

ANNUAL INFORMATION FORM

**STRATABOUND MINERALS CORP.
FOR THE YEAR ENDED DECEMBER 31, 2020**

Dated as at: May 12, 2021

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INTRODUCTION

In this Annual Information Form (“AIF”), the “Company” and “Stratabound” refer to Stratabound Minerals Corp. and its subsidiaries (unless the context otherwise requires). Stratabound refers you to the public disclosure documents of the Company, which may be found on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at www.sedar.com, for more complete information than may be contained herein. In this AIF, unless otherwise specified, all dollar amounts are expressed in Canadian Dollars (“CDN\$” or “\$”). Amounts expressed in United States dollars are indicated by “US \$”.

DATE OF INFORMATION

Unless otherwise indicated, all information contained in this AIF of the Company is stated as at May 10, 2021.

FINANCIAL INFORMATION

All financial information in this AIF is prepared in accordance with International Financial Reporting Standards.

TECHNICAL INFORMATION

All technical information in this AIF concerning the Company’s mineral properties has been reviewed and approved by Mr. R. Kim Tyler, P. Geo, President and CEO of the Company, and a qualified person as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”).

FORWARD-LOOKING STATEMENTS

Certain of the statements made and information contained herein may contain forward-looking information within the meaning of applicable Canadian and United States securities laws. Such forward-looking statements and forward-looking information include, but are not limited to, statements concerning future exploration plans at the Company’s mineral properties, and future financing plans.

Forward-looking statements or information relate to future events and future performance and include statements regarding the expectations and beliefs of management. Such forward-looking statements and forward-looking information often, but not always, can be identified by the use of words such as “plans”, “expects”, “potential”, “is expected”, “anticipated”, “is targeted”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements or information are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements or information, including, without limitation, risks and uncertainties relating to: general business and economic conditions; changes in commodity prices; the supply and demand for, deliveries of, and the level and volatility of prices of gold; changes in project parameters as development plans continue to be refined; the timing of the receipt and/or renewal of permits and other regulatory and governmental approvals for exploration or mining operations; costs of exploration or production, including labor and equipment costs; production and productivity levels; changes in credit market conditions and conditions in financial markets generally; the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the availability of qualified employees and contractors; the impact of value of the U.S. dollar and other foreign exchange rates on costs and financial results; changes in engineering and construction timetables and capital costs; market competition; the accuracy of reserve and resource estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based; changes in taxation rates; changes in environmental regulation; environmental compliance issues; other risks of the mining industry; and those factors discussed in the section entitled “Risk Factors” in this AIF. Should one or

more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may differ materially from those described in forward-looking statements or information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that could cause results not to be as anticipated, estimated or intended. For more information on Stratabound and the risks and challenges of its business, investors should review Stratabound's annual filings that are available at www.sedar.com.

The Company provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, changing circumstances, or otherwise.

NOTE TO UNITED STATES READERS REGARDING DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

Resource and Reserve Estimates

Certain terms contained in this AIF have been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of United States securities laws. The terms "mineral reserve", "proven mineral reserve" and "probable mineral reserve" are Canadian mining terms as defined in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") - CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended. These definitions differ from the definitions in SEC Industry Guide 7 under the United States Securities Act of 1933, as amended (the "**Securities Act**"). Under SEC Industry Guide 7 standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Among other things, all necessary permits would be required to be in hand or issuance imminent in order to classify mineralized material as reserves under the SEC standards. In addition, the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and technical feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in certain restricted cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC Industry Guide 7 standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this AIF and the documents incorporated by reference herein contain descriptions of our mineral deposits that may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States Federal securities laws and the rules and regulations there under.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Corporation was incorporated under the Alberta Business Corporation Act on March 5, 1986.

The Corporation is a reporting issuer in Alberta and British Columbia. The Corporation's head office is located at Suite 5700, 100 King Street West, Toronto, Ontario M5X 1C7.

Intercorporate Relationships

The Corporation has an inactive wholly-owned US subsidiary: Silver Stream Mining Corp., a company incorporated under the laws of Nevada.

GENERAL DESCRIPTION OF THE BUSINESS

Three Year History

The following is a summary of the general development of the Corporation's business over the financial years ended December 31, 2020, 2019 and 2018.

Year Ended December 31, 2018

On December 15, 2017, the Company closed the purchase from South Shore Partnership Inc. (South Shore) of South Shore's option to acquire the Golden Culvert Project mining claims in the Yukon Territory from three prospectors (the "Optionors").

Acquisition of the Option required the payment to South Shore of \$100,000 at closing and an additional \$100,000 four months after closing. In addition, Stratabound issued to South Shore 12,000,000 common shares of Stratabound and 6,000,000 common share purchase warrants (exercisable at \$0.075 and expiring December 15, 2019) at closing. In December 2018 Stratabound issued to South Shore 5,000,000 common shares as required by the agreement, and a further issuance of 5,000,000 common shares at December 15, 2019 was also required. The Option with the current owners of the claims is for acquisition of a 100% interest in the properties. The Option, which is in two separate agreements, could be exercised upon completion of payments of \$1,720,000 (\$125,000 of which was paid by South Shore) and work commitments totaling \$700,000 over a five-year period. Stratabound would have the right to make one-half of the payments in shares. The 2018 exploration program satisfied the work commitment at the Golden Culvert claims, and the work commitment on the Little Hyland claims remains outstanding. The properties are subject to an aggregate net smelter returns (NSR) royalty of 2.5%, payable to South Shore and the current owners of the claims. In September 2018, Stratabound paid the required payments on the Golden Culvert Option and the Little Hyland Option by the payment of \$80,000 in cash and the issuance of 1,355,934 common shares of the Company (at a deemed price of \$0.059 calculated according to the terms of the option agreements) to extend these options to September 27, 2019.

In addition, the Company and the Optionors reached agreement to defer the required payment of \$20,000 with respect to the Rubus claims to September 27, 2019 and to allow that payment to be made 50% in cash and 50% in common shares.

In addition to the share issuances with respect to the payments in regard of the Golden Culvert and Little Hyland options, in September 2018 the Company also issued 1,386,972 common shares at a deemed price of \$0.055 to settle accounts with two creditors, which related to activities in 2014-2015.

The Company also determined to exercise its right to convert the \$120,000 note to Bellport Resources Ltd. into equity by issuing 2,400,000 common shares at a conversion price of \$0.05 thereby extinguishing the subject debt.

In June 2018 the Company closed a private placement for gross proceeds of \$495,125 including \$15,125 for a total of 275,000 units and \$480,000 for a total of 8,727,272 flow-through shares. Each unit was priced at \$0.055 and consisted of one common share and one half of one common share purchase warrant. Each warrant was exercisable for one common share at \$0.08 for 24 months from the date of issue. The units were issued to an officer and director. Cash fees of \$36,000 and 654,544 broker warrants were paid in

respect of the private placement. The broker warrants were exercisable for one common share at \$0.055 for 18 months from the date of issue.

In May 2018 the Company closed a private placement for gross proceeds of \$1,002,579 including \$360,080 for a total of 6,546,908 units and \$642,499 for a total of 11,681,791 flow-through shares. Each unit was priced at \$0.055 and consisted of one common share and one half of one common share purchase warrant. Each warrant was exercisable for one common share at \$0.08 for 24 months from the date of issue. Of these units, 1,393,636 were issued to officers and directors. Cash fees of \$70,181 and 1,276,009 broker warrants were paid in respect of the private placement. The broker warrants were exercisable for one common share at \$0.055 for 18 months from the date of issue.

In March and April 2018, the Company closed a private placement of approximately \$309,000 for the subscription of 5,623,990 units. Each unit was priced at \$0.055 and consisted of one common share and one half of one common share purchase warrant. Each warrant was exercisable for one common share at \$0.08 for 24 months from the date of issue. Directors and officers of the Company and an insider subscribed for approximately one-third of the private placement.

2018 Exploration and Development Activities

Golden Culvert/Little Hyland, Yukon Territory:

Upon acquisition the Company immediately commissioned and subsequently released an initial NI 43-101 Technical Report on the Golden Culvert and Little Hyland Properties in Q1 2018 acknowledging the project to be of "significant merit" and recommended a two-phase exploration program of trenching, drilling and surface geochemical surveys be conducted. (see "Mineral properties" below). The Company allocated the proceeds of the financings to complete the first phase exploration program at the Golden Culvert property during the second and third quarters of 2018. The exploration target is orogenic-type, broad, low grade gold mineralization in sediment hosted wall rocks centred around higher grade gold-bearing quartz veins. The Golden Culvert property had previously been the subject of soil and surface sampling, but no trenching or drilling had been previously been conducted. The 2018 exploration program consisted of 8 trenches, 1,370 metres of diamond drilling in eight holes across 430 metres of strike length, as well as surface sampling and geological mapping. At the completion of the initial 2018 program, a significant amount of the 24 km property strike length remained unexplored.

In summary, the summer program, which the Company completed under budget at a cost of approximately \$750,000, confirmed the following:

- Gold bearing zones were observed to be controlled by quartz vein structures with strike and near vertical dip orientations that parallel the regional structural geology.
- The drilling program confirmed the results of the discovery outcrop and at least one new parallel gold-bearing structure.
- Gold mineralization is uninterrupted across the full 430 metres of strike length explored through trenching and drilling and remained open in both directions and beyond the 150m vertical depth explored to that time.. The most significant drill result featured 60.1 g/t gold over 0.9 metre in a core quartz vein occurring within a broader mineralized wall-rock halo of 2.53 g/t gold over 33.1 metres down-hole.
- Soil geochemical anomalies continue for at least 2.5 km to the north, 0.5 km to the south, and remained untested.
- The results confirmed the effectiveness of gold and arsenic soil geochemistry as a tool to track mineralization.
- Soil survey coverage and exploration in the property's 24 km length is only 20% complete along the key prospective strike direction.

Year Ended December 31, 2019

In December 31, 2019 the Company completed a non-brokered private placement for gross proceeds of \$200,000. Jerritt Canyon Canada Ltd., a private company then controlled by Mr. Eric Sprott, (Sprott) acquired the entire placement consisting of 4,000,000 units. Each unit was comprised of one common share in the capital of Stratabound and one half of one whole common share purchase warrant (each whole warrant, a "Warrant"). Prior to acquiring the units, Sprott did not beneficially own any securities of Stratabound. Sprott beneficially owned approximately 9.08% of the issued and outstanding common shares on a non-diluted basis and approximately 13.04% on a partially diluted basis. The units were purchased at a price of \$0.05 per unit. First Majestic Silver acquired Jerritt Canyon Gold in April 2021 and now owns the these shares and warrants.

Additionally, in November 2019 the Company issued 300,000 shares as the initial payment to acquire a new gold exploration project, the McIntyre Brook Property, located approximately 80 km west of Bathurst, New Brunswick.

In December 2019, 833,333 shares were also issued to Southshore Partners as the final payment to acquire the Golden Culvert and Little Hyland Option Agreements originally between Southshore and the Optionors and 873,786 shares were issued to the Golden Culvert/Little Hyland Optionors as the 2nd anniversary payment under the terms of the Option Agreement as amended also in December 2019. As of December 31, 2019, and subsequent to these various share issues the Company's outstanding shares totaled 44,032,817. In December 2019 the Company announced it had renegotiated the terms of the Option Agreements by way of an amendment. The principal changes were to defer some of the payments from 2019 to later years, provide for Stratabound to receive a 40% interest in the property after the 2021 payment, and to adjust the annual payment date to December 12th of each year. Upon completion of the December 2021 payments, the Company will have earned a 40% interest in the Golden Culvert and Little Hyland claims, and a 100% interest in the Rubus claims.

In December 2019 the Company made announcements of several changes to the board and management. Ms. Margaret Kent and Mr. Richard Meschke announced their retirements as Chair of the Board and Chief Financial Officer respectively. Mr. Terrence Byberg, Executive Vice President and a Director of the Board was nominated and accepted the position of Interim Chair, Mr. Rodney Lamond and Mr. Hashim Ahmed were nominated and appointed as Directors and Ms. Christina Wu was appointed as the new Chief Financial Officer.

At the Company's Annual General and Special Meeting of shareholders held on May 21, 2019 the shareholders approved a resolution to consolidate the Company's common shares on the basis of six old shares per every one new share. The consolidation became effective in June 2019.

2019 Exploration and Development Activities

Golden Culvert/Little Hyland, Yukon Territory:

The summer 2019 exploration program consisted of an additional 25 trenches plus outcrop and subcrop sampling and mapping that further extended and exposed the Main Discovery Vein structure across 1.9 kilometres of strike length and discovered four additional, parallel gold-bearing structures across a 130-metre-wide corridor. The most significant highlight came from trench TR1923-B which yielded 24.41 gpt Au over 6.0m including the highest gold assay ever received to date of 95.0 gpt Au over 1.5m.

As well, a new outcropping, gold-bearing vein was discovered approximately 7.1 kilometres north along the general strike of the Main Discovery zone and open-ended +20ppb gold in soil anomaly. No exploration of any kind has ever been done in the intervening 7.1 kilometres between this new discovery and the Main Discovery Zone. The area remains open to explore and connect along strike in both directions.

McIntyre Brook, New Brunswick:

In December 2019 the Company immediately commenced a small diamond drill program on its new early-stage McIntyre Brook Project located in northern New Brunswick that it had just optioned that same month. The McIntyre Gold Project represents an exploration model that has only recently been recognized to occur in the Maritimes with geological features identified to be comparable to world class iron oxide-copper-gold (IOCG) deposits such as occur at Olympic Dam in Australia and Candelaria in Chile. The McIntyre Brook occurrence was discovered in 2011 through prospecting and recognition of several pieces of float containing hematite-magnetite and quartz which assayed up to 41.58 gpt gold. A series of trenches cut an east-west striking shear zone approximately 10 metres in width. The shear zone contains quartz-hematite, magnetite and siderite with significant gold (4 grab samples ranging between 0.393 and 43.10 gpt gold). Follow-up trench grab sampling in 2014 returned excellent results from the previously excavated trenches and confirmed the gold potential of the McIntyre Brook showing. Additionally, grid soil geochemical sampling successfully outlined a gold-in-soil anomaly over the showing and along a strike length of 500 metres. McIntyre Brook is very early-stage, though significant exploration success has been reported by Puma Exploration Inc. that holds the flanking property along strike to the east and west of McIntyre Brook. Puma has reported values up to 109.5 g/t gold from outcrop about 2.5 kilometres west along strike of the McIntyre Brook showings.

Year Ended December 31, 2020

During December 2020, the Company closed a private placement consisting of 6,635,393 units, with each unit comprised of one common share and one third of one common share purchase warrant for \$0.31/unit, with gross proceeds raised of \$2,056,972. Each whole warrant entitles the holder to purchase one common share of the Company at \$0.45/share for a period of two years from the closing of the financing. The warrants also contain an acceleration clause, in that if the shares of the Company trade above \$0.55 for more than a 10-day period the Company may elect to accelerate the expiry date. The Company issued 796,246 brokers warrants, exercisable at \$0.31 for a period of two years from the date of issue.

In March 2020 the Company announced the passing of one of its Directors and in May 2020 announced the nomination and appointments of Mr. Jonathan Hill and Mr. Gary Nassif as Directors of the Company as well as the resignation of Mr. Michael Page as a Director of the Company.

During the year, the Company received proceeds of \$479,372 from the exercise of 3,611,055 warrants and \$130,000 from the exercise of 1,300,000 stock options.

In November 2020, the Company granted 300,000 options pursuant to its incentive stock option plan to a director of the Company. Each option entitles the holder to subscribe for one common share of the Company for \$0.22 for a period of 5 years, subject to the terms of the plan. These options vest 50% immediately, with the remaining 50% to vest within one year of the grant date.

During October 2020, the Company closed a non-brokered private placement consisting of 6,360,000 flow-through units, with each unit comprised of one common share and one half of one common share purchase warrant for \$0.25/unit, with gross proceeds raised of \$1,590,000. Each whole warrant enables the holder to purchase one common share of the Company at \$0.35 for a period of two years from the date of issue. The warrant also contains an acceleration clause, in that if the shares of the Company trade above \$0.45 for more than a 10-day period, the Company may elect to accelerate the expiry date. The Company paid finders fees of \$61,750 and issued 247,000 broker warrants, exercisable at \$0.24 for a period of 18 months.

During October 2020, the Company granted 100,000 options pursuant to its incentive stock option plan to a consultant of the Company. Each option entitles the holder to subscribe for one common share of the Company for \$0.25 for a period of 5 years, subject to the terms of the plan. These options vest 50% immediately, with the remaining 50% to vest within one year of the grant date.

During September 2020, the Company closed a private placement consisting of 25,564,950 units, with each unit comprised of one common share and one half of one common share purchase warrant for \$0.20/unit, with gross proceeds raised of \$5,112,990. Each whole warrant entitles the holder to purchase one common

share of the Company at \$0.30 per share for a period of two years from the closing of the financing. The warrants also contain an acceleration clause, in that if the shares of the Company trade above \$0.40 for more than a 10-day period, the Company may elect to accelerate the expiry date. The Company issued 151,250 broker warrants, which have the same terms as the warrants issued with the private placement units.

In November 2020 the Company announced the nomination and appointment of Mr. Chad Tappendorf to the Board of Directors and in December 2020 the Company announced the retirement of Mr. Terrence Byberg as Chairman of the Board of Directors and the appointment of Mr. Hashim Ahmed as the new Chairman of the Board of Directors. Mr. Byberg remains as a Director and Executive Vice President of the Company.

2020 Exploration and Development Activities

Golden Culvert/Little Hyland, Yukon Territory:

The 2020 exploration program consisted of reconnaissance prospecting and surface sampling on specific property-wide targets; and a focussed definition and extensional diamond drilling program totaling 3,217 metres over 17 drill holes across the Main Discovery area. The surface sampling program outlined a 1 km long by up to 100 m wide gold-mineralized boulder field of surface float-trains linking likewise gold-mineralized quartz vein structures exposed in outcrop, subcrop and trenching in previous programs either side of the Main Discovery outcrop. The top 10% highest grade samples were distributed across 670 metres of strike, 290 metres of vertical relief and include 320.0 g/t, 155.0 g/t, 147.0 g/t, 118.0 g/t (with visible gold), 92.9 g/t (with visible gold), 41.8 g/t, 26.6 g/t, 25.2 g/t, 17.10 g/t, and 16.55 g/t gold. All 93 surface samples averaged 13.27 g/t gold uncapped, (8.82 g/t Au capped*), and ranged between <0.01 to 320.0 g./t gold. Diamond drill assay results were still pending at year end.

(* A capping grade of 83.8 g/t Au calculated as double the standard deviation of the 93-sample population was applied to all values greater than 83.8 g/t Au.)

Captain Copper-Cobalt-Gold Deposit, New Brunswick:

Fifteen tight-spaced and near-surface diamond drill holes totaling 1,100 metres were completed in December 2020. Assay results were still pending at year-end.

McIntyre Brook, New Brunswick:

In February 2020 the Company reported assay results received from the late-2019 drilling. The drill results confirmed that significant gold mineralization occurring in surface trenches along 300m of strike featuring 40 samples grading between 0.20 and 41.57 gpt gold also extends to at least 80m below surface. Two drill holes were completed approximately 50 metres apart along strike and under the previously sampled trenches. Drill hole MB019-04 intercepted 5.73 gpt gold over 2.0m between 68.0m and 70.0m down the hole within a broader low-grade interval averaging 1.20 gpt gold over 20m between 57.0m and 77.0m down the hole. Drill hole MB019-03 intercepted 5.08 gpt gold over 1.0m between 73.0m and 74.0m down the hole within a broader low-grade interval of 0.84 gpt gold over 16.0m between 65.0m and 81.0m down the hole.

In October 2020 the Company announced it had commenced a 125 line-kilometre soil sampling program across 2,825 hectares covering the 12 kilometres of prospective strike. Assay results were still pending at year-end.

The Company acquired more land adjacent to the original McIntyre Brook Option through an amendment to the original agreement plus several new option agreements and staking in February and November 2020. The aggregate 860% increase in land position now totals 59.5 km² of prospective ground along 12 kilometres of strike flanked by Puma Exploration Inc.'s high-grade gold discoveries on either side.

Recent Developments

In January 2021, 77,777 warrants were exercised for total proceeds of \$7,000, and the Company issued 77,777 common shares.

In January 2021, the Company signed an option agreement whereby the Company can earn a 100% interest in the Win property, which is adjacent to the Company's existing Golden Culvert property. The Company made a payment of \$13,400 and issued 117,300 common shares upon execution of the agreement. The Company must incur \$35,000 of exploration expenditures by January 2022 and must make payments totalling \$134,000 in aggregate over the next five years to maintain the option.

In subsequent reports in January, February and March 2021 the Company reported final assay results from the drilling completed in 2020 on the Golden Culvert Project. Results included best values of 34.8 g/t gold over 1.8 metres including 86.6 g/t gold over 0.6 metre down-hole within a total intercept (both vein and wall-rock halo) of 10.51 g/t gold over 6.8 metres down-hole. The results continue to confirm multiple, parallel gold-bearing quartz vein and breccia structures constituted of higher-grade cores within lower-grade wall-rock halos. The finalized holes, together with 24 surface trenches reported in previous exploration programs, have intersected and outlined a 970-metre-long by 130-metre-wide mineralized corridor containing multiple parallel gold-bearing structures.

In subsequent reports in February and March 2021 the Company reported final assay results from drilling completed in 2020 on the Captain Deposit. Twelve of the fifteen holes completed intercepted significant copper-cobalt-gold-silver mineralization within 6-9 metres of surface to the bedrock interface, across an average 9.6m true width and along approximately 120m of strike length. The best value yielded 5.39% CuEq⁽¹⁾ over 2.5m within broad lower grade halo of 3.34% CuEq⁽¹⁾ over 11.5m true width. The Company reported these latest drill results projecting high-grade mineralization to surface are consistent with deeper-drilled high-grade results and that it was evaluating a small-scale, direct-shipping mining project given the advantages of direct road access, proximity to a rail head, and the deep-water port at Belledune near Bathurst, New Brunswick.

⁽¹⁾ CuEq% based on $CuEq\% = ((Cu\ lb/t * US\$3.75/lb) + (Co\ lbs/t * US\$20/lb) + (Au\ g/t * 0.03215 * US\$1,750/oz) + (g/t\ Ag * 0.03215 * US\$25/oz)) / US\$3.75/lb$ Cu insitu value and does not account for metallurgical, refining or other losses.

In March 2021, the estate of a former director exercised 300,000 options on a cash-less basis for total proceeds of \$30,000. The net shares issued by the Company as a result of this exercise was 178,844.

In March 2021, the Company upgraded its United States over-the-counter listing from OTC:PK to the OTC:QB exchange under the symbol "SBMIF".

In April 2021, the Company entered into a definitive agreement (the "California Gold Arrangement Agreement") to acquire 100% of the issued and outstanding shares of California Gold Mining Inc., by way of a court-approved plan of arrangement. Under the agreement, the Company will issue 1 common share for each common California Gold Mining Inc. share. The Company anticipates that it will issue 65,108,269 shares to California Gold Mining Inc. shareholders as a result of the arrangement. This acquisition includes the advanced Fremont Gold Project, located in the California Mother Lode Gold District, hosting an NI 43-101 mineral resource of 515,000 ounces and 364,000 ounces of gold in the indicated and inferred categories, respectively.

Significant Acquisitions

The Corporation did not complete any significant acquisitions during the financial year ended December 31, 2020 or subsequently that would require the Company to file a Form 51-102F4 Business Acquisition Report under Part 8 of NI 51-102.

DESCRIPTION OF THE BUSINESS

General

The Company is an exploration company; it has no operations in production and no source of revenue. All activities are currently financed through the sale of its equity securities. Since its inception in 1986, the

Company's activities have focused on exploration and development of Canadian mineral properties, most recently with a gold prospect in the Yukon Territory and base metal properties in New Brunswick.

Specialized Skills and Knowledge

The nature of the Company's business require specialized skills, knowledge and expertise in the areas of geology, engineering, mine planning, implementation of exploration programs and environmental compliance. In addition to the specialized skills listed above, Stratabound also relies on staff members, the local contractors and consultants with specialized knowledge of logistics and operations in the regions in which it operates.

Competitive Conditions

As a mineral exploration company, the Company may compete with other entities in the mineral exploration business in various aspects of the business including: (a) seeking out and acquiring mineral exploration properties; (b) obtaining the resources necessary to identify and evaluate mineral properties and to conduct exploration and development activities on such properties; and (c) raising the capital necessary to fund its operations.

The mining industry is intensely competitive in all its phases, and the Company may compete with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future or to raise the capital necessary to continue with operations.

Business Cycles

The mineral exploration business is subject to mineral price cycles. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles.

Economic Dependence

The Company's business is not substantially dependent on any contract, such as a contract to sell the major part of its future production to one or more specific purchasers. It is not expected that the Company's business will be affected in the current financial year by the renegotiation or termination of any contracts or sub-contracts.

Changes to Contracts

It is not expected that the Company's business will be affected in the current financial year by the renegotiation or termination of contracts or sub-contracts.

Employees

Stratabound's manpower requirements fluctuate due to the seasonal nature of mining and exploration activities. The Company relies on consultants to carry on many of its activities and, in particular, to supervise work programs on its mineral properties and to provide certain administrative services to the Company. See "Interest of Management and Others in Material Transactions, Management and Administrative Services Agreement".

Foreign Operations

None of Stratabound's material properties are in foreign jurisdictions.

In the event that Stratabound does acquire an interest in a mineral property in a foreign jurisdiction, fluctuations in currency exchange rates, principally the Canadian/U.S. dollar exchange rate, can

significantly impact cash flows. The exchange rate has varied substantially over time. Fluctuations in exchange rates may give rise to foreign currency exposure, either favorable or unfavorable, which may impact financial results. The Company does not engage in currency hedging to offset any risk of exchange rate fluctuation.

Bankruptcy, Receivership or Similar Proceedings

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

Social or Environmental Policies

The Corporation is committed to carrying out all of its activities in an ethical manner that prioritizes health and safety, recognizes the concerns of indigenous peoples, communities, local stakeholders and preserves the natural environment.

Stratabound ensures that all employees are trained and instructed in their assigned tasks and that safety procedures are followed at times. The importance of ethical behavior and preservation of the natural environment is stressed to all employees and contractors, and all are charged with monitoring operations to ensure they are being carried out in an environmentally-friendly manner.

Risk Factors

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

Exploration activities are expensive and seldom result in the discovery of a commercially viable resource.

Mining operations are inherently dangerous and generally involve a high degree of risk. The Company's operations are subject to all of the hazards and risks normally encountered in the exploration, development and production of precious and base metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, personal injury or loss of life and damage to tailings dams, property, and environmental damage, all of which may result in possible legal liability. Although the Company expects that adequate precautions to minimize risk will be taken, mining operations are subject to hazards such as fire, rock falls, geomechanical issues, equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability. The occurrence of any of these events could result in a prolonged interruption of the Company's operations that would have a material adverse effect on its business, financial condition, results of operations and prospects. Further, the Company may be subject to liability or sustain losses in relation to certain risks and hazards against it cannot insure or for which it may elect not to insure. The occurrence of operational risks and/or a shortfall or lack of insurance coverage could have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into

producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices that are highly cyclical, and government regulations, including regulations relating to prices, taxes, royalties, land tenure, exploration licenses, mining licenses, land use, 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 towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Development projects have no operating history upon which to base estimates of future capital and operating costs. For development projects, resource estimates and estimates of operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of capital and operating costs based upon anticipated tonnage and grades of ore to be mined.

There is no assurance that the Company's exploration will result in the discovery of an economically viable mineral deposit.

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate or adequately mitigate. While the discovery of a mineral deposit may result in substantial rewards, few projects that are explored are ultimately developed into producing mines. Major expenditures are required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices (which are highly volatile and cyclical); and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, allowable production, importing and exporting of minerals and environmental protection.

Assuming discovery of a mineral deposit that may be commercially viable and depending on the type of mining operation involved, many years can elapse from the initial phase of drilling until commercial operations are commenced. 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 or in mineral projects failing to achieve expected project returns.

There is no assurance that additional funding will be available to the Company on commercially reasonable terms or at all.

The exploration and development of the Company's Properties will require substantial additional capital. When such additional capital is required, the Company will need to pursue various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. The Company may not be successful in arranging suitable financing transactions in the time period required or at all. A failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations. In addition, debt and other debt financings may involve a pledge of assets and may be senior to interests of equity holders. The Company may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets (both generally and in the gold and copper industries in particular), the Company's status as a new enterprise with a limited history, the location of the Company's mineral properties, the price of commodities and/or the loss of key management personnel.

Competition and Mineral Exploration

The mineral exploration industry is intensely competitive in all of its phases, and the Company must compete in all aspects of its operations with a substantial number of large established mining companies with greater liquidity, greater access to credit and other financial resources, newer or more efficient equipment, lower cost structures, more effective risk management policies and procedures and/or greater ability than the Company to withstand losses. The Company's competitors may be able to respond more quickly to new laws or regulations or emerging technologies or devote greater resources to the expansion of their operations than the Company can. In addition, current and potential competitors may make strategic acquisitions or establish cooperative relationships among themselves or with third parties. Competition could adversely affect the Company's ability to acquire suitable new producing properties or prospects for exploration in the future. Competition could also affect the Company's ability to raise financing to fund the exploration and development of its properties or to hire qualified personnel. The Company may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Company's business, financial condition or results of operations.

Additional equity financing may result in substantial dilution thereby reducing the marketability of the Company's shares.

The Company's plan of operation, in part, contemplates the financing of the conduct of its business by the issuance of cash, securities of the Company, or a combination of the two, and possibly, incurring debt. Any transaction involving the issuance of previously authorized but unissued shares of common stock, or securities convertible into common stock, would result in dilution, possibly substantial, to present and prospective holders of common stock. The Company may seek a joint venture partner to fund in whole or in part exploration projects. This dilutes the Company's interest in properties it has acquired. This dilution of interest in properties is done to spread or minimize the risk and to expose the Company to more exploration plays but means that any profit that might result from a possible discovery would be shared with the joint venture partner. There is no guarantee that the Company can find a joint venture partner for any property.

The Company's activities are subject to the risks normally encountered in the mining exploration business.

Exploration for minerals is a speculative venture involving a high degree of risk. Locating mineral deposits depends on a number of factors including the technical skills of the exploration personnel involved. Whether a mineral deposit, once discovered, will be commercially viable also depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices, which are highly cyclical. These factors are beyond the control of the Company.

Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves by drilling, to develop metallurgical processes, to extract the metals from the ore and to construct mining and processing facilities at a site. There is no guarantee that any property on which the Company intends to incur exploration expenditures or in which it has mining interests will ever reach the stage of commercial production.

Stratabound's growth is dependent upon its success in identifying, exploring and developing their mining interests. The Company expects to incur considerable costs in its ongoing exploration programs and on the initial stages of development. The development of mining interests is also dependent upon the outcome of feasibility studies that will help identify whether production can return a profit and the ability of the Company to raise the necessary financing.

The economics of exploring, developing and operating resource properties are affected by many factors including the cost of exploration and development operations, variations of the grade of any ore mined and the rate of resource extraction and fluctuations in the price of resources produced, government regulations relating to royalties, taxes and environmental protection and title defects.

The Company's mineral resource properties have not been surveyed and may be subject to prior unregistered agreements, interest or land claims and title may be affected by undetected defects. In addition, the Company may become subject to liability for hazards against which it is not insured.

The Company has taken all reasonable steps to ensure it has proper title to its projects. However, no guarantees can be provided that there are no unregistered agreements, claims or defects which may result in the Company's mineral titles to the Properties being challenged. Should the Company lose any mineral titles at the Properties or any of its future mineral projects, the loss of such legal rights could have a material and adverse impact on the Company and its ability to explore, develop and/or operate the mineral project.

The mining industry is highly competitive in all its phases and the Company competes with other mining companies, many with greater financial and technical resources, in the search for, and the acquisition of, mineral resource properties and in the marketing of minerals.

The competition to discover and acquire mineral projects considered to have commercial potential is intense. The Company competes with other mining companies, many of which are larger and have greater financial resources than the Company, including with respect to the discovery and acquisition of interests in mineral projects, financing of such projects, the recruitment and retention of qualified employees, securing other contract personnel and the obtaining of necessary equipment. There can be no assurance that the Company will be able to successfully compete against such companies.

Additional risks include the current lack of any market for the Company's securities and the present intention of the Company not to pay dividends.

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on its shares. The Company does not anticipate paying cash dividends on the shares in the foreseeable future. The Company currently intends to retain all future earnings to fund the development and growth of its business. Any payment of future dividends will be at the discretion of the directors and will depend on, among other things, the Company's earnings, financial condition, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends, and other considerations that the directors deem relevant. Investors must rely on sales of their Shares after price appreciation, which may never occur, as the only way to realize a return on their investment.

Certain of the Company's directors and officers also serve as directors or officers of other public and private resource companies, and to the extent that such other companies may participate in ventures in which the Company may participate, such directors and officers of the Company may have a conflict of interest.

The Company's directors and officers do not devote their full time to the affairs of the Company as they are also directors or officers of other natural resource or public companies, and as a result they may find themselves in a position where their duty to another company conflicts with their duty to the Company. Although the Company has policies which address such potential conflicts and the Business Corporations Act (British Columbia) has provisions governing directors in the event of such a conflict, none of the Company's constating documents or any of its other agreements contain any provisions mandating a procedure for addressing such conflicts of interest. There is no assurance that any such conflicts will be resolved in favour of the Company. If any such conflicts are not resolved in favour of the Company, the Company may be adversely affected.

Finally, the Company has no recent history of earnings, and there is no assurance that any of its current or future mineral properties will generate earnings, operate profitably or provide a return on investment in the future.

The Company has no recent history of earnings and had negative cash flow from operating activities. The Company's mineral properties are in the exploration and development stages and, although there are NI 43-101 reported mineral resources, there are no known mineral reserves and the proposed exploration and

development programs on the Company's mineral properties are exploratory and early-stage in nature. Significant capital investment will be required to achieve commercial production from the Company's existing projects. There is no assurance that any of the Company's mineral properties will generate earnings, operate profitably or provide a return on investment in the future. Accordingly, the Company will be required to obtain additional financing to meet its future cash commitments.

MINERAL PROPERTIES

The Company has two properties it deems material, the base metal Bathurst Property in New Brunswick and its Golden Culvert and Little Hyland gold exploration property in the Yukon. Both properties are the subject of NI 43-101 compliant reports which can be accessed on www.sedar.com. The following are the summaries of each.

Bathurst Property

The Bathurst Property is 158 units and one mining lease in the Bathurst base metal mining camp in New Brunswick, Canada. The properties include the CNE/Captain Company, CNE Mining Lease and Taylor Brook claim groups. All are subject to 1% net smelter return on production, with the exception of the portion of the CNE/Captain Group, which is royalty free.

Executive summary from a Preliminary Economic Assessment on the Captain, CNE and Taylor Brook VMS Deposits dated November 23, 2011 and filed on www.sedar.com on December 1, 2011.

Stratabound Minerals Corp. (Stratabound) is a publicly listed and Canadian registered base metal exploration company that is actively exploring and developing base metal (lead (Pb), zinc (Zn), copper (Cu) and cobalt (Co) and gold (Au)) deposits in New Brunswick and Québec.

The Captain, Captain North Extension (CNE) and Taylor Brook properties (the Properties) are located in the Bathurst Mining District in Northumberland and Gloucester Counties, New Brunswick; approximately 45 km southwest of Bathurst. The two mineral claim blocks and mining lease for Captain and CNE are located at latitude 47°17' N and longitude 65°53' W. The mineral claim block for Taylor Brook, 12 km northwest of CNE, is located at latitude 47°21' N and longitude 66°00' W.

The Properties are comprised of three mineral claim blocks and one mining lease and cover approximately 3,792 ha. The mineral rights to the Properties are 100% held by Stratabound under prospector license number 13727. Stratabound has retained Wardrop, a Tetra Tech Company (Tetra Tech) to produce a National Instrument 43-101 (NI 43-101) compliant resource estimate and preliminary economic assessment (PEA) for the Properties. Prior to Tetra Tech's involvement, the Captain deposit had a NI 43-101 technical report completed by Mercator Geological Services. s PEA conforms to the standards set out in NI 43-101 Standards of Disclosure for Mineral Projects and is in compliance with Form 43-101F1. The resource estimate in this report conforms to the Canadian Institute of Mining (CIM) Mineral Resource and Mineral Reserve definitions referred to in NI 43-101 Standards of Disclosure for Mineral Projects.

The designated Qualified Persons (QPs) for this report are Daniel Coley, P.Eng., Senior Metallurgist with Tetra Tech, Michael P. Cullen, P.Geo., Senior Geologist with Mercator Geological Services Limited (Mercator), Paul J. Daigle, P.Geo., Senior Geologist with Tetra Tech, Daniel Gagnon, P.Eng., Senior Open Pit Engineer with Tetra Tech, Mike McLaughlin, P.Eng., Project Manager with Tetra Tech, Robert Morrison, P.Geo., Lead Resource Geologist with Tetra Tech and Doug Ramsey, R.P. Bio. (BC), Manager - Environmental Assessment, Permitting, and Natural Resources with Tetra Tech.

Two site visits to the Properties were conducted by Tetra Tech. The first site visit was conducted by Paul Daigle between October 18 and 19, 2010. Mr. Daigle was accompanied during this site visit by Mr. John Duncan, Consulting Project Geologist for Stratabound, Mr. Kevin Vienneau, Consulting Mining Engineer for Stratabound, and Mr. Michael McLaughlin. The second site visit was conducted between November 29 and 30, 2010 by Mr. McLaughlin and Mr. Wenchang Ni, former Senior Mining Engineer with Tetra Tech. Mr.

McLaughlin and Mr. Ni were accompanied by Mr. Vienneau. Site visits to the Captain property were conducted by Mr. Cullen on August 6, 2008 and October 15, 2010. During the site visit on August 6, 2008, Mr. Cullen was accompanied by Mr. Matthew Harrington, Geologist with Mercator.

The Properties are defined by the mineral rights to 183 mineral claims and one mining lease, currently 100% held by Stratabound, and cover an area of approximately 3,792 ha. All claims and the mineral lease are in good standing. Tetra Tech is not aware of any environmental liabilities. The Properties all lie within the Bathurst Mining Camp (BMC). The BMC deposits formed in a sediment-covered back-arc continental rift, referred to as the Tetagouche-Exploits back arc basin, during periods when the basin was stratified with a lower anoxic water-column. The basin was subsequently intensely deformed and metamorphosed during multiple collisional events related to east-dipping subduction of the basin (Goodfellow 2007).

Golden Culvert and Little Hyland Properties

Executive Summary from a Technical Report dated February 12, 2018 and filed on www.sedar.com on February 12, 2018.

Marty Huber, P.Geo. (the "Author") was retained to write a National Instrument 43-101 Technical Report (the "Report") describing and summarizing the work completed to date on the "Golden Culvert" and "Little Hyland" properties in Yukon (collectively the "Property"). Information and data for the Report were obtained from a site visit by the Author on September 9 and 10, 2017, as well as an extensive study of pertinent available technical information.

The Property is located in Southeast Yukon within the Little Hyland River Valley, some 250 kilometres north of Watson Lake, Yukon at approximately 61°57'00" North Latitude and 128°25'00" West Longitude. The Robert Campbell Highway and all-weather Nahanni Range Road provide direct access to the Property from Watson Lake.

The Property includes 431 contiguous, un-surveyed mineral titles that cover an approximate area of 83.8 square kilometres. The mineral titles are jointly recorded 100% to Gary Lee and Robert Scott ("Lee and Scott") in the case of Golden Culvert property (including the Rubus claims), and Gary Lee, Robert Scott and Ronald Stack ("Lee, Scott and Stack") in the case of the Little Hyland property. South Shore Partnership Inc. ("South Shore"), a private company, acquired an option to acquire the Property in September 2017 pursuant to two separate option agreements to reflect the different ownership of the Golden Culvert and Little Hyland properties. Collectively both agreements constitute the Property. In December 2017, South Shore assigned its rights under the two option agreements to Stratabound Minerals Corp. ("Stratabound").

The Golden Culvert property is fully permitted under a 10-year Class 3 Land Use Approval No. LQ00456 until November 16, 2026 which allows for a camp, fuel storage, road and trail building, clearing, trenching, drilling, all forms of sampling and up to a 10,000-tonne bulk sample. The Little Hyland property will initially operate under a Class 1 program until a Class 3 permit is obtained.

The Property lies within the Selwyn Basin and is underlain by two main lithological formations of the Hyland Group. The eastern part of the Property is underlain by the Upper Proterozoic to Lower Cambrian Vampire Formation whereas the western part of the Property is underlain by Upper Proterozoic to Lower Cambrian Narchilla Formation. The Narchilla is underlain by the Yusezyu formation further west. Intrusive rocks are exposed at some places north and south of the Property belonging to the mid-Cretaceous Tungsten Suite. The Property has not been mapped in any detail. Prospecting samples include phyllites, schists and argillites.

Previous work has outlined a northerly trending, 3 kilometre by 250 metre, +30 ppb Au up to 791 ppb Au, gold-in-soil anomaly that remains open at both ends. The soil anomaly is centered around the partially exposed Golden Culvert showing that consists of primary gold-bearing quartz veins and complimentary gold bearing quartz vein stockwork within a larger silicified, altered, sulphide and gold-bearing wallrock. Historical grab samples from the quartz-carbonate veins have returned values no less than 7.7gpt Au and

up to 22.8gpt Au in quartz veins and up to 2.58gpt Au in the wall rock phyllites. The gold is related to pyrite and arsenopyrite mineralization. A site visit completed by the Author in September confirmed the dimensions and type of mineralization at the Golden Culvert showing and verified historical gold results. To date there has been no trenching or drilling on the Property.

Stratabound is primarily exploring for orogenic- or lode-type gold mineralization similar to the vein-hosted, high-grade, gold mineralization found within Hyland Group sediments at Golden Predator Mining Corp.'s ("Golden Predator") "3 Aces" project, located 20km south of the Property, and at Goldstrike Resources Ltd.'s Plateau project located 315km northwest of the Property. Exploration for this type of gold mineralization must focus on structures such as folds, shears, faults, stockworks and extensional fractures that are secondary or adjacent to major fault zones.

The Property merits further exploration work based on the general prospective nature of the underlying Hyland Group rocks, the veracity of previous gold results, the range and tenor of soil geochemical anomalies on the Property, the relatively good infrastructure, the large size of the mineral claim package, the long strike extent of potential gold-bearing structures, and the local presence of the relatively well-advanced 3 Aces project.

The Author strongly recommends that an aggressive exploration program be pursued. A first year Phase 1 exploration program totaling \$842,375 with a follow-up, second year Phase 2 program totaling \$1,782,500 are recommended at a total estimated cost of \$2,624,875 over the two years.

The proposed first year Phase 1 activities include an upgrade of the existing 2km long ATV trail from the Nahanni Range Road to a 4x4 truck accessible road leading to the Golden Culvert showing to minimize helicopter support; several mechanical trenches at and along strike of the showing to identify the extent of gold-bearing structures and mineralization; 800 grid soil geochemical samples to evaluate the Rubus block; 2,000 grid samples on the Hyland South block to extend the 2011 Stakeholder grid southeast from the Golden Culvert property; and 600 metres of diamond core drilling to test the mineralization vertical and strike extent centred on and around the main showing. Also recommended in Phase 1 are lithological and structural mapping, prospecting and Lidar topographic surveys over the entire Property.

Upon success of Phase 1, the recommended Phase 2 program would consist of 3,000 grid samples on the Hyland North block, 500 reconnaissance ridge and spur samples on the Rubus Block, and 800 reconnaissance ridge and spur samples on the southern part of the Hyland South block, plus continued reconnaissance prospecting, geological mapping and sampling. Contingent upon suitable targets being generated elsewhere on the Property in Phase 1, 2,000 metres of additional core drilling is also proposed as part of the Phase 2 work.

DIVIDENDS AND DISTRIBUTION

The Company has never paid any dividends on its common shares and at present it has no intention to pay any dividends in the foreseeable future.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The authorized capital structure of the Company consists of an unlimited number of common shares. As of the date of this AIF, there are 89,350,836 common shares issued and outstanding.

The holders of common shares are entitled to receive notice of and attend all meetings of shareholders with each common share held entitling the holder to one vote on any resolution to be passed at such shareholder meetings. The holders of common shares are entitled to dividends if, as and when declared by the board of directors of the Company.

Upon liquidation, dissolution or winding up of the Company, holders of common shares are entitled to receive pro rata the assets of the Company, if any, remaining after payments of all debts and liabilities. No common shares have been issued subject to call or assessment. There are no pre-emptive or conversion rights and no provisions for exchange, conversion, redemption, retraction or purchase for cancellation, surrender, or sinking or purchase funds in the constating documents of the Company. There are no restrictions on the repurchase or redemption of common shares of the Company while there is any arrearage in the payment of dividends or sinking fund installments.

Convertible Securities

The Company has stock options and warrants outstanding as of May 10, 2021, under which common shares may be issuable as follows:

Stock Options

The Company has the following stock options outstanding, which have been granted to directors, officers, employees and consultants:

Expiry date	Exercise Price (Can\$)	Number
October 13, 2022	0.30	500,000
July 16, 2024	0.10	1,000,000
January 16, 2025	0.10	500,000
May 19, 2025	0.10	800,000
September 28, 2025	0.25	3,500,000
October 22, 2025	0.20	100,000
November 3, 2025	0.22	300,000
TOTAL		6,700,000

Warrants

The Company has the following common share purchase warrants outstanding:

Expiry Date	Exercise price (Can\$)	Number
July 22, 2021	0.10	325,000
December 12, 2021	0.09	2,000,000
April 8, 2022	0.24	200,000
August 21, 2022	0.30	3,009,975
August 21, 2022	0.35	242,000
September 23, 2022	0.30	9,811,250

September 23, 2022	0.35	590,500
October 8, 2022	0.35	2,517,000
December 29, 2022	0.45	2,211,798
December 29, 2022	0.31	796,246
TOTAL		21,693,769

MARKET FOR SECURITIES

Trading Price and History

The Company's common shares are traded on the TSX Venture Exchange (the "TSX-V") under the trading symbol SB.

The table below identifies the Company's trading history on the TSX-V for the most recently completed financial year.

Month	Low (Can\$)	High (Can\$)	Total Monthly Volume (000s of shares)
January 2020	0.08	0.115	720,281
February 2020	0.05	0.11	653,710
March 2020	0.05	0.11	163,099
April 2020	0.055	0.07	294,143
May 2020	0.055	0.085	480,643
June 2020	0.055	0.07	100,308
July 2020	0.075	0.275	5,251,212
August 2020	0.175	0.27	2,054,940
September 2020	0.17	0.24	1,403,232
October 2020	0.175	0.26	2,232,128
November 2020	0.21	0.38	2,986,724
December 2019	0.04	0.13	2,538,052

Prior Sales

Stock Options

The following table provides a list of outstanding stock options to purchase common shares of the Company, which were granted in 2020 and outstanding but not listed or quoted on a market place as at December 31, 2020.

Expiry date	Exercise Price (Can\$)	Number
January 16, 2025	0.10	500,000
May 19, 2025	0.10	800,000
September 28, 2025	0.25	3,500,000
October 22, 2025	0.20	100,000
November 3, 2025	0.22	300,000

Warrants

The following table provides a list of outstanding common share purchase warrants, which were granted in 2020 and outstanding but not listed or quoted on a market place as at December 31, 2020.

Expiry Date	Exercise price (Can\$)	Number
April 8, 2022	0.24	200,000
August 21, 2022	0.30	3,009,975
August 21, 2022	0.35	242,000
September 23, 2022	0.30	9,811,250
September 23, 2022	0.35	590,500
October 8, 2022	0.35	2,517,000
December 29, 2022	0.45	2,211,798
December 29, 2022	0.31	796,246

Directors and Executive Officers

Our directors and executive officers for 2020 are listed below. The number of common shares of the Company that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by all directors and executive officers as a group as of the date of this AIF is 3,528,458 common shares representing approximately 3.9% of the issued common shares as at May 10, 2021. Each director will hold office until his/her successor is elected or appointed, as applicable, unless his/her office is earlier vacated in accordance with the Articles of the Company, or with the provisions of the *Business Corporations Act* (Alberta).

Name	Residency	Since	Principal Occupation For Past 5 years	No. of common shares owned or beneficially owned or controlled
Terrence Byberg	St. Catharine's, Ontario	2016	Former president and CEO, Silver Stream Mining Corp, 2013 - 2016	1,352,431
R. Kim Tyler, P. Geo	Sudbury, Ontario	2017	Former President, Canadian Arrow Mines Ltd., (2007-2017) President, TGMD Geological and Mining Consulting	1,536,303
R. Michael Robb, P.E.	Albuquerque, New Mexico	2016	President, R R Engineering LLC	500,946
Hashim Ahmed CA	Toronto, Ontario	2019	CFO, Jaguar Mining Inc.	nil
Jonathan Hill	Brazil, South America	2020	Advisor, Management Committee of Jaguar Mining Corp.	nil
Chad Tappendorf	New York, New York	2020	Managing Partner, Coast Capital Management	nil
Gary Nassif	Toronto, Ontario	2020	Former Senior VP, Jerritt Canyon Gold (2015-2021), President and CEO Argentum Silver Corp.	138,778
Christina Wu	Toronto, Ontario	2020	Senior Financial Analyst – September 2019 to today Senior Associate Accountant – Public Practice- RSM Canada (2016 – 2019)	nil

The directors have served in their respective capacities since their election and/or appointment and will serve until the next annual general meeting of the shareholders of the Company or until a successor is duly elected, unless the office is vacated in accordance with the Articles of the Company. Upon resignation a successor may be appointed by the board of directors. All officers' employment agreements automatically renew annually unless terminated by the officer or the Company.

The Company has not adopted any term limits for directors. The Board considers merit as the key requirement for board appointments. New board appointments are considered based on the Company's needs and the expertise required to support the Company and its stakeholders.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

During the most recently completed financial year, and as at the date of this AIF, the Company is not a party to any, nor is the Company aware of any pending or contemplated, material legal proceedings or regulatory actions.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set out below and other than transactions in the ordinary course of business of the Company, none of the directors or executive officers of the Company, nor any shareholder directly or indirectly beneficially owning, or exercising control or direction over, shares carrying more than 10% of the voting rights attached to the shares of the Company, nor an associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, in any transactions involving the Company that materially affected or would materially affect the Company or its subsidiary.

TRANSFER AGENT AND REGISTRARS

The Company's registrar and transfer agent for its common shares is Computershare Trust Company of Canada of 600, 530 – 8th Avenue SW, Calgary, Alberta T2P 3S8.

MATERIAL CONTRACTS

Other than those entered into in the ordinary course of the Company's business, there are no contracts that are material to the Company that were entered into during the most recently completed fiscal year ended December 31, 2020 or before the most recently financial year other than the California Gold Arrangement Agreement, and are still in effect as of this AIF.

INTERESTS OF EXPERTS

Names of Experts

BDO Canada LLP, Chartered Professional Accountants, is the external auditor of the Company, and such firm has prepared an auditor's report dated April 29, 2021, with respect to the Company's consolidated financial statements as at and for the financial year ended December 31, 2020, which were filed with the Canadian securities regulators on SEDAR (www.sedar.com). BDO Canada LLP are independent within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Alberta.

ADDITIONAL INFORMATION

Additional information on the Company including its annual and quarterly financial statements and management discussion and analysis is available on www.sedar.com.