of showings is located at the southeast corner of the claim block, around Liza Lake, oriented in west northwest direction. These showings are described as magnesite occurrences with Hg, and Sb. Ankerite, calcite, fuchsite, opaline silica, and minor barite are present in small veinlets and patches. Small and irregular milky quartz veins of orogenic style with local crack and seal textures and minor amounts of pyrite and chalcopyrite are hosted within the same fault zone. The coexistence of low temperature opaline silica and high temperature crystalline quartz shows a clear overprinting of two different hydrothermal events. There are also two isolated showings at Big Sheep located at the central eastern part of the block and at the most northwest extreme of the block. Big Sheep is a large alteration zone easily identifiable in the field and also on satellite images where soil and talus anomalies reach up to 1.7 ppm Au with high values of Ag, As, Te.

The Remington property is in an emerging gold belt prospective for low-intermediate sulphidation systems and mesothermal gold systems located north of the historic Bralorne Gold Camp. In the fall of 2019 the same systematic phase based exploration program as conducted on the Spences Bridge Project was initiated, 220 stream sediment samples and 71 rock samples were collected using a team of 16 field geologists based out of Goldbridge, BC over a 25 day program.

In 2020, the continuation and completion of the Remington Phase 1 program took place from September 18th to October 10th. A total of 154 stream sediment samples and 44 rock samples were collected. A total of 605 first order drainage basins were investigated from 2019 to 2020. Phase 1 yielded 12 multi-basin-multi-element prospects that require follow-up.

Follow-up, detailed geologic mapping, and grid-based soil geochemistry surveys are planned for 2021.

Big Sheep Property

The Big Sheep property is located in southern British Columbia approximately 20 km north of Goldbridge, BC and consists of two mineral claims comprising 162.6 Ha. The Big Sheep property sits within the overall Remington tenure block. The area is transected by the northwest-trending Yalakom fault and underlain by Mesozoic and Tertiary rocks that host epithermal to mesothermal gold occurrences, fault-related mercury and antimony showings and low-grade porphyry deposits.

Lower Cretaceous Taylor Creek rocks range from the Paradise Formation, a siltstone, sandstone, conglomerate unit, through the Dash chert pebble conglomerate, to the Lizard Formation shale and muscovite-rich arkosic sandstones. Upper Cretaceous rocks of the Battlement Ridge Group consist of the Silverquick Formation of dominantly pebble to cobble conglomerate, and the Powell Creek Formation of andesitic volcanic breccia, and related tuffs, flows and epiclastic rocks. Eocene rhyolitic to dacitic flows occur locally, and Miocene and/or Pliocene basalt flows cap high areas.

The region is cut by a northwest-trending system of strike-slip faults that was active in Late Cretaceous time. Northerly trending splays of the Relay Creek- Marshall Creek fault system connect with the Yalakom fault system to define a large-scale extensional duplex structure. This fault system steps across and bounds the northwestern margin of the Shulaps ultramafic complex at its southeastern end.

No work was completed on the Big Sheep property in 2020. Detailed geologic mapping and rock sampling is planned for the 2021 season.

Blue Jay Property

The Blue Jay claims consist of five claim blocks totaling 2,753 Ha and is located 30 minutes north of Rock Creek, British Columbia.

The known mineralization and historical soil anomalies at the Blue Jay property are concentrated at the eastern flank of a NW regional structure which runs along the Crouse Creek valley. This regional fault zone is the contact between a diorite stock on the east and a monzonitic stock on the west. At least three different phases of diorites were observed within the mentioned dioritic stock; the host rock of these diorites is a sedimentary/volcanic sequence that includes siltstone, sandstone, and fine-grained tuffs which have been strongly recrystallized and transformed into silica- chlorite-epidote hornfels. Mineralization consists of dissemination and veinlets of pyrite, pyrrhotite, and arsenopyrite within the hornfels and locally within the diorites close to the contacts with the host rock. Soil anomalies match perfectly with outcrops of hornfels containing the mentioned sulfides.

The soil profile is poorly developed, and talus and outcrop are widely present, and it is expected for the soil samples to have very similar values to the actual rock. The partial or total oxidation of sulfides in the hornfels increases the magnitude of the anomaly. The 2004 drilling results show that the few anomalous intercepts are always associated with mineralized hornfels whereas the diorite is normally barren or has values lower than 100 ppb Au. During a one-day visit to the project in June, four samples were collected, one of them in highly oxidized hornfels returning only 100 ppb Au. Minor zones of marble were observed as result of recrystallization of calcareous horizons within the sequence, garnet alteration was found in very localized floats suggesting higher temperature, but no strong evidences of skarn mineralization were observed. On the same way, certain features associated with porphyry style mineralization such as weak K-Feldspar or biotite alteration; early quartz veinlets; were found mostly in floats at very restricted areas with no indications of a solid porphyry system been formed.

In 2019, the Company did limited geological reconnaissance on the Blue Jay property and no exploration work took place in 2020. The Company initiated an airborne geophysical survey over the entirety of the Golden Hornet Option as well as the contiguous Blue Jay tenure along E-W trending lines at 100m spacing. The survey was completed in January 2021 and results from the survey will be utilized to assist with drill target locations.

SC Property

The SC property consists of one claim block comprising 166.24 hectares contiguous to the Dora-Merritt option (the "Dora Project"). The SC property contains a large gold in soil anomaly directly above a mapped rhyolitic body hosted within the Spences Bridge Volcanics. The historical trenches exposed strongly silicified rhyolite, hosting stockwork banded low-sulphidation veins and anomalous values up to 1.7 g/t Au. The SC

property extends the geochemical anomaly present at the Dora Project which includes historical rock samples as high as 7.68 g/t Au and represents an additional target within the Dora Project.

Talisker plans to include the SC property in the Dora Project drill permit application.

Tulox Property

The Tulox property is located in south-central British Columbia near Kamloops, British Columbia and consists of 23 contiguous mineral claims that encompass an area of 13,721 hectares. Mineralisation occurs along the contact of the intrusive and is interpreted to be hosted within a series felsic dykes. A robust soil anomaly defined by numerous multi-line, multi-station values above 80ppb is coincident with the contact of two felsic intrusive bodies, distinguished by differing Thorium-Potassium gamma ray spectrometer signatures.

The Tulox property is located 55 kilometres north of Kamloops within the Bonaparte Plateau region. The property consists of 22 mineral claims totaling 13,720.9 hectares. Drilling undertaken by Sable in 2018 identified a low-grade gold system hosted within a series of mafic dykes located along a northwest trending contact between two polyphase early Jurassic intrusives. No exploration was completed on the Tulox property by Talisker in 2020; however, re-sampling of historic drill core and updating to the current 43-101 has been completed.

In 2021, the Company plans to undertake limited prospecting and mapping for the Tip-Top and Revolver mineral occurrences located on the Tulox property.

4.4 Property Option Agreements

Dora-Merritt Property Option

On May 31, 2019, Talisker entered into a purchase agreement for the Dora-Merritt property (the "Dora Project") which encompasses six mineral claims, totaling 374.05 Ha, and provides the Company with an option to acquire 100% of the Dora-Merritt property mineral claims which are contiguous to the Company's Spences Bridge Gold Project.

Under the term of the option agreement, Talisker paid \$10,000 in cash and has agreed to pay \$10,000 and 50,000 common shares of Talisker on May 31, 2020, and May 31, 2021; \$20,000 and 50,000 common shares of Talisker on May 31, 2022; \$50,000 and 150,000 common shares of Talisker on May 31, 2023; and to spend a minimum of \$50,000 per year over five years. The option agreement is also subject to a share bonus of one common share per ounce of gold equivalent in the inferred or greater category to a maximum of 250,000 common shares and a 2% NSR. Talisker has the right to purchase 50 per cent of the NSR for \$1 million.

The Dora Project is located 23 km southwest of Merritt. Historical soil samples identified a N-S trending strongly silicified rhyolite dome with stockwork of chalcedonic silica veins. Historical trench samples over the rhyolite identified multiple zones of mineralization with local gold values up to 7.8 g/t associated with silica veining. Soil sampling was completed in October 2019 on east-west trending lines with 50m spaced samples and 100m spaced lines for a total of 747 samples. Spacing was 50 metres on the east-west line, 100 metres on the north-south line covering the entirety of the claim group. Detailed mapping of the Dora-Merritt property was completed in early August 2019 and further followed up in June 2020 and outlined two more prospective rhyolite units. Gold in soil anomalies is coincident with the outcropping expression of silica altered rhyolite units for a strike length of 800m. A ground magnetic survey was completed in late October 2019 along east-west trending lines at 100m spacing identifying magnetic lows coincident with both the outcropping rhyolite units as well as gold in soil anomalies.

The Company plans on undertaking a 3,600m drill program in 2021. As of the date of this AIF, the drill permit application has been submitted and is awaiting final approval.

Golden Hornet Property Option

On January 28, 2020, the Company entered into an option agreement for the Golden Hornet property further expanding the Company's land position in the Blue Jay property. The Golden Hornet property comprises 13 mineral claims encompassing 2,206.03 Ha that are contiguous to the Company's existing Blue Jay property.

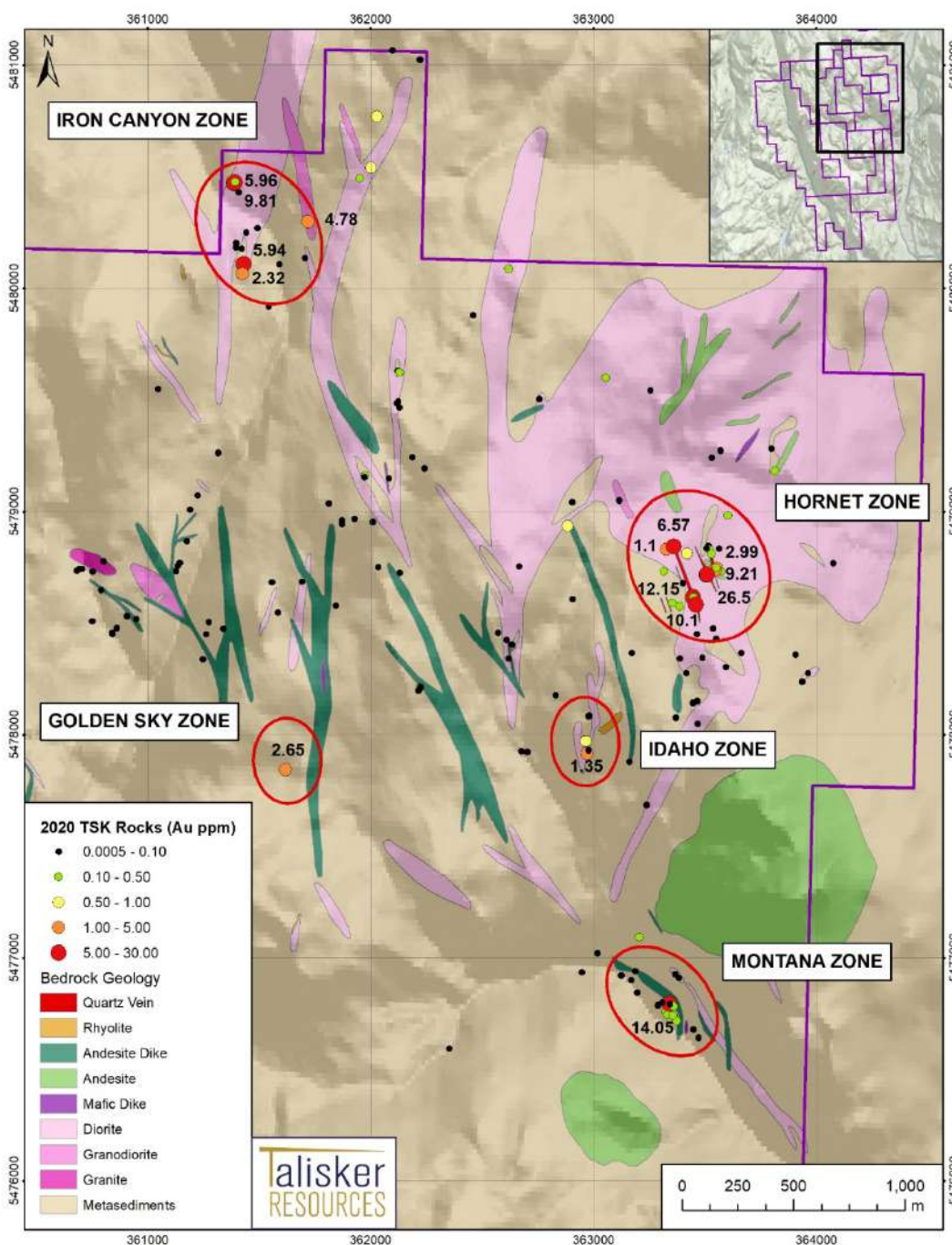
Under the term of the option agreement, Talisker can acquire 100% of the Golden Hornet property in exchange for payments totaling \$145,000 in cash and 575,000 common shares, payable as to \$10,000 cash on signing and 50,000 common shares, \$10,000 in cash and 50,000 common shares on the first anniversary, \$25,000 cash and 75,000 common shares on the second anniversary, \$50,000 cash and 150,000 common shares on the third anniversary, and \$50,000 cash and 250,000 common shares on the fourth anniversary and to expend \$60,000 per year over four years. The option agreement is also subject to a share bonus of one common share per ounce of gold equivalent in the inferred or greater category to a maximum of 200,000 common shares and a 2% NSR. Talisker has the right to purchase 100% of the NSR for \$1 million.

Previous work on the Golden Hornet property consisted of a NW trending sheet vein system with trench sample intercepts of 21.1g/t gold over 5.1 meters and 4.17 g/t gold over 14 meters. Confirmation grab sampling of the veins returned values of 26.1g/t and 12g/t gold. Talisker notes that these selected samples are not necessarily representative of the mineralization hosted on the Golden Hornet property. Limited drilling has been completed on the Golden Hornet property.

On September 30, 2020, the Company staked five strategic claims totaling 105 hectares adjacent to the Golden Hornet property option and on October 27, 2020, the Company announced that the 2020 field season included a soil geochemical survey, geological mapping and rock-chip sampling. Preliminary rock-chip assay results from outcropping quartz veins returned values up to 26 g/t gold, reflecting the historic trench samples of up to 30 g/t gold associated with massive sulphide and sheeted quartz veins.

On October 27, 2020, the Company provided an update on the 2020 field season indicating that a total of 2,638 soil samples and 255 rock samples were collected during the 2020 program. The soil geochemical program yielded a 2,100 x 600m gold in soil anomaly trending north-northwest, paralleling the mapped contact of the altered crowded feldspar diorite and the basement hornfels sediments. Rock samples of silica-pyrite-arsenopyrite veins and fracture fills returned anomalous gold values up to 28.6 g/t. Talisker initiated an airborne geophysical survey over the entirety of the Golden Hornet property as well as the contiguous Blue Jay tenure along east-west trending lines at 100 metre spacing and the Company submitted a drill permitting application.

On January 26, 2021, the Company announced the results of the systematic rock and soil sampling program conducted during the 2020 field season indicating that 210 rock samples validate high-grade historic channel samples of 27.0 g/t over 2.0m and 22.1 g/t over 5.2m and defined a robust 2.8 km x 1.3 km multi-line, multi-station gold anomaly. Four main mineralized outcropping vein zones (Main Hornet Zone, Iron Canyon Zone, Montana Zone and Idaho Zone – see map below) were also defined including three newly discovered outcropping vein zones that extend known historic mineralization, including the Polymetallic Montana Zone which returned up to 14.05 g/t Au, 7.84% Zn, 1.8% Cu and 4.4% Pb.



Source: Talisker

Main Hornet Zone

A series of sheeted northwest trending 1 to 3 metre-wide quartz-sulphide veins with disseminated sulphide halos exposed by historic trenching at the Main Hornet Zone. Talisker’s results define a series of seven veins outcropping over an area of 500m x 300m. Results include:

- Sample C0009931- 26.5 g/t Au (0.5 m Channel)
- Sample C0009293- 12.2 g/t Au (0.6 m Channel)
- Sample C0009771- 10.1 g/t Au (1.5 m Channel)
- Sample C0009938- 9.2 g/t Au (Grab)

- Sample C0009774- 6.6 g/t Au (Grab)
- Sample C0009935- 3.0 g/t Au (Grab)
- Sample C0009935- 1.64 g/t Au (Grab)

Iron Canyon Zone (New Discovery Zone)

Talisker geologists mapped a 1 to 2 metre wide quartz-sulphide vein with large disseminated lower-grade sulphide halos located 2.5 kilometres along strike from the Main Hornet Zone (Figure 2). Results included:

- Sample C0009295- 9.8 g/t Au (Grab)
- Sample C0009293- 5.96 g/t Au (1 m Channel)
- Sample C0009947- 5.94 g/t Au (1 m Channel)
- Sample C0009941- 4.78 g/t Au (Grab)
- Sample C0009921- 2.32 g/t Au (Grab)

Montana Zone (New Discovery Zone)

A series of polymetallic sheeted quartz-sulphide veins hosted within andesitic volcanic rock with results as outlined below were identified:

- Sample C0009184- 14.05 g/t Au, 0.62% Cu, 1.6% Pb, 4.4% Zn (Grab)
- Sample C0009128- 0.35 g/t Au, 91 g/t Ag, 1.8% Cu, 7.84% Zn (Grab)
- Sample C0009127- 0.3 g/t Au, 0.53% Pb (Grab)
- Sample C0009185- 0.28 g/t Au, 0.63% Cu, 5.37% Zn (Grab)

Idaho Zone (New Discovery Zone)

Small outcropping area hosted in hornfel. Although no veins were observed at Idaho due to the limited outcrop, significant areas of disseminated sulphide were identified. Results included:

- Sample C0009143- 1.35 g/t Au (0.75 m Channel)
- Sample C0009141- 0.65 g/t Au, 0.35% Cu (Grab)

5. RISK FACTORS

The Company's business, being the acquisition, exploration, and development of mineral properties in Canada, is speculative and involves a high degree of risk. The risk factors listed below could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Company.

Nature of Mineral Exploration and Mining

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

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

Exploration, Development and Operations

The long term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors, including the Company's ability to extend the permitted term of exploration granted by the underlying concession contracts. Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that any such deposit will be commercially viable or that the funds required for development can be obtained on a timely basis.

Early Stage Status and Nature of Exploration

The terms "resource(s)" or "reserve(s)" cannot be used to describe any of the Company's exploration properties due to the early stage of exploration at this time. Any reference to potential quantities and/or grade is conceptual in nature, as there has been insufficient exploration to define any mineral resource and it is uncertain if further exploration will result in the determination of any mineral resource. Any information, including quantities and/or grade, described in this AIF should not be interpreted as assurances of a potential resource or reserve, or of potential future mine life or of the viability or profitability of future operations.

Liquidity and Additional Financing

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

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

No Earnings and History of Losses

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

Market Price of the Common Shares

The Company's shares are listed on the TSX under the symbol "TSK" and the OTCQX® Best Market under the symbol "TSKFF". The market price of securities of many companies, particularly exploration and development stage mining companies, experience wide fluctuations that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that an active market for the common shares will be sustained, or that fluctuations in the price of the common shares will not occur. The market price of the common shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation has often been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Volatility of Commodity Prices

The development of the Company's properties is dependent on the future prices of minerals and metals. As well, should any of the Company's properties eventually enter commercial production, the Company's profitability will be significantly affected by changes in the market prices of minerals and metals.

Precious metals prices are subject to volatile price movements, which can be material and occur over short periods of time and which are affected by numerous factors, all of which are beyond the Company's control. Such factors include, but are not limited to, interest and exchange rates, inflation or deflation, fluctuations in the value of the U.S. dollar and foreign currencies, global and regional supply and demand, speculative trading, the costs of and levels of precious metals production, and political and economic conditions. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, the strength of and confidence in the U.S. dollar (the currency in which the prices of precious metals are generally quoted), and political developments.

The effect of these factors on the prices of precious metals, and therefore the economic viability of any of the Company's exploration projects, cannot be accurately determined. The prices of commodities have historically fluctuated widely, and future price declines could cause the development of (and any future commercial production from) the Company's properties to be impracticable or uneconomical. As such, the Company may determine that it is not economically feasible to commence commercial production at some or all of its properties, which could have a material adverse impact on the Company's financial performance and results of operations. In such a circumstance, the Company may also curtail or suspend some or all of its exploration activities.

Industry and Economic Factors Affecting the Company

The Company is a junior resource issuer focused primarily on the evaluation, exploration and development of mineral properties and potential acquisition of mineral properties in the future. The Company's future performance is largely tied to the financial markets related to junior resource companies, which is often cyclical. The Company will continuously monitor several economic factors including the uncertainty regarding the price of gold, silver and copper and the availability of equity financing for the purposes of mineral exploration and development. The Company's future performance is largely tied to its ability to raise additional financing needed to fund its ongoing exploration and operating activities and to pursue the exploration and the development of its mineral property interests and the overall financial markets. Financial markets in the mining sector are likely to continue to be volatile reflecting ongoing concerns about the global economy, and the general pessimistic outlook in the mining sector. Companies worldwide have been affected negatively by these trends. As a result, the Company may have difficulties raising equity financing needed for the purposes of mineral exploration and development, particularly without excessively diluting the interests of its current shareholders. With continued market volatility expected, the Company's current strategy is to continue a modest exploration program on its properties using existing cash and funds generated through equity financings if and when available and to seek out other prospective business opportunities, including entering into option arrangements and/or joint ventures. The Company believes that this focused strategy will enable it to pursue its business strategy and plans in the near term. These trends may limit the Company's ability to develop and/or further explore its properties, and/or acquire other property interests that could be acquired in the future. Management will monitor economic conditions and estimate their impact on the Company's plans, strategies and activities and incorporate these estimates in short-term operating and longer-term strategic decisions.

Pandemic Diseases

The Company's operations are subject to the risk of emerging infectious diseases or the threat of outbreaks of viruses or other contagions or epidemic diseases. These infectious disease risks may not be adequately responded to locally, nationally or internationally due to lack of preparedness to detect and respond to outbreaks or respond to significant pandemic threats. As such, there are potentially significant economic and social impacts of infectious disease risks, including the inability of the Company's exploration operations to operate as intended due to shortage of skilled employees, shortages in supply chains, inability of employees to access sufficient healthcare, significant social upheavals, government or regulatory actions or inactions, the declines in the price of precious metals, capital market volatility, or other unknown but potentially significant impacts. Given the fact that the Company's properties are located in British Columbia, there are potentially significant economic losses from infectious disease outbreaks that can extend far beyond the initial location of an infection disease outbreak. As such, both catastrophic outbreaks as well as regional and local outbreaks can have a significant impact on the Company's operations. The Company may not be able to accurately predict the quantum of such risks. In addition, the Company's own operations are exposed to infection disease risks noted above and as such the Company's operations may be adversely affected by such infection disease risks. Accordingly, any outbreak or threat of an outbreak of a virus or other contagions or epidemic disease could have a material adverse effect on the Company, its business, results from operations and financial condition.

COVID-19

In particular, the Company highlights that it continues to face risks related to COVID-19, which could significantly disrupt its operations and may materially and adversely affect its business and financial conditions. On April 1, 2020, the Company temporarily suspended its operations in British Columbia for good practices in relation to public health measures, out of concern for the Company's employees and out of respect for the Company's Indigenous partners and other local community members who were concerned about the introduction of the virus to the area from outsiders travelling to the Bralorne Gold Project. On May 26, 2020, the Company announced that it had re-commenced drilling operations with new protocols and practices in place to abide by the public health regulations and guidelines. The extent to which COVID-19 will continue to impact the Company's business, including its operations and the market for its securities, will

depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the coronavirus outbreak, including the widespread distribution of vaccines. In particular, the continued spread of COVID-19 globally could materially and adversely impact the Company's business including without limitation, employee health, workforce productivity, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, restrictions to its drill program and/or the timing to process drill and other metallurgical testing, and other factors that will depend on future developments beyond the Company's control, which may have a material and adverse effect on the its business, financial condition and results of operations.

There can be no assurance that the Company's personnel will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased medical costs / insurance premiums as a result of these health risks. In addition, further significant outbreaks of COVID-19 could adversely affect global economies and financial markets resulting in an economic downturn that could have an adverse effect on the demand for precious metals and the Company's future prospects.

Title Matters

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

Environmental Risks and Hazards

The mining and mineral processing industries are subject to extensive environmental regulation for the protection of the environment. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. These regulations may adversely affect the Company or require it to expend significant funds. There is also a risk that environmental and other laws and regulations may become more onerous, making it costlier for the Company to remain in compliance with such laws and regulations.

There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties or by current or previous surface rights owners.

The Company cannot give any assurances that breaches of environmental laws (whether inadvertent or not) or environmental pollution will not materially and adversely affect its business, plans and financial condition. There is no assurance that any future changes to environmental regulation, if any, will not adversely affect the Company.

Significant liabilities exist on the project lands in the form of historic mine construction and development infrastructure, tailings dam(s), waste dump site, a mill site, a camp site, and other mining related infrastructure, disturbance, and equipment located at the Bralorne Gold Project. The Company cannot guarantee that its estimation of the amount of these liabilities is accurate. The cost of addressing exiting liabilities may be significantly higher than as currently estimated by the Company.

Influence of Third-Party Stakeholders

Some of the lands in which the Company holds an interest, or the exploration equipment and roads or other means of access which the Company intends to utilize in carrying out its work programs or general business activities, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims or do not consent to the Company carrying on activities on lands subject to their interests or claims, the Company's work programs may be delayed or prevented, even if such claims are not meritorious. Such claims or delays may result in significant financial loss and loss of opportunity for the Company.

The Company may need to enter into negotiations with landowners and other groups in local communities in British Columbia in order to conduct further exploration and development work on its properties. There is no assurance that future discussions and negotiations will result in agreements with landowners and other local community groups in British Columbia or if such agreements will be on terms acceptable to the Company so that the Company may continue to conduct exploration and development activities on these properties.

Term and Extension of Concession Contracts

Non-compliance with concession contracts may lead to their early termination by the relevant mining authorities or other governmental entities. A company whose concession contracts were subject to termination could be prevented from being issued new concessions or from keeping the concessions that it already held. The Company is not aware of any cause for termination or any investigation or procedure aimed at the termination of any of its concession contracts.

Management of Growth

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

Governmental Regulation

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

The Company's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of the Company's future operations.

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

Permitting

The operations of the Company require licenses and permits from various governmental authorities. The Company will use its best efforts to obtain all necessary licenses and permits to carry on the activities which it intends to conduct, and it intends to comply in all material respects with the terms of such licenses and permits. However, there can be no guarantee that the Company will be able to obtain and maintain, at all times, all necessary licenses and permits required to undertake its proposed exploration and development, or to place its properties into commercial production and to operate mining facilities thereon. In the event of commercial production, the cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or preclude the economic development of the Company's properties.

With respect to environmental permitting, the development, construction, exploitation and operation of mines at the Company's projects may require the granting of environmental licenses and other environmental permits or concessions by the competent environmental authorities. Required environmental permits, licenses or concessions may take time and/or be difficult to obtain, and may not be issued on the terms required by the Company. Operating without the required environmental permits may result in the imposition of fines or penalties as well as criminal charges against the Company for violations of applicable laws or regulations.

Surface Rights

The Company does not own all of the surface rights at its properties and there is no assurance that surface rights owned by the government or third parties will be granted, nor that they will be on reasonable terms if granted. Failure to acquire surface rights may impact the Company's ability to access its properties, as well as its ability to commence and/or complete construction or production, any of which would have a material adverse effect on the profitability of the Company's future operations.

Risk of Litigation

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

Dependence on Key Personnel

The Company's future growth and its ability to develop depend, to a significant extent, on its ability to attract and retain highly qualified personnel. The Company relies on a limited number of key employees, consultants and members of senior management, and there is no assurance that the Company will be able to retain such personnel. The loss of one or more key employees, consultants or members of senior management, if such persons are not replaced, could have a material adverse effect on the Company's business, financial condition and prospects. The Company currently does not have key person insurance on these individuals.

To operate successfully and manage its potential future growth, the Company must attract and retain highly qualified engineering, managerial and financial personnel. The Company faces intense competition for qualified personnel in these areas, and there can be no certainty that the Company will be able to attract and retain qualified personnel. If the Company is unable to hire and retain additional qualified personnel in

the future to develop its properties, its business, financial condition and operating results could be adversely affected.

Internal Controls

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

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including but not limited to unexpected or unusual geological operating conditions, seismic activity, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the shipment of precious metal concentrates or ore bars, and political and social instability, any of which could result in damage to, or destruction of, the mine and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although the Company believes that appropriate precautions to mitigate these risks are being taken, operations are subject to hazards such as equipment failure or failure of structures, which may result in environmental pollution and consequent liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate the Company's future profitability and result in increasing costs and a decline in the value of the common shares. The Company does not maintain insurance against title, political or environmental risks.

While the Company may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks is such that liabilities could exceed policy limits or be excluded from coverage. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, thereby adversely affecting the Company's business and financial condition.

Global Financial Conditions

Current global financial conditions have been subject to increased volatility, and access to public financing, particularly for junior resource companies, has been negatively impacted. These factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, such financing may not be on terms favourable to the Company. If increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the value and price of the common shares could be adversely affected.

Information Systems Security Threats

The Company's operations depend upon information technology systems which may be subject to disruption, damage or failure from different sources, including, without limitation, installation of malicious software, computer viruses, security breaches, cyber-attacks and defects in design.

Although to date the Company has not experienced any losses relating to cyber attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Competition

The mineral exploration and mining business is competitive in all of its phases. In the search for and acquisition of attractive mineral properties, the Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources. The Company's ability to acquire properties in the future will depend on its ability to select and acquire suitable producing properties or prospects for mineral exploration. There is no assurance that the Company will continue to be able to compete successfully with its competitors in acquiring such properties or prospects, nor that it will be able to develop any market for the raw materials that may be produced from its properties. Any such inability could have a material adverse effect on the Company's business and financial condition.

Option and Joint Venture Agreements

The Company has and may continue to enter into option agreements and/or joint ventures as a means of gaining property interests and raising funds. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations, could have a negative impact on the Company. Pursuant to the terms of certain of the Company's existing option agreements, the Company is required to comply with exploration and community relations obligations, among others, any of which may adversely affect the Company's business, financial results and condition. Under the terms of such option agreements the Company may be required to comply with applicable laws, which may require the payment of maintenance fees and corresponding royalties in the event of exploitation/production. The costs of complying with option agreements are difficult to predict with any degree of certainty; however, were the Company forced to suspend operations on any of its concessions or pay any material fees, royalties or taxes, it could result in a material adverse effect to the Company's business, financial results and condition.

The Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying concessions.

Acquisitions and Integration

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

Community Relationships

The Company's relationships with the communities in which it operates are critical to ensure the future success of its existing operations and the development of its projects.

There is no reason to believe at this time that there are, or will be, issues related to Indigenous land claims or objections locally. Indigenous engagement is a strong commitment of Talisker.

While the Company is committed to operating in a socially responsible manner and working towards entering into agreements in satisfaction of such requirements, there is no guarantee that its efforts will be successful,

in which case interventions by third parties could have a material adverse effect on the Company's business, financial position and operations.

Conflicts of Interest

Certain directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration, development and mining operations. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company, and to disclose any interest they may have in any project or opportunity of the Company. In addition, each of the directors is required by law to declare his or her interest in and refrain from voting on any matter in which he or she may have a conflict of interest, in accordance with applicable laws.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supplies, as well as the location of population centres and pools of labour, are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could impact the Company's ability to explore its properties, thereby adversely affecting its business and financial condition.

The Outstanding Common Shares Could be Subject to Dilution

The exercise of stock options and warrants already issued by the Company and the issuance of additional equity securities in the future could result in dilution in the equity interests of holders of common shares.

No Dividends Policy

The Company has not declared a dividend since incorporation and does not anticipate doing so in the foreseeable future. Any future determination as to the payment of dividends will be at the discretion of the Board and will depend on the availability of profit, operating results, the financial position of the Company, future capital requirements and general business and other factors considered relevant by the directors of the Company. No assurances in relation to the payment of dividends can be given.

6. DIVIDENDS

Subject to statutory or legal requirements, there are no restrictions in the Company's articles or by-laws that would restrict or prevent the Company from paying dividends. However, the Company has not paid any dividend or made any other distribution in respect of its outstanding shares in the past. The Company's board of directors, from time to time, and on the basis of any earnings and the Company's financial requirements or any other relevant factor, will determine the future dividend policy of the Company with respect to its shares.

7. DESCRIPTION OF SHARE STRUCTURE

7.1 Authorized Share Capital

The Company's authorized share capital consists of an unlimited number of common shares. As at the date of this AIF, there were 214,542,849 common shares issued and outstanding.

All common shares rank equally as to dividends, voting powers and participation in the distribution of assets. All holders of common shares are entitled to receive notice of any meetings of shareholders of the Company, and to attend and cast one vote per common share at all such meetings. Holders of common shares do not have cumulative voting rights with respect to the election of directors. Holders of common shares are entitled

to receive on a pro rata basis such dividends, if any, as and when declared by the Board at its discretion from funds legally available therefor, and upon the liquidation, dissolution or winding up of the Company are entitled to receive on a pro rata basis the net assets of the Company after payment of liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro rata basis with the holders of common shares with respect to dividends or liquidation. The common shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

The Company's share option plan permits the Company's Board to grant to directors, officers, consultants and employees of the Company share options to purchase from the Company a designated number of authorized but unissued common shares up to but not exceeding 10% of the issued and outstanding common shares, less any common shares reserved for issuance under share options granted under share compensation arrangements other than the share option plan, at any point in time. As at the date of this AIF, there were 15,325,000 options and 780,000 RSUs to acquire common shares outstanding.

8. MARKET FOR SECURITIES

8.1 Trading Price and Volume

The common shares are currently listed and posted for trading on the TSX under the trading symbol "TSK" and on the OTCQX® Best Market under the symbol "TSKFF". Listing on the CSE commenced April 26, 2019 and on the OTCQB Venture Market on June 26, 2019 with graduation to the OTCQX® Best Market on July 30, 2020 and the TSX on October 14, 2020.

The following table sets forth the high and low trading prices and volume for the Company's common shares on the CSE and TSX, as applicable, on a monthly basis for the year ended December 31, 2020 and to the date of this AIF.

Month	Price Range and Trading Volume		
	High \$	Low \$	Trading Volume
January 2020	0.36	0.29	6,796,030
February 2020	0.65	0.30	15,045,813
March 2020	0.54	0.17	6,645,079
April 2020	0.43	0.28	3,260,010
May 2020	0.47	0.29	6,023,452
June 2020	0.45	0.31	10,532,402
July 2020	0.53	0.39	7,722,669
August 2020	0.47	0.34	13,149,413
September 2020	0.41	0.32	3,681,790
October 2020	0.44	0.29	7,604,121
November 2020	0.43	0.29	4,863,447
December 2020	0.37	0.31	6,595,369
January 2021	0.39	0.30	6,378,493
February 2021	0.36	0.29	6,111,050
March 2021 ⁽¹⁾	0.34	0.28	2,550,479

Notes:

(1) Trading data included for the period March 1 through March 25, 2021.

8.2 Prior Sales

The following table sets forth the securities not listed but issued by the Company during the financial year ended December 31, 2020 and outstanding as at December 31, 2020.

Date of Issuance / Grant	Class of Securities	Number of Securities	Exercise Price	Expiry Date
February 12, 2020	Options	1,300,000	\$0.39	February 12, 2025
August 13, 2020	Warrants	21,942,935	\$0.70	August 13, 2021
August 17, 2020	Options	1,100,000	\$0.46	August 17, 2025
August 17, 2020	Options	200,000	\$0.46	August 17, 2022
December 11, 2020	Options	4,425,000	\$0.33	December 11, 2025
December 11, 2020	RSUs	780,000	\$Nil ⁽¹⁾	December 11, 2025

Notes:

(1) Vesting over a three year period, with the first vesting period being one year after grant.

As of the date of this AIF, the Company has 15,325,000 options outstanding, 780,000 RSUs outstanding and 31,992,144 warrants outstanding.

9. DIRECTORS AND OFFICERS

9.1 Name, Occupation and Security Holding

The following table and the notes thereto set out the name, municipality and country of residence of each director and executive officer of the Company, their current respective positions and offices with the Company, their respective principal occupations during the five preceding years, the date on which they were first elected or appointed as a director or officer of the Company, the number of common shares of the Company beneficially owned, directly or indirectly, or over which they exercise control or direction as at the date of this AIF, and the percentage of the total issued and outstanding common shares of the Company represented by such shares.

Name, Province or State and Country of Residence	Offices Held and Date Appointed	Principal Occupation for Five Preceding Years	# of Common Shares Owned or Controlled ⁽¹⁾
Michael Carew British Columbia, Canada	Vice President, Corporate and Strategic Development since October 14, 2020	Current Vice President, Corporate and Strategic Development since October 2020; former Senior Mining Analyst, Haywood Securities Inc. (August 2013 to April 2020).	85,130 (0.04%)
Brent Gilchrist ⁽⁴⁾⁽⁵⁾ British Columbia, Canada	Director since April 18, 2019	Director, Sable Resources Ltd. since November 2016. Mr. Gilchrist is an accomplished finance executive with extensive experience in the investment private and public investments. He is the President of JDS Resources Inc., the JDS Group of Companies' venture capital and private equity arm responsible for investment management, acquisitions, and project financing for JDS Group of Companies opportunities. Mr. Gilchrist was the President and Co-founder of JDS Silver Inc., the owner, developer and operator of the Silvertip Mine located in Northern British Columbia. Brent managed the sale transaction of JDS Silver to Coeur Mining in November 2017.	5,316,354 (2.49%)

Name, Province or State and Country of Residence	Offices Held and Date Appointed	Principal Occupation for Five Preceding Years	# of Common Shares Owned or Controlled ⁽¹⁾
Terence Harbort ⁽⁵⁾ Ontario, Canada	Director, President and CEO since April 18, 2019	Co-Founder and Vice President, Exploration, Talisker Exploration Services Inc., an exploration management company providing international exploration consulting in M&A and exploration strategy, project evaluation, target generation and exploration program design since December 2010; Director and Vice President, Corporate Development, Sable Resources Ltd. since March 2017; former Chief Geoscientist, Barkerville Gold Mines Ltd. (September 2015 to November 2019); former Director, IDM Mining Ltd. (October 2017 to March 2019).	6,406,223 (3.0%)
Charlotte May Ontario, Canada	Corporate Secretary since August 17, 2012	Corporate Secretary of the Company since August 2012.	143,750 (0.07%)
Michael McPhie British Columbia, Canada	Vice President, Sustainability and External Affairs since January 15, 2020	Founding partner, Falkirk Environmental Consultants Ltd. since January 2019; Director, Independence Gold Corp. since December 2011; former Chair, Ridley Terminals Inc., a federal Crown Corporation (2017 to 2019); former Chair, Association for Mineral Exploration (AME) (2011 to 2013); former Director and Chair, British Columbia Institute of Technology (BCIT) (2009 to 2015); former President and CEO, Mining Association of British Columbia (2004 to 2008); former Director, StrikePoint Gold Inc. (May 2017 to January 2018), Boundary Gold and Copper Mining Ltd. (February 2018 to August 2019), IDM Mining Ltd. (January 2014 to May 2019).	182,367 (0.09%)
Susan J. Mitchell ^{(2)(3*)} New York, USA	Director since November 5, 2020	President, S. Mitchell & Associates, LLC, a private corporate finance and strategy advisory company since 2004; Senior Managing Director, Mid-Market Securities, LLC since 2012; former Director, Redstar Gold Corp. (June 2018 to October 2019).	5,000 (0.002%)
Leonardo Souza Arizona, USA	Vice President, Exploration and Resource Development since March 20, 2020	Advanced Projects Exploration Manager and Resource Geologist for Talisker Exploration Services Inc., providing consulting on exploration, resource evaluation and resource and production uncertainty assessment, covering globally, since September 2011.	Nil
Morris Prychidny ^{(2)(4*)} Ontario, Canada	Director since January 13, 2020	Current Chairman, Nighthawk Gold Corp. since February 2013; Director and Asset Manager, Orion Capital Incorporated since August 2005; Director, Fountain Asset Corp. since March 2014 and Northfield Capital Corporation since June 2008; former Director, Barkerville Gold Mines Ltd. (May 2015 to November 2019) and Corporate Catalyst Acquisition Inc. (December 2012 to June 2018).	483,696 (0.23%)
Andres Tinajero Ontario, Canada	Director since April 18, 2019 and CFO since August 31, 2012	Chief Financial Officer of the Company since August 2012; Director, Sable Resources Ltd. since July 2017; former Director, Nutritional High International Inc. (April 2017 to November 2019); and former CFO, Barkerville Gold Mines Ltd. (July 2015 to November 2019) and Kerr Mines Inc. (December 2013 to August 2015).	2,947,789 (1.38%)

Name, Province or State and Country of Residence	Offices Held and Date Appointed	Principal Occupation for Five Preceding Years	# of Common Shares Owned or Controlled ⁽¹⁾
Eric Tremblay ⁽³⁾ ^(5*) Ontario, Canada	Director since November 5, 2020	Chief Operating Officer, Dalradian Resources Inc. since 2015; Director, Nighthawk Gold Corp. since September 2020; former Director, Barkerville Gold Mines Ltd. (June 2019 to November 2019)	Nil
Blair Zaritsky ^(2*) ⁽³⁾ Ontario, Canada	Director since April 18, 2019	Chief Financial Officer of Osisko Mining Inc. since June 2011; and Kilo Goldmines Ltd. since August 2015; Senior Officer, Beaufield Resources Inc. since February 2017, Canadian Orebodies Inc. since August 2018, and former Director, IDM Mining Ltd. (December 2015 to November 2016); Bonterra Resources Ltd. (July 2015 to August 2016), Metals Creek Resources Corp. and ValGold Resources Ltd. (November 2015 to August 2016) and Barkerville Gold Mines Ltd. (August 2016 to November 2019).	171,460 (0.08%)

Notes:

- (1) The term of office of each director expires at the close of the next annual meeting of shareholders of the Company. Officers of the Company serve at the discretion of the Company's Board of Directors.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Corporate Governance and Nominating Committee.
- (5) Member of the SHEA and Technical Committee.
- * Denotes Chair.

As at the date of this AIF, the current directors and officers of the Company as a group, directly or indirectly, beneficially own or exercise control or direction over 15,656,639 common shares of the Company, representing approximately 7.3% of the issued and outstanding common shares of the Company.

9.2 Corporate Cease Trade Orders or Bankruptcies

None of the directors or executive officers:

- a. is, as at the date of this AIF, or was within 10 years before the date of this AIF, a director or chief executive officer or chief financial officer of any company that:
- i. was the subject of an order (as defined in Form 51-102F5 of National Instrument 51-102-*Continuous Disclosure Obligations*) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
 - ii. was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer, or chief financial officer, and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer, or chief financial officer.

None of the directors, executive officers or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- a. is at the date hereof, or has been within 10 years before the date of this AIF, a director or executive officer of any 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; or

- b. has, within the 10 years before 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.

10. CONFLICT OF INTEREST

Certain of the directors of the Company also serve as directors of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with the duties and obligations of directors to deal fairly and in good faith with the Company and such other companies. In addition, such directors declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

11. AUDIT COMMITTEE INFORMATION

National Instrument 52-110 ("NI 52-110") requires the Company to disclose annually in its AIF certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

11.1 Audit Committee

The Audit Committee is responsible for the Company's financial reporting process and the quality of its financial reporting. The Audit Committee is charged with the mandate of providing independent review and oversight of the Company's financial reporting process, the system of internal control and management of financial risks, and the audit process, including the selection, oversight and compensation of the Company's external auditors. The Audit Committee also assists the board of directors in fulfilling its responsibilities in reviewing the Company's process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Audit Committee maintains effective working relationships with the board of directors, management, and the external auditors and monitor the independence of those auditors. The Audit committee is also responsible for reviewing the Company's financial strategies, its financing plans and its use of the equity and debt markets.

The full text of the charter of the Company's Audit Committee is attached hereto as Schedule "A".

11.2 Composition of the Audit Committee

The members of the Audit Committee are Blair Zaritsky (Chair), Susan Mitchell and Morris Prychidny. All of the members of the Audit Committee are 'independent' and all of the members of the Audit Committee are considered 'financially literate' (as such terms are defined in NI 52-110).

Name of Member	Independent ⁽¹⁾	Financially Literate ⁽²⁾
Susan Mitchell	Yes	Yes
Morris Prychidny	Yes	Yes
Blair Zaritsky	Yes	Yes

Notes:

- (1) To be considered independent, a member of the Audit Committee must not have any direct or indirect "material relationship" with the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgement.
- (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 issues that can reasonably be expected to be raised by the Company's financial statements.

The following table describes the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member:

Member	Relevant Education and Experience
Susan Mitchell	Ms. Mitchell is an investment banker, specialized in natural resource mineral company financing, having held senior roles for two global banking institutions and as Director, Treasury of a multi-national, multi-commodity NYSE listed mining company. She is President of S. Mitchell & Associates, LLC, a private corporate finance and strategy advisory company since 2004 and Senior Managing Director of Mid-Market Securities, LLC since 2012. Ms. Mitchell earned her undergraduate degree in International Economics and Finance from McGill University and her Masters Degree at Thunderbird American Graduate School of International Management. Ms. Mitchell is an independent director of the Company for the purposes of NI 52-110.
Morris Prychidny	Mr. Prychidny is a chartered professional accountant with more than 35 years of experience in the mining, entertainment and real estate industries. Mr. Prychidny brings strong portfolio management, accounting and capital markets expertise to the Company. He is the current Chairman of Nighthawk Gold Corp., a TSX listed mining company, Director and Audit Committee member of Fountain Asset Corp. and Northfield Capital Corporation, both TSX Venture listed companies and a former director, Audit Chairman and member of the Special Committee of Barkerville Gold Mines Ltd. which was acquired by Osisko Gold Royalties Ltd for \$338 million in 2019. He is also a director and asset manager of Orion Capital Incorporated, a Toronto-based asset management company with a focus on investing in the junior mining and real estate sectors and a director of Woodbine Downs Limited. Mr. Prychidny holds a Bachelor of Economics from the University of Western Ontario. Mr. Prychidny is an independent director of the Company for the purposes of NI 52-110.
Blair Zaritsky	Mr. Zaritsky is a chartered professional accountant with more than 15 years of professional experience, of which have been mostly in the mining sector. Mr. Zaritsky has been Chief Financial Officer of Osisko Mining Inc. since June 2011, and was Chief Financial Officer and director of Oban Exploration Limited until 2014. Mr. Zaritsky possesses over ten years of Canadian public practice experience with exposure to various types of engagements and clients, gained through managing audit engagements of publicly listed companies traded on the Toronto Stock Exchange, TSX Venture Exchange and Canadian National Stock Exchange. He obtained his Chartered Professional Accountant designation in 2003 and holds dual Bachelor of Arts degrees in accounting and economics from Brock University and Western University, respectively. Mr. Zaritsky is an independent director of the Company for the purpose of NI 52-110.

11.3 Pre-Approval Policies and Procedures

The Company has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee reviews the engagement of non-audit services as required.

11.4 Audit Fees

The following table provides detail in respect of audit, audit related, tax and other fees paid by the Company to the external auditors for professional services:

Reporting Period	Audit Fees ⁽¹⁾	Audit-Related Fees	Tax Fees ⁽²⁾	All Other Fees
Year ended December 31, 2020	140,000	-	-	Nil
Year ended December 31, 2019 ⁽¹⁾	100,000	-	-	Nil

Notes:

(1) For 2020, the audit fees quoted by PricewaterhouseCoopers LLP including fees for the year end audit and quarterly reviews throughout the period. For 2019, the audit fees paid to Manning Elliott LLP include fees relating to an audit of Bralorne.

(2) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.

12. LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Other than a lawsuit filed in Israel relating to the predecessor Company's sale of its former Israeli subsidiaries, which lawsuit was dismissed on February 19, 2020, the Company is not and was not a party to, and none of its property is or was the subject of, any legal proceedings during the Company's most recently completed financial year, nor does the Company contemplate any such legal proceedings.

No penalties or sanctions have been imposed against the Company (i) by a court relating to securities legislation or (ii) by a securities regulatory authority, nor has the Company entered into any settlement agreements (a) before a court relating to securities legislation or (b) with a securities regulatory authority, during the Company's most recently completed financial year, nor has a court or regulatory body imposed any other penalties or sanctions against the Company.

13. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or principal shareholder of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction within the most recently completed three financial years or in the current financial year that has materially affected or will materially affect the Company.

14. TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1.

15. MATERIAL CONTRACTS

In the year ended December 31, 2020, there were no material contracts entered into by the Company, other than contracts entered into in the ordinary course of business. Listed below are material agreements that were entered into in the year ended December 31, 2019, which agreements are current in effect and which are available on SEDAR (www.sedar.com) under Talisker's issuer profile:

- a. Investor Rights Agreement dated December 13, 2019 between Talisker and Avino; see "Three Year History – 2019" for more information;
- b. Royalty Purchase Agreement dated December 23, 2019 between the Company, Bralorne and Osisko relating to the sale of a 1.2% net smelter returns royalty on all production from the Bralorne Gold Project located in southwestern British Columbia in exchange for \$6.2 million in cash; and

- c. Royalty Agreement dated December 23, 2019 between the Company, Bralorne and Osisko relating to a 1.2% net smelter returns royalty on all production from the Bralorne Gold Project located in southwestern British Columbia.

16. INTEREST OF EXPERTS

Set forth below are the persons and companies who prepared or certified a statement, report, valuation or opinion described, included or referred to in a filing that the Company made under National Instrument 51-102 ("NI 51-102") during or relating to its most recently completed financial year.

- Garth Kirkham, P.Geo. of Kirkham Geosystems Ltd., a "qualified person" under NI 43-101, prepared the Bralorne Gold Technical Report;
- Leonardo de Souza, B.Sc., AusIMM (CP) (Membership 224827), Talisker's Vice President, Exploration and Resource Development is the Company's "qualified person" under NI 43-101 has verified all of the scientific and technical information respecting the Bralorne Gold Project set forth in this AIF; and
- Luis Arteaga, M.Sc. P.Geo., Talisker's Exploration Manager is the Company's "qualified person" under NI 43-101 has verified all of the scientific and technical information respecting all of the Company's other properties set forth in this AIF.

None of the experts listed above has received or will receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of any of the Company's associates or affiliates in connection with the preparation or certification of any statement, report or valuation prepared by such person. To the knowledge of the Company, all of the aforementioned persons (or any of the designated professionals thereof) beneficially owns, directly or indirectly, in the aggregate, less than 1% of the outstanding common shares of the Company as at the date of the statement, report or valuation in question.

17. ADDITIONAL INFORMATION

Additional information relating to the Company is available under the Company's profile on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, options to purchase securities and interests of insiders in material transactions, where applicable, is contained in the joint management information circular of the Company for its most recent meetings of shareholders that involved the election of directors, and additional financial information is provided in the financial statements of the Company and management's discussion and analysis for each of their most recently completed financial years, respectively.

APPENDIX “A” AUDIT COMMITTEE CHARTER

1. Purpose and Responsibilities of the Committee

1.1 Purpose

The primary purpose of the Committee is to assist Board oversight of:

- (a) the integrity of the Company’s financial statements;
- (b) the Company’s compliance with legal and regulatory requirements;
- (c) the External Auditor’s qualifications and independence; and
- (d) the performance of the Company’s internal audit function and the External Auditor.

2. Definitions and Interpretation

2.1 Definitions

In this Charter:

- (a) “Board” means the board of directors of the Company;
- (b) “Chair” means the chair of the Committee;
- (c) “Committee” means the audit committee of the Board;
- (d) “Company” means Talisker Resources Ltd.;
- (e) “Director” means a member of the Board; and
- (f) “External Auditor” means the Company’s independent auditor.

2.2 Interpretation

The provisions of this Charter are subject to the articles and by-laws of the Company and to the applicable provisions of the *Business Corporations Act* (Ontario), and any other applicable legislation.

CONSTITUTION AND FUNCTIONING OF THE COMMITTEE

3. Establishment and Composition of the Committee

3.1 Establishment of the Audit Committee

The Committee is hereby continued with the constitution, function and responsibilities herein set forth.

3.2 Appointment and Removal of Members of the Committee

- (a) *Board Appoints Members.* The members of the Committee shall be appointed by the Board.
- (b) *Annual Appointments.* The appointment of members of the Committee shall take place annually at the first meeting of the Board after a meeting of the shareholders at which Directors are elected, provided that if the appointment of members of the Committee is not so made, the Directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed.

- (c) *Vacancies.* The Board may appoint a member to fill a vacancy which occurs in the Committee between annual elections of Directors. If a vacancy exists on the Committee, the remaining members shall exercise all of their powers so long as a quorum remains in office.
- (d) *Removal of Member.* Any member of the Committee may be removed from the Committee by a resolution of the Board.

3.3 Number of Members

The Committee shall consist of three or more Directors.

3.4 Independence of Members

All of the members of the Committee shall be independent for the purposes of all applicable regulatory and stock exchange requirements.

3.5 Financial Literacy

- (a) *Financial Literacy Requirement.* Each member of the Committee shall be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Committee.
- (b) *Definition of Financial Literacy.* “Financially literate” means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

4. **Committee Chair**

4.1 Board to Appoint Chair

The Board shall appoint the Chair from the members of the Committee who are unrelated directors (or, if it fails to do so, the members of the Committee shall appoint the Chair from among its members).

4.2 Chair to be Appointed Annually

The designation of the Committee’s Chair shall take place annually at the first meeting of the Board after a meeting of the members at which Directors are elected, provided that if the designation of Chair is not so made, the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed.

5. **Committee Meetings**

5.1 Quorum

A quorum of the Committee shall be two members.

5.2 Secretary

The Chair shall designate from time to time a person who may, but need not, be a member of the Committee, to be Secretary of the Committee.

5.3 Time and Place of Meetings

The time and place of the meetings of the Committee and the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee; provided, however, the Committee shall meet at least four times per year on a quarterly basis.

5.4 In Camera Meetings

On at least an annual basis, the Committee shall meet separately with each of:

- (a) management; and
- (b) the External Auditor

5.5 Right to Vote

Each member of the Committee shall have the right to vote on matters that come before the Committee.

5.6 Voting

Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose; actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose.

5.7 Invitees

The Committee may invite Directors, officers, employees and consultants of the Company or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee. The External Auditor shall receive notice of each meeting of the Committee and shall be entitled to attend any such meeting at the Company's expense.

5.8 Regular Reporting

The Committee shall report to the Board at the Board's next meeting the proceedings at the meetings of the Committee and all recommendations made by the Committee at such meetings.

6. Authority of Committee

6.1 Retaining and Compensating Advisors

The Committee shall have the sole authority to engage independent counsel and any other advisors as the Committee may deem appropriate in its sole discretion and to set the compensation for any advisors employed by the audit committee. The Committee shall not be required to obtain the approval of the Board in order to retain or compensate such consultants or advisors.

6.2 Funding

The Committee shall have the authority to authorize the payment of:

- (a) compensation to any external auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (National Instrument 52-110 – *Audit Committees* requires disclosure of fees by category paid to the External Auditor).
- (b) compensation for any advisors employed by the audit committee under Section 6.1 hereof; and
- (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

6.3 Subcommittees

The Committee may form and delegate authority to subcommittees if deemed appropriate by the Committee.

6.4 Recommendations to the Board

The Committee shall have the authority to make recommendations to the Board, but shall have no decision-making authority other than as specifically contemplated in this Charter.

6.5 Compensation

The Committee has the authority to communicate directly with External Auditors and the internal auditors.

7. **Remuneration of Committee Members**

7.1 Remuneration of Committee Members

Members of the Committee and the Chair shall receive such remuneration for their service on the Committee as the Board may determine from time to time.

7.2 Directors' Fees

No member of the Committee may earn fees from the Company or any of its subsidiaries other than directors' fees (which fees may include cash and/or shares or options or other in-kind consideration ordinarily available to directors, as well as all of the regular benefits that other directors receive). For greater certainty, no member of the Committee shall accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company.

SPECIFIC DUTIES AND RESPONSIBILITIES

8. **Integrity of Financial Statements**

8.1 Review and Approval of Financial Information

- (a) *Annual Financial Statements.* The Committee shall review and discuss with management and the External Auditor the Company's audited annual financial statements and related management's discussion and analysis ("MD&A") together with the report of the External Auditor thereon and, if appropriate, recommend to the Board that it approve the audited annual financial statements.
- (b) *Interim Financial Statements.* The Committee shall review and discuss with management and the External Auditor and, if appropriate, approve the Company's interim unaudited financial statements and related MD&A.
- (c) *Material Public Financial Disclosure.* The Committee shall discuss with management and the External Auditor:
 - (i) the types of information to be disclosed and the type of presentation to be made in connection with profit or loss or earnings press releases; and
 - (ii) financial information and earnings guidance (if any) provided to analysts and rating agencies.
- (d) *Procedures for Review.* The Committee shall be satisfied that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements (other than financial statements, MD&A and profit or loss or earnings press releases, which are dealt with elsewhere in this Charter) and shall periodically assess the adequacy of those procedures.
- (e) *General.* To the extent the Committee deems it necessary or appropriate, the Committee may review and discuss with management and the External Auditor:

- (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles;
- (ii) major issues as to the adequacy of the Company's internal controls over financial reporting and any special audit steps adopted in light of material control deficiencies;
- (iii) analyses prepared by management and/or the External Auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative accounting methods on the financial statements;
- (iv) the effect on the financial statements of the Company of regulatory and accounting initiatives, as well as off-balance sheet transaction structures, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons that have a material current or future effect on the financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses of the Company;
- (v) the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented;
- (vi) any financial information or financial statements in prospectuses and other offering documents;
- (vii) the management certifications of the financial statements as required under applicable securities laws in Canada or otherwise; and
- (viii) any other relevant reports or financial information submitted by the Company to any governmental body or the public.

9. External Auditor

9.1 External Auditor

- (a) *Authority with Respect to External Auditor.* As a representative of the Company's shareholders, the Committee shall be directly responsible for the appointment, compensation and oversight of the work of the External Auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. In the discharge of this responsibility, the Committee shall:
 - (i) have sole responsibility for recommending to the Board the person to be proposed to the Company's shareholders for appointment as External Auditor for the above-described purposes and recommending such External Auditor's compensation;
 - (ii) determine at any time whether the Board should recommend to the Company's shareholders that the incumbent External Auditor should be removed from office;
 - (iii) review the terms of the External Auditor's engagement, discuss the audit fees with the External Auditor and be solely responsible for approving such audit fees; and
 - (iv) require the External Auditor to confirm in its engagement letter each year that the External Auditor is accountable to the Board and the Committee as representatives of shareholders.
- (b) *Independence.* The Committee shall satisfy itself as to the independence of the External Auditor. As part of this process the Committee shall:

- (i) require the External Auditor to submit on a periodic basis to the Committee a formal written statement delineating all relationships between the External Auditor and the Company and engage in a dialogue with the External Auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the External Auditor and recommend that the Board take appropriate action in response to the External Auditor's report to satisfy itself of the External Auditor's independence;
 - (ii) unless the Committee adopts pre-approval policies and procedures, approve any non-audit services provided by the External Auditor, provided the Committee may delegate such approval authority to one or more of its independent members who shall report promptly to the Committee concerning their exercise of such delegated authority; and
 - (iii) review and approve the policy setting out the restrictions on the Company partners, employees and former partners and employees of the Company's current or former External Auditor.
- (c) *Issues Between External Auditor and Management.* The Committee shall:
- (i) review any problems experienced by the External Auditor in conducting the audit, including any restrictions on the scope of the External Auditor's activities or access to requested information; and
 - (ii) review any significant disagreements with management and, to the extent possible, resolve any disagreements between management and the External Auditor.
- (d) *Non-Audit Services.*
- (i) The Committee shall either:
 - (A) approve any non-audit services provided by the External Auditor or the external auditor of any subsidiary of the Company to the Company (including its subsidiaries); or
 - (B) adopt specific policies and procedures for the engagement of non-audit services, provided that such pre-approval policies and procedures are detailed as to the particular service, the audit committee is informed of each non-audit service and the procedures do not include delegation of the audit committee's responsibilities to management.
 - (ii) The Committee may delegate to one or more independent members of the Committee the authority to pre-approve non-audit services in satisfaction of the requirement in the previous section, provided that such member or members must present any non-audit services so approved to the full Committee at its first scheduled meeting following such pre-approval.
 - (iii) The Committee shall instruct management to promptly bring to its attention any services performed by the External Auditor which were not recognized by the Company at the time of the engagement as being non-audit services.

10. **Other**

10.1 Related Party Transactions

The Committee shall review and approve all related party transactions in which the Company is involved or which the Company proposes to enter into.

10.2 Expense Accounts

The Committee shall review and make recommendations with respect to:

- (a) the expense account summaries submitted by the President and Chief Executive Officer on an annual basis;
- (b) the Company's expense account policy, and rules relating to the standardization of the reporting on expense accounts

10.3 Whistle Blowing

The Committee shall put in place procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

11. Performance Evaluation

On a regular basis, the Committee shall follow the process established by the Board for assessing the performance and effectiveness of the Committee.

12. Charter Review

The Committee shall review and assess the adequacy of this Charter on an annual basis and recommend to the Board any changes it deems appropriate.

Approved and adopted by the Board of Directors on December 9, 2020.

