



**COLLECTIVE**  
— MINING —

**Collective Mining Ltd.**

**Annual Information Form**

**For the year ended December 31, 2021**

Dated April 7, 2022

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## MEANING OF CERTAIN REFERENCES AND CURRENCY INFORMATION

In this annual information form ("**AIF**" or "**Annual Information Form**"), unless the context otherwise requires, "**Collective**" refers to Collective Mining Ltd., "**Minerales Provenza**" refers to the Corporation's subsidiary Minerales Provenza S.A.S. (Colombia); "**Minerales Campana**" refers to the Corporation's subsidiary Minerales Campana S.A.S. (Colombia); and the "**Corporation**" refers to Collective Mining Ltd. and its subsidiaries. References to "**POCMLS**" refer to the Corporation prior to completion of the Business Combination (as defined herein).

This AIF applies to the business activities and operations of the Corporation for the year ended December 31, 2021, as updated to April 7, 2022. Unless otherwise indicated, the information in this AIF is given as of the date hereof.

Unless otherwise indicated, all references to "US\$" in this AIF refer to United States dollars and all references to "\$" or "C\$" in this AIF refer to Canadian dollars.

## CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

This AIF contains "forward-looking statements" or "forward-looking information" within the meaning of applicable securities legislation (collectively referred to herein as "**forward-looking information**" or "**forward-looking statements**"). Forward-looking information includes, but is not limited to, statements with respect to: the future price of commodities; the estimation of mineral resources; the realization of mineral resource estimates; regulatory compliance; capital expenditures; planned exploration activities, including but not limited to, costs and timing of the development of new deposits and the future acquisitions of properties or mineral rights; the interpretation of geological information; success of exploration activities; the payment of net smelter return royalties; permitting time lines; currency fluctuations; requirements for additional capital, including but not limited to, future financings; future profitability; government regulation of mining operations; the obtaining of required licenses and permits and regulatory approvals; reclamation expenses; the acquisition of new properties; other statements relating to the financial and business prospects of the Corporation; information as to the Corporation's strategy, plans or future financial or operating performance; and other events or conditions that may occur in the future. Often, but not always, forward-looking statements can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: risks related to the novel coronavirus disease ("**COVID-19**"); results of exploration activities not being supportive of further development of our projects; the future price of commodities; the estimation of mineral resources, the realization of mineral resource estimates; regulatory compliance; capital expenditures; planned exploration activities, including but not limited to, costs and timing of the development of new deposits and the future acquisitions of properties or mineral rights; the interpretation of geological information; conducting operations in a foreign country; the assurance of titles or boundaries; uncertainties of project costs; the presence of artisanal/illegal miners; the process of formalization of artisanal miners and the closure of illegal mines; the environmental permitting process in Colombia; title regarding the ownership of the Corporation's projects and the related surface rights and to the boundaries of the Corporation's projects and other risks related to maintaining land surface rights; maintaining the security of the Corporation's information technology systems; the Corporation's limited operating history; the payment of net smelter return royalties; the significant influence exercised by the Executive Chairman of the Corporation over the Corporation; permitting time lines; currency fluctuations; requirements for additional capital, including but not limited to, future financings; future profitability; government regulation of mining operations; the obtaining of required licenses and permits and regulatory approvals; delays in obtaining, or the inability to obtain, third party contracts, equipment, supplies and governmental or other approvals; accidents, labour disputes, unavailability of appropriate land use permits, changes to land usage agreements and other risks of the mining industry generally and specifically in Colombia; reclamation expenses; the inability to obtain financing required for the completion of exploration and development activities; changes in business and economic conditions; price volatility

of the common shares of the Corporation (the "**Common Shares**"); other factors beyond the Corporation's control; and as well as those factors included herein and elsewhere in the Corporation's public disclosure. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Although the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information contained herein is presented for the purposes of assisting investors in understanding the Corporation's expected financial and operating performance and the Corporation's plans and objectives and may not be appropriate for other purposes. **The Corporation does not undertake to update any forward-looking information, except in accordance with applicable securities laws.**

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Although the Corporation has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information and statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such information and statements. Accordingly, readers should not place undue reliance on forward-looking information and statements. The forward-looking information and statements contained herein are presented for the purposes of assisting readers in understanding the Corporation's expected financial and operating performance and the Corporation's plans and objectives and may not be appropriate for other purposes. See the section entitled "*Risk Factors*" below, for additional risk factors that could cause results to differ materially from forward-looking statements.

The forward-looking information and statements contained in this AIF represent the Corporation's views and expectations as of the date of this AIF and forward-looking information and statements contained herein represent the Corporation's views as of the date of hereof. The Corporation anticipates that subsequent events and developments may cause its views to change. However, while the Corporation may elect to update such forward-looking information and statements at a future time, it has no current intention of doing so except to the extent required by applicable law.

## SCIENTIFIC AND TECHNICAL INFORMATION

Unless otherwise indicated, scientific and technical information in this AIF relating to the Corporation's mineral properties has been reviewed and approved by David J. Reading, MSc in Economic Geology and a Fellow of the Institute of Materials, Minerals and Mining and of the Society of Economic Geology (SEG), and a special advisor to the Corporation, who is a "qualified person" within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43- 101**").

## GLOSSARY OF GEOLOGICAL, TECHNICAL AND MINERAL TERMS

"**Ag**" means the chemical symbol for silver.

"**Alteration**" means changes in the mineral composition of a rock brought about by physical or chemical means, especially the local action of hydrothermal solutions that can be related to mineralization.

"**Assay**" means to analyze the proportions of metal in a rock or overburden sample and to test an ore or mineral for composition, purity, weight or other properties of commercial interest.

"**Au**" means the chemical symbol for gold.

"**Base Metal**" means industrial non-ferrous metals excluding precious metals.

"**Chalcopyrite**" means a copper sulphide mineral, the most common ore mineral of copper.

"**Claim**" means the area that confers mineral exploration/exploitation rights to the registered (mineral/mining) holder under the laws of the governing jurisdiction.

"**Cu**" means the chemical symbol for copper.

**"Deposit"** means a mineralized body which has been physically delineated by sufficient drilling, trenching and/or underground work, and found to contain a sufficient average grade of metal or metals to warrant further exploration and/or development expenditures; however, a deposit does not qualify as a commercially mineable or body or as containing reserves of ore, until final legal, technical and economic factors have been resolved.

**"Diamond Drilling"** means drilling with a hollow bit with a diamond cutting rim to produce a cylindrical core that is used for geological study and assays as used in mine exploration.

**"Dip"** means the maximum angle that a structural surface makes with the horizontal, measured perpendicular to the strike of the structure and in the vertical plane.

**"Disseminated"** means the distribution of mineralization usually as small grains randomly distributed throughout a rock mass.

**"Exploration"** means prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore.

**"Fault"** means a fracture in a rock across which there has been displacement.

**"Fe"** means the chemical symbol for iron.

**"Grade"** means the concentration of an ore metal in a rock sample, given either as weight percent for base metals (e.g. Cu, Zn, Pb) or in grams per tonne (g/t) or ounces per short ton (oz/t) for gold, silver, and platinum group metals.

**"ICP"** means induced coupled plasma.

**"Indicated Mineral Resource"** means that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

**"Lithology"** means the physical character of a rock.

**"Measured Mineral Resource"** means that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

**"Mineral"** means a naturally occurring chemical compound or limited mixture of chemical compounds. Minerals generally form crystals and have specific physical and chemical properties which can be used to identify them.

**"Mineral Project"** means any exploration, development or production activity, including a royalty interest or similar interest in these activities, in respect of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals.

**"Mineralization"** means the process or processes by which a mineral or minerals are introduced into a rock resulting in concentration of metals and their chemical compounds within a body of rock.

**"Mineral Reserve"** means the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined.

**"Mineral Resource"** means a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the earth's crust in such form and quantity and of such grade or quality that it has reasonable prospects for economic extraction.

The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.

"Mt" means one megatonne, being the equivalent of one thousand tonnes.

"Ore" means a mixture of ore minerals and gangue (worthless minerals) from which there are reasonable and realistic prospects for the economic extraction of at least one ore mineral.

"Pb" means the chemical symbol for lead.

"Preliminary Feasibility Study" means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on mining, processing, metallurgical, economic, marketing, legal, environmental, social and governmental considerations and the evaluation of any other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine if all or part of the Mineral Resource may be classified as a Mineral Reserve.

"Qualified Person" means an individual who: (i) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment; (ii) has experience relevant to the subject matter of the mineral project and the technical report; and (ii) is in good standing with a professional association or foreign association and has the corresponding designation.

"Sample" means a small portion of rock or a mineral deposit taken so that the metal content can be determined by assaying.

"Sampling" means selecting a fractional by representative part of a mineral deposit for analysis.

"Strike" means the course or bearing of the outcrop of an inclined bed, vein, or fault plane on a level surface; the direction of a horizontal line perpendicular to the direction of the Dip.

"Zn" means the chemical symbol for zinc.

#### METRIC EQUIVALENTS

For ease of reference, the following conversion factors are provided:

Imperial Measure	Metric Unit	Metric Unit	Imperial Measure
2.47 acres	1 hectare (ha)	0.4047 hectares (ha)	1 acre
3.28 feet (ft)	1 metre (m)	0.3048 metres (m)	1 foot (ft)
0.62 miles	1 kilometer (Km)	1.609 kilometers (Km)	1 mile
0.032 troy ounces	1 gram (g)	31.1 grams (g)	1 troy ounce
2.205 pounds (lb)	1 kilogram (kg)	0.454 kilograms (kg)	1 pound (lb)
1.102 short tons	1 tonne (t)	0.907 tonnes (t)	1 short ton
0.029 troy ounces/ton	1 gram/tonne (g/t)	34.28 grams/tonne (g/t)	1 troy ounce/ton

#### CORPORATE STRUCTURE

##### Name, Address and Incorporation

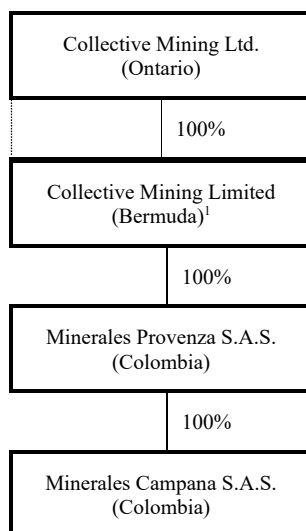
The Corporation was incorporated under the *Business Corporations Act* (Ontario) on February 21, 2018 under the name "POCML 5 Inc." ("POCML5"). On December 10, 2018, POCML5 completed an initial public offering by way of a capital pool company prospectus.

Prior to its most recently completed financial year, Collective completed the Business Combination (as such term is defined herein) and filed Articles of Amendment to effect a name change from "POCML 5 Inc." to "Collective Mining Ltd." (the "**Name Change**"). See "*General Development of the Business – The Business Combination*".

The registered and head office of Collective is located 82 Richmond St. E., Toronto, Ontario M5C 1P1.

### **Inter-corporate Relationships**

The following diagram presents the inter-corporate relationships among Collective and its subsidiaries, as at the date hereof.



<sup>1</sup> Includes Collective Mining Limited Sucursal, a Colombian branch.

### **GENERAL DEVELOPMENT OF THE BUSINESS**

Collective is a Canadian company listed on the TSX Venture Exchange (the "**TSXV**") under the symbol "CNL". The Corporation's long-term focus is on the acquisition, exploration, development and exploitation of mineral properties in which the Corporation's exploration, development and operating expertise could substantially enhance shareholder value. The Corporation currently has two material exploration projects: (i) The 4,300.16 ha Guayabales project (the "**Guayabales Project**") located in the Caldas department of Colombia; and (ii) the 4,729-hectare San Antonio project also located in a historical gold district in the Caldas department of Colombia (the "**San Antonio Project**"). As at the date of this AIF, a total of eight major targets on both the San Antonio Project and Guayabales Project have been identified and defined.

Prior to the completion of the Business Combination, the only active business operations of POCML5 was to seek, evaluate and negotiate a potential "Qualifying Transaction" pursuant to the policies of the TSXV and meet the disclosure obligations imposed upon it as a reporting issuer in the provinces of British Columbia, Alberta and Ontario. Following the completion of the Business Combination, Collective continued the business of Collective Mining Inc. ("**CMI**"). See "*General Developments of the Business – The Business Combination*".

#### *The Business Combination*

POCML5, CMI and a wholly-owned subsidiary of POCML5 entered into a definitive business combination agreement dated February 26, 2021 (the "**Business Combination Agreement**"), providing for the acquisition of all of the issued and outstanding common shares of CMI (the "**Business Combination**"). On May 20, 2021, the Corporation completed its "Qualifying Transaction" in accordance with the applicable policies of the TSXV and pursuant to the terms of the Business Combination Agreement. In connection with the completion of the Business Combination, which constituted a reverse takeover of POCML5 by CMI, POCML5 filed Articles of Amendment to effect the Name Change and a

consolidation of the Common Shares on a four (old) for one (new) basis. The Common Shares commenced trading on the TSXV on May 28, 2021 under the symbol "CNL".

### Subscription Receipt Financing

Prior to the closing of the Qualifying Transaction, each of POCML5 and CMI completed non-brokered private placements, resulting in the sale of an aggregate of \$15,000,000 of subscription receipts, collectively (the "**Subscription Receipt Offerings**"). The proceeds from the Offering were placed into escrow on completion of the Subscription Receipt Offerings. In connection with the completion of the Business Combination, the subscription receipts were converted into an aggregate of 15,000,000 Common Shares and 7,500,000 Common Share purchase warrants of the Corporation ("**2021 Warrants**"), with each 2021 Warrant entitling the holder to acquire one Common Share at a price of \$2.00 for a period of 36 months following the completion of the Business Combination, subject to the right of the Corporation to accelerate the expiry of the 2021 Warrants in the event that the closing price of the Common Shares on the TSXV remains equal to or higher than \$2.60 for 20 consecutive trading days. Outstanding finder warrants issued in connection with the Subscription Receipt Offerings were also exchanged for comparable securities of the Corporation on a one-for-one basis.

### **Three-Year History and Significant Acquisitions**

#### ***Business Combination and 2021***

CMI was incorporated under the *Business Corporations Act* (Ontario) on February 11, 2020. At the time of incorporation, CMI was a privately-held exploration and development company focused on identifying and exploring prospective gold projects in South America. CMI held a 100% interest in two projects located in Colombia: (i) the Guayabales Project; and (ii) the San Antonio Project. Upon Completion of the Business Combination, the Corporation continued to primarily focus on the exploration and development of the Guayabales Project and the San Antonio Project. See "*Mineral Projects*".

On May 20, 2021, the Corporation completed the Business Combination, and on May 28, 2021, the Common Shares commenced trading on the TSXV under the symbol "CNL".

On August 10, 2021, the Corporation received \$13.5 million in proceeds as a result of the exercise of the 2021 Warrants following the acceleration of the expiry time of the 2021 Warrants. The 2021 Warrants had an exercise price of \$2.00 and were originally issued on May 20, 2021 following the completion of the Business Combination. All remaining 2021 Warrants were cancelled as of August 9, 2021.

On August 19, 2021, the Corporation appointed Ana Milena Vásquez as Executive Vice-President and Rodolfo Higuera as Vice-President of Sustainability. Ms. Vásquez has extensive Colombian experience in mining, community and government affairs. Most recently, she held the position of Senior Vice-President of External Affairs and Sustainability at Continental Gold leading the environmental, sustainability, communications and international standards programs. Prior to that, she was Country Manager of Red Eagle Exploration, President of Minera Vetas in Colombia, and co-founder and Vice-President of Business Development at CB Gold Inc. Previously, Ms. Vásquez was Chief Financial Officer and General Manager of Carbones del Cesar S.A. in Colombia and General Manager of Carbones Nueva Naricual C.A. in Venezuela. Ms. Vásquez is co-founder of Women in Mining Colombia and has been recognized as one of the Top 100 Global Inspirational Women in Mining by WIM UK in 2020 which has a proven track record of advocating and promoting women's opportunities, empowerment and equality for senior level positions in the private sector. Ms. Vásquez holds a Master's degree in Financial Analysis from the Universidad Carlos III de Madrid and a Bachelor's degree in Finance and International Relations from Universidad Externado de Colombia. Mr. Higuera has 13 years of experience in mining, community and environmental affairs in Colombia. Most recently, he held the position of Director of Social Management and Mining Formalization at Continental Gold, where he was part of the environmental permitting process and implemented social programs that helped to secure their license to operate.

On September 7, 2021, the Corporation appointed Mr. Ashwath Mehra as an independent director of the Corporation. Mr. Mehra is a seasoned executive with 35 years of global experience in the minerals industry. Mr. Mehra is an



economist by training and received his BSc (Econ) in Economics and Philosophy from the London School of Economics. He is the Chief Executive Officer of the ASTOR Group, a private investment and advisory business, working in the fields of mining, technology, biotech and real estate. He spent many years in the commodity trading and mining business as well as owning, buying and selling companies. He is a director of several companies, both public and private, and in both executive and non-executive roles. He also devotes significant time to non-profit activities in the fields of education and healthcare. Most recently, Mr. Mehra was Executive Chairman of GT Gold Corp., a company he founded which was acquired by Newmont Corporation on May 17, 2021.

On September 24, 2021, the Corporation filed a NI 43-101 technical report for the Guayabales Project. See "*Mineral Projects*".

On October 12, 2021, the Company announced the appointment of Steven Gold as Vice President of Corporate Development and Investor Relations. Steven has nearly 20 years of capital markets experience in the natural resources sector, having held various positions in the investment industry across both the buy and sell sides. More recently, Steven held senior officer and corporate development roles at various junior and mid-level global mining-sector companies.

On November 10, 2021, the Corporation filed a final short form base shelf prospectus (the "**Shelf Prospectus**") with the securities regulatory authorities in each of the provinces and territories of Canada (other than Québec), following the completion of a regulatory review of the preliminary base shelf prospectus of the Corporation filed on October 5, 2021. The Base Shelf Prospectus filings will permit the Corporation to make offerings of common shares, warrants, subscription receipts, units or debt securities, or a combination thereof (the "**Securities**"), up to an aggregate total of C\$100 million during the 25-month period that the Base Shelf Prospectus remains effective until December 2023. Securities may be offered in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in one or more shelf prospectus supplement(s). Information regarding the use of proceeds from a sale of any Securities will be included in the applicable prospectus supplement(s).

## DESCRIPTION OF THE BUSINESS

### Summary

As described above under "*General Development of the Business*", the Corporation is a natural resource exploration company engaged in the business of acquisition, exploration, development and exploitation of mineral properties whose current efforts are focused on the exploration of its Guayabales Project and San Antonio Project. See "*Mineral Projects – Guayabales Project*" and "*Mineral Projects – San Antonio Project*".

### Specialized Skill and Knowledge

All aspects of the Corporation's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, mining, metallurgy, environmental permitting, corporate social responsibility, finance, and accounting. The Corporation faces competition for qualified personnel with these specialized skills and knowledge, which may increase costs of operations or result in delays.

### Competitive Conditions

The mineral exploration and mining business are extremely competitive. Competition is primarily for: (a) mineral properties that can be developed and operated economically; (b) technical experts that can find, develop and mine such mineral properties; (c) labour to operate the mineral properties; and (d) capital to finance development and operations. The Corporation competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims, leases, and other interests, to finance its activities and in the recruitment and retention of qualified employees. The ability of the Corporation to acquire and develop precious metal properties will depend not only on its ability to raise the necessary funding but also on its ability to select and acquire suitable prospects for precious metal development and operation or metal exploration. See

"*Financing Risks*" and "*Competition*" under "*Risk Factors*".

## **Foreign Operations and Emerging Market Issuer Disclosure**

### **Operations in an Emerging Market Jurisdiction**

The Company's mineral properties and principal business operations are located in a foreign jurisdiction, namely the Caldas department of Colombia. Operating in Colombia exposes the Company to various degrees of political, economic and other risks and uncertainties.

### **Board and Management Experience and Oversight**

Key members of the Company's management team and board of directors (the "Board") have extensive experience running business operations in Colombia. Mr. Ari Sussman, the Executive Chairman of the Company, was Chief Executive Officer and a director of Continental Gold Inc. ("Continental Gold"), and Paul Begin, the Chief Financial Officer and Corporate Secretary of the Company, was Chief Financial Officer of Continental Gold, which was the largest gold mining company in Colombia and the first to successfully permit and construct a modern large-scale underground gold mine in the country. Continental Gold was a former Toronto Stock Exchange-listed issuer, from March 2010 until it was acquired by Zijin Mining Group Co., Ltd. in March 2020 for over \$1.4 billion.

Mr. Ossma, the President and Chief Executive Officer of the Company, was the former Vice President, Legal of Continental Gold, and has over 20 years of legal experience in Colombian corporate, environmental, mining and energy law. As Vice President, Legal of Continental Gold, he oversaw the Colombian legal team and was responsible for all legal support efforts in the country.

Ms. García Botero, an independent director of the Company, is a resident of Colombia, and has worked in public finance, urban development, infrastructure, mining, energy, and public-private partnerships (PPPs) as an advisor or in various management positions at the National Planning Department, the Ministry of Finance, and the National Hydrocarbons Agency. From 2010 to 2012 she served as the Deputy Minister of Infrastructure at the Ministry of Transport (Colombia), and from 2012 to 2014, served as President of the National Mining Agency, Ministry of Mining and Energy (Colombia).

Ms. Ana Milena Vásquez, the Executive Vice-President of the Company, has extensive Colombian experience in mining, community and government affairs. Most recently, she held the position of Senior Vice-President of External Affairs and Sustainability at Continental Gold, leading the environmental, sustainability, communications and international standards programs.

Each of Messrs. Ken Thomas and Paul Murphy, independent directors of the Company, were directors of Continental Gold until the sale of the company to Zijin Mining Group Co., Ltd. in 2020. Mr. Ashwath Mehra is a seasoned executive with over 35 years' experience in the mineral industry with significant exposure in Latin America.

The Board, as well as management and consultants, are actively involved in technical activities, risk assessments and progress reports in connection with the Company's exploration activities. The Colombian-resident Board and management members work directly with local contractors in an operational capacity, and are familiar with the laws, business culture and standard practices in Colombia, are fluent in Spanish, and are experienced in dealing with Colombian government authorities, including with respect to mineral exploration licensing, maintenance, and operations.

### **Communication**

While the reporting language of the head office of the Company is English, the primary operating language in Colombia is Spanish. The senior management team in Colombia and Ms. García Botero, are bilingual in English and Spanish, and Mr. Sussman is fluent in English and conversationally fluent in Spanish. The Company maintains open communication with its Colombian operations through its partially bilingual Board, such that there are no language barriers between the Company's management and local operations.

The Company's management communicates with its in-country operations through phone and video calls and conferences, in-country work, meetings, e-mails and regular reporting procedures. In addition, Collective retained Lloreda Camacho & Co., a law firm based in Bogota, Colombia, as its legal advisors for all Colombian related matters. Professionals at Lloreda Camacho & Co. acting on behalf of Collective are bilingual in both English and Spanish.

### **Controls Relating to Corporate Structure Risk**

The Company has implemented a system of corporate governance, internal controls over financial and disclosure controls and procedures that apply to the Company, the Company's branch office ("Branch") and its two indirect Colombian subsidiaries, Minerales Provenza S.A.S. and Minerales Campana S.A.S (collectively, the "Colombian Subsidiaries"), which are overseen by the Board and implemented by senior management.

The relevant features of these systems include direct oversight over the Branch and the Colombian Subsidiaries' operations by Omar Ossma, as the sole director of each of the Colombian Subsidiaries and who is also the President and Chief Executive Officer of the Company. Since the Company indirectly holds all of the issued and outstanding equity interests of legal entity that comprises the Branch and the Colombian Subsidiaries, the Company exercises effective control over the Branch and the board of each of the Colombian Subsidiaries, as well as its composition.

Executive management and the Board prepare and review the Colombian Subsidiaries' financial reporting as part of preparing its consolidated financial reporting, and the Company's independent auditors review the consolidated financial statements under the oversight of the Company's Audit Committee.

### **Local Records Management**

The minute books and corporate records of each of the Colombian Subsidiaries are maintained and held by the Company at Avenida El Poblado, Carrera 42 No. 3 Sur 81, Torre 1 Piso 15, Edificio Milla de Oro, Medellin, Colombia. Senior management control these records and the Board and management team have full access.

### **Strategic Direction**

While the exploration operations of each of the Branch and the Company's subsidiaries are managed locally, the Board is responsible for the overall stewardship of the Company and, as such, supervises the management of the business and affairs of the Company. More specifically, the Board is responsible for reviewing the strategic business plans and corporate objectives, and approving acquisitions, dispositions, investments, capital expenditures and other transactions and matters that are material to the Company including those of its material subsidiaries.

### **Disclosure Controls and Procedures**

The Company has a disclosure policy that establishes the protocol for the preparation, review and dissemination of information about the Company. This policy provides for multiple points of contact in the review of important disclosure matters, which includes input from Board members in Colombia.

### **CEO and CFO Certifications**

In order for the Company's Chief Executive Officer and Chief Financial Officer to be in a position to attest to the matters addressed in the quarterly and annual certifications required by NI 52-109, the Company has developed internal procedures and responsibilities throughout the organization for its regular periodic and special situation reporting, in order to provide assurances that information that may constitute material information will reach the appropriate individuals who review public documents and statements relating to the Company and its subsidiaries containing material information, is prepared with input from the responsible officers and employees, and is available for review by the Chief Executive Officer and Chief Financial Officer of the Company in a timely manner.

### **Managing Cultural Differences**

Differences in cultures and practices between Canada and Colombia are addressed by the engagement of Colombian-resident Board and management members, and local advisors, who have deep operational experience with the mineral exploration industry in Colombia and are familiar with the local laws, business culture and standard practices, have local language proficiency, are experienced in working in Colombia and in dealing with the relevant government

authorities and have experience and knowledge of the local banking systems and treasury requirements. In addition, all of the Company's Board and management team members that are non-resident Colombians have been involved in the Colombian mineral exploration and development industry for over 10 years through their involvement with Continental Gold (as further described above), developing an understanding of the relevant cultural differences and helping in mitigating potential risks from cultural differences.

### **Transactions with Related Parties**

The Company is subject to applicable Canadian securities law and accounting rules with respect to approval and disclosure of potential related party transactions and has procurement and other policies in place which it follows to mitigate risks associated with potential related party transactions. The Company may in the future transact with related parties from time to time, in which case such related party transactions may require disclosure in the consolidated financial statements of the Company and in accordance with applicable Canadian securities laws.

### **Controls Relating to Verification of Property Interests**

The Company engaged a local team with broad experience in mining exploration in Colombia, as well as in legal, social and environmental matters. The lead team in Colombia was previously successful in licensing, building and putting into operation other mining projects in Colombia. This contributed to obtaining an understanding of the framework surrounding the good standing of the Company's properties and assets, from a legal, social and environmental perspective.

The lead team was tasked with the negotiation and acquisition of properties that comprise the Guayabales and San Antonio projects. The current President and Chief Executive Officer of the Company, Mr. Omar Ossma, who lead the negotiations and acquisitions of the Company's current projects, is a licensed lawyer in Colombia, with more than 20 years of professional experience in Colombian corporate, environmental, mining and energy law, 15 of which have been dedicated to the mining and energy sectors. His knowledge of the legal framework of mineral properties and assets assisted the Company in negotiating and entering into legally binding agreements under Colombian law, ensuring the good standing of the Company's rights over the acquired assets and properties.

The Company also retained an established and leading law firm based in Bogota, Colombia, as its legal advisors for all Colombian related matters, that is widely known for their mining practice. In addition to providing a wide array of legal services beginning from the date of incorporation of the Company's Colombian subsidiaries, the law firm also prepared and delivered title opinions with respect to the Company's current Colombian properties.

In addition, the Company retained two independent consulting firms specializing in the mining sector, with significant experience in social, engineering, environmental and other sustainability matters that prepared and delivered a due diligence report on the socio-economic and environmental conditions of the properties comprising the San Antonio Option, as well as the first and second Guayabales options, and a baseline study report on the performance of certain socio-economic, health and safety measures in the property area.

## License, Permitting and other Regulatory Approvals

Based on consultations with its local advisers and government authorities, the Company satisfied itself that it has obtained all required permits, licenses and other regulatory approvals to carry out its business in Colombia. The table set out below details which material permits, business licenses and other regulatory approvals are required for the Company to carry out its business operations in Colombia.

<b>Material permit, license and/or other regulatory approval required to conduct operations</b>	<b>Material permit, license and/or regulatory approval obtained by the Company</b>
Operating as a company requires a Public commercial registry before the Chamber of Commerce. This registry also activates a Tax Registry.	Obtained.
Prospecting activities (all exploration excluding drilling) are free activities in Colombia, and require no permit, other than authorization for land access from private owner.	The Company generally negotiates land access permits in advance to its operations. Currently, the Company has all required land access permits for its current prospecting campaign.
Drilling activities require a valid mining right and/or mining title granted by the National Mining Authority.	The Company is conducting exploration activities on mining titles LH0071-17, 781-17, HI8-15231 and IIS-10401 which are validly granted mining titles.
Drilling activities will require authorization for land access from private owner.	The Company generally negotiates land access permits in advance to its operations. Currently, the Company has all required land access permits for its current drilling campaign.
Exploration activities are not subject to environmental license. However, if the activities require the use of natural renewable resources (such as water catchments, dumpings and timbering, amongst others) the Company will require a filing, and further permission, before the regional environmental corporation in the territory.	The Company has been granted water rights for its drilling campaign, both in San Antonio and Guayabales projects, and may also recur to purchase water in bulk to perform its drilling campaign.
Construction of a mining project, and its operation requires an environmental license granted by an environmental authority.	The Company is not currently in a position to advance either of its properties to the development and construction phase of a mining project, therefore it does not require an environmental license at this time.
Construction of a mining project, and its operation requires a work plan approved by the applicable mining authority.	The Company is not currently in a position to advance either of its properties to the development and construction phase of a mining project, therefore it does not require a work plan at this time.

As at the date of this AIF, no restrictions or conditions have been imposed by the government of Colombia on the Corporation's ability to operate in Colombia. The Corporation's continued ability to operate in Colombia could be impacted by as a result of: (i) a drastic change in water conditions which may result in restrictions on already granted water rights; (ii) a breach of environmental commitments and/or regulations by the Corporation; (iii) the declaration of environmentally protected areas which could restrict mining activities on the Corporation's current projects; or (iv) court ordered public hearings in regards to the presence of ethnic minorities on the Issuer's properties. See "*Risk Factors*".

## Cycles

The Corporation's business does not have any material cyclical or seasonal business lines. See "*Risk Factors – Risks Generally Related to the Corporation – COVID-19 Pandemic*".

### **Renegotiation or Termination of Contracts**

Management of the Corporation does not anticipate that there will be any material renegotiations or terminations of existing contracts within the next 12 months.

### **Employees**

As at the date of this AIF, the Corporation had 47 employees, which includes employees located in Canada 3 and Colombia 44. In addition, there were 118 contractors working on the Guayabales Project and San Antonio Project.

### **Bankruptcy and Similar Procedures**

There have been no bankruptcy, receivership, or similar proceedings against the Corporation or any of its subsidiaries, or any voluntary bankruptcy, receivership, or similar proceedings by the Company or any of its subsidiaries, within the three most recently completed financial years or during or proposed for the current financial year.

### **Reorganizations**

Other than the Business Combination, there have been no material reorganizations of the Corporation or any of its subsidiaries within the three most recently completed financial years or during or proposed for the current financial year.

## **MINERAL PROJECTS**

### **Guayabales Project**

The scientific and technical information in the section below is summarized, compiled or extracted from the technical report regarding the Guayabales Project dated effective August 30, 2021 and entitled "*NI 43-101 Technical Report for the Guayabales Gold Project, Department of Caldas, Colombia*" (the "**Guayabales Technical Report**") and prepared for the Corporation by Stewart D. Redwood, FIMMM, FGS, who is a "qualified person" and independent" within the meaning of NI 43-101. The summary below is subject in entirety to all the assumptions, qualifications and procedures set out in the Guayabales Technical Report and which may not be fully described herein. For full technical details on the Guayabales Project, reference should be made to the full text of the Guayabales Technical Report which was prepared in accordance with NI 43-101 and has been filed with the securities regulatory authorities in all of the provinces and territories of Canada, other than Québec, and is available under the Corporation's issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com). The summary below is qualified in its entirety by reference to the full text of the Guayabales Technical Report. The author of the Guayabales Technical Report has reviewed and approved the scientific and technical disclosure contained in this AIF related to the Guayabales Project. The Guayabales Technical Report is not and shall not be deemed to be incorporated by reference in this AIF.

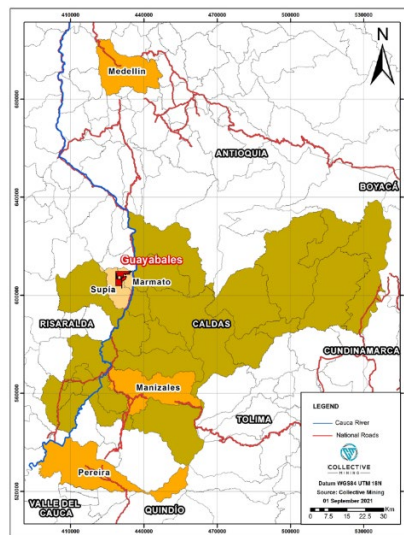
#### ***Project Description, Location and Access***

The Guayabales Project is close to several major cities in Colombia. It is located 80 km south of Medellin, 75 kilometres ("**km**") north of Pereira and 50 km north-northwest of Manizales in the Municipalities of Marmato, Supia and La Merced, Department of Caldas, and the Municipality of Caramanta, Department of Antioquia, at approximately 5°30'N, 75°36'W and an altitude of between 1,470 to 2,150 metres above sea level (See Figure 1 below).



**Figure 1: Location of Guayabales Project**

Access to the Guayabales Project can be made by road from Medellín (152 km), Manizales (93 km) or Pereira (110 km). The Corporation has a field office in the Municipality of Supia (population of about 20,000), located approximately five km southwest of the Guayabales Project on Route 25 (see Figure 2 below). From Supia, access is by a secondary paved road that goes to Caramanta, and by local, unsurfaced roads.



**Figure 2: Location and Access Map of the Guayabales Project**

*Mineral Tenure*

All mineral resources in Colombia belong to the state and can be explored and exploited by means of concession contracts granted by the state. The mining authority is the National Mining Agency (*Agencia Nacional Minería* or ANM) except in the Department of Antioquia, where it has been delegated to the Government of Antioquia through its Secretary of Mines. The Ministry of Mines and Energy is in charge of setting and overseeing the Government’s national mining policies. Mining is governed by the Mining Law 685 of 2001 and subsequent decrees and resolutions, except for mining titles granted before that law, which are grandfathered by the law in place at the time of their granting (most commonly Decree 2655, 1988). Certain minor amendments to the law have been enacted by means of Laws 1450 of 2011, 1753 of 2015, and 1955 of 2019. Under the Mining Law 685 of 2001, there is a single type of concession contract covering exploration, construction and mining that is valid for 30 years and can be extended for

another 30 years. Concession contract areas are defined on a map with reference to a starting point (*punto arcifinio*) with distances and bearings, or map coordinates.

A surface tax (*canon superficial*) is paid for concession contracts annually in advance during the exploration and construction phases. The first payment is due when the concession contract is registered in the *Registro Minero Nacional* (“**RMN**”). The surface tax varies with the size and phase of the concession contract and is between one-half minimum daily wage per ha (about US\$4.37) and three minimum daily wages per ha (about US\$26.22). The minimum daily wage is adjusted annually and in 2022 it is COP33,333.33 (about US\$8.74). Only exploration activities involving underground methods (i.e. drilling) require a mining title. Superficial exploration activities or prospecting can be carried out freely and do not require a mining title.

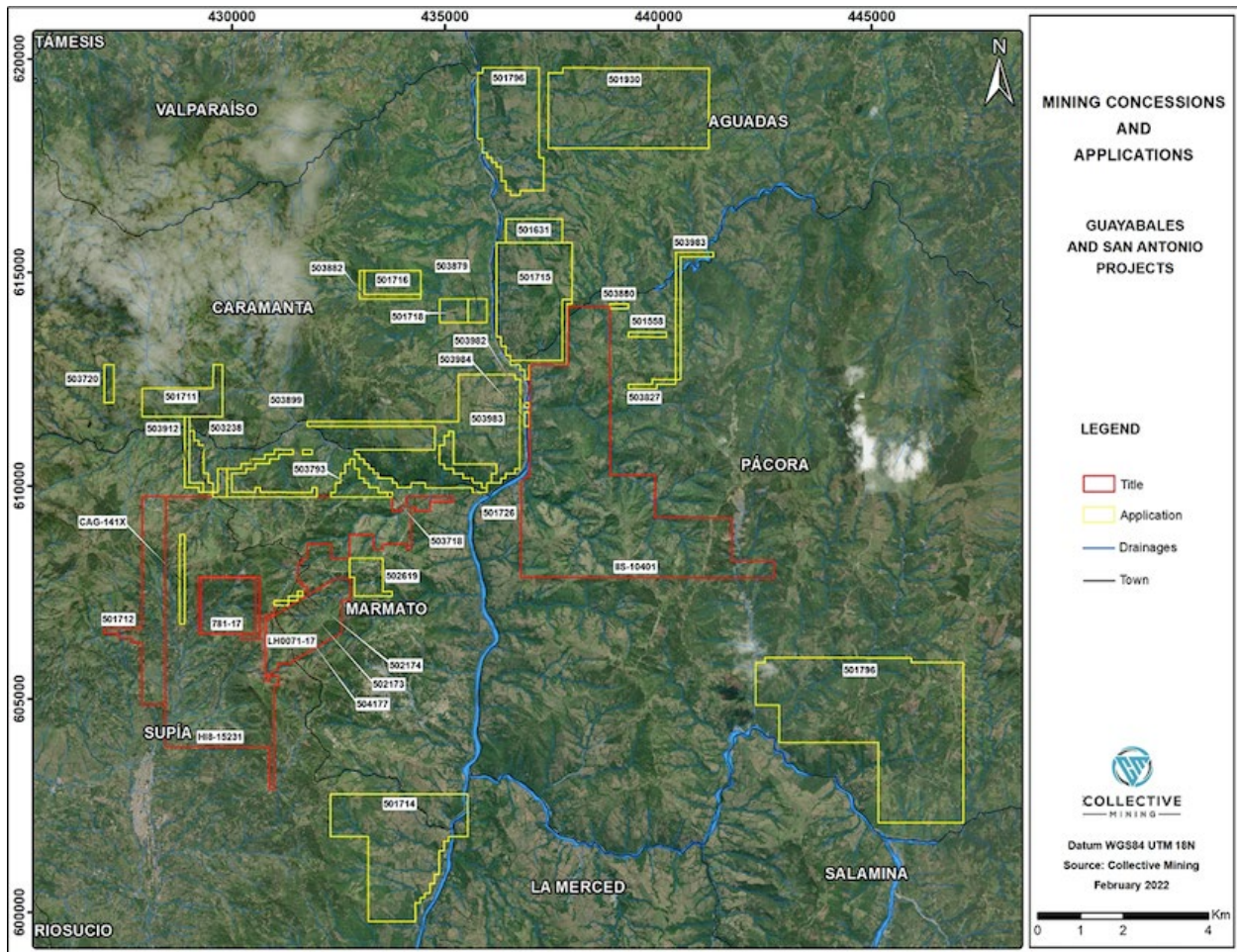
On October 11, 2021, following the effective date of the Guayabales Technical Report, one of the main Corporation’s mining applications comprising part of the Guayabales Project was converted into a mining title. As at the date of this AIF, the Corporation has mining rights at the Guayabales Project to 22 claims with a total area of 4,300.16 ha (an increase from 9 claims with a total area of 3,333.3 ha as at the date of the Guayabales Technical Report), including four mining rights with title with a total area of 2,411 ha, and eighteen concession applications with a total area of 1,889 ha (see Table 2 and Figure 3 below). The two exploitation claims (claim number LH-0071-17 relates to First Guayabales Option and claim number 781-17 relates to the Second Guayabales Option, as each such term is defined in the Interim Financial Statements) are subject to option agreements, the third exploitation claim (claim number HI8-15231) which was subject to a property purchase agreement (with payment obligations having been fully satisfied, no outstanding payments owing or liabilities imposed) has already been transferred to the Corporation), and the other 18 applications, covering 1,889 ha, 17 are direct applications by subsidiaries of the Corporation, and 1 (CAG-141x) has been filed by Mineros S.A., and is subject to a property purchase agreement with an outstanding payment of USD 25,000 subject to the condition precedent of it being granted as a mining title. The location of a mining title is defined by the coordinates of its corners. There is no legal requirement to mark them by monuments in the field or have them officially surveyed, therefore this has not been done.

Title / Application Number	Title Owner	Area (ha)	Date of Application	Date of Registration	Date of Expiry
LH-0071-17	Comunidad Minera Guayabales	247.86706		28 March 2008	27 July 2038
781-17	Sandra Liliana Saldarriaga Escobar, Margarita Maria Saldarriaga Escobar, Monica Paola Saldarriaga Escobar	165.11		16 May 2006	15 May 2036
HI8-15231	Collective Mining (Bermuda) Ltd Sucursal Colombia	1710.0		11 Oct 2021	11 Oct 2051
501712	Minerales Provenza S.A.S.	288.18		25 Oct 2021	25 Oct 2051
501711	Collective Mining (Bermuda) Ltd Sucursal Colombia	137.33	07 May 2021		
501714	Collective Mining (Bermuda) Ltd Sucursal Colombia	615.64	07 May 2021		
501716	Collective Mining (Bermuda) Ltd Sucursal Colombia	73.57	07 May 2021		



<b>Title / Application Number</b>	<b>Title Owner</b>	<b>Area (ha)</b>	<b>Date of Application</b>	<b>Date of Registration</b>	<b>Date of Expiry</b>
501718	Collective Mining (Bermuda) Ltd Sucursal Colombia	36.78	07 May 2021		
501726	Collective Mining (Bermuda) Ltd Sucursal Colombia	58.86	07 May 2021		
502173	Collective Mining (Bermuda) Ltd Sucursal Colombia	2.4526	23 Jun 2021		
502174	Collective Mining (Bermuda) Ltd Sucursal Colombia	1.2263	24 Jun 2021		
502619	Collective Mining (Bermuda) Ltd Sucursal Colombia	66.2202	17 Sep 2021		
503238	Collective Mining (Bermuda) Ltd Sucursal Colombia	41.6931	10 Oct 2021		
503239	Collective Mining (Bermuda) Ltd Sucursal Colombia	15.94	14 Oct 2021		
CAG-141x	Mineros S.A.	156.96	16 Jan 2001		
503720	Collective Mining (Bermuda) Ltd Sucursal Colombia	19.61	9 Dic 2021		
503718	Collective Mining (Bermuda) Ltd Sucursal Colombia	1.22	9 Dic 2021		
503793	Collective Mining (Bermuda) Ltd Sucursal Colombia	52.72	16 Dic 2021		
503899	Collective Mining (Bermuda) Ltd Sucursal Colombia	52.72	27 Dic 2021		
503911	Collective Mining (Bermuda) Ltd Sucursal Colombia	2.45	28 Dic 2021		
503983	Collective Mining (Bermuda) Ltd Sucursal Colombia	550.53	30 Dic 2021		
504177	Collective Mining (Bermuda) Ltd Sucursal Colombia	3.67	28 Jan 2022		

**Table 2: List of the Mining Rights of the Guayabales Project**



**Figure 3: Plan of the Corporation’s mining titles and applications of the Guayabales Project, west of the River Cauca**

The granting of a concession contract does not include a legal right of surface access, for which permission has to be obtained from the landowners or the community. The Corporation does not own the surface rights over the Guayabales Project. However, the Corporation holds access rights to lands belonging to the title holders associated with concession agreements LH0071-17 and 781-17, although they do not own all of the surface rights. Under the terms of the option agreements, the title holders are obliged to grant access to lands owned by them in the areas of the mining titles. In addition, the Corporation has executed easement rights with different landowners in the Guayabales Project. The Corporation currently holds easement rights to 17 lots of land that allow it carry out exploration activities. The agreements are mostly for periods of five months until the end of the year with payment of a fee.

*Tenure Agreements*

Titles LH-0071-17 and 781-17 are subject to agreements that entitle the Corporation’s Colombian subsidiary to perform exploration activities on behalf of the mining title owners. The agreements, which were entered into in June 2020 and January 2021, respectively, entail certain investments and exploration commitments by the Corporation’s Colombian subsidiary, as well as the future right to opt to acquire the properties.

The agreements establish a total of US\$11.050 million in staged option payments over a period of 10 years. The total exploration expenditure commitment derived from the agreements amounts to US\$13.0 million during the validity of

the agreements. As a result of the payments, the Corporation, through its Colombian subsidiary, will be entitled to acquire 100% of the property of the tenements. During the term of the agreements, the title holders are entitled to continue existing mining operations in the area of the tenements. These activities must be ceased once the payments have been completed at the Corporation's request.

Mining Application CAG-141x, which is still pending granting, is subject to a promise to purchase agreement with Mineros S.A., who currently holds the application. According to the promise to purchase, the Company has paid USD \$25,000 as of its execution on October, 2021, and has one outstanding payment of USD \$25,000 due once the mining title is granted to Mineros S.A., and further transferred to the Company.

#### *Royalties*

Royalties payable to the state are 4% of gross value at the mine mouth for gold and silver and 5% for copper. For the purposes of the royalties, the gold and silver prices are set by the government and are typically 80% of the average of the London afternoon fix price for the previous month. Concession LH-0071-17 is subject to a 1% net smelter return (NSR) royalty payable to the current owner once commercial production is achieved. The NSR may be exchanged for a one-time payment of US\$8.0 million.

#### *Environmental Liabilities*

The Guayabales Project has artisanal mining in four areas. Under Colombian law, existent artisanal mining will not be an environmental liability for the Corporation. As a good sustainability practice, the Corporation has approached the local miners to evaluate joint opportunities and to evaluate the potential of the areas for exploration. The Corporation has carried out environmental baseline studies to determine existing liabilities in the area and continues to do so as it identifies local miners.

#### *Indigenous Reserves and Communities*

Within the Municipality of Supia there is one indigenous reserve (*resguardo indígena* in Spanish), the Cañamomo and Loma Prieta Reserve, and two indigenous partialities (*parcialidad indígena* in Spanish), Cauromá and La Trina, which are non-territorial indigenous communities (in other words, they don't have any territory but live according to their indigenous laws and customs). All three belong to the Embera Chami indigenous group. The partialities reside in certain areas that overlap with parts of the Corporation's mining rights, but do not overlap with the current areas of exploration interest. Exploration is permitted by law both in reserves and partialities, and in practice, would require an agreement with the relevant indigenous communities. In principle, a prior consultation for the environmental licensing for the exploitation phase of the Guayabales Project would not be required because there is no overlap of mining titles with indigenous reserves. However, a prior consultation may be required depending on the level of direct or indirect impact that a project may have with regard to a neighboring reserve or a partiality.

#### *History*

The history of the Guayabales Project is summarized in Table 3 below. The focus of previous exploration was concession contract LH-0071-17. The Comunidad Minera Guayabales (Guayabales Mining Community), also known as Asociación de Mineros Guayabales (Guayabales Miners Association), started artisanal gold mining in 1995 and have developed 16 small underground mines in the Encanto zone. They began the process to legalize ownership in 2002 and were granted ownership when the title was registered on March 28, 2008. The total gold production is not known. The prior mining history is unknown and no older references have been found.

<b>Years</b>	<b>Company</b>	<b>Work Carried Out</b>	<b>NI 43-101 Reports</b>
1995-present	Guayabales Mining Community	Artisanal gold mining in 16 underground mines. Legalisation started 2002. Mining title LH-0071-17 registered 28 March 2008.	

Years	Company	Work Carried Out	NI 43-101 Reports
2005-2006	Colombia Gold plc, London	Underground sampling, surface rock sampling.	
2006-2009	Colombian Mines Corporation, Vancouver	Underground sampling, surface rock sampling, 17 diamond drill holes (DDH) for 2,079 m.	Thompson (2007)
2010-2011	Mercer Gold Corporation, Nevada	Underground and surface rock sampling, soil grid, geological mapping, 11 diamond drill holes for 4,067 m.	Turner (2010, 2011)
2011-2014	Tresoro Mining Corp., Nevada (name changed from Mercer Gold Corporation)	No work. Option expired 2012 or 2013.	Leroux (2012)
2012-2019	None	Exploration inactive	
2020-2022	Collective Mining Ltd., Toronto	Data compilation, channel sampling, geological mapping, re-log core, heli-magnetic survey, Lidar survey, Induced Polarization survey, diamond drilling.	

**Table 3: Summary of the History of the Guayabales Project**

From 2005-2012 the Guayabales project was explored for gold by three companies under option agreements with Minera Guayabales. These were Colombia Gold plc in 2005, Colombian Mines Corporation (Colombian Mines) in 2006-2009, and Mercer Gold Corporation (Mercer Gold) in 2010-2012 (previously called Uranium International Corp.). Mercer Gold changed its name to Tresoro Mining Corp. in 2011 but it carried out no more exploration, the option expired for non-compliance on an undisclosed date in 2012 or 2013, and the company declared bankruptcy on March 3, 2014. NI 43-101 technical reports were written for Guayabales by Colombian Mines (Thompson, 2007), Uranium International Corp. (Turner, 2010), Mercer Gold (Turner, 2011) and for Tresoro by A.C.A. Howe International Limited (Leroux, 2012). Exploration carried out by these companies included geological mapping, soil sampling, rock sampling, and mapping and channel sampling of artisanal mines, and diamond drilling. In 2008 Colombian Mines drilled 17 holes for 2,079 metres (“m”) in the Encanto Zone, and in 2010-2011 Mercer Gold drilled 11 holes for 4,067 m in the Encanto Zone and to the northeast of this zone. Exploration was inactive from 2012-2020 until Collective Mining began the current exploration program. To the knowledge of the Corporation, no historical work has ever been conducted on the property comprising the Second Guayabales Option (claim number 781-17).

Exploration of the Minera Guayabales concession focused on the NW to WNW-trending Encanto Zone where 16 small gold mines are currently operated by Minera Guayabales. The zone is a shear zone at least 500 m long and 20-40 m wide with gold-silver-polymetallic veins that were targeted by drilling. Porphyry gold mineralization is exposed in some road cuts shown by argillic and sericitic alteration with overprinting of potassic alteration shown by quartz veinlet stockworks and hematite after magnetite veinlets and was intersected in two drill holes. The results of the historical exploration and drilling are summarized in tables 4 and 5 below.

Year	Company	Survey	Contractor	Units	Number	Zone
2005-2006	Colombia Gold plc	Rock sampling mines and surface	None	Samples	263	Encanto Zone

Year	Company	Survey	Contractor	Units	Number	Zone
2006-2008	Colombian Mines Corporation	Rock sampling mines	None	Samples	512	Encanto Zone
		Rock sampling surface	None	Samples	212	Encanto Zone
		Rock sampling road cuts	None	Samples	163	New access road LH-0017-17
		Diamond drilling 17 holes	Terramundo	Meters	2,079.36	Encanto Zone
2010-2011	Mercer Gold Corporation (from 2011 called Tesoro Mining Corp.)	Geological mapping	None	km <sup>2</sup>	2.50	Whole property LH-0017-17
		Soil sample grid 100 m x 100 m	None	Samples	253	Whole property LH-0017-17
		Rock sampling surface	None	Samples	89	Whole property LH-0017-17
		Rock sampling mines	None	Samples	15.00	Encanto Zone
		Diamond drilling 11 holes	Logan Drilling	Meters	4,067.90	Encanto and Donut targets

**Table 4: Summary of Historical Exploration Carried out at the Guayabales Project.**

Year	Company	Contractor	Rig type	Core size	Diameter (mm)	Holes	Total meters
2008	Colombian Mines Corporation	Terramundo	Boyles 37	HQ	63.5	12	1931.20
			Winkie	BTW	42	5	148.16
2010-2011	Mercer Gold	Logan Drilling Colombia SAS	Duralite T600N	HQ, NQ	63.5, 47.6	11	4067.90
Total						28	6147.26

**Table 5: Summary of Historical Diamond Drill Programs**

### **Geological Setting, Mineralization and Deposit Types**

#### *Regional Geology*

The Guayabales Project is located in the Western Cordillera of the Colombian Andes in the late Miocene Middle Cauca Gold-Copper Belt. The project occurs in the Romeral terrane, an oceanic terrane comprising a melange of metabasalts, amphibolites, serpentinites, graphitic schist, biotite schist, sericite schist and chlorite schist that are called

the Arquía Complex of probable Late Jurassic to Early Cretaceous age. This terrane was accreted to the continental margin along the Romeral Fault in the Aptian. Movement on the Romeral Fault was dextral indicating that terrane accretion was highly oblique from the southwest. The terrane is bounded by the Cauca-Patia Fault on the west side. Further west, additional oceanic and island arc terranes were subsequently accreted to the Western Cordillera in the Paleogene and Neogene periods, culminating in the on-going collision of the Panamá-Choco arc since the late Miocene. This reactivated the Cauca-Patia and Romeral faults with left lateral and reverse movements. The Romeral terrane is partially covered by continental sediments of the middle Oligocene to late Miocene age Amagá Formation, comprising gray to green colored conglomerates, sandstones, shales and coal seams, and by thick subaerial basaltic to andesitic volcanic and sedimentary rocks of the late Miocene Combia Formation. Epithermal Au-Ag-Zn (gold-silver-zinc) and porphyry Au-Ag-Cu-Mo (gold-silver-copper-molybdenum) mineralization in the Middle Cauca Belt is related to clusters of late Miocene porphyry intrusions of diorite to tonalite composition, and intrusive breccias.

#### *Local Geology*

The local geology comprises basement chlorite, sericite and graphitic schist of the Late Jurassic to Early Cretaceous Arquía Complex, basalts of the late Miocene Combia Formation, several types of porphyry intrusions, and late to post-mineral basalt dykes. Sedimentary rocks of the Oligocene to lower Miocene Amagá Formation occur to the west. They are unconformable on the schists and have a basal conglomerate followed by sandstone with carbonaceous beds, carbonaceous mudstone and claystone with lenses of sandstone. It is overlain by volcano-sedimentary rocks of the late Miocene Combia Formation (age about 9 to 4 million years ago) of basaltic to andesitic composition that locally exceeds 1,000 m in stratigraphic thickness. The Amagá and Combia Formations were deposited in a pull-apart basin in the Cauca-Patia intermontane basin. The central part of the Middle Cauca Gold Belt coincides with the depocenter of the Combia Formation, which are the contemporaneous volcanic rocks related to and cut by the late Miocene porphyry intrusions and related gold-copper mineralization.

#### *Property Geology*

Guayabales Project area is over 95% covered with soil, vegetation and landslides, and due to the lack of outcrop the mapping is necessarily generalized and interpretive. The project area is characterized by Miocene diorite and quartz diorite stocks and breccias intruded into chlorite, sericite and graphite schists of the Cretaceous Arquía Complex, with remnant outliers of Miocene Combia Formation lavas and tuffs of basalt to andesite composition. The Miocene stocks are flanked on the west side by siltstones of the Oligocene-Miocene Amaga Formation. There are multiple phases of fracturing with older, roughly NS structures displaced by NW-WNW trending structural corridors and finally, by late EW structures. A major NW trending structural corridor crosses the centre of the project area and includes the Encanto shear system as well as the Donut and Olympus targets. This structure is the potential NW extension of the Ehandia-Marmato mineralised corridor.

Gold, silver, copper and molybdenum mineralisation is related to porphyry systems and they are overprinted by polymetallic veins with gold, silver, copper, lead and zinc trending NW-WNW and EW. The alteration includes potassic and sericite-chlorite. The late vein overprints are associated with intense phyllic alteration which is characterised by sericite and pyrite.

#### *Deposit Types*

The deposit types at the Guayabales Project are: 1) porphyry Au plus/minus (“±”) Cu-Mo mineralization hosted by porphyry intrusions and wall rocks; 2) hydrothermal breccias; and 3) structurally-controlled, intermediate sulphidation epithermal Au-Ag-Zn-Pb-Cu (gold-silver-zinc-lead-copper) veins that are mined in artisanal mines such as El Encanto.

The Encanto and Donut porphyry Au system or systems, intersected in historical drill core, lie 2.5 km NW of the Marmato gold mine, described as a hybrid reduced intrusion-related/porphyry gold deposit, and 3.5 km NW of the subeconomic Aguas Claras porphyry gold deposit. Encanto and Donut occur at a higher elevation than the other two indicating vertical movement by block faulting. The porphyry intrusions at Encanto and Donut are different from those at Marmato and Aguas Claras. Each system is centred on a different composite porphyry stock, and they formed as a cluster of separate porphyry systems each with related epithermal polymetallic veins. Porphyry deposits typically occur in clusters in the Middle Cauca Belt.

The Guayabales Project porphyry systems and targets have features typical of porphyry gold deposits as first defined in the Maricunga Belt, Chile. These features include relatively mafic porphyry intrusions of dioritic composition; multiple porphyry intrusions; breccias; potassic (biotite) alteration with abundant magnetite; quartz B-type veinlets with pyrite, minor chalcopyrite and molybdenite; later sericite alteration related to quartz-pyrite veinlets; Au-rich geochemistry; and low but anomalous Ag, Cu and Mo grades. Compared to the Maricunga Belt, the Guayabales Project systems lack a volcanic edifice, although remnants of contemporary basalts of the Combia Formation occur, and lack any evidence of an advanced argillic altered lithocap, indicating a deeper level of erosion and a lack of telescoping of the hydrothermal systems. Epithermal veins occur, and are focused in the NW-trending Encanto fault zone on the SW side of the Encanto porphyry and in other targets.

Porphyry systems may contain porphyry Cu ± Mo ± Au deposits of various sizes from less than 10 million tonnes to 10 billion tonnes. Typical primary porphyry Cu deposits have average grades of 0.5 to 1.5% Cu, <0.01 to 0.04% Mo, and 0.01 to 1.5 grams per metric ton (“g/t”) Au, although a few gold-only deposits have grades of 0.9 to 1.5 g/t gold but little Cu (<0.1 %). The known porphyry systems in the Middle Cauca belt are porphyry Au-only, Au-Cu and Cu-Au deposits, and breccia-hosted Au deposits.

The alteration and mineralization in porphyry systems can have a volume of many cubic kilometers of rock and are zoned outward from stocks or dike swarms, which typically comprise several generations of intermediate to felsic porphyry intrusions. Porphyry Cu ± Au ± Mo deposits are centered on the intrusions. High-sulphidation epithermal deposits may occur in lithocaps above porphyry Cu deposits, where massive sulphide lodes tend to develop in deeper feeder structures and Au ± Ag-rich, disseminated deposits within the uppermost 500 m or so. Less commonly, intermediate sulphidation epithermal mineralization, chiefly veins, may develop on the peripheries of the lithocaps. The alteration and mineralisation in the porphyry Cu deposits is zoned upward from barren, early sodic-calcic alteration through potentially ore-grade potassic, chlorite-sericite, and sericitic alteration, capped by an advanced argillic alteration lithocap which may attain >1 km in thickness if unaffected by significant erosion. Low sulphidation-state chalcopyrite ± bornite assemblages are characteristic of potassic zones, whereas higher sulphidation-state sulphides are generated progressively upwards as a result of temperature decline and the accompanying greater degrees of hydrolytic alteration, culminating in pyrite ± enargite ± covellite in the shallow parts of the lithocaps. The porphyry Cu mineralization occurs in a distinctive sequence of quartz-bearing veinlets as well as in disseminated form in the altered rock between them. Magmatic-hydrothermal breccias may form during porphyry intrusion, with some of them containing high-grade mineralization because of their intrinsic permeability. In contrast, most phreatomagmatic breccias, constituting maar-diatreme systems, are poorly mineralized because they usually formed late in the evolution of the porphyry systems.

### ***Exploration***

The exploration of the Guayabales Project carried out by the Corporation since it acquired the project in July, 2020 up to the effective date of the Guayabales Technical Report is summarized in Table 6 below.

<b>Year</b>	<b>Company</b>	<b>Survey</b>	<b>Contractor</b>	<b>Units</b>	<b>Number</b>
2020-2021	Collective Mining Ltd.	Database compilation	None	samples	1,561
		Rock sampling	None	samples	1,021
		Soil sampling	None	samples	540
		Core relogging	None	meters	2,940.5
		Geological mapping	None	km <sup>2</sup>	11.4
		Heli-magnetic and radiometric survey	MPX Geophysics Ltd & Arce Geophysics Ltd	line km	775.9
		LIDAR survey	Lidarus	km <sup>2</sup>	76.8

**Table 6: Summary of Exploration Carried out by the Corporation at the Guayabales Project**

The Corporation carried out a LIDAR survey of the concessions and surrounding areas in 2021 to create a digital terrain model (DTM), a digital surface model (DSM) and a topographic map with 1 m contours.

The Corporation has collected 540 soil samples. Soil samples were generally taken on ridges and spurs, and in some places on a grid of 100 m by 100 m. The Corporation has a written protocol for soil sampling. Samples were taken at the transition between the B and C horizon at a depth between 1.5-3.5 m using a manually operated auger. The sample is collected on a plastic sheet and then placed in a sample bag that is numbered and sealed. The geologist completes a sample description card with the location, soil profile description, weathering intensity, color, oxides and other information. This is entered into exploration database.

The Corporation has taken 1,021 surface and underground rock samples as of the effective date of the Guayabales Technical Report. The types of samples taken were chip channel samples in areas of good exposure and rock chip samples in areas with non-continuous exposure. The Corporation has a written protocol for taking rock samples. The chip channel samples were marked with paint in lengths of 2.00 m and a continuous sample was taken using a hammer and chisel. The broken rock was collected on a plastic sheet and then placed in a sample bag that was numbered and sealed. Rock chip samples were taken in a similar manner but by taking a rock chip every approximately 10 cm, rather than a continuous channel. A sample description card was completed in the field for each sample with the location and description.

The Corporation carried out a helicopter-borne magnetic and radiometric geophysical survey in December, 2020 over an area of about 9 km E-W by 8 km N-S centered on the mining titles. Data was collected on 775.9 line-km on N-S flight lines with a line spacing of 100 m and nominal mean terrain clearance of 80 m, with E-W tie lines. The survey was flown by MPX Geophysics Ltd and the data was reprocessed by Arce Geophysics.

The Corporation identified five drill targets called Encanto, Donut, The Box, Olympus and Victory based on the significant results and interpretation of both the historical exploration information and the Corporation's exploration information.

#### *Encanto Target*

The NW-trending Encanto structural corridor in the Encanto target was the focus of historical exploration. The Encanto corridor is one of the primary controlling structures for the emplacement of vein systems within the porphyry stocks of the Guayabales Project. The Encanto veins occur at elevations of 400-500 m above those exposed at the Marmato-Echandia deposit which may be due either to a shallower level in the veins or to block faulting. Recent mapping and underground sampling identified at least three mineralized trends: 330°, 350° and 070°. The higher-grade values from the historical drilling are located at the intersection of the NW with the EW trends. These potentially wider plunging zones will be tested by drilling.

#### *Donut Target*

The Donut target is an area where shallow underground workings have exposed porphyry and breccia related mineralisation. The porphyry veining contains chalcopyrite, chalcocite and lesser bornite with molybdenite and abundant pyrite. The Donut target displays intense zones of both potassic alteration and overprinting vein and stockwork systems associated with phyllic alteration. This porphyry-breccia zone is coincident with anomalous soil and channel sample geochemistry of gold, copper and molybdenum soil in an area of 300 m by 300 m.

#### *Box Target*

Geological mapping of the Box target has defined two mineralized systems with anomalous gold and silver in an area of 800 m NS by 600 m. The Box North zone of 400 m by 400 m comprises porphyry mineralization with a vein overprint and the Box South part contains vein mineralization at 300 m higher elevation.

#### *Olympus Target*



The Olympus target is a NW trending mineralized corridor located within diorite and quartz diorite porphyries that intrude schists in the west of the target area. Hydrothermal breccia has been mapped in the southern portion of the Gustavo mine and in the Donut target. The Olympus mineralized corridor has been mapped over a width of 600 m and traced over a NW trending strike length of 600 m, and is open in all directions. It hosts multiple veins, veinlet and mineralized breccias. Forty-one artisanal workings have been identified and 24 of these have been sampled and mapped.

#### *Victory Target*

The Victory target is a porphyry Au ± Cu-Mo system overprinted and enriched by polymetallic veins. The target is defined by anomalous gold, silver and copper soil and rock samples over an area of 500 m NS by 600 m EW. This is underlain by a magnetic anomaly from MVI modelling which extends to a depth of 600 m, and coincides with magnetite veinlets on surface.

### **Drilling**

#### *Historical Drilling*

Two drill programmes focused on the Encanto zone were carried out by previous companies in 2008 and 2010-2011 with a total of 28 diamond drill holes drilled using the wireline recovery method for a total of 6,147.26 m. Colombian Mines drilled 17 diamond drill holes for a total of 2,079.36 m in 2008. Eleven holes were drilled with a skid-mounted Boyle 37 rig with lengths of 83.70 to 221.50 m and an average of 160.9 m. Five holes were drilled with a man-portable Winkie drill (GDH-05, 06, 09, 11, 16) with lengths of 9.53 to 48.90 m and an average of 29.6 m and failed to reach their targets. Mercer Gold drilled 11 diamond drill holes for 4,067.90 m in 2010-2011 with a track-mounted Duralite T600N drill rig. The hole lengths were 76.6 to 620.0 m with an average of 369.8 m. The holes were drilled in the Guayabales and Donut targets. The contractors, rig types and core sizes are summarized in Table 4 above. The drill collar locations are listed in Table 7 below and are shown in a plan in Figure 4 below.

No.	Hole No.	Company	Year	Easting WGS84	Northing WGS84	Altitude (m)	Azimuth	Inclination	Depth (m)
1	GDH-01	CM	2008	431704	606726	1881.0	20	-45	198.80
2	GDH-02	CM	2008	431704	606726	1881.0	20	-60	221.50
3	GDH-03	CM	2008	431774	606679	1914.0	20	-45	201.80
4	GDH-04	CM	2008	431762	606814	1890.3	50	-65	128.00
5	GDH-05	CM	2008	431749	606886	1849.6	200	-50	9.53
6	GDH-06	CM	2008	431855	606981	1820.1	200	-50	43.69
7	GDH-07	CM	2008	431745	606919	1844.9	200	-45	83.70
8	GDH-08	CM	2008	431745	606919	1844.9	200	-60	124.30
9	GDH-09	CM	2008	431855	606981	1820.1	20	-50	48.90
10	GDH-10	CM	2008	431594	606921	1872.0	20	-45	215.60
11	GDH-11	CM	2008	431834	606933	1828.0	50	-40	19.60
12	GDH-12	CM	2008	431594	606921	1872.0	20	-65	202.50
13	GDH-13	CM	2008	431745	606919	1844.9	245	-60	104.50
14	GDH-14	CM	2008	431869	606900	1860.0	200	-45	148.45

No.	Hole No.	Company	Year	Easting WGS84	Northing WGS84	Altitude (m)	Azimuth	Inclination	Depth (m)
15	GDH-15	CM	2008	431952	606877	1889.7	200	-50	148.65
16	GDH-16	CM	2008	431756	606890	1846.6	200	-45	26.44
17	GDH-17	CM	2008	432037	606810	1916.0	200	-50	153.40
18	MGDH-01	MG	2010	431889	606857	1866.0	182.9	-42.1	117.50
19	MGDH-01A	MG	2010	431890	606858	1866.0	201.8	-45.8	76.60
20	MGDH-02	MG	2010	431887	606856	1866.0	200.8	-67.9	300.50
21	MGDH-03	MG	2010	431804	606969	1863.8	238.6	-53.8	620.00
22	MGDH-04	MG	2011	431801	607047	1871.9	24.4	-56.2	505.60
23	MGDH-04A	MG	2011	431802	607048	1871.9	19.7	-46.5	400.00
24	MGDH-05	MG	2010	431999	606876	1896.0	195.3	-60.2	600.00
25	MGDH-06	MG	2011	432086	607294	1799.9	70.8	-42.5	400.00
26	MGDH-06A	MG	2011	432087	607295	1799.9	191.0	-41.3	500.20
27	MGDH-07	MG	2011	432225	607623	1848.0	199.2	-44.7	97.50
28	MGDH-07A	MG	2011	432226	607621	1848.0	199.7	-47.9	450.00

Table 7: Drill Collar Table for Historical Drilling at the Guayabales Project

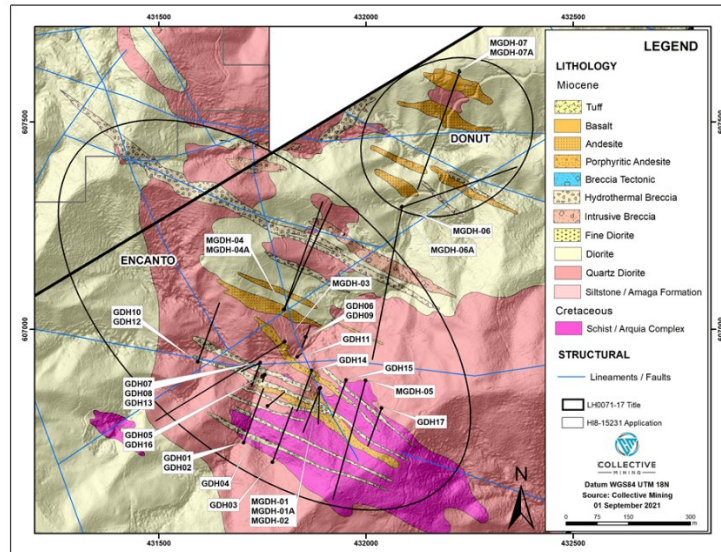


Figure 4: Location Map of the Historical Drill Collar Locations and Drill Hole Traces at the Guayabales Project

Colombian Mines drilled 17 diamond drill holes for a total of 2,078.8 m in 2008 numbered GDH-01 to GDH-17. It tested epithermal veins in the Encanto Zone in the Guayabales target along 450 m strike length. Intercepts included

21.85 m (9.18 m estimated true width) @ 2.43 g/t Au and 16.5 g/t Ag, including 3.15 m (1.32 m estimated true width) @ 11.0 g/t Au and 43.0 g/t Ag (GDH-07).

Mercer Gold drilled 11 diamond drill holes for 4,060.97 m in 2010-2011 numbered MGDH-01 to MGDH-7A, including four repeated holes with the suffix A when the original hole failed to reach the target depth. The targets were mostly epithermal veins in the Encanto Zone in the Guayabales target, and two holes tested porphyry-style mineralization in the Guayabales and Donut targets. Significant intersections in the Encanto Zone included 13.7 m (11.4 m true width) @ 2.36 g/t Au and 38.0 g/t Ag (MGDH-01), 4.0 m (2.6 m true width) @ 2.00 g/t Au and 33.5 g/t Ag (MGDH-02), 2.0 m (1.66 m true width) @ 3.30 g/t Au and <2.0 g/t Ag (MGDH-04), 2.00 m (1.66 m true width) @ 5.56 g/t Au and 49.0 g/t Ag (MGDH-04A), 12.0 m (10.0 m true width) @ 2.14 g/t Au and 12.8 g/t Ag (MGDH-05), 4.0 m (3.33 m true width) @ 2.08 g/t Au and 5.0 g/t Ag (MGDH-05) and 2.0 m (1.66 m true width) @ 2.41 g/t Au and 22.0 g/t Ag (MGDH-05).

Two of the Mercer Gold holes, MGDH-06A and MGDH-07A, intersected porphyry Au style mineralization in the Guayabales and Donut targets. Hole MGDH-06A was collared north of the Encanto Zone with azimuth 191°. The author examined the core and observed that the hole cut a feldspar-biotite diorite porphyry with large phenocrysts in the upper part of hole with intersections of Au mineralization >0.1 g/t of 96.5 m @ 0.169 g/t Au (7.5-104.0 m) and 138.0 m @ 0.113 g/t Au (128.0-266.0 m). The porphyry is interpreted to be inter-mineral in relative age. The lower part of the hole cut a late mineral quartz diorite porphyry with crowded phenocrysts with low grade Au mineralization <0.1 g/t. The inter-mineral diorite porphyry has biotite-magnetite alteration with quartz B veinlets with pyrite, molybdenite and a few magnetite veinlets. It is cross-cut by pyrite veinlets and quartz-pyrite-molybdenite veinlets with a sericite halo, with pervasive sericite in places.

The author also examined the core of hole MGDH-07A drilled across the Donut target with azimuth 199.7°. It cut inter-mineral diorite porphyries, magmatic breccia, basalt country rock and late-mineral basalt dykes. Mineralization >0.1 g/t Au occurs in saprolite, basalt country-rock and inter-mineral diorite porphyries in the upper part of the hole with intersections of 110.0 m @ 0.164 g/t Au (12.0-122.0 m) and 106.0 m @ 0.153 g/t Au (188.0-294.0 m). A table of significant drill intersections is given in Table 8 below.

Hole No.	From (m)	To (m)	Interval (m)	Est. True Width (m)	Au (g/t)	Ag (g/t)
GDH-01	185.95	197.38	11.43	10.40	1.04	15.2
Includes	194.60	195.80	1.20	1.10	5.12	43.8
GDH-02	21.40	27.00	5.60	4.31	1.08	13.0
GDH-04	3.30	9.25	5.95	4.22	1.07	33.1
and	87.85	93.50	5.65	4.01	2.55	38.3
Includes	90.75	93.50	2.75	1.95	4.92	72.3
GDH-07	50.25	72.10	21.85	9.18	2.43	16.5
Includes	50.25	53.40	3.15	1.32	11.00	43.0
GDH-08	87.00	117.85	30.85	5.24	1.16	17.0
Includes	95.50	99.25	3.75	0.64	4.81	32.7
GDH-13	91.80	103.60	11.80	2.01	3.11	15.3
Includes	97.90	101.00	3.10	0.53	10.48	26.2
GDH-14	78.90	122.95	44.05	18.50	1.24	17.6
Includes	96.45	97.50	1.05	0.44	18.45	16.6

Hole No.	From (m)	To (m)	Interval (m)	Est. True Width (m)	Au (g/t)	Ag (g/t)
Includes	108.95	110.55	1.60	0.67	3.09	11.0
Includes	117.95	122.95	5.00	2.10	2.44	67.6
GDH-15	110.10	139.45	29.35	9.98	0.87	7.8
MGDH-01	20.80	42.50	21.70	18.00	1.70	28.4
Includes	28.80	42.50	13.70	11.40	2.36	38.0
MGDH-01A	24.00	44.00	20.00	16.70	1.71	12.6
MGDH-02	70.00	74.00	4.00	2.60	2.00	33.5
and	108.00	112.00	4.00	2.60	0.74	7.0
MGDH-03	204.00	209.00	5.00	4.16	0.90	1.3
and	308.00	312.00	4.00	3.30	1.00	27.5
and	498.00	506.00	8.00	6.63	1.90	2.2
MGDH-04	80.00	82.00	2.00	1.66	3.30	<2
and	184.00	186.00	2.00	1.66	1.33	18.0
MGDH-04A	120.00	122.00	2.00	1.66	5.56	49.0
and	180.00	182.00	2.00	1.66	1.74	6.0
MGDH-05	20.50	26.50	6.00	5.00	0.80	57.0
and	67.00	70.00	3.00	2.50	1.29	56.0
and	544.00	556.00	12.00	10.00	2.14	12.8
and	582.00	586.00	4.00	3.33	2.08	5.0
MGDH-06	226.00	228.00	2.00	1.66	2.41	0.6
MGDH-06A	7.50	104.00	96.50	n/a	0.17	1.1
and	128.00	266.00	138.00	n/a	0.11	3.5
MGDH-07	21.00	24.00	3.00	2.50	1.02	9.4
MGDH-07A	12.00	122.00	110.00	n/a	0.16	4.1
and	188.00	294.00	106.00	n/a	0.15	1.4

**Table 8: Significant Drill Intersections at Guayabales Historical Drill Holes<sup>1</sup>**

The drill intersections do not represent the true width of the mineralized zones. The true width cannot be estimated for porphyry intersections which require multiple holes to determine the geometry, width and thickness of the

<sup>1</sup> The Corporation advises the reader of this AIF not to rely on price-weighted equivalent grades in the filing statement of POCML5 dated May 12, 2021, the Guayabales Technical Report or the San Antonio Technical Report.

mineralized zones.

The protocols for the drilling, logging, sampling and QA-QC of the legacy drilling are not known but appear to have been carried out to current industry standards. The author of the Guayabales Technical Report considers that there are no drilling, sampling or recovery factors that could materially affect the accuracy and reliability of the results.

#### *Collective Mining Drilling*

The Corporation has not carried out any drilling at the Guayabales Project as of the effective date of the Guayabales Technical Report. The Corporation commenced its Phase I drill program on the Guayabales Project in September 2021 after the effective date of the Guayabales Technical Report.

#### ***Sampling, Analysis and Data Verification***

##### *Historical Data*

The historical samples were prepared and analyzed by standard methods at certified laboratories using the methods summarized in Table 9 below.

<b>Company</b>	<b>Laboratory</b>	<b>Method</b>	<b>Code</b>	<b>Procedure</b>
Colombia Gold	not known	Preparation		Not known
		Au		Fire assay 30 g, AAS
		Au overlimit		Fire assay 30 g, gravimetry
		Multielements		ICP-AES
Colombian Mines	Inspectorate, Medellin and Reno (ISO/TEC 17025)	Preparation		Crush to -10 mesh, split 500 g, pulverise to -150 mesh.
		Au	FA/AA	Fire assay 30 g, AAS
		Au overlimit	FA/GRAV	Fire assay 30 g, gravimetry
		Multielements	ICP	ICP-AES
Colombian Mines (from June 2007)	SGS, Medellin and Callao (ISO 9001)	Preparation		Not known
		Au	FAA313	Fire assay 30 g, AAS
		Au overlimit		Fire assay 30 g, gravimetry
		Multielements	ICP12B	34 elements by aqua regia digestion, ICP-AES
Mercer Gold (soils, rocks)	SGS, Medellin and Callao (ISO 9001)	Preparation soils	SCR30	Dry, screen to -10 mesh and -80 mesh, pulverise to P95 -140 mesh.
		Preparation rocks	PRP94	Dry, crush to -1/4 inch and -10 mesh, split 250 g, pulverise to P95 -140 mesh.
		Au	FAA313	Fire assay 30 g, AAS
		Au	FAI303	Fire assay 30 g, ICP
		Multielements	ICP40B	32 elements by 4 acid digestion, ICP-AES
		Multielements	ICP12B	34 elements by aqua regia digestion, ICP-AES

Company	Laboratory	Method	Code	Procedure
Mercer Gold (core)	Acme, Medellin and Vancouver (ISO 9001)	Preparation	R200	Crush 1 kg to p80 -10 mesh, split 250 g, pulverise to p85 -200 mesh.
		Au	G6	Fire assay 30 g, AAS
		Ag	7AR1	Aqua regia digest, ICP-AES
		Multielements	1D02	34 elements by aqua regia digestion, ICP-AES

**Table 9: Summary of the Sample Preparation and Analyses Methods of the Historical Samples**

Colombian Gold and Mercer Gold had standard industry protocols for sample security with sampling supervised by a geologist, and secure sample storage and transport to the laboratory.

Colombian Mines and Mercer Gold inserted certified standard reference materials (CSRM), coarse blanks and field duplicates in the sample batches of soil, rock and core samples, as summarized in Table 10 below. The CSRM were monitored for Au and Ag by scatter plots with performance gates of the recommended value of the data  $\pm 2SD$  and  $\pm 3SD$ , and show acceptable results. The blanks were monitored for Au and Ag by scatter plots, and generally showed acceptable results, although the Acme gold samples show some carry-over between samples. Field duplicates were monitored for Au on scatter plots and show low variability at low grades and scatter at higher grades as a result of geological heterogeneity. No check samples at a second laboratory was carried out.

Company	Type	Material	Position	No.	Acceptance
Colombian Mines	CSRM	OREAS 15Pa, 62Pb, 50Pb, 61Pb	Not known	27	Average $\pm 2SD$ , 3SD
	Coarse Blank	Not known	Not known	53	Scatter plot
	Field Duplicate	Protocol not known	Not known	40	Scatter plot
	Check samples	None	none	0	n/a
Mercer Gold	CSRM	OREAS 65a, 66a, 60a	Not known	30	Average $\pm 2SD$ , 3SD
	Coarse Blank	Not known	Not known	28	Scatter plot
	Field Duplicate	Protocol not known	Not known	37	Scatter plot
	Check samples	None	none	0	n/a

**Table 10: QA-QC Samples Used in the Historical Sampling Programs**

#### *Collective Sampling and Analysis*

The Corporation's samples were originally prepared and analysed by Actlabs Colombia S.A.S. at a laboratory in Rionegro, Medellin, certified to ISO 9001-2008, and Activation Laboratories Ltd., Ancaster, Ontario, certified to ISO/IEC 17025. Later the samples were prepared by SGS Colombia S.A.S., Medellin and analysed by SGS Peru S.A.S.,

El Callao, both certified to ISO 9001. The methods are listed in Table 11 below. Both Actlabs and SGS are independent of the Corporation.

Laboratory	Method	Code	Procedure
Actlabs, Medellin and Activation Laboratories Ltd., Ancaster, Ontario	Preparation rocks	RX1	Dry, crush to P80 -2 mm, riffle split 250 g, and pulverise to P95 -105 µm.
	Preparation soils	S1	Dry, sieve to -177 microns.
	Au	1A2-30	Fire assay 30 g, AAS
	Au overlimit	AQ1	Aqua regia digestion, AAS
	Multielements rocks	UT-4M	42 elements by multiacid digestion, ICP-MS
	Multielements Soils	UT-1M	34 elements by aqua regia digestion, ICP-MS
SGS Colombia SAS, Medellin and SGS Peru, El Callao	Preparation rocks	PRP93	Dry, crush to P90 -2 mm, riffle split 250 g, and pulverise to P95 -106 µm
	Preparation Soils	SCR31	Dry, sieve to -177 µm, riffle split 250 g, and pulverise to P95 -105 µm.
	Au	FAA313	Fire assay 30 g, AAS
	Au overlimit	FAG303	Fire assay 30 g, gravimetry
	Ag	AAS12C	Aqua regia digestion, AAS
	Ag overlimit	AA11B	Aqua regia digestion, AAS
	Multielements rocks	ICM40B	43 elements by multiacid digestion, ICP-OES/ICP-MS
	Multielements soils	ICM14B	36 elements by aqua regia digestion, ICP-OES

**Table 11: Summary of the Sample Preparation and Analyses Methods of the Collective Mining Samples**

The Corporation has a written protocol for sample security and chain of custody for all types of samples including stream sediment samples, soil samples, rock samples, mine samples and drill core. The Corporation also has written protocols for sampling and QA-QC with the insertion of certified standard reference materials (CSRM), coarse blanks, fine blanks, field duplicates, coarse duplicates and fine duplicates. A total of 24% QA-QC samples are inserted in accordance with industry standards. The CSRM are monitored by scatter plots with performance gates with rejection if a sample is greater or lesser than the recommended value  $\pm 3SD$ , and a warning if two or more samples are between the recommended value  $\pm 2$  to  $\pm 3SD$ . Duplicates are monitored on scatter plots of original versus duplicate.

The sample preparation and analysis of the historical samples were carried out by independent, certified laboratories using standard methods and, although not all of the data is available now, it is the author of the Guayabales Technical Report's opinion that sample preparation, analysis and security meet with current standard industry practice. The companies had protocols for sample and analytical QA-QC that follow standard industry practice, with protocols for monitoring QA-QC in real time and for checking any sample batches that fail. In practice, the historical geochemical data are used as an exploration guide by the Corporation Mining and repeat soil and rock sampling is carried out in

areas of interest. The Corporation's sample preparation, analysis and chain of custody and QA-QC meet with current standard industry practice. The author of the Guayabales Technical Report considers that the data is adequate for the purposes of the Guayabales Technical Report.

#### *Data Verification*

The author of the Guayabales Technical Report made a personal inspection of the Guayabales Project on 24 to 25 October 2020. The core of drill holes MGDH-06A (500.0 m long) and MGDH-07A (450.00 m long) was examined at the Corporation's field office in Supia, and a field visit was made to the La Llorona (Donut zone) and Guayabales (Encanto zone) areas. Discussions on the geology and mineralization were held with Collective Mining's geologists.

Two localities were visited in the field. The first, on the southern side of La Llorona, on the north side of the Donut target, is a small SW-trending valley on the upper part of a ridge with several small artisanal gold mines and mills/processing plants (*entables*) equipped with jaw crushers, small ball mills (*cocos*) and Wilfley tables to recover coarse gold by gravimetry. The tailings (*arenas*) are taken elsewhere for recovery of fine gold by cyanide leaching in tanks. An examination of rock types in the ore bins showed several types of dioritic porphyry with biotite and sericite alteration, and quartz-sulphide veinlets, similar to the porphyry seen in drill core; and hornfelsed schist with biotite and sericite alteration. These observations are significant for two reasons: 1) porphyry style mineralization extends to this valley and 2) the artisanal miners are mining and processing porphyry style mineralization here rather than veins to recover gold.

The second locality visited was a viewpoint over the Encanto zone in the Guayabales valley where the NW valley trend was observed extending from the Marmato gold deposit at lower elevation to the SE and through the Guayabales valley, the NW-trending structural control on mineralization, several re-vegetated drill pads, and several artisanal mines in the upper part of the valley.

The sample database of historical and the Corporation's data was supplied to the author of the Guayabales Technical Report in Access and Excel files. The author checked approximately 10% of the assay certificates and Excel reports against the databases and found no errors in the transcription of the analyses. The drill database was reconstructed by the Corporation based on assay certificates and core photos. The author reviewed this by running checks for unusual sample intervals and for gaps in sample continuity and found no errors.

#### *Mineral Processing and Metallurgical Testing*

No mineral processing or metallurgical testing has been carried out on the Guayabales Project.

#### *Mineral Resource and Mineral Reserve Estimates*

There are no mineral resource estimates for the Guayabales Project. There has been insufficient exploration to define a mineral resource.

#### *Exploration, Development and Production*

In the opinion of the author of the Guayabales Technical Report, the Guayabales Project warrants further exploration of the five targets defined by the Corporation, including: Encanto, Donut, The Box, Olympus and Victory. A work program of two phases of one year each is recommended, as summarized in Table 11 below, with Phase I having commenced on September 1, 2021. The decision to proceed to the Phase II program is dependent on positive results from Phase I.

Phase II of the recommended exploration program comprises a deep induced polarisation (IP) geophysical survey using the GDAS system that penetrates to 800-1,300 m depth, rock and soil sampling, 6,000 m of diamond drilling on the five currently defined targets, and an additional 1,500 m of diamond drilling for new targets that are anticipated to be defined by on-going exploration. The drilling is of a preliminary nature and will show whether mineralization of economic interest is present at the targets drilled. The estimated cost of the Phase I programme is US\$5,145,250. The Phase I drill program was started in September, 2021 after the effective date of the Guayabales Technical Report. The expected completion date for all Phase I activities is now May, 2022. See "*Cautionary Statement Regarding Forward-Looking Information*".



Phase II of the recommended exploration program comprises additional rock and soil sampling, 14,000 m of infill diamond drilling on the defined targets, and an additional 3,000 m of diamond drilling on new targets to be defined by on-going exploration. The Phase II drilling is infill drilling to define the extent of mineralization intersected in Phase II. The estimated cost of the Phase II program is US\$8,651,500. The total budget for Phases I and II is US\$13,796,750. The Corporation notes that not all of the planned Phase I and II expenditures will count towards the approximate US\$13 million of required exploration expenditures under the First Guayabales Option. The final expenditure amount is not possible to discern at this time given that the exact allocation will in part depend on the results of the Phase I program which may lead to a reallocation of expenditures from one Guayabales property to the other, and the Corporation may ultimately elect to not exercise the First Guayabales Option. As at December 31, 2021, approximately \$2.5 million of exploration expenditures have been incurred which counts towards the approximate US\$13 million expenditure commitment under the First Guayabales Option.

The milestones set out in Table 12 below primarily relate to the properties covered by both the first and second option and Mining title HI8-15231 on the Guayabales Project. There are no contingencies which need to be resolved before Phase I and II exploration work can be conducted on the Guayabales Project. The Corporation may conduct both exploration and drilling activities on mining title HI8-15231 as it is already under the Corporation's name. The Corporation may also conduct exploration activities (other than drilling) on its current 17 claim applications on the Guayabales Project before such claims are converted into exploration titles. See "Table 2: List of the Mining Rights of the Guayabales Project" above.

The expected start date of the Phase II program (assuming Phase I results warrant proceeding with Phase II) would be shortly after completion of Phase I, which is expected to be completed in May, 2022. The duration of Phase II program is expected to be approximately one year. See "Cautionary Statement Regarding Forward-Looking Information".

<b>Phase I - Year 1</b>	<b>Unit</b>	<b>Quantity</b>	<b>US\$/Unit</b>	<b>Total (US\$)</b>
IP geophysical survey	km2	7	125,000	900,000
Drilling defined targets	m	6,000	225	1,350,000
Drilling new targets	m	1,500	225	337,500
Assays drill samples	samples	15,000	50	750,000
Rock and soil sampling	samples	1,800	50	90,000
General and administration				1,250,000
Contingency		10%		467,750
<b>Sub-total Phase I</b>				<b>5,145,250</b>
<b>Phase II - Year 2</b>	<b>Unit</b>	<b>Quantity</b>	<b>US\$/Unit</b>	<b>Total (US\$)</b>
Drilling defined targets	m	14,000	225	3,150,000
Drilling new targets	m	3,000	225	675,000
Assays drill samples	samples	34,000	50	1,700,000
Rock and soil sampling	samples	1,800	50	90,000
General and administration				2,250,000
Contingency		10%		786,500
<b>Sub-total Phase II</b>				<b>8,651,500</b>
<b>Total</b>				<b>13,796,750</b>

**Table 12: Estimated Budget for the Recommended Two-Stage Exploration Programme for the Guayabales Project<sup>2</sup>**

### Activities Subsequent to Date of Technical Report

Since completion of the 43-101 technical report the Company has been very active with exploration and undertaken both target generative programs as well as focused exploration on specific priority targets.

Target generative programs have included 4 km<sup>2</sup> of ground surveys for Induced Polarization using the hi-resolution, Agdas proprietary process of Arce Geophysics. This survey covered the Box, Olympus and Victory targets and enabled the definition of drill targets for each of these areas. Regional work also included further soil and rock sampling work in the Box area and within the Victory region and as a result of this the Company was able to outline a large area covering 3.5 kilometres x 3 kilometres encompassing six porphyry targets for future diamond drilling.

Focused exploration programs involving detailed rock sampling, mapping, and drilling have been undertaken on the Guayabales project.

Diamond drilling was undertaken on the Box and Donut targets totalling 4,838 metres during the remainder of 2021. Results of this work was reported in various press releases. The following is highlighted:

- Donut Target: The Company made a significant grassroots discovery with multiple broad drill intercepts in predominantly breccia beginning at surface. Highlights from holes completed to date are as follows:

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	AuEq* (g/t)
DOC-5	0.0	163	163	1.2	11	1.3
DOC-2	0.0	104.0	104	1.2	12	1.3

\* AuEq (g/t) is calculated as follows: (Au (g/t) x 0.95) + (Ag g/t x 0.016 x 0.90) + (Cu (%) x 1.83 x 0.92) + (Mo (%) x 4.57 x 0.92), utilizing metal prices of Cu - US\$4.00/lb, Mo - US\$10.00/lb, Ag - \$24/oz and Au - US\$1,500/oz and recovery rates of 95% for Au, 90% for Ag, 92% for Cu and Mo. Recovery rate assumptions are speculative as no metallurgical work has been completed to date.

\*\* A 0.1 g/t AuEq cut-off grade was employed with no more than 10% internal dilution. True widths are unknown, and grades are uncut.

- Box Target: Three reconnaissance diamond drill holes (1,011 metres) were completed at the Box Target to test an altered and mineralized porphyry target with associated carbonate base metal veins. The best intercept was from Hole BOC001 which intersected CBM veins in hydrothermal breccia and diorite porphyry returning 93 metres grading 0.3 g/t gold, 4 g/t silver and 20 ppm of molybdenum from 127 metres downhole. The area North of BOC001 demonstrates the best potential for follow up exploration. BOC001 is interpreted to represent the peripheral, phyllic alteration zone (pyrite-sericite-quartz) to a gold bearing (grades of 0.5 to 2 g/t gold), fine grained, porphyry diorite located approximately 200 metres north of the hole intercept. This porphyry body is coincident with a hi magnetic anomaly.

In addition to the drilling programmes the company undertook extensive surface definition work at the Olympus targets involving rock chip and grab sampling and surface and underground mapping. At Victory, detailed soil sampling, mapping and rock sampling was undertaken. The following results are highlighted:

- Olympus Target: A high-grade porphyry related, carbonate base metal (“CBM”) vein system, measuring 1,250 metres x 750 metres and open in all directions has been outlined through detailed surface sampling and the IP survey. High-grade grab samples have been collected throughout the target area and returned grades of up 485 g/t gold, 1,919 g/t silver, 2.7% copper, 18.6 % zinc and 14.7% lead (Collective Mining press

<sup>2</sup> A work program of two phases on the Guayabales Project, as summarized in Table 12 above, refers to defined phases of physical exploration, whereas [section (a) to Note 10 (Mineral Interests)] of the audited consolidated financial statements of the Corporation for the year-ended December 31, 2021 refers to timing-based phases of option payments and exploration expenditures under the two option agreements relating to the properties comprising the Guayabales Project.

releases dated December 1 and 14, 2021 and January 12, 2022) . There are over 50 historical and current artisanal mines that have been identified within the Olympus target to date. Drilling commenced on the Olympus target in early 2022 and the company now has three rigs drilling in this region.

- At Victory Target: Extensive reconnaissance work is ongoing and has both significantly enhanced the 1,000 metre x 600 metre porphyry target area through coincident molybdenum, copper and gold soil anomalies. The IP work has identified a chargeability anomaly at relatively shallow depths (~300m) that is coincident with a magnetic anomaly and sits directly below outcrops of quartz-magnetite veins hosted within a within a quartz diorite porphyry.

## San Antonio Project

The scientific and technical information in the section below is summarized, compiled or extracted from the technical report regarding the San Antonio Project dated effective December 31, 2020 and entitled "*NI 43-101 Technical Report for the San Antonio Gold Project, Department of Caldas, Colombia*" (the "**San Antonio Technical Report**") and prepared for the Corporation by Stewart D. Redwood, FIMMM, FGS, who is a "qualified person" and independent" within the meaning of NI 43-101. The summary below is subject in entirety to all the assumptions, qualifications and procedures set out in the San Antonio Technical Report and which may not be fully described herein. For full technical details on the San Antonio Project, reference should be made to the full text of the San Antonio Technical Report which was prepared in accordance with NI 43-101 and has been filed with the securities regulatory authorities in all of the provinces and territories of Canada, other than Québec, and is available under the Corporation's issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com). The summary below is qualified in its entirety by reference to the full text of the San Antonio Technical Report. The author of the San Antonio Technical Report has reviewed and approved the scientific and technical disclosure contained in this AIF related to the San Antonio Project. The San Antonio Technical Report is not and shall not be deemed to be incorporated by reference in this AIF.

### *Project Description, Location and Access*

The San Antonio Project is located 80 km south of Medellin and 50 km north of Manizales in the Municipalities of Aguadas and Pácora, Department of Caldas, Republic of Colombia, at approximately 5°30'N, 75°33'W and an altitude of 650 to 1375 m above mean sea level (masl) (See Figure 1 below).

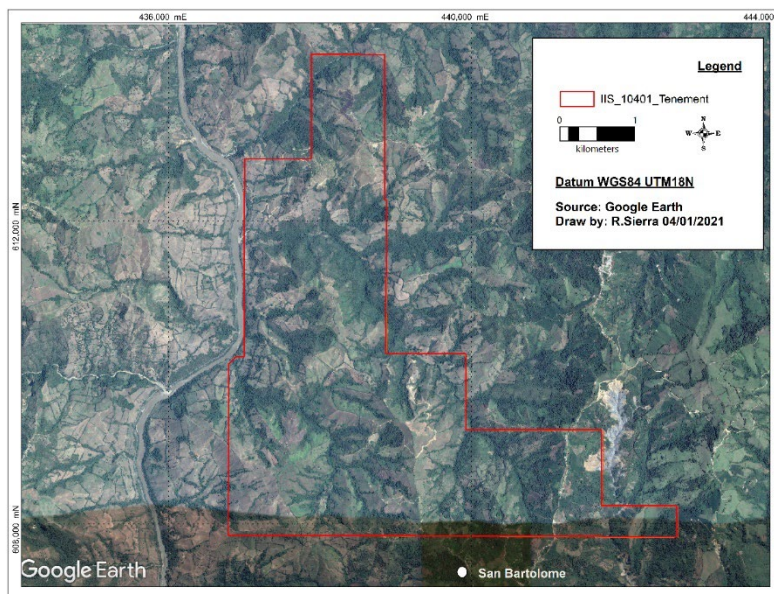


**Figure 1: Location Map, San Antonio Project**

All mineral resources in Colombia belong to the state and can be explored and exploited by means of concession contracts granted by the state. The mining authority is the National Mining Agency (Agencia Nacional Minería or ANM) except in the Department of Antioquia, where it has been delegated to the Government of Antioquia through its Secretary of Mines. The Ministry of Mines and Energy is in charge of setting and overseeing the Government’s national mining policies. Mining is governed by the Mining Law 685 of 2001 and subsequent decrees and resolutions, except for mining titles granted before said law, which are grandfathered by the law in place at the time of their granting (most commonly Decree 2655, 1988). Certain minor amendments to the law have been enacted by means of Laws 1450 of 2011, 1753 of 2015, and 1955 of 2019. Under the Mining Law 685 of 2001, there is a single type of concession contract covering exploration, construction and mining that is valid for 30 years and can be extended for another 30 years.

The mining rights relating to the San Antonio Project consist of concession contract number IIS-10401 of 1664.2 ha that is owned by Minera Campana S.A.S., a subsidiary of Collective, and shown in a map in Figure 2 below. The title was registered on April 1, 2008 and is valid until March 31, 2038. The contract is valid for 30 years of which five years are for exploration (extended progressively to 11 years), three years are for construction and 22 years are for exploitation (modified to the balance of 16 years). The contract can be extended for 30 years. The 11-year exploration period expired in 2019 and in January 2021 Minera Campana S.A.S filed a request to extend the date to file the corresponding Mining Plan (*Programa de Trabajos y Obras de Explotación* or PTO) and Environmental Impact Study (*Estudio de Impacto Ambiental* or EIA). As a result, the National Mining Agency requested the Corporation to present bimonthly reports showing exploration advances, under further requirement to file a Mining Plan. Even though the mining titles are structured in phases, under Colombian mining law, exploration activities are authorized during the entire duration of the concession. Therefore, Collective expects to continue on with the planned exploration programme.

The granting of a concession contract in Colombia does not include a legal right of surface access, for which permission has to be obtained from the land owners or the community. Collective does not own the surface rights over the San Antonio Project but has a verbal access agreement with the principal land owner.



**Figure 2: Property Map for the San Antonio Project**

The following mining rights are held in the San Antonio Project:

<b>Title / Application Number</b>	<b>Title Owner</b>	<b>Area (ha)</b>	<b>Date of Application</b>	<b>Date of Registration</b>	<b>Date of Expiry</b>
IIS-10401	Minera Campana S.A.S.	1664		1 April 2008	1 April 2038
501631	Collective Mining (Bermuda) Ltd Sucursal Colombia	73.57	22 April 2021		
501930	Collective Mining (Bermuda) Ltd Sucursal Colombia	704.95	8 June 2021		
501558	Minerales Provenza S.A.S.	9.81	30 March 2021		
501715	Minerales Provenza S.A.S.	447.53	7 May 2021		
501795	Minerales Provenza S.A.S.	1281.38	12 May 2021		
501796	Minerales Provenza S.A.S.	376.39	12 May 2021		
503827	Minerales Provenza S.A.S.	13.48	21 December 2021		
503879	Minerales Provenza S.A.S.	24.52	24 December 2021		
503880	Minerale Provenza S.A.S.	4.90	24 December 2021		
503882	Collective Mining (Bermuda) Ltd Sucursal Colombia	22.06	24 December 2021		
503883	Collective Mining (Bermuda) Ltd Sucursal Colombia	36.78	24 December 2021		
503893	Minerales Provenza S.A.S.	41.68	27 December 2021		
503912	Minerales Provenza S.A.S.	23.29	28 December 2021		
503984	Minerales Provenza S.A.S.	3.67	30 December 2021		
503982	Minerales Provenza S.A.S.	1.22	30 December 2021		

### *Property Agreements*

Collective's subsidiary Minerales Provenza signed an option contract to acquire the San Antonio property by means of the purchase of 100% of the shares of Minera Campana, the owner of concession contract number IIS-10401, dated

July 9, 2020. The consideration is staged payments to the shareholders of Minera Campana over seven years from the date of signing of the contract totalling US\$2.5 million. The first payment was made on August 14, 2020, with subsequent payments due every 12 months following the acquisition of the property (July 9, 2020) until July 9, 2027. In addition, a 1.5% net smelter royalty (NSR) is payable to the original shareholders from the start of commercial production. The NSR may be purchased at any time for US\$2.5 million. The shares of Minera Campana were transferred to Minerales Provenza following the signing of the contract in order to give Collective ownership of the concession contract. If Minerales Provenza withdraws from the option, the shares of Minera Campana will be reacquired by the original shareholders of Minera Campana at no cost.

### *Royalties*

Royalties payable to the state are 4% of gross value at the mine mouth for gold and silver and 5% for copper (Law 141 of 1994, modified by Law 756 of 2002). For the purposes of royalties, the gold and silver price are set by the government and is typically 80% of the average of the London afternoon fix price for the previous month.

As noted above, A 1.5% net smelter royalty (NSR) is payable to the original shareholders of Minera Campana from the start of commercial production on the San Antonio Project. The NSR may be purchased by Collective at any time for US\$2.5 million.

### *Environmental and Permitting*

The regional environmental authority has not registered any environmental liabilities at the San Antonio Project. The author of the Technical Report is not aware of any other significant factors and risks that may affect access, title or the right or ability to perform work on the property.

Concession agreement IIS-10401 partially overlaps with an area covered by an environmental license granted by ANLA (Colombian National Authority of Environmental Licences) to Grupo de Energía de Bogotá S.A. E.S.P., to develop a power transmission line. Pursuant to the Mining Code, it is possible to undertake mining activities in areas overlapping with facilities to provide public services, provided that the titleholder previously obtains an authorization from the public services project owner. It is important to highlight that such authorization shall be obtained if mining activities are going to interfere with the activities carried out on the licensed project. The exploration activities that Minera Campana is planning to undertake do not overlap nor interfere with the proposed transmission line project, and accordingly no authorizations are required by Grupo de Energía de Bogotá S.A. E.S.P. at this time.

Concession agreement IIS-10401 also partially overlaps with the buffer zone of the Coffee Cultural Landscape of Colombia. Pursuant to provisions of article 35, letter c of the Mining Code and of Resolution 2079 of 2011, the Ministry of Culture (Colombia) has interpreted that prior authorization is required to be obtained to undertake any mining activities in such areas. It is important to note that such authorization shall be obtained if mining activities are going to interfere with the buffer zone of the Coffee Cultural Landscape. The exploration activities contemplated by Minera Campana do not overlap nor interfere with the buffer zone of the Coffee Cultural Landscape, and no authorizations from the Ministry of Culture are required at this time by Minera Campana to complete the proposed exploration program of the Corporation.

It should be noted that as at the date of the Filing Statement Minera Campana has not yet obtained an environmental license, however, Minera Campana does not require an approved environmental license to undertake exploration activities on the San Antonio Project that are currently contemplated to be undertaken in the area of concession agreement IIS-10401. The environmental license is only required to be obtained in order to carry out the build and construction of a mine and to start exploiting the area in a timely manner. Minera Campana does not anticipate any issues or delays in obtaining any required environmental license if and when such license may be required.

### *History*

The history of the San Antonio Project, previously named La Campana and Pácora, is summarised in Table 1 below.

Years	Company	Exploration
2004-2005	AngloGold Ashanti Ltd. (Sociedad Minera Kedadha S.A.)	Concession application no. 615-17. Reconnaissance exploration.
2006-2008	Colombia Goldfields Ltd. (Minera de Caldas S.A., Gavilan Minerals S.A. and Minerales Andinos de Occidente S.A.)	Concession application no. IFM-08231X. Stream sediment, soil and rock sampling of the Campana and Pacora targets.
2008	Minera Campana S.A.S.	Concession contract IIS-10401 awarded.
2009-2015	Mineros S.A.	Optioned project from Minera Campana. Stream sediment sampling, soil sampling, rock sampling, topographic survey, geological mapping, IP, ground magnetic survey, 24 DDH.
2015	Anglo American plc	Project evaluation under agreement with Minera Campana. Rock sampling, geological mapping.
2016-2018	Rugby Mining Ltd. (Volador Holdings Inc.)	Optioned project from Minera Campana. Stream sediment sampling, rock sampling, soil sampling, geological mapping, magnetic inversion, 1 DDH.
2020	Collective Mining Inc.	Bought Minera Campana. Data compilation, channel sampling, geological mapping, re-log core, re-process geophysical data, Lidar survey.

**Table 1: Historical Exploration at San Antonio**

There has been no significant historical mining on the San Antonio Project. Placer gold is panned on a small scale in some streams on and near the concession but there is no significant artisanal mining.

Regional reconnaissance exploration of the San Antonio area, then called Pácora, was first carried out in 2004-2008 prior to the award of the Minera Campana concession. The first reconnaissance exploration was carried out by Sociedad Minera Kedadha S.A., a subsidiary of AngloGold Ashanti Ltd., in 2004-2005. Colombia Goldfields Ltd. of Toronto (now Gran Colombia Gold Corp.) then carried out surface geochemistry in 2006-2008 of the Campana and Pacora targets over a concession application in the San Antonio area as part of its Caramanta regional exploration project.

Minera Campana, a company formed by a group of local landowners, was awarded the concession contract no. IIS-0401 in 2008. The company has not carried out any exploration of the concession itself and instead has optioned the concession to third party companies to explore. The project was explored under an option contract by Mineros S.A., a Colombian gold mining company, from 2009 to 2015, which carried out surface geochemistry and geophysics, and drilled 24 diamond drill holes in two phases. Anglo American plc then evaluated the project in 2015. Rugby Mining Ltd., an Australian junior company, explored the project under an option agreement with Minera Campana from 2016 to 2018, and drilled one diamond drill hole. Collective acquired Minera Campana under an option agreement in July 2020. The historical exploration activities carried out at the San Antonio Project are summarised in Table 2 below. The numbers of stream sediment, soil and rock samples listed in the table, where known, are based on company reports; however, the reconstructed database contains less samples due to loss of information.

Year	Company	Survey	Contractor	Units	Number
2004-2005	Soc. Kedadha	Stream sediment and soil geochemistry	None	Samples	unknown
2006-2008	Colombia Goldfields	Stream sediment, soil and rock geochemistry	None	Samples	unknown
2009-2012	Mineros	Stream sediment geochemistry	None	Samples	45

Year	Company	Survey	Contractor	Units	Number
2009-2012		Soil geochemistry	None	Samples	880
2009-2012		Litho geochemistry	None	Samples	850
2009-2012		Geological mapping	None	km <sup>2</sup>	16.60
2010		Phase 1 diamond drilling Piñones target (9 x DDH).	Not known	meters	1,583.65
2011		Grid for geophysics (48 x E-W lines).	Itag Topografia	line km	69.45
2011		Induced polarisation survey	Arce Geophysics	line km	59.15
2011		Ground magnetic survey	Arce Geophysics	line km	59.15
2012		Topographic survey	None	line km	11.56
2012		Phase 2 diamond drilling Campana target (15 x DDH).	Geominas S.A.	meters	5,373.40
2015		Anglo American	Litho geochemistry rock chip	None	Samples
2015	Geological mapping		None	km <sup>2</sup>	16.60
2016	Rugby	Geological mapping	None	km <sup>2</sup>	16.60
2016		Stream sediment geochemistry	None	Samples	17
2016		Soil geochemistry	None	Samples	unknown
2016		Channel sampling	None	Samples	unknown
2016		3D inversion of magnetic data	Not known	line km	59.15
2017		DEM made from satellite image	Not known	km <sup>2</sup>	>30
2018		Phase 3 diamond drilling Piñones target (1 x DDH).	Logan Drilling	meters	760.10

**Table 2 – Summary of historical exploration carried out at the San Antonio Project**

Collective acquired Minera Campana under an option agreement in July 2020 and as of the effective date of the Technical Report, Collective has carried out database compilation, channel sampling, geological mapping, core re-logging, re-processing of the geophysical data and a Lidar survey. Drilling on the San Antonio Project commenced in the first half of 2021. See "*Cautionary Statement Regarding Forward-Looking Statements*".

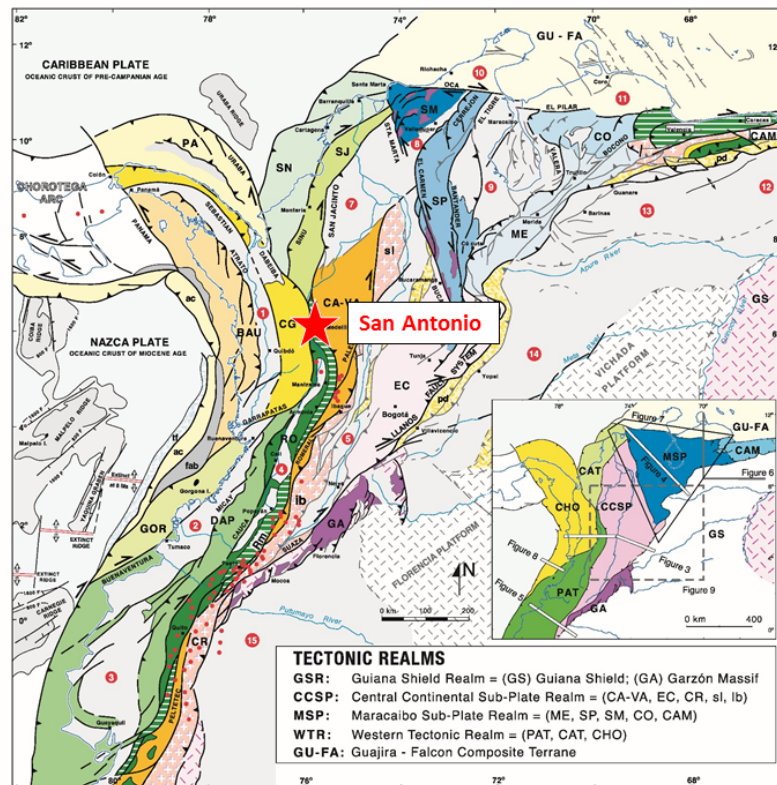
### ***Geological Setting, Mineralization, and Deposit Types***

#### ***Regional Geology***

The San Antonio Project is located on the western side of the Central Cordillera of the Colombian Andes, as shown in Figure 3 below. The project lies within the Romeral terrane, an oceanic terrane comprising a melange of metabasalts, amphibolites, serpentinites, graphitic schist, biotite schist, sericite schist and chlorite schist that are called the Arquia Complex of probable Late Jurassic to Early Cretaceous age. This terrane was accreted to the continental margin along the Romeral Fault in the Aptian. Movement on the Romeral Fault was dextral indicating that terrane accretion was



highly oblique from the southwest. The terrane is bounded by the Cauca-Patia Fault on the west side. Further west, additional oceanic and island arc terranes were subsequently accreted to the Western Cordillera in the Paleogene and Neogene periods, culminating in the on-going collision of the Panamá-Choco arc since the late Miocene. This reactivated the Cauca-Patia and Romeral faults with left lateral and reverse movements. The Central Cordillera is formed of continental crust of Proterozoic and Paleozoic-age comprising metasediments, amphibolites and gneisses. The Romeral terrane is partially covered by continental sediments of the middle Oligocene to late Miocene age Amagá Formation, comprising gray to green colored conglomerates, sandstones, shales and coal seams, and by thick subaerial basaltic to andesitic volcanic rocks of the late Miocene Combia Formation. Neither of these formations crop out within the project area.



**Figure 2.** Lithotectonic and morphostructural map of northwestern South America. GS = Guiana Shield; GA = Garzón massif; SP = Santander massif – Serranía de Perijá; ME = Sierra de Mérida; SM = Sierra Nevada de Santa Marta; EC = Eastern Cordillera; CO = Carora basin; CR = Cordillera Real; CA-VA = Cajamarca-Valdivia terrane; sl = San Lucas block; lb = Ibagué block; RO = Romeral terrane; DAP = Dagua-Piñón terrane; GOR = Gorgona terrane; CG = Cañas Gordas terrane; BAU = Baudó terrane; PA = Panamá terrane; SJ = San Jacinto terrane; SN = Sinú terrane; GU-FA = Guajira-Falcon terrane; CAM = Caribbean Mountain terrane; Rm = Romeral mélange; fab = fore arc basin; ac = accretionary prism; tf = trench fill; pd = piedmont; 1 = Atrato (Chocó) basin; 2 = Tumaco basin; 3 = Manabí basin; 4 = Cauca-Patia basin; 5 = Upper Magdalena basin; 6 = Middle Magdalena basin; 7 = Lower Magdalena basin; 8 = Cesar-Ranchería basin; 9 = Maracaibo basin; 10 = Guajira basin; 11 = Falcon basin; 12 = Guarico basin; 13 = Barinas basin; 14 = Llanos basin; 15 = Putumayo-Napo basin; Additional Symbols: PALESTINA = fault/suture system; red dot = Pliocene-Pleistocene volcano; Bogotá = town or city.

**Figure 3 – Regional tectonic and terrane map of Colombia showing the location of the San Antonio Project**

The San Antonio Project lies in the central part of the Middle Cauca Gold Belt that extends for about 250 km in a north-south direction from the Buritica gold deposit to La Colosa gold deposit. The belt is described in regional studies of magmatism by Leal-Mejía et al. (2019) and of mineral deposits by Shaw et al. (2019). Mineralisation is related to clusters of porphyry stocks of late Miocene age (9-4 Ma, Leal-Mejía et al., 2019). Magmatism and mineralisation are related to subduction of the Nazca Plate beneath the South American Plate, and occurred after terrain accretion; the belt cross cuts the Romeral Terrane as well as the Cañas Gordas oceanic terrane and the continental margin of the Central Cordillera.

Local Geology

The geological map for the district is shown in Figure 4 below. The country rocks are metabasites with lower to upper greenschist facies metamorphism (biotite schist, chlorite schist and amphibolite), sericite schist, serpentinite and black, graphitic schist of the Late Jurassic to Early Cretaceous Arquia Complex. The schistosity strikes north-south to northwest and dips steeply to the west. To the west, sedimentary rocks of the Oligocene to lower Miocene Amagá Formation are unconformable on the schists; these have a basal conglomerate followed by sandstone with carbonaceous beds, carbonaceous mudstone and claystone with lenses of sandstone. This is overlain by volcano-sedimentary rocks of the late Miocene Combia Formation (age about 9 to 4 Ma) of basaltic to andesitic composition that locally exceeds 1,000 m in stratigraphic thickness. The Amagá and Combia Formations were deposited in a pull-apart basin in the Cauca-Patia intermontane basin. The central part of the Middle Cauca Gold Belt coincides with the depocentre of the Combia Formation, which are the contemporaneous volcanic rocks related to and cut by the late Miocene porphyry intrusions and related gold-copper mineralisation.

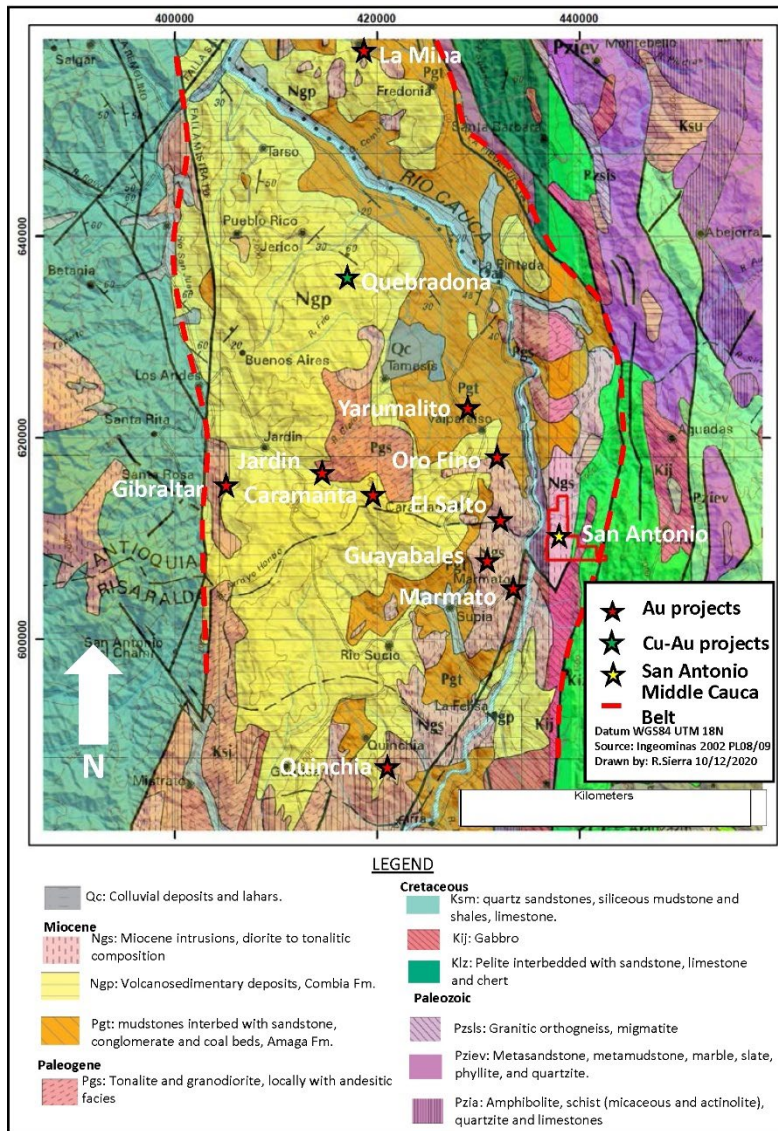
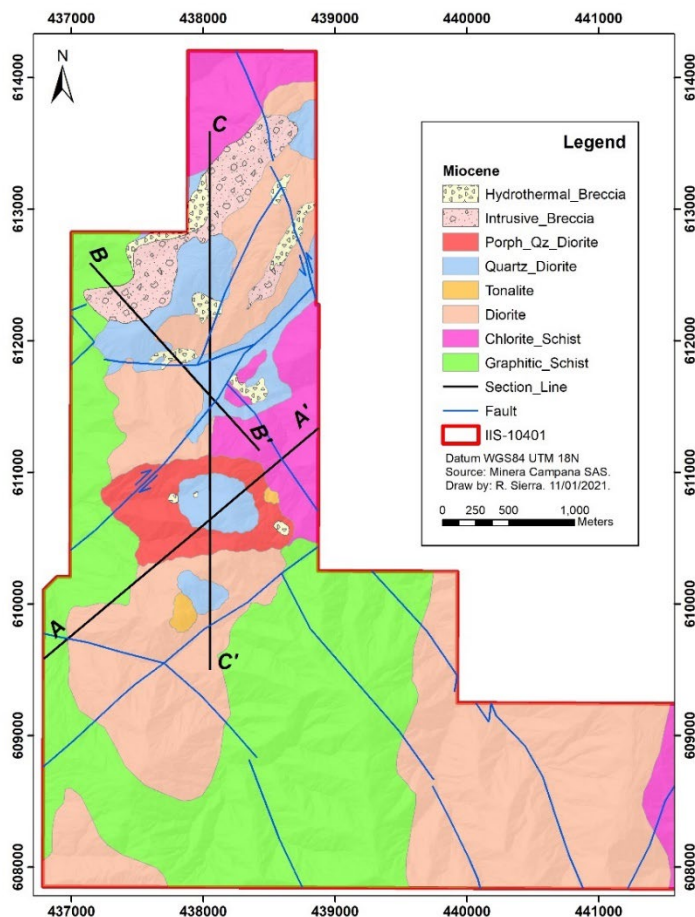


Figure 4: The geology and major gold deposits of the Middle Cauca Gold Belt showing the central eastern location of the San Antonio Project.

The geology of the San Antonio concession is shown in Figure 5 below and the lithologies are summarized in Table 3 below. This is based on mapping by CMI and previous operators, and petrographic descriptions from a thesis by Loaiza (2020). The country rocks are graphite schist and chlorite schist of the Arquia Complex. They are cross-cut by an undated intrusive center of probable late Miocene age composed of a diorite stock elongated N-S with dimensions of about 5.0 km by up to 1.5 km wide. This is cross-cut by quartz diorite porphyries, tonalite, intrusion breccias and hydrothermally-cemented breccias.



**Figure 5: The geology of the San Antonio Project**

Lithology	Description
Rock flour breccia	Dykelets. Clasts angular to subangular with quartz veinlets. Matrix milled rock flour. Cuts hydrothermal breccia.
Hydrothermal Breccia	Small bodies cm to m. Clasts schist, diorite, quartz diorite. Cement pyrite, sericite; pyrite; sericite-chlorite.
Intrusion Breccia	Matrix diorite. Polymict, matrix to clast supported, subangular clasts of schist, diorite, igneous breccia.
Tonalite	White, porphyry, coarse grained, with plagioclase 30%, quartz 20% phenocrysts. Cross cuts schist, hornblende quartz diorite porphyry.
Quartz Diorite, hornblende	Light green, porphyry, coarse grained with plagioclase 30%, quartz 10%, hornblende 10%. Cuts schist, quartz diorite porphyry.
Quartz Diorite Porphyry	Phenocrysts plagioclase 30%, quartz 5-10%, biotite, hornblende. Medium grain size.



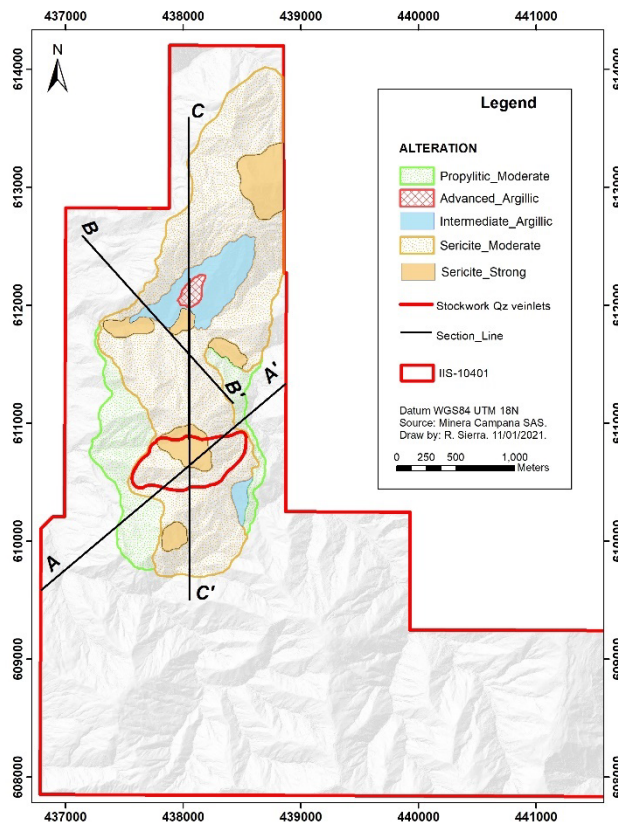
Lithology	Description
Diorite	Light to dark grey, porphyritic, crowded texture, medium to fine grained. Phenocrysts plagioclase, hornblende, biotite, minor quartz, disseminated magnetite.
Chlorite Schist	Chlorite schist.
Graphite Schist	Graphite schist.

*Table 3: Summary of the main lithologies in the San Antonio Project*

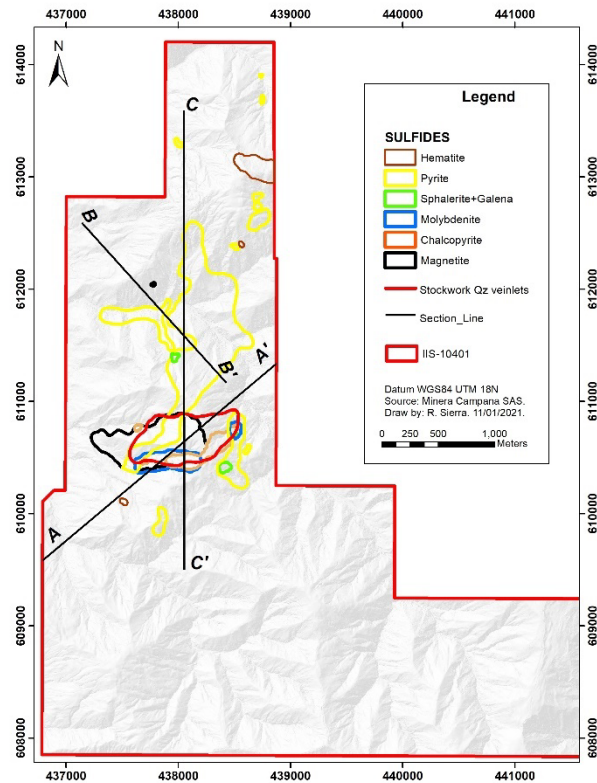
Structure, Alteration and Mineralization

The structure of the San Antonio Project was mapped on surface and interpreted from satellite imagery, digital elevation models and geophysical surveys. The dominant structures are NW and NE trending. In addition, an EW-trending fault separates the uplifted northern block from the downthrown southern block. The emplacement of the igneous and hydrothermal breccias and several porphyry intrusions appear to be controlled by the NE trending faults whereas the NW and late EW structures are spatially associated with precious and base metal mineralisation.

The alteration types at San Antonio defined by mapping, core logging and petrography are advanced argillic, sericite-illite-smectite, sericite-chlorite, potassic alteration with quartz stockwork and sheeted veining, and propylitic. The distribution of alteration and mineralization on surface is shown in Figures 6 and 7 below.



*Figure 6 – Map of the distribution of hydrothermal alteration at surface in the San Antonio Project*



**Figure 7 – Map of the distribution of sulphide mineralisation in the San Antonio Project**

At least two mineralized porphyry systems have been identified to date on the property: (i) the Dollar Target stockwork zone in the centre of the license area; and (ii) the Pound Target advanced argillic lithocap zone in the northern block.

A porphyry system is exposed in the Dollar Target at El Muerto and El Hospital creeks and Piñoles hill. A quartz veinlet stockwork zone with pyrite and magnetite occurs. This is associated with sericite alteration that must overprint the former potassic alteration that was associated with the formation of the veinlets, and relics of potassic alteration are described. The zone is defined by a 5-10% pyrite envelope. Mineralisation is associated with diorite, quartz diorite porphyry and hydrothermal breccias. Zones of mineralization of quartz veinlets with pyrite, chalcopyrite, molybdenite, bornite and covellite, the latter probably supergene, occur within this.

The Pound Target in the north block is interpreted to be the root of the advanced argillic alteration lithocap of the porphyry with hydrothermal breccias and epithermal veins, down-faulted along an EW fault. A high temperature, deep pyrophyllite-dickite-corundum assemblage changes laterally to peripheral sericite-illite alteration. The south block is an uplifted block exposing the upper part of the porphyry system with the stockwork of quartz veinlets with pyrite, chalcopyrite and magnetite, and secondary biotite overprinted by phyllic alteration. It has anomalous surface geochemistry of Au, Cu and Mo.

#### *Deposit Types*

Alteration and mineralisation at the San Antonio Project are porphyry Au-Cu-Mo and epithermal Au-Ag-polymetallic style. The target is expected to be primary sulfides with no significant oxidation or enrichment.

Porphyry copper systems were reviewed by Sillitoe (2010) and a schematic deposit model is shown in Figure 8 below. Porphyry copper systems may contain porphyry Cu ± Mo ± Au deposits of various sizes from less than 10 million tonnes to 10 billion tonnes. Typical primary porphyry Cu deposits have average grades of 0.5 to 1.5% Cu, <0.01 to 0.04% Mo, and 0.01 to 1.5 g/t Au, although a few gold-only deposits have grades of 0.9 to 1.5 g/t gold but little Cu (<0.1 %). The alteration and mineralization in porphyry Cu systems can have a volume of many cubic kilometers of rock and are zoned outward from stocks or dike swarms, which typically comprise several generations of intermediate to felsic porphyry intrusions. Porphyry Cu ± Au ± Mo deposits are centered on the intrusions. High-sulphidation epithermal deposits may occur in lithocaps above porphyry Cu deposits, where massive sulphide lodes tend to develop in deeper feeder structures and Au ± Ag-rich, disseminated deposits within the uppermost 500 m or so. Less commonly, intermediate sulphidation epithermal mineralization, chiefly veins, may develop on the peripheries of the lithocaps. The alteration and mineralisation in the porphyry Cu deposits is zoned upward from barren, early sodic-calcic through potentially ore-grade potassic, chlorite-sericite, and sericitic, to advanced argillic, the last of these constituting the lithocaps, which may attain >1 km in thickness if unaffected by significant erosion. Low sulphidation-state chalcocopyrite ± bornite assemblages are characteristic of potassic zones, whereas higher sulphidation-state sulfides are generated progressively upwards as a result of temperature decline and the accompanying greater degrees of hydrolytic alteration, culminating in pyrite ± enargite ± covellite in the shallow parts of the lithocaps. The porphyry Cu mineralization occurs in a distinctive sequence of quartz-bearing veinlets as well as in disseminated form in the altered rock between them. Magmatic-hydrothermal breccias may form during porphyry intrusion, with some of them containing high-grade mineralization because of their intrinsic permeability. In contrast, most phreatomagmatic breccias, constituting maar-diatreme systems, are poorly mineralized at both the porphyry Cu and lithocap levels, mainly because many of them formed late in the evolution of systems.

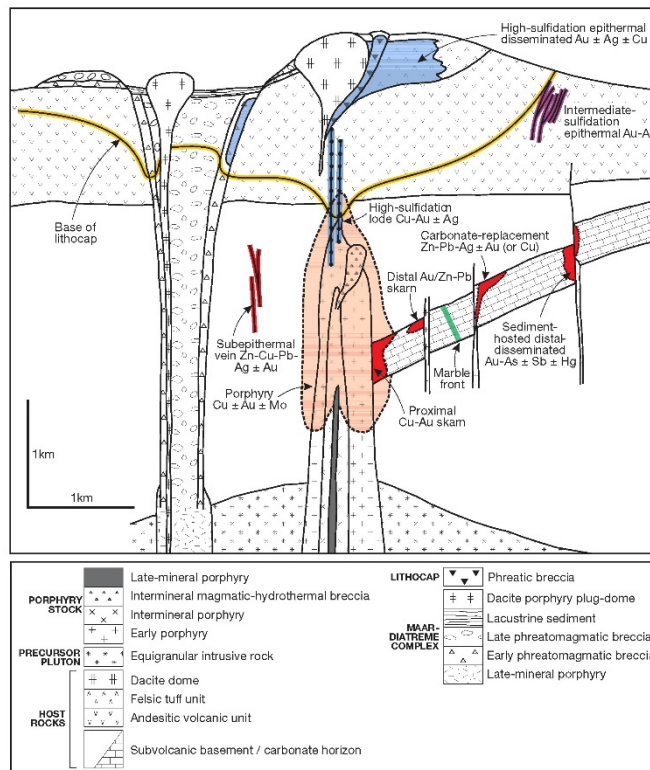


Figure 8 – Porphyry system model

## Exploration

CMI carried out exploration of the San Antonio Project since July 2020 as summarized in Table 4 below. The work consisted of geological mapping, rock sampling, relogging of 16 drill holes, reprocessing of the magnetic survey, and a LIDAR survey. The significant results and interpretation of this information, combined with compilation and re-interpretation of the legacy data, led to the definition of three porphyry/breccia targets that are described in further detail below.

Year	Company	Survey	Contractor	Units	Number
2020	Collective Mining Inc.	Rock sampling	None	samples	226
		Core relogging 16 holes	None	meters	5,523.00
		Geological mapping	None	km <sup>2</sup>	16.60
		Magnetic 3D MVI (Magnetisation Vector Inversion) modelling	Arce Geophysics	line km	59.15
		LIDAR survey (DEM, 1 m contours)		km <sup>2</sup>	30.22

*Table 4 – Summary of exploration carried out by Collective Mining Inc. at the San Antonio Project*

CMI carried out: (i) a LIDAR survey of the concession in 2020 to create a digital terrain model (DTM), a digital surface model (DSM) and a topographic map with 1 m contours; and (ii) geological mapping of the concession and targets in 2020, as well as reviewing and compiling previous mapping, as reported in weekly reports, summary reports and other reports. As at the date of the San Antonio Technical Report, CMI had not carried out any soil sampling of the project.

### *Rock Geochemistry*

CMI took 226 rock samples in 2020, all of which have laboratory certificates. The types of samples taken were chip channel samples in areas of good exposure and rock chip samples in areas with non-continuous exposure. The company has a written protocol for taking rock samples. The chip channel samples were marked with paint in lengths of 2.00 m and a continuous sample was taken using a hammer and chisel. The broken rock was collected on a plastic sheet and then placed in a sample bag that was numbered and sealed. Rock chip samples were taken in a similar manner but by taking a rock chip every approximately 10 cm, rather than a continuous channel. A sample card with the location and description was completed in the field for each sample with the location and description.

### *Significant Results and Interpretation to Generate Drill Targets*

CMI identified three drill targets that are shown in the Figures 9-11 below and based on the significant results and interpretation of both the legacy exploration information and the CMI exploration information.

#### The Dollar Target

The Dollar Target is a porphyry Au-Cu target located on El Muerto-El Hospital creeks and Piñones hill in the south-central area. Intrusion of diorite, quartz diorite and tonalite porphyries cover an area of 1.2 km x 0.75 km. The host rock is a quartz diorite porphyry. An area of 570 m by 430 m hosts a high density stockwork of quartz B type veinlets that are overprinted by phyllic alteration with D veinlets of quartz-hematite within a sericitic halo. The iron oxides are derived from the oxidation of chalcopyrite, pyrite and magnetite. In the western part in El Muerto and El Hospital creeks, 300 m vertically below this exposure, there are high densities of B and M type veinlets of quartz – magnetite – chalcopyrite – molybdenite that trend NW and dip 75-85° NE and SW, and NE trending veins dipping 60-70° SE and NW. Disseminated chalcopyrite – pyrite and minor hydrothermal breccias with sulphide cement are also found in the creeks.

The Mineros Phase 1 drill programme of 9 holes was located on the southwest side of this target area and tested epithermal veins but not the porphyry target. The Rugby drill hole SA-18-01 tested a magnetic high anomaly, but it was drilled north of the stockwork vein zone and did not intersect it. The magnetic inversion carried out by CMI puts

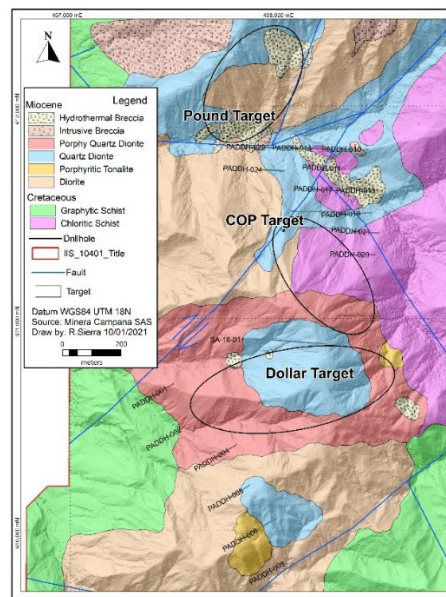
the magnetic high in a different position further to the west of the modelling undertaken by Rugby. The hole intersected 100.0 m from 605.0 m grading 0.44 g/t Au and 4.76 g/t Ag (0.50 g/t AuEq) with 0.034% Cu. This is related to an inter-mineral diorite and schists with potassic alteration (biotite, K-feldspar, magnetite) and sodic-calcic alteration (albite-epidote) with sparse AB veinlets of quartz-K feldspar-magnetite halo, B veinlets of quartz-K feldspar-magnetite with chalcopyrite and pyrite, and later D pyrite veinlets and crackle breccias with a sericite halo.

### The COP Target

The COP Target is located in the southern block and is defined by strong sericite altered diorite bodies in contact with chloritic schists in association with soil anomalies for gold and molybdenum over an area of 650 m by 350 m at surface. This anomalous zone is coincident with geophysical anomalies at 200 m depth of a magnetic high and IP chargeability and resistivity high signatures. The coincident soil anomalies include molybdenum values ranging from 1 ppm to 107.5 ppm (average 12.4 ppm, 38 samples) and gold values ranging from 0.0027 g/t to 2.74 g/t. The surface soil and alteration observations are postulated to be fluid leakage from a concealed, mineralised intrusive. This target was not tested by historical drill programmes.

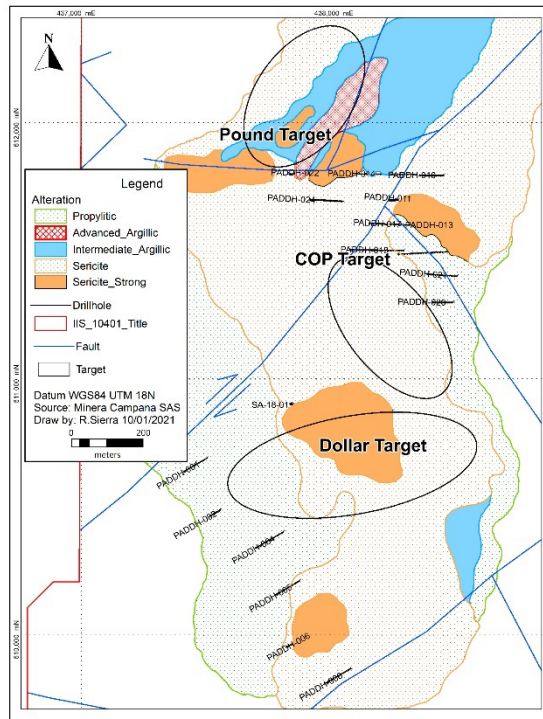
### Pound Target

The Pound Target in the Northern block is defined by a NE trending area of 620 m by 375 m hosting intermediate argillic and advanced argillic alteration of intrusion breccias, hydrothermal breccias and diorite intrusive bodies and a molybdenum soil anomaly (range 0.09 ppm to 11 ppm, average 3.3 ppm, 36 samples). The hydrothermal cemented breccia has a sericite and pyrite matrix with intrusive clasts and cross cuts the diorite bodies. The hydrothermal cemented breccias are overprinted by pyrophyllite - dickite - kaolinite – corundum assemblages which grade transitionally downwards and horizontally to sericite - illite – chlorite - smectite alteration. Late-stage epithermal veins and crackle breccias, generally with a W-E strike, are composed of quartz, sphalerite, galena, tennantite, pyrite, chalcopyrite, stibnite, gypsum, ankerite and calcite. Historical drilling on the southern periphery of this target area returned drill intercepts of 276.0 m grading 0.41 g/t Au and 6.74 g/t Ag (0.50 g/t AuEq; PADDH-023), 54.0 m grading 0.86 g/t Au and 9.67 g/t Ag (0.99 g/t AuEq; PADDH-023), and 50.4 m grading 0.67 g/t Au and 11.7 g/t Ag (0.82 g/t AuEq; PADDH-024) from hydrothermal breccia bodies associated with quartz diorite porphyry and polymetallic veins. Alteration assemblages at surface demonstrate a locus within the lower portion of the advanced argillic lithocap which grades laterally and downwards into intermediate argillic alteration assemblages. The target is a porphyry postulated to occur below the lithocap.

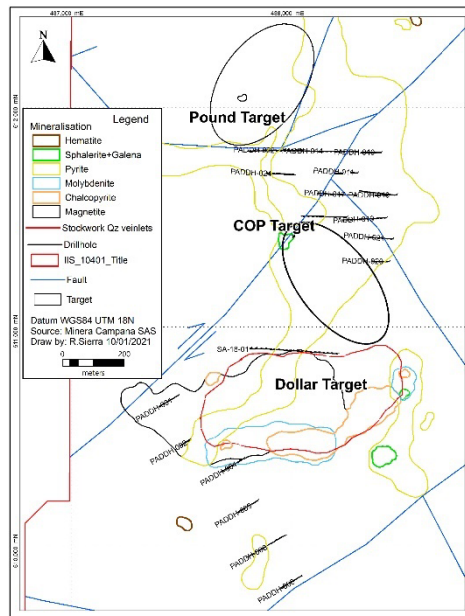


**Figure 9 – Target map showing geology and legacy drill holes**





**Figure 10 – Alteration target map with legacy drill holes**



**Figure 11 – Mineralisation map with legacy drill holes**

CMI reconstructed the database of legacy sampling based on laboratory certificates and inherited databases. The sampling protocols are not known but the sampling was carried out by known companies and is believed to have been done using standard industry procedures. Some of the laboratory certificates have been lost, in particular for soil samples. Despite these shortcomings, the samples are considered to be adequate for the purpose of planning future

exploration, particularly as new rock sampling is carried out in areas of interest by CMI in order to confirm the legacy results. The CMI sampling was carried out using standard industry procedures and the samples are considered to be representative for the purpose of planning future exploration. There are no factors in legacy samples, so far as can be determined, or the CMI sampling that could have resulted in sample bias.

### Drilling

As at the date of the Technical Report, Collective has not conducted any drilling at the San Antonio Project. All of the drilling was completed by historical operators from 2010 through to 2018.

Three drill programmes were carried out at the San Antonio Project by previous companies with a total of 25 diamond drill holes drilled using the wireline recovery method for a total of 7,717.15 m, as summarized in Table 5 and shown in Figures 12 and 13 below.

No.	Hole No.	Company	Year	Easting WGS84	Northing WGS84	Altitude (m)	Azimuth	Inclination	Depth (m)
1	PADDH-001	Mineros	2010	437487	610690	953	240	-60	206.00
2	PADDH-002	Mineros	2010	437537	610487	879	240	-70	90.05
3	PADDH-003	Mineros	2010	437540	610487	880	240	-60	100.65
4	PADDH-004	Mineros	2010	437784	610402	1051	240	-60	248.00
5	PADDH-005	Mineros	2010	437847	610211	1166	240	-60	218.25
6	PADDH-006	Mineros	2010	437925	610026	1135	240	-60	298.30
7	PADDH-007	Mineros	2010	437926	610027	1135	60	-60	100.00
8	PADDH-008	Mineros	2010	438042	609856	1073	240	-60	222.40
9	PADDH-009	Mineros	2010	438043	609857	1075	60	-90	100.00
10	PADDH-010	Mineros	2012	438407	611795	902	270.3	-75	360.30
11	PADDH-011	Mineros	2012	438300	611702	790	273.0	-70	94.70
12	PADDH-012	Mineros	2012	438300	611702	790	273.0	-85	259.00
13	PADDH-013	Mineros	2012	438476	611601	862	270.0	-65	233.35
14	PADDH-014	Mineros	2012	438301	611799	855	270.6	-60	402.00
15	PADDH-015	Mineros	2012	438472	611600	862	276.8	-65	391.15
16	PADDH-016	Mineros	2012	438231	611699	791	269.0	-85	460.00
17	PADDH-017	Mineros	2012	438295	611600	817	272.8	-65	422.00
18	PADDH-018	Mineros	2012	438252	611501	896	271.0	-60	416.00
19	PADDH-019	Mineros	2012	438431	611497	824	267.1	-60	402.30
20	PADDH-020	Mineros	2012	438443	611298	965	271.1	-70	239.00
21	PADDH-021	Mineros	2012	438460	611401	894	274.5	-60	246.00
22	PADDH-022	Mineros	2012	438105	611800	771	271.1	-60	461.60
23	PADDH-023	Mineros	2012	437801	611800	759	88.9	-60	503.60
24	PADDH-024	Mineros	2012	437886	611699	829	93.1	-75	482.40
25	SA-18-01	Rugby	2018	437810	610900	1076	89.9	-60.87	760.10

Table 5: Drill collar table for historical drilling at the San Antonio Project<sup>3</sup>

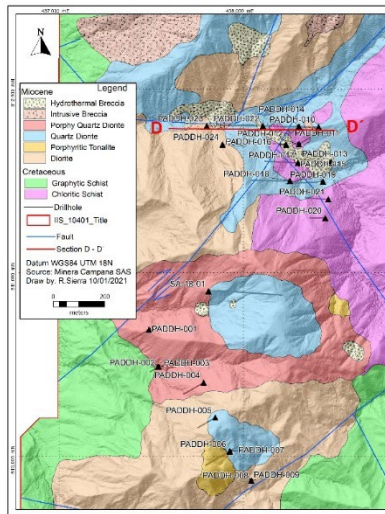
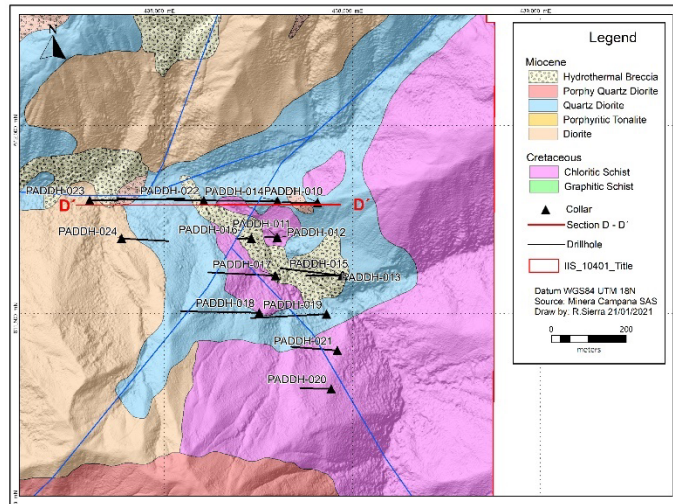


Figure 12: Location map of historical drill collar locations and drill hole traces with geology in the San Antonio Project (The northern area is shown in more detail in Figure 13)

<sup>3</sup> Core was not recovered or sampled from PADDH-015 from 0.00-225.00 m.



**Figure 13: Detailed location map of historical Phase 2 drill holes in the northern area**

A table of significant intersections greater than 0.15 g/t Au is given in Table 6 below. This shows long intervals that vary from to 13.4 to 276.0 m length with average grades of 0.20 to 0.86 g/t Au and 1.06 to 22.15 g/t Ag (capped at 50.0 g/t Ag). The table also lists short higher-grade intervals due to veins and veinlets that occur within some of the long, lower grade intersections and have lengths of 2.0 to 7.3 m with grades of 0.91 to 4.31 g/t Au and 1.0 to 1566.05 g/t Ag. Note that most samples were taken in fixed lengths of 2.00 m or 3.00 m rather than the actual length of the vein. Gold and Ag are commonly, but not always, associated with anomalous Cu greater than 100 ppm (6-1,826 ppm in intervals >10 m, 9-8,751 ppm in intervals <10 m), and Mo greater than 5 ppm (0.6-103.7 ppm in intervals >10 m, 0.4-29.0 ppm in intervals <10 m).

Hole No.	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	AuEq (g/t)	Cu (ppm)	Mo (ppm)
PADDH-001	16.00	97.00	83.00	0.26	2.43	0.30	129	2.9
PADDH-005	148.05	218.25	70.20	0.36	5.52	0.43	366	103.7
PADDH-006	271.00	290.00	19.00	0.23	1.06	0.25	6	1.2
<b>PADDH-010</b>	<b>2.00</b>	<b>22.00</b>	<b>20.00</b>	<b>0.45</b>	<b>11.18</b>	<b>0.60</b>	<b>10</b>	<b>5.7</b>
incl.	16.00	18.00	2.00	2.55	120.00	4.15	13	7.1
<b>and</b>	<b>72.00</b>	<b>86.00</b>	<b>14.00</b>	<b>0.42</b>	<b>13.85</b>	<b>0.61</b>	<b>51</b>	<b>1.0</b>
PADDH-012	54.30	259.00	204.70	0.11	7.86	0.22	378	2.9
incl.	227.55	232.30	4.75	0.30	119.46	1.89	810	2.5
PADDH-014	226.40	330.20	103.80	0.25	6.16	0.34	617	1.7
incl.	228.95	231.00	2.05	1.57	5.19	1.64	499	0.4
and	346.20	402.00	55.80	0.24	4.16	0.30	226	6.8
incl.	383.50	386.10	2.60	1.03	9.76	1.16	25	16.8
<b>PADDH-016</b>	<b>17.00</b>	<b>41.00</b>	<b>24.00</b>	<b>0.32</b>	<b>16.24</b>	<b>0.54</b>	<b>494</b>	<b>5.2</b>
and	30.00	32.00	2.00	1.59	136.00	3.40	428	9.5
and	120.00	137.00	17.00	0.30	4.85	0.36	544	3.2

Hole No.	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	AuEq (g/t)	Cu (ppm)	Mo (ppm)
incl.	133.00	135.00	2.00	0.91	5.31	0.98	1070	10.0
<b>and</b>	<b>261.00</b>	<b>287.00</b>	<b>26.00</b>	<b>0.39</b>	<b>9.47</b>	<b>0.51</b>	<b>612</b>	<b>3.6</b>
incl.	285.20	287.00	1.80	1.18	51.90	1.87	1500	14.1
PADDH-017	87.90	243.20	153.45	0.20	6.60	0.29	231	0.8
incl.	112.40	115.25	2.85	1.51	21.61	1.80	136	1.4
and	256.00	422.00	251.00	0.28	4.68	0.34	238	2.2
incl.	268.10	276.00	7.90	1.80	107.06	3.22	814	1.7
incl.	382.50	383.50	1.00	1.34	10.70	1.48	754	7.0
incl.	397.65	400.40	2.75	1.21	29.58	1.60	276	5.1
PADDH-018	59.00	149.00	90.00	0.35	10.54	0.49	<b>219</b>	<b>4.1</b>
incl.	67.00	71.00	4.00	1.20	21.75	1.49	159	3.5
incl.	103.00	105.60	3.60	1.21	61.38	2.03	755	5.1
incl.	126.00	128.00	2.00	1.01	20.60	1.28	151	9.0
incl.	145.00	147.00	2.00	1.64	3.80	1.69	252	2.0
<b>and</b>	<b>388.00</b>	<b>416.00</b>	<b>31.45</b>	<b>0.58</b>	<b>12.56</b>	<b>0.75</b>	<b>808</b>	<b>8.2</b>
incl.	392.00	396.00	4.00	1.59	41.15	2.14	1778	4.5
incl.	410.00	412.00	2.00	1.53	19.30	1.79	4129	19.0
PADDH-021	222.60	236.00	13.40	0.35	22.15	0.65	1826	1.0
PADDH-022	22.00	169.00	147.00	0.28	0.24	0.28	58	2.2
incl.	155.00	157.00	2.00	2.45	1.84	2.47	31	0.7
incl.	161.00	163.00	2.00	2.05	1.92	2.08	18	0.8
and	221.00	330.00	109.00	0.22	9.79	0.36	<b>169</b>	<b>16.7</b>
and	412.00	438.00	26.00	0.42	3.08	0.46	29	0.9
incl.	426.00	428.00	2.00	1.44	1.36	1.46	9	0.8
<b>PADDH-023</b>	<b>5.00</b>	<b>281.00</b>	<b>276.00</b>	<b>0.41</b>	<b>6.74</b>	<b>0.50</b>	<b>175</b>	<b>1.7</b>
incl.	32.00	34.00	2.00	1.76	200.00	4.43	506	4.0
incl.	54.00	60.00	6.00	0.93	35.54	1.40	18	2.5
incl.	126.00	132.00	6.00	1.44	16.33	1.65	77	3.5
incl.	215.75	219.40	3.65	2.17	1566.05	23.05	8751	3.3
incl.	225.00	231.00	6.00	1.64	4.82	1.70	43	1.0
<b>and</b>	<b>378.00</b>	<b>432.00</b>	<b>54.00</b>	<b>0.86</b>	<b>9.67</b>	<b>0.99</b>	<b>96</b>	<b>15.7</b>
incl.	410.00	414.00	4.00	4.31	6.11	4.39	54	1.0
incl.	426.00	430.00	4.00	3.11	7.38	3.21	71	0.7
and	448.00	503.60	55.60	0.33	5.58	0.40	92	0.6
PADDH-024	41.00	43.00	2.00	1.07	63.70	1.92	148	1.1
and	53.00	55.00	2.00	10.60	13.05	10.77	36	1.3
and	102.00	104.00	2.00	1.61	25.80	1.96	119	3.0
and	262.00	264.00	2.00	2.07	4.84	2.13	30	0.3
<b>and</b>	<b>432.00</b>	<b>482.40</b>	<b>50.40</b>	<b>0.67</b>	<b>11.70</b>	<b>0.82</b>	<b>263</b>	<b>7.7</b>

Hole No.	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	AuEq (g/t)	Cu (ppm)	Mo (ppm)
incl.	436.00	438.00	2.00	1.00	41.80	1.56	494	11.1
incl.	469.00	471.00	2.00	3.01	158.00	5.12	2090	6.3
SA-18-01	122.00	124.00	2.00	2.69	1.00	2.70	19	6.0
and	306.00	309.00	3.00	1.70	5.10	1.77	15	9.0
and	511.00	556.00	45.00	0.40	2.35	0.43	113	9.7
<b>and</b>	<b>605.00</b>	<b>705.00</b>	<b>100.00</b>	<b>0.44</b>	<b>4.76</b>	<b>0.50</b>	<b>344</b>	<b>23.1</b>
incl.	680.30	683.10	2.80	1.68	54.30	2.40	2900	29.0

*Table 6: Significant drill intersections in the San Antonio legacy drill holes<sup>4</sup>*

The protocols for the drilling, logging, sampling and QA-QC of the legacy drilling are not known but appear to have been carried out to current industry standards. The author of the Technical Report considers that there are no drilling, sampling or recovery factors that could materially affect the accuracy and reliability of the results.

### **Sampling, Analysis, and Data Verification**

#### *Sample Preparation, Analysis and Security*

The methods used for preparation and analyses of the legacy samples are summarized in Table 7 below. All samples were analysed for Au by fire assay, and for Ag and multi-elements by two or four acid digestion and ICP. In some cases, Ag was analysed by aqua regia digestion and ICP.

Company	Laboratory	Method	Code	Procedure
Colombia Goldfields soils, rocks	Inspectorate, Medellin and Callao	Preparation		
		Au	FA/AA	Fire assay 30 g, AAS
		Au overlimit	FA/GRAV	Fire assay 30 g, gravimetry
		Ag	AQR/AA	Aqua regia digestion, AAS
		Multi-elements	ICP/AQR	Aqua regia digestion, ICP-AES
Colombia Goldfields soils, rocks	SGS, Medellin and Callao	Preparation		
		Au	FAA313	Fire assay 30 g, AAS
		Multi-elements	ICM40B	ICP-AES
Mineros rocks	ALS Chemex, Medellin and Callao	Preparation		Dry, crush to >70% passing 2 mm, riffle split 1000 g, pulverise to >85% passing 75 microns.
		Au	Au-AA25	Fire assay 30 g, AAS
		Multi-elements	ME-MS41	51 elements by aqua regia digestion, ICP-MS
		Multi-elements	ME-ICP41	35 elements by aqua regia digestion, ICP-AES

<sup>4</sup> Intervals above a cut-off of 0.15 g/t Au are listed. Maximum dilution 6.0-14.0 m depending on length of interval. Au equivalent (AuEq) calculated using a ratio of Au:Ag of 1:75 and assuming 100% recovery as the project is exploration stage and lacks metallurgical data. Ag is capped at 50 g/t in samples >10.0 m length to avoid grade smearing, but not in samples <10.0 m long which are veins and veinlets. Au does not have high grades and was not capped.

Company	Laboratory	Method	Code	Procedure
		Ag overlimit	Ag-AA46	Aqua regia digestion, AAS
		Zn overlimit	AA46	Aqua regia digestion, AAS
Mineros soils	ALS Chemex, Medellin and Callao	Preparation		Dry, screen to -180 microns, pulverise fines to 85% passing -75 microns.
		Au	Au-ICP22	
		Multi-elements	ME-MS41	51 elements by aqua regia digestion, ICP-MS
Mineros core phase 1	ALS Chemex, Bogota	Preparation		Dry, crush to >70% passing 2 mm, riffle split 1000 g, pulverise to >85% passing 75 microns.
		Au	Au-AA25	Fire assay 30 g, AAS
		Ag	Ag-AA45	Aqua regia digestion, AAS
		Multi-elements	ME-ICP41	35 elements by aqua regia digestion, ICP-AES
Mineros core phase 2	ALS Chemex, Medellin and Callao	Preparation		Dry, crush to >70% passing 2 mm, riffle split 1000 g, pulverise to >85% passing 75 microns.
		Au	Au-AA25	Fire assay 30 g, AAS
		Multi-elements	ME-MS41	51 elements by aqua regia digestion, ICP-MS
		Ag overlimit	Ag-AA46	Aqua regia digestion, AAS
		Ag overlimit	Ag-GRA21	Fire assay 30, gravimetry
		Cu, Pb, Zn overlimit	AA46	Aqua regia digestion, AAS
Mineros pulps	ALS Chemex, Medellin and Val d'Or, Quebec	Preparation		Pulp samples
		Au	Au-AA25	Fire assay 30 g, AAS
		Multi-elements	ME-ICP41	36 elements by aqua regia digestion, AAS
		Ag overlimit	Ag-OG46	Aqua regia digestion, AAS
		Pb, Zn overlimit	ME-OG46	Aqua regia digestion, AAS
Anglo American rocks	ALS Minerals, Medellin and Callao	Preparation		Dry, crush to >80% passing 2 mm, riffle split 1000 g, pulverise to >90% passing 106 microns.
		Au	Au-AA23	Fire assay 30 g, AAS
		Multi-elements	ME-MS41L	Aqua regia dissolution, ICP-MS
Rugby core	ALS Minerals, Medellin and Callao	Preparation		Dry, crush to >70% passing 2 mm, riffle split 1000 g, pulverise to >85% passing 75 microns.
		Au	Au-AA24	Fire assay 50 g, AAS
		Multi-elements	ME-ICP61	33 elements by 4 acid digestion, ICP-AES

Company	Laboratory	Method	Code	Procedure
		Multi-elements	ME-MS61	48 elements by 4 acid digestion, ICP-MS
Rugby soils	ALS Minerals, Medellin and Callao	Preparation		Dry, screen to -180 microns, crush fines to >70% passing 2 mm, riffle split 1000 g, pulverise to >85% passing 75 microns.
		Au	Au-AA23	Fire assay 30 g, AAS
		Multi-elements	ME-MS61	48 elements by 4 acid digestion, ICP-MS
		Cu overlimits	AA62	4 acid digestion, AAS
Rugby rocks	ALS Minerals, Medellin and Callao	Preparation		Dry, crush to >70% passing 2 mm, riffle split 250 g, pulverise to >85% passing 75 microns.
		Au	Au-AA23	Fire assay 30 g, AAS
		Multi-elements	ME-MS61	48 elements by 4 acid digestion, ICP-MS
		Ag, Cu, Pb, Zn overlimits	AA62	4 acid digestion, AAS
Rugby stream sediments	ALS Minerals, Medellin and Callao	Preparation		Dry, crush to -180 microns.
		Au	Au-AA23	Fire assay 30 g, AAS
		Multi-elements	ME-MS41L	Aqua regia digestion, ICP-MS
Rugby rocks, soils	Actlabs, Medellin and Ancaster, Ontario	Preparation	RX1	Dry, crush to >80% passing 2 mm, riffle split 250 g, and pulverise to >95% passing 105 µm.
		Au	1A2-30	Fire assay 30 g, AAS
		Au overlimit	AQ1	Aqua regia digestion, AAS
		Multi-elements	ME-MS61	4 acid digestion, ICP-AES, ICP-MS

**Table 7: Summary of the sample preparation and analyses methods of the legacy samples<sup>5</sup>**

The CMI e samples were prepared and analysed by Actlabs Colombia S.A.S. at a laboratory in Rionegro, Medellin, certified to ISO 9001-2008, and by the parent company Activation Laboratories Ltd., Ancaster, Ontario, certified to ISO/IEC 17025 (Actlabs), using the methods shown in Table 8 below. Actlabs is independent of Collective.

Company	Laboratory	Method	Code	Procedure
Collective Mining	Actlabs, Medellin and Ancaster, Ontario	Preparation rocks	RX1	Dry, crush to >80% passing 2 mm, riffle split 250 g, and pulverise to >95% passing 105 µm.
		Preparation soils	S1	Dry, sieve to -177 microns.
		Au	1A2-30	Fire assay 30 g, AAS
		Au overlimit	AQ1	Aqua regia digestion, AAS
		Multi-elements	UT-4M	42 elements by multiacid digestion, ICP-MS

**Table 8: Summary of the sample preparation and analyses methods of the Collective samples.**

<sup>5</sup> Abbreviations: AAS - atomic absorption spectrophotometer; ICP-AES/ICP-OES - inductively coupled plasma atomic/optical emission spectrometer; ICP-MS - inductively coupled plasma mass spectrometer.

CMI had a written protocol for sample security and chain of custody, which is summarised as follows:

- CMI takes custody of the core at the drill platform as soon as it is extracted under the supervision of the technical assistant.
- The core is taken from the platform to the road by CMI helpers and guarded by the chief helper with a signed list of boxes.
- The core boxes and list are handed over to a CMI driver and pick-up truck and transported to the core logging and core store facility, where they are handed over to the geologist in charge.
- The CMI core store supervisor is responsible for the core and samples in the core store.
- The CMI core store supervisor prepares the sample shipment forms and laboratory work orders.
- The samples are sent to the Actlabs laboratory in Medellin by company vehicle and driver with a security guard.
- Sample custody is handed over to Actlabs with a work order.
- After the free storage period expires, the sample pulps and rejects are returned to CMI with a list, verified against the list, and transported by company driver and vehicle to the core store.

#### *Quality Assurance and Quality Control (QA-QC)*

CMI had written protocols for sampling and QA-QC with the insertion of certified standard reference materials (CSRM), coarse blanks, fine blanks, field duplicates, coarse duplicates and fine duplicates, as shown in Table 9 below. A total of 24% QA-QC samples are inserted, which exceeds industry standards. The CSRM are monitored by scatter plots with performance gates with rejection if a sample is greater or lesser than the recommended value  $\pm 3SD$ , and a warning if two or more samples are between the recommended value  $\pm 2$  to  $\pm 3SD$ . Duplicates are monitored on scatter plots of original versus duplicate. Laboratory investigation and, if necessary reruns are pending for six CSRM samples that were out of limits for Ag, Cu and/or Au, and one coarse blank that failed for Cu. The field duplicates show a good correlation with only two outlier samples.

Type	Code	Material	Position	Rock, core %	Soils, seds %	Acceptance
CSRM	STD	HDTR01, PLSUL04, PLSUL09, PLSUL35, PLSUL38, M3A20 certified for Au, Ag, Cu, Pb, Zn, (Fe, S) by Target Rocks, Peru.	Random	4	4	Rec value +/- 2SD, 3SD
Coarse Blank	BKG	Coarse quartz	After BKF	4	0	3x and 5x LLD
Fine Blank	BKF	Fine quartz	After mineralised zones	4	4	3x and 5x LLD
Field Duplicate	DU	Second sample at same location.	Random	4	4	30% relative error
Coarse Duplicate	DUG	Take second split of coarse reject	Random	4	0	20% relative error
Fine Duplicate	DUP	Second split of the pulp	Random	4	0	10% relative error
Total				24	12	

**Table 9: QA-QC protocol of CMI**

The sample preparation and analysis of the legacy samples were carried out by independent, certified laboratories and, although not all of the data is available now, it was the author of the San Antonio Technical Report's opinion that sample preparation, analysis and security meet with current standard industry practise. The companies had protocols for sample and analytical QA-QC that follow standard industry practise, with protocols for monitoring QA-QC in real



time and for checking any sample batches that fail. In practise, the legacy surface geochemical data are used as an exploration guide by Collective and new rock sampling is carried out in areas of interest. Collective's sample preparation, analysis and chain of custody and QA-QC meet with current standard industry practise. The author of the San Antonio Technical Report considers that the data are adequate for the purposes of the San Antonio Technical Report.

### ***Mineral Processing and Metallurgical Testing***

No mineral processing or metallurgical testing has been carried out on the San Antonio Project.

### ***Mineral Resources and Mineral Reserves***

There are no current mineral resources or mineral reserves estimated for the San Antonio Project at this time.

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

In the opinion of the author of the San Antonio Technical Report, the San Antonio Project warranted further exploration of the three porphyry targets defined by CMI: (i) the Dollar; (ii) COP; and (iii) Pound targets. A two-phase exploration programme was recommended.

Phase I of the recommended exploration programme comprised additional geological mapping, rock chip and soil sampling, and 5,000 m of diamond drilling in 8 deep holes of 400 to 800 m length at the three targets. As at the date of this AIF, approximately US\$2.0 million of exploration expenditures were incurred on the recently completed Phase I recommended work program at the San Antonio Project. Phase II has not yet commenced. Phase II of the recommended exploration programme will consist of additional rock chip and soil sampling, and 10,000 m of exploration diamond drilling, with the location and length of the holes to be determined based on the final analysis of the Phase I results. The estimated cost of the Phase II programme is US\$3,822,000, and the estimated time to complete the Phase II programme is approximately 18 months, including eight months drilling with two or three drill rigs. The budget for the Phase II programme is set out in Table 10 below. See "*Cautionary Statement Regarding Forward-Looking Information*".

<b>Item</b>	<b>Unit</b>	<b>Quantity</b>	<b>Unit Price (US\$)</b>	<b>Total (US\$)</b>
<b>Phase II</b>				
Drilling Phase 2	m	10,000	200	2,000,000
Assays	samples	10,000	50	500,000
Rock chip and soil sampling	samples	2,000	50	100,000
General and Administration (Geology department only)				702,000
Contingency				520,000
<b>Total</b>				<b>3,822,000</b>

***Table 10: Estimated Budget for the Recommended Phase II Exploration Programme for the San Antonio Project***

### **Activities Subsequent to Date of Technical Report**

In the San Antonio project a total of 4,310 metres of diamond drilling was completed in 2021 at the Dollar and Pound targets resulting in a significant bulk tonnage grassroots discovery at the Pound Target. Mineralization at Pound, which begins from surface, is related to hydrothermal breccia and highly altered quartz diorite intrusive which have been overprinted by late stage, polymetallic veins. Subsequent follow up exploration has expanded the strike length of the target to at least 1.3 kilometres with assay results as follows:

HoleID	From (m)	To (m)	Intercept Interval (m)**	Au (g/t)	Ag (g/t)	Zn (ppm)	Pb (ppm)	Cu %	Mo %	AuEq (g/t)*
SAC-6	0	750	750	0.32	6	454	303	0.02	0.001	0.41
SAC-8	0	710	710	0.40	6	352	130	0.04	0.001	0.53

\* AuEq (g/t) = (Au (g/t) x 0.95) + (Ag g/t x 0.013 x 0.90) + (Cu (%) x 1.83 x 0.92) + (Mo (%) x 4.57 x 0.92), utilizing metal prices of Cu - US\$4.00/lb, Mo - US\$10.00/lb, Ag - \$20/oz and Au - US\$1,500/oz and recovery rates of 95% for Au, 90% for Ag, 92% for Cu and Mo.

\*\* a 0.1 g/t AuEq cut-off grade was employed with no more than 10% internal dilution. True widths are unknown and grades are uncut.

A hi resolution IP survey is planned for 2022 with further drilling anticipated in H2, 2022.

## RISKS AND UNCERTAINTIES

The business of the Company is subject to a variety of risks and uncertainties. Investment in Common Shares should be considered highly speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of development, production and exploration and the location of its properties in Colombia. Readers should carefully consider the risks disclosed in this MD&A, and the audited consolidated financial statements for the year ended December 31, 2021. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or relating to the Company's operations and any of these risk elements could have a material adverse effect on the business of the Company.

### Nature of Mineral Exploration

Resource exploration and development is a speculative business and involves a high degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The properties in which the Company holds an interest are without a known mineral resource or reserve. Each of the proposed programs on the properties is an exploratory search for resources or additional resources. There is no assurance that commercial quantities of resources will be discovered. There is also no assurance that even if commercial quantities of resources are discovered, a mineral property will be brought into commercial production. The discovery of mineral deposits is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit, once discovered, is also dependent upon a number of factors, some of which are the particular attributes of the deposit, such as size, grade, ground conditions and proximity to infrastructure, community relations, metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of economic commercial quantities of ore.

### Foreign Country Risk

The Company's principal mineral properties are located in rural Colombia. Over the past 10 to 15 years, the Government of Colombia has made strides in improving the social, political, economic, legal and fiscal regimes. However, operations in Colombia are still subject to risk due to the potential for social, political, economic, legal and fiscal instability. The government in Colombia faces ongoing problems including, but not limited to, unemployment and inequitable income distribution and unstable neighboring countries. The instability in neighboring countries could result in, but not limited to, an influx of immigrants which could result in a humanitarian crisis and/or increased illegal activities. Colombia is also home to a number of insurgency groups and large swaths of the countryside are under guerrilla influence. In addition, Colombia experiences narcotics-related violence, a prevalence of kidnapping, extortion and thefts and civil unrest in certain areas of the country. Such instability may require the Company to suspend operations on its properties. There is a risk that agreements with the police and/or army are required and

cannot be reached on time or on terms that are acceptable to the Company, which could result in an increase in security threats or loss of control at the project site that could have a material adverse effect on the Company.

Although the Company is not presently aware of any circumstances or facts which may cause the following to occur, other risks may involve matters arising out of the evolving laws and policies in Colombia, any future imposition of special taxes or similar charges, as well as foreign exchange fluctuations and currency convertibility and controls, the unenforceability of contractual rights or the taking or nationalization of property without fair compensation, restrictions on the use of expatriates in the Company's operations, renegotiation or nullification of existing concessions, licenses, permits and contracts, illegal mining, changes in taxation policies, or other matters.

The Government of Colombia reached a peace accord in 2016 with the country's largest guerrilla group. The Government of Colombia also entered into and dissolved formal discussions with the country's second largest guerrilla group due to their unwillingness to cease criminal and violent crimes. There is no certainty that the agreements will be adhered to by all of the members of the guerrilla groups or that a peace agreement will be ultimately reached with the country's second largest guerrilla group. There is a risk that any peace agreement might contain new laws or change existing laws that could have a material adverse effect on the Company's projects. Furthermore, the achievement of peace with the country's guerrilla groups could create additional social or political instability in the immediate aftermath, which could have a material adverse effect on the Company.

### **Foreign Operations**

The Company's exploration operations are located in Colombia. Colombia's legal and regulatory requirements in connection with companies conducting mineral exploration and mining activities, banking system and controls as well as local business culture and practices are different from those in Canada. The officers and directors of the Company must rely, to a great extent, on the Company's Colombian management, legal counsel and local consultants retained by the Company in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Company's business operations, and to assist the Company with its governmental relations. The Company must rely, to some extent, on the members of management and the Board who have previous experience working and conducting business in Colombia to enhance its understanding of and appreciation for the local business culture and practices in Colombia. The Company also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing and tax matters in Colombia. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices in Colombia are beyond the control of the Company and may adversely affect its business.

The Company also bears the risk that changes can occur to the Government of Colombia and a new government may void or change the laws and regulations that the Company is relying upon. Currently, there are no restrictions on the repatriation from Colombia of earnings to foreign entities and Colombia has never imposed such restrictions. However, there can be no assurance that restrictions on repatriation of earnings from Colombia will not be imposed in the future. Exchange control regulations require that any proceeds in foreign currency originated on exports of goods from Colombia (including minerals) be repatriated to Colombia. However, purchase of foreign currency is allowed through any Colombian authorized financial entities for purposes of payments to foreign suppliers, repayment of foreign debt, payment of dividends to foreign stockholders and other foreign expenses.

Due to its locations in Colombia, the Company depends in part upon the performance of the Colombian economy. As a result, the Company's business, financial position and results of operations may be affected by the general conditions of the Colombian economy, price instabilities, currency fluctuations, inflation, interest rates, regulatory changes, taxation changes, social instabilities, political unrest and other developments in or affecting Colombia over which the Company does not have control. Because international investors' reactions to the events occurring in one emerging market country sometimes appear to demonstrate a "contagion" effect in which an entire region or class of investment is disfavoured by international investors, Colombia could also be adversely affected by negative economic or financial developments in other emerging market countries.

### **Requirement for Future Financing**

The Company has limited financial resources and has limited sources of operating cash flow. The Company will require additional funds to finance exploration and future acquisitions. The exploration and development of the various mineral properties in which the Company holds interests and the acquisition of additional properties depend upon the

Company's ability to obtain financing through equity financings, joint ventures of projects, stream financing, debt financing or other means. The perception that security conditions in Colombia have not improved and the decline in the capital markets for the extractive industry could hinder the Company's ability to access capital in a timely or cost-effective manner. Although the Company has been successful in raising funds as well as the filing of a base shelf prospectus for up to an aggregate total of C\$100 million, there can be no assurance that the Company will be able to raise additional financing required or that such financing will be available on terms acceptable to the Company. Failure to obtain additional financing on a timely basis may result in delays or an indefinite postponement of exploration, development, or production on any or all of the Company's properties, could cause the Company to reduce or terminate its operations or lose its interest in its properties and cease to continue as a going concern.

In addition, there can be no assurance that future financing can be obtained without substantial dilution to existing shareholders. The issuance of additional securities and the exercise of common share purchase warrants, stock options and other convertible securities will result in dilution of the equity interests of any persons who are or may become holders of Common Shares.

### **Property Interests**

The ability of the Company to carry out successful mineral exploration, development and production activities will depend on a number of factors. The Company has a number of obligations with respect to acquiring and maintaining the Company's interest in certain of its current properties. No guarantee can be given that the Company will be in a position to comply with all such conditions and obligations, or to require third parties to comply with their obligations with respect to such properties. Furthermore, while it is common practice that permits and licenses may be renewed, extended or transferred into other forms of licenses appropriate for ongoing operations, no guarantee can be given that such renewal, extension or a transfer will be granted to the Company or, if they are granted, that the Company will be in a position to comply with all conditions that are imposed. Some of the Company's interests are the subject of pending applications to register assignments, extend the term, and increase the area or to convert licenses to concession contracts and there is no assurance that such applications will be approved as submitted.

There is no assurance that the Company's rights and foreign interests will not be revoked or significantly altered to the detriment of the Company.

### **No Assurance of Titles or Boundaries**

The Company is not the registered holder of all of the licences or concessions that comprise its projects in Colombia. Some of the licences and concessions that comprise the Company's projects in Colombia are registered in the names of certain third-party entities. The Company's interest in the Colombia projects is partially derived from Option Agreements. Under the Option Agreements, third parties have agreed to transfer the licences and concessions that comprise such properties to the Company upon satisfaction of certain conditions including but not limited to the receipt of all of the option payments. There can be no assurance, however, that such transfers will be effected. Events may occur that would prevent the third-party entities from being able to transfer such licences and concessions to the Company. In addition, in the event of a dispute between the parties, the Company's only recourse would be to commence legal action in Colombia. If the Company is required to commence legal proceedings, there is no assurance that the Company will succeed in such proceedings, and, therefore, may never obtain title to such properties.

Other parties may dispute title to any of the Company's mineral properties or land titles, any of the Company's properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected encumbrances or defects or governmental actions or errors. A successful challenge to the precise area and location of the Company's projects could result in the Company being unable to operate on its properties as permitted or being unable to enforce its rights with respect to its properties.

### **Land Surface and Access Rights**

The Company does not own any surface rights. There is a risk that the Company will not be able to purchase surface rights from third parties or on terms that are acceptable to the Company. Additionally, Colombia Law 1448/2011 compensates, with land restitution, communities that have been displaced as a result of political violence. In the event that the Company is impacted by application of Law 1448/2011, it has the right to begin an expropriation process available under Colombian law, although the process could take longer than expected. Although the Company does

not expect the effects of Law 1448/2011 to impact the Company, there is a risk that land near or on the Company's projects could be impacted, which could have a material adverse effect on the Company.

In order for the Company to conduct exploration including but not limited to surface reconnaissance work, mapping and drilling, it requires permission from third party owners of land. There is a risk that the Company will not be able to negotiate land access rights from third party landowners, which would have a material adverse effect on the Company's exploration activities. Even though not a common practice, the Company may rely on judicial proceedings to obtain rights of way on third party land.

### **Artisanal Mining**

The Company's properties are located in Colombia in an area that has a long history of artisanal mining. A portion of the Company's property include artisanal groups that are mining informally on a small-scale basis. The Company is committed to respecting their rights and to assist them in formalizing, however, there is no assurances that this process will be successful or that they will not oppose the Company's exploration activities or potential future development. In addition, there is a risk that the number of informal miners could increase in the future resulting in a material adverse effect on the Company.

### **Community Relations**

Maintaining a positive relationship with the communities in which the Company operates is critical to continuing successful exploration and development. There can be no assurances that the Company will be successful at managing these impacts. Community support for operations is a key component of a successful exploration or development project. Various international and national laws, codes, resolutions, conventions, guidelines and other materials relating to corporate social responsibility (including rights with respect to health and safety and the environment) may also require government consultation with communities on a variety of issues affecting local stakeholders, including the approval of mining rights or permits. The Company may come under pressure in the jurisdictions in which it explores or develops to demonstrate that other stakeholders benefit and will continue to benefit from its commercial activities. Local stakeholders and other groups may oppose the Company's current and future exploration, development and operational activities through legal or administrative proceedings, protests, roadblocks or other forms of public expression against the Company's activities. Opposition by such groups may have a negative impact on the Company's reputation and its ability to receive necessary mining rights or permits. Opposition may also require the Company to modify its exploration and development plans or enter into agreements with local stakeholders or governments with respect to its projects. Any of these outcomes could have a material adverse effect on the Company's business, financial condition, results of operations and Common Share price.

### **Minority Ethnic Groups**

Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of Minority Ethnic Groups. Many of these materials impose obligations on government to respect the rights of Minority Ethnic Groups. Some mandate that government consult with Minority Ethnic Groups regarding government actions which may affect Minority Ethnic Groups, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to Minority Ethnic Groups continue to evolve and be defined. The Company's current or future operations are subject to a risk that one or more groups of Minority Ethnic Groups may oppose continued operation, further development, or new development on those projects or operations on which the Company holds an exploration right. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks, public hearings or other forms of public expression against the Company or the owner/operator's activities. Opposition by Minority Ethnic Groups to such activities may require modification of or preclude operation or development of projects or may require entering into agreements with Minority Ethnic Groups. Claims and protests of Minority Ethnic Groups may disrupt or delay activities of the owners/operators of the Company's exploration assets.

### **Dependence on Key Management Employees**

The Company's exploration programs will depend on the business and technical expertise of key executives, including the directors of the Company and a small number of highly-skilled and experienced executives and personnel. Due to the relatively small size of the Company, the loss of any of these individuals or the Company's inability to attract and

retain additional highly skilled employees may adversely affect its business and future operations. The Company does not have key man insurance in place with respect to any of these individuals.

### **Coronavirus (“COVID-19”)**

On March 11, 2020, the World Health Organization declared the rapidly spreading COVID-19 outbreak a global pandemic. This pandemic has had a significant impact on the global economy including that of Colombia, where the Company operates, through restrictions put in place by the various levels of governments regarding travel, business operations and isolation orders to reduce the rate of spread of new infections. The Company has been closely monitoring developments in the COVID-19 outbreak since its incorporation and has implemented preventative measures to ensure the safety of our workforce and local communities. To date, there have been no significant outbreaks of COVID-19 at our properties and there have been no significant disruptions to current operations. The Company continues to manage and respond to COVID-19 within an internally constructed framework, along with recommendations of health authorities and local and national regulatory requirements.

### **Labour and Employment Matters**

While the Company has good relations with its employees, these relations may be impacted by changes in labour laws which may be introduced by the relevant governmental authorities in jurisdictions in which the Company carries on business. Adverse changes in such legislation may have a material adverse effect on the Company’s business, results of operations and financial condition.

The Company’s workforce is not governed by a minority union or a cooperative agreement. Although labour relations with its employees have been good, there is no assurance that this will continue in the future or that employees will not attempt to organize in the future. Any significant disruption in labour arrangements could have a material adverse effect on the Company’s reputation and its ability to continue to operate.

### **Non-Governmental Organization Intervention**

The Company’s relationship with the communities in which it operates is critical to ensure the future success of its existing operations. A number of non-governmental organizations are becoming increasingly active in Colombia as the security and safety in Colombia increases and the Government implements the peace accords. These organizations may create or inflame public unrest and anti-mining sentiment among the inhabitants in areas of mineral development. Such organizations have been involved, with financial assistance from various groups, in mobilizing sufficient local anti-mining sentiment to protest and even prevent the issuance of required permits for the development of mineral projects of other companies. While the Company is committed to operating in a socially responsible manner, there is no guarantee that the Company’s efforts in this respect will mitigate this potential risk.

### **Foreign Currency Fluctuations**

The Company’s current and proposed exploration in Colombia render it subject to foreign currency fluctuations, which may materially affect its financial position and results. The Company’s reporting currency is the U.S. dollar, which is exposed to fluctuations against other currencies. In addition, the Company maintains cash accounts in Canadian dollars, U.S. dollars and Colombian pesos and has monetary assets and liabilities in U.S. and Canadian dollars and Colombian pesos. The important exchange rates for the Company are currently the rate between the U.S. dollar and the Colombian peso and the Canadian dollar and the U.S. dollar. While the Company is funding work in Colombia, the Company’s results of operations are subject to foreign currency fluctuation risks and such fluctuations may adversely affect the financial position and operating results of the Company. The Common Shares are traded on the TSXV, a Canadian stock exchange. Prior and future equity financings result in the generation of Canadian dollar proceeds to fund the Company’s activities, which are principally incurred in U.S. dollars or Colombian pesos. To the extent funds from such financings are maintained in Canadian dollars, the Company’s results can be significantly impacted by adverse changes in exchange rates between the Canadian dollar and the U.S. dollar and Colombian peso. From time to time, to partially mitigate transactional volatility in the U.S. dollar and Colombian peso, the Company may enter into foreign currency instruments in order to partially offset existing currency exposures.

## **Cybersecurity Risks**

Cyber threats have evolved in severity, frequency and sophistication in recent years, and target entities are no longer primarily from the financial or retail sectors. The Company is reliant on the continuous and uninterrupted operations of its information technology (“IT”) systems. User access and security of all IT systems are critical elements to the operations of the Company. Protection against cyber security incidents and cloud security, and security of all of the Company’s IT systems, are critical to the operations of the Company. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks, as well as disruptions resulting from incidents such as cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, vandalism and theft or other compromising of confidential or otherwise protected information. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in IT system failures, delays and/or increase in capital expenses. The failure of IT systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations. The Company stores all of its proprietary data on cloud servers including, but not limited to, financial records, drilling databases, technical information, legal information, licences and human resource records. There is no assurance that third parties will not illegally access these records which could have a material adverse effect on the Company.

## **Social Media**

As a result of the increased usage and the speed and global reach of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users, companies today are at much greater risk of losing control over how they are perceived in the marketplace. Damage to reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity (for example, with respect to handling of environmental matters or the Company’s dealings with community groups), whether true or not. The Company places a great emphasis on protecting its image and reputation, but the Company does not ultimately have direct control over how it is perceived by others. Reputation loss may lead to increased challenges in developing and maintaining community relations, decreased investor confidence and an impediment to overall ability to advance its projects, thereby having a material adverse impact on financial performance, cash flows and growth prospects.

## **Health and Safety Risk**

Mining and exploration, like many other extractive natural resource industries, is subject to potential risks and liabilities due to accidents that could result in serious injury or death. The impact of such accidents could affect the profitability of the operations, cause an interruption to operations and development, lead to a loss of licenses, affect the reputation of the Company and its ability to obtain further licenses, damage community relations and reduce the perceived appeal of the Company as an employer. The Company has limited procedures in place to manage health and safety protocols to reduce the risk of occurrence and the severity of any accident and plans to invest time and resources in the future to enhance health and safety at all operations.

The Company has limited insurance policies in place to cover some accidents and regularly monitors the adequacy of such policies; however, not all risks are covered by insurance policies due to either coverage not being available or not being available at commercially reasonable prices.

## **Limited Operating History**

The Company has no history of generating profits. The Company expects to continue to incur losses unless and until such time as it develops its properties and commences operations on its properties. The development of the properties will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, some of which are beyond the Company’s control, including the progress of ongoing exploration, studies and development, the results of consultant analysis and recommendations, the rate at which operating losses are incurred and the execution of any joint venture agreements with strategic parties, if any. There can be no assurance that the Company will generate operating revenues or profits in the future.

## **Special Skill and Knowledge**

Various aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of permitting, geology, drilling, metallurgy, logistical planning and implementation of exploration and development programs as well as finance and accounting. The Company has been able to recruit and retain employees and consultants with the necessary skills and knowledge. The Company believes it will continue to be able to do so; however, no assurance can be made in that regard.

## **Environmental and Other Regulatory Requirements**

All phases of the Company's operations are subject to environmental regulation (including environmental impact assessments and permitting). Environmental legislation and international standards are continually evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There have been a number of recent regulatory changes in Colombia and the Company expects additional regulatory changes, new interpretations and possibly enhanced enforcement to occur in the future. There is no assurance that the Company can or will be able to meet all standards on time, which could adversely affect the Company's business, financial condition or operations.

Environmental hazards may exist on the properties in which the Company holds interests which are unknown to the Company at present and which have been caused by artisanal miners or previous or existing owners or operators of the properties.

Failure to comply with applicable laws, regulations, permitting and zoning requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration, development or production of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation of existing laws, could have a material adverse impact on the Company and cause an increase in exploration expenses or capital expenditures or require abandonment or delays in the development of new exploration properties.

It is not possible for the Company to accurately predict changes in laws or policy or the extent to which any such developments or changes may have a material adverse effect on the Company's operations. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. The occurrence of any of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the properties, business, operations or financial condition of the Company. In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada.

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

In the future, the Company may require, from time to time, various approvals including, but not limited to, the approval from the National Environmental Licensing Authority (ANLA in Spanish) or the regional environmental authority for environmental permits. There is no assurance that the Company will receive the various approvals or receive them within a reasonable time period.

## **Control of the Corporation**

Mr. Ari Sussman, the Executive Chairman and a director of the Corporation, is also the principal shareholder of the Corporation. Mr. Sussman owns or controls, directly or indirectly, 10,490,000 Common Shares representing



approximately 22.2% of the issued and outstanding Common Shares. By virtue of his status as principal shareholder of the Corporation, and by being an executive officer and a director of the Corporation, Mr. Sussman has the power to exercise significant influence over all matters requiring shareholder approval, including the election of directors, amendments to the Corporation's articles and by-laws, mergers, business combinations and the sale of substantially all of the Corporation's assets. As a result, the Corporation could be prevented from entering into transactions that could be beneficial to the Corporation or its other shareholders, and third parties could be discouraged from making a take-over bid. In addition, sales by Mr. Sussman of a substantial number of Common Shares could cause the market price of the Common Shares to decline.

### **Investors' Ability to Exercise Statutory Rights and Remedies under Canadian Securities Laws**

The Corporation is incorporated under the laws of the Province of Ontario. However, the subsidiaries of the Corporation are organized under the laws of jurisdictions outside of Canada, in particular Bermuda and Colombia, and certain of the officers and directors of the Corporation reside outside of Canada. This may limit an investor's ability to exercise statutory rights and remedies under Canadian laws. In particular, a Canadian court may determine that it does not have jurisdiction over a claim by an investor against one of the Corporation's subsidiaries and/or its officers and directors, or that another international jurisdiction is the more convenient forum to adjudicate the claim.

### **Difficulty in Enforcement of Judgments**

The Corporation has subsidiaries incorporated in Bermuda and Colombia. Certain directors and officers of the Corporation reside outside of Canada and substantially all of the assets of these persons are located outside of Canada. It may not be possible for shareholders to effect service of process against the Corporation's directors and officers who are not resident in Canada. In the event a judgment is obtained in Canada against one or more of the directors or officers of the Corporation for violations of Canadian securities laws or otherwise, it may not be possible to enforce such judgment against those directors and officers not resident in Canada. Additionally, it may be difficult for an investor, or any other person or entity, to assert Canadian securities law claims or otherwise in original actions instituted in Bermuda or Colombia. Courts in these jurisdictions may refuse to hear a claim based on a violation of Canadian securities laws or otherwise on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim. Even if a court in an international jurisdiction agrees to hear a claim, it may determine that the local law, and not Canadian law, is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by the law in the relevant international jurisdiction.

### **Negative Operating Cash Flow**

To date the Corporation has recorded no operating cash flow and the Corporation has not commenced development or commercial production on any property. There can be no assurance that significant losses will not occur in the near future or that the Corporation will be profitable in the future. The Corporation's operating expenses and capital expenditures may increase in subsequent years as consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Corporation's properties. The Corporation expects to continue to incur losses unless and until such time as it enters into commercial production and generates sufficient revenues to fund its continuing operations. The development of the Corporation's properties will require the commitment of substantial resources to conduct time-consuming exploration and development. There can be no assurance that the Corporation will ever generate positive operating cash flow or achieve profitability.

### **Compliance with Anti-Corruption Laws and ESTMA**

The Company is subject to various anti-corruption laws and regulations including, but not limited to, the Canadian Corruption of Foreign Public Officials Act. In general, these laws prohibit a company and its employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. The Company's primary operations are located in Colombia and, according to Transparency International, Colombia is perceived as having fairly high levels of corruption relative to Canada. The Company cannot predict the nature, scope or effect of future regulatory requirements to which its operations might be subject or the manner in which existing laws might be administered or interpreted.

Failure to comply with the applicable legislation and other similar foreign laws could expose the Company and its senior management to civil and/or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could have a material adverse effect on the Company's business, financial condition and results of operations. Likewise, any investigation of any potential violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, financial condition and results of operations, as well as on the market price of the Common Shares. As a consequence of these legal and regulatory requirements, the Company instituted policies with regard to its anti-corruption policies. There can be no assurance or guarantee that such efforts have been and will be completely effective in ensuring the Company's compliance, and the compliance of its employees, consultants, contractors and other agents, with all applicable anti-corruption laws.

In addition, the *Canadian Extractive Sector Transparency Measures Act* ("ESTMA"), which became effective June 1, 2015, requires public disclosure of payments to governments by mining and oil and gas companies engaged in the commercial development of oil, gas and minerals who are either publicly listed in Canada or with business or assets in Canada. Commencing in 2017, mandatory annual reporting is required for extractive companies with respect to payments made to foreign and domestic governments at all levels, including entities established by two or more governments. ESTMA requires reporting on the payments of any taxes, royalties, fees, production entitlements, bonuses, dividends, infrastructure improvement payments, and any other prescribed payment over C\$100,000. Failure to report, false reporting or structuring payments to avoid reporting may result in fines of up to C\$250,000 (which may be concurrent). If the Company becomes subject to an enforcement action or is in violation of ESTMA, this may result in significant penalties, fines and/or sanctions, which may have a material adverse effect on the Company's reputation. The Company will be required to comply with ESTMA reporting requirements.

### **Insurance and Uninsurable Risks**

Exploration, development and production operations on mineral properties involve numerous risks including, but not limited to, unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the storage and shipment of precious metal concentrates or doré bars, and political and social instability. Such occurrences could result in damage to mineral properties, damage to underground development, damage to facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in the ability to undertake exploration and development, monetary losses and possible legal liability. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of the Company.

The Company may be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration, development and production is not always available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from any of the above events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

### **Government Regulation**

The mineral exploration, mining, processing, and development activities of the Company are subject to various laws and regulations governing prospecting, exploration, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, waste disposal, land claims of local people, mine development, and other matters. Although the Company's exploration 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. Amendments to current laws and regulations governing operations and activities of exploration, or more stringent implementation thereof could have an adverse impact on the Company.

The Company's mineral exploration activities in Colombia may be adversely affected in varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase royalties or the costs related to the Company's activities or maintaining its properties. Operations may also be affected in varying

degrees by government regulations with respect to restrictions on production, price controls, government-imposed royalties, claim fees, export controls, income taxes, and expropriation of property, environmental legislation and project safety. The effect of these factors cannot be accurately predicted. Although the Company's exploration are currently carried out in material compliance 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.

Furthermore, any shift in political attitudes, or amendments to current laws and regulations governing operations and activities of exploration or more stringent implementation thereof are beyond the control of the Company and could have a substantial adverse impact on the Company.

### **Market Price of Common Shares**

Securities of mineral exploration, development and production companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in precious and base metal mineral prices or the Company's financial condition or results of operations as reflected in its quarterly and annual earnings reports. Other risks unrelated to the Company's performance that may have an effect on the price of the Common Shares include the following: regulatory or economic changes affecting the Company's operations; variations in the Company's operating results; developments in the Company's business or its competitors; the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not follow the Company's securities; lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of Common Shares; changes in market sentiment towards the Common Shares; the size of the Company's public float may limit the ability of some institutions to invest in the Company's securities; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Company's securities to be delisted from the exchange on which they trade, further reducing market liquidity.

There can be no assurance that an active market for the Common Shares will be sustained. Investors should be aware that the value of the Common Shares may be volatile, and investors may, on disposing of the Common Shares, realize less than their original investment or may lose their entire investment.

The Company's operating results and prospects from time to time may be below the expectations of market analysts and investors. In addition, stock markets from time to time suffer significant price and volume fluctuations that affect the market prices of the securities listed thereon and which may be unrelated to the Company's operating performance. Any of these events could result in a decline in the market price of the Common Shares. The Common Shares may, therefore, not be suitable as a short-term investment. In addition, the market price of the Common Shares may not reflect the underlying value of the Company's net assets. The price at which the Common Shares will be traded and the price at which investors may realize their shares are influenced by a large number of factors, some specific to the Company and its proposed operations, and some which may affect the business and geographic sectors in which the Company operates. Such factors could also include the performance of the Company's operations, large purchases or sales of the Common Shares, liquidity or the absence of liquidity in the Common Shares, legislative or regulatory changes relating to the business of the Company and general economic conditions.

As a result of any of these factors, 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 often has 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.

### **Dividend Policy**

No dividends on the shares of the Company have been paid by the Company to date. Payment of any future dividends will be at the discretion of the Board after taking into account many factors, including the Company's operating results, financial condition and current and anticipated cash needs. At this time, the Company has no source of cash flow and

anticipates using all available cash resources towards its stated business objectives and retaining all earnings, if any, to finance its business operations.

### **Future Sales of Common Shares by Existing Shareholders**

Sales of a large number of Common Shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Company's ability to raise capital through future sales of Common Shares. In addition, shareholders of the Company who have an investment profit in the Common Shares that they own may seek to liquidate their holdings, which could decrease the trading price of the Common Shares and could also impair the Company's ability to raise capital through future sales of Common Shares.

### **Litigation Risk**

All industries, including the mining industry, are subject to legal claims, with and without merit. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, the litigation process could take away from management time and efforts and the resolution of any particular legal proceeding to which the Company may become subject could have a material adverse effect on the Company's financial position, results of operations or the Company's property development.

### **Seizure or Expropriation of Assets**

Pursuant to Article 58 of the Colombian constitution, the Government of Colombia can exercise its eminent domain powers in respect of the Company's assets in the event such action is required to protect public interests. According to Law 388 of 1997, eminent domain powers may be exercised through: (i) an ordinary expropriation proceeding (expropiacion ordinaria), (ii) an administrative expropriation (expropiacion administrativa) or (iii) an expropriation for war reasons (expropiacion en caso de guerra). In all cases, the Company would be entitled to a fair indemnification for expropriated assets. However, indemnification may be paid in some cases years after the asset is effectively expropriated. Furthermore, the indemnification may be lower than the price for which the expropriated asset could be sold in a free market sale or the value of the asset as part of an ongoing business.

### **Accounting Policies and Internal Controls**

The Company prepares its financial reports in accordance with IFRS as issued by the IASB. In preparing financial reports, management may need to rely upon assumptions, make estimates or use their best judgment in determining the financial condition of the Company. Significant accounting policies are described in more detail in the Company's annual consolidated financial statements. The Company has implemented and continues to assess its internal control systems for financial reporting in order to have a reasonable level of assurance that financial transactions are properly authorized, assets are safeguarded against unauthorized or improper use and transactions are properly recorded and reported. Although the Company believes its financial reporting and annual consolidated financial statements are prepared with reasonable safeguards and that all accounting policies are applied correctly to ensure reliability of the information, the Company continues to be in a start up phase and internal control processes are still maturing.

### **Conflicts of Interest**

Certain directors and officers of the Company are also directors, officers and/or shareholders of other companies that are similarly engaged in the business of natural resource exploration, development and production. Such associations may give rise to conflicts of interest from time to time. 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 which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict is required under the Business Corporations Act (Ontario) and the Company's by-laws to disclose his/her interest.

### **Competition**

The Company may compete with other exploration companies which may have greater financial resources and technical abilities for the acquisition of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees. The Company's ability to increase the number of properties that

it holds in the future will depend not only on its ability to explore and develop its present properties, but also on its ability to select, acquire and develop suitable properties or prospects.

### **Differing Interpretations in Tax Regimes in Foreign Jurisdictions**

Tax regimes in foreign jurisdictions may be subject to sudden changes. The Company's interpretation of taxation law where it operates and as applied to its transactions and activities may be different than that of applicable tax authorities. As a result, tax treatment of certain operations, actions or transactions may be challenged and reassessed by applicable tax authorities, which could result in adverse tax consequences for the Company, including additional taxes, penalties or interest. See also "Risks of the Business – Bermuda Legal Matters - The Company May Become Subject to Taxes in Bermuda".

### **Tax Matters**

The Company is subject to income taxes and other taxes in a variety of jurisdictions and the Company's tax structure is subject to review by both Canadian and foreign taxation authorities. The Company's taxes are affected by a number of factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws and treaties. If the Company's filing position were to be challenged for whatever reason, this could have a material adverse effect on the Company's business, results of operations and financial condition.

### **Foreign Subsidiaries**

The Company conducts certain of its operations through foreign subsidiaries and some of its assets are held in such entities. Any limitation on the transfer of cash or other assets between the Company and such entities, or among such entities, could restrict the Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price.

### **Unknown Liabilities in Connection with Acquisitions**

As part of the Company's acquisitions, the Company has assumed certain liabilities and risks. While the Company conducted due diligence in connection with such acquisitions, there may be liabilities or risks that the Company failed, or was unable, to discover in the course of performing the due diligence investigations or for which the Company was not indemnified. Any such liabilities, individually or in the aggregate, could have a material adverse effect on the Company's financial position and results of operations.

### **Acquisitions and Integration**

From time to time, it can be expected that the Company will 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, may change the scale of the Company's business and operations, and may expose the Company to new geographic, political, social, operating, financial and geological risks. The Company's success in its acquisition activities depends upon its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of the Company. Any acquisition would typically be accompanied by risks. If the Company chooses to raise debt capital to finance any such acquisitions, the Company's leverage will be increased, along with potential additional performance and covenant requirements which may increase the risk of default or reduced capital. If the Company chooses to use equity as consideration for such acquisitions, existing shareholders may suffer dilution. Alternatively, the Company may choose to finance any such acquisitions with its existing resources. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

### **Enforcement of Legal Rights**

The Company's material subsidiaries are organized under the laws of foreign jurisdictions and certain of the Company's directors, management personnel and experts are located in foreign jurisdictions. Given that the Company's material assets and certain of its directors, management personnel and experts are located outside of Canada, investors may have difficulty in effecting service of process within Canada and collecting from or enforcing against the Company or its directors, officers and experts, any judgments obtained by the Canadian courts or Canadian

securities regulatory authorities and predicated on the civil liability provisions of Canadian securities legislation or otherwise. Similarly, in the event a dispute arises from the Company's foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of courts in Canada.

### **Forward-looking Information May Prove Inaccurate**

Certain valuations and measurements required consideration of forecast estimates and the use of various assumptions reliant upon factors which are beyond the control of the Company. Readers of this MD&A should refer to the "Caution Regarding Forward-Looking Information" section.

### **Reliability of Mineral Resource and Reserve Estimates**

The Company currently does not have any mineral resources or mineral reserves. Furthermore, there is no certainty that any of the mineral resources or mineral reserves on any project with mineral resources or mineral reserves will be realized. Until a deposit is actually mined and processed, the quantity of metal and grades must be considered as estimates only. Any material change in quantity of metal, grade or dilution may affect the economic viability of any project undertaken by the Company.

### **Environmentally Protected Areas/Forest Reserves**

Colombia has a number of environmentally protected areas or forest reserves ("Protected Areas") that can, in certain circumstances, restrict mining activities. There are varying levels of Protected Areas within the country with different levels of restrictions. The Company's exploration properties may be subject to Protected Areas and while the Company does not expect any difficulties in obtaining the necessary permits to conduct mining activities in these areas, there can be no assurances that the laws or boundaries will not change or that permits will be granted which could have a material impact on the Company's operations. In addition, there can be no assurances that the government of Colombia will not declare new environmentally-protected areas or forest reserves that could potentially impact the Company's Colombian Projects which could have a material negative impact on the Company.

### **Cultural or Ethnic Restricted Areas**

Colombia has a number of restricted areas that can, in certain circumstances, require companies to obtain special permits to advance into exploration and exploitation activities. Restricted areas include (i) urban areas, (ii) archeological interest areas, (iii) cultural and historical interest areas, and (iv) public utilities and infrastructure areas. A small portion of the Company's exploration titles and/or exploration applications are subject to restricted areas and while the Company does not expect any difficulties in obtaining the necessary permits to conduct mining activities in these areas, there can be no assurances that the laws or boundaries will not change or that permits will be granted. In addition, there can be no assurances that the government of Colombia will not declare new restricted areas that could potentially impact the Company's operations which could have a material negative impact on the Company.

### **Fluctuation in Mineral Prices**

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for the sale of same or mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond the control of the Company may affect the ability of the Company to attract investors and receive further funds for exploration and development. Metal prices have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the Canadian and U.S. dollars and the Colombian peso relative to other currencies), interest rates, global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. In particular, the supply of and demand for gold are affected by, among other factors, political events, economic conditions and production costs in major gold-producing regions and governmental or central bank policies with respect to gold holdings. Declines in the price of gold may adversely affect the Company's development and mining projects. Although the Company believes that the fundamentals of supply and demand will remain stable in the future and participants in various sectors will continue

to support the gold price despite uncertainties in the global economy, there is no guarantee that the gold price will not materially decrease.

### **Credit Risk**

Credit risk arises from cash and cash equivalents, held with banks and financial institutions, and amounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

### **Global Economic Conditions**

There are significant uncertainties regarding the price of gold, other precious and base metals and other minerals and the availability of equity financing for the purposes of mineral exploration and development. Currently, prices of certain commodities such as gold have reflected volatility, which has had an impact on the Company and the mining industry in general. The Company's future performance is largely tied to the exploration and development of the Colombia Projects and the commodity and financial markets. There can be no certainty that commodity prices will increase or maintain the same levels. Current financial markets are likely to continue to be volatile in Canada potentially through 2021 and beyond, reflecting ongoing concerns about the stability of the global economy, geopolitical risks and weakening global growth prospects. Unprecedented uncertainty in the credit markets has also led to increased difficulties in financing activities. As a result, the Company may have difficulty raising financing for the purposes of mineral exploration and development and, if obtained, on terms favourable to the Company and/or without excessively diluting existing shareholders of the Company. These economic trends may limit the Company's ability to develop and/or further explore its mineral property interests.

Additionally, global economic conditions may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such volatility and market turmoil continue, the Company's business and financial conditions could be adversely impacted.

### **Unreliable Historical Data**

The Company has compiled technical data in respect of the Colombia Projects, some of which was not prepared by the Company. While the data represents a useful resource for the Company, much of it must be verified by the Company before being relied upon in formulating exploration and development programs.

### **Infrastructure**

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

### **Bermuda Legal Matters**

The Company's main subsidiary (the "Bermuda Subsidiary") is subject to the laws of Bermuda. The following is a non-exhaustive summary of certain laws of Bermuda which are relevant to the operations of the Bermuda Subsidiary.

#### ***Enforcement of Judgments in Bermuda May be Difficult***

The current position with regard to enforcement of judgments in Bermuda is set out below but this may be subject to change. A final and conclusive judgment of a foreign court against the Bermuda Subsidiary, under which a sum of money is payable (not being a sum of money payable in respect of multiple damages, or a fine, penalty tax or other charge of a like nature) may be the subject of enforcement proceedings in the Supreme Court of Bermuda under the common law doctrine of "obligation by action" on the debt evidenced by the foreign court's judgment. On general principles, such proceedings would be expected to be successful provided that:

the court which gave the judgment was competent to hear the action in accordance with private international law principles as applied in Bermuda; and

the judgment is not contrary to public policy in Bermuda, has not been obtained by fraud or in proceedings contrary to natural justice, and is not based on an error in Bermuda law.

Enforcement of such a judgment against assets in Bermuda may involve the conversion of the judgment debt into Bermuda dollars, but the Bermuda Monetary Authority (the "BMA") has indicated that its present policy is to give the consents necessary to enable recovery in the currency of the obligation.

No stamp duty or similar or other tax or duty is payable in Bermuda on the enforcement of a foreign judgment. Court fees will be payable in connection with proceedings for enforcement.

### ***Exemption from Exchange Controls***

The Bermuda Subsidiary is designated as "non-resident" for exchange control purposes by the BMA. Where a company is so designated, it is free to deal in currencies of any other country outside the Bermuda exchange control area which are freely convertible into currencies of any other country.

### ***Limitations on Carrying on Business***

Under Bermuda law, exempted companies are companies formed for the purpose of conducting business outside Bermuda from a principal place of business in Bermuda. As a result, they are exempt from Bermuda laws restricting the percentage of share capital that may be held by non-Bermudians, but they may not participate in certain business transactions, including:

the acquisition or holding of land in Bermuda (except that required for their business and held by way of lease or tenancy for terms of not more than 50 years) without the express authorization of the Bermuda legislature;

the taking of mortgages on land in Bermuda to secure an amount in excess of \$50,000 Bermuda dollars without the consent of the Minister of Finance of Bermuda or such other Minister as may be appointed to administer the *Bermuda Companies Act 1981* (the "Minister");

the acquisition of any bonds or debentures secured by any land in Bermuda, other than certain types of Bermuda government securities; or

the carrying on of business of any kind in Bermuda, except in furtherance of their business carried on outside Bermuda or under license granted by the Minister.

### ***Economic Substance***

Bermuda enacted legislation to introduce economic substance requirements in accordance with the requirements from the European Union ("EU") and in furtherance of its commitment to comply with international standards concerning the OECD's Base Erosion and Profit Shifting report. The legislation was enacted to demonstrate the jurisdictions commitment to comply with international standards with respect to cooperation for tax purposes and to ensure that Bermuda does not facilitate the use of structures which attract profits but which do not reflect real economic activity within the jurisdiction. The current legislation is set out in the *Economic Substance Act 2018* (the "ES Act"), as amended, and the Economic Substance Regulations 2018, as amended, (the "ES Regulations") (together the ES Act and the ES Regulation, the "ES Law").

The ES Law applies to any 'relevant entity' that conducts any 'relevant activity' in a 'relevant financial period.' A relevant entity that conducts a relevant activity must satisfy the economic substance requirements under the ES Law in relation to that activity. A relevant entity conducting a relevant activity must demonstrate it has satisfied the requirements under the ES Law by filing a declaration form with the Bermuda Registrar of Companies (the "Registrar") in respect of that financial year. Each relevant entity is required to file the Declaration Form no later than six months after the last day of each relevant financial period, with the first financial year commencing on or after 1 January 2019.

If the Registrar determines that a 'relevant entity' has not met the applicable economic substance requirements in accordance with the ES Laws, the Registrar is required by law to provide to the Bermuda Minister of Finance the information filed by the relevant entity pursuant to the ES Laws, and the Minister is required to provide that



information to his counterpart in the relevant EU member state or other relevant jurisdiction. Additionally, the Registrar also has the power to impose financial penalties, restrictions or regulate the business activities of the relevant entity or be authorised by the court for such proceedings under the relevant legislation to be taken, including strike off.

On 24 February 2022, the European Council added ten countries, including Bermuda, to Annex II of the EU list of non-cooperative jurisdictions for tax purposes.

Annex II is a list of jurisdictions that have made sufficient commitments to reform their tax policies but remain subject to close monitoring while they are executing on their commitments. It is expected that countries that have met their commitments will be removed from Annex II at the next opportunity later in 2022.

No direct penalties or sanctions will be imposed by any EU member states on entities or institutions in listed jurisdictions as a result of their inclusion in Annex II. As such, there should be no impact for Bermuda companies such as the Bermuda Subsidiary with respect to doing business in Bermuda.

### ***Evolving data privacy legislation***

In Bermuda, the *Personal Information Protection Act 2016* ("PIPA") was introduced to regulate the use of personal information in a manner that both protects its privacy and recognizes the need for organizations to use personal information for legitimate purposes. On 27 July 2016, PIPA received Royal Assent and thereafter, on 2 December 2016, limited administrative provisions of PIPA, relating to the appointment of a Privacy Commissioner and the creation of an independent office of the Privacy Commissioner came into force. PIPA sets out a number of requirements that must be complied with when organisations are handling personal information, including, the obligation to adopt suitable measures and policies, to appoint a privacy officer, to use personal information in a lawful and fair manner and maintain accurate records, the obligation to provide individuals with a clear and easily accessible privacy notice and to ensure adequate and proportionate security safeguards are in place and the obligation to report any breaches to the Privacy Commissioner. Bermuda's first Privacy Commissioner was appointed on January 20, 2020 and subsequently, it is anticipated that the obligations under PIPA will become operative in the near future.

## **DIVIDENDS AND DISTRIBUTIONS**

Collective has never paid any dividends and currently intends to reinvest all future earnings to finance the development and growth of its business. As a result, Collective does not intend to pay dividends on the Common Shares in the foreseeable future. Any future determination to pay distributions will be at the discretion of the Board and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of distributions and any other factors that the Board deems relevant. Collective is not bound or limited in any way to pay dividends in the event that the Board determines that payment of a dividend is in the best interest of the shareholders of Collective.

## **DESCRIPTION OF CAPITAL STRUCTURE**

Collective is authorized to issue an unlimited number of Common Shares without par value of which, as of the date of this AIF, 47,386,715 Common Shares were issued and outstanding. The Common Shares do not carry any pre-emptive, subscription, redemption, retraction, conversion or exchange rights, nor do they contain any sinking or purchase fund provisions.

The holders of Common Shares are entitled to receive notice of any meeting of the shareholders of Collective and to attend and vote thereat. Each Common Share entitles its holder to one vote. The holders of Common Shares are entitled to receive on a *pro rata* basis such dividends as the Board may declare out of funds legally available therefor. In the event of the dissolution, liquidation, winding-up or other distribution of the assets of Collective, such holders are entitled to receive on a *pro rata* basis all of the assets of the Corporation remaining after payment of all of Collective's liabilities. The Common Shares carry no pre-emptive, conversion, redemption or retraction rights. The Common Shares carry no other special rights and restrictions other than as described herein.

## MARKET FOR SECURITIES

### Trading Price and Volume

The Common Shares are listed and posted for trading on the TSXV under the symbol "CNL". The Common Shares commenced trading on the TSXV effective May 28, 2021. The following table indicates the high and low values and volume with respect to trading activity for the Common Shares on the TSXV on a monthly basis for Collective's financial year ended December 31, 2021 (Source: TMX Datalinx).

Month	High (\$)	Low (\$)	Volume
<b>2021</b>			
January	-	-	-
February	-	-	-
March	-	-	-
April	-	-	-
May <sup>(1)</sup>	3.05	3.00	75,957
June	4.10	2.75	1,183,533
July	4.00	3.40	892,626
August	3.45	2.89	886,849
September	2.95	2.30	557,028
October	3.20	2.20	891,560
November	3.04	2.65	253,633
December	3.05	2.85	631,146

**Note:**

(1) For the period between May 28, 2021 to May 31, 2021. The Common Shares commenced trading on the TSXV on May 28, 2021 following completion of the Business Combination. See "*General Development of the Business*".

The price of the Common Shares as quoted by the TSXV at the close of business on April 6, 2022, being the last full trading day of the Common Shares immediately preceding the date of this AIF, was \$3.30.

### Prior Sales

Collective issued the following securities in the financial year ended December 31, 2021 that are not listed or quoted on a marketplace:

Month of Issue	Type of Security	Number Issued	Issue/Exercise Price	Reason for Issuance
May 2021	Incentive Stock Options	590,000	\$1.00	Compensation
July 2021	Incentive Stock Options	150,000	\$4.00	Compensation
September 2021	Incentive Stock Options	200,000	\$2.90	Compensation
October 2021	Incentive Stock Options	200,000	\$2.40	Compensation
December 2021	Incentive Stock Options	1,348,750	\$2.90	Compensation

## DIRECTORS AND OFFICERS

The following table sets forth the name, municipality of residence, position held with Collective, principal occupation for the five preceding years and number of Common Shares beneficially owned by each person who is a director and/or an executive officer of Collective. The statement as to the Common Shares beneficially owned, controlled or directed, directly or indirectly, by the directors and executive officers hereinafter named is in each instance based upon information furnished by the person concerned and is as at the date hereof.

<b>Name, Position with the Corporation and Municipality of Residence</b>	<b>Director/Officer Since</b>	<b>Principal Occupation(s)</b>	<b>Number of Common Shares Beneficially Owned, Directly or Indirectly or Over Which Control or Direction is Exercised</b>
Ari Sussman Executive Chairman and a Director <i>Miami, Florida</i>	May, 2021	Executive Chairman of the Corporation (2021 to Present); Chief Executive Officer of Continental Gold Inc. (2010 to 2020)	10,490,000 (22.2%)
Omar Ossma President and Chief Executive Officer <i>Medellín, Colombia</i>	May, 2021	President and Chief Executive Officer of the Corporation (2021 to Present); Vice President, Legal of Continental Gold Inc. (2015 to 2020)	Nil
Paul Begin Chief Financial Officer and Corporate Secretary <i>Oakville, Ontario</i>	May, 2021	Chief Financial Officer and Corporate Secretary of the Corporation (2021 to Present); Chief Financial Officer of Continental Gold Inc. (2011 to 2020))	3,858,333 (8.2%)
Ana Milena Vásquez Executive Vice-President <i>Bogota, Colombia</i>	August, 2021	Executive Vice-President of the Corporation (2021 to Present); Vice- President, External Affairs and Sustainability of Continental Gold Inc. (2019 to 2020); Country Manager of Red Eagle Exploration (2009 to 2020); Vice-President of Business Development, CB Gold Inc. (2009 to 2020)	Nil
Paul Murphy <sup>(1)(2)</sup> Director <i>Toronto, Ontario</i>	May, 2021	Chief Financial Officer of G2 Goldfields Inc. (2020 to Present); Executive Vice President of Finance and Chief Financial Officer of Guyana Goldfields Inc. (2010 to 2019)	316,667 ( $< 1\%$ )
Ken Thomas <sup>(2)</sup> Director <i>Oakville, Ontario</i>	May, 2021	President of Ken Thomas & Associates Inc. (2012 to Present)	317,000 ( $< 1\%$ )
María Constanza García Botero <sup>(1)(2)</sup> Director <i>Medellín, Colombia</i>	May, 2021	Senior Manager at Deloitte (Bogota, Colombia) (2018 to 2019); Under-Secretary of Access and Permanence with the Colombian Education Secretary (2019 to 2020); Director of Education at Semana (2020).	Nil
Ashwath Mehra <sup>(1)</sup> Director <i>Zug, Switzerland</i>	September, 2021	Chief Executive Officer of ASTOR Management AG (2011 to Present)	1,150,000 (2.4%)

**Notes:**

- (1) Member of the Audit Committee. Each Audit Committee member is “independent” and “financially literate” within the meaning of National Instrument 52-110 – *Audit Committees*, and possesses education or experience that is relevant for the performance of their responsibilities as an Audit Committee member.
- (2) Member of the Compensation, Nominating and Corporate Governance Committee.

The Board are elected by the shareholders at each annual general meeting and typically hold office until the next annual general meeting at which time they may be re-elected or replaced.

The by-laws of Collective permit the Board to appoint directors to fill any casual vacancies that may occur. Individuals appointed as directors to fill casual vacancies on the Board hold office for the remainder of the term of the director that he or she is replacing, being until the next annual general meeting at which time they may be re-elected or replaced.

As of the date of this AIF, the directors and executive officers, as a group, beneficially own, directly or indirectly, or exercise control or direction over, a total of 16,132,000 Common Shares, representing approximately 34.1% of the Common Shares on a non-diluted basis.

#### *Corporate Cease Trade Orders or Bankruptcies*

No director or executive officer of the Corporation is, or, within 10 years before the date of this Prospectus, has been, a director, officer or promoter of any person or company (including the Corporation) that, while that person was acting in that capacity: (a) was the subject of a cease trade or similar order that denied the relevant company access to any exemptions under applicable securities legislation that was in effect for a period of more than 30 consecutive days; or (b) 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 the assets of that person.

#### *Penalties or Sanctions*

No director or executive officer of the Corporation is, or, within the last 10 years, has been: (a) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable investor making an investment decision.

#### *Personal Bankruptcies*

No director or executive officer of the Corporation, or a personal holding company of any such persons, has, within the last 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 individual.

#### *Conflicts of Interest*

Some of the Corporation's directors and/or executive officers are also directors of other natural resource companies and, consequently, there exists the possibility for such persons to be in a position of conflict relating to any future transactions or relationships between the Corporation and such other companies or common third parties. However, the Corporation is unaware of any such pending or existing conflicts between these parties. Any decision made by any of such directors or executive officers involving the Corporation are made in accordance with their duties and obligations to deal fairly and in good faith with the Corporation and such other companies and their obligations to act in the best interests of the shareholders of the Corporation. None of the present directors or executive officers of the Corporation, and no associate or affiliate of any of them, has any material interest in any transaction of the Corporation or in any proposed transaction which has materially affected or will materially affect the Corporation. See "*Risk Factors*".

## AUDIT COMMITTEE DISCLOSURE

### Audit Committee Charter

The Audit Committee has adopted a written charter setting out its mandate and responsibilities. The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting processes and internal controls. The Audit Committee's primary duties and responsibilities are to: (i) conduct reviews and discussions with management and the external auditors relating to the audit and financial reporting; (ii) assess the integrity of internal controls and financial reporting procedures; (iii) ensure implementation of internal controls and procedures; (iv) review the quarterly and annual financial statements and management's discussion and analysis of the Corporation; (v) select and monitor the independence, performance and remuneration of the external auditors; and (vi) oversee of all disclosure relating to financial information. The Audit Committee is also responsible for reviewing and following the procedures established in the Corporation's codes, policies and guidelines as may be established from time to time.

The Charter of the Corporation's Audit Committee is set forth in Appendix "A" hereto.

### Composition of the Audit Committee

The Audit Committee has been constituted to oversee the financial reporting processes of Collective and is comprised of Paul Murphy (Chair), María Constanza García Botero and Ashwath Mehra, who are each independent, as defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110") adopted by the Canadian Securities Administrators. Each member of the Audit Committee is financially literate (as defined under NI 52-110) and possesses extensive financial knowledge, experience and comprehension of financial statements.

### Relevant Education and Experience

Each member of the Audit Committee has experience relevant to his responsibilities as an Audit Committee member as described below.

*Paul Murphy.* Mr. Murphy is currently the Chief Financial Officer of G2 Goldfields Inc. (TSXV:GTWO), and was formerly the Executive Vice President of Finance and Chief Financial Officer of Guyana Goldfields Inc. from 2010 to 2019, and also served as Chief Financial Officer of GPM Metals Inc. He is a retired partner of PricewaterhouseCoopers LLP (1981-2010), where he served as National Mining Leader and West Cluster Leader in Canada. Throughout his career, Mr. Murphy has worked primarily in the resource sector and his clients have included major international oil and gas, and mining companies. Mr. Murphy's professional experience includes financial reporting controls, operational effectiveness, IFRS and SEC reporting issues, financing, valuation, and taxation as they pertain to the mining sector. Mr. Murphy has a Bachelor of Commerce degree from Queen's University and has been qualified as a Chartered Accountant since 1975. He is also Chairman of the board of directors of Alamos Gold, Inc., a director of Generation Mining Limited and a former director of Continental Gold.

*María Constanza García Botero.* Ms. García Botero has worked in public finance, urban development, infrastructure, mining, energy, and public-private partnerships (PPPs) as an advisor or in various management positions at the National Planning Department, the Ministry of Finance, and the National Hydrocarbons Agency. From 2010 to 2012 she served as the Deputy Minister of Infrastructure at the Ministry of Transport (Colombia), and from 2012 to 2014 served as President of the National Mining Agency, Ministry of Mining and Energy (Colombia). More recently, Ms. García Botero was a senior manager with Deloitte in Bogota, Colombia (2018-2019), Under-Secretary of Access and Permanence with the Education Secretary in Bogota, Colombia (June 2019 – January 2020), and Director of Education at *Semana*, a weekly periodical magazine of opinion and analysis in Colombia (January 2020 – December 2020). Ms. García Botero graduated from the Technological University of Pereira, Colombia obtaining a degree in industrial engineering, and later obtained a master's degree in Urban and Regional Development Administration and Public Policy from Ohio State University.

*Ashwath Mehra.* Mr. Mehra is a seasoned executive with 35 years of global experience in the minerals industry. Mr.

Mehra is an economist by training and received his BSc (Econ) in Economics and Philosophy from the London School of Economics. He is the CEO of the ASTOR Group, a private investment and advisory business, working in the fields of mining, technology, biotech and real estate. He spent many years in the commodity trading and mining business as well as owning, buying and selling companies. He is a director of several companies, both public and private in both executive and non-executive roles. He also devotes significant time to non-profit activities in the fields of education and healthcare. Most recently, Mr. Mehra was Executive Chairman of GT Gold, a company he founded and sold to Newmont Corporation generating a significant return to GT Gold shareholders.

### Reliance on Certain Exemptions

Collective is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Part 5 (Reporting Obligations) of NI 52-110.

### Pre-Approval Policies and Procedures

The Audit Committee charter sets out procedures regarding the provision of non-audit services by Collective's independent chartered professional accountants. This policy encourages consideration of whether the provision of services other than audit services is compatible with maintaining the auditor's independence and requires Audit Committee pre-approval of permitted non-audit and non-audit related services.

### External Auditor Service Fees (by category)

PricewaterhouseCoopers LLP, Chartered Professional Accountants ("**PWC**"), was appointed as Collective's external auditor on May 20, 2021 in connection with the completion of the Business Combination. MNP LLP, Chartered Professional Accountants ("**MNP**"), were the previous auditors of POCML5. The aggregate fees billed by PWC and MNP for the fiscal years ended 2021 and 2021, respectively, are set out in the table below.

Year	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
2021	C\$68,385	C\$39,319	C\$52,813	Nil
2020	C\$5,885	Nil	Nil	Nil

**Notes:**

- (1) "Audit Fees" refers to the aggregate fees billed by the external auditor for audit services, quarterly reviews and involvement with preparation of offering documents.
- (2) "Audit Related Fees" refers to aggregate fees billed for assurance and related services by the Corporation's external auditor, including due diligence related to acquisitions, and other matters.
- (3) "Tax Fees" includes fees for professional services rendered by the external auditor for tax compliance, tax advice, and tax planning.
- (4) "All Other Fees" includes all fees billed by the external auditors for services not covered in the other three categories.

### LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings or regulatory actions to which the Corporation or properties are or were subject to, during the most recently completed financial year ended December 31, 2021.

### INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this AIF, no director, executive officer or principal shareholder of Collective, or any associate or affiliate of the foregoing, has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year prior to the date of this AIF that has materially affected or will materially affect the Corporation.

### TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar of the Common Shares is TSX Trust Company located at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1.

## **MATERIAL CONTRACTS**

There are no contracts of the Corporation, other than contracts entered into in the ordinary course of business, that are material to the Corporation and that were entered into by the Corporation within the most recently completed financial year or before the most recently completed financial year if the material contract is still in effect, other than the Business Combination Agreement, an option agreement to acquire the claims comprising the San Antonio Project dated July 9, 2020 between Minerales Provenza SAS and certain option holders, a purchase and sale agreement to acquire exploration mining titles comprising the Guayabales Project dated June 24, 2020 between Minerales Provenza S.A.S. and the Guayabales Mining Association, and a purchase and sale agreement to acquire an exploration title comprising the Guayabales Project dated December 23, 2020.

## **INTERESTS OF EXPERTS**

The auditors of the Corporation are PWC at its office located at 18 York Street, Suite 2600, Toronto, Ontario, M5J 0B2. PWC is independent of the Corporation in accordance with the rules of professional conduct of the Institute of Chartered Professional Accountants of Ontario.

No person or corporation whose profession or business gives authority to a statement made by the person or corporation and who is named as having prepared or certified a part of this AIF or as having prepared or certified a report or valuation described or included in this AIF holds any beneficial interest, direct or indirect, in any securities or property of Collective or of an associate or affiliate of Collective and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Corporation or of an associate or affiliate of Collective and no such person is a promoter of Collective or an associate or affiliate of Collective.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation's website at [www.collectivemining.com](http://www.collectivemining.com). Additional financial information is contained in the Corporation's audited financial statements and MD&A for the most recently completed financial year, copies of which have been filed with the securities regulatory authorities in each of the provinces and territories of Canada other than Quebec. Such documents, as well as additional information about the Corporation, may be found under Collective's issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com).

**Appendix “A” - CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS  
OF COLLECTIVE MINING LTD.**

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**PURPOSE**

1. The audit committee (the “Committee”) is a committee of the board of directors (the “Board”) of Collective Mining Ltd. (“Collective” or the “Company”). Its primary function shall be to assist the Board in fulfilling its oversight responsibilities with respect to:
  - (a) the financial reporting process and the quality, transparency and integrity of the Company’s consolidated financial statements and other related public disclosures;
  - (b) the Company’s internal controls over financial reporting;
  - (c) the Company’s compliance with legal and regulatory requirements relevant to the consolidated financial statements and financial reporting;
  - (d) ensuring that there is an appropriate standard of corporate conduct for senior financial personnel and employees including, if necessary, adopting a corporate code of ethics;
  - (e) the external auditors’ qualifications and independence; and
  - (f) the performance of the internal audit function and the external auditors.
2. The function of the Committee is oversight. The members of the Committee are not full-time employees of the Company. The Company’s management is responsible for the preparation of the Company’s consolidated financial statements in accordance with applicable accounting standards and applicable laws and regulations. The Company’s external auditors are responsible for the audit or review, as applicable, of the Company’s consolidated financial statements in accordance with applicable auditing standards and laws and regulations. Accordingly, in carrying out its oversight responsibilities, the Committee does not provide any expert or special assurance as to the Company’s financial statements or internal controls or any professional certification as to the auditor’s work.

**COMPOSITION**

3. The Committee shall be appointed by the Board annually on the recommendation of the Corporate Governance, Nominating and Compensation Committee and shall be comprised of a minimum of three directors. If an appointment of members of the Committee is not made as prescribed, the members shall continue as such until their successors are appointed. The Board may remove a member of the Committee at any time in its sole discretion by resolution of the Board.
4. At least a majority of the members of the Committee shall be directors whom the Board has determined are independent and all members of the Committee shall be “financially literate”, taking into account the applicable rules and regulations of securities regulatory authorities and/or stock exchanges.
5. The Chair of the Committee will be designated by the Board from among the members of the Board. If for any reason a Chair of the Committee is not appointed by the full Board, members of the Committee may designate a Chair of the Committee by majority vote of the full membership of the Committee.



## **POWERS OF THE COMMITTEE**

6. The Committee shall have the authority, including approval of fees and other retention terms, to obtain advice and assistance from outside legal, accounting or other advisors in its sole discretion, at the expense of the Company, which shall provide adequate funding for such purposes. The Company shall also provide the Committee with adequate funding for the ordinary administrative expenses of the Committee. The Committee shall have unrestricted and direct access to the books and records of the Corporation, management, the external auditors and the head of internal audit, including private meetings, and shall have the authority to conduct any investigation, in each case as it considers necessary or appropriate to discharge its duties and responsibilities.

## **MEETINGS**

7. The Committee shall have a minimum of four meetings per year, to coincide with the Company's financial reporting cycle. Additional meetings will be scheduled as considered necessary or appropriate, including to consider specific matters at the request of the external auditors or the head of internal audit.
8. The time and place of the meetings of the Committee, the calling of meetings and the procedure in all things at such meetings shall be determined by the Chairman of the Committee. A meeting of the Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other communication equipment, given at least 48 hours prior to the time of the meeting provided that no notice of a meeting will be necessary if all of the members are present either in person or by means of telephone or web conference or if those absent waive notice or otherwise signify their consent to the holding of such meeting.
9. The Committee will hold an in camera session without any senior officers present at each meeting. The Chairman will inform the Chief Financial Officer of the substance of these meetings to the extent that action is required by management.
10. The Committee will keep minutes of its meetings which shall be available for review by the Board. The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.
11. The Committee may invite such directors, senior officers and other employees of the Company and such other advisors and persons as is considered appropriate to attend any meeting of the Committee.
12. A quorum for the transaction of business at all meetings of the Audit Committee shall be a majority of Members.
13. Any matter to be determined by the Committee will be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chairman will not have a deciding or casting vote in the case of an equality of votes. Any action of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterpart) and any such action will be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose.
14. The Committee will report its determinations and recommendations to the Board.

## **DUTIES AND RESPONSIBILITIES**

The responsibilities of a member of the Committee shall be in addition to such Member's duties as a member of the Board. The duties and responsibilities of the Committee shall be as follows:

### **Financial Reporting and Disclosure**

15. The Committee has the duty to determine whether the Company's financial disclosures are complete, accurate, are in accordance with international financial reporting standards and fairly present the financial position and risks of the organization. The Committee should, where it deems appropriate, resolve disagreements, if any, between management and the external auditor, and review compliance with laws and regulations and the Company's own policies.
16. Review, discuss and recommend to the Board for approval the annual audited consolidated financial statements and related management's discussion and analysis of financial and operating results prior to filing with securities regulatory authorities and delivery to shareholders.
17. Review and discuss with the external auditors the results of their reviews and audit, any issues arising and management's response, including any restrictions on the scope of the external auditors' activities or requested information and any significant disagreements with management, and resolving any disputes.
18. Review, discuss and approve, or recommend to the Board for approval, the quarterly consolidated financial statements and related management's discussion and analysis of financial and operating results prior to filing with securities regulatory authorities and delivery to shareholders.
19. Review and discuss with management and the external auditors the Company's critical accounting policies and practices, material alternative accounting treatments, significant accounting and reporting judgments, material written communications between the external auditor and management (including management's representation letters and any schedule or unadjusted differences) and significant adjustments resulting from the audit or review.
20. Review and discuss with management the Company's earnings press releases, as well as type of financial information and earnings guidance (if any) provided to analysts, rating agencies and shareholders.
21. Review and discuss such other relevant public disclosures containing financial information as the Committee may consider necessary or appropriate and, if thought advisable, recommend the acceptance of such documents to the Board for approval.
22. Review disclosure respecting the activities of the Committee included in the Company's annual filings.
23. Review and approve any changes to the Company's significant accounting policies.
24. Inquire of the auditors the quality and acceptability of Collective's accounting principles, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates.
25. Meet independently with the external auditor and management in separate executive sessions, as necessary or appropriate.
26. Ensure that management has the proper systems in place so that the Company's consolidated financial statements, financial reports and other financial information satisfy legal and regulatory requirements. Based upon discussions with the external auditor and the consolidated financial statement review, if it deems appropriate, provide the Board with such recommendations and reports with respect to the financial disclosures of the Company.

## **External Auditor**

27. Retaining and terminating, and/or making recommendations to the Board and the shareholders with respect to the retention or termination of, an external auditing firm to conduct review engagements on a quarterly basis and an annual audit of the Company's consolidated financial statements.
28. Communicating to the external auditors that they are ultimately accountable to the Board and the Committee as representatives of the shareholders.
29. Obtaining and reviewing an annual report prepared by the external auditors describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues.
30. Reviewing any post-audit or management letter containing the recommendations of the external auditor and management's response thereto, and monitoring the subsequent follow-up to any identified weaknesses.
31. Evaluating the independence of the external auditor and any potential conflicts of interest and (to assess the auditors' independence) all relationships between the external auditors and the Company, including obtaining and reviewing an annual report prepared by the external auditors describing all relationships between the external auditors and the Company.
32. Approving, or recommending to the Board for approval, all audit engagement fees and terms, as well as all non-audit engagements of the external auditors prior to the commencement of the engagement.
33. Reviewing with the external auditors the plan and scope of the quarterly review and annual audit engagements.
34. Setting hiring policies with respect to the employment of current or former employees of the external auditors.

## **Internal Controls and Audit**

35. Reviewing and discussing with management, the external auditors and the head of internal audit the effectiveness of the Company's internal controls over financial reporting, including reviewing and discussing any significant deficiencies in the design or operation of internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.
36. Discussing the Company's process with respect to risk assessment (including fraud risk), risk management and the Company's major financial risks and financial reporting exposures, all as they relate to internal controls over financial reporting, and the steps management has taken to monitor and control such risks.
37. Reviewing and discussing with management, if and when adopted, the Company's Code of Business Conduct and Ethics and anti-fraud program and the actions taken to monitor and enforce compliance.
38. Establishing procedures for:
  - (a) the receipt, retention and treatment of complaints regarding accounting, internal controls, or auditing matters; and
  - (b) confidential, anonymous submissions by employees of the Company of concerns regarding questionable accounting, internal controls or auditing matters;

- (c) dealing with the reporting, handling and taking of remedial action in respect to alleged illegal or unethical behavior as provided in the Company's Code of Business Conduct and Ethics, Whistleblower Policy and anti-corruption policies, as applicable and if and when adopted.
39. Requiring the Company to appoint an independent service provider to maintain a whistleblower hotline and be responsible for receiving complaints or concerns. As soon as practical after receiving such information, the independent service provider is to inform the Audit Committee Chair of the complete details of any complaint or concern received. The Chair of the Audit Committee shall promptly advise the other members of the Audit Committee of the complaint or concern and the Audit Committee shall determine how best to deal with the complaint or concern.
40. Reviewing and discussing with management, the external auditors and the head of internal audit the responsibilities and effectiveness of the Company's internal audit function, including reviewing the internal audit mandate, independence, organizational structure, internal audit plans and adequacy of resources, receiving periodic internal audit reports and meeting privately with the head of internal audit on a periodic basis.
41. Approving in advance the retention and dismissal of the head of internal audit.

**Other**

42. Meeting separately, periodically, with each of management, the head of internal audit and the external auditors.
43. Reporting regularly to the Board.
44. Reviewing and assessing its mandate and recommending any proposed changes to the Corporate Governance, Nominating and Compensation Committee of the Board on an annual basis.
45. Evaluating the functioning of the Committee on an annual basis, including with reference to the discharge of its mandate, with the results to be reported to the Corporate Governance, Nominating and Compensation Committee, which shall report to the Board.
46. Review annually, together with the Corporate Governance, Nominating and Compensation Committee of the Board, the directors' and officers' liability insurance and indemnities of the Company and consider the adequacy of such coverage.

**DUTIES OF THE COMMITTEE CHAIR**

47. The fundamental responsibility of the Committee Chair is to be responsible for the management and effective performance of the Committee and provide leadership to the Committee in fulfilling its mandate and any other matters delegated to it by the Board. To that end, the Committee Chair's responsibilities shall include:
- (a) working with the Chairman of the Board, the Chief Executive Officer and the Secretary to establish the frequency of Committee meetings and the agendas for meetings;
  - (b) providing leadership to the Committee and presiding over Committee meetings;
  - (c) facilitating the flow of information to and from the Committee and fostering an environment in which Committee members may ask questions and express their viewpoints;
  - (d) reporting to the Board with respect to the significant activities of the Committee and any recommendations of the Committee;

- (e) meet regularly with the Chief Financial Officer of the Company and other members of management to review material issues relating to matters under discussion, review and consideration by the Audit Committee and to provide the Audit Committee and the Board, in a timely manner, all information necessary to permit the Board to fulfill its statutory obligations;
- (f) leading the Committee in annually reviewing and assessing the adequacy of its mandate and evaluating its effectiveness in fulfilling its mandate; and
- (g) taking such other steps as are reasonably required to ensure that the Committee carries out its mandate.