

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: [Lido Minerals Ltd.](#) (the “Issuer”).

Trading Symbol: [LIDO](#)

Number of Outstanding Listed Securities: [13,035,054 common shares were issued and outstanding as of September 30, 2020](#)

Date: [October 6, 2020 \(for the month of September, 2020\)](#)

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer’s ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are “material information” as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer’s business and operations over the previous month. Where the Issuer was inactive disclose this fact.

[The Issuer is engaged in the business of mineral exploration in the province of British Columbia, Canada. The Issuer, through its wholly owned subsidiary, Pacific West Exploration Services Inc. have the exclusive right to acquire a 100% interest in the Nimpkish Property, which is located on north eastern part of](#)

Vancouver Island in British Columbia. The Issuer also continued its efforts to find and acquire other mineral exploration properties to add to its property portfolio.

2. Provide a general overview and discussion of the activities of management.

During the month of **September 2020**, management's principal activities consisted of:

- Executing a non-binding letter of intent (the "LOI") to acquire 100% of the Hercules Silver Property (the "Property") by purchasing all of the issued and outstanding shares of the private company 1218530 B.C. Ltd. ("1218530"); and
  - General management and administrative matters.
3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

There were no new products or services developed or offered during the month of **September 2020**.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

There were no products or services discontinued during the month of **September 2020**.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

During the month of **September 2020**, the Issuer entered into a LOI to acquire 100% of the Property by purchasing all of the issued and outstanding shares of 1218530 from 1218530's sole shareholder. The transaction contemplated by the LOI will provide the Issuer with the option to acquire 100% of the Property by making aggregate cash payments of \$175,000 and by issuing an aggregate of 700,000 common shares to 1218530 as follows:

(1) on the date of execution of a binding definitive agreement respecting the transaction (the "Execution Date"), by making a cash payment of \$75,000 and by issuing 250,000 common shares; and

(2) on or before the first anniversary of the Execution Date, by making an additional cash payment of \$100,000 and by issuing an additional 450,000 common shares.

In addition, the Issuer shall be required to pay an additional \$1,000,000 bonus payment to 1218530 upon the commencement of commercial production on the Property. The Issuer shall also grant to 1218530 a 2.0% Net Smelter Returns royalty ("NSR") on the Property. The Issuer shall have the right to repurchase

one-half of the NSR (1.0%) from 1218530 for a purchase price of \$1,000,000 payable to 1218530 at any time before the commencement of commercial production on the Property.

Completion and execution of a definitive agreement is subject to the Issuer completing detailed due diligence of the Property and 1218530. The Issuer and the sole shareholder of 1218530 are arm's length parties. An overview of the Property can be found in the Issuer's news release dated September 21, 2020.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

There were no contracts or agreements between the Issuer, the Issuer's affiliates or third parties that terminated or expired and there weren't any previously announced financing arrangements that terminated during the month of **September 2020**.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

There were no acquisitions or dispositions of the Issuer's assets during the preceding month of **August 2020**.

8. Describe the acquisition of new customers or loss of customers.

There were no acquisitions of new customers or loss of customers during the month of **September 2020**.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

There were no new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks during the month of **September 2020**.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

There were no employee hirings, terminations or lay-offs during the month of **September 2020**.

11. Report on any labour disputes and resolutions of those disputes if applicable.

There were no labour disputes during the month of **September 2020**.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal

parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

There were no legal proceedings to which the Issuer became party to during the month of **September 2020**.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

There was no indebtedness incurred or repaid by the Issuer during the month of **September 2020**.

14. Provide details of any securities issued and options or warrants granted.

During the month of **September 2020**, the Issuer did not issue any securities, including options or warrants.

15. Provide details of any loans to or by Related Persons.

There were no loans to or by Related Persons of the Issuer during the month of **September 2020**.

16. Provide details of any changes in directors, officers or committee members.

As at the date of this report, the directors and officers of the Issuer are as follows:

|                    |   |
|--------------------|---|
| Paul Ténrière      | Chief Executive Officer                         |
| Stephen Brohman    | Chief Financial Officer and Corporate Secretary |
| Carl Chow          | Director, member of the audit committee         |
| Wayne Soo          | Director, member of the audit committee         |
| Patrick O'Flaherty | Director, member of the audit committee         |

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The trends and risks which are likely to impact the Issuer are detailed in the Issuer's MD&A for the quarter ended June 30, 2020 dated as of August 28, 2020 under the headings "FINANCIAL INSTRUMENTS", "OTHER RISKS AND UNCERTAINTIES" and "RISKS AND UNCERTAINTIES". The MD&A is available on the Issuer's SEDAR profile at [www.sedar.com](http://www.sedar.com).

In addition to the trends and risks detailed in the MD&A, COVID-19 is likely to impact the Issuer:

### **COVID-19**

The outbreak of the coronavirus pandemic has had minimal impact on the Issuer's plans and activities to date. The Issuer has been able to adjust to updated business and travel guidelines and carry on with business as usual. The Issuer has been able to continue with maintaining and exploring its properties and it has made additional acquisitions of properties during the outbreak. All properties have remained in good standing. Additionally, the Issuer was able to

raise an additional \$1,000,000 in equity financing during the outbreak which will help the Issuer to better navigate current uncertain times.

The Issuer may face future disruption to operations, supply chain delays, travel and trade restrictions and impact on economic activity in affected countries or regions can be expected and can be difficult to quantify. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce industry and could be a major health-care challenge for the Issuer. There can be no assurance that the Issuer's personnel will not be impacted by these pandemic diseases and ultimately that the Issuer would see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, Government response actions, business closures and business disruptions, can all have an impact on the Issuer's operations and access to capital. There can be no assurance that the Issuer will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets may reduce resource prices, share prices and financial liquidity and thereby that may severely limit the financing capital available.

## Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: October 6, 2020.

Paul Ténrière  
Name of Director or Senior  
Officer

"Paul Ténrière"  
Signature

Chief Executive Officer  
Official Capacity

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|---|--|---|
| <b>Issuer Details</b>   | For Month End                                    | Date of Report  |
| Name of Issuer<br><a href="#">Lido Minerals Ltd.</a>  | <a href="#">September 2020</a>                   | YY/MM/D<br><a href="#">2020/10/06</a>                   |
| Issuer Address<br><a href="#">Suite 810 – 789 West Pender Street</a>                                  |  |   |
| City/Province/Postal Code<br><a href="#">Vancouver, BC, V6C 1H2</a>                                   | Issuer Fax No.<br><a href="#">(604) 687-3141</a> | Issuer Telephone No.<br><a href="#">(604) 687-2038</a>  |
| Contact Name<br><a href="#">Paul Ténrière</a>   | Contact Position<br><a href="#">CEO</a>          | Contact Telephone No.<br><a href="#">(647) 545-6260</a> |
| Contact Email Address<br><a href="mailto:teniereconsulting@gmail.com">teniereconsulting@gmail.com</a> | Web Site Address<br><a href="#">N/A</a>          |   |