

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Carlyle Commodities Corp. (the "Issuer").

Trading Symbol: CCC

Number of Outstanding Listed Securities: 65,264,210

Date: June 2021

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.

On June 3, 2021, the Issuer announced that Hardline Exploration Corp. of Smithers, B.C. has been contracted to design, implement, and oversee the next phase of drilling at the Issuer's 100% owned Newton Gold-Silver Project as more particularly described in Item 3 herein.

On June 7, 2021, the Issuer issued 166,666 compensation shares as more particularly described in Item 14 herein.

On June 15, 2021, the Issuer announce that it had entered into and closed (the “*Closing*”) an amalgamation agreement dated June 14, 2021 (the “*Agreement*”) with OWL Lake Resources Corp. (“*OWL*”), an arm’s length private British Columbia corporation, and 1305339 B.C. Ltd. (“*NewCo*”), a wholly-owned subsidiary of the Issuer, pursuant to which the Issuer acquired (the “*Transaction*”) all of the issued and outstanding common shares of OWL (each, an “*OWL Share*”) by way of “three-cornered” amalgamation as more particularly described in Item 7 herein.

On June 21, 2021, the Issuer issued 80,000 compensation shares as more particularly described in Item 14 herein.

On June 23, 2021, the Issuer announced that it has engaged RockRidge Consulting based in Maple Ridge, BC, Canada, to complete an updated 43-101 resource calculation of its 100% owned Newton Gold-Silver Project in B.C. as more particularly described in Item 5 herein.

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

The Issuer is a mineral exploration company focused on the acquisition, exploration and development of mineral resource properties, specifically in the strategic battery metals sector.

The Issuer has an option agreement (the “*Sunset Option Agreement*”) to purchase a 100% interest in the highly prospective Sunset Property (the “*Sunset Property*”), which consists of 4 mineral claims comprising a total of approximately 785.31 hectares located in the Vancouver Mining Division approximately 15km north of Whistler, British Columbia, and 108km north of Vancouver, British Columbia. In order to earn the interest in the Sunset Property, the Issuer must complete \$1,000,000 in exploration by June 30, 2020 (\$100,000 by September 30, 2018 (completed); \$200,000 by December 31, 2020; and \$700,000 by December 31, 2021), make cash payments of \$15,000 by April 1, 2018 (completed), and issue 666,667 shares by April 1, 2018 (completed). The parties to the Sunset Option Agreement are currently working to prepare an amendment to the agreement extending the terms of the remaining obligations of the Issuer.

The Issuer has an option agreement to purchase a 100% interest in and to the 7,739 hectare Cecilia Gold-Silver Project (the “*Cecilia Project*”) located in the State of Sonora, Mexico. In order to earn the interest in the Cecilia Project, the Issuer must make aggregate cash payments of \$200,000 (\$10,000 on signing a Letter of Intent (completed); \$40,000 upon closing (completed); \$50,000 by July 13th, 2021; \$50,000 by July 13th, 2022; and \$50,000 by July 13th, 2023), issue 1,500,000 common shares upon closing (completed), issue 3,000,000 non-transferable special warrants (completed), and incur an aggregate of \$2,500,000 in exploration expenditures by July 13th 2023 (\$750,000 by July 13th, 2021 (completed); \$500,000 by July 13th, 2022; and \$1,250,000 by July 13th, 2023).

The Issuer has an option agreement (the “*Mack Option Agreement*”) with United Mineral Services Ltd. (“*UMS*”) and Amarc Resources Ltd. as operator (“*Amarc*”), pursuant to which the Issuer has the right to earn a 50% working interest (the “*Mack Option*”) in the Mack Project.

The Issuer has an option agreement (the “*Jake Option Agreement*”) with UMS and Amarc, pursuant to which the Issuer has the right to earn a 50% working interest (the “*Jake Option*”) in the Jake gold property (the “*Jake Project*”), located in British Columbia.

Under the terms of the Mack Option Agreement and the Jake Option Agreement, the Issuer has the right to earn a 50% working interest in the Mack Project and the Jake Project by completing \$400,000 of drilling and other surveys on each property. Upon completion of the required expenditures, separate 50:50 joint ventures (each a “*Joint Venture*”) will be formed between the Issuer and UMS (or its assigns) in order to continue to advance each property.

The Issuer and its partner Riverside Resources Inc. (“*Riverside*”) completed a Phase I prospecting program on its Cecilia Project in Sonora, Mexico. A total of 57 rock samples were collected from Cerro Magallanes with assays returning as high as 48.3 grams per tonne (g/t) gold over 0.75 m. Phase I prospecting has defined and confirmed extensive high-grade mineralization on surface at San Jose and North Breccia targets. Channel results including 43.2 g/t Au (40 cm channel) and 5.6 g/t Au (60 cm channel), are part of a more extensive structural corridor for which historical work has defined the extension up to 300 m in strike length and 20 m width. Surface work has helped Riverside define and detail a 6-hole drill program for 1,500 m over the primary structural zones at the San Jose, North Breccia and Central targets at the Project.

The Issuer and its partner UMS completed a Phase I wide-spaced three hole core drilling program (totalling 583 metres) at their Mack copper-molybdenum-tungsten-gold, sheeted and stockwork vein/fracture target, (the “*Mack Project*”) located near Dease Lake, British Columbia. All three holes (MK2001 thru MK2003) intersected the targeted geological setting; a sheeted and stockwork vein/fracture system hosted by granodiorite. No other significant rock types were encountered. Fractures, veins, alteration and occurrences of pyrite, chalcopyrite (copper) and molybdenite (molybdenum) were similar in all three holes but their degree of development varied. The Issuer and UMS (or its assigns) have now formed a 50:50 Joint Venture to further advance the project.

The Issuer’s wholly-owned subsidiary, Isaac Newton Mining Corp, owns 100% of the Newton Gold-Silver Project (the “*Newton Project*”) located in the Clinton Mining Division of the Province of British Columbia. The Newton Project covers approximately 23,000 contiguous hectares of generally flat-lying topography, located approximately 100 km west-southwest of Williams Lake in south-central British Columbia, Canada. The area is accessible year-round by a 2.5-hour drive from Williams Lake, using Highway 20 and maintained logging roads. The Newton Gold Project includes more than 30,000 m of drilling, and a 2012 historic mineral resource estimated at the inferred confidence level for 1.6 million ounces gold (Au), and 7.7 million ounces silver (Ag), as reported in a NI 43-101 technical report effective dated December 19, 2012 entitled “*Technical Report on the Initial Mineral Resource Estimate for the Newton Project, Central British Columbia, Canada*”, prepared by Reno Pressacco, M.Sc.(A), P.Geo., for Amarc and filed under Amarc’s profile on www.sedar.com (the “*Newton Technical Report*”). This inferred mineral resource estimates a grade of 0.44 g/t Au and 2.1 g/t Ag, at a cut-off grade of 0.25 g/t Au. The mineralization is typical of bulk-tonnage, low to intermediate sulphidation, disseminated epithermal gold-silver deposits.

The Issuer and its partner Riverside completed a Phase I seven-hole core drilling program at their Cecilia Project in Sonora, Mexico. Anomalous gold mineralization was intersected in all

seven drill holes. 24.2 m of 1.51 g/t Au was intersected starting from only 2.30 m downhole at the North Breccia Target (CED21-005) and a further 8.9 m of 0.64 g/t Au was intersected near the end-of-hole starting from 40.35 m. In addition, 3.3 m of 3.37 g/t Au was intersected at the North Breccia Target (CED21-006) and 3.05m of 0.67 g/t Au at the Central Target (CED21-007). Surface and shallow sub-surface expression of the mineralization and alteration in drill holes are interpreted to be evidence for the top of a robust hydrothermal system, which could expand at depth, where there is potential for a more developed gold and silver system, based upon the geologic modeling and logging of these holes. All the efforts from field work to drilling have led to advanced interpretation, expectation and decreased risk moving forward for a future drill program. The drilling has found gold in structural controlled feeder zones which could continue and broaden to depth.

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.

On June 3, 2021, the Issuer announced that Hardline Exploration Corp. of Smithers, B.C. has been contracted to design, implement, and oversee the next phase of drilling at the Issuer's 100% owned Newton Gold-Silver Project.

The Newton Project contains an historical estimated mineral resource of 1.6 million ounces gold and 7.7 million ounces silver, at the inferred confidence level as reported in a NI 43-101 technical report dated effective December 19, 2012, entitled "Technical Report on the Initial Mineral Resource Estimate for the Newton Project, Central British Columbia, Canada", prepared by Reno Pressacco, M.Sc.(A), P.Geo., of Roscoe Postle and Associates Ltd.

Highlights

- The Newton Project is a large, bulk tonnage, low - to intermediate-sulphidation, epithermal gold deposit with nearly 30,000 m of drilling exploring and developing the historical resource, primarily between 2009-2012.
- The Newton Project encompasses more than 24,000 Ha and contains an historical resource of 1.6 million oz Au & 7.7 million oz Ag estimated at the inferred confidence level. The Issuer believes the Newton Project represents an outstanding development project.
- Mineralization occurs within an 800 x 400 m area defined by drilling to depths of 560 m, with the majority of holes not exceeding 300m depth.
- Underlying the deposit, a large IP anomaly measures 4 km x 2 km and covers an area greater than 7 sq/km – yet the historical resource occupies slightly over 0.5 sq/km or just 7% of the anomaly.
- Gold and associated base metal mineralization precipitated in extensive zones of strong quartz-sericite alteration as well as in mafic volcanic and clastic sedimentary rocks and along fault and fracture zones.

- The alteration types and metal associations at the Newton Project are similar to large epithermal gold deposits elsewhere in British Columbia including Blackwater (Artemis Gold Inc), New Prosperity (Taseko Mines Ltd) and Brucejack (Pretium Resources Inc) deposits. The very large Blackwater Gold Project is the most proximal of those deposits located approximately 185 km northeast of Newton, where it is one of Canada’s largest open-pit gold deposits and one of the world’s largest environmental assessment (EA) approved gold development projects. Blackwater has a measured+indicated resource estimated at 11.7 million ounces Au and 122 million ounces of Ag (Blackwater Gold Project British Columbia NI 43-101 Technical Report on Pre-Feasibility Study: authored by Sue Bird, Daniel Fontaine, Tracy Meintjes, Marc Schulte and John Thomas, August 26, 2020; www.artemisgoldinc.com).

The Newton Technical Report historic estimate is the most recent mineral resource estimate for the Newton Gold-Silver Project and was prepared by Amarc. No qualified person (“QP”) (as such term is defined in NI 43-101) working for the Issuer has done sufficient work to classify the historic estimate as a current mineral resource, and the Issuer is treating the estimate as an historical mineral resource. The Issuer also does not imply that information or results from the Newton Gold-Silver Project, either at present or in the future, will be similar to that of Artemis’ Blackwater project or other large epithermal projects.

About Hardline Exploration

Hardline Exploration Corp. was founded in 2014 and is headquartered in Smithers, BC. Acting as a consulting firm for the Golden Triangle and western Canada, Hardline works directly with local contractors and First Nations to ensure projects receive the most efficient and dedicated exploration. They have a proven track record of successful projects and a highly skilled team with vast experience across Canada on a variety of deposit types.

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.

N/A

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.

On June 23, 2021, the Issuer announced that it has engaged RockRidge Consulting (“Rockridge”), an unrelated party based in Maple Ridge, BC, Canada, to complete an updated 43-101 resource calculation of its 100% owned Newton Gold-Silver Project in B.C..

RockRidge was born out of GeoLogix Mineral Resource Consulting (Pty) Ltd., originally established in South Africa in 2001. The Company consults in Canada, USA, Africa, Asia, Oceania and Europe. Their team has a broad range of geological experience, knowledge and expertise and complete or assist in projects from early-stage exploration through to development and operations. The team comprises of highly experienced resource geology consultants, data management professionals, contract geologists and mining engineers. They

have established key global alliances with other independent industry professionals allowing them to offer clients an all-round geological consulting and exploration management experience. Their technical excellence is at the foundation of everything they do and aim to exceed all expectations as they offer full transparency and customized geological services.

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.

N/A

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.

On June 15, 2021, the Issuer announce that it had entered into and closed an amalgamation agreement dated June 14, 2021 with OWL Lake Resources Corp., an arm's length private British Columbia corporation, and 1305339 B.C. Ltd., a wholly-owned subsidiary of the Issuer, pursuant to which the Issuer acquired all of the issued and outstanding common shares of OWL by way of "three-cornered" amalgamation.

OWL Lake Resources Corp.

Incorporated in October of 2018, OWL is a private British Columbia mineral exploration corporation which owns 100% of the Owl Lake Property (the "Owl Lake Property") located on the Hemlo-Schreiber Greenstone Belt in the Thunder Bay South Mining Division in the Province of Ontario.

With the addition of the Owl Lake Property (as defined below), the Issuer has bolstered its mineral property portfolio by adding another quality and promising exploration asset. Following the Closing of the Transaction, the Issuer now has 5 mineral properties in its portfolio in B.C., Ontario and Mexico, including options to purchase 100% interests in the Cecilia Gold-Silver Project located in the State of Sonora, Mexico, and the promising Sunset property located in the Vancouver Mining Division near Pemberton, British Columbia, for which the Issuer has a current National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") technical report (the "*Sunset Technical Report*"). For more information on the Issuer's various exploration assets or the Sunset Technical Report, please see the Issuer's profile on SEDAR.

The Owl Lake Property

The Owl Lake Property is located in Northern Ontario, within the Thunder Bay South Mining Division and approximately 225 km east of Thunder Bay. The Owl Lake Property comprises 715 claims covering a total area of 15,158 ha, or 151.58 square km, and is one of the largest land positions covering the highly prospective Hemlo-Schreiber Greenstone Belt ("HSGB"). The southern boundary of the Owl Lake Property is located approximately 15 km north of Lake Superior and approximately 10 to 15 km north of the towns of Terrace Bay

and Schreiber. The Owl Lake Property is accessed by logging roads out of Terrace Bay and by various logging roads from north of the Owl Lake Property.

An alkalic intrusive complex divides the HSGB into eastern and western domains. Barrick Gold Inc.'s ("*Barrick Gold*") Hemlo Gold deposit, located in the eastern HSGB, has produced more than 20,000,000 oz Au and has resources of 3,100,000 oz measured and indicated and 1,000,000 oz inferred (Barrick Gold Annual Report 2019). Superior Lake Resources Inc.'s ("*Superior Lake*") Winston Lake property is a volcanogenic massive sulphide ("*VMS*") deposit located in the western HSGB approximately 8 km west of the Owl Lake Property. From 1988 to 1999, the Winston Lake property produced 2.68 Mt of ore at average grades of 12.05% Zn, 1.05% Cu, 31.37 g/t Ag, and 1.07 g/t Au (Mineral Deposit Inventory for Ontario: MDI42D14NW00015). During August 2019, Superior Lake announced a positive feasibility study for the Winston Lake property based on JORC compliant measured and indicated resources 2.35 Mt grading 17.7 % Zn, 0.6% Cu, 26.2 g/t Ag, and 0.2 g/t Au (see Superior Lake Resources: ASX Accountment August 28, 2019).

The Ontario Mineral Deposit Inventory ("*MDI*") database indicates 9 mineral occurrences on the Owl Lake Property. The occurrences are generally described as quartz veins hosted by mafic volcanic rocks, intercalated mafic volcanic and sedimentary rocks, and granodiorite. Commonly, porphyritic intrusive rocks are described as host rocks and cross cutting the host rocks. Sulphide minerals occurring at the showings are pyrite, molybdenite, chalcopyrite, pyrrhotite, and sphalerite. Assays are irregularly reported for the showings. There are no assays by the owners included for 6 of the 9 records in the MDI. However, grab samples have been taken by the Ministry of Northern Development and Mines Resident Geologist for 3 of the 6 showings. One of the MDI records, the Cowan Occurrence, includes description of a drill hole which returned 5.72 g/t Au over 1.52 m. Grades of 1 g/t Au are reported from 2 of the other showings.

The Ontario Drill Hole Database contains 17 historical holes drilled within the limits of the Owl Lake Property. Ten of these holes, drilled in 2 campaigns in 1958 and 1986, were drilled along the northern boundary to test a conductive horizon derived from an airborne survey and targeting base metal mineralization. Anomalous Cu and Zn assays are reported, and trace Au is reported in one instance. Three holes were drilled on the Cowan Occurrence where the MDI record indicates a historical intersection of 5.72 g/t Au over 1.52 m. All holes intersected significant pyrite and pyrrhotite mineralization and describe quartz veining however no assays are reported. Four holes were drilled on a Molybdenite occurrence in the south-central part of the property targeting molybdenum mineralization. Molybdenite was intersected, associated with quartz veins in granitic host rocks, however no assays were reported.

The western domain of the HSGB includes a number of mineral occurrences which include Au occurrences, occurrences of base metal mineralization, and other mineral occurrences. Advanced gold projects in the western domain include Ready Set Gold Corp.'s Northshore property.

Transaction Summary

Pursuant to the Agreement, the Issuer acquired all of the issued and outstanding OWL Shares by way of a "three-cornered" amalgamation whereby NewCo and OWL amalgamated

pursuant to the provisions of the *Business Corporations Act* (British Columbia) to form one corporation, which continued under the name “OWL Lake Mining Corp.”, a wholly owned subsidiary of the Issuer.

In consideration for the OWL Shares, the Issuer issued an aggregate of 13,714,269 common shares in the capital of the Issuer (each, a “Share”), representing one Share for every 3.5 OWL Shares issued and outstanding immediately prior to the closing of the Transaction, at a deemed price of \$0.13 per Share. Each Share issued in connection with the Transaction is subject to a contractual lock-up whereby the shareholder shall not offer, issue, pledge, sell such Share except in accordance with the following release schedule: 25% on the date of closing (the “Closing Date”); 25% on the date that is 3 months after the Closing Date; 25% on the date that is 6 months after the Closing Date; and 25% on the date that is 9 months after the Closing Date.

Following the closing of the Transaction, the Issuer had 65,184,210 Shares issued and outstanding.

The Issuer relied on Section 2.11 of National Instrument 45-106 – *Prospectus Exemptions* for an exemption from the prospectus requirements for the issuance of the Shares to the OWL Shareholders. Pursuant to the terms of a finder’s fee agreement dated June 14, 2021, an arm’s length finder (the “Finder”) was issued 935,713 Shares (collectively, the “Finder’s Shares”) at a deemed price of \$0.13 per Finder’s Share in connection with the Transaction. The Finder’s Shares are subject to a statutory hold period of four months and a day.

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

N/A

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.

N/A

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

N/A

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

N/A

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.

None

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

N/A

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

On June 7, 2021, 166,666 compensation shares were issued at a deemed price of \$0.09 per share pursuant to an advisory board consulting agreement.

On June 14, 2021, 14,649,982 Shares were issued at a deemed price of \$0.13 per Share pursuant to the Transaction described in Item 7 above.

On June 21, 2021, 80,000 compensation shares were issued at a deemed price of \$0.09375 per share pursuant to an independent consulting agreement.

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

None

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

None

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

There has been a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in which the Issuer operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Issuer's shares and its ability to raise new capital. These factors, amongst others, could have a significant impact on the Issuer's operations. As a result, there exists material uncertainty that casts significant doubt about the Issuer's ability to continue as a going concern.

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 July 5, 2021.

Morgan Good
Name of Director or Senior Officer

“Morgan Good”
Signature

CEO
Official Capacity

Issuer Details <i>Name of Issuer</i>	<i>For Month End</i>	<i>Date of Report</i> YY/MM/DD
Carlyle Commodities Corp.	June 2021	21/07/05
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