



Ascot Resources Ltd.

Annual Information Form

Dated March 23, 2023

TABLE OF CONTENTS

About this Annual Information Form	3
Cautionary Note Regarding Forward-Looking Statements	3
About Ascot Resources Ltd.	6
Three Year History	7
Description of the Business	14
Risk Factors	17
Mineral Properties	31
Mineral Resource and Mineral Reserve Estimates	44
Description of Capital Structure	60
Market for Securities	60
Prior Sales.....	61
Directors and Officers	62
Legal Proceedings and Regulatory Actions.....	67
Interest of Management and Others in Material Transactions	68
Transfer Agents and Registrars	68
Interests of Experts	68
Additional Information	69

About this Annual Information Form

This Annual Information Form (“AIF”) contains information about Ascot Resources Ltd. (“Ascot” or the “Company”) and its business, including the Company’s mineral exploration prospects, risks and other factors that impact the Company’s business.

This AIF is dated March 23, 2023. Unless otherwise indicated, all information in this AIF is stated as of December 31, 2022.

The information provided in this AIF is supplemented by disclosure contained in the documents listed below, which are incorporated by reference into this AIF. These documents must be read together with this AIF. The documents listed below are not contained within, nor attached to this document. They may be viewed by the reader on the SEDAR website at www.sedar.com:

Document	Period end date	Filing date
Audited consolidated financial statements	December 31, 2022	March 23, 2023
Management discussion and analysis	December 31, 2022	March 23, 2023

Currency

All dollar amounts in this AIF are stated in Canadian dollars, unless otherwise specified. References to US\$ are references to U.S. dollars.

Cautionary Note Regarding Forward-Looking Statements

Except for statements of historical fact, information contained in this AIF and the documents incorporated by reference herein, constitutes “forward-looking information” and “forward-looking statements” within the meaning of applicable securities laws. Such forward-looking information and forward-looking statements include, but are not limited to:

- the future financial or operating performance of the Company and its business, operations, properties and condition;
- operational and business outlook, including exploration, evaluation and development plans and objectives;
- plans for capital expenditure programs, exploration and development expenditures, and timing;
- the future prices of gold, silver, and other metals;
- the results set out in the report entitled “Premier & Red Mountain Gold Project Feasibility Study NI 43-101 Technical Report” dated May 22, 2020 (the “Feasibility Study”);
- the estimation of mineral resources and mineral reserves contained in the Feasibility Study;
- Feasibility Study economic estimates relating to the property that is the subject of the Feasibility Study, namely, the Premier Gold Project (“Premier” or “PGP”) and the Red Mountain Project (“Red Mountain” or “RMP”) and, together with PGP, defined herein as, the “Project”);
- quantity and/or grade of minerals;
- potential size of a mineralized zone;
- potential expansion of mineralization;
- expectations regarding the ability to raise capital;
- the realization of mineral reserve and mineral resource estimates;
- the timing, cost and results of future resource estimates and exploration programs;
- the timing of other exploration and development plans at the Company’s mineral project interests;
- expectations about future production costs and global supply and demand for gold, silver, and other metals;
- expectations regarding possible impacts of litigation and regulatory actions;
- the effects of the novel coronavirus (“COVID-19”) outbreak as a global pandemic;

Forward-looking information and forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “estimate”, “continue”, “planned”, “expect”, “project”, “predict”, “potential”, “targeting”, “intends”, “believe”, “outlook”, “intend”, and “on track” and similar expressions, or describes a “goal”, or variation of such words and phrases or states that certain actions, events or results “may”, “should”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Statements relating to mineral resource and mineral reserve estimates are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral resources described and mineral reserves exist in the quantities predicted or estimated or that it will be commercially viable to produce any portion of such resources.

Forward-looking statements and forward-looking information are not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made, including among other things:

- the future prices of gold, silver and other metals;
- changes in the worldwide price of other commodities such as steel, fuel and electricity;
- fluctuations in resource prices, currency exchange rates and interest rates;
- favourable operating conditions;
- political stability;
- obtaining governmental approvals and financing on a timely basis;
- assumptions regarding the timing and use of our cash resources;
- our ability to, and the means by which we can, raise additional capital to advance other exploration and development objectives;
- obtaining required licenses and permits and renewals thereof;
- labour stability;
- stability in market conditions;
- availability of equipment;
- our expectations regarding tax rates, currency exchange rates, and interest rates;
- our operations are not significantly disrupted by political instability, nationalization, terrorism, sabotage, pandemics, social or political activism, breakdown, natural disasters, governmental or political actions, litigation or arbitration proceedings, equipment or infrastructure failure, labour shortages, transportation disruptions or accidents, or other development or exploration risks;
- financial markets will not in the long term be adversely impacted by the COVID-19 pandemic;
- expectations regarding the level of disruption to exploration and development at the Project as a result of COVID-19;
- accuracy of mineral resource and mineral reserve estimates; and
- anticipated costs of administration, exploration and development expenditures at the Company’s mineral properties and its ability to achieve its goals.

Many of these assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies, and other factors that are not within the control of the Company and could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements and forward-looking information.

Such forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information, including, without limitation, the following:

- the potential for no commercially mineable deposits due to the speculative nature of the Company’s business;
- the Company’s properties are in the exploration and development stage and may not result in commercially mineable deposits;
- estimates of mineral resources and mineral reserves are based on interpretation and assumptions which are inherently imprecise;
- risks related to unanticipated metallurgical processing problems may affect profitability of the Project;

- no guarantee of the Company’s ability to obtain all necessary licenses and permits that may be required to carry out exploration and development of its mineral properties and business activities;
- the effect of global economic and political instability on the Company’s business;
- risks related to maintaining a positive relationship with the communities in which the Company operates;
- risks related to title, challenges to title, or potential title disputes regarding the Company’s mineral properties;
- risks related to environmental regulations;
- risks related to the development and operation of a mine or mining property;
- the Company’s history of losses and no revenues from operations;
- risks related to the Company’s ability to arrange additional financing;
- risks related to outstanding indebtedness;
- risks related to the Company’s ability to access a skilled workforce;
- the potential for legal proceedings to be brought against the Company;
- the highly competitive nature of mineral exploration industry;
- risks related to equipment shortages, access restrictions, restrictions including but not limited to closures of the U.S.-Canada border into Alaska, and lack of infrastructure on the Company’s mineral properties;
- the Company’s dependence upon key personnel;
- the Company’s reliance on contractors, experts, auditors and other third parties;
- risks related to the Company’s ability to hire, train, deploy and manage qualified personnel in a timely manner;
- risks related to directors being, or becoming, associated with other natural resource companies which may give rise to conflicts of interest;
- risks related to mining operations generally;
- liabilities inherent in mining operations and risks related to the adequacy of insurance coverage;
- risks related to inflation, fluctuation of mineral prices and marketability;
- funding and property commitments that may result in dilution to the Company’s shareholders;
- the volatility of the price of the common shares in the capital of the Company (the “**Common Shares**”);
- the uncertainty of maintaining a liquid trading market for the Common Shares;
- risks related to dilution to existing shareholders from future equity or debt financings, or if stock options or other convertible securities are exercised;
- the history of the Company with respect to not paying dividends and anticipation of not paying dividends in the foreseeable future;
- the impact of price volatility on the valuation of Ascot’s mineral reserves and mineral resources and the market price of its Common Shares;
- risks related to the Company’s use of proceeds from the sale of its securities;
- risks related to the COVID-19 pandemic and other public health crises, including Canadian and U.S. government enforced travel restrictions;
- absence of a market through which the Company’s securities, other than Common Shares, may be sold; and
- sales of Common Shares by existing shareholders can reduce trading prices,

This list is not exhaustive of the factors that may affect any of our forward-looking statements. Although the Company has attempted to identify important factors that could cause actual actions, events, results, performance or achievements to differ materially from those described in forward-looking statements and forward-looking information, there may be other factors that cause actions, events, results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Forward-looking statements are statements about the future and are inherently uncertain, and our actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this AIF under the heading “*Risk Factors*”. Accordingly, readers and investors should not place undue reliance on forward-looking statements. The Company does not intend to update forward-looking statements, except as required by law.

Cautionary Note Regarding Mineral Reserve and Mineral Resource Estimates

Unless otherwise indicated, all mineral reserve and mineral resource estimates included in this AIF and the documents incorporated by reference herein have been prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“**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 (the “**CIM Standards**”). NI 43-101 is a rule developed by the Canadian Securities Administrators, which established standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. 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 CIM Standards. In addition, the terms “mineral resource”, “measured mineral resource”, “Indicated Mineral Resource” and “Inferred Mineral Resource” are defined in accordance with NI 43-101 and the CIM Standards. Investors are cautioned not to assume that all or any part of mineral deposits in these categories will ever be converted into mineral reserves. “Inferred Mineral Resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. Under Canadian rules, estimates of Inferred Mineral Resources must not be included in the economic analysis, production schedules, or estimate mine life in publicly disclosed pre-feasibility or feasibility studies, or in the life of mine plans and cash flow models of developed mines.

The mineral resource and mineral reserve figures referred to in this AIF and the documents incorporated therein by reference are estimates and no assurances can be given that the indicated levels of gold and silver will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. By their nature, mineral resource and mineral reserve estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. Any inaccuracy or future reduction in such estimates could have a material adverse impact on the Company.

About Ascot Resources Ltd.

The Company is a Canadian-based exploration and development company. The Company’s principal property that is the subject of the Feasibility Study is divided into two landholdings (and its only material property for the purposes of NI 43-101), including its 100% interest in the PGP and the RMP. The Project is located near the town of Stewart in northwestern British Columbia held either directly and/or indirectly through the Company’s wholly owned subsidiary IDM (as defined below) (see “*Intercorporate Relationships*” below). As described in the Feasibility Study, the Company’s development strategy is to develop the RMP and the PGP as a combined project.

Ascot also has two other non-material properties: the Mt. Margaret property, a copper and gold exploration property located in Washington, USA; and Swamp Point, and a gravel deposit on the Portland Canal in northwestern British Columbia. The Mt. Margaret property is held by Ascot’s wholly owned subsidiary, Ascot USA Inc.

Name, Address and Incorporation

Corporate Head Office

1095 West Pender Street, Suite 1050
 Vancouver, BC, V6E 2M6 Canada
 Email: jharris@ascotgold.com
 Tel: 778-725-1060
 Fax: 778 725-1070

Registered and Records Office

Blake, Cassels & Graydon LLP
 595 Burrard Street, Suite 2600
 Vancouver, BC, V7X 1L3 Canada

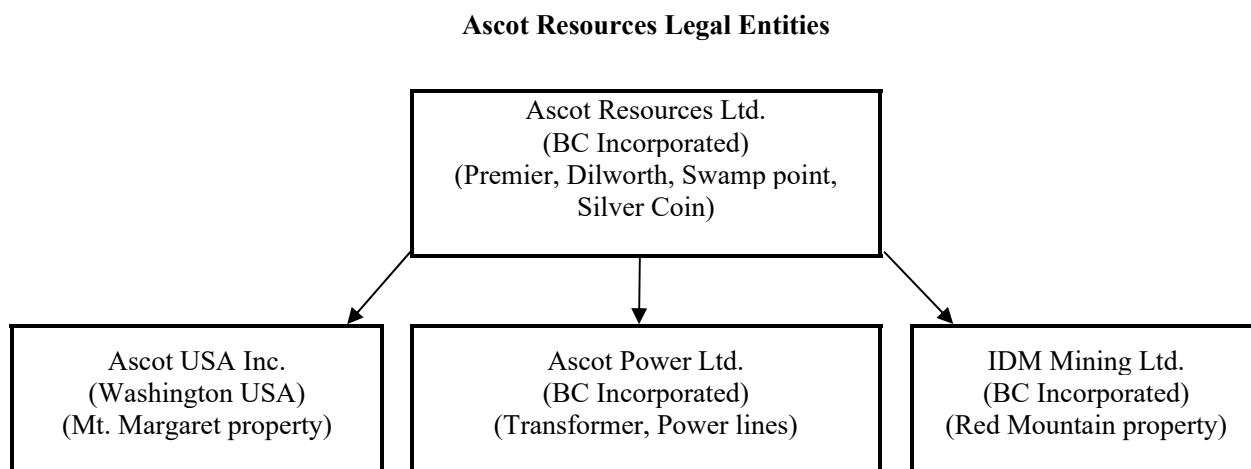
Ascot is a reporting issuer in all of the provinces and territories of Canada. The Company’s Common Shares trade on the Toronto Stock Exchange (“**TSX**”) under the stock symbol “**AOT**” and on the OTCQX under the symbol “**AOTVF**”.

Ascot was incorporated under the *Company Act* (British Columbia) on May 20, 1986, under the name Ascot Resources Ltd. Effective March 29, 2004, the *Company Act* (British Columbia) was replaced by the *Business Corporations Act* (British Columbia) (the “**BCBCA**”). Accordingly, the Company transitioned to governance under

the BCBCA on September 9, 2004. Effective January 1, 2020 the Company amalgamated with Ascot Gold Ridge Ltd., a subsidiary of the Company incorporated in 2018 when the Company acquired Jayden Resources (Canada) Ltd. (“**Jayden Canada**”). The Company has authorized capital of an unlimited number of Common Shares without par value. The Company’s head office is located at Suite 1050, 1095 West Pender Street, Vancouver, British Columbia, Canada, V6E 2M6. The Company’s registered office is located at 2600 – 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1L3.

Intercorporate Relationships

The following chart illustrates the Company’s significant subsidiaries, including the jurisdiction of incorporation of each company and its properties and/or assets:



Ascot has three wholly-owned subsidiaries: (i) Ascot USA Inc., which was incorporated in the state of Washington, United States; (ii) Ascot Power Ltd., which was incorporated under the BCBCA; and (iii) IDM Mining Ltd (“**IDM**”), which was incorporated under the BCBCA. Ascot acquired 100% of the issued and outstanding shares of IDM through a Plan of Arrangement on March 28, 2019. In October 2018, the Company incorporated, under the BCBCA, Ascot Gold Ridge Ltd., a subsidiary of the Company acquired in connection with the acquisition of Jayden Canada, which later amalgamated with the Company effective January 1, 2020.

Three Year History

Year Ended December 31, 2020

On January 6, 2020, the Company announced the results from drill holes completed in the Silver Coin deposit of Ascot’s PGP. The highlights from 30 drill holes included 30.81 g/t Au over 6.69 m in hole P19-2137, 28.96 g/t Au over 3.20 m in hole P19-2136 and 12.24 g/t Au over 4.59 m in hole P19-2130.

The Company engaged a number of consulting engineering and environmental firms to assist the Company to undertake the Feasibility Study at Red Mountain and Premier and progress the *Mines Act* and *Environmental Management Act* amendment applications for the Premier site.

On January 15, 2020, the Company announced an updated Resource Estimate for the PGP including the Premier, Big Missouri, Silver Coin, Martha Ellen and Dilworth deposits, titled “*Resource Estimate Update for the Premier Gold Project, Stewart, British Columbia, Canada*” with an effective date of December 12, 2019. The update represents a 60% increase in the Indicated Category compared to the previous Resource Estimate. The contained precious metals at the PGP are 1,066,000 ounces at a grade of 8.01g/t gold and 4,669,000 ounces at a grade 35.1 g/t

silver in the Indicated Category and 1,180,000 ounces at a grade of 7.25g/t gold and 4,673,000 ounces at a grade of 28.7g/t silver in the Inferred Category. Ascot's combined resources for the Premier and Red Mountain Projects have total contained precious metals of 1,849,000 ounces at a grade of 7.85g/t gold and 6,824,000 ounces at a grade of 29.0g/t silver in the Measured & Indicated Category and 1,250,000 ounces at a grade of 7.11g/t gold and 4,769,000 ounces at a grade of 27.1g/t silver in the Inferred Category.

On February 25, 2020, the Company closed the non-brokered private placement of 5,126,250 flow-through shares at a price of \$0.98 per flow-through share, and 8,170,588 Common Shares at a price of \$0.64 for aggregate gross proceeds of \$10.3 million. The net proceeds from the private placement will be primarily used to fund exploration activities, permitting, engineering and economic studies and for general corporate and working capital purposes. The gross proceeds from the issuance of flow-through shares will be used for "Canadian exploration expenses", and will qualify as "flow-through mining expenditures" as those terms are defined in the *Income Tax Act* (Canada), which will be renounced to the initial purchasers of the flow-through shares with an effective date no later than December 31, 2020 in an aggregate amount not less than the gross proceeds raised from the issue of the flow-through shares.

On May 22, 2020, the Company announced that it filed the Feasibility Study, the results of which were previously announced on April 15, 2020. The Feasibility Study, prepared for the Project located in the Golden Triangle near Stewart, British Columbia, Canada, supports robust economics including base case after-tax net present value ("NPV") at 5% of \$341 million and after-tax internal rate of return of 51% (based on US\$1,400/oz gold price, US\$17/oz silver price and CAD to US exchange rate of 0.76.) The Feasibility Study is based on a proven and probable reserve of 6.2 million tonnes ("Mt") from the Project (proven: 2.2 Mt; probable 4 Mt). In addition to the reserves, the Company has Inferred Mineral Resources of 5.1Mt at 7.25 grams per tonne ("g/t") gold at the Project, with approximately 2.2 Mt of this resource material at similar grade, near the planned development, which may potentially be converted to reserves during operations. The Feasibility Study outlines a low capital restart plan to feed the Premier mill at 2,500 tonnes per day to produce approximately 1.1 million ounces of gold and 3.0 million ounces of silver over eight years.

On May 27, 2020, the Company announced a bought deal financing for which it had entered into an agreement with a syndicate of underwriters led by Desjardins Capital Markets and Stifel GMP, pursuant to which the underwriters agreed to purchase, on a bought-deal basis, 29,412,000 Common Shares at a price of \$0.85 per Common Share for aggregate gross proceeds to the Company of \$25.0 million. On June 17, 2020, the Company closed its previously announced bought deal financing of 29,412,000 Common Shares at a price of \$0.85 per Common Share for aggregate gross proceeds of \$25,000,200.

On October 15, 2020, the Company signed an agreement with Montreal based Farnell-Thompson Applied Technologies Inc. for the delivery of the Semi-Autogenous Grinding ("SAG") and ball mills, which is critical path, long lead time equipment required in the refurbishment of the concentrator facility for re-starting the past producing Premier gold mine.

On November 19, 2020, the Company announced additional high-grade gold intercepts at the Day Zone of the PGP. On October 20, 2020, the Company completed its 2020 exploration drill program with nearly 20,000 metres of drilling covering various parts of the Project as well as additional ground geophysical profiles in strategic locations. See "*The Project – Premier & Red Mountain Gold Project – Drilling – 2020 Drilling*".

On December 10, 2020, the Company announced that it had closed a US\$105 million project financing package. The financing is comprised of: (i) a senior credit facility (the "**Senior Facility**") for US\$80 million provided by Sprott Private Resource Lending II (Collector), LP ("**Sprott**") and (ii) a subordinated convertible facility for US\$25 million (the "**Convertible Facility**") provided by Beedie Investments Ltd. ("**Beedie**"), Sprott and 609912 B.C. Ltd. The Senior Facility will be used to develop the Project. A portion of the Convertible Facility was used to fully repay the existing Sprott and Resource Income Partners Limited Partnership convertible notes and the remainder of the Convertible Facility will also be used to develop the Project.

Year Ended December 31, 2021

On January 18, 2021, the Company announced additional gold intercepts at the Day Zone of the PGP from its 2020 exploration drill program. See “*The Project – Premier & Red Mountain Gold Project – Drilling – 2021 Drilling*”.

On January 31, 2021, the Company submitted the Joint Mines Act/ Environmental Management Act Permit Application (“**Joint MA/EMA Application**”) to amend Mines Act Permit M-179 (the “**Mines Act Permit**”) and Environmental Management Act Permit PE-8044 (the “**Environmental Management Act Permit**”) for regulatory screening and then review. Subsequently, the screening phase was completed and the Joint MA/EMA Application moved to technical review phase on March 25, 2021.

On March 18, 2021, the Company provided an update on permitting, engineering and exploration on the PGP. Basic engineering studies were conducted in which the Project team focused on reducing operating risk by upgrading components of the grinding area and associated electrical requirements. In addition, cost inflation related to steel prices and indirect costs also increased our initial capital estimate. This has resulted in a revised estimate for the initial capital which is approximately 20% higher or a total of \$176 million.

On April 9, 2021, the Company closed its previously announced bought deal financing. A total of 70,700,000 Common Shares were sold in the base deal and over allotment option at a price of \$0.86 per Common Share for gross proceeds to the Company of approximately \$61 million. Subsequently on April 20, 2021, closed its previously announced private placement of a total of 24,000,000 Common Shares sold at a price of \$0.86 per Common Share for gross proceeds of \$20,640,000 purchased entirely by Yamana Gold Inc.

On June 7, 2021, the Company announced that it had closed the non-brokered private placement of 2,651,796 flow-through shares at an average price of \$1.43 per flow-through share for gross proceeds of \$3.8 million to be used for the 2021 exploration program.

On July 19, 2021, the Company announced the signing of an updated benefits agreement with Nisga’a Nation (the “**Benefits Agreement**”), which now encompasses both the PGP and the RMP. The updated Benefits Agreement replaces the former agreement which only pertained to RMP. The comprehensive Benefits Agreement sets the basis for the long-term success of the Project and how it will benefit Nisga’a Nation, its citizens and businesses as well as the shareholders and stakeholders of Ascot.

On August 9, 2021, the Company reported additional high-grade results in step-out and exploration drillholes from the ongoing 25,000m drill program at the Company’s PGP, including 21.13 g/t Au over 7.0 metres in hole P21-2320. Before moving to higher elevations, drilling was focused on the area to the northwest of the Premier/Northern Light zones. High-grade gold was intercepted from multiple drill locations and at various depths, expanding previously identified areas of mineralization and adding new zones.

On September 8, 2021, the Company reported that the Ball and SAG mills were delivered to the PGP and were being prepared for installation inside the mill building. The Company also provided an update on the significant progress made as a part of the PGP Early Works program noting that crews have prepared the Ball and SAG mill foundations for installation of the shells and motors, and the temporary construction camp was installed.

On September 13, 2021, the Company reported that Bob Evans retired from the board of directors of the Company (the “**Board**”) and Indi Gopinathan was appointed as his replacement.

On November 17, 2021, the Company announced the results from ten surface drill holes west of the Premier deposit and one drill hole south of the Day Zone, for a total of 2,795m completed from four drill pads, reporting that the new drill hole at the Day Zone expanded mineralization approximately 400 metres to the south. The Company also reported that the winter season and snow accumulation had begun at site, and therefore drilling activities had wrapped up for the 2021 season. A total of 18,074 metres were drilled from surface. The 2021 drill program originally planned for 25,000 metres however permit delays restricted the start of underground drilling.

On December 7, 2021, the Company announced the receipt of the Mines Act Permit Amendment (“MAPA”) for construction and operation of the PGP and provided a project development update. The British Columbia Ministry of Energy, Mines and Low Carbon Innovation issued to Ascot the Mines Act Permit, enabling the restart of operations at the PGP. As result of the new mining and processing plans for the Premier property, a revised closure and reclamation plan has been prepared and submitted as part of the application process for the MAPA. The MAPA required the Company to provide additional \$30.2 million environmental bonds for an amended total of \$45.2 million for the Premier property. The additional amount will be posted in stages over a three-year period of which \$10.2 million was posted in January 2022 through a surety bond. This revised plan covers the long-term water treatment, tailings closure and the restoration of the site. In addition, Ascot announced that the Company had recently received notice that a cargo ship travelling from China to Vancouver, carrying a majority of the Company’s clarifier and thickener components, lost its cargo at sea in a major storm event. The financial cost of replacement will be covered by insurance, but the additional time to fabricate and ship replacement components is expected to cause a delay in the overall project schedule. As a result, Ascot announced it had revised the project development plans throughout the winter season and into 2022. The target date for initial gold production shifted by one quarter from Q4 2022 to Q1 2023.

On December 15, 2021, the Company announced assay results from first two drill holes on the Sebakwe Zone near existing resources and the Premier mill building, along with an overview and background on the Sebakwe Zone itself. Sebakwe results included 36.17 g/t Au and 20.6 g/t over 7.1m in hole P21-2385.

Year Ended December 31, 2022 and Recent Developments

On January 13, 2022, the Company reported the remainder of assay results from 16 holes at the Day Zone southwest of the Big Missouri deposit, as well as assays from one hole drilled at the Woodbine target and one at the Boneyard near the Premier mill. Highlights included 58.60 g/t Au and 24.8 g/t Ag over 1.9m in hole P21-2384 from the day zone.

On January 25, 2022, the Company released an update on the progress of the PGP and development plans for 2022, including a detailed project schedule. Ascot estimated construction of the PGP is approximately 23% complete as of year-end 2021.

The Company also announced that it had received the Environmental Management Act Permit amendment, the final operating permit to complete the Joint MA/EMA Application for the PGP.

In addition, Ascot announced an update to its capital forecast. In March of 2021, before starting pre-construction activities, Ascot announced a project capital cost estimate of \$176 million (see news release dated March 18, 2021) and this estimate was revised again on January 25, 2022. Now with the Mines Act Permit in hand and a more definitive project schedule, Ascot has recently completed an updated project capital estimate of \$224 million, or an increase of 27% (the “**2022 Cost Update**”). The Company estimated that, after taking into account its current cash balance and the amount available under its project financing package provided by Sprott and Beedie, there was a funding gap, which does not include various corporate costs including but not limited to exploration drilling, corporate G&A, working capital and minimum cash balance requirements, security deposits, and permit maintenance costs. At a high level, the factors that have caused cost increases to the Project, in order of impact, are: fixed indirect costs caused by schedule delays, weather impacts, piping and instrumentation labour productivity, indirect cost inflation, supply chain pressures, and COVID-19 protocols. This funding gap was subsequently mitigated through financings on March 8, 2022 (see below).

A summary of the capital costs from the 2022 Cost Update in comparison with the estimate contained in the news release dated January 25, 2022 is presented below.

Change in project capital estimate by area compared to 2021 Estimate (C\$ millions)

AREA	2022 ESTIMATE	2021 ESTIMATE	VARIANCE
Site Development	7.6	8.3	-0.7
Process Plant	52.0	44.5	+7.5
Waste And Water Management	21.0	17.1	+3.9
On-Site Infrastructure	27.4	25.5	+1.9
Indirect And Owners Costs	83.3	53.0	+30.3
Mining Development	18.3	14.6	+3.7
Total Cost Excl. Contingency	209.6	163.0	+46.6
Contingency	14.7	13.0	+1.7
Total Cost Incl. Contingency	224.3	176.0	+48.3

*Figures may not add due to rounding.

On February 22, 2022, the Company announced the remaining assay results from the 2021 drill program at the PGP, which included assay results from 36 surface drill holes for a total of 6,010 metres. These drill holes targeted areas of early stopes at the Big Missouri deposit with the aim of refining stope geometry and orientation as well as expanding stope shapes where possible and gathering additional grade information. The drill holes intercepted gold mineralization at or near defined stope shapes with numerous high-grade assays as high as 184.5 g/t gold reported in hole P21-2373.

On March 8, 2022, the Company closed its previously announced bought deal financing. The financing consisted of (i) 28,610,000 Common Shares of the Company at a price of \$1.02 per Common Share for aggregate gross proceeds of \$29,182,200; (ii) 12,831,000 hard dollar units of the Company at a price of \$1.02 per hard dollar unit for gross proceeds of \$13,087,620; (iii) 14,590,000 units of the Company that qualify as “flow through shares”, as defined in the *Income Tax Act* (Canada) at a price of \$1.255 per unit for gross proceeds of \$18,310,450; and (iv) 3,240,000 Common Shares of the Company that qualify as “flow-through shares” at a price of \$1.13 per Common Share for gross proceeds of \$3,661,200.

On March 21, 2022, the Company published its inaugural Sustainability Report (as defined below). This report will be updated annually and will evolve as Ascot progresses from development into production.

On April 4, 2022, the Company provided an update on construction financing and development plans for PGP. In December 2020, as part of a total construction finance package of US\$105,000,000 (see news release dated December 10, 2020), the Company secured a US\$80,000,000 Senior Facility with Sprott. After drawing down the initial US\$20,000,000 tranche under the Senior Facility, Ascot was required to satisfy various conditions before drawing down the remaining US\$60,000,000. However, the Company was unable to reach an agreement with Sprott on the satisfaction of the drawdown conditions for the remaining US\$60,000,000 of the Senior Facility. Therefore, the initial US\$20,000,000 drawdown remained outstanding and Ascot was pursuing alternative financing options to replace the remainder of the Senior Facility. Until alternative financing could be secured, Ascot continued advancing the Project with available liquidity. Commencement of underground development and advancement of other key construction areas continued as previously planned. However, certain work packages were placed on hold until alternative funding was secured. While the resulting implications to the Project were uncertain at that time, it was possible that there would be a delay to the initial production target of Q1 2023.

On May 9, 2022, the Company announced the start of the 2022 exploration drilling program, comprising a plan for approximately 18,000 metres that was equally split between exploration and in-fill holes. Exploration drilling was

largely concentrated on the Sebakwe and Day Zones and in-fill drilling focused exclusively on the Big Missouri deposit. The Company anticipated a faster assay turnaround when a third party assay lab was set up in the town of Stewart, British Columbia however, this has not yet come to fruition. The Company continues to have analytical work carried out by ALS Canada Ltd. in North Vancouver, British Columbia.

On May 16, 2022, the Company announced the hiring of Vice President, Operations and General Manager, and the commencement of underground development work at PGP.

On June 23, 2022, the Company provided an update on the development, financing, and exploration of PGP, noting that construction had been significantly advanced in many key project areas. The Company had been working with a number of potential financing partners including project lenders and streaming/royalty companies in order to secure sufficient financing to complete its project construction. Until this funding was secured and in order to preserve Ascot's current cash balance, the Company began decelerating various construction activities and placing certain work packages on hold. The underground mine development work remained on track however, this caused the Company to be out of compliance with requirements under the Mines Act Permit and Environmental Manager Act Permit obtained earlier in the year. The Company is actively engaged with regulators and is rectifying the compliance issues while construction is continuing in 2023. The deceleration of project construction provided more time for mine plan and sequencing optimization, and enabled exploration drilling to determine the size, extent and high-grade continuity of the emerging Sebakwe Zone at the Premier deposit. Given the delays in construction areas which require seasonal conditions, the target for first gold pour would be delayed from the first quarter of 2023 until between late 2023 and early 2024.

After completion of the portal preparation work in April 2022, underground mine development work and installation of surface infrastructure commenced in May 2022. By June 23, 2023, surface facilities including ventilation, water supply and handling, ventilation, gensets, compressor, material handling and stockpiles, offices, and satellite communications had all been established. Underground, approximately 320 metres had been developed in all headings, including muck bays, sumps, ore access drift, and the main ramp. Ground conditions have been excellent and heading advance and productivity have been going well. Development was accessing initial ore in the A Zone of the Big Missouri deposit.

As of June 30, 2022, the Company had progressed detailed engineering to approximately 95% completion and overall construction to approximately 33% completion. Ascot has ordered approximately 95% of the remaining fixed equipment for the Project. Key orders remaining in the plant relate mostly to piping, instrumentation, and bulk consumables.

On July 14, 2022, the Company announced the first batch of assay results from the 2022 exploration drill program at PGP. These results were from surface exploration drilling at the emerging Sebakwe Zone near the Premier mill, and with assays of up to 193 g/t Au over 1.0m, they continued to highlight the high-grade tenor of the Sebakwe Zone.

On August 22, 2022, the Company announced the second batch of assay results from the 2022 exploration drill program the Sebakwe Zone at PGP. Highlights from the drill results included 20.10 g/t Au over 1.40m.

On September 13, 2022, the Company announced the first batch of assay results from the 2022 exploration drill program at Big Missouri at PGP. These results are from surface drilling for in-fill and exploration purposes at the Big Missouri deposit, approximately six kilometres north of the Premier mill. Highlights from the drill results included assays of up to 136.50 g/t Au over 1.00m. Drill holes were targeting the A Zone of the Big Missouri deposit in planned stoping areas, potential extensions of stopes, and gaps in previous drilling on the deposit.

On October 17, 2022, the Company announced initial positive grade reconciliation between muck samples and the block model grade from underground development at the Big Missouri deposit at PGP. Combined results from ore drives 1 and 2 yielded overall 9% positive grade reconciliation from muck samples compared to the resource block model. As expected, the Company encountered high variability in development round grades often associated with

high-grade epithermal gold deposits. Initial results suggested good potential to increase mined grades by continuously improving external mining dilution.

By October 17, 2022, approximately 921 metres had been developed in all headings, including muck bays, sumps, ore access drift, and the main ramp. Ground conditions have been excellent and heading advance and productivity have been going well. Development accessed initial ore in the A Zone of the Big Missouri deposit in August and sampling protocol has been developed for grade reconciliation to the block model.

On October 27, 2022, the Company announced the second batch of assay results from the 2022 exploration drill program at Big Missouri at PGP. Highlights from the drill results included assays of up to 330 g/t Au over 1.00m. A majority of high-grade intercepts were encountered within or close to existing block model wireframes and in potential extensions of those wireframes, further validating the resource model at PGP.

The surface infrastructure at the Big Missouri, S1 pit portal area was progressively prepared for winter snow conditions, which commenced at the end of October 2022. The restart of mining development was now planned for mid 2023 when the snow melts in Spring 2023.

An underground diamond drilling program was successfully completed at Big Missouri to probe for voids and a number of pierce points were put into the existing 3000 level to confirm its location. Breakthroughs were scanned with a LiDAR probe, and geology was able to use the core to confirm some high-grade intercepts were within the previous wireframes. At the Premier Northern Lights (“PNL”) portal location, the surface was stripped and a location was determined for a geotech hole which was drilled 500 metres. This hole was drilled to determine the location and condition of a fault that was encountered higher up near the Northern Light/Sebakwe area. The detailed geotechnical work was completed in early November 2022, and preliminary indications were that ground conditions will be good, and that the fault in question appears to be in good condition at this deeper elevation, and can be crossed with conventional enhanced ground support.

On December 8, 2022, the Company announced the third batch of assay results at the Big Missouri at PGP. These results were from surface drilling for in-fill and exploration purposes at the Big Missouri deposit, approximately six kilometres north of the past-producing Premier mill. These drill holes were targeting several layers of gold mineralization at the A Zone and the Unicorn Area of the Big Missouri deposit in and around planned stopes to the north and northeast of the S-1 pit. Highlights from the drill results included 62.76 g/t Au and 27.36 g/t Ag over 7.90m from a depth of 90.00m in hole P22-2445, including 488.00 g/t Au and 181.00 g/t Ag over 1.00m.

On December 12, 2022 the Company announced it entered into non-binding letters of intent for a total of approximately \$200 million in project financing for construction of the Project. On January 19, 2023, the Company announced the closing of the Project financing package, for aggregate gross proceeds to the Company of approximately \$200 million. The Project financing package consists of (i) US\$110 million as a deposit pursuant to gold and silver streaming agreements (the “**Stream**”) with Sprott Private Resource Streaming and Royalty (B) Corp. (“**Sprott Streaming**” or “**SRSR**”) (together, the “**Stream Agreements**”), and (ii) a strategic equity investment of \$49,885,000 by Ccori Apu S.A.C (“**Ccori Apu**”) (the “**Strategic Investment**”), a portion of which was structured as Canadian Development Expenditures flow through shares (“**CDE Flow Through Shares**”). Ccori Apu’s shareholders are the majority shareholders of Compañía Minera Poderosa S.A., which owns and operates a high-grade gold mine in northern Peru and produces approximately 300,000 ounces of gold per year. Concurrent with the closing of the financing package, the outstanding principal and accrued interest of the senior debt with Sprott was repaid and the Production Payment Agreement between Sprott and the Company dated December 10, 2020 in connection with the senior debt was also terminated.

Upon securing the new project financing in January 2023, Ascot re-engaged various contractors progress activities in the mill building for the remainder of mill construction scope. In April 2023, the underground mining contractor will be re-mobilized to resume underground development work. In May 2023, the earthworks contractor will be mobilized to re-start work on the Cascade Creek Diversion Channel (“**CCDC**”) and tailings facility, which is anticipated to be completed by October 2023. Mining will progress throughout 2023 and delivery of ore will

commence in the fourth quarter of 2023, enabling the start of mill commissioning and first gold pour anticipated in early 2024.

By the end of 2022, Ascot has invested a total of approximately \$150 million in construction of PGP. Due primarily to delays associated with the deceleration of project construction and the inflation experienced in 2022 the expected remaining capital to achieve first gold production is approximately \$153 million.

On January 23, 2023, the Company announced the fourth and final batch of assay results from 2022 surface drilling at the Big Missouri deposit, as well as all holes drilled at the Day Zone. Twelve holes totaling 1,227 metres were drilled from two pads (BM4/22 and BM5/22) at the Day Zone and four holes totaling 495 metres were drilled from pad BM6/22 at the Big Missouri deposit, just south of the S1 Pit where the underground portal is located. Highlights from the drill results included: 26.56 g/t Au and 10.00 g/t Ag over 8.00m from a depth of 42.50m in hole P22-2459 at the Day Zone, including 198.50 g/t Au and 59.60 g/t Ag over 1.00m and 43.30 g/t Au and 20.90 g/t Ag over 1.50m from a depth of 55.00m in hole P22-2460 at the Day Zone.

On February 17, 2023, the Company reorganized its Board by adding two new members: José Néstor Marín and Stephen Altmann, both of whom were appointed pursuant to the strategic equity investment with Ccori Apu. The Company also reported the voluntary resignation of Ken Carter and James Stypula from Ascot's Board. As a result, Ascot's Board maintains its size of seven directors, and its gender diversity with 29% women.

Significant Acquisitions

No "significant acquisition" (as such term is defined in National Instrument 51-102) was completed during the most recently completed financial year.

Description of the Business

Specialized Skill and Knowledge

The nature of Ascot's business requires specialized skills and knowledge. Such skills and knowledge include the areas of permitting, geology, implementation of exploration programs, operations, treasury and accounting. To date, Ascot has been successful in locating and retaining employees and consultants with such skills and knowledge and believes it will continue to be able to do so.

Competitive Conditions

As a mineral resource company, Ascot may compete with other entities in the mineral resource 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 Ascot may compete with other companies that have greater financial resources and technical facilities. Competition could adversely affect Ascot's ability to acquire suitable properties or prospects in the future or to raise the capital necessary to continue with operations.

Cycles

The mining business is subject to mineral price cycles. The marketability of minerals is also affected by global economic cycles.

Economic Dependence

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

Environmental Protection

Ascot currently conducts exploration and construction activities. Such activities are subject to various laws, rules and regulations governing the protection of the environment. Corporate obligations to protect the environment under the various regulatory regimes in which Ascot operates may affect the financial position, operational performance and earnings of Ascot. Due to financial constraints and delays, some of Ascot’s activities are not in compliance with applicable permits and is working closely with regulators to rectify this while construction continues in 2023 (See Environmental Stewardship below).

Employees

Ascot has 10 consultants and 13 employees at its head office. Ascot relies on consultants to carry on many of its activities including management services and supervision of work programs on its mineral properties.









In addition, Ascot has 19 employees at its Project site, not including drilling and construction contractors’ personnel.

Foreign Operations

Ascot, through its wholly-owned subsidiary Ascot USA Inc., holds a 100% interest in the Mt. Margaret deposit which is located near Randle, Washington (USA). Ascot is not dependent upon its operations at Mt. Margaret.

Social or Environmental Policies

Our sustainability report (the “**Sustainability Report**”), being released concurrent with this AIF, highlights the measures taken and successes thus far in community relations, employment, health and safety, environmental stewardship and governance. The Sustainability Report also outlines Ascot’s future sustainable goals. Ascot’s 2022 Sustainability Report can be found at <https://ascotgold.com/sustainability/sustainability-reports/>

							
Senior Management 42% Female	Ascot Employees 40% Female	Board of Directors 29% Female	Site Based Employees 38% Nisga’a Citizens	Safety MTI frequency 4.0 Zero fatalities Zero lost time incidents	COVID-19 909 tests administered 17 positive cases	GHG Emissions Inaugural audit completed, 4.4kt CO ₂ e emitted across Scopes 1 and 2	Environmental Performance One minor spill in 2022, and 2.609 million m ³ of water treated

Community Relations and Employment

Ascot believes that working together with our communities is essential to making a positive and sustainable impact. The Company works closely with Nisga’a Nation and the District of Stewart to ensure the responsible development

of our projects by actively building and maintaining open, respectful, and collaborative relationships with each other. These relationships will lead to capacity building, job creation and economic opportunities during and beyond the life of the mine. In 2020, during the beginning of the COVID-19 pandemic, Ascot supported the towns by writing a letter to local government officials asking for members of these communities to be able to cross the border freely during this time so that children in Alaska could go to school and people could get the necessities they needed from the shops in Stewart. Ascot continues to proactively engage, both formally and informally, with the surrounding communities via townhalls, council meetings, face-to-face meetings, and virtual meetings. Ascot has contributed to a number of educational events, youth sporting activities and a local gym.

Ascot has established strong lines of communication to share information and a respectful engagement process to work together to manage and mitigate any potential impacts on Nisga'a Nation Treaty rights and interests. In 2022, Ascot and Nisga'a Nation established an Implementation Committee made up of senior leadership from both parties. The Implementation Committee met three times in 2022. In July, an Environmental Committee was also established. The Environmental Committee also met three times in 2022.

Ascot has contributed both directly and indirectly to the Stewart and Hyder economies during the development of PGP by staying at the local hotels, renting housing for employees and contractors, and shopping at the local grocery stores, bakery and gift shops. In 2022, Ascot spent \$4.5 million on contracts with Stewart- and Hyder-based businesses for a variety of goods and services ranging from exploration drilling to tires, food and snow removal.

Health and Safety

The health and safety of our employees, contractors and partners is an integral part of how we do business. Ascot has a goal of doing “No Harm” to our workforce and those around us. In 2022, Ascot continued to undertake various training exercises, including mine rescue, site alarm response, avalanche rescue and vehicle extraction. As the Company advances the Project towards production, emergency response preparedness is critical and is a top priority for the Company. In 2022, Ascot performed 1,266 hours in formal training exercises and conducted 398 orientations for visitors, staff, and contractors. In addition, Ascot employees and contractors worked 296,733 hours, the highest recorded in the past three years, and reported zero fatalities, zero lost time injuries, 12 first aid incidents and six medical aid treatments.

For the past three years, COVID-19 has impacted Ascot's approach to the health of our workforce and the way people travel to our site and cross the Canadian-U.S. border between Stewart, British Columbia and Hyder, Alaska. Ascot implemented a testing protocol to ensure that people tested negative for COVID-19 prior to travelling to our workplace. If our workers developed COVID-19 symptoms while at site, we have protocols for isolation and ensuring that our site does not have an outbreak. During 2022, Ascot performed 909 rapid COVID-19 tests, of which 17 or just under 2% returned positive results. April 2022 was the last month of pre-access testing for the Premier Gold Project, as the BC Centre for Disease Control no longer recommended non-symptomatic testing. In May, we transitioned into our Communicable Disease Protocols. We have maintained enhanced cleaning protocols and continue to stress the importance for workers not to come to work if they do not feel well. Rapid tests remain available at no charge and are handed out by the medic upon request.

Environmental Stewardship

Environmental stewardship is an essential principle of sustainable mining and Ascot has worked extensively with Nisga'a Nation and provincial regulators to minimize the impacts of our activities on the environment. As previously announced, Ascot received its Mines Act Permit in December 2021 and its Environmental Management Act Permit in January 2022. One of the consequences of the project delay in 2022 was that as of December 1, 2022, Ascot was out of compliance with the Mines Act Permit and the Environmental Management Act Permit with respect to water treatment criteria, given that Ascot was not in a financial position to install the new water treatment

plant (“WTP”) in 2022. However, Ascot remains committed to installing the new WTP in 2023 and endeavours to become compliant with the permit conditions as soon as possible.

Ascot has completed a full assessment of the potential air emissions for the Premier mine and determined that the mill and vent raises will not be significant sources of air emissions during construction. Ascot is committed to ongoing monitoring air quality during operations.

In 2021, Ascot commissioned EELO Solutions Inc. to conduct a study to estimate and analyze the life of mine Scope 1-2 GHG emissions for the Project based on the 2020 Feasibility Study mine plan. In 2022, Ascot analyzed its emissions across Scopes 1 and 2. Ascot’s GHG emissions totalled 4,368 tonnes Carbon Dioxide Equivalent in 2022 and currently falls below the provincial and federal mandatory reporting threshold of 10,000 tonnes. However, with a full year of project activities anticipated in 2023, it is possible that Ascot will reach the reporting threshold next year. By far the largest source of emissions was diesel consumption, both from mobile equipment and diesel generators.

Ascot has an Environmental, Social and Governance Policy (“ESG Policy”) which can be found on the Company website under the heading “Articles, Policies, Charters & Mandates”. The ESG Policy has been adopted to clearly communicate Ascot’s expectations for employees, directors, contractors and consultants providing services for or on behalf of the Company to ensure that health, safety, environmental and community measures are in place to sustain strong, long-term performance that will benefit the communities the Company operates in and all stakeholders.

Ascot is a member of the British Columbia Regional Mining Alliance (“BCRMA”). BCRMA is a strategic partnership between the Nisga’a Lisims Government, the Association of Mineral Exploration BC, the British Columbia provincial government and some companies with projects in the Golden Triangle of northwestern British Columbia. This unique collaboration aims to promote British Columbia’s mining opportunities internationally. For more info, please visit <https://bcrma.com/>

Risk Factors

The exploration, development and mining of natural resources are highly speculative in nature and are subject to significant risks. The risk factors noted below do not necessarily comprise all those faced by Ascot. Additional risks and uncertainties not presently known to Ascot or that Ascot currently considers immaterial may also impair the business, operations and future prospects of Ascot. If any of the following risks actually occur, the business of Ascot may be harmed and its financial condition and results of operations may suffer significantly, along with a possible significant decline in the value and/or share price of Ascot’s publicly traded stock.

Ascot’s securities should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in Ascot’s regulatory filings prior to making an investment in Ascot. Without limiting the foregoing, the following risk factors should be given special consideration when evaluating an investment in Ascot’s securities.

The development and eventual operation of the Project will be subject to all the risks associated with establishing new mining operations.

Development of the Project requires the construction and operation of a mine, mill, processing plants and related infrastructure. Upon achieving operations, optimization of our operations may require further mine and mill development, modifications and updates to existing processing plant and related infrastructure as well as construction of additional infrastructure. As a result, we are subject to all of the risks associated with establishing new mining operations, including:

- the timing and cost, which can be considerable, of the construction and expansion of mining and processing facilities;

- the availability and cost of skilled labour, mining equipment and principal supplies needed for operations;
- the availability and cost of appropriate smelting and refining arrangements, and existence of, and access to, markets for the sale of products including metal on commercial terms;
- the need to obtain and maintain necessary environmental and other governmental approvals and permits;
- the availability of funds to finance construction, development and expansion activities;
- potential opposition from non-governmental organizations, First Nations, environmental groups, local groups or other stakeholders which may delay or prevent development activities; and
- potential increases in construction and operating costs due to changes in the cost of labour, fuel, power, materials and supplies, and fluctuations in currency exchange rates.

The costs, timing and complexities (including geological and social complexities) of developing and expanding the Project may be greater than anticipated in the Feasibility Study. Cost, timing and operating estimates may increase related to COVID-19 and as more detailed engineering work is completed. It is common in new mining operations to experience unexpected costs, problems and delays during construction, development and mine start-up and expansion. Accordingly, we cannot provide assurance that our activities will result in profitable mining operations at our mineral properties in the time or in the manner predicted in the Feasibility Study or subsequently, or at all.

Mining is inherently risky and subject to conditions or events beyond our control.

The development and operation of a mine or mine property is inherently dangerous and involves many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome, including:

- unusual or unexpected geological formations;
- metallurgical and other processing problems;
- metal losses;
- environmental hazards;
- power outages;
- labour disruptions;
- industrial accidents;
- periodic interruptions due to inclement or hazardous weather conditions;
- flooding, explosions, fire, rockbursts, cave-ins and landslides;
- mechanical equipment and facility performance problems;
- avalanches; and
- the availability of materials and equipment.

These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury or death, including to our employees, environmental damage, delays in mining, increased production costs, asset write downs, monetary losses and possible legal liability. We may suffer a material adverse impact on our business if we incur losses related to any significant events that are not covered by our insurance policies.

Mineral exploration and development are a highly speculative business. Ascot cannot provide assurance that current programs will achieve commercial production.

Exploration for minerals is a highly speculative venture necessarily involving substantial risk. The expenditures made and proposed to be made by the Company described herein may not result in discoveries of commercial quantities of minerals. The failure to find an economic mineral deposit on any of the exploration concessions in which the Company has an interest will have a negative effect on the Company.

Currently, there are mineral reserves and resources (within the meaning of NI 43-101) on some of the properties in which the Company has an interest. Only those mineral deposits that the Company can economically and legally extract or produce, based on a comprehensive evaluation of cost, grade, recovery and other factors, are considered mineral reserves.

Mineral resource and mineral reserve estimates are estimates only, and no assurance can be given that any particular level of recovery of gold or other minerals from mineralized material will in fact be realized or that an identified mineralized deposit will ever qualify as a commercially mineable mineral deposit. Inferred Mineral Resources are mineral resources for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. Therefore, Inferred Mineral Resources have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility, although it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

Most exploration and development projects do not result in commercially mineable deposits.

The Company has undertaken permitting, construction, and other project development activities on the Project. There is a high degree of risk associated with mineral property exploration and development, and few properties are found to bear commercially mineable mineral deposits and even fewer are ultimately developed into producing mines. Although the Feasibility Study identifies mineral reserves at the Project and a reasonable basis for economic extraction based on the assumptions therein, the exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Significant expenditures may be required to develop metallurgical processes, obtain the necessary permits and social license to operate a mine, and construct mining and processing infrastructure and facilities at a particular site. It is impossible to ensure that the currently planned exploration and development programs will result in a producing mine, or a profitable commercial mining operation. Significant capital investment is required to achieve commercial production from successful exploration and development efforts.

The economic feasibility of development projects is based upon many factors, including the accuracy of mineral resource and mineral reserve estimates; metallurgical recoveries; capital and operating costs; government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting and environmental management and protection; and gold prices, which are highly volatile. Development projects are also subject to the successful completion of feasibility studies, issuance of necessary governmental permits and availability of adequate financing.

The commercial viability of a mineral deposit is dependent upon a number of factors which are beyond the Company's control, including the attributes of the deposit, commodity prices, government policies and regulation, community relations, and environmental protection and reclamation requirements. Fluctuations in the market prices of minerals may render mineral resources, mineral reserves and deposits containing relatively lower grades of mineralization uneconomic. Further exploration or delineation will be required before a final evaluation as to the economic and legal feasibility of any of the Company's properties is determined. The Company may have to spend substantial funds on further drilling, engineering studies, and permitting activities before a production decision on the Project can be made. There is no assurance that any anticipated level of recovery of mineral reserves will be realized or will ever qualify as commercially mineable (or viable) ore body which can be legally and economically exploited. The 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.

Estimates of mineral resources and mineral reserves are based on interpretation and assumptions which are inherently imprecise.

Any figures presented for mineral resources, any figures for mineral resources which may be presented in the future or any figures for mineral reserves that may be presented by us in the future are and will only be estimates. Estimates can be imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. The grade of the reported mineral resource estimates is uncertain in nature and it is uncertain whether further technical studies will result in an upgrade to them. Further drilling on the mineralized zones is required to complement the current bulk sample and add confidence in the continuity of mineralized zones in comparison to the current block model. Any material change in the quantity of mineralization, grade or ore to waste ratio or extended declines in market prices for gold, silver and other precious

metals may render portions of Ascot's mineralization uneconomic and result in reduced reported mineralization. Any material reductions in estimates of mineralization, or of Ascot's ability to extract this mineralization, could have a material adverse effect on Ascot's results of operations or financial condition.

Development of mineral properties involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. Estimates of reserves and resources, mineral deposits and production costs can be affected by such factors as environmental permit regulations and requirements, indigenous communities' rights, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. As a result, there is a risk such estimates are inaccurate. *In addition, our mineral resource estimates have been determined and valued based on assumed future metal prices, cut-off grades, operating costs and other assumptions that may prove to be inaccurate.* The grade of precious and base metals ultimately discovered may differ from the indicated drilling results. If the grade of the resource was lower than that indicated in the Feasibility Study, there would be a negative impact on the economics of the Project. There can be no assurance that precious metals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

Mineral exploration and development are highly competitive industries.

The mineral exploration and development industry is intensely competitive in all of its phases and Ascot 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 Ascot to withstand losses. Ascot'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 Ascot 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 Ascot's ability to acquire suitable new producing properties or prospects for exploration in the future. Competition could also affect Ascot's ability to raise financing to fund the exploration and development of its properties or to hire qualified personnel. Ascot 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 Ascot's business, financial condition or results of operations.

There is no guarantee that licenses and permits required by the Company to conduct business will be obtained, which may result in an impairment in or loss of the Company's rights to conduct its business on its mineral properties.

The Company's current and anticipated future operations, including further exploration, development and construction activities and commencement of production on the Company's properties, require permits from various national, provincial, and territorial governmental authorities. While the Company has secured the most significant permits, the Company may not be able to obtain all necessary licenses and permits that may be required to carry out exploration, development, construction and mining operations at its projects. In addition, the grant of required licenses and permits may be delayed for reasons outside the Company's control. As well, the specific permitting requirements that will ultimately apply to any project are difficult to correctly assess at the exploration or development stage. In addition, our future development plans may require us to obtain the necessary surface rights from the owners of such rights in order to complete the development of our projects.

Failure to obtain such licenses and permits on a timely basis, or failure to comply with the terms of any such licenses and permits that the Company does obtain, may adversely affect its business as the Company would be unable to legally conduct its intended exploration, development, processing facility construction or mining work, which may result in increased costs, delay in activities or the Company losing its interest in its mineral properties. The Company owns three mining leases, two of which expire on December 17, 2050, and the third, which expires on December 14, 2048.

Ascot has no history of commercial production and no revenue from operations. We cannot provide assurance that we will generate any operating revenues at our mineral properties in the future.

We have not commenced commercial production on any of our mineral resource properties. As such, we are subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There can be no assurance that significant losses will not occur in the near future or that we will be profitable in the future. Our operating expenses and capital expenditures may increase in the future as consultants, personnel and equipment costs associated with advancing exploration, development and commercial production of our properties increase. We expect to continue to incur losses unless and until such time, if ever, we enter into commercial production and generate sufficient revenues to fund our continuing operations. The development of the Project will require the commitment of substantial resources. There can be no assurance that we will generate any revenues. If we are unable to generate significant revenues at the Project, we will not be able to earn profits or continue operations. We cannot provide investors with any assurance that we will ever develop a mine at the Project.

Actual capital costs, operating costs and expenditures, production schedules and economic returns may differ significantly from those we have anticipated.

Our expected capital costs, operating costs and expenditures, production schedules, economic returns and other projections for the Project, which are contained in the Feasibility Study and the 2022 Cost Update, are based on assumed or estimated future metals prices, cut-off grades, operating costs, capital costs and expenditures and other factors that each may prove to be inaccurate. Therefore, the Feasibility Study and 2022 Cost Update may prove to be unreliable if the assumptions or estimates do not reflect actual facts and events. For example, significant declines in market prices for base and precious metals or extended periods of inflation would have an adverse effect on the economic projections set forth in the Feasibility Study and 2022 Cost Update. In addition, any material reductions in estimates of mineralization or increases in capital costs and expenditures, or in our ability to maintain a projected budget or renew a particular mining permit, could also have a material adverse effect on projected production schedules and economic returns, as well as on our overall results of operations or financial condition. There is also a risk that rising costs for labour and material could have an adverse impact on forecasted construction costs and that shortages of labour and material could have a negative impact on any mine development schedule. An increase in any of these costs, or a lack of availability of commodities and goods, may have an adverse impact on our financial condition and results of operations.

We may not have sufficient funds to develop our mineral properties or to complete further exploration programs.

Ascot will require new capital to continue to operate its business and to continue with exploration on its properties, and additional capital may not be available when needed, if at all. We currently generate no operating revenue, and must primarily finance exploration activity and the development of mineral properties by other means. In the future, our ability to continue exploration, development and production activities will depend on our ability to obtain additional external financing. Any unexpected costs, problems or delays could severely impact our ability to continue exploration and development activities. Our access to financing is always uncertain. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of Ascot's properties.

The sources of external financing that we may use for these purposes include project or bank financing, or public or private offerings of equity and debt or any combination thereof. In addition, we may enter into one or more strategic alliances or joint ventures, decide to sell certain property interests, or utilize one or a combination of all of these alternatives. The financing alternative, or alternatives, we choose may not be available on acceptable terms, or at all. If additional financing is not available, we may have to postpone the further exploration or development of, or sell, one or more of our principal properties. Furthermore, even if we raise sufficient additional capital, there can be no assurance that we will achieve profitability or positive cash flow. In addition, any future equity offering will further dilute current shareholders' equity interest in the Company and any future debt financing will require

us to dedicate a portion of our cash flow to payments on indebtedness and will limit our flexibility in planning for or reacting to changes in our business.

We are dependent on the Project for our future operating revenue.

Our only material property for the purposes of NI 43-101 is the Project. Mineral resources are not mineral reserves and do not have demonstrated economic viability. In addition to the Company's existing mineral reserves, we will be required to replace and expand our mineral resources in order to ensure future revenue. In the absence of additional mineral projects, the Company will be solely dependent upon the Project for its revenue and profits, if any. In addition, development costs are difficult to predict and may render the development of the Project financially unfeasible. It is uncertain whether the Project will ever, or on the timeline we anticipate, achieve commercial production. Should the development of the Project turn out to be not possible or practicable, for political, engineering, technical, economic, legal or other reasons, our business and financial position will be significantly and adversely affected.

Ascot's future liquidity will depend upon its ability to arrange additional financing.

Ascot's future liquidity is dependent upon the ability of Ascot to obtain the necessary financing to complete the development of its interests and future profitable production or, alternatively, upon Ascot's ability to dispose of its interests on a profitable basis. Given Ascot has incurred losses from inception and does not have any operating cash flow, there can be no assurance that additional capital or financing will be available if needed or that, if available, the terms of such financings will be acceptable to Ascot. If Ascot raises additional funds through the sale of equity securities or securities convertible into equity securities, shareholders may have their equity interest in Ascot diluted.

The Company has negative operating cash flow. We may continue to incur losses and to experience negative operating cash flow for the foreseeable future.

The Company is in the development stage of mineral property development and has never generated cash flow from operations and therefore has negative cash flow from operating activities. The Company is devoting significant resources to the continuing exploration and development of the Project however, there can be no assurance that it will generate positive cash flow from operations in the future. The exploration and development of our mineral properties will require the commitment of substantial financial resources that may not be available. The amount and timing of expenditures will depend on a number of factors, including the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners and the acquisition of additional property interests, some of which are beyond our control. Our business strategies may not be successful and we may not be profitable in any future period. Our operating results have varied in the past and they may continue to fluctuate in the future. In addition, our operating results may not follow any past trends.

The Company anticipates that it will continue to have negative cash flow until such time, if at all, that profitable commercial production is achieved. We cannot provide assurance that we will ever achieve profitability. To the extent that the Company has negative cash flow in future periods, the Company may need to allocate a portion of its cash reserves to fund such negative cash flow.

The development of Ascot's mineral interests may be adversely impacted by a lack of access to a skilled workforce.

The development of Ascot's mineral interests depends on the availability of a skilled workforce, including but not limited to mining and mineral, metallurgical and geological engineers, geologists, environmental and safety specialists, and mining operators to explore and develop the Project. Inadequate access to an available skilled workforce could compromise many aspects of the Project's feasibility, viability and profitability, including, but not limited to the construction schedule, capital and operating costs. In addition, the COVID-19 pandemic may cause

the Company to have inadequate access to available skilled workforce and qualified personnel, which could have an adverse impact on the Company's financial performance and financial condition.

Mining operations generally involve a high degree of risk and potential liability and insurance coverage may not cover all potential risks associated with Ascot's operations.

Unusual or unexpected formations, power outages, labour disruptions, first nations communities complaints, industrial accidents, flooding, explosions, cave-ins, seismic activity, rock bursts, landslides, pollution, inclement weather, fire, mechanical equipment failure and the inability to obtain suitable or adequate machinery, equipment or labour are several of the hazards and risks involved in the conduct of exploration and development programs in Ascot's mineral properties, any of which could result in personal injury or death, damage to property, environmental damage and possible legal liability for any or all damage. Ascot maintains insurance against risks in the operation of its business in amounts that it believes to be reasonable. Such insurance, however, contains exclusions and limitations on coverage and Ascot's insurance may not cover all potential risks associated with Ascot's operations. There can be no assurance that any such insurance will continue to be available, will be available at economically acceptable premiums or will be adequate to cover any resulting liability. In some cases, such as with respect to environmental risks, coverage is not available or considered too expensive relative to the perceived risk. Losses resulting from any uninsured events may cause Ascot to incur significant costs that could have a material adverse effect on Ascot's operations and financial condition. In addition, from time-to-time Ascot may be subject to governmental investigations and claims and litigation filed on behalf of persons who are harmed while at its properties or otherwise in connection with Ascot's operations. To the extent that Ascot is subject to personal injury or other claims or lawsuits in the future, it may not be possible to predict the ultimate outcome of these claims and lawsuits due to the nature of personal injury litigation. Similarly, if Ascot is subject to governmental investigations or proceedings, it may incur significant penalties and fines, and enforcement actions against it could result in the closing of certain of Ascot's mining operations. If claims and lawsuits or governmental investigations or proceedings are finally resolved against Ascot, as applicable, Ascot's financial performance, financial position and results of operations could be materially adversely affected.

Unanticipated metallurgical processing problems may affect profitability of the Project.

Despite any metallurgical testwork conducted in connection with the Feasibility Study, unanticipated metallurgical processing problems may occur during operations, including, without limitation, mechanical problems with milling or extraction equipment, unexpected grade anomalies in processed material, contaminants in processing or processed material, and the inability to operate tested processes at scale which can lead to lower metallurgical recoveries than expected and delay and impede operations, which may affect the profitability of the Project. In addition, further metallurgical testing or operations may determine that the metals cannot be extracted as economically as anticipated.

Economic and political instability may affect the Company's business.

The volatile global economic environment has created market uncertainty and volatility in recent years, including as a result of global economic uncertainty, reduced confidence in financial markets, bank failures and credit availability concerns. These macro-economic events have negatively affected the mining and minerals sectors in general, and Ascot's market capitalization has been reduced in periods of market instabilities. Many industries, including the mining industry, are impacted by these market conditions. Global financial conditions remain subject to sudden and rapid destabilizations in response to economic shocks. A slowdown in the financial markets or other economic conditions including but not limited to global supply chain issues, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect Ascot's growth and profitability. Future economic shocks may be precipitated by a number of causes, including a continued rise in the price of oil and other commodities, the volatility of metal prices, geopolitical instability (including events such as the Russian invasion of Ukraine), terrorism, pandemics, the devaluation and volatility of global stock markets and natural disasters. Any sudden or rapid destabilization of global economic conditions could impact Ascot's ability to obtain equity or debt

financing in the future on terms favourable to Ascot or at all. In such an event, Ascot's operations and financial condition could be adversely impacted. As the COVID-19 economic recovery continues, inflation rates have continued to increase. These inflationary pressures have affected the Company's labour, commodity and other input costs and such pressures may or may not be transitory. The Company has made assumptions around the expected costs of key inputs; however, actual costs in an inflationary environment may differ materially from those assumptions.

Ascot's future profitability and the viability of development depends in part upon the world market price of gold, silver, and other metals. Prices fluctuate widely and are affected by numerous factors beyond Ascot's control. The price of gold and silver is influenced by factors including industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales by producers and speculators as well as other global or regional political, social or economic events. The supply of gold, silver and other metals consists of a combination of new mine production and existing stocks held by governments, producers, speculators and consumers, which could increase due to improved mining and production methods.

Prices and availability of commodities consumed or used in connection with exploration and development and mining, such as natural gas, diesel, oil and electricity, also fluctuate, and these fluctuations affect the costs of production at various operations. These fluctuations can be unpredictable, can occur over short periods of time and may have a material adverse impact on Ascot's operating costs or the timing and costs of various projects.

Community relations may affect Ascot's business.

Maintaining a positive relationship with the communities in which we operate is critical to continued successful exploration and development. Community support for operations is a key component of a successful exploration or development project. As a business in the mining industry, we may come under pressure in the jurisdictions in which we explore or develop, to demonstrate that other stakeholders benefit and will continue to benefit from our commercial activities. We may face opposition with respect to our current and future development and exploration projects which could materially adversely affect our business, results of operations, financial condition and share price.

Ascot's mineral properties are subject to title risk and any challenge to the title to any of such properties may have a negative impact on Ascot.

Ascot's mineral property rights and interests may be subject to prior unregistered agreements, transfers and claims and title may be affected by, among other things, undetected defects. Any challenge to the title or access to any of the properties in which Ascot has an interest may have a negative impact on Ascot as Ascot will incur delay and expenses in defending such challenge and, if the challenge is successful, Ascot may lose any interest it may have in the subject property.

Ascot's properties are subject to Aboriginal treaty rights and claims.

The Premier, Big Missouri and Silver Coin deposits lie within the treaty lands of Nisga'a Nation. The projects are within the Nass Area, as defined in the Nisga'a Final Agreement, a tripartite treaty and land claims agreement between Nisga'a Nation and the provincial and federal governments which came into effect on May 11, 2000 (the "**Nisga'a Final Agreement**"). The Nisga'a Final Agreement exhaustively sets out Nisga'a Nation's Aboriginal rights and title under Canadian law. The clarity and certainty provided by the Nisga'a Final Agreement, including Chapter 10, which sets out the required processes for the assessment of environmental effects on Nisga'a Nation treaty rights from projects such as mines, is distinct from other parts of British Columbia where claims of Aboriginal rights and title are not yet resolved.

The Projects are also located in an area where Tsetsaut Skii km Lax Ha Nation asserts Aboriginal rights and title. Based on correspondence with the provincial government, it is the Company's understanding that Tsetsaut Skii km Lax Ha Nation's claims of Aboriginal rights and title are weak, and the corresponding obligation for Crown

consultation with Tsetsaut Skii km Lax Ha Nation regarding potential effects to their interests will be at the low end of the spectrum under Canadian law. However, additional uncertainty has arisen due to the decision of the Supreme Court of Canada in *Tsilhqot'in Nation v. British Columbia* (2014 SCC 44), which recognized the Tsilhqot'in Nation as holding aboriginal title to approximately 1,900 square kilometres of territory in the interior of British Columbia. The impact of any such claim on the Company's interest in its mineral properties cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of First Nations rights in the areas in which the Company's mineral properties are located, by way of negotiated settlements or judicial pronouncements, would not have an adverse effect on the Company's activities

Notwithstanding the certainty provided by the Nisga'a Final Agreement, and given the evolving nature of legislation and Aboriginal consultation in British Columbia, there can be no guarantee that there will not be delays in project approval, unexpected interruptions in project progress, requirements for Aboriginal consent, cancellation of permits and licenses, or additional costs to advance the Company's Projects. It is also not yet clear what effect, if any, the *Declaration on the Rights of Indigenous Peoples Act* enacted in British Columbia in November 2019 will have on regulatory processes for the projects.

In order to facilitate further development, mine permitting and the commencement of mining activities, the Company may deem it necessary and prudent to obtain the cooperation and approval of Nisga'a Nation. Any cooperation and approval may be predicated on the Company's commitment to take measures to limit the adverse impacts on Nisga'a Nation's treaty rights and ensuring that some of the economic benefits of the construction and mining activity will be enjoyed by Nisga'a Nation. There can be no guarantee that any of the Company's efforts to secure such cooperation or approval will be successful or that other assertions of Aboriginal rights and title, or claims of insufficient consultation or accommodation, will not create delays in project approval or unexpected interruptions in project progress, requirements for Aboriginal consent, cancellation of permits and licenses, or result in additional costs to advance.

Compliance with emerging climate change regulations could result in significant costs and the effects of climate change may present physical risks to Ascot's operations.

Climate change refers to any changes in climate over time that are directly or indirectly attributable to human activity. This includes changes in weather patterns, frequency of extreme weather events, temperatures, sea levels and water availability. We recognize that climate change is an international and community concern which may affect our business and operations directly or indirectly as described below.

Governments at various levels have enacted and in certain cases are continuing to enact legislation to address climate change concerns, such as requirements to reduce emission levels and increase energy efficiency. Where legislation has already been enacted, such regulations may become more stringent, which may result in increased costs of compliance. There is no assurance that compliance with such regulations will not have an adverse effect on our results of operations and financial condition.

Extreme weather events (such as increased periods of snow and increased frequency and intensity of storms) have the potential to disrupt our exploration and development plans. Where appropriate, our facilities have developed emergency plans for managing extreme weather conditions; however, extended disruptions could have adverse effects on our results of operations and financial condition.

Environmental regulations are becoming more onerous to comply with, and the cost of compliance with environmental regulations and changes in such regulations may reduce the profitability of Ascot's operations.

Environmental legislation on a global basis is evolving in a manner that will ensure stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessment of proposed development, the possibility of affected parties pursuing class action lawsuits and a higher level of responsibility for companies and their officers, directors and employees. Ascot's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation

provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. Failure to comply with such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards and enforcement, and more stringent fines and penalties for non-compliance. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with environmental regulations and changes in such regulations may reduce the profitability of Ascot's operations. Compliance with environmental laws and regulations may require significant capital outlays on behalf of Ascot and may cause material changes or delays in Ascot's intended activities. The environmental impact assessments may impose requirements for Ascot to obtain the authorization from the indigenous communities where the mining activities are to be carried out.

Ascot has a history of losses and values attributed to Ascot's assets may not be realizable.

Ascot has a history of losses and has no revenues from operations. None of Ascot's properties are currently in production, and there is no certainty that Ascot will succeed in placing any of its properties into production in the near future, if at all. Ascot has no proven history of performance, revenues, earnings or success. Ascot anticipates continued losses for the foreseeable future until it can successfully place one or more of its properties into commercial production on a profitable basis. It could be years before Ascot receives any revenues from any production of metals, if ever. If Ascot is unable to generate revenues with respect to its properties, Ascot will not be able to earn profits which would adversely affect its business and prospects.

Ascot has outstanding indebtedness.

As of the date of this AIF, the Company has an outstanding debt of US\$10 million under the Convertible Facility that bears interest at a rate of 8% per annum. The Convertible Facility is convertible into Common Shares, which may cause dilution to shareholders. As a result of this indebtedness, the Company is required to use a portion of its cash flow to service the principal and interest on this debt, which will limit the cash flow available for other business opportunities.

The Company's ability to pay interest, repay the principal or to refinance its indebtedness depends on the Company's future performance, which is subject to economic, financial, competitive and other factors beyond its control. The Company currently does not generate cash flows from operations and relies on financing. If the Company is unable to generate such cash flow, it may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. The Company's ability to refinance its indebtedness will depend on the capital markets and its financial condition at such time. The Company may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on its debt obligations.

Capital costs relating to the development of the Project may increase, the Company will be required to seek additional funding.

The Project construction costs may increase due to changes in the cost of steel, concrete, fuel, power, materials and supplies, in which case the Company will be required to seek additional debt or equity capital in order to complete construction at the Project and we may not be able to access capital on commercially reasonable terms or at all and, even if successful, we may not be able to raise enough capital to allow us to fully fund the capital costs required to complete construction at the Project.

Restrictive covenants in the Stream Agreements and Convertible Facility may impact business activities.

Pursuant to the Stream Agreements and Convertible Facility, the Company must satisfy certain financial covenants as well as other restrictive and affirmative covenants in respect of the Company's operations. These covenants

include, without limitation, restrictions on the Company's ability to incur additional indebtedness; pay dividends or make other distributions; make loans or investments; sell, transfer or otherwise dispose of assets; and incur or permit to exist certain liens. Compliance with these covenants may impair the Company's ability to finance its future operations or capital needs or to take advantage of other favourable business opportunities. The Company's ability to comply with these covenants will depend on its future performance, which may be affected by events beyond its control. The Company's failure to comply with any of these covenants, if left uncured, could result in an event of default under the Stream Agreements and Convertible Facility and could result in the acceleration of the indebtedness under the Convertible Facility or repayment of the stream deposit. Since these agreements contain cross-default provisions, if the Company's debt is accelerated upon an event of default under either stream or convertible credit facility, it will likely be accelerated under the other credit facility and if the Company is unable to repay any amounts then outstanding, the lenders may be entitled to, among other things, take possession of any collateral securing the credit facilities to the extent required to repay the outstanding amounts, subject to the terms of the intercreditor agreement among Sprott Streaming, Beedie, as agent for the lenders under the Convertible Facility, the Company, and the other parties thereto.

Ascot may be subject to litigation, the disposition of which could negatively affect Ascot's potential future profits to varying degrees.

All industries, including the mining industry, are subject to legal claims, with and without merit. Due to the nature of its business, Ascot may, in the future, be subject to claims (including class action claims and claims from government regulatory bodies) based on allegations of negligence, breach of laws and regulations, public nuisance or private nuisance or otherwise in connection with its operations or investigations relating thereto. Defense and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the litigation process could take away from management time and effort and there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on Ascot's operations and financial position. Results of litigation are inherently uncertain and there can be no assurances as to the final outcome. Ascot's liability insurance may not fully cover such claims.

Ascot may face equipment shortages, access restrictions and a lack of 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 for capital and operating costs. The lack of availability of these items on terms acceptable to Ascot or the delay in availability of these items could prevent or delay exploitation or development of Ascot's mineral properties. If adequate infrastructure is not available in a timely manner, we cannot assure you that the exploitation or development of our projects will be commenced or completed on a timely basis, or at all, or that the resulting operations will achieve the anticipated production volume, or that the construction costs and operating costs associated with the exploitation and/or development of our projects will not be higher than anticipated.

In addition, unusual weather phenomena, man-made causes, such as protests, blockades, sabotage, conflicts, protests, or competing uses, government issues or political events, including but not limited to, closures of the U.S.-Canada border into Alaska or other interference in the maintenance or provision of such infrastructure could adversely affect our operations and profitability. Natural resource exploration, development, processing and mining activities are dependent on the availability of mining, drilling and related equipment in the particular areas where such activities are conducted. A limited supply of such equipment or access restrictions may affect the availability of such equipment to Ascot and may delay exploration, development or extraction activities. Certain equipment may not be immediately available, or may require long lead time orders. A delay in obtaining necessary equipment could have a material adverse effect on Ascot's operations and financial results.

Ascot is dependent on its key personnel.

Ascot is dependent upon the continued availability and commitment of its key management, employees and consultants, whose contributions to immediate and future operations of Ascot are of central importance. The loss

of any member of the senior management team could impair Ascot's ability to execute its business plan and could therefore have a material adverse effect on Ascot's business, results of operations and financial condition.

If Ascot is unable to hire, train, deploy and manage qualified personnel in a timely manner, its ability to manage and grow its business will be impaired.

Recruiting and retaining qualified personnel is critical to Ascot's success. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the business activity grows, additional key financial, administrative and mining personnel as well as additional operations staff may be required. Ascot may not be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If Ascot is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on Ascot's future cash flows, earnings, results of operations and financial condition.

Conflicts of interest may arise among Ascot's directors as a result of their involvement with other natural resource companies.

Some of the directors of Ascot are also directors, officers and shareholders 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 Ascot. Although Ascot has policies which address such potential conflicts, and the BCBCA has provisions governing directors in the event of such a conflict, there is no assurance that any such conflicts will be resolved in favour of Ascot. If any such conflicts are not resolved in favour of Ascot, Ascot may be adversely affected.

Metal prices and marketability fluctuate and any decline in metal prices may have a negative effect on Ascot.

Metal prices, including gold and silver prices, have fluctuated widely in recent years. The marketability and price of any metals that may be acquired or produced by Ascot may be affected by numerous factors beyond the control of Ascot. These factors include financial market conditions, delivery uncertainties related to the proximity of potential reserves to processing facilities and extensive government regulation relating to price, taxes, royalties, allowable production land tenure, the import and export of minerals and many other aspects of the mining business. Additionally, the current COVID-19 pandemic and efforts to contain it, including restrictions on travel and other advisories issued may have a significant effect on metal prices. In addition, the COVID-19 pandemic may cause the Company to experience delays in deliveries, which could have an adverse impact on the Company's construction timeline.

Declines in metal prices may have a negative effect on Ascot and on the trading value of its Common Shares.

Funding and property commitments may result in dilution to Ascot's shareholders.

Ascot may sell equity securities in public or private offerings (including through the sale of securities convertible into equity securities) and may issue additional equity securities to finance operations, exploration, development, acquisitions or other projects. Ascot cannot predict the size of future issuances of equity securities or the size and terms of future issuances of debt instruments or other securities convertible into equity securities or the effect, if any, that future issuances and sales of Ascot's securities will have on the market price of the Common Shares. Any transaction involving the issuance of previously authorized but unissued Common Shares, or securities convertible into Common Shares, would result in dilution, possibly substantial, to security holders. Exercises of presently outstanding share options may also result in dilution to security holders.

The Ascot Board has the authority to authorize certain offers and sales of additional securities without the vote of, or prior notice to, shareholders. Based on the need for additional capital to fund expected expenditures and growth, it is likely that Ascot will issue additional securities to provide such capital. Such additional issuances may involve

the issuance of a significant number of Common Shares at prices less than the current market price for the Common Shares.

Sales of substantial amounts of Ascot's securities, or the availability of such securities for sale, could adversely affect the prevailing market prices for Ascot's securities and dilute investors' earnings per share. A decline in the market prices of Ascot's securities could impair Ascot's ability to raise additional capital through the sale of securities should Ascot desire to do so.

Our Common Shares are subject to various factors that have historically made share prices volatile.

The market price of our Common Shares may be subject to large fluctuations, which may result in losses to investors. The market price of the Common Shares may increase or decrease in response to a number of events and factors, including: our operating performance and the performance of competitors and other similar companies; volatility in commodity prices; the arrival or departure of key personnel; the number of Common Shares to be publicly traded after an offering pursuant to any Prospectus Supplement; the public's reaction to our press releases, material change reports, other public announcements and our filings with the various securities regulatory authorities; the public's perception of the mining industry and reaction to the developments therein; changes in earnings estimates or recommendations by research analysts who track the Common Shares or the shares of other companies in the resource sector; changes in general economic and/or political conditions; acquisitions, strategic alliances or joint ventures involving us or our competitors; and the factors listed under the heading "*Cautionary Note Regarding Forward-Looking Statements*".

The market price of the Common Shares may be affected by many other variables which are not directly related to our success and are, therefore, not within our control, including other developments that affect the market for all resource sector securities, the breadth of the public market for the Common Shares and the attractiveness of alternative investments.

The market price of the Common Shares could decline as a result of future issuances or sales of the Company's securities, which could result in insufficient liquidity.

The market price of the Common Shares could decline as a result of issuances of securities by the Company or sales by its existing shareholders of Common Shares in the market, or the perception that these sales could occur. The issuance of Common Shares upon the exercise of the Company's outstanding stock options or the vesting of the Company's outstanding share units may also reduce the market price of the Common Shares. Additional Common Shares, stock options and share units may be issued in the future. A decrease in the market price of the Common Shares could adversely affect the liquidity of the Common Shares on the TSX. The Company's shareholders may be unable, as a result, to sell significant quantities of the Common Shares into the public trading markets. The Company may not, as a result, have sufficient liquidity to meet the continued listing requirements of the TSX and the OTCQX. Sales of the Common Shares by shareholders might also make it more difficult for the Company to sell equity or debt securities at a time and price that it deems appropriate, which may have a material adverse effect on the Company's business, financial conditions and results of operations.

Ascot has outstanding Common Share equivalents which, if exercised, could cause dilution to existing shareholders.

The exercise of any of stock options, other share-based compensation and share purchase warrants and the subsequent resale of such Common Shares in the public market could adversely affect the prevailing market price and Ascot's ability to raise equity capital in the future at a time and price which it deems appropriate. Ascot may also enter into commitments in the future which would require the issuance of additional Common Shares and Ascot may grant additional share purchase warrants and stock options. Any share issuances from Ascot's treasury will result in immediate dilution to existing shareholders' percentage interest in Ascot.

Ascot has never paid, and does not currently anticipate paying, dividends.

The Company has paid no dividends on the Common Shares since incorporation and does not anticipate paying dividends in the immediate future. The payment of future dividends, if any, will be reviewed periodically by the Company's Board and will depend upon, among other things, conditions then existing including earnings, financial conditions, cash on hand, financial requirements to fund its commercial activities, development and growth, and other factors that the Board may consider appropriate in the circumstances.

Activities of the Company may be impacted by the spread of COVID-19.

Since COVID-19 was declared a worldwide pandemic by the World Health Organization on March 11, 2020, the speed and extent of the spread of COVID-19 and the duration and intensity of resulting business disruption and related financial and social impact remain uncertain. Such adverse effects related to COVID-19 and other public health crises may be material to the Company. While COVID-19 had significant, direct impacts on our operations, our business, our workforce, and our production, the extent to which COVID-19 will continue to impact our operations will depend on future developments which are highly uncertain and cannot be predicted with confidence. These future developments include, but are not limited to, the duration of any outbreak, new information that may emerge concerning the severity of COVID-19, including variants of the disease, and the actions taken to contain COVID-19 or treat it. The imposition of future governmental restrictions and health and safety protocols could improve or worsen relative to our assumptions, depending on how each jurisdiction manages potential outbreaks of COVID-19, the development and adequate supply of vaccines, and the effectiveness of such vaccines.

The impact of COVID-19 and efforts to reduce the spread of COVID-19 could severely impact the exploration and any development of the Project and the Company's other mineral projects. If the exploration and any development of the Project and other mineral projects is disrupted or suspended as a result of these or other measures, it may have a material adverse impact on the Company's financial position and trading price of the Common Shares. In response to the COVID-19 pandemic, exploration at the Project may be impacted by provincial and federal government restrictions on the Company's operations. Potential stoppages on exploration activities could result in additional costs, project delays, cost overruns, and operational restart costs. The total amount of funds that the Company needs to carry out the proposed operations may increase from these and other consequences of the COVID-19 pandemic.

The continued presence of, or spread, of COVID-19, and any future emergence and spread of COVID-19 mutations or other pathogens, globally may have material adverse effects on the economies and financial markets of many countries, resulting in an economic downturn that could have significant impacts on commodity prices, demand for metals, investor confidence, and general financial market liquidity, all of which may adversely affect our business and the market price of our Common Shares. In addition, such a pandemic could also impact our ability to raise capital, cause continued interest rate volatility that could make obtaining financing or refinancing our debt obligations more challenging or more expensive (if such financing is available at all), and result in any operations affected by coronavirus or other pathogens becoming subject to quarantine or shut down. Such effects would not only affect our business and results of operations, but also the operations of our suppliers, contractors and service providers. Inflationary pressures relating to COVID-19 global financial support measures and current supply chain challenges continue to have both direct and indirect impacts on our costs to operate, which could have a material impact on our financial results. Any of these developments, and others, could have a material adverse effect on our business and results of operations.

Sales by existing shareholders can reduce share prices.

Sales of a substantial number of Common Shares in the public market could occur at any time. These sales, or the market perception that the holders of a large number of Common Shares intend to sell Common Shares, could reduce the market price of the Common Shares. If this occurs and continues, it could impair the Company's ability to raise additional capital through the sale of securities.

A cyber security incident could adversely affect the Company's ability to operate its business.

Information systems and other technologies, including those related to the Company's financial and operational management, and its technical and environmental data, are an integral part of the Company's business activities. Network and information systems related events, such as computer hacking, cyber-attacks, computer viruses, worms or other destructive or disruptive software, process breakdowns, denial of service attacks, or other malicious activities or any combination of the foregoing or power outages, natural disasters, terrorist attacks, or other similar events could result in damages to the Company's property, equipment and data. These events also could result in significant expenditures to repair or replace damaged property or information systems and/or to protect them from similar events in the future. Furthermore any security breaches such as misappropriation, misuse, leakage, falsification, accidental release or loss of information contained in the Company's information technology systems including personnel and other data that could damage its reputation and require the Company to expend significant capital and other resources to remedy any such security breach. Insurance held by the Company may mitigate losses however in any such events or security breaches may not be sufficient to cover any consequent losses or otherwise adequately compensate the Company for any disruptions to its business that may result and the occurrence of any such events or security breaches could have a material adverse effect on the business of the Company. There can be no assurance that these events and/or security breaches will not occur in the future or not have an adverse effect of the business of the Company.

Mineral Properties

The Company's only material property is the Project. For a complete description of the Project, please see the Feasibility Study. The Feasibility Study has been filed with Canadian securities regulatory authorities on SEDAR (available at www.sedar.com). Except for information in respect of the period subsequent to the effective date of the Feasibility Study (including information relating to the Company's 2021 drilling and exploration program), the information contained in this section has been derived from the Feasibility Study, is subject to certain assumptions, qualifications and procedures described in the Feasibility Study and is qualified in its entirety by the full text of the Feasibility Study. Reference should be made to the full text of the Feasibility Study.

Premier & Red Mountain Gold Project

Introduction and Technical Information

Except for information in respect of the period subsequent to the effective date of the Feasibility Study (including but not limited to information relating to the Company's 2021 drilling and exploration program), the disclosure set forth in this section is derived from the NI 43-101 technical report entitled "*Premier & Red Mountain Gold Project Feasibility Study NI 43-101 Technical Report, British Columbia*", dated May 22, 2020, with an effective date of April 15, 2020 prepared by Sacré-Davey Engineering Inc.

The Qualified Persons responsible for the Feasibility Study are Sue Bird, P.Eng., Geologic/Mining Engineer, BRCC, Dr. Gilles Arseneau, P.Geo., President, ACS, Aleksandar Petrovic, P.Eng., Senior Process Engineer, Sedgman, Frank Palkovits, P.Eng., Owner, Mine Paste, Jim Fogarty P.Eng., Senior Engineer, Knight Piésold, Soren Jensen, P.Eng., Senior Environmental Engineer, SRK, Brendon Masson, P.Eng., Civil Engineer, McElhanney, Robert Marsland, P.Eng., Senior Environmental Engineer, MEA, Shervin Teymouri, P.Eng., B.A.Sc., M.Eng., Financial Analyst, SDE, Frank Grills, P.Eng., Senior Project Manager, SDE, Ken Savage, P.Eng., Senior Civil Engineer, SDE.

The Feasibility Study is available on the Company's website (<https://ascotgold.com/>) and on the Company's profile on SEDAR (www.sedar.com).

Property Description, Location and Access

The property that is the subject of the Feasibility Study is divided into two landholdings: the PGP and the RMP. The PGP comprises 8,133 hectares located approximately 19 kilometres to the northwest of the town of Stewart, British Columbia and the RMP comprises 17,125 hectares located approximately 23 kilometres southeast of the PGP. The nearest major centre to the Project is Terrace, British Columbia located 327 kilometres to the south which hosts a major airport with numerous daily flights to Vancouver, British Columbia. PGP is readily accessible along the gravel-surface Granduc Road from Stewart through the town of Hyder, Alaska, and back into British Columbia. Additional access is provided by old haul and forest roads that are accessible by all-terrain vehicle, snowmobile or hiking. Several helicopter companies maintain bases in Stewart. RMP, 23 kilometres to the southeast of the PGP mill, is currently accessible only by helicopter. In 1994, LAC Minerals Ltd. (“LAC”) partially developed road access up the Bitter Creek valley from Highway 37A for 13 kilometres to the Hartley Gulch–Otter Creek area. Currently this road is passable for only a few kilometres from the highway. The remainder is not passable, as sections have been subjected to washout or landslide activity.

Premier Gold Project

The PGP comprises four claim groups, identified as the Premier, Big Missouri, Dilworth, and Silver Coin groups, and includes three mining leases, totaling 392 hectares, 175 Crown grants totaling 2,354 hectares, and 107 mineral claims totaling 8,907.1 hectares. The total area is 8,133 hectares when overlaps are accounted for. The Company owns three mining leases, two of which expire on December 17, 2050, and the third, which expires on December 14, 2048.

PGP is 100% owned by the Company and was acquired under two separate agreements: the Dilworth option agreement and related Premier asset purchase agreements and Silver Coin acquisition agreement. The original Dilworth option agreement between the Company and owners Boliden Limited (“Boliden”), R. Kasum, and the estate of J. Wang, was signed in March 2007. Under the original terms, the Company acquired the right to earn a 100% interest in the Dilworth property by making staged option payments over ten years totaling \$6.75 million. The asset purchase agreement between Boliden and the Company dated July 31, 2017, facilitated the Company acquiring the Premier property for payment of \$4.8 million in addition to all previously paid option payments of \$6.2 million. Both the Dilworth option agreement and Premier asset purchase agreement are subject to a 5% net smelter royalty (“NSR”) which the Company has the right to buy back for a total payment of \$13.7 million. In addition, the property is subject to other smaller historical royalty arrangements.

The Silver Coin property is 100% owned by the Company. Prior to The Company’s acquisition, the property was held under a joint-venture agreement between Jayden Canada, a subsidiary of Jayden Resources Inc. (“Jayden”), and Mountain Boy Minerals Inc. (“MBM”). Jayden Canada owned 80% of the property, with the remaining 20% owned by MBM. On 29 October 2018, the Company announced that it had completed purchase of the outstanding shares of Jayden Canada in exchange for 14,987,497 of the Company’s shares, plus an additional 192,000 of the Company’s shares for settlement of options and warrants. Concurrent with this, the Company acquired MBM’s 20% interest in exchange for 3,746,874 of the Company’s shares, plus an additional 48,000 shares for settlement of Jayden options and warrants. Nanika Resources Inc. retains a 2% NSR on certain claims pursuant to an earlier purchase agreement with Jayden. The NSR can be bought back for \$1,000,000 for each 1% NSR.

The British Columbia Ministry of Energy, Mines and Low Carbon Innovation issued to Ascot the Mines Act Permit in late 2021, enabling the restart of operations at the PGP. The MAPA required the Company to post a surety bond for a total of \$45.2 million environmental bonds for the Premier property.

Red Mountain Project

The RMP consists of 47 contiguous mineral claims for a total of 17,125 hectares. It is located approximately 18km east–northeast of Stewart, British Columbia. All claims are in good standing until May 9, 2023. RMP is 100% owned by the Company after an acquisition on March 27, 2019, when the Company announced that it had completed

purchase of the outstanding shares of IDM in exchange for 35,078,939 of the Company's shares, 715,500 Company options, and 4,309,128 Company warrants.

RMP is subject to payment of production royalties, payment of an annual minimum royalty of \$50,000 on the key Wotan Resources Corp. claim group, a one-time payment upon commercial production, and a gold metal streaming arrangement. There is a 1.0% NSR payable to Franco-Nevada Corporation and a 2.5% NSR payable to Wotan Resources Corp. Upon closing of the new financing package in January 2023 (see "*Year Ended December 31, 2022 and Recent Developments*" above), the gold metal stream whereby Sprott Streaming could acquire up to 10% of the annual gold production from the RMP at a cost of US\$1,000/oz up to a maximum of 500,000 oz produced or elect to receive a one-time cash payment of \$4 million at commencement of production in exchange for a buy-back of the gold metal stream was terminated.

A \$1.098 million surety reclamation bond has been posted with the provincial government against the RMP and can be recovered pending closure and remediation of certain environmental requirements, including the following: (i) reclamation and closure of approximately 50,000 tonnes of development waste rock that may be potentially acid-generating; (ii) closure of the decline portal; and (iii) removal of equipment from the site.

History

Premier Gold Project

Exploration commenced in the region in the latter part of the 19th century, with the first discoveries in the district occurring in 1898. The Premier mine operated as an underground operation from 1918 to 1968 with short interruptions. In that period of time, the mine produced 1.8 Moz of gold and 41 Moz of silver at average grades of 12.15 g/t Au and 269 g/t Ag. In 1989, Westmin Resources ("**Westmin**") constructed the current mine site and resumed production utilizing open pit and underground mining until 1996 when production was terminated. Westmin produced 200,000 oz of gold and 2 Moz of silver at average grades of 2.6 g/t Au and 53 g/t Ag. In 1991, approximately 100,000 tonnes of ore were extracted from the Silver Coin deposit and processed at the Premier mill. The average grade of this material was 8.9 g/t Au and 55 g/t Ag.

A Mineral Resource Estimate for all five deposits of the PGP was announced in December 2018 by the Company, however, these results are superseded by the mineral resources presented in the Feasibility Study.

Red Mountain Project

Placer mining commenced in the early 1900s in Bitter Creek, downstream from Red Mountain. The Red Mountain deposit was discovered in 1989 by Bond Gold Canada Inc. ("**Bond**"). LAC acquired Bond in 1991 and surface drilling on the Marc, AV, and JW zones continued in 1991–1994. Underground exploration of the Marc zone was conducted in 1993 and 1994. In 1995, Barrick Gold Corporation acquired LAC, which subsequently optioned the property to Royal Oak Mines Inc. ("**Royal Oak**") in 1996. North American Minerals Inc. ("**NAMC**") purchased the property from the receivership sale of Royal Oak in 2000. NAMC subsequently sold the property to Seabridge Gold in 2002 which optioned the property to Banks Island Gold Ltd. ("**Banks**"). Banks terminated the option in 2013, and the property reverted to Seabridge Gold. Seabridge Gold subsequently optioned the property to IDM in 2014. No historical production has taken place at Red Mountain. Several resource estimates were completed in the past for the RMP at a 3 g/t Au cut-off.

Geological Setting, Mineralization and Deposit Types

Premier Gold Project

The PGP property is mainly underlain by Jurassic-aged Hazelton Group rocks composed of a thick package of homogeneous andesitic tuffs, lapilli tuffs, and flows interpreted to have formed in an Island Arc setting. Dykes and sills of Premier porphyry (a quartz-K-spar-hornblende porphyry of intermediate composition) are the most abundant

intrusive rocks in the area, and are spatially associated with some mineralized zones. Gold–silver mineralization is hosted within structural zones expressed by quartz breccias, quartz veins and stockwork often within large areas of quartz-sericite-pyrite alteration. Elevated gold and silver values are closely associated with silicification and sericitic alteration. Gold occurs predominantly as electrum, with native gold present locally. Silver occurs in its native form, and in electrum, argentite and freibergite. The most common sulfides are pyrite, sphalerite with minor galena, and chalcopyrite. The mineral assemblage suggests that the style of mineralization at Premier falls into the intermediate sulfidation epithermal category as neither high-sulfidation minerals (such as covellite or enargite) nor low-sulfidation minerals (such as arsenopyrite and pyrrhotite) have been observed.

Mineral deposits in the PGP are intermediate-sulfidation epithermal gold-silver deposits with subsidiary base metals. These deposits form at comparatively shallow depths (generally above 1 kilometre's depth), often in association with hot-spring activity on surface. Mineralization results from circulation of aqueous solutions driven by remnant heat from intrusive bodies. Where these ascending fluids encounter meteoric waters, and/or as the hydrostatic pressure drops, changes in temperature and chemistry results in precipitation of minerals into fractures, breccias, and open spaces.

Mineralized bodies are structurally controlled veins, stockworks, and breccia bodies, and are broadly tabular with a wide range of orientations. They measure from centimetre scale to many metres in thickness and can often be traced for strike lengths of several hundred metres or even kilometres. Economic minerals comprise native gold and native silver, electrum, silver sulfosalts, and silver sulfides, along with pyrite, sphalerite, and comparatively minor amounts of chalcopyrite and galena. Gold and silver values are quite variable, and average on the order of 5 g/t to 10 g/t Au and 20 g/t to 30 g/t Ag within the historical stopes.

Red Mountain Project

The geology of the Red Mountain area is characterized by Upper Triassic to Lower Jurassic metasedimentary and tuffitic units that have been intruded by a multi-phase intermediate intrusive complex. The intrusive rocks show porphyry style alteration with K-spar alteration and tourmaline as well as lower temperature quartz-sericite-pyrite alteration. Gold mineralization is hosted in a series of pyrite rich breccia bodies and stockwork zones associated with the brecciated contact zone at the edge of the intrusive body. The alteration associated with the high grade-gold mineralization is characterized by sericite and silicification. Eocene intrusions of the Coast Plutonic Complex occur to the west and south of Red Mountain and are associated with high-grade silver-lead-zinc occurrences; gold-silver-bismuth ± copper-lead-zinc mineralization recently identified in the Lost Valley area is likely of Eocene age. Recent interpretation is that the gold mineralization at Red Mountain is consistent with an intrusive-related hydrothermal system, rather than a porphyry-gold deposit according to previous interpretation.

Several models have been presented for the formation of the RMP gold deposits. The setting and style of mineralization is similar to that of many porphyry systems based on data from deep drilling that indicated mineralization and alteration zoning common to traditional porphyry systems. While the porphyry system zonation was present, the alteration and mineralization were more consistent with a later magmatic-hydrothermal system that overprinted the earlier vertical alteration pattern. Recent interpretation is that the gold mineralization at Red Mountain is consistent with an intrusive-related system, rather than a porphyry-gold deposit.

Incorporating recent suggestions for regional early-Jurassic intrusive-related and magmatic-hydrothermal mineralization in northwest British Columbia, which incorporate mapping and petrographic observations, the proposed metallogenic sequence for the Red Mountain property is as follows:

- Approximately 200 Ma, the Hillside porphyry intruded into Stuhini and unconsolidated lower-most Hazelton Group strata. Large rafts of sedimentary rocks are encapsulated in the intrusion; and contact brecciation is between porphyry and sedimentary rocks.
- The Hillside porphyry cools and contracts, causing microfracturing of the porphyry and breccia zones. Early pyrite was deposited into these fractures.

- Ongoing cooling, and alteration of hosts rocks by hydrothermal fluids, with fracturing and brecciation of coarse-grained pyrite veins. Additional coarse-grained pyrite is deposited. The early gold mineralization, including petzite, is deposited as small inclusions in pyrite grains.
- Intrusion of the Goldslide porphyry, including quartz-phyric phase. The intrusion drives a pulse of hydrothermal fluids, primarily containing native gold with local tellurides and sulfosalts, into fractures and rims in the coarse-grained pyrite veins.
- Final infilling of remaining fractures in the coarse-grained pyrite veins with gold minerals, fibrous quartz, calcite, feldspar, and sericite.
- Intrusion of biotite-phyric phase of Goldslide Suite.
- Mid-Jurassic extensional tectonism.
- Cretaceous transpressional tectonics; recumbent folding of mineralization and favourable breccia horizon.
- Intrusion of multiple phases of 57.3 Ma McAdam Point stock; intrusive-related/porphyry gold-molybdenum quartz stockworks and disseminations.
- Remobilization of gold and sulfides at Lost Valley during subsequent thrusting.
- North-south faults with minor offset; pyrrhotite-dominant gold-silver base-metal veins.
- Intrusion of andesite and lamprophyre dykes.

Exploration

Premier Gold Project

Exploration activity from 2012 to 2017 was almost exclusively diamond drilling with the exception of a LiDAR survey that was carried out in 2014. The drilling work for this period is described below under the heading “*Drilling*”. A summary of additional exploration work conducted by Ascot from 2007 through 2022, excluding drilling, is provided in Table 1 below.

Table 1: Summary of Ascot Exploration Work (Excluding Drilling) From 2007-2021

Year	Area	Type of Work	Comments
2007	Dilworth	Surface sampling	83 channel, 371 chip, and 29 grab samples
2008	Dilworth	Surface sampling	75 stream sediment, 540 chip, 84 grab, and 590 soil samples
	All	Airborne geophysics	469 line-km EM and magnetometer (Mag), 504 line-km gamma ray spectrometer
	Dilworth	Geological mapping	1:2,000 scale
2009	Premier, Big Missouri	Surface sampling	786 chip and 26 grab samples
2010	Premier, Big Missouri	Surface sampling	383 chip, 133 channel, and 4 grab samples
2018	Premier, Big Missouri, Silver Coin	Wireless IP	14,700 line-m of ground IP
2019	Premier, Big Missouri, Silver Coin, Silver Hill	Wireless IP	48,000 line-m of ground IP
2019	Silver Hill	Surface sampling	72 grab samples
2020	Premier, Silver Hill	Wireless IP	12,000 line-m of ground IP
2020	Premier, Woodbine	Surface sampling	36 grab samples
2020	Woodbine	Geological mapping	1:2,500 scale

At the beginning of 2018, the Company began to research means of exploring the entire land package effectively and more cheaply than by systematic grid drilling. The Company’s personnel used the current multi-element assay database to estimate modal sulfide contents of sphalerite, galena, chalcopyrite, and pyrite from assayed zinc, lead, copper, and sulfide. The pyrite content was then plotted in 3-D which indicated that the zones of gold mineralization were accompanied by higher amounts of disseminated pyrite. One of the more effective geophysical methods for detection of disseminated pyrite is Induced Polarization (“IP”), and so a 1,200 m test line of pole-dipole IP at 50 m spacing was run over the western edge of the Premier and Northern Lights zones, covering known zones of gold mineralization.

Following the success of the test survey, the Company ran additional profiles to the north and south of Premier and between Big Missouri and Silver Coin. The entire program encompassed a total length of 14,700 line-m of IP profiles. In 2019 and 2020, the Company completed additional IP profiles throughout the property (see Table 1), adding to the inventory of IP anomalies. The northeastern part of the property is hosting sedimentary rocks of the Bowser formation underlain by rhyodacitic flows and tuffaceous rocks. Geophysical profiles show a large northwest trending anomaly that may be caused by zones of pyrite veins in the sedimentary and volcanic rocks, possibly indicative of a different style of hydrothermal mineralization. This will be investigated further in future exploration.

Red Mountain Project

Exploration potential for the property is deemed as high. Since 1994, when the surface exploration was terminated, the glaciers surrounding the RMP have significantly receded exposing considerable area that was previously inaccessible. The intrusion system that hosts the current resource has a broad areal extent and surface prospecting, mapping, geochemistry, geophysics, and drilling have the potential to discover similar deposits.

Drilling

Premier Gold Project

Drilling on the PGP dates back to 1928. The Ascot database contains a total of 8,029 holes and 875,340 m. 3,406 of these holes representing 138,806 m are from the years 1928 to 1941. These cover the entire property, are generally shallow, and have unreliable assay results. They have therefore not been used for resource modelling. The database used for the Feasibility Study includes 1,879 holes and 152,005 m of legacy drilling from 1974 to 1996 that was predominantly drilled by Westmin. Jayden and MBM also drilled 476 holes and 74,741 m at Silver Coin prior to being taken over by the Company.

The remainder of the database is comprised of 2,268 holes and 509,789 m drilled by the Company between 2007 and September 2019. Most of the legacy holes were selectively sampled in zones of visible sulfide mineralization. No assay Quality Assurance/Quality Control (“QA/QC”) data is available for these drill holes. Validation work conducted by Ascot personnel has demonstrated that the legacy drilling results in the Premier deposit area are generally reliable and so this data has been used for the resource estimation, with some restrictions.

Ascot commenced drilling on the PGP in 2007 with drilling in 2007 and 2008 restricted to the Dilworth area. From 2009 to 2014, most of the drilling was on Big Missouri with comparatively modest programs on Martha Ellen and Dilworth, and only minor drilling in the Premier area. Most of the work from 2015 to the end of 2017 was in the Premier area.

Drilling in 2018 focused on the Premier deposit, defining the 602, Lunchroom and Prew zones as well as the core of the Big Missouri deposit. The 2019 program was aimed at the Prew zone of the Premier deposit as well as the peripheries of the Silver Coin and Big Missouri deposits with initial exploration drilling at Silver Hill. In 2020, the Company conducted exploration drilling at the Woodbine prospect, Premier West, the Day Zone at Big Missouri and at Silver Hill. In 2021, drilling activities focused on the western extensions of the Premier deposit where mineralization was traced all the way to the Granduc Road and the Day Zone of the Big Missouri deposit where mineralization was traced along almost 600m of strike length. Areas of early stope development at the Big Missouri deposit were targeted for additional geological and grade definition. The final two drill holes in 2021 targeted the Sebakwe zone to the north of the Premier deposit and encountered high-grade intercepts that encouraged additional drilling in 2022. See “*Three Year History*” above and “*2022 Drilling*” below for additional information on drilling subsequent to the date of the Feasibility Study.

Red Mountain Project

A total of 699 surface and underground diamond drill holes (180,426 m) have tested a variety of targets on the RMP property. The majority of the historical drilling tested the Marc, AV and JW zones. A total of 406 holes (100,298

m) were drilled by Bond and LAC between 1989 and 1994, and 60 holes totaling 29,671 m were drilled by Royal Oak in 1996. During 2012, Banks Island completed 3 drill holes for 681 m in the Marc zone.

From 2014 to 2018 IDM completed 230 drill holes for a total of 49,667 m on the property. Most of these holes were drilled into known mineralization from the existing underground drift.

2022 Drilling

The Company completed its 2022 exploration drill program in early October of 2022 for a total of 12,575 metres in 78 drill holes. The exploration program started in early May of 2022 with a series of drill holes at the Sebakwe zone to the north of the Premier mine. These holes were designed to follow up on very encouraging initial drill results from two drill holes that were completed at the end of the 2021 season. The follow up program consisted of 15 drill holes along strike and down dip from the two 2021 holes and intercepted several zones of mineralization highlighted by an intercept of 193g/t gold over one meter in hole P22-2393 at a depth of 315 metres. Gold mineralization at Sebakwe has now been traced over a strike length of over 300m with a vertical extent of about 80m. The westernmost holes intercepted a northwest trending dyke swarm without penetrating the western edge of the dyke swarm. There is significant potential to pick up mineralization to the west of the dyke swarm and trace it to the west and northwest. This area requires further exploration in the future.

After completing the program around Premier, snow conditions improved at higher elevations at the Big Missouri Ridge and activities moved to that area. Drilling focused on the areas of early mining stopes that had not previously been tested by additional drill holes. Drill intercepts largely confirmed the geological interpretations in the area and adjusted the geometry of known zones minimally. Drill results were reported in four batches highlighted by an intercept of 488g/t gold over a meter which represents the highest grade intercept on the property since 2017.

Drilling in 2020 and 2021 resulted in some exciting results in the Day Zone on the west side of the ridge where mineralization occurs close to the expected elevation of the western extension of the Big Missouri zone from the east side of the ridge. During the 2022 drill program, the Company completed another 12 drill holes from two different pads targeting a large gap in the previous drill pattern. Mineralization was intercepted at expected depth on the southern pad but drill holes from the northern pad established a slightly different orientation but mineralization persisted. The 2022 drilling at the Day Zone was highlighted by an intercept of 199g/t over one metre. The Day Zone mineralization remains open to the north and the south and may even connect to the Martha Ellen deposit approximately a kilometer to the north.

The 2022 drill program has successfully expanded mineralization in exploration zones at Sebakwe to the north of Premier and at the Day Zone on the western side of the Big Missouri ridge. Definition drilling in early mining areas added crucial geological and grade information to the areas of early mining. The drill results from this successful campaign highlight areas of exploration potential at Sebakwe and the Day Zone providing organical targets for the 2023 drill season.

A summary of the results of the 2022 drilling program is as follows (see full news releases at www.ascotgold.com): On May 9, 2022, the Company announced the start of the 2022 exploration drilling program, which comprised approximately 18,000 metres and was equally split between exploration and in-fill holes. Exploration drilling was largely concentrated on the Sebakwe and Day Zones and in-fill drilling was focussed exclusively on the Big Missouri deposit.

On July 14, 2022, the Company announced the first batch of assay results from the 2022 exploration drill program at PGP. These results were from surface exploration drilling at the emerging Sebakwe Zone near the Premier mill, and with assays of up to 193 g/t Au over 1.0m, they continued to highlight the high-grade tenor of the Sebakwe Zone. Highlights from the drill results included:

- 193.00 g/t Au and 41.8 g/t Ag over 1.0m from a depth of 315m in hole P22-2393
- 17.78 g/t Au and 20.1 g/t Ag over 3.0m from a depth of 366m in hole P22-2393, including 51.00 g/t Au and 54.6 g/t Ag over 1.0m

- 4.77 g/t Au and 18.2 g/t Ag over 4.5m from a depth of 331m in hole P22-2393, including 12.10 g/t Au and 34.5 g/t Ag over 1.6m
- 25.90 g/t Au and 21.0 g/t Ag over 1.0m from a depth of 413m in hole P22-2389

On August 22, 2022, the Company announced the second batch of assay results from the 2022 exploration drill program the Sebakwe Zone at PGP. Highlights from the drill results included:

- 11.83 g/t Au and 56.3 g/t Ag over 2.73m, including 20.10 g/t Au and 82.4 g/t Ag over 1.40m, from a depth of 335.47m in hole P22-2394
- 6.33 g/t Au and 6.6 g/t Ag over 3.20m, including 11.25 g/t Au and 10.7 g/t Ag over 1.60m, from a depth of 290.10m in hole P22-2396
- 8.25 g/t Au and 15.7 g/t Ag over 1.45m from a depth of 290.55m in hole P22-2400

On September 13, 2022, the Company announced the first batch of assay results from the 2022 exploration drill program at Big Missouri at PGP. These results are from surface drilling for in-fill and exploration purposes at the Big Missouri deposit, approximately six kilometres north of the Premier mill. Highlights from the drill results included assays of up to 136.50 g/t Au over 1.00m. Drill holes were targeting the A Zone of the Big Missouri deposit in planned stoping areas, potential extensions of stopes, and gaps in previous drilling on the deposit. Highlights from the drill results included:

- 71.28 g/t Au and 23.00 g/t Ag over 2.00m from a depth of 57.74m in hole P22-2405, including 136.50 g/t Au and 39.7 g/t Ag over 1.00m
- 5.09 g/t Au and 6.60 g/t Ag over 12.00m from a depth of 37.50m in hole P22-2404, including 7.17 g/t Au and 6.70 g/t Ag over 7.50m
- 3.28 g/t Au and 7.40 g/t Ag over 14.65m from a depth of 78.31m in hole P22-2412, including 15.74 g/t Au and 6.8 g/t Ag over 2.51m
- 16.55 g/t Au and 25.40 g/t Ag over 2.00m from a depth of 57.00m in hole P22-2406, including 29.90 g/t Au and 47.0 g/t Ag over 1.00m

On October 17, 2022, the Company announced initial positive grade reconciliation between muck samples and the block model grade from underground development at the Big Missouri deposit at PGP. Combined results from ore drives 1 and 2 yielded overall 9% positive grade reconciliation from muck samples compared to the resource block model. As expected, the Company encountered high variability in development round grades often associated with high-grade epithermal gold deposits. Initial results suggested good potential to increase mined grades by continuously improving external mining dilution.

On October 27, 2022, the Company announced the second batch of assay results from the 2022 exploration drill program at Big Missouri at PGP. Highlights from the drill results included assays of up to 330 g/t Au over 1.00m. A majority of high-grade intercepts were encountered within or close to existing block model wireframes and in potential extensions of those wireframes, further validating the resource model at PGP. Highlights from the drill results included:

- 31.92 g/t Au and 22.21 g/t Ag over 10.69m from a depth of 90.00m in hole P22-2428, including 330.00 g/t Au and 192.00 g/t Ag over 1.00m
- 15.91 g/t Au and 31.50 g/t Ag over 8.00m from a depth of 90.50m in hole P22-2420, including 35.50 g/t Au and 65.20 g/t Ag over 2.00m
- 19.65 g/t Au and 23.10 g/t Ag over 1.67m from a depth of 58.83m in hole P22-2430
- 6.04 g/t Au and 6.53 g/t Ag over 4.03m from a depth of 48.50m in hole P22-2430, including 21.70 g/t Au and 8.40 g/t Ag over 1.00m
- 11.70 g/t Au and 9.70 g/t Ag over 2.00m from a depth of 67.00m in hole P22-2429

On December 8, 2022, the Company announced the third batch of assay results at the Big Missouri at PGP. These results were from surface drilling for in-fill and exploration purposes at the Big Missouri deposit, approximately six kilometres north of the past-producing Premier mill. These drill holes were targeting several layers of gold

mineralization at the A Zone and the Unicorn Area of the Big Missouri deposit in and around planned stopes to the north and northeast of the S-1 pit. Highlights from the drill results included:

- 62.76 g/t Au and 27.36 g/t Ag over 7.90m from a depth of 90.00m in hole P22-2445, including 488.00 g/t Au and 181.00 g/t Ag over 1.00m
- 30.98 g/t Au and 9.35 g/t Ag over 3.00m from a depth of 112.00m in hole P22-2445, including 90.70 g/t Au and 19.75 g/t Ag over 1.00m
- 6.75 g/t Au and 12.44 g/t Ag over 14.5m from a depth of 26.00m in hole P22-2444, including 26.00 g/t Au and 28.30 g/t Ag over 1.43m and 28.80 g/t Au and 30.20 g/t Ag over 1.00m
- 8.03 g/t Au and 19.13 g/t Ag over 9.52m from a depth of 23.38m in hole P22-2441, including 44.50 g/t Au and 109.00 g/t Ag over 1.00m
- 6.26 g/t Au and 8.13 g/t Ag over 10.80m from a depth of 29.40m in hole P22-2442, including 43.60 g/t Au and 30.10 g/t Ag over 1.00m

On January 23, 2023, the Company announced the fourth and final batch of assay results from 2022 surface drilling at the Big Missouri deposit, as well as all holes drilled at the Day Zone. Twelve holes totaling 1,227 metres were drilled from two pads (BM4/22 and BM5/22) at the Day Zone and four holes totaling 495 metres were drilled from pad BM6/22 at the Big Missouri deposit, just south of the S1 Pit where the underground portal is located. Highlights from the drill results included:

- 26.56 g/t Au and 10.00 g/t Ag over 8.00m from a depth of 42.50m in hole P22-2459 at the Day Zone, including 198.50 g/t Au and 59.60 g/t Ag over 1.00m
- 43.30 g/t Au and 20.90 g/t Ag over 1.50m from a depth of 55.00m in hole P22-2460 at the Day Zone
- 6.13 g/t Au and 2.95 g/t Ag over 8.00m from a depth of 38.00m in hole P22-2449 at the Day Zone, including 14.70 g/t Au and 4.00 g/t Ag over 2.00m
- 8.84 g/t Au and 10.45 g/t Ag over 5.07m from a depth of 87.93m in hole P22-2464 at the Big Missouri deposit, including 21.40 g/t Au and 20.10 g/t Ag over 1.00m
- 9.11 g/t Au and 10.88 g/t Ag over 4.19m from a depth of 92.43m in hole P22-2462 at the Big Missouri deposit, including 16.95 g/t Au and 20.90 g/t Ag over 1.14m
- From a total of 3,761 assays in the 2022 drill campaign, 42 assays (or 1.12%) returned in excess of 10 g/t Au. Those 42 samples average 53 g/t Au.

Sample Preparation, Analysis, and Security

Premier Gold Project

Sample preparation for drill samples consists of drying as required, crushing, and selection of a sub-split which is then pulverized to produce a pulp sample sufficient for analytical purposes using standard fire assays and ICP procedures. The Company has maintained a program of independent assay QA/QC since 2007. The programs include the addition of Certified Reference Materials (“CRM”), blanks, and duplicates to the sample stream, as well as pulps sent from the principal laboratory to a secondary laboratory for checks. Control samples are added at a nominal rate of one for every ten samples, with blanks and standards alternated and the grade range of the CRM continually rotated.

The Company maintains a secure logging and storage facility in Stewart, British Columbia. All sample collection and handling are supervised by Company personnel. Collected samples are stored in bags sealed with a zap-strap and the samples are combined in large woven rice bags for shipping. The contents of each sealed rice bag are recorded, and full bags are stacked on pallets and shipped by commercial carrier (Bandstra Transportation Systems Ltd., with a head office in Smithers, British Columbia) to the preparatory laboratory in Terrace, British Columbia in secure transport trucks. Pulps are sent to the laboratory in Vancouver, British Columbia for analysis. A review of the available QA/QC indicates acceptable credibility to the data of this era. Sample preparation, analysis, and security is acceptable for all drilling used in the resource estimates in the Feasibility Study.

Red Mountain Project

Sample preparation at RMP has followed the similar procedures at PGP; drying as required, crushing, and selection of a sub-split which is then pulverized to produce a pulp sample sufficient for analytical purposes using standard fire assays and ICP procedures.

For all RMP drilling programs samples were under the control of drill contractors and RMP staff until they had left the immediate area as it has helicopter access only. The historical QA/QC for RMP is not as robust as current QA/QC programs. Standard and duplicate coverage is weak for some programs and no blanks were run to test for contamination issues associated with sample preparation on all but the recent IDM drilling programs. However, most of the historical work was carried out between 1993 and 1994 and the program was quite strong and extensive for its time. Additionally, strong check assay programs from some of the earlier years mitigate other weaknesses. IDM's QA/QC protocols have followed standard industry practices and are deemed adequate in the Feasibility Study for inclusion of the assay data in resource estimation.

Data Verification

Premier Gold Project

The Ascot drill data have generally been collected in a manner consistent with industry best practice. The assaying used for the Resource Estimate has been carried out at accredited commercial laboratories using conventional industry-standard methods. Ascot has implemented an assay QA/QC program that is also consistent with best practice guidelines.

Due to the lack of information for the legacy drilling at all properties, the data have been verified by an extensive re-assay program of pulps and core. In all cases relevant to legacy drilling the conclusion is that grades within the range applicable to this study have been validated and may be used for resource estimation. Portions of Indicated blocks have been down-graded to Inferred in some areas of Silver Coin, Dilworth, and Martha Ellen due to lack of QA/QC for some legacy assays.

Data collection was updated in 2019 to consist of a comprehensive property-wide database.

The database verification procedures applied by Ascot comply with industry standards and are adequate for the purposes of mineral resource estimation. This includes the validation for use of the legacy drill results, for values above 0.3 g/t Au.

Red Mountain Project

Data verification has been carried out by previous operators of the Project including Bond, LAC and NAMC.

During 2000, NAMC cross-referenced and catalogued all data from previous operators. Data that could not be verified were removed from the database.

The verification programs undertaken on the collected data adequately support the geological interpretations. The analytical database quality therefore supports the use of the data in mineral resource estimation.

Mineral Processing and Metallurgical Testing

The ores from the Project deposits were subject to numerous metallurgical testwork campaigns dating back to the 1980's.

Premier Gold Project

Testwork on Premier ores dates back to 1987 when Coasttech lab in North Vancouver, Lakefield Research, and Allis Chalmers were previously engaged to perform the direct ore cyanidation and comminution testwork on the Big Missouri and Silver Coin deposits, which results were the basis for the design of the existing Premier process plant. In 2015, a metallurgical testwork program on the Premier ores was conducted at the ALS Laboratory in Kamloops, and in 2018, Base Metallurgical Laboratories Ltd. (“**BML**”) also conducted a metallurgical testwork campaign. The above-mentioned BML program labelled “Metallurgical Testing on Samples from the PGP – BL0366, November 27, 2018” is most comprehensive in nature, and presents the basis for the process design presented in this report.

Most recently, metallurgical testwork was performed at the SGS facility in Burnaby, and at BML and Kemetco Research facilities, with the aim to address gaps (most notably extended gravity recoverable gold (“**E-GRG**”) testwork) from the 2018 BML campaign, and to ensure that the overall testwork can support the Feasibility Study level of Project definition. The focus of the testwork for Premier ores was ore characterization, head assays, mineralogy, and ore hardness; hydrometallurgical and dewatering testwork; followed by the subsequent cyanide detoxification testing.

Head Assays, Mineralogy, and Ore Hardness

Head assaying has revealed the presence of recoverable coarse gold, which has warranted investigation into gravity separation inclusion into the overall process flow sheet. The total organic carbon content was low, at levels that would be unlikely to have an effect on the gold dissolution. Sulfur was present at levels of up to 7.8%, indicating sulfur mineralization, of which pyrite was the predominant sulfide mineral. Comminution testwork was conducted on the Premier ore samples, consisting of Bond Abrasion (“**AI**”), SAG mill comminution (“**SMC**”), and rod and ball mill grinding index testing. The results from this testwork have revealed that Premier ores are considered to be:

- Moderately abrasive to abrasive.
- Moderately hard to hard from the SAG milling perspective.
- Moderately hard to hard from the rod and ball milling perspective.

Hydrometallurgical Testwork

All Premier samples were subjected to gravity testwork, followed by whole-ore leach (“**WOL**”) or carbon-in leach (“**CIL**”). In addition, E-GRG testing was completed on the NorthStar, Silver Coin, and Big Missouri samples, which were excluded from this testing during the BML 2018 metallurgical testwork campaign. The Premier ore samples have exhibited acceptable gold recoveries ranging from 18.3% for the Silver Coin samples up to 37.8% Au recovery for the Premier samples, which have shown the best response to gravity testwork. The combination of a gravity circuit and CIL has produced gold recoveries ranging from 93.5% for the Big Missouri and up to 98.4% for the Premier deposits, which are superior when compared to the gravity/WOL-circuit configuration testwork results.

Dewatering and Cyanide Detoxification Testwork

The dewatering testwork results have revealed that 30 g/t additional anionic flocculant can produce thickener underflow densities of 60% solids weight for weight (“**w/w**”). However, additional testwork is required to improve the clarity of the thickener overflow and identify the common flocculant for processing of the both Premier and Red Mountain ores. Based on the testwork results, the SO₂/Air cyanide destruction process was successful in reducing the (“**CN_{WAD}**”) levels to below 1 part per million (“**ppm**”) for all the Premier deposits and is the preferred cyanide destruction method for the Project.

Premier Ore Process Flowsheet Selection and Recoveries

With consideration of the comminution characterization testwork, a SAG/Ball (“**SAB**”) milling circuit configuration is selected for processing the Premier ores. Based upon the historical and most recent metallurgical testwork, a gravity concentration/intensive leach, followed by CIL, is the recommended process plant configuration for the Premier ores, as it provides the highest overall metal recoveries and best project economics. The Premier ore testwork data suggests that the overall (gravity with leach) expected gold and silver recoveries of 95.4% and 71.5%, respectively, can be achieved.

Red Mountain Project

Lakefield Research performed initial metallurgical testing on Red Mountain samples in 1991, followed by several testwork campaigns in the early and late 1990s that were primarily focused on the cyanide leaching as a sole process for extracting gold and silver from the deposit. Starting with Process Research Associates testwork in 2000, and continuing with Gekko Systems’ testwork in 2015, the focus has shifted towards a production of the precious-metals rich flotation concentrates. All testwork reports on the Red Mountain ore between 1991 and 2015 have been summarized in the “NI 43-101 Preliminary Economic Assessment Feasibility Study for the Red Mountain Project in BC, Canada, JDS, August 25, 2016” (the “**JDS Study**”).

The focus of the JDS Study is mainly the 2016/2017 metallurgical testing completed by BML, labelled BL0084 and BL0184 testwork program, because outcomes from this testwork present the basis of the recovery method and process design criteria outlined in Section 17 of this document. The main objectives of the 2016/2017 metallurgical test program conducted on variability and composite samples were to:

- Define the metallurgical response of the two available process options—gravity/flotation/leach (“**GFL**”) and a WOL cyanidation of the Red Mountain samples.
- Generate advanced process engineering data for equipment selection.
- Generate tailings samples for environmental testing.

Confirmatory testwork was completed in 2019/2020 at the BML facility, with the intent to fill in any gaps from the previous testwork campaigns; establish fine grinding parameters; assess gold and silver metallurgical recoveries and the efficiency of the suggested cyanide detoxification methods; as well as generate liquid/solid separation data needed for tailings disposal.

Head Assays, Mineralogy, and Gold Department

The head assays have revealed that gold, silver, and sulfur were highly variable throughout the variability samples, with the sulfur grades registering up to approximately 19% of the total composition. This is an indication of significantly higher sulfide mineralization presence when compared to the Premier ore samples. The presence of sulfides could possibly predetermine the process selection, as this can result in higher cyanide and oxygen consumption, as well as the requirement for the costlier and more-complex cyanide detoxification process.

The testwork from 2019 has confirmed that pyrite and pyrrhotite, when combined, represent the majority of the above-mentioned sulfide mineralization, which is as high as 35% in the samples tested. This is very important, as pyrrhotite, being highly reactive is prone to oxidation, can have a detrimental effect if a flotation circuit is to be considered. It was also noted that sphalerite was present, but not in the amounts which would warrant its economical extraction. During this testwork campaign the gold department testing was also completed, which concluded that the majority of the gold was unliberated and locked with the pyrite. Also, there was no significant coarse gold present, but rather the majority of the gold particles are very fine (< 10 microns (“**µm**”) size), which could possibly rule out gravity concentration as an option. The fact that the gold was very fine and locked with pyrite suggested that a fine/tertiary grinding stage will be required to achieve economical gold and silver recoveries.

Comminution Testwork

Bond crushing index, Bond Ai, SMC, and ball mill grinding index testing were conducted on the Red Mountain ore samples. Results from this testwork have revealed that the ores are considered to be:

- Abrasive and average hardness with the respect to coarse-particle breakage.
- Hard from a comminution perspective due to the SMC values being located in the 80th to 95th percentile in the JK database.
- Hard or very hard from the ball milling perspective, Bond ball mill grinding index values were as high as 22.2 kilowatt hours (“kWh”) per tonne (“t”).

The fine gold particle size distribution and its deportment nature prompted fine-grinding/signature-plot testing at the Glencore certified ALS facility in Kamloops in 2019. The testwork goal was to rectify misleading results from a 2015 testwork campaign and to determine specific energy requirements needed for the fine grinding circuit design. With consideration of the available testwork data from all three Red Mountain deposits, the estimated specific energy requirement for the fine grinding application is 25.6 kWh. With this in mind, coupled with the testwork data and the fine-grinding circuit throughput, it is estimated that a high-speed stirred mill with an installed power of 3 megawatts will be required for the tertiary milling application.

Hydrometallurgical Testwork

Based on numerous historical testwork campaigns referenced in the Feasibility Study, two valid process options were pursued further: WOL and GFL. Testwork concluded that recoveries were comparable, but according to the JDS Study, the GFL circuit presented more favourable preliminary capital and operating cost estimates. The initial focus for flowsheet development centered on the GFL testwork, which was conducted on the Red Mountain variability samples. The mass recovery of a gravity concentrate was considered poor for the majority of samples, with the average recovery for all samples at 11%. The results confirm the presence of minor amounts of gravity-recoverable gold and suggest that the application of the gravity separation circuit will not benefit the process from a metallurgical perspective.

Due to the high initial sulfide content in the samples, the mass recovery of the rougher concentrate was quite high, with a peak value of 48% and an average of 27%. This would likely reduce the advantage of a flotation pre-concentration stage, as significant rougher concentrate mass will require a regrinding and leaching stage, prompting a possible increase in the fine-grinding energy requirement and increased capital costs in the leaching stage. The rougher concentrates were subsequently reground to 27 µm and leached with cyanide to determine the overall gold and silver extractions. Many of the samples have exhibited significant gold and silver losses to the leach residue, which has caused average lower recoveries for the GFL circuit than what was initially expected. The average gold recoveries were ranging from 67.2% for the JW deposit up to 82.9% for the AV deposit. The silver recovery range was from 50.1% for the JW deposit up to 71.1% for the AV deposit.

It was evident that the overall performance of the GFL process was quite variable and could have been influenced by several factors such as:

- Low initial flotation recovery which could be attributed to high pyrrhotite content that is reactive and susceptible to rapid oxidation.
- Poor leach performance attributed to high cyanide consumption and high oxygen demand of the sulfides (pyrrhotite) resulting in insufficient oxygen in the leach.
- Uneven rougher concentrate particle-size distribution, as coarser particles tend to exhibit poorer performance.

Due to the inconsistent performance of the GFL circuit, this flowsheet option was not investigated any further, and the focus shifted to WOL testing. The aim of the subsequent WOL testing was to establish which of the CIL or carbon-in-pulp (“CIP”) configurations would be more suitable for leaching Red Mountain ores. It is worth noting

that testwork has proceeded with the Marc and AV deposits, while the JW deposits were excluded. The Marc and AV composite samples were leached under CIL and CIP configurations, and the effect of factors such as primary grind size, lead nitrate addition, sodium cyanide concentration, pH, and pre-oxygenation were observed.

Ores from the Red Mountain deposit were quite sensitive to the particle grind size compared to ores from the Premier deposit. The highest achieved gold extractions were 93% for the Marc master composite at a P₈₀ of 17 µm; and 89% for the AV master composite, at a P₈₀ of 16 µm. At the same particle grind size of 37 µm, CIL tests were outperforming CIP tests, which was particularly visible for the Marc master composite samples where a 3% increase in gold extraction was observed. The effect of lead nitrate was negligible, as final extraction rates were constant, and an increase in sodium cyanide concentration to 2,000 ppm caused an increase in the metals extraction rates; in contrast, a sodium cyanide concentration of 500 ppm was causing a decrease in extraction rates. The testwork concluded that an adjustment of the pH and an application of air and oxygen pre-oxygenation did not have a noticeable effect on the gold and silver extractions.

Dewatering and Cyanide Detoxification Testwork

The dewatering testwork results have revealed that 60 g/t additional anionic flocculant can produce thickener underflow densities of 50% solids w/w. Compared to Premier ores, the higher flocculant dosages and lower densities were due to a much finer leach circuit feed particle size (25 µm vs. 80 µm). Additional testwork to improve the thickener overflow clarity by investigating the effect of pH and addition of coagulant should be explored in the next phase of the Project. Based on the testwork results, the SO₂/Air cyanide destruction process was successful in reducing the CN_{WAD} levels to below 1 ppm for the Red Mountain ores; however, additional testing on the JW samples is still recommended.

Red Mountain Ore Process Flowsheet Selection and Recoveries

The Red Mountain ores are characterized by low amounts of free gold; therefore, the application of the proposed Premier gravity circuit will not yield any benefits in processing of these ores. During the processing of the Red Mountain ore at the Premier mill facility the gravity separation circuit will be bypassed. The testwork results confirmed that the WOL circuit would yield higher recoveries and encourage a more suitable economic outcome when compared to the GFL. The CIL circuit configuration outperformed the CIP circuit arrangement and is considered to be better suited to lower throughputs.

Based upon the available testwork data, precious metal recoveries for the Red Mountain ores are sensitive to the particle grind size, so therefore a leach feed particle grind size of 25 µm is recommended as the basis of design. To achieve acceptable metal recoveries the integration of a tertiary/fine grinding mill will be required for the process plant. Due to the fine grind size, installation of a 27 m diameter high-rate thickener will be required to achieve an acceptable slurry density for the CIL circuit. The SO₂/Air cyanide destruction process is recommended for the design basis as the test results demonstrated a successful reduction in the CN_{WAD} concentrations to below 1 ppm for both the Premier and Red Mountain deposit ores. The estimated expected gold and silver recoveries for the Red Mountain ores are 86.8% and 83.6%, respectively

Mineral Resource and Mineral Reserve Estimates

Premier Gold Project

The resources at the PGP area include the Premier, Big Missouri, Silver Coin, Martha-Ellen, and Dilworth deposits. This work was completed by Susan Bird, P.Eng. (Association of Professional Engineers and Geoscientists of British Columbia), with an effective date of December 12, 2019.

The mineral resources for the PGP have been updated since the previous estimate in January 2019 due to additional drilling and updated geologic interpretation for the Premier, Big Missouri, and Silver Coin deposit areas. The Resource Estimate is based on 4,623 drill holes for 736,535 m of drilling (Ascot holes account for 509,000 m of

that total). The geological models for all five deposit areas at PGP consist of interpreted shapes of mineralized zones and of post-mineral porphyry dikes and faults. Mineralization within each of the deposits is interpreted to have been emplaced by sub-vertical structures which acted as conduits to fluid flow.

The Mineral Resource Estimate is based on “mineralized percent” block models with 3 m x 3 m x 3 m sized blocks for each area. There are up to two separate mineralized domains allowed within each block, with the domain code and the percent of each domain within the block stored and used in the resource estimation. Grade shells have been created in each area to confine material at a cut-off grade of approximately 2.0 g/t gold equivalent (AuEq) and a nominal minimum True Thickness (as described in the Feasibility Study) of approximately 2.0 m. In peripheral areas of the resource where the position and orientation of modeled zones was less defined, thinner intervals at lower grade have at times been used to connect individual intercepts into a coherent zone. Gold and silver grades were interpolated inside each solid domain using 1 m composites, with no sharing of composites between domains. The True Thickness values have also been interpolated inside each domain solid. Mineralized areas above the Resource cut-off of 3.5 g/t AuEq, but with True Thickness values that are less than 2.5 m are not included in the Resource Estimate.

An average bulk density of 2.85 t/m³ for Premier and 2.80 t/m³ for the other four deposits were used for all rock types within each block model, based on data collected by Ascot from drill core. High grade samples were capped at various levels, depending on domain, as described in the text of this report. Composites have been restricted during interpolation at outlier values to limited search distances depending on domain.

The blocks were classified according to the CIM Guidelines (2014 and 2019) (the “**CIM Guidelines**”) definitions as follows:

- All Classified material must be within a potentially mineralized wireframe and have a minimum minable True Thickness of 2.5 m.
- Blocks within a wireframe and within an anisotropic search ellipse with dimensions of 100 m x 100 m x 15 m are assigned a preliminary classification of Inferred.
- Indicted blocks are required to have at least one of the following criteria:
 - The average distance to the nearest 3 drill holes is less than 35 m with none further than 35 m, and there are samples from at least 2 “split quadrants”, or
 - the average distance to the nearest two drill holes is less than 17.5 m, and there are samples from at least 2 “split quadrants”, or
 - the distance to the nearest drill hole is less than 10 m and at least 2 drill holes have been used in the estimate.

The Mineral Resource Estimate with an effective date of December 12, 2019 is listed in Table 2 below, using a 3.5 g/t AuEq cut-off. CIM definition standards for mineral resources and mineral reserves (CIM, 2014) were followed for the Mineral Resource Estimate.

Table 2: Premier Area Resource Estimate at a 3.5g/t AuEq Cut-off – Effective date: December 12, 2019

Class	Deposit	In-Situ Tonnage (kt)	In-Situ Grades			Metal	
			AuEq (g/t)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)
Indicated	Premier	1,298	8.90	8.46	64.20	353	2,680
	Big Missouri	1,116	8.48	8.36	16.90	300	607
	Silver Coin	1,597	7.77	7.61	23.00	390	1,181
	Martha-Ellen	130	5.80	5.47	48.00	23	201
	Dilworth	-	-	-	-	-	-
	Total Indicated	4,141	8.25	8.01	35.1	1,066	4,669
Inferred	Premier	1,753	7.00	6.72	39.80	379	2,243
	Big Missouri	1,897	8.44	8.34	14.70	508	896
	Silver Coin	523	7.19	7.03	23.20	118	390
	Martha-Ellen	653	6.36	6.12	34.30	129	720
	Dilworth	235	6.51	6.13	56.10	46	424
	Total Inferred	5,061	7.45	7.25	28.7	1,180	4,673

- Notes:**
1. Mineral Resources are estimated at a cut-off grade of 3.5 g/t AuEq based on metal prices of US\$1,300/oz Au and US\$20/oz Ag.
 2. The AuEq values were calculated using US\$1,300 oz/Au, US\$20/oz Ag, a silver metallurgical recovery of 45.2% and the following equation: $AuEq = Au \text{ g/t} + (Ag \text{ g/t} \times 0.00695)$.
 3. A mean bulk density of 2.85 t/m³ is used for Premier and of 2.80 t/m³ for all other deposit areas.
 4. A minimum mining width of 2.5 m true thickness is required to be classified as Resource material.
 5. Numbers may not add due to rounding.

Areas of uncertainty that may materially impact the Mineral Resource Estimate include commodity price assumptions, metal recovery assumptions and mining and processing costs assumptions. There are no known environmental, permitting, legal, title, taxation, socioeconomic, marketing, political, or other relevant factors that could materially affect the Mineral Resource Estimate for the Premier, Big Missouri, Silver Coin, Martha Ellen, or Dilworth deposits.

Red Mountain Project

The resource estimation work at the RMP was completed by Dr. Gilles Arseneau, P.Geo. (Association of Professional Engineers and Geoscientists of British Columbia) and the effective date of the RMP Mineral Resource Statement is August 30, 2019.

The Red Mountain mineral resource model used a total of 699 drill holes, 230 of which were drilled by IDM between 2014 and 2018. Arseneau Consulting Services Inc. (“ACS”) audited the database used to estimate the Red Mountain mineral resources, and is of the opinion that the current drilling information is sufficiently reliable to interpret with confidence the boundaries of the gold mineralization, and that the assay data are sufficiently reliable to support mineral resource estimation.

Grade estimates were based on capped composite assay data. Gold values, depending on the zone, were top cut in a range from 20 g/t to 75 g/t and silver values were top cut in a range from 45 g/t to 500 g/t. For the updated 2019 mineral resource estimate, it was decided to cap raw assays with top cuts for gold and silver on a zone by zone basis. The most significant capping was undertaken in the Marc and AV zones of the deposit.

Block modelling was performed using 4 m x 4 m x 4 m blocks. ACS considers that blocks in the Marc, AV, and JW zones estimated during pass one and from at least 3 drill holes could be assigned to the Measured Category. All other blocks interpolated during pass 1 in the Marc, AV and JW zones were assigned to the Indicated Category. Blocks estimated with at least 3 holes during pass 2 in all zones were classified Indicated. All other estimated blocks were classified as Inferred. Interpolation was by ordinary kriging, or inverse-distance squared methods on smaller or dispersed data sets, with anisotropic search ellipsoids designed to fit the strike and dips of the zones. An extensive

QA/QC review was completed on all 2018 and previous exploration work and a comparative analysis was performed on drill hole data, underground bulk sampling and geology. Bulk density was interpolated using inverse-distance squared method where there were sufficient data populations. For zones with sparse data, average values from the data available for a given zone were applied.

ACS audited the database used to estimate the Red Mountain mineral resources, and is of the opinion that the current drilling information is sufficiently reliable to interpret with confidence the boundaries of the gold mineralization, and that the assay data are sufficiently reliable to support mineral resource estimation. There are no other known factors or issues that materially affect the estimate other than normal risks faced by mining projects in the Province of British Columbia in terms of environmental, permitting, taxation, socioeconomic, marketing, and political factors. Table 3 below summarizes the resource estimate for the RMP.

Table 3: RMP Mineral Resource Statement Reported at a 3.0 g/t Au Cut-off

	Tonnage (kt)	Grade		Contained Ounces	
		Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)
Measured	1,920	8.81	28.30	543.8	1,747
Indicated	1,271	5.85	10.01	238.8	409
Total Measured and Indicated I	3,190	7.63	21.02	782.6	2,156
Inferred	405	5.32	7.33	69.3	95.5

Note: 1. RMP Resources are reported at a 3.0 g/t Au cut-off for underground long hole stoping.

Mineral Reserve Estimate

The calculated reserves based on the mine plans at PGP and RMP are shown in Table 4.

Table 4: Reserves by Category

Reserves by Category	Ore (t)	% of Tonnage	Grade			Ounces		
			Au (g/t)	Ag (g/t)	AuEq (g/t)	Au	Ag	AuEq
PGP								
Proven	-	-	-	-	-	-	-	-
Probable	3,631,898	100	5.45	19.11	5.69	636,805	2,230,964	663,920
PGP Total	3,631,898	100	5.45	19.11	5.69	636,805	2,230,964	663,920
RMP								
Proven	2,193,599	86.2	6.68	21.69	6.93	471,368	1,530,052	489,023
Probable	351,234	13.8	5.51	13.76	5.67	62,241	155,340	64,033
RMP Total	2,544,833	100	6.52	20.60	6.76	533,609	1,685,392	553,056
PGP & RMP								
Proven	2,193,599	35.5	6.68	21.69	6.93	471,368	1,530,052	489,023
Probable	3,983,133	64.5	5.46	18.63	5.68	699,046	2,386,304	727,954
PGP & RMP Total	6,176,732	100	5.89	19.72	6.13	1,170,414	3,916,356	1,216,976

Notes: 1. CIM Standards were followed for classification of Mineral Reserves

2. The Qualified Person for the Mineral Reserve Estimate is Frank Palkovits, P.Eng., of Mine Paste

3. AuEq values for PGP were calculated in the spring 2020 using \$1,400/oz Au and \$17/oz Ag with no allowance for silver recovery

4. AuEq values for RMP were completed in the fall 2019 at \$1,300/oz Au and \$15/oz Ag with no allowance for silver recovery

5. Based on current mining areas, Silver is an immaterial contributor to overall economic, but is recovered in the mill

6. Rounding may result in minor differences.

Mining Operations

Mining methods described herein will be applied at both PGP and RMP. In the case of RMP, the orebody is continuous and sufficiently wide to use a transverse longhole stope method; whereas at PGP, the ore is along more discrete lenses and tends to be narrow, requiring a narrow longitudinal retreat approach to longhole mining. These can be single or multiple sub-levels mined in a block.

The Project employed mining methods appropriate to the local conditions at each site, where variations in geotechnical character, grade, ore thickness and ore geometry and inclination were all considered in stope optimization. The target was to develop a coordinated plan to supply 2,500 tonnes per day (“t/d”) to the Premier mill, optimizing the production of gold ounces at the lowest operational cost.

The mine plan generally utilizes a combination of three mining methods: longhole (64%), inclined undercut longhole (14%), and room and pillar (12%), with minor amounts of cut and fill (2%) and development ore (8%) to extract the mineral reserves. A particular mining method was chosen based on an economic assessment of each method for a given geometry and geotechnical characteristics depending on its location in the deposit. The stope shapes and mine access development were individually modelled and evaluated to form the final mineable reserve.

Initial mining was planned to commence at Silver Coin (1.794 Mt) and Big Missouri (0.809 Mt), followed by RMP (2.545 Mt) and Premier (1.028 Mt). The subsequent successful drilling to the feasibility study has resulted in management evaluating optimization of the mining sequence.

This sequencing allows mobile mining equipment and some fixed assets (electrical and ventilation) to most effectively be remobilized and re-used at different deposits as dictated by mine schedules. The combined operations produce about 6.2 Mt at 5.9 g/t Au and 19.7 g/t Ag over the life of mine (“LOM”). Mining dilution occurs at various rates depending on the mining method and ground conditions based on rock quality in geotechnical domains in the block model. Dilution comes in from a number of sources: planned dilution is material taken within the bounds of a stope layout while unplanned material comes from material outside the stope shape such as the hanging wall and footwall, or minor amounts from backfill. Dilution generally ranges from 10% to 40%. In some cases where two wireframes are very close together, the waste parting between the wireframes was taken providing it was economically justified.

A conventional and common mobile mining fleet is shared between the two sites, to reduce spares and capital expense. Development headings and stope accesses used a common approach with key equipment used during preproduction and operations consisting of 2B jumbos, 10-tonne long-haul-dumps, 30-tonne mine haul trucks, bolters, shotcreters and production longhole drills. Mine services such as dewatering, ventilation and electrical reticulation employed a common approach at each site in a similar manner to mobile equipment to standardize pumps, fans and motor control centers reducing the required spares and capital expenditure. Underground water handling at both sites employs a conventional series of sumps and pumps to move the water out to settling ponds on surface. At PGP water from Silver Coin and Big Missouri have a common pond, which is then directed by pipeline to the WTP at the historical 6 level at Premier mine. The ventilation systems were designed to meet British Columbia regulations based on the requirements of engines sizes and utilization. Fresh air is heated by a propane system when required during winter months.

The workforce will consist of technical staff and operations personnel, consisting of miners, mechanics, electricians, and supervision. At peak production the mine department will have 110 people, with about 40 people active at the site at a given time. In some instances, shared technical resources will be based in Stewart supporting both sites. Personnel will live in the town of Stewart which is an easy drive from PGP. Buses will bring staff and operating people to site, in order to limit the number of personal vehicles on the surrounding roads. Some staff and supervision required to move among sites will drive company supplied pickup trucks.

Processing and Recovery Operations

The existing PGP mill facilities, mine, and surface infrastructure have been kept on a care and maintenance regime since 2001. During 2019, an engineering assessment was conducted with a detailed field review of the facilities by a local constructor. The review focused on the condition of the plant and equipment with the aim of establishing a basis for costing a re-commissioning of the operation. This forms the basis for the Feasibility Study design and execution activities.

The PGP mill facility plans for re-starting will feature a combination of upgrades and returning the existing facilities to an operating condition. The development work assessed the current condition of the equipment and structures, allowing the engineering team to develop a capital cost for the restart of the facilities using a combination of the existing, refurbished existing, and new equipment for each of the following areas: crushing and stockpiling, grinding and classification, gravity concentration and intensive leaching, CIL management, gold room and detoxification and tailings deposition.

The existing plant arrangement is suited to a SAB milling flowsheet followed by CIL, which is retained to treat the 2,500 t/d throughput. Over the LOM, the plant will operate 365 days per annum (“d/a”) to produce gold doré with an overall plant availability of 92%. Up to Q4 of Year 2 the process plant will be exclusively processing ore from the Silver Coin and Big Missouri underground deposits from the Premier lease. Ore will be processed in this order, which aligns with the current published mine plan.

Within two years from start-up, RMP ore from the neighbouring JW, Marc, and AV deposits will be milled through the existing PGP mill facility. The RMP ore types have different properties from those of PGP, and as a result, specific circuit modifications are required to the plant design, most notably the addition of a fine-grinding circuit and pre-leach thickening stage.

In Q4 of Year 2 of the mine plan, it is expected that the mill will be fed from either one of the PGP deposits or from the Red Mountain mine by campaigning the ore on a two-week basis (two weeks of processing PGP ore followed by two weeks of processing RMP ore). Ore processing at the Premier mill begins with primary crushing and stockpiling, followed by SAB milling to achieve a grind size P_{80} of 80 μm (90 μm for RMP ores). An integrated gravity circuit will remove coarse gold for cyanidation in the intensive leach reactor (“ILR”), with the remainder of the ore to be cyanide leached in a conventional CIL circuit. Gold will be recovered on carbon, eluted, and then electrowon to produce a silver/gold doré. Gold recovered from the ILR will be electrowon separately to produce a separate gold doré.

Leached tails will be detoxified in an SO_2 /Air cyanide destruction circuit, then thickened using a tailings thickener, which will then be pumped to a tailings storage facility (“TSF”) approximately 1 to 2 km from the plant. Fresh water required for reagent mixing, gland water, and process water make-up are pumped to the plant from Cascade Creek, while process water is recovered from the TSF decant water and returned to the plant, which will be used for services such as grinding and utility water.

The Premier mill processing circuit will be modified in Year 2 to process ores from RMP. Gravity-recoverable gold is absent in the RMP ore; therefore, the gravity circuit will be bypassed while processing this ore. The RMP ore gold and silver recovery is sensitive to grind size, and as such a target of 25 μm is required to achieve acceptable precious metals recoveries in the leaching circuit. To achieve the targeted fine grind, a fine-grind mill (high-speed stirred mill) will be installed in the plant. The grinding circuit product will require a thickening stage prior to introduction to the CIL circuit.

Infrastructure, Permitting and Compliance Activities

Infrastructure

PGP Infrastructure

The process plant consists of ore stockpiling, crushing, conveying, grinding, gravity concentration, leaching, cyanide detoxification, and reagents.

The following is a general description of the existing ancillary facilities at the PGP site which needs upgrading or replacing. All the existing facilities require the removal of debris from buildings (such as walls with mold, corroded piping, general garbage and debris, chemical spills, etc.). The infrastructure requiring upgrading or replacement at the PGP site to support the mining and processing operations includes:

- Upgraded site and access roads
- Upgrading/replacing the administration facilities, mine dry, truck shop, and maintenance facilities
- Upgrading/replacing elements of the assay laboratory/cold storage building
- Waste water treatment systems
- Solid waste disposal facilities
- Tailings storage facility
- Water management
- Water treatment plant
- Water pipelines
- Temporary construction camp
- Power supply and distribution system
- Site services
- Fuel
- Propane
- First aid station
- Water supply
- Communication system

Minor ancillary infrastructure facilities currently in use for the care and maintenance period, such as the bunkhouse, trailers, generators, fuel tanks, trailers, and minor shops are included in the infrastructure on site but require no upgrade or replacement.

Subsequent to the effective date of the Feasibility Study, during the early construction works in 2020, the temporary construction camp, temporary power and fuel tanks were constructed.

Tailings Storage Facility and Surface Water Management

The principal objectives for the TSF are to provide safe and secure storage of tailings to protect regional groundwater and surface water during operations, and in the long term (post-closure), and to achieve effective reclamation at mine closure. The design of the TSF has taken into account the following requirements:

- Permanent, secure, and total confinement of all tailings materials within an engineered disposal facility
- Diversion of non-contact water around the TSF to the maximum extent possible
- Control, collection, and removal of free water from the TSF during operations for recycling as process water to the maximum practical extent
- The inclusion of monitoring features for all aspects of the facility to confirm performance goals are achieved and design criteria and assumptions are met
- Staged development of the facility over the life of the PGP

The TSF was designed to permanently store tailings generated during the operation of the mine. This will be accomplished by constructing staged embankment raises on the existing TSF, which has been in long-term care and maintenance for over 20 years. The TSF comprises a basin constrained by a rockfill embankment on three sides, and natural topography to the west. The design of the TSF foundations relied on historical site investigation programs from pre-construction and construction periods of the Project, and as-built reports and information. The embankment will be expanded during operations using the centreline method of construction.

Tailings will be delivered to the TSF in a single stream, in a single overland pipeline. Tailings will be discharged from the embankment crest via spigots spaced along the length of the embankment. Supernatant water will be reclaimed to the plant site for use in processing of ore via a floating pump barge and overland pipeline. The supernatant pond volume will be managed by removing surplus water to the WTP for treatment and subsequent discharge to the environment. The surplus water system pumps will be housed on the same barge as the reclaim water system pumps.

The tailings are characterized as potentially acid generating. Mitigation to prevent oxidation of the tailings includes: continuous deposition of fresh layers of tailings over the above-water beaches adjacent to each dam section; maintaining a supernatant pond over a portion of the tailings during the operating life; and constructing a cover at closure, once the operational supernatant pond has been removed. An alternatives assessment, completed in 2019, assessed several tailings disposal locations and technologies, and concluded that tailings storage in the existing Premier TSF was the preferred alternative for tailings management for the Project.

Site Water Management

Site water management involves controlling surface water around the PGP site during the construction, operations, closure, and post-closure phases of the PGP. Water in contact with mine workings or disturbed areas (groundwater inflows from the underground mines; runoff from waste rock, ore stockpiles, quarry areas, tailings, laydown areas, etc.) is considered contact water. Non-contact water is runoff from undisturbed areas, including those areas that are being diverted. Management of surface water on site will be undertaken by upgrades to existing water diversion structures, construction of the TSF and other infrastructure, selective grading of surfaces, and installation of pump and pipeline systems. The major facilities for contact water management include: TSF, water pipeline from the Big Missouri mine portal to the WTP, Cascade Creek diversion channel, site diversion ditches, WTP and water management pump and pipeline systems.

Water Treatment Plant

Planned water treatment infrastructure for the Project include:

- A moving bed bioreactor water treatment facility for removal of ammonia, cyanide, cyanate, and thiocyanate from tailings supernatant (nominal treatment capacity of 585 kg/d nitrogen and 240 m³/h).
- A high-density sludge lime WTP for removal of dissolved metals and total suspended solids (“TSS”) (nominal treatment capacity of approximately 720 m³/h).

Both planned treatment processes are commonly implemented to treat mine water produced at underground gold mines.

The Company is currently operating a low-density lime water treatment process on site that removes TSS, zinc, and other dissolved metals from mine water draining from the historical Premier underground mine. The planned water treatment processes were selected based on results of a best achievable technology (“BAT”) assessment of water management and water treatment options. The BAT assessment and water treatment process selection were conducted in collaboration with representatives from Nisga'a Lisims Government.

Power and Electrical

The mill throughput is nominally 2,500 t/d. At this production level, the plant load is estimated to be approximately 15 megawatts \pm 10%. Electrical power will be supplied from a 138 kilovolt (“kV”) tap from the Long Lake Independent Power Producer line. There will be one main transformer feeding the mill site. Each transformer will be base rated at 15 megavolt amperes (“MVA”), with additional fan-cooled ratings of 20 MVA. Transformers of this size are in the range of 40-tonnes and will be one of the largest loads transported to the site.

The transformer will feed a 4.16 kV secondary bus. Large motor loads (e.g., ball mills) will be served at 4.16 kV. Power will be distributed at 4.16 kV around the site using cables and overhead lines, and additional step-down transformers will be located near remaining loads. Medium-sized motor loads (250 to 5,000 horsepower) will be served at 4.16 kV. Smaller motor loads will be served at 600 volts (“V”).

Electrical rooms (housed within the heating and ventilation structure) will be provided at the Premier portals (Big Missouri, Silver Coin, and Premier). These electrical rooms will include motor control, lighting panels, and other electrical equipment necessary for facility operation. The power supplied at the Big Missouri portal will be reticulated underground to the Silver Coin deposit. The portals will be fed with 4.16 kV, a suitable voltage to feed via cable through the portals to the underground workings, where it will be further stepped down to 600 V to feed the jumbos and drills. About 1 megawatts of power will be reticulated to each portal. A generator system will provide 4.16 kV of power at the RMP portal, distributed throughout the RMP mine site at this voltage for large electrical loads. A number of centrally located electrical rooms (by others) will transform the 4.16 kV power to 600 V as necessary.

Electrical power will be distributed at 4.16 kV by overhead power line to locations such as the TSF, reclaim, and booster pump stations, fresh-water intake, the WTP, and the existing infrastructure facilities, such as the bunkhouse. Underground electrical power distribution equipment will feed the underground ventilation and miscellaneous loads. Power will be delivered to underground operations via a single 4.16 kV underground power cable.

Permitting Process

At the date of the Feasibility Study, PGP was in care and maintenance with existing permits for continued reclamation and mine water discharge. The site was maintained in good standing, with reclamation activities and environmental monitoring ongoing. In 2018 and 2019, the Company undertook additional environmental baseline monitoring and data collection to support permit amendments for the *Mines Act* and the *Environmental Management Act*, and several ancillary permits, which will be required to bring PGP back into operation. In 2018, Ascot received confirmation from Nisga’a Lisims Government and both provincial and federal government agencies that PGP will not need to undergo an environmental assessment.

In 2019, RMP received federal approval and issuance of a provincial Environmental Assessment Certificate (“EAC”). The decision also included a determination of the potential effects of the Nisga’a Final Agreement (2000). RMP will next require issuance of the necessary statutory permits and authorizations to commence construction of the Project. Any changes to the Project description, resulting from coupling activities or toll milling with PGP, will first require an amendment to the RMP EAC before proceeding to detailed design and ensuing permit applications.

As noted above, in late December 2021, the Company received the Mines Act Permit for construction and operation of the PGP and provided a project development update. The British Columbia Ministry of Energy, Mines and Low Carbon Innovation issued to Ascot the Mines Act Permit, enabling the restart of operations at the PGP. In January 2022, the Company received the Environmental Management Act Permit, the final operating permit to complete the Joint MA/EMA Application for the PGP. The permit amendment is primarily related to water discharge requirements during the production phase at PGP and solidifies Ascot’s fully-permitted status.

Aboriginal and Community Stakeholders

PGP is located in the Nass Area, and RMP is located in the Nass Wildlife Area, as defined in the Nisga'a Final Agreement (2000), a tripartite agreement between the federal government, provincial government, and Nisga'a Nation, which sets out Nisga'a Nation's rights under Section 35 of the *Canadian Constitution Act*. Nisga'a Nation's Treaty rights under the Nisga'a Final Agreement include: establishing the boundaries and Nisga'a Nation's ownership of Nisga'a Lands and Nisga'a Fee Simple Lands; water allocations; the right of Nisga'a citizens to harvest fish, wildlife, plants, and migratory birds; and the legislative jurisdiction of Nisga'a Lisims Government. Nisga'a citizens have Treaty rights to manage and harvest wildlife in the Nass Wildlife Area, and to harvest fish, aquatic plants, and migratory birds within the Nass Area. The clarity and certainty provided by the Nisga'a Final Agreement, including Chapter 10, which sets out the required processes for the assessment of environmental effects on Nisga'a Nation Treaty rights from projects such as this one, is a major advantage to development.

In mid 2021, the Company announced the signing of the Benefits Agreement, which now encompasses both the PGP and the RMP. The updated Benefits Agreement replaces the former agreement which only pertained to RMP. The comprehensive Benefits Agreement sets the basis for the long-term success of the Project and how it will benefit Nisga'a Nation, its citizens and businesses as well as the shareholders and stakeholders of Ascot.

The nearest communities to RMP and PGP are the town of Stewart, British Columbia and the village of Hyder, Alaska. Both communities have a long-standing history with mining projects and have historically been supportive of mining activities. Broader stakeholders may include overlapping tenure holders (such as trapline holders, guide outfitters, and independent power producers), local and regional governments, and government regulatory agencies.

Capital and Operating Costs

The capital cost and operating estimates for the PGP are developed to a level appropriate for the Feasibility Study. All capital and operating costs are reported in Canadian dollars (C\$) unless specified otherwise. The overall capital cost estimate (with the exception of the WTP and moving bed biofilm reactor estimates – which is a Class 4 American Association of Cost Engineers (“AACE”) estimate) meets the AACE Class 3 requirement of an accuracy range between –15% and +15% of the final Project cost.

PGP benefits from significant existing infrastructure, which helps reduce the initial capital cost. Total initial pre-production capital cost is \$146.6 million inclusive of construction indirect costs, engineering-procurement-construction-management, contingencies and owners' costs. The sustaining capital is \$157.3 million inclusive of mine development capital, road construction to RMP, and process plant modifications for the fine grind and additional pre-leach thickener. The LOM capital expenditure is \$324 million inclusive of closure costs. Underground mining and haulage are anticipated to be completed using an owner-operator development model operating 365 d/a with a leased mobile equipment fleet which is included in operating costs. Table 5 below presents the Project capital cost breakdown and the costs for each work breakdown structure (“WBS”). At the time of the Feasibility Study, the total estimated initial pre-production capital cost was \$146.6 million (and sustaining capital of \$177.5 million, inclusive of closure costs). As noted above this estimate was revised on January 25, 2022 and noted in the *Three Year History* above. The estimated LOM operating costs are \$139.34/t of mill feed.

Table 5: Total Project Capital Costs Summary by Area

WBS	Description	Total Cost (\$ '000s)		
		Initial	Sustaining	LOM Total
1 Direct Costs		100,036	161,229	261,311
1000	Mining/Dewatering	14,019	110,183	124,202
2000	Overall Site Development	8,187	1,378	9,565
3000	Mineral Processing	35,637	10,266	45,903
4000	TSF	8,659	4,580	13,240
4500	Site-Wide Surface Water Management	7,016	4,695	11,711
4900	Closure and Reclamation	0	20,500	20,500
5000	On-Site Infrastructure	14,038	0	14,038
5800	WTP	12,480	0	12,480
6000	Off-Site Infrastructure	0	9,672	9,672
2 Indirect Costs		30,457	9,392	39,849
9000	Project Indirect Costs	30,457	9,392	39,849
3 Owner's Costs		3,663	204	3,867
9800	Owner's Costs	3,663	204	3,867
4 Contingency		12,443	6,690	19,133
9900	Contingency	12,443	6,690	19,133
Total Project Costs		146,600	177,515	324,160

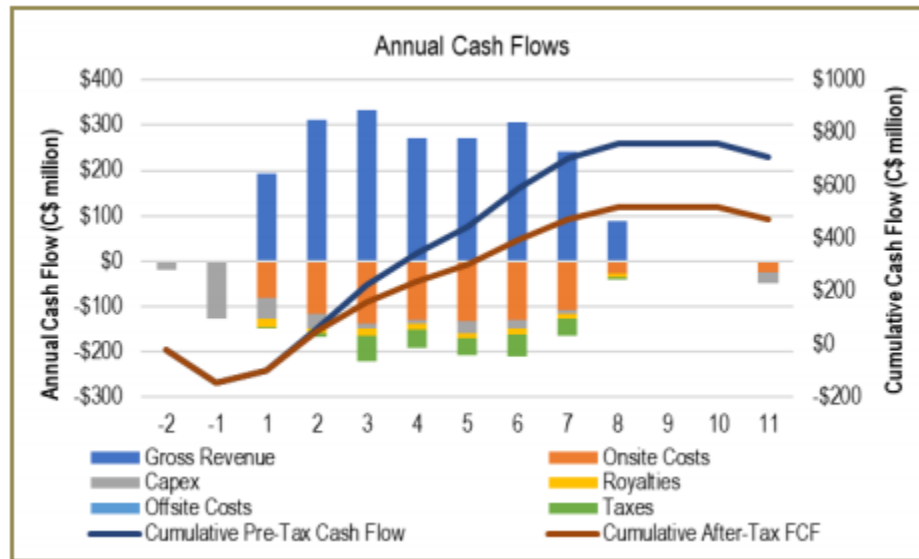
LOM operating costs for the Project were developed from first principles for mining, processing, site services, and administration using the mine and processing plans, incorporating development rates, labour, materials, consumables, and certain contract services for a 2,500 t/d processing rate. Processing cost in Year 2 increases by \$4.25/t processed due the higher grinding requirements for harder ore from RMP. Table 6 below shows the breakdown of LOM operating costs.

Table 6: Project LOM Operating Costs

Operating Costs	Costs (\$/t milled)
UG Mining Cost (\$/t milled)	97.00
Processing Cost (\$/t milled)	31.05
G&A Cost (\$/t milled)	7.93
Site Services (\$/t milled)	3.36
Total Operating Costs (\$/t milled)	139.34

The PGP has an after-tax NPV at 5% of \$341 million and an after-tax investment return rate of 51%. The pre-tax payback period is 1.7 years, and the after-tax payback period is 1.8 years. Figure 1 below shows a summary of the annual cash flows and the cash flow model.

Figure 1: Annual Cash Flows



Mill, TSF, water management, and infrastructure closure estimates have been prepared as of the date of the Feasibility Study. The closure cost for the PGP is \$25 million based on estimates summarized in Table 7 below.

Table 7: Closure Costs

Description	Closure Cost (\$ '000s)
Mining (surface infrastructure)	150
Process Building	7,334
TSF and Water Management	11,845
Access Roads	655
On-Site Infrastructure	476
Directs Subtotal	20,500
Owner's Costs for Road Closure	204
Project Indirect Costs	1,051
Contingency	3,300

Exploration, Development and Production

Premier Gold and Red Mountain Projects

In the first half of 2022, the Company made significant progress on development of the Project. Detailed engineering on the mill refurbishment, tailings storage facility, WTP, power substation, overland piping and pumping and other key areas was at 95% completion at the end of June 30, 2022 and overall construction at approximately 30% completion. On April 4, 2022, the Company announced that it was unable to reach an agreement with Spratt on the satisfaction of the drawdown conditions for the undrawn amount. Therefore, the remaining US\$60 million was cancelled at the end of availability period of June 30, 2022 and Ascot was pursuing alternative financing options to replace the remainder of the Senior Facility. In order to preserve Ascot's cash balance, the Company decelerated various construction activities and placed certain work packages on hold while the Company was pursuing refinancing in the second half of 2022. During this period, the Company continued to advance major equipment

procurement. At the end of 2022, Ascot had ordered approximately 95% of the remaining fixed equipment for the Project. Key orders remaining in the plant relate mostly to piping, instrumentation and bulk consumables.

On January 19, 2023, the Company closed a financing package for construction of the Project. The financing package consists of:

a) Gold and Silver Stream

An upfront payment of US\$110 million from Sprott Streaming as a deposit (the “**Deposit**”) in respect of gold and the Stream. The Company terminated the existing 10% streaming agreement it has on RMP in return for the delivery of 8.75% and 100% of gold and silver production, respectively, from PGP and RMP (the “**Stream Deliveries**”) in exchange for the reduction of the Deposit and ongoing payments from Sprott Streaming equal to 10% of prevailing gold and silver prices, including after the Deposit is reduced to nil. Silver production from the Silver Hill Target at the northeastern part of the PGP property has been excluded from the Stream.

From January 1, 2025 until December 31, 2026, Ascot has the right to buyback 50% of the Stream for US\$80 million in cash (the “**Buyback**”). Once 150,000 ounces of gold have been delivered (the “**Delivery Threshold**”), the Stream Deliveries for gold and silver shall be reduced by 50% to 4.375% and 50%, respectively. In the case that the Buyback is exercised, then the remaining Delivery Threshold at that time will be reduced by the Buyback percentage, and once the threshold is met the Stream Deliveries for gold and silver shall be reduced by a further 50% to 2.1875% and 25%, respectively. The Delivery Threshold and the Buyback shall apply to both PGP and RMP. Sprott Streaming has been granted first-ranking security to secure the obligations under the Stream, which security will be subordinated to any operating loan on the earlier the Buyback being exercised or the Deposit being reduced to zero. The Stream also contains certain customary covenants including minimum cash balance of US\$5 million and positive working capital.

b) Strategic Equity Investment

A portion of Ccori Apu’s Strategic Investment was structured as CDE Flow Through Shares such that the total gross proceeds to the Company was \$50 million. Ccori Apu’s ownership of Ascot is 19.9% upon closing and it received participation rights to maintain its pro rata ownership in subsequent equity issuances. Ascot has entered into an Investor Rights Agreement with Ccori Apu dated January 19, 2022 (the “**Investor Rights Agreement**”), pursuant to which Ccori Apu has the right to subscribe for and purchase additional securities of the Company that the Company may issue from treasury on a pro-rata basis to maintain its ownership percentage in the Company (the “**Participation Right**”) and an annual right (the “**Top-Up Right**”) to subscribe for additional Common Shares to maintain its ownership percentage if necessary as a result of certain transactions. Each of the Participation Right and the Top-Up Right will be suspended if Ccori Apu’s ownership percentage falls below 10% of the Common Shares outstanding. Further, Ccori Apu has the right to nominate two people to the Board for so long as its ownership remains above 10% of the Common Shares outstanding, and the right to nominate one individual to the Board for so long as its ownership remains above 5% of the Common Shares outstanding. If Ccori Apu wishes to transfer Common Shares representing at least 1% of the issued and outstanding Common Shares to a person or persons outside of the Investor Group (as such term is defined in the Investor Rights Agreement), then Ccori Apu must give notice of the proposed sale to the Company, who will have 10 days to seek and arrange for purchasers of such proposed sale. For so long as Ccori Apu’s ownership is above 20% of the Common Shares outstanding, Ccori Apu has certain demand qualification rights. For so long as Ccori Apu’s ownership remains above 10% of the Common Shares outstanding, Ccori Apu has certain piggyback qualification rights.

The Strategic Investment consisted of 48,500,000 Common Shares of the Company at a price of \$0.41 per Common Share for gross proceeds of \$19.9 million and 60,000,000 Common Shares of the Company that qualify as “flow through shares”, as defined in the *Income Tax Act* (Canada) (the “**CDE Common Shares**”), at a price of \$0.50 per CDE Common Share for gross proceeds of \$30 million. The Common Shares and CDE Common Shares were

offered by way of private placement pursuant to applicable prospectus exemptions and will be subject to hold periods in accordance with applicable securities laws.

The net proceeds from the sale of the Common Shares will be used for capital costs at the Project and for general corporate purposes.

Upon securing the new project financing in January 2023, Ascot re-engaged various contractors progress activities in the mill building for the remainder of mill construction scope. In April 2023, the underground mining contractor will be re-mobilized to resume underground development work. In May 2023, the earthworks contractor will be mobilized to re-start work on the CCDC and tailings facility, which is anticipated to be completed by October 2023. Mining will progress throughout 2023 and delivery of ore will commence in the fourth quarter of 2023, enabling the start of mill commissioning and first gold pour in early 2024.

By the end of 2022, Ascot has invested a total of approximately \$150 million in construction of the Project. Due primarily to delays associated with the deceleration of project construction and the inflation experienced in 2022 the expected remaining capital to achieve first gold production is approximately \$153 million.

In 2022, mining development work was focused on infill drilling for initial stopes in Big Missouri, underground ramp development and mine plan and sequencing optimization. Development accessed initial ore in the A Zone of the Big Missouri deposit in August. An underground void drilling program coupled with LiDAR surveying, successfully broke through to targeted historical workings, confirming their locations. Long hole drill sampling program started in September 2022. Hardline ventilation installation was completed in September. On October 17, 2022, the Company announced initial positive grade reconciliation between muck samples and the block model grade from underground development at the Big Missouri deposit. Combined results from ore drives 1 and 2 yielded overall 9% positive grade reconciliation from muck samples compared to the resource block model. As expected, the Company encountered high variability in development round grades often associated with high-grade epithermal gold deposits. Initial results suggested good potential to increase mined grades by continuously improving external mining dilution.

In 2022, approximately 921 metres of underground development has been completed including ramp, mine infrastructure and ore drives. The Company demobilized the mining contractor in late October 2022 to prepare for winter shut down, moving mobile and other equipment to Stewart, and storing some materials in the remaining sprung shop structure.

An underground diamond drilling program was successfully completed at Big Missouri to probe for voids and a number of pierce points were put into the existing 3000 level to confirm its location. Breakthroughs were scanned with a LiDAR probe, and geology was able to use the core to confirm some high-grade intercepts were within the previous wireframes. At the PNL portal location, the surface was stripped and a location was determined for a Geotech hole which was drilled 500 metres. This hole was drilled to determine the location and condition of a fault that was encountered higher up near the Northern Light/Sebakwe area. The detailed geotechnical work was completed in early November 2022, and preliminary indications were that ground conditions will be good, and that the fault in question appears to be in good condition at this deeper elevation, and can be crossed with conventional enhanced ground support.

Mine plan and sequencing optimization were completed in October 2022, developing a plan to minimize upfront development while accessing early ore in an optimized sequence starting at PNL then ramping up production at Big Missouri, while developing over to Silver Coin, where the upper levels of the deposit will be initially developed to maximize ore tonnage per linear metre. Based on the recently completed plan, we anticipate starting mine development in May 2023 with the collaring of the PNL ramp portal, while development will recommence at Big Missouri in late September 2023, after completion of the plug on the 2350 level in August 2023.

Other Properties – Mt. Margaret and Swamp Point

The Company also holds interests in certain properties, described below, which are not material to the Company. While the Company continues to maintain the properties with a view to future exploration and development, there are currently no material exploration activities or expenditures planned with respect to these properties for the current fiscal year.

Mt. Margaret

The Company owns a 50% interest in the Mt. Margaret property, subject to a 1.5% net smelter royalty held by General Moly Inc. The remaining 50% interest in the Mt. Margaret property is held by the federal government of the United States, which the Company has the right to earn subject to a 1.5% NSR and a negotiated federal royalty (on terms to be negotiated once the property goes into production).

The Mt. Margaret property covers a large portion of the undeveloped resource known as the Mt. Margaret deposit. This is one of the largest of the Cu-Mo-Au-Ag calc-alkaline porphyries of Miocene age in Washington State. Since discovery in 1969 Duval Corporation conducted numerous exploration programs and mine/metallurgical studies on Mt. Margaret deposit until the eruption of Mt. St. Helens halted all fieldwork in 1980.

The Mt. Margaret porphyry copper-molybdenum-gold-silver deposit is located 22.5 km southwest of Randle Washington in Skamania County. The Mt. Margaret deposit was discovered by Duval Corporation in 1969 and was actively explored annually from 1971-1980. By 1980, a total of 105 diamond drill holes totaling 20,729 metres had been completed.

The historic geological “non NI 43-101 compliant” resource stated by Duval Corporation in 1980 (Taylor) using a 0.33% CuEq cut-off is quoted below:

Mt. Margaret Geological Resource ⁽¹⁾ – Source (CIM Special Volume 37, 1986)					
	Tonnes	CU Grade (%)	Mo Grade (%)	Gold Grade (g/t)	Silver Grade (g/t)
Geological Resource	523MT	0.36	0.011	0.24	1.6

- (1) Geological Resources for the Mt. Margaret deposit are referenced in CIM Special Volume 37 as well as several USGS and GSC databases. These historical resource estimates predate the implementation of NI 43-101 guidelines and are not compliant with current accepted reserve and resource classifications as set forth by CIM Guidelines. The Mt. Margaret resource estimates are considered relevant as they have been calculated on the basis of 20,729 metres of diamond drilling in 105 drill holes. However, Ascot has not completed the work necessary to have the historical estimate verified by a Qualified Person as a current mineral resource or mineral reserve estimate. The Company is not treating the estimate as a current NI 43-101 defined resource or reserve estimate and the historical estimate should not be relied upon. There is no current economic evaluation that demonstrates the potential economic viability of the stated resources therefore none of the geological resources should be considered “reserves” under current CIM Guidelines.

Ascot drilled 11 holes at Mt. Margaret in 2010. The intent of the program was to confirm and expand the historic resource estimates.

In 2011, the Company applied for two hardrock mineral prospecting permits (the “Permits”). In December 2018, after many years of environmental analysis, the United States Forest Service and United States Bureau of Land Management (together, the “Federal Defendants”) concluded the proposed prospecting activity would have no significant environmental impacts and released decisions allowing the applications to be granted. Cascade Forest Conservancy filed an action in federal court challenging those decisions; the Company intervened on the side of the Federal Defendants. On February 18, 2021, the United States District Court for the District of Oregon (the “Court”) released an opinion on the litigation. The Court ruled in favor of the Federal Defendants and Ascot on most issues; however, the Court held that the environmental analysis performed by the Federal Defendants was insufficient in

two narrow respects — one related to potential recreational impacts, and one related to potential groundwater impacts. The Court ordered the parties to brief the court on what remedies are necessary to address the insufficiencies in the environmental analysis.

On January 31, 2022, the Company received the court's order vacating the December 2018 Decision Record and December 2018 findings approving the issuance of the Permits by BLM and also vacating the February 2018 decision notice and findings consenting to the issuance of the Permits. The matter was remanded to the Federal Defendants for further action consistent with the court's February 2021 opinion and order. This court decision allows the Federal Defendants to proceed with the additional groundwater monitoring without direct oversight or involvement from the court. The most recent court decision does not prevent further exploration of Mt. Margaret, but gives the Federal Defendants more time to perform further groundwater analyses to address the deficiencies identified in the court's February 2021 decision. The Company requested from the Federal Defendants a proposed timeline and strategy to address the limited deficiencies identified by the court.

Swamp Point

The Swamp Point project is located on the Portland Canal in northwestern British Columbia, Canada, at Latitude – 58° 28' N, Longitude – 130° 02' W. The Company's legal title to the project is through its ownership of Lots 7360 (upland) and 7359 (foreshore deep water docks) in Cassiar Mining District. The official survey of the lots was completed in 2008, total – 91 hectares. A second foreshore lease to cover the small craft dock area was issued May 2008. In August 2006, the Company was issued a Mines Act Permit, permitting mining of up to 3.3 million tons per year for a minimum of 15 years.

The Company filed a NI 43-101 compliant technical report in respect of the project in January 2006, highlights included a measured mineral resource, pre-feasibility of 46 million tonnes. The Company's consultants completed a pre-feasibility study in January 2006 and a 500 tonne bulk sample report in May 2006.

The Swamp Point property is subject to two royalties, \$1.00 per cubic metre (approximately \$0.46 per tonne) due to the British Columbia Provincial Government and a royalty to a private company of 5% of sales less shipping costs on the first seven million tones and 8% thereafter.

Access to Swamp Point is by boat, float plane or helicopter, it is 85 miles from Prince Rupert or 30 miles from Stewart. Water access can be made through deep water barge landing (for barges with ramps), deep water barge dock (for loading aggregates) and a deep water ship dock, which was under construction, but not completed, designed to handle up to Panamax size vessels. There is also a small craft dock inside a steel floating breakwater.

Construction of the deep water ship dock was suspended in July 2008 as a result of the dramatic downturn in the United States housing market. This downturn had a negative effect on the demand for aggregate products in California which the Company had seen as its primary market.

In December, 2010, as there had been minimal activity at Swamp Point for more than two years, management decided to write off the property and associated assets for accounting purposes. In June 2011, in order to reduce its costs at Swamp Point, the Company closed its camp at the mine site and removed most of the associated equipment.

The project is a non-core asset and any proceeds from the sale of Swamp Point could be utilized in the ongoing development of the PGP and RMP properties. The sale efforts remain ongoing.

Qualified Person

John Kiernan, P.Eng is a Qualified Person (QP) as defined by NI 43-101 and has reviewed and approved the scientific and technical contents of the AIF.

DESCRIPTION OF CAPITAL STRUCTURE

Ascot is authorized to issue an unlimited number of Common Shares of which 545,070,074 are issued and outstanding as of March 23, 2023 (as of December 31, 2022, being the last day of Ascot's most recently completed financial year, the total number of shares issued and outstanding was 435,861,146).

The holders of Common Shares of the Company are entitled to receive notice of and attend all meetings of shareholders. Each Common Share held entitles the holder to one vote.

Shareholders are also entitled to receive dividends if, as and when declared by the Board. The Company has not declared or paid dividends in its history and it does not anticipate doing so in the foreseeable future. The declaration and payment of future dividends will be dependent upon the financial condition of the Company and other factors the Board may consider appropriate. The Company's shareholders are entitled to share equally in the assets of the Company remaining upon dissolution, liquidation, or winding up of the Company. There are no pre-emptive or conversion rights, and no provisions for redemption, retraction, purchase, cancellation or surrender.

MARKET FOR SECURITIES

Trading Price and Volume

The Company's Common Shares are listed for trading on the TSX under the stock symbol "AOT" and on the OTCQX under the symbol "AOTVF".

The following table provides information as to the high and low prices of the Company's Common Shares on the TSX during each month of the most recently completed financial year, as well as the volume of Common Shares traded in each month.

Month	Price (High)	Price (Low)	Volume
January 2022	1.24	0.99	5,162,411
February 2022	1.14	1.00	7,268,074
March 2022	1.18	0.95	11,883,630
April 2022	1.12	0.84	16,823,596
May 2022	0.91	0.62	5,771,047
June 2022	0.80	0.40	9,739,745
July 2022	0.55	0.31	15,487,706
August 2022	0.46	0.36	6,151,929
September 2022	0.42	0.31	6,120,752
October 2022	0.46	0.35	3,968,079
November 2022	0.48	0.37	3,797,682
December 2022	0.62	0.38	8,705,352

PRIOR SALES

Common Shares

The Company issued the following Common Shares during the most recently completed financial year.

Date of Issuance ⁽¹⁾	Number and Type of Securities	Price per Common Share/Exercise Price per Security (C\$)	Reason for Issuance
February 25, 2022	12,963 Common Shares	\$1.06	RSU Exercise
March 8, 2022	28,610,000 Common Shares	\$1.02	Prospectus Financing
March 8, 2022	12,831,000 Common Shares	\$1.02 ⁽²⁾	Private Placement
March 8, 2022	3,240,000 Common Shares	\$1.13	Flow-Through Financing
March 8, 2022	14,590,000 Common Shares	\$1.255 ⁽²⁾	Flow-Through Financing
March 24, 2022	4,939 Common Shares	\$1.08	RSU Exercise
September 28, 2022	62,000 Common Shares	\$0.35	DSU Exercise
September 29, 2022	17,160 Common Shares	\$0.35	RSU Exercise
October 4, 2022	65,679 Common Shares	\$0.41	RSU Exercise
November 7, 2022	76,277 Common Shares	\$0.43	RSU Exercise

Notes:

- ⁽¹⁾ Subsequent to the year end, 109,208,989 common shares were issued for RSU exercises and private placements completed in early 2023.
- ⁽²⁾ Price listed reflects the price paid per unit, comprised of one Common Share and one half of one Common Share purchase warrant.

Options

As at December 31, 2022, the Company had outstanding stock options to purchase 23,784,828 Common Shares. The Company's stock options are subject to certain vesting conditions, and each fully vested stock option may be exercised for one Common Share at its respective exercise price.

The Company issued 13,049,779 stock options during the financial year ended December 31, 2022.

Restricted and Performance Share Units

As at December 31, 2022, the Company had outstanding restricted share units ("RSUs") to purchase 4,480,328 Common Shares. The Company's RSUs may be subject to certain vesting conditions, and each fully vested RSU may be exercised for one Common Share. As at December 31, 2022, the Company had outstanding performance share units ("PSUs") to purchase 108,108 Common Shares. The Company's PSUs are subject to certain vesting conditions, and each fully vested PSU may be exercised for one Common Share.

The Company issued 3,579,588 RSUs and 162,162 PSUs during the financial year ended December 31, 2022.

Deferred Share Units

As at December 31, 2022, the Company had outstanding deferred share units (“DSUs”) to purchase 1,876,412 Common Shares. The Company’s DSUs are fully vested upon grant and may be exercised for one Common Share.

The Company issued 1,824,765 DSUs during the financial year ended December 31, 2022 to directors for 2021 and 2022 annual grants and to directors electing to receive DSUs in lieu of cash for director fees.

Warrants

As at December 31, 2022, the Company had 13,710,500 Common Share purchase warrants outstanding with an exercise price of \$1.25.

DIRECTORS AND OFFICERS

The following were Directors and Officers of the Company as at December 31, 2022.

Name, Present Position with the Company and Residence⁽¹⁾⁽⁸⁾	Principal Occupation⁽²⁾	# of Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly⁽²⁾	# of Options/\$C exercise price, DSUs, RSUs
RICK ZIMMER⁽⁴⁾⁽⁵⁾⁽⁷⁾ B.Sc.,B.Eng., MBA, P.Eng Director & Board Chairman (since October 6, 2017) <i>British Columbia, Canada</i>	Professional Director. Mr. Zimmer is currently also a director of: DLP Resources Inc.	268,373	60,000/\$0.75 130,000/\$0.82 91,508/\$1.35 182,756/\$1.11 235,479/\$0.445 298,203 DSUs
JAMES STYPULA⁽⁴⁾⁽⁵⁾ Director (since October 6, 2017) <i>British Columbia, Canada</i>	Professional Director. Mr. Stypula is currently also a director of DLP Resources Inc.	108,010	50,000/\$0.75 100,000/\$0.82 70,391/\$1.35 140,582/\$1.11 188,383/\$0.445 352,006 DSUs
KENNETH CARTER⁽⁴⁾⁽⁶⁾ Director (since April 6, 1993) <i>British Columbia, Canada</i>	Professional Director, Retired Geologist	711,200	50,000/\$0.75 100,000/\$0.82 70,391/\$1.35 140,582/\$1.11 188,383/\$0.445 237,533 DSUs
DON NJEGOVAN⁽⁶⁾⁽⁷⁾ Director (since January 16, 2018) <i>Ontario, Canada</i>	Mr. Njegovan is the Chief Operation Officer at Osisko Mining Inc. Mr. Njegovan currently is also a director of: Cornish Metals Inc.; and DLP Resources Inc.	76,013	50,000/\$0.75 100,000/\$0.82 70,391/\$1.35 140,582/\$1.11 188,383/\$0.445 268,616 DSUs

Name, Present Position with the Company and Residence ⁽¹⁾⁽⁸⁾	Principal Occupation ⁽²⁾	# of Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽²⁾	# of Options/\$C exercise price, DSUs, RSUs
WILLIAM BENNETT⁽³⁾⁽⁶⁾ Director (since February 1, 2018) <i>British Columbia, Canada</i>	Professional Director. Mr. Bennett is currently also a director of: Kutcho Copper Corp., Eagle Plains Resources Ltd.; DLP Resources Inc. and Libero Copper & Gold Corp.	33,251	50,000/\$0.75 100,000/\$0.82 70,391/\$1.35 140,582/\$1.11 188,383/\$0.445 223,835 DSUs
ANDREE ST-GERMAIN⁽³⁾⁽⁵⁾⁽⁷⁾ Director (since March 28, 2019) <i>British Columbia, Canada</i>	Ms. St-Germain is the Chief Financial Officer of Integra Resources Corp. Ms. St-Germain is currently also a director of Osisko Mining Inc.	120,677	50,000/\$0.75 100,000/\$0.82 70,391/\$1.35 140,582/\$1.11 188,383/\$0.445 314,542 DSUs
INDI GOPINATHAN⁽³⁾ P.Eng, CPA, CMA Director (since September 13, 2021) <i>Ontario, Canada</i>	Professional Director.	Nil	200,000/\$1.18 140,582/\$1.11 188,383/\$0.445 175,496 DSUs
DEREK WHITE President and Chief Executive Officer (since October 2017) <i>British Columbia, Canada</i>	Mr. White is the President and Chief Executive Officer of the Company. Mr. White currently serves as a Director of Minto Metals.	483,517	800,000/\$0.75 1,000,000/\$0.82 351,956/\$1.35 706,315/\$1.11 2,679,121/\$0.445 1,263,272 RSUs
CAROL LI Chief Financial Officer (since November 2017) <i>British Columbia, Canada</i>	Ms. Li is the Chief Financial Officer of the Company. Ms. Li is a director of DLP Resources Inc.	217,118	375,000/\$0.75 500,000/\$0.82 211,173/\$1.35 321,052/\$1.11 877,080/\$0.445 563,551 RSUs
JOHN KIERNAN Chief Operating Officer (since October 2017) <i>British Columbia, Canada</i>	Mr. Kiernan is the Chief Operating Officer of the Company. Mr. Kiernan is a director of Battery Mineral Resource Corp. since 2020.	165,679	350,000/\$0.75 400,000/\$0.82 146,414/\$1.35 250,421/\$1.11 681,633/\$0.445 368,112 RSUs

Name, Present Position with the Company and Residence ⁽¹⁾⁽⁸⁾	Principal Occupation ⁽²⁾	# of Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽²⁾	# of Options/\$C exercise price, DSUs, RSUs
JODY HARRIS Corporate Secretary (since November 1, 2017) <i>British Columbia, Canada</i>	Ms. Harris is the Corporate Secretary for the Company. Ms. Harris is a consultant who provides services to public companies through her private company, Jody Harris Consulting Inc.	128,423	120,000/\$0.75 100,000/\$0.82 165,827/\$1.35 62,022/\$1.11 154,874/\$0.445
DAVID STEWART VP Corporate Development & Shareholder Communications (since June 1, 2021) <i>Ontario, Canada</i>	David Stewart, P.Eng. is the VP Corporate Development & Shareholder Communications for the Company.	61,850	123,190/\$1.25 93,639/\$1.11 727,630/\$0.445 333,643 RSUs
BRYANT SCHWENGLER VP Operations and General Manager (since June 1, 2022)	Bryant Schwengler is the VP Operations and General Manager for the Company.	0	250,073/\$0.75 343,497/\$0.445 131,086 RSUs

Notes:

- (1) Ascot's directors hold office until the next annual meeting of shareholders or until a successor is duly elected or appointed.
- (2) The information as to principal occupation, business or employment, shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the directors. This information is as at the date of this AIF.
- (3) Member of the Audit Committee.
- (4) Member of the Compensation Committee.
- (5) Member of the Governance and Nomination Committee.
- (6) Member of the Health, Safety, Environmental and Technical Committee.
- (7) Member of the Finance Committee.
- (8) Subsequent to December 31, 2022, Messrs. Carter and Stypula resigned from the Board and Messrs. Marún and Altmann were appointed to the Board (see press release dated February 17, 2023 for more information).

Securities Held by Directors and Officers

As at the date of this AIF, Ascot's directors and executive officers, collectively, beneficially owned, or controlled or directed, directly or indirectly, a total of 2,374,111 Common Shares of Ascot, being approximately 0.44% of the number of Common Shares issued and outstanding. The information as to shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the directors and executive officers.

Cease trade orders, bankruptcies, penalties or sanctions

Mr. Bennett is a professional director with Kutcho Copper Corp., Eagle Plains Resources Ltd., DLP Resources Inc. (formerly MG Capital Corporation) and Libero Copper & Gold Corp. From June 30, 2017 to November 23, 2020, Mr. Bennett was a director of a private company registered in Alberta by the name of Northern Silica Corporation which received a court order on November 23, 2020 accepting the company's plan of arrangement under CCAA.

Mr. Bennett, as of October 26, 2020, became a director of a successor corporation, Vitreo Minerals Limited, a private company registered in the Province of Alberta.

No director or executive officer of the Company is, as at the date of the AIF, or has been, within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company), that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director, chief executive officer or chief financial officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days.

Other than as described above, no director or executive officer of the Company, nor a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is, at the date of this AIF, or has been, within 10 years before the date of this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

No director or executive officer of the Company, nor a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

The Company's directors and officers may serve as directors and/or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation, or the terms of such participation.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosure by the directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the BCBCA.

AUDIT COMMITTEE

NI 52-110F1 requires the Company to disclose annually in its AIF certain information concerning the constitution of its audit committee (the “**Audit Committee**”) and its relationship with its independent auditor, as set forth in the following.

Composition of the Audit Committee

The Audit Committee is currently comprised of three independent directors: Ms. St-Germain (Chair), Ms. Gopinathan and Mr. Altmann. Each member of the Audit Committee is considered to be independent and financially literate in accordance with NI 52-110. The Audit Committee is responsible for assisting the Board in the discharge of its responsibilities relating to the Company’s accounting principles, reporting practices, internal controls and its approval of the Company’s annual and quarterly financial statements. The Audit Committee meets as often as is required to fulfill its responsibilities or at a minimum four times per year to review and recommend the financial statements, management discussion and analysis or other financial documents, for Board approval. The Audit Committee held 4 meetings in 2022.

Relevant Education and Experience

Ms. St-Germain (Chair) is currently the Chief Financial Officer of Integra Resources (since 2017). Ms. St-Germain has held other Chief Financial Officer positions with public junior resource companies since 2013. Ms. St-Germain served on the Board of IDM Mining and chaired the IDM’s audit committee until its sale to Ascot in March 2019. She also served on the Board of Barkerville Gold Mines and served on its audit committee until the company’s sale to Osisko Gold Royalties in November 2019. Ms. St-Germain is currently also a director of Osisko Mining Inc. and serves on the Osisko audit committee.

Ms. Gopinathan is a Board Director and Strategy Executive, with 25 years of experience in the mining industry and capital markets. Most recently, she was Vice President, Investor Relations & Corporate Communications at IAMGOLD, responsible for corporate marketing strategy and communications. Having started her career with the Falconbridge/Noranda group, she moved to equity research with Cantor Fitzgerald and Scotiabank before returning to corporate roles, independent consulting and teaching. Ms. Gopinathan holds a Bachelor of Applied Science in Civil Engineering (University of Toronto), an MBA (Queen’s University) and is a designated P.Eng. and CPA, CMA (both Ontario).

Mr. Altmann was appointed to the Audit Committee on February 17, 2023, at which time Mr. Bennett (who served on the Audit Committee since joining the Company in 2018) stepped down from the Audit Committee. Stephen Altmann has a MBA in Finance and BSc in Geophysics. Mr. Altmann is currently a Managing Director at Morrison Park Advisors, an investment banking advisory firm in Toronto, Canada where he provides strategic advice and financial analysis to mining companies globally in their evaluation and implementation of strategic transactions. Stephen holds a Masters of Business Administration and an Honours Bachelor of Science (Geophysics) degree. Mr. Altmann is also currently a director of Avidian Gold, Mundoro Capital, and High Tide Resources and formerly a director of Lydian International, AQM Copper Inc., and ECU Silver Mining.

Audit Committee Charter

The Company has adopted a charter of the audit committee of the Board (the “**Charter**”), which is available on the Company website (www.ascotgold.com).

Audit Committee Oversight

During the most recently completed financial year, the Company’s Board has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

During the most recently completed financial year, the Company has not relied on the exemptions contained in section 2.4 or under part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The audit committee has adopted specific policies and procedures for the engagement of non-audit services as described in the audit committee charter.

Independent Auditors

The Company's independent auditors are PricewaterhouseCoopers LLP, Chartered Professional Accountants, who have prepared an independent auditor's report dated March 23, 2023 in respect of the Company's consolidated financial statements as at December 31, 2022 and December 31, 2021 and for the years then ended. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Company within the meaning of the Chartered Professional Accountants of British Columbia Code of Professional Conduct. ***External Auditor Service Fees***

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories. The fees billed to the Company by its auditor during the two most recently completed financial years, by category, are as follows:

Fiscal Year Ended	Audit Fees	Audit Related Fees	Tax Fees⁽¹⁾	All Other Fees
December 31, 2022	148,302	27,580	Nil	-
December 31, 2021	180,534	50,755	Nil	-

Notes: ⁽¹⁾ Tax Fees are related to the preparation of annual tax returns.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no pending or contemplated legal proceedings to which our Company is a party or of which any of our properties is the subject.

As of December 31, 2022, the Company is not subject to:

- (a) any penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the financial year ended December 31, 2022; or
- (b) any other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision; or

- (c) settlement agreements the Company entered into before a court relating to securities legislation or with a securities regulatory authority during the financial year ended December 31, 2022.

The Company is unaware of any condition of default under any debt, regulatory, exchange related or other contractual obligation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no director, executive officer or principal shareholder of the Company, 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 is reasonably expected to materially affect the Company.

TRANSFER AGENTS AND REGISTRARS

The Company’s transfer agent and registrar for its Common Shares is:

Computershare Investor Services Inc.
510 Burrard Street, 3rd Floor
Vancouver, British Columbia
Canada V6C 3B9

ASCOT’S MATERIAL CONTRACTS

1. Credit Agreement between Beedie Investments Ltd. and Sprott Private Resource Lending II (Collector), LP and 609912 BC Ltd. and Ascot dated December 9, 2020. See “*Mineral Properties – Premier Gold and Red Mountain Projects*”.
2. The Benefits Agreement between the Company and Nisga’a Nation. See “*Three Year History – Year Ended December 31, 2021*”.
3. Purchase and Sale Agreement #1 between Ascot, IDM Mining Ltd., Ascot Power Ltd. and Sprott Private Resource Streaming and Royalty (B) Corp. dated January 19, 2023. See “*Premier Gold and Red Mountain Projects – Gold and Silver Stream*”.
4. Purchase and Sale Agreement #2 between Ascot, IDM Mining Ltd., Ascot Power Ltd. and Sprott Private Resource Streaming and Royalty (B) Corp. dated January 19, 2023. See “*Premier Gold and Red Mountain Projects – Gold and Silver Stream*”.
5. Investor Rights Agreement between Ascot and Ccori Apu dated January 19, 2023. See “*Premier Gold and Red Mountain Projects – Strategic Equity Investment*”.

INTERESTS OF EXPERTS

The following are the names of persons or companies (a) who have been named as having prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 by the Company during, or relating to, the Company’s most recently completed financial year, and (b) whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company:

Name	Description
Sue Bird, P.Eng., Geologic/Mining Engineer, BRCC	Co-Authored the Feasibility Study.
Dr. Gilles Arseneau, P.Geo., President, ACS	Co-Authored the Feasibility Study.
Aleksandar Petrovic, P.Eng., Senior Process Engineer, Sedgman	Co-Authored the Feasibility Study.

Name	Description
Frank Palkovits, P.Eng., Owner, Mine Paste	Co-Authored the Feasibility Study.
Jim Fogarty, P.Eng., Senior Engineer, Knight Piésold	Co-Authored the Feasibility Study.
Soren Jensen, P.Eng., Senior Environmental Engineer, SRK	Co-Authored the Feasibility Study.
Brendon Masson, P.Eng., Civil Engineer, McElhanney	Co-Authored the Feasibility Study.
Robert Marsland, P.Eng., Senior Environmental Engineer, MEA	Co-Authored the Feasibility Study.
Shervin Teymouri, P.Eng., B.A.Sc., M.Eng., Financial Analyst, SDE	Co-Authored the Feasibility Study.
Frank Grills, P.Eng., Senior Project Manager, SDE	Co-Authored the Feasibility Study.
Ken Savage, P.Eng., Senior Civil Engineer, SDE	Co-Authored the Feasibility Study.
Lawrence Tsang, P. Geo., Senior Geologist of the Company	Co-Authored the Feasibility Study; reviewed and approved certain public disclosure of the Company
John Kiernan, P.Eng., Chief Operating Officer of the Company.	Co-Authored the Feasibility Study.; reviewed and approved scientific and technical information in this AIF

To the knowledge of the Company, having made reasonable enquiry, none of the experts listed above or any “designated professional” of such expert, are currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

One expert named in the foregoing section, at the time they prepared or certified such statement, report or valuation, after such time or as of the date of this prospectus, beneficially held or holds, directly or indirectly, in the aggregate less than 1% of the issued and outstanding Common Shares of the Company. None of the other experts named in the foregoing sections held, at the time they prepared or certified such statement, report or valuation, received after such time or will receive any registered or beneficial interest, direct or indirect, in any securities or other property of the Company or one of the Company’s associates or affiliates.

ADDITIONAL INFORMATION

Additional information regarding Ascot Resources Ltd. can be found on SEDAR at www.sedar.com.

Additional information, including directors’ and officers’ remuneration and indebtedness, principal holders of the Company’s securities and securities authorized for issuance under equity compensation plans, if applicable, is contained in Ascot’s information circular for its most recent annual meeting of security holders that involved the election of directors.

Additional financial information is provided in Ascot’s audited consolidated financial statements and the MD&A for the financial year ended December 31, 2022.