CAT STRATEGIC METALS CORPORATION

FORM 2A
ANNUAL LISTING STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2019

CAT Strategic Metals Corporation – October 20 2020

IMPORTANT INFORMATION ABOUT THIS LISTING STATEMENT

No person has been authorized to provide any information or to make any representation not contained in this Listing Statement, and, if provided or made, such information or representation should not be relied upon. You should assume that the information contained in this Listing Statement is accurate only as of the date of this Listing Statement. No securities are being offered pursuant to this Listing Statement.

Capitalized terms, except as otherwise defined herein, are defined in the section entitled "Glossary of Terms".

Except as otherwise indicated or the context otherwise requires in this Listing Statement, references to "the Company", "we", "us" and "our" refer to the Company.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Listing Statement includes statements that express our opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results, and therefore are, or may be deemed to be, "forward-looking statements". These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "seeks", "projects", "intends", "plans", "may", "will" or "should", or their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Listing Statement and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate. These statements reflect management's current beliefs with respect to future events and are based on information currently available to management. Forward-looking statements involve significant known and unknown risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, without limitation, those listed in the "Risk Factors" section of this Listing Statement. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this Listing Statement. Such risks include, but are not limited to:

- risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations;
- the possibility that future exploration, development or mining results will not be consistent with the Company's expectations;
- dependence on the Kamativi and Burntland Properties;
- exploration, development and production risks;
- volatility in the market prices for gold, other precious metals and other natural resources;
- lack of assurances regarding obtaining and renewing licenses and permits;
- liabilities inherent in exploration and development operations;
- title matters, surface rights and access rights;
- changes in economic conditions or regulatory environments;
- additional funding requirements;
- fluctuations in currency and interest rates;
- competition for, among other things, capital acquisitions of resources, undeveloped lands and skilled personnel;
- risks relating to global financial and economic conditions;
- alteration of tax regimes and treatments;
- changes in mining legislation affecting operations;
- risks relating to environmental regulation and liabilities;
- limited operating history;
- potential claims and legal proceedings;
- operating hazards, risks and insurance; and

- other factors discussed under "*Risk Factors*".

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Those factors should not be construed as exhaustive and should be read with the other cautionary statements in this Listing Statement.

These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Although we base our forward-looking statements on assumptions that we believe were reasonable when made, which include, but are not limited to, assumptions with respect to the Company's future growth potential, results of operations, future prospects and opportunities, execution of the Company's business strategy, access to adequate services and supplies, access to capital and debt markets and associated costs of funds, availability of a qualified workforce, there being no material variations in the current tax and regulatory environments, future levels of indebtedness and current economic conditions remaining unchanged, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this Listing Statement. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Listing Statement, those results or developments may not be indicative of results or developments in subsequent periods. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this Listing Statement. Investors are cautioned against placing undue reliance on forward-looking statements.

Any forward-looking statements which we make in this Listing Statement speak only as of the date of such statement, and we do not undertake, except as required by applicable law, any obligation to update such statements or to publicly announce the results of any revisions to any such statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data. All of the forward-looking statements made in this Listing Statement are qualified by these cautionary statements.

TABLE OF CONTENTS

1. GLOSSARY OF TERMS 7

2. CORPORATE STRUCTURE 9

2.1 Corporate Name and Address 9

2.2 Jurisdiction of Incorporation 9

2.3 Intercorporate Relationship 9

2.4 Fundamental Change 9

2.5 Non-Corporate Issuers and Issuers incorporated outside of Canada 9

3. GENERAL DEVELOPMENT OF THE BUSINESS 9

3.1 Business of the Company 9

3.2 Trends, Commitments, Events or Uncertainties 14

4. NARRATIVE DESCRIPTION OF THE BUSINESS 15

4.1 Description of the Business 15

4.2 Asset-Backed Securities 17

4.3 Issuers with mineral project 17

***Sampling Results* 26**

5. SELECTED FINANCIAL INFORMATION 49

5.1 Annual Information 49

5.2 Quarterly Information 49

5.3 Dividends 50

5.4 Foreign GAAP 50

6. MANAGEMENT AND DISCUSSION ANALYSIS 50

7. MARKET FOR SECURITIES 50

8. CONSOLIDATED CAPITALIZATION 50

9. OPTIONS TO PURCHASE SECURITIES 51

10. DESCRIPTION OF THE SECURITIES 52

10.1 General 52

10.2 Debt Securities 52

10.3 Other Securities 52

10.4 Modification of terms 52

10.5 Other Attributes 53

10.6 Prior Sales 53

10.7 Trading Price and Volume 53

11. ESCROWED SECURITIES 54

12. PRINCIPAL SHAREHOLDERS 54

13. DIRECTORS AND EXECUTIVE OFFICERS 54

13.1 Name, Occupation and Security Holdings 54

13.2 Cease Trade Orders or Bankruptcies 55

13.3 Penalties or Sanctions 56

13.4 Personal Bankruptcies 56

13.5 Conflicts of Interest 56

13.6 Background – Directors and Executive Officers 56

14. CAPITALIZATION 57

14.1 Issued Capital 58

14.2 Convertible or Exchangeable Securities 60

15. EXECUTIVE COMPENSATION 61

15.1 COMPENSATION DISCUSSION AND ANALYSIS 61

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS 61

17. RISK FACTORS 61

17.1 Risk related to the operations of the Company 61

17.2 Additional Securityholder Risk 69

18. PROMOTERS 69

19. LEGAL PROCEEDINGS 69

19.1 Legal Proceedings 69

20. INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS 70

21. AUDITORS, TRANSFER AGENT AND REGISTRAR 70

21.1 Auditors 70

21.2 Transfer Agent and Registrar 70

22. MATERIAL CONTRACTS 70

23. EXPERTS 70

23.1 Names of Experts 70

23.2 Interests of Experts 71

24. OTHER MATERIAL FACTS 71

25. FINANCIAL STATEMENT 71

SCHEDULES 72

1. GLOSSARY OF TERMS

In this Listing Statement, the following terms have the meanings set forth below, unless otherwise indicated. Words importing the singular include the plural and vice versa and words importing any gender include all genders.

"**$**" means Canadian dollars, unless otherwise noted.

"**Audit Committee**" means the Audit Committee of the Company.

"**BAM Property**" means a mineral property acquired by the Company on December 1st, 2017 and comprised of 1052 hectares located in the Pacific Golden Triangle mining district approximately 80 Km south of Telegraph Creek in the Liard mining division of northwest British Columbia, Canada.

"**BCA**" means the *Business Corporations Act (British Columbia).*

"**Board**" means the board of directors of the Company.

"**Burntland Property**" means a mineral property acquired by the Company on September 10, 2020 and comprised of three (3) mining claims and is comprised of approximately 1,200 hectars located around 60 km Northeast of Saint-Quentin, in the county of Restigouche, in the province of New-Brunswick, Canada. "**CEO**" means chief executive officer.

"**CFO**" means chief financial officer.

"**Company**" or "**CAT**" means CAT Strategic Metals Corporation.

"**Company's Financial Statements**" means the audited financial statements of the Company for the year ended December 31, 2018 and the unaudited condensed interim consolidated financial statements for the nine months period ended September 30, 2019, attached to this Listing Statement as Appendix 1.

"**Exchange**" or "**CSE**" means the Canadian Securities Exchange.

"**Kamativi Property**" means a lithium bearing tailings dump deposit associated with the disused Kamativi tin mine, located outside the village of Kamativi in the Matabeleland North Province of Zimbabwe, approximately 185 kilometres eastsouth-east of Victoria Falls, approximately 84 km by tar road east of Hwange and approximately 310 km northwest of Bulawayo.

"**Technical Report**" means the technical report titled "Zimbabwe Lithium Company, Kamativi Lithium Tailings Project, Matabeleland North Province, Zimbabwe, NI 43-101 Technical Report" prepared in accordance with the requirements of NI 43-101 by The MSA Group (Pty) Ltd for Zimbabwe Lithium Company (Mauritis) on November 5, 2018.

"**MD&A**" means management's discussion and analysis.

"**NEO**" or "**Named Executive Officer**" means each of the following individuals:

(a) the Company's CEO;

(b) the Company's CFO;

(c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 *Statement of Executive Compensation*, for that financial year; and

(d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at that financial year.

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements*, of the Canadian Securities Administrators.

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, of the Canadian Securities Administrators.

"**NI 45-106**" means National Instrument 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*, of the Canadian Securities Administrators.

"NP 46-201" means National Policy 46-201 – *Escrow for Initial Public Offerings*, of the Canadian Securities Administrators.

"**Principals**" means:

(a) a person of the Company who acted as a promoter of the Company within two years before the date of this Listing Statement;

(b) a director or senior officer of the Company or any of its material operating subsidiaries at the time of this Listing Statement;

(c) a person or company that holds securities carrying more than 20% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Listing; or

(d) a person or company that: (i) holds securities carrying more than 10% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Listing; and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company or any of its material operating subsidiaries.

"**Principal Regulator**" means the *British Columbia Securities Commission*.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval (www.sedar.com).

"**Shares**" means the common shares of the Company, having no par value.

"**Stock Option Plan**" means the Company's stock option plan providing for the granting of stock options to the Company's directors, officers, employees, consultants, and advisors.

"**Target**" means Zimbabwe Lithium Company (Mauritius) Limited, a privately held company incorporated under the laws of Mauritius.

"**Technical Reports**" means the Kamativi Technical Report and the Troilus North Technical Report.

"**Transfer Agent**" means the Company's transfer agent and registrar Odyssey Trust Company Inc. at its office at 323-409 Granville Street, Vancouver, BC V6C 1T2;

"**Troilus North Property**" means the 139 contiguous claims totalling 7,502.6 hectares located 160 km north of the town of Chibougamau in the province of Quebec. as more particularly described in the Technical Report, the majority of which is reproduced in and forms part of this Listing Statement, a complete copy of

which is available on SEDAR, together with the surface rights, mineral rights, personal property and permits associated therewith.

2. CORPORATE STRUCTURE

2.1 Corporate Name and Address

The full corporate name of the company is CAT Strategic Metals Corporation (the "**Company**") and has a registered and head office located at 1015 – 789 West Pender Street, Suite 1015, Vancouver, BC V6C 1H2.

2.2 Jurisdiction of Incorporation

The Company was incorporated under the Business Corporations Act (British Columbia) on November 16, 2010 as Maxtech Resources Inc. The Company changed its name to Chimata Gold Corp. on February 10, 2011 and to CAT Strategic Metals Corporation on February 14, 2019.

The Company is listed on the Canadian Stock Exchange under the symbol "CAT" since June 11, 2018 and was previously listed on the TSX Venture Exchange. The Company's common shares also began trading on the Frankfurt Exchange under the symbol "8CH" commencing July 29, 2014. The Company's current principal activity is the acquisition and exploration of mineral properties in Canada.

2.3 Intercorporate Relationship

As of the date hereof, the Company does not have any subsidiaries.

2.4 Fundamental Change

This section is not applicable to the Company.

2.5 Non-Corporate Issuers and Issuers incorporated outside of Canada

This section is not applicable to the Company.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 Business of the Company

The Company is engaged in the acquisition, exploration and development of mineral properties. Its current focus is to conduct the proposed exploration program on the Kamativi Property and the Burntland Property as more particularly set out below and in the Kamativi Technical Report, along with continuing to identify and potentially acquire additional property interests and conduct exploration and evaluation to assess their potential. See "*Narrative Description of the Business*".

Troilus North Property

On October 12, 2017 the Company acquired a 100% interest in the Troilus North Property. The property is made up of 139 contiguous claims totaling 7,502.6 hectares located 160 km north of the town of Chibougamau in the province of Quebec. The total purchase price is two hundred and fifty thousand dollars ($250,000) with an initial payment of $25,000 due to the Vendor upon closing, $25,000 due within ninety (90) days following signing of the Agreement, $50,000 due on or before September 30, 2018, $50,000 due on or before March 31, 2019, $50,000 due on or before September 30, 2019, and $50,000 due on or before March 31, 2020. In addition, the Company has granted a 1.5% Net Smelter Royalty to the Vendor; 0.5% of which can be repurchased by the Company for $500,000.

On May 14, 2018, the Company concluded the acquisition of a 100% interest in the Troilus North Property.

On June 27, 2018, the Company and Emgold Mining Corporation ("**Emgold**") entered into a definitive option, earn-in, and joint venture agreement giving Emgold the right to acquire up to a 100% interest in the Troilus North Property), giving an exclusive right and first option to Emgold to acquire a 80% interest in the Troilus North Property over a two year period for consideration (i) of 2,000,000 shares of Emgold issued to the Company on June 27, 2018, (ii) 1,000,000 shares of Emgold to be issued to the Company at the first anniversary date, and (iii) 1,000,000 shares of Emgold to be issued to the Company at the second anniversary date, and completion of C$300,000 in exploration expenditures to be incurred within two years of closing of the Troilus North Transaction (the "**First Option**"). Upon completing the First Option, Emgold would have a further option (the "**Second Option**") to acquire an additional 20% interest (total 100% interest) in the Troilus North Property by issuing the Company a further 1.0 million shares. The Company would retain a 1% Net Smelter Royalty for Troilus North, half of which (i.e. 0.5%) could be purchased by Emgold at any time for C$500,000.

On November 15, 2018 the Company announced that since optioning the Troilus North Property, Emgold had completed the C$300,000 requirement in exploration expenditures on the Troilus North Property and had elected to move forward with acquisition of 100% ownership of the Property by accelerating the exercise of the First Option and Second Option together. As such, Emgold closed the 100% acquisition of the Troilus North Property by completing the remaining requirements of the Agreement, which required Emgold to issue 4.0 million additional common shares, make a cash payment of $200,000 and grant a 1.0% NSR on the Property to the Company. As at September 30, 2018, Emgold advanced a total of $185,500 payment out of the $200,000 cash payment requirement to the Company. Following closing of the transaction, the Company held six million common shares of Emgold out of 30,968,805 common shares issued and outstanding, representing 19.4% of Emgold's issued and outstanding share capital. The transaction described between the Company and Emgold was not a non-arm's length transaction as the Company's Chief Financial Officer is also acting as director of Emgold.

On February 7, 2019, the Company announced that it had completed the sale of 2,000,000 common shares of Emgold for total proceeds of $100,205.

On March 6, 2019, the company concluded a private transaction whereby it has sold its remaining 4,000,000 common shares of Emgold at a price of $0.06 per common share for a total consideration of $240,000.

On December 9, 2019, the Company executed an assignment and assumption agreement with Emgold whereby the Company assigned the royalty agreement for the net smelter return interest in and to the production of minerals from the Troilus North Property to Emgold in consideration of a cash payment of $75,000.

On April 29, 2020, the Company concluded the sale of a 1.0% NSR on the Troilus North Property to Emgold Mining Corporation, a Non-Arm's Length Party to the Company, for a cash payment of C$75,000 pursuant to an assignment and assumption agreement dated December 9, 2019 between the Company and Emgold.

BAM Property

On December 1, 2017 the Company entered into an agreement with Bearclaw Capital Corp ("**Bearclaw**") to acquire a 100% interest in the Bam Property. The property is comprised of 1052 hectares located in the Pacific Golden Triangle mining district approximately 80 Km south of Telegraph Creek in the Liard mining division of northwest British Columbia, Canada.

Under the terms of the purchase agreement, the Company will pay $60,000 cash and issue 600,000 common shares to Bearclaw. The initial $15,000 cash payment was provided to Bearclaw and six hundred thousand common shares issued to Bearclaw on November 16, 2017 with a fair value of $54,000 based on closing share price at $0.09/share. The claims comprising the mineral property have been transferred to the Company. The balance of the cash payments will be provided in three equal installments of $15,000 over a twelve-

month period. Bearclaw will retain a 2% Net Smelter Royalty on the property, of which 1% may be purchased by the Company for $1,000,000 at any time. As of the date of this Listing Statement, the Company has paid the $60,000 cash payment owed to Bearclaw under the terms of the BAM Property purchase agreement.

During the year-ended December 31, 2019, the Company let its claims for the BAM Property Lapse.

Kamativi Property

On February 14, 2018, the Company entered into a binding letter of intent (as amended by an amending agreement to the letter of intent on May 30, 2018) with Zimbabwe Lithium Company (Mauritius) Limited ("**Zimbabwe Lithium**", or "**ZIM**"), a privately held company incorporated under the laws of Mauritius, to confirm the Company's intention to proceed with a proposed reverse take-over (the "**Transaction**") or similar type of transaction between the Company and ZIM which has the right to develop mining properties located in Zimbabwe whereby upon successful reaching of the milestone defined by the LOI, ZIM would ultimately become a wholly owned subsidiary of the Company.

The Kamativi project is a joint venture between the Zimbabwe Mining Development Corporation, owners of Kamativi Tin Mines, which holds 40 % of the Project, and Jimbata (Pvt) Ltd, which holds 60 %. ZIM is a 100 % equity owner of Jimbata.

Pursuant to the terms of the LOI, the Transaction is defined into two distinctive phases.

First Phase:

(a) ZIM and the Company agreed, (i) the issuance by the Company of a certain amount of common shares of the share capital of the Company, and their allocation to ZIM, resulting in ZIM shareholders holding 19% of the then issued and outstanding share capital of the Company (the "**Initial Shareholding**"), (ii) a lock-up until the conclusion of the definitive agreements relating to the Transaction, (iii) the advance of an amount of five hundred thousand US dollars (US$500,000) by the Company to ZIM allowing ZIM to cover project expenditures along with the completion of a NI 43-101 compliant resource estimate of the Properties (the "**Estimate**"), the results of which would condition the entering into the second phase of the Transaction (the "**Second Phase**"), as described below, and (iv) concurrently, ZIM would issue shares representing 19% of its issued and outstanding share capital, such shares to be held in escrow ; and

(b) The Company also committed to complete a non-brokered private placement up to a maximum of two million Canadian dollars (CAD$2,000,000) and to a minimum of one million and eight hundred Canadian dollars (CAD$1,800,000) (the "**Concurrent Financing**") by the issuance of units of the Company, comprised of one common share and one common share purchase warrant, in accordance with the applicable securities laws and exchange policies.

Second Phase :

(a) The entering into the Second Phase of the contemplated Transaction was subject to the Estimate revealing that the resource contains a minimum of eleven Million One Hundred and Eleven Thousand (11 111 000) cubic meters of tailings material at minimum 0.60 percent Lithia (Li_2O with the majority of the mineralisation consisting of Spodumene) (the "**Threshold Percentage**"), said Threshold Percentage being itself subject to an independent valuation produced by a Qualified Person, as this term is defined in NI 43-101, support of the proposed Transaction;

(b) Should the Estimate reveal that the Threshold Percentage was reached, ZIM shareholders would be entitled to receive an additional share allocation of 51% or whatever amount necessary of current issued and outstanding share capital of the Company, necessary to bring their shareholding in the Company to a total of 70% on a fully diluted basis (the "**Resulting Shareholding**"), such Resulting Shareholding being calculated after completion of the Concurrent Financing. Furthermore, should the Estimate reveal a lithia percentage lower or higher than the Threshold Percentage by more than a 20% variance, the

Parties agreed to adjust downward or upward the Resulting Shareholding, proportionally to the Estimate (the "**Alternative Shareholding**"). Finally, the Company agreed to grant the shareholders of ZIM an overall 3% Net Smelter Royalty (NSR) for the tailings project on the percentage of share of beneficiated lithium materials attributable to the Company or its subsidiaries in Zimbabwe;

(c) The Parties agreed that following the issuance of the remaining 51% of the shares as set out above, the board of directors of the Company would be reappointed in order to be comprised of seven (7) directors, four (4) out of seven (7) directors representing the operating team of ZIM and the remaining three (3) directors being nominees of the Company team;

It was further agreed that if the Company failed to fund portions of each tranche of the Concurrent Financing, ZIM would have the right to increase its contemplated 70% shareholding in the Company on a fully diluted basis by an amount of 1% for every CAD$200,000 shortfall of the Concurrent Financing up to a shareholding of 80% in the Company on a fully diluted basis.

Upon the entering into the Second Phase of the contemplated Transaction, the Company shares to be issued to ZIM Shareholders for the Second Phase would be calculated and disbursed. Concurrently, the ZIM Shareholders would cause ZIM to issue the remaining 81% of ZIM's Share Capital to the Company giving the Company 100% equity shareholding of ZIM and resulting in ZIM being a wholly owned subsidiary of the Company.

On October 17th, 2018, the Parties entered into a Share Exchange Agreement (the "**Definitive Agreement**") to confirm the terms of the letter of intent as amended.

On June 28, 2019, ZIM terminated the proposed reverse take-over transaction pursuant to the share exchange agreement dated October 17, 2018 entered into between ZIM and the Company. As of the date of this Listing Statement, the Company holds 932 ZIM shares, representing an aggregate of 18.72% of the current issued and outstanding share capital of ZIM.

For a full description of the Kamativi Property please see "*Description of the Business*" wherein the majority of the Kamativi Technical Report is reproduced.

Burntland Property

On September 10, 2020, the Company entered into an option agreement pursuant to arm's length negotiation with the vendors whereby the Company was granted the exclusive right to acquire up to 100% undivided ownership in the Burntland mineral property located in the county of Restigouche, New-Brunswick, Canada. As part of the option agreement, the Company has agreed to issue 25,000,000 common shares to the Vendors and incur exploration and development expenditures on the Burntland property so as to maintain the mining claims in good standing. Furthermore, the Company will also make payments totaling $1,000,000 to the vendors and the Company may pay up to half of these payments, at its sole discretion, by issuing common shares based on the VWAP of the Company's shares over the previous 20 trading day period.

Additionally, the Company will also grant a Net Smelter Return Royalty equal to 2.0% to the property's vendors resulting from the extraction and production of any mineral products on the Burntland Property.

Corporate Changes and Financings

On May 31, 2017 the Company completed a 1 to 5 reverse stock-split where each shareholder would receive on-post consolidation share for every five pre-consolidation shares. The financial statements have been updated retrospectively to reflect the reverse stock-split.

During the period ended September 30, 2017 the company completed a non-brokered private placement for 15,851,636 units for gross proceeds of $871,840. Each unit consisted of one common share and one common

share purchase warrant, with each share purchase warrant exercisable into one common share at $0.075 per warrant for a period of 36 months.

In connection with the private placement, the Company paid cash finder's fees of $20,743 and issued 377,160 finders warrants with an exercise price of $0.075 with a 36 month life, and a grant date fair value of $16,856. The grant date fair value of the finder's warrants was determined using a black scholes option pricing model with the following assumption: life 3 years; volatility 211%; dividend yield 0%; and risk free rate 1.65%.

On December 1, 2017, the Company completed a non-brokered private placement for 5,591,500 units for gross proceeds of $559,150. Each unit consisted of one common share and one common share purchase warrant, with each common share purchase warrant exercisable into one common share at $0.15 per warrant for a period of 36 months.

On December 21, 2017, the Company completed a non-brokered private placement for 1,416,000 units for gross proceeds of $212,400. Each unit consisted of one common share being issued as a "flow through" share as defined in subsection 66(15) of the *Income Tax (Canada)* and subsection 359.1 of the *Taxation Act (Quebec)* and one common share purchase warrant, with each common share purchase warrant exercisable into one common share at $0.15 per warrant for a period of 36 months.

On February 14, 2018, the Company initiated a non-brokered private placement of up to $2,000,000 Canadian dollars by the issuance of units of the Company at a price of $0.15 per Unit, each Unit being comprised of one common share in the share capital of the Company and one half common share purchase warrants, each full warrant entitling its holder to purchase one common share in the share capital of the Company at a price of $0.25 per common share for a period of 12 months.

On March 23, 2018, the Company closed a tranche and issued common shares of a non-brokered private placement for 1,303,334 shares for gross proceeds of $195,000 pursuant to the private placement offering of up to $2,000,000 announced on February 14, 2018.

As of June 11, 2018, the common shares of the Company were accepted for trading on the Canadian Securities Exchange.

On October 31, 2018, the Company issued 2,000,000 units of the Company for consulting fees rendered with a value of $200,000. Each unit consists of one common share and one warrant. Each warrant shall entitle the holder thereof to acquire one additional common share at a price of $0.20 per common share for a period of 24 months from the date of issuance. These shares were cancelled and returned to treasury subsequent during the year-ended December 31, 2019 as a result of the cancellation of the consulting agreement.

On October 31, 2018, the company issued 9,185,040 common shares for the acquisition of 19% of the outstanding common shares of ZIM. However, ZIM and the Company terminated the second phase of the contemplated transaction under the share exchange agreement dated October 17, 2018 as at June 28, 2019. The common shares of ZIM issued pursuant to phase 1 remain outstanding notwithstanding the termination and the Company remains the owner of 932 ZIM shares representing an aggregate of 18.72% of the current issued and outstanding share capital of ZIM as of the date hereof.

During the year December 31, 2018, the Company issued 4,145,000 common shares for the exercise of warrants for proceeds of $310,875.

On February 6, 2019, the Company issued 500,000 units of the Company for proceeds of $25,000. Each unit consists of one common shares and one-half share purchase warrant. Each whole warrant is exercisable at $0.10 per share for a period for 18 months.

On February 6, 2019, the Company issued 2,000,000 units of the Company for settlement of debt of $100,000. Each unit consists of one common shares and one-half share purchase warrant. Each whole warrant is exercisable at $0.10 per share for a period for 18 months.

On February 6, 2019, the Company issued 1,000,000 units of the Company for $0.05 per unit at a value of $50,000. Each unit consists of one common shares and one-half share purchase warrant. Each whole warrant is exercisable at $0.10 per share for a period for 18 months. These shares were subsequently cancelled due to no funds being received.

On February 14, 2019, the Company changed its name to CAT Strategic Metals Corporation.

On February 19, 2019, the Company announced the closing of a first tranche of a private placement for gross proceeds of $175,000 by the issuance of 3,500,000 units of the Company (each a "**Unit**"), each Unit being comprised of one common share of the Company and one half of one common share purchase warrant (each a "**Warrant**"), each whole Warrant entitling its holder to purchase an additional common share at a price of $0.10 per common share for a period of 18 months from the date of issuance.

On May 6 2019, a Failure-to-File Cease Trade Order ("**CTO**") was issued by the British Columbia Securities Commission as the principal regulator against the securities of the Company as a result of the Company's failure to file its required filings within the prescribed time limit under applicable securities legislation.

On May 1, 2020, the securities regulators in the provinces of British Columbia and Ontario issued a full revocation following the Company's application to obtain a full revocation of the CTO. The shares of the Company resumed trading on the CSE on May 6, 2020.

On August 4, 2020 the Annual General Meeting of Shareholders of the Company was held whereby the shareholders approved the election of Robert Rosner, Steven Cozine, Luis Martins, and Diane Mann to the Board of Directors, the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as the Company's auditors, and ratified the Company's 10% rolling stock option plan for the ensuing year.

On August 24, 2020, the Company announced the closing of a non-brokered private placement and the issuance of 25,000,000 Units at a price of $0.02 per Unit, each Unit being comprised of one common share in the capital of the Company and one common share purchase warrant entitling its holder to purchase an additional common share at a price of $0,05 per common share for a period of 36 months. Various finder's fees have been paid by the issuance of 224,000 shares and the payment of $1,280 in cash.

On September 21, 2020, the Company issued a further 25,000,000 common shares to the Vendors pursuant to the terms and conditions of the option agreement dated September 10, 2020 with respect to the acquisition of up to 100% undivided ownership in the Burntland mineral property located in the county of Restigouche, New-Brunswick, Canada

3.2 Trends, Commitments, Events or Uncertainties

The Company is in the business of acquiring and exploring mineral properties, a business with numerous inherent risks and uncertainties common to other junior mineral exploration companies. Management has identified the following potentially significant inherent risks and uncertainties specific to its operations and plans in the coming years.

The Company and its mineral exploration program are at an early stage and the Company has no source of revenues. The Company relies upon the placement of equity and the exercise of share purchase warrants for its financing. Whilst it has been successful at raising equity in the past, there can be no assurance that it will be able to do so in the future and its efforts to do so will be impacted from time to time by commodity prices and the state of the financial markets.

There can be no assurance that the activities of the Company will result in the discovery of a mineral deposit or that any such discovery will be of sufficient size and grade to warrant production. Each of the mineral claims and exploration permits which the Company holds or has a right to acquire an interest in is in the exploration stage only and without a known body of commercial ore. After discovery of mineralization, significant stages of exploration and assessment are required before economic viability can be determined,

and development is dependent upon success at every stage. Very few precious or base metal properties that are explored are ultimately developed into production.

Mineral resource exploration activities involve risks which even a combination of experience, knowledge and prudence may not be able to overcome. The activities in which the Company is directly or indirectly involved will be subject to the hazards normally incidental to exploration activities which could result in injury and damage to life and property, possible adverse environmental impacts and possible legal liability for some or all of such injury, damage or impact. The Company could be exposed to significant defence costs and ultimate financial liability.

The Company is highly dependent on its key executive officers, the loss of any of which could have an adverse effect on the Company. Additionally, resource exploration activity worldwide can result in shortages of experienced technical field personnel. The inability of the Company to secure such personnel when required or at affordable prices could have an adverse effect on the Company's performance.

The Covid-19 pandemic has created a slowdown in the global economy and uncertainty in the global financial markets which is expected to continue for the next twelve months or longer. This may adversely impact the Company's equity financing capability in turn slowing down or stopping altogether the Company's exploration activity. Travel restrictions imposed as COVID-19 pandemic remediation measures will restrict access by key management and exploration personnel to exploration sites until travel restrictions are lifted.

Management is not aware of any other trend, commitment, event or uncertainty that might reasonably be expected to have a material effect on the Company's business, financial condition or results of operations.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 Description of the Business

General

The principal business carried on and intended to be carried on by the Company is the acquisition, exploration and development of mineral properties. The principal business intended to be carried on by the Company will consist of the exploration and development of the Kamativi Property located in Zimbabwe and the Burntland Property located in the province of New-Brunswick, Canada.

Business Objectives

Over the next 12-month, the Company intends on expending its working capital and net proceeds raised from its completed financings (see "*General Development of the Business – Financing*") to pay the balance of the estimated costs to carry out exploration work on the Kamativi Property and the Burntland Property,to fulfil its obligations under the Burntland Property option agreement dated September 10,2020, to pay for administrative costs and for general working capital purposes.

The Company may decide to acquire other mineral properties in addition to the Kamativi Property and the Burntland Property.

Significant Milestones

During the period ended December 31, 2019 the Company completed the First phase of the contemplated Transaction with ZIM. The entering into the Second Phase of the Transaction was subject to certain conditions which failed to materialize and the proposed reverse take-over pursuant to a share exchange agreement between the Company and ZIM was terminated on June 28, 2019.

In view of the foregoing, the principal milestones that must occur during the next 12-month period for the business objectives described above to be accomplished with respect to the Burntland Property are as follows:

Objective/Use	Milestone	Anticipated Cost	Estimated completion
Burntland Exploration	Phase 1 Drilling Program	$250,000	March 31, 2021
Burntland Exploration	Phase 1 Drone Survey	$100,000	March 31, 2021
Burntland Exploration	Phase 1 Technical Report	$30,000	May 31, 2021
Burntland Exploration	Phase 2 Drilling Program	$800.000	September 30, 2021
Burntland Option Agreement	1st Annual Option Payment	$250,000	September 9, 2021

Funds Available and Use of Funds

As at September 30, 2020, the Company had working capital of approximately $125,000. The Company estimates that it will allocate $45,000 for account payables; $25,000 for office, administration and management fees; $25,000 for professional fees (accounting and legal); and $30,000 for business development, property due diligence and acquisition.

The Company intends to fund its business using the proceeds from prior private placement financings (hereinafter described) but additional equity financing will be required to complete the above stated objectives in connection with the contemplated exploration program on the Burntland Property.

The Company intends to spend the funds available to it as stated in this Listing Statement. However, there may be circumstances where, for sound business reasons, a reallocation of the funds may be necessary. The amounts set forth above may increase if we are required to carry out due diligence investigations in regards to any prospective investment or business opportunity or if the costs of the Listing Statement or Listing, or negotiating an applicable transaction, are greater than anticipated.

Principal Products or Services

As described herein, the Company is currently focusing on explorations of its mineral properties and currently has no production or sales. If the Burntland Property comes into production, the Company's principal product is expected to be copper, silver & gold. There is a global market for copper, silver & gold could be sold and the Company will not be dependent on a particular purchaser with regard to the sale of any mineral product produced.

Production and Sales

As described herein, the Company is currently focusing on explorations of its mineral properties and current as no production or sales of mineral products.

Production and Sales

As described herein, the Company is currently focusing on explorations of its mineral properties and current as no production or sales of mineral products.

Competitive Conditions

Significant and increasing competition exists in the mining industry both domestically and internationally. There are large, established mining companies with substantial capabilities and greater access to financial and technical resources than the Company. The mineral exploration also involves many companies competing for a limited number of precious and base metals acquisition opportunities. Competition also exists for the recruitment of qualified personnel and equipment.

The Company may be unable to realize any value associated with its mineral properties and may be unable to acquire additional mining properties on terms it considers acceptable. There can be no assurances that the Company's activities will yield commercially viable results.

Lending and Investment Policies and Restrictions

This section is not applicable to the Company.

Bankruptcy and Receivership

The Company, or any of its subsidiary from time to time, has not been the subject of any bankruptcy, receivership or similar proceedings within the three most recently completed financial years.

Material Restructuring Transaction

Other than as disclosed herein with respect to the proposed reverse take-over with ZIM and the Kamativi Property, the Company has not been subject to any other material restructuring transaction within the three most recently completed financial years.

Social or Environmental Policies

The Company has not implemented any formal social or environmental policies. The Company intends to comply with all environmental laws and regulations applicable to its mineral operations and development activities.

4.2 Asset-Backed Securities

The Company does not have any asset-backed securities.

4.3 Issuers with mineral project

The Kamativi Property - Current Technical Report

The following represents information summarized from the Technical Report on the Kamativi Property by The MSA Group (Pty) Ltd, Henley House, Greenacres Office Park, Cnr Rustenburg and Victory Roads, Victory Park, Gauteng, South Africa, 2196, prepared by Michael Cronwright, Ipelo Gasela and John Derbyshire (the "**Authors**"), who are Qualified Persons (as defined in NI 43-101) dated November 5th, 2018, prepared in accordance with the requirements of NI 43-101. All Figures and Tables from the Technical Report are reproduced in and form part of this Listing Statement; a complete copy of the Technical Report is available for review, in color, on SEDAR at the following website: www.sedar.com.

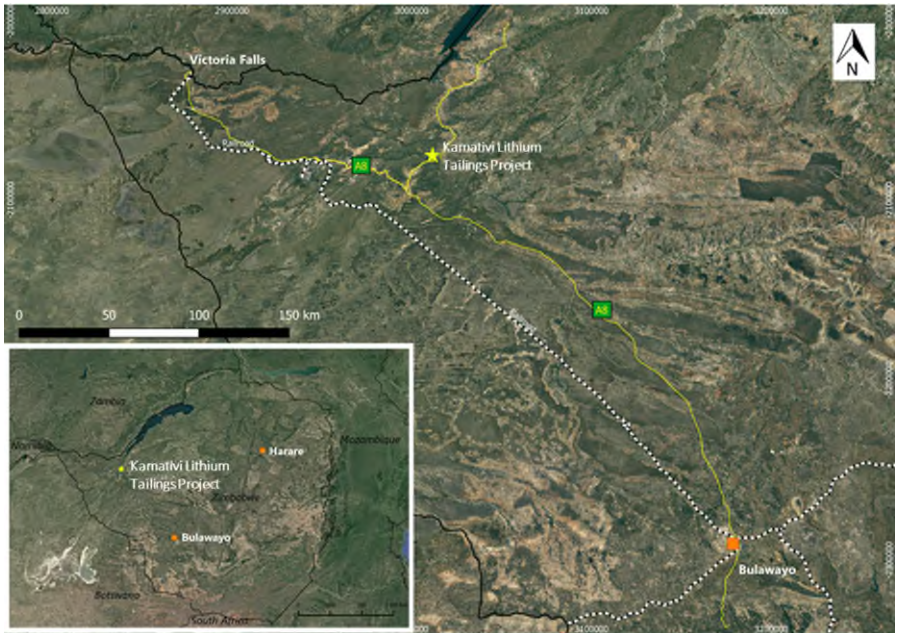
1) Property Description and Location

Location

The Kamativi Lithium Tailings Project (the "**Project**") is located outside the village of Kamativi in Matabeleland North Province, Zimbabwe. The Project, which is identified as a tailings deposit associated with the disused Kamativi tin mine, is located approximately 185 kilometres eastsouth-east of Victoria Falls,

approximately 84 km by all-weather tar road east of Hwange and approximately 310 km northwest of Bulawayo. The Project is situated within the Kamativi Tin Mining Lease No. 12. Access to the mine from Bulawayo is along the A8, tarred Bulawayo/Victoria Falls highway up to the 270 km peg, from which a north bound tarred road is followed for 29 km to the mine. The Project location is shown in Figure 4-1.

Figure 4-1
Map showing the location of the Property within Zimbabwe

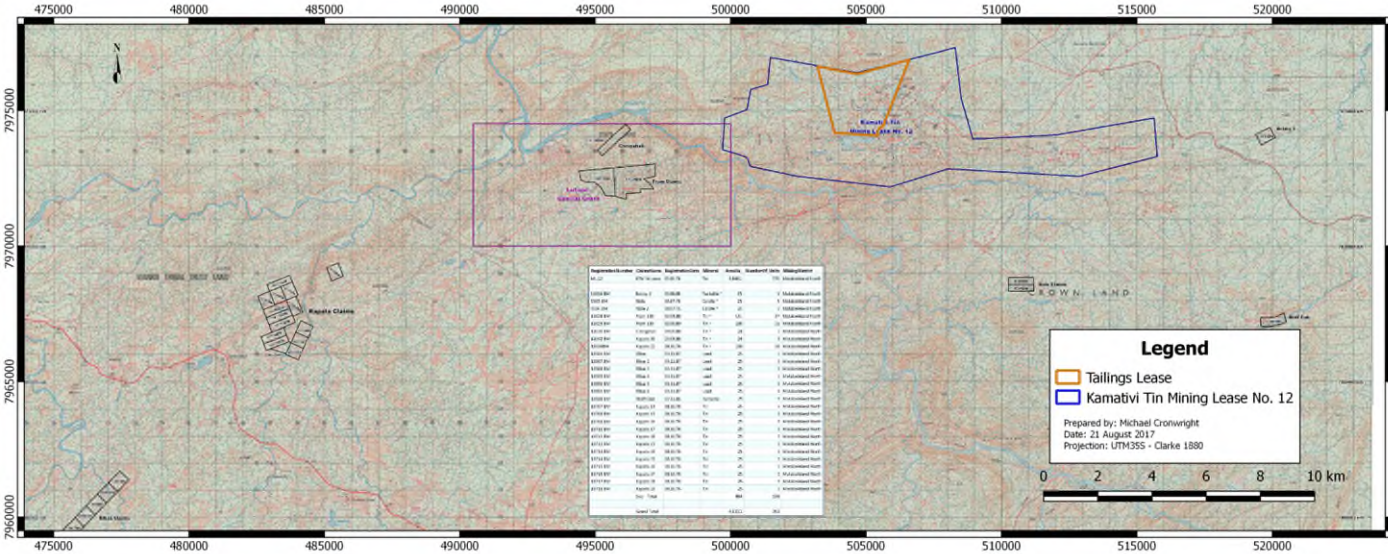


Note: *Background map sourced from Google Earth (2017)*

Mineral Tenure, Permitting, Rights and Agreements

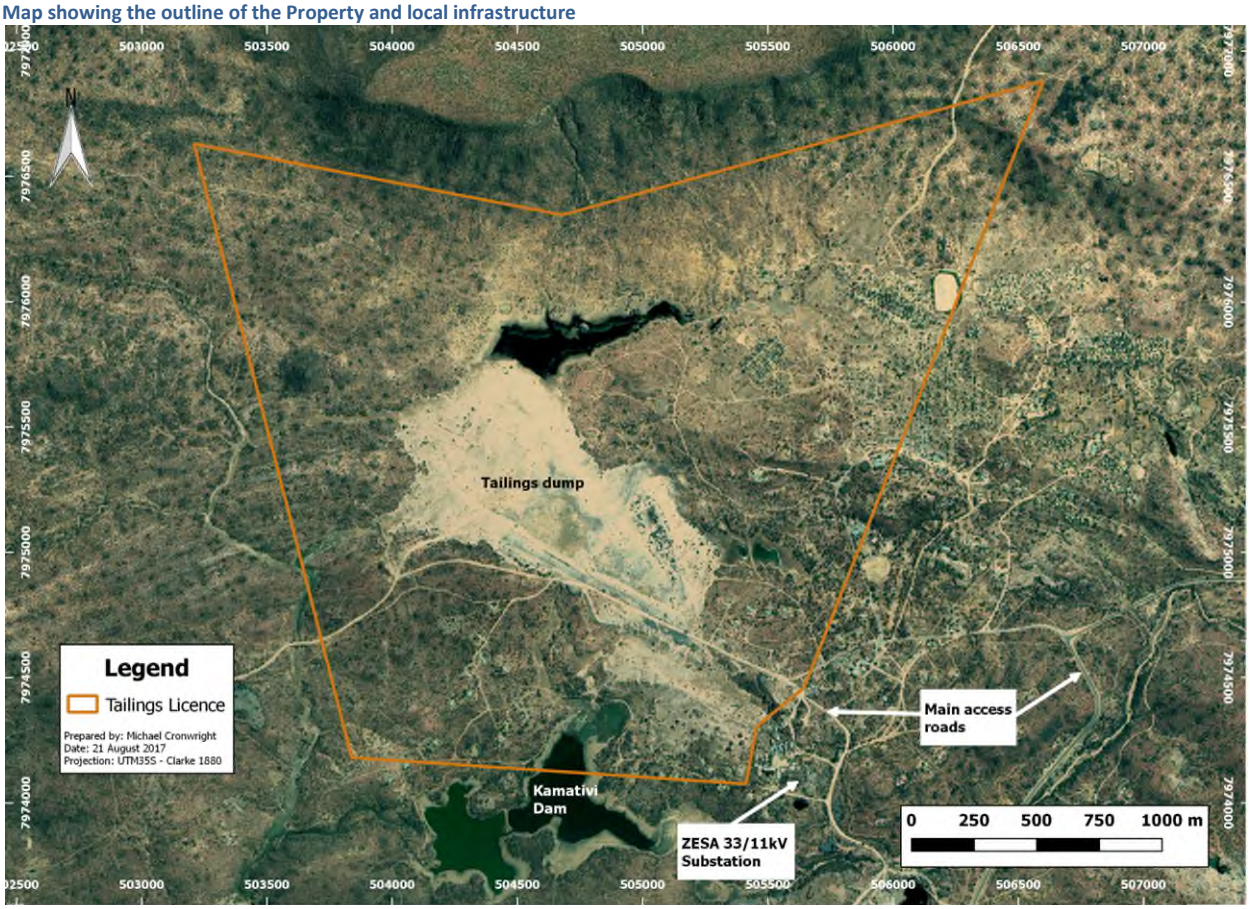
The Project comprises an area of 5.91 km2 covering the tailings dump from the old Kamativi Tin Mine and falls within ML No. 12 which covers an area of 44.4 km2 (Figure 4-2 and Figure 4-3).

Figure 4-2
Map showing the location of the Property within ML No.12. Also shown are neighbouring properties in the area



Source: *ZMDC (2014). Background composite map (Zimbabwe 1:50 000 scale topographic maps: 1826 B3 Wankie East, 1826 B4 Cross Roads, and 1827 A3 Kamativi)*

Figure 4-3
Map showing the outline of the Property and local infrastructure



Note: *Background image sourced from Google Earth (2017)*

The mining lease was granted to Kamativi Tin Mines on the 5th of January 1976 for all minerals.

The Zimbabwe Mining Development Corporation ("**ZMDC**") was established by the Act of Parliament No. 31 of 1982 and is owned by the Government of Zimbabwe. On November 24, 1986, the Industrial Development Corporation of Zimbabwe ("**IDC**") transferred 91.3 % the shares it owned in Kamativi Tin Mines Limited to the ZMDC. The Kamativi project is a joint venture ("**JV**") between the ZMDC, owners of Kamativi Tin Mines, which holds 40 % of the Project, and Jimbata (Pvt) Ltd ("**Jimbata**"), a company incorporated under the laws of Zimbabwe, which holds 60 %. A JV agreement was entered into between Lintmar (Private) Limited ("**Lintmar**"), a company incorporated under the laws of Zimbabwe, and ZMDC on February 2, 2018 (the "**JV Agreement**"). On February 6, 2018 Lintmar requested for ZMDC's approval in order to assign all of its rights and interests in the JV Agreement, as this assignment option was provided in said JV Agreement. On February 14, 2018, following the aforementioned request by Lintmar, ZMDC confirmed its consent to the cession, assignment and transfer by Lintmar to Jimbata of Lintmar's rights, obligations and interest of the JV Agreement. By a letter dated February 16, 2018, Jimbata confirmed the cession by Lintmar of all of its rights and interests in the Kamativi Mine Tailings Dump to Jimbata, including any and all ancillary rights in the JV Agreement. Jimbata is 100 % owned by the Zimbabwe Lithium Company (Mauritius) Limited ("**ZIM**"), a privately held company incorporated under the laws of Mauritius. The JV company (being respectively owned by Jimbata (60 %) and Kamativi Tin Mines (40 %)), named Kamativi Tailings Company (Pvt) Limited, was incorporated on February 16, 2018 as per the *Companies Act [Chapter 24:03] of Zimbabwe.*

The JV Agreement between ZMDC and Jimbata allows for the construction of a concentrator plant to beneficiate the tailings material, producing a lithium concentrate and any other viable by-products that may be able to be produced. This JV Agreement is for the life of dump and is anticipated to be completed over a 10-year period.

Environmental Liabilities

MSA is not aware of any special environmental restrictions or liabilities related to the Project. In terms of the JV agreement, Jimbata will not be liable for any historical environmental liabilities.

Permits

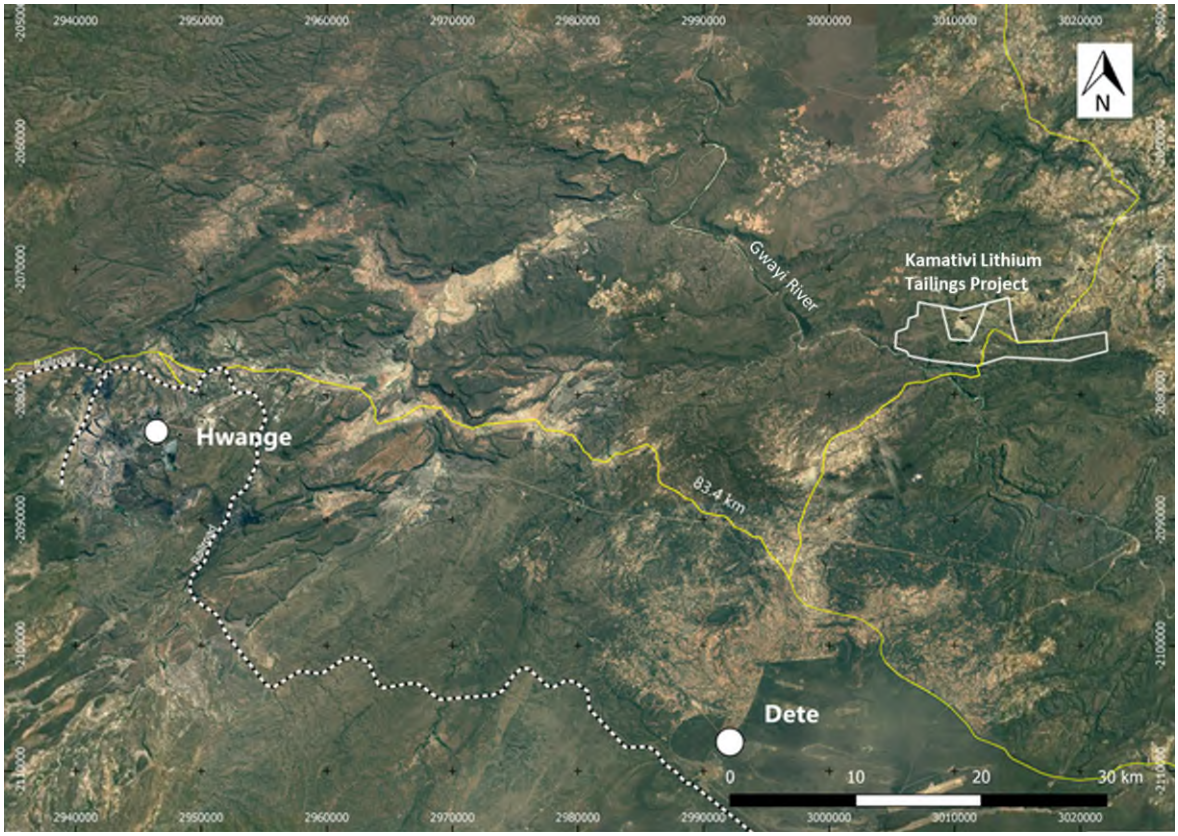
Kamativi Tailings Company (Pvt) Limited will be applying for Special Economic Zone status which will provide various investor and ownership protection instruments. Special Economic Zones Act (Chapter 14-34) is an act to provide for the establishment of the Zimbabwe Special Economic Zones Authority whose functions will be to provide for the establishment of special economic zones, the administration, control, regulatory measures and incentives in connection there with. The proposed incentives for investors include exemption on certain taxes, royalties and dividends and tax holidays on capital equipment. Every licensed investor carrying on an approved activity within a special economic zone may, subject to any approval required under the Exchange Control Act (Chapter 22-05) operate a foreign currency account with any banking institution. In addition, the Indigenous and an Economic Empowerment Act (Chapter 14-33) shall not apply in relation to licensed investors operating in a special economic zone. It is the intention of Jimbata to obtain licensed investor status and have the Project designated as a special economic zone.

2) Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

The Kamativi Lithium Tailings Project is located outside the village of Kamativi in Matabeleland North Province, Zimbabwe. Access to the Project area from the town of Hwange is via an approximately 84 km all-weather tar road, travelling along the tarred A8 in an east-southeast direction from Hwange before turning onto the Kamativi road at the A8-Dete-Kamativi crossroads and travelling northeast for approximately 30 km to the Kamativi mine. The village of Kamativi is accessible via an unpaved road from the mine.

Figure 4-1
Locality map of the Kamativi Project showing main road and rail access routes



Note: *Background map sourced from Google Earth (2018)*

Climate and Physiography

The Project area is covered by a combination of grassland, scrub and woodland areas restricted to the river valley and hills. The climate in the region is classified as a hot semi-arid climate (BSh) according to the Köppen and Geiger classification which is characterized by extremely variable temperature ranges and relatively little precipitation. The average temperature for the year in Kamativi is 22.3 °C. The warmest month, on average, is October with an average temperature of 26.1 °C. The coolest month on average is June, with an average temperature of 16.6 °C. Most of the rain falls between November and March and the average annual precipitation is 635 mm. The month with the most precipitation on average is January with 175 mm of precipitation. The months with the least precipitation on average are July and August with an average of 0 mm. There is an average of 69.3 days of precipitation, with the most precipitation occurring in January with 15.1 days and the driest months being June and July little to no precipitation falls.

The warmest month with an average temperature of 26.5 °C is October and June is the coldest month, with an average temperature of 16.4 °C (https://en.climate-data.org/location/772745/).

The topography of the Property is undulating with prominent ridges and hills which comprise more competent and resistant rocks. The general drainage network is dominated by small, ephemeral rivers that flow only when it rains and larger non-perennial rivers like the Kamativi River which flows through the Property (east to west). The Kamativi flows into the Gwayi River to the southwest of the Property. The Kamativi River is dammed to form the Kamativi Dam, located to the south of the tailings dump, straddling the southern boundary of the Tailings licence area and the Gwayi River. A visit to the tailings deposit itself showed a sandy substrate with a grain size of estimated 0 – 1000 micron in size. As a result of 20 years of renaturation a meagre grass cover had developed on the sandy ground, together with some shrubs and small trees.

Local Resources and Infrastructure

Amenities

The village of Kamativi is located within ML No. 12 and has a population of between 1,500 and 6,000 (http://travelingluck.com/Africa/Zimbabwe/Zimbabwe+(general)/_889390_Kamativi.html), depending on the information source. The community is served by tuck shops which stock basic groceries. Prior to the closure of Kamativi Mine in 1994, ZMDC operated a large supermarket. The vast majority of supplies will have to be sourced from larger towns and/or cities within the region such as Hwange and Victoria Falls, with more specialised items being procured from larger cities such as Bulawayo and Harare.

Residents of Kamativi receive medical treatment at the local Kamativi Mission Hospital which is administered by the Hwange Roman Catholic Diocese. The hospital is staffed by qualified medical personnel. In addition to primary care facilities, the hospital includes a maternity wing and a mortuary. The hospital has the capacity to look after the medical needs of a large community.

Historically, ZMDC owned 571 houses which it has now given to the Hwange Rural District Council to administer. Kamativi Tailings Company (Pvt) Limited will need to consult and negotiate with the Hwange Rural District Council regarding the availability of and right to use the housing. The housing comprises: 84 low-density units with three or four bedrooms; 24 medium-density units with two bedrooms; 463 high-density units; and 212 one-roomed single quarters.

The existing sewage plant is not operational and is in need of rehabilitation. As a result, it poses a health hazard to the high- and medium-density suburbs that used to rely on it. The low-density suburbs use septic tanks.

The Matabeleland North region supports dryland ranching and game-farming as principal agricultural activities. Due to the low rainfall and poor soil in the region, commercial crop farming is not possible and rural farmers often struggle to support their families.

The region is readily accessible via a well-maintained road, rail and air transportation network.

Transport infrastructure

The Project is located approximately 60 km east of Hwange (in a straight line) and accessed via the tarred A8 road for about 55 km in an east-southeast direction and then in a northeasterly direction for approximately 30 km along a secondary tarred road.

The closest railhead, which is need of repair, is located at the town of Dete, approximately 45 km southwest of the Project area, via a tarred road. The railhead is located on the Bulawayo-Hwange-Victoria Falls railway line which is operational and serves the Hwange coal fields. The Dete siding has a dedicated spur that previously served the district and the Kamativi mine.

The closest international airports to the Project are situated in Bulawayo (IATA Code - BUQ) and Victoria Falls (IATA Code - VFA) and are serviced by South African Airways, British Airways, Air Zimbabwe and other regional airlines. Suitable hotels and lodge accommodation exist with easy access to the mine. Medical facilities are available in Hwange, Bulawayo and Victoria Falls. The Hwange National Park is also serviced by a domestic airport with a blacktop runway and is 50 km from the Project.

Power Infrastructure

The old Kamativi mine and village is fed by a 33 KV overhead powerline from Hwange. A 33/11 KV substation is located near to the old Kamativi processing plant with a single 2,000 kVA 33/11 KV transformer installed. The transformer has a 2,200V tertiary winding which appears not to be connected. This substation

is equipped to supply two transformers, one of which has been removed. Reticulation around the site includes five 11 KV overhead lines with separate transformers and meters.

Water

Water for household use is untreated and pumped from the Kamativi dam and three boreholes in the area, the boreholes each sourcing water from a depth of approximately 100 m. One borehole is exclusively for the supply of water to the clinic. The remaining two boreholes supply water to the majority of the population. Both these boreholes are known to be contaminated and residents are forced to boil or chemically treat the water. Due to the Hwange Rural District Council's lack of funds, the water cannot be treated and consequently the residents are prone to contracting waterborne diseases, commonly diarrhoea, dysentery and cholera. It was reported that no water sewage system is in place. The sewage is reported to be led into the Kamativi Dam.

Historically, the Kamativi mining operation obtained its water for processing from the Kamativi dam situated south of the mining town and built on the Kamativi River. Water from the Kamativi dam was supplemented with water from the Gwayi River (to the southwest of the Property), sourced from a weir built midway between the old and new bridges that span that river. There is evidence in the field of the eye bolts and concrete foundations which used to secure the pumps and pipework. The 33 kV power line crosses the river at this point too and could be used (and probably was used when the mine was in operation) to supply power to the pump if this water is required for the proposed operations. A backup power supply should also be considered if necessary.

The processing for the historical tin extraction exclusively used gravity separation. The Flow Chart presented by the ZMDC representative at site does not indicate any risk of chemical hazards. However local newspapers report a high level of chemical contamination of the water in a nearby dam; "One of the dams - once an open cast site - was reportedly condemned by the Ministry of Health and Child Care a few years ago because its water is contaminated with mining chemicals." This still needs to be independently verified.

Samples which had been taken earlier from the tailings dam indicated background naturally occurring radioactive materials ("NORM") including traces of Uranium (U) (average 12,0 ppm) and Thorium (Th) (average 2,28 ppm). Studies indicate that the NORM levels at Kamativi are lower than for any other pegmatite areas, not only in Zimbabwe but globally. This low radiation level will be verified in the Social and Environmental Impact Assessment ("SEIA") study. Monazite is only mineral containing any radioactive elements (i.e. Th and U) according to the Mindat (www.mindat.com) list of minerals found in the Kamativi mine. Monazite is considered a resistate, inert mineral and not water soluble, and is thus not considered a potential environmental hazard or source of the supposed water contamination.

Processing and Waste Disposal Sites

The Project covers an area of 613 hectares and should have sufficient space for processing and waste disposal sites but will need to be confirmed through future work.

<u>Human Resources</u>

The Kamativi Tin Mine was the main source of employment in the area and on its closure in 1994, most of the skilled personnel left the area. Currently the only employment at Kamativi is provided by the ZMDC, for staff responsible for the administration and the care and maintenance. It is expected that labour will be drawn from the existing village population, supplemented by skilled and management personnel from the Hwange region where there are a number of operational coal mines and processing facilities.

3) History

Discovery, Historical Exploration Work and Mining History

The first reports of tin in the region date back to about 1920. The first claims were pegged in 1935. Production of cassiterite concentrates from alluvial deposits and surface rubble commenced in 1936. The history of mine ownership is summarised below:

- **1920–1935:** Reports of tin occurrence in region and first pegging's of claims by Mr R. H. Aldworth in 1935;
- **1936-1944:** First production declared by Mr R. H. Aldworth in partnership with Mr S. Sauerman who commenced hydro-sluicing and panning of the surface rubble and alluvial deposits;
- **1939-1949** (including the Second World War): Production increased when various small mills were erected and a smelter built in Bulawayo. After the war, tributors under the Government Ex-Serviceman Rehabilitation Scheme, worked the claims on selective underground mining;
- **1949-1951**: Rhodoak Limited set up the first Kamativi Tin Mines Limited with a capital investment of £ 200,000;
- **1951:** Oakes Trust acquired Kamativi Tin Mines Limited;
- **1952:** N.V. Billiton Maatschappij, a Dutch Naamloze Vennootschap ("N.V.") or public company, assumed financial and technical control and increased the authorised capital to £ 700,000 and later to £ 3,000,000. They installed a 400 tonne per day ("tpd") pilot plant, together with an oil-fired drum-type rotary smelter. By 1964 they were processing an average 42,000 tonnes of ore per month. The professional co-operation brought about contact with Billiton's Tin Smelter at Arnhem, Netherlands where their metallurgists and chemists in "modern laboratories" assisted in extending production of the smelter to other products, i.e. tin solder and bearing metals;
- **1970–1986:** Industrial Development Corporation of Zimbabwe ("IDC") acquired a controlling interest and ultimately the entire Billiton Shareholding. Mill capacity increased to 2,000 tpd, producing 950 tonnes of refined tin and alloys per year and approximately 23 tonnes of tantalite (Ta_2O_5) in slags. The plants processing capacity increased from 56,000 tonnes per month ("tpm") to 80,000 tpm during this period: by 1977 approximately 12 Mt of mineralised material had been mined and by 1982 the annual production was approximately 1,270 t of tin metal per annum, along with 32 t of tantalite contained within the smelter slags (which graded at 7-9 % Ta_2O_5); and
- **1986-1994:** The IDC transferred its interest of 91.3 % in Kamativi Tin Mines Limited to Zimbabwe Mining Development Corporation ("**ZMDC**"). During this period, the economic reserves became depleted and tin production decreased to 1,060 t in 1991 and 800 t in 1993. In 1994 the mine closed down due to low tin prices, following the tin price crash of 1985, coupled with falling ore grades.
- **February 2, 2018**: A joint venture agreement was entered into between Lintmar (Private) Limited ("**Lintmar**"), a company incorporated under the laws of Zimbabwe, and ZMDC to operate the Kamativi Mine Tailings Dump ("**JV Agreement**"). ZMDC, the owners of Kamativi Tin Mines, holds 40 % of the Project, and Lintmar holds 60 %.
- **February 16, 2018**: Jimbata confirmed the cession by Lintmar of all of its rights and interests in the Kamativi Mine Tailings Dump to Jimbata, including any and all ancillary rights in the JV Agreement. Jimbata is 100 % owned by the Zimbabwe Lithium Company (Mauritius) Limited ("**ZIM**"), a privately held company incorporated under the laws of Mauritius. The JV company (being respectively owned by Jimbata (60 %) and Kamativi Tin Mines (40 %)), named Kamativi Tailings Company (Pvt) Limited, was incorporated on February 16, 2018 as per the *Companies Act [Chapter 24:03] of Zimbabwe.*

4) Geological Setting – The regional, local and property geology

The historic Kamativi tailings dump is a man-made deposit that was generated as a site for the containment of tailings produced during the processing of tin mineralisation at the Kamativi Tin Mine, most recently owned by the ZMDC.

The Kamativi tailings were deposited over the period 1936 to 1994 and are derived from the mining and processing of the mineralised tin-bearing pegmatites.

For more information on the geological settings, please refer to the Technical Report.

5) Exploration Information

To date the exploration and test work on the Kamativi Project has been limited to the following:

- a review of the historical data for the Project;
- a topographical survey of the tailings dump;
- limited sampling on the top of the tailings dump; and
- drilling and sampling of the dump to inform a Mineral Resource estimate;
- XRD analysis of the samples from the drilling.
- Mineral processing and metallurgical testing have also been done.

Historical Work on the Kamativi Tailings

The following summary relies on the information contained in the report by the United Nations Industrial Development Organization ("UNIDO") (UNIDO, 1983) which looked at the production of lithium chemicals in Zimbabwe. The UNIDO report (1982) makes reference to a report titled: "Pre-feasibility study for producing Lithium Chemical from Kamativi ores" (prepared for the Industrial Development Corporation of Zimbabwe Limited, May 1981). The UNIDO (1983) report provides a historical estimate of the size of the dumps (as of July 1980), the results of which are summarised in Table 6-3. The historical grade-tonnage estimate was based on a combination of sampling and limited drilling, however there are no detailed accounts of the drilling and sampling programmes that informed the historical estimate. The UNIDO (1983) report provides a summary of the results of chemical and mineralogical analyses (conducted in 1981) conducted on a composite sample of approximately 160 kg (360 lb) of dump material. The results are presented in Table 6-4 and Table 6-5. Sinclair (1996) reports a grade of 0.603 % Li2O.

Table 6-3

Summary of the historical estimate for the lithium content of the tailings dump

	Tonnes	% Li_2O	Tonnes Li_2O	Tonnes LCE*
Grand Total	14,409,183	0.51	73,142	180,880 [(1)]

Note: ** LCE – Lithium Carbonate Equivalent*
[1] UNIDO (1983) indicates 160,904 t LCE but is an error as conversion to LCE (t) = Li_2O (t) x 2.473
Source: *UNIDO (1983)*

These dumps were added to at a rate of approximately 0.9 Mt to 1.0 Mt per annum from 1984 until the mine closed in 1994.

Table 6-4

Summary of the chemical analysis of the main tailings dump

Element	Assay value (%)
Li_2O	0.70
Fe_2O_3	0.54
K_2O	2.52
Na_2O	5.12
Al_2O_3	15.17
SiO_2	72.7
MgO	0.51
LOI	1.21

Source: *UNIDO (1983)*

Table 6-5

Summary of the mineralogical analysis of the main tailings dump

Mineral	Assay value (%)
Muscovite	10.8
Spodumene	10.8
Sodium Feldspar	43.4
Potassium Feldspar	7.3
Quartz and other minerals	27.7

Source: *UNIDO (1983)*

Topographic Survey of the Tailings, Digital Terrane Model and Tailings Volume

A topographic survey was conducted by a registered qualified surveyor using a Geo survey portable differential GPS unit. The data was transferred to Harare-based resource mining consultants, Digital Mining Services, who constructed and generated a 3D Surpac volumetric model of the Kamativi dump. The dump volumes were subsequently calculated based on original surface topography digitised from the 1:50,000 scale topographic map (1827 A3, Kamativi, published in 1982) produced by the Zimbabwe Survey General.

The survey was completed by Mr Grabwell Fundira, who holds a National Diploma in Mine Surveying from the Zimbabwe School of Mines, Bulawayo. Mr Fundira used a Hi-Target V30 GNSS RTK GPS system comprising of a Base, Rover and External Radio and Controller. The Spatial Reference for the survey was UTM35K/ARC1950. The survey took place in Matabeleland North Province, Zimbabwe. The type of equipment used is modern and accurate as it engages four types of satellite system, namely; GPS (American), GLONASS (Russian), Galileo (European) as well as BDS (Chinese).

A digital terrane model ("DTM") of the present-day surface was constructed using the data from the topographic survey and a pre-tailings DTM generated from the 1:50,000 topographic map (number 1827 A3, Kamativi, 1982). The pre-tailings DTM has however not been used for any of the volumes used in the Mineral Resource estimate.

Collar positions were surveyed in UTM35K/ARC1950 as drill holes were completed during the 2018 programme.

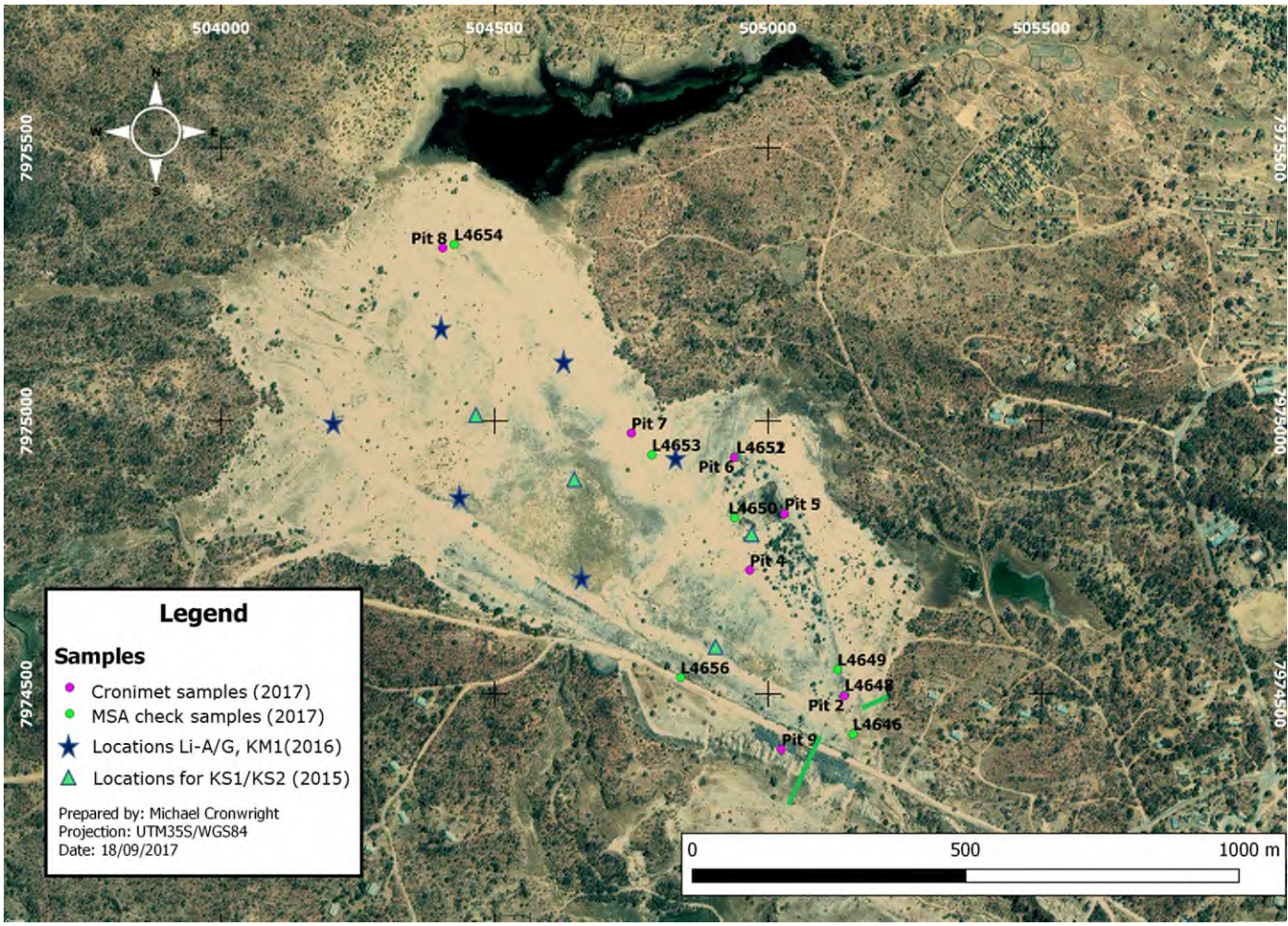
Sampling Results

- 2015-2017 Sampling

Lintmar has conducted three sampling campaigns on the Kamativi tailings. The first sampling campaign was done in 2015, with follow-up sampling done in 2016 and 2017 which involved sampling of pits and trenches to a maximum depth of approximately 1.5 m. Table 9-1 provides a summary of the results (including the independent check sampling conducted by MSA – see also Section 11.3). Composite samples KS1 and KS2, collected in the 2015 sampling campaign, comprise samples collected from six pits across the tailings dump; the positions were not recorded but the approximate positions are known and are shown in Figure 9-1. The material collected from the six locations was combined and two subsamples (KS1 and KS2) produced by cone and quartering.

These two samples, KS1 and KS2, were used for initial mineralogical and metallurgical test work.

Figure 9-1
Map with sample locations for MSA and historical sample locations. The location for Li-A to G, KM1 and KS1 and KS2 are approximate.



Note: *Background map sourced from Google Earth (2018)*

The material for samples Li-A to Li-G was collected from seven different locations, comprising pits and trenches, across the tailings dump and then combined to form one sample; the positions where not recorded but the approximate positions are shown in Figure 9-1. The sampled material was then combined and split into seven subsamples, Li-A to Li-G, and submitted for assay to SGS South Africa (Pty) Ltd laboratory in Randfontein (Johannesburg) ("SGS Randfontein"). Sample material remaining from samples Li-A to Li-G after analysis by SGS Randfontein, was combined and split into samples, KM1 and the AH-series by SGS Randfontein for detailed test work currently on going at Axis House and the Mintek laboratories respectively.

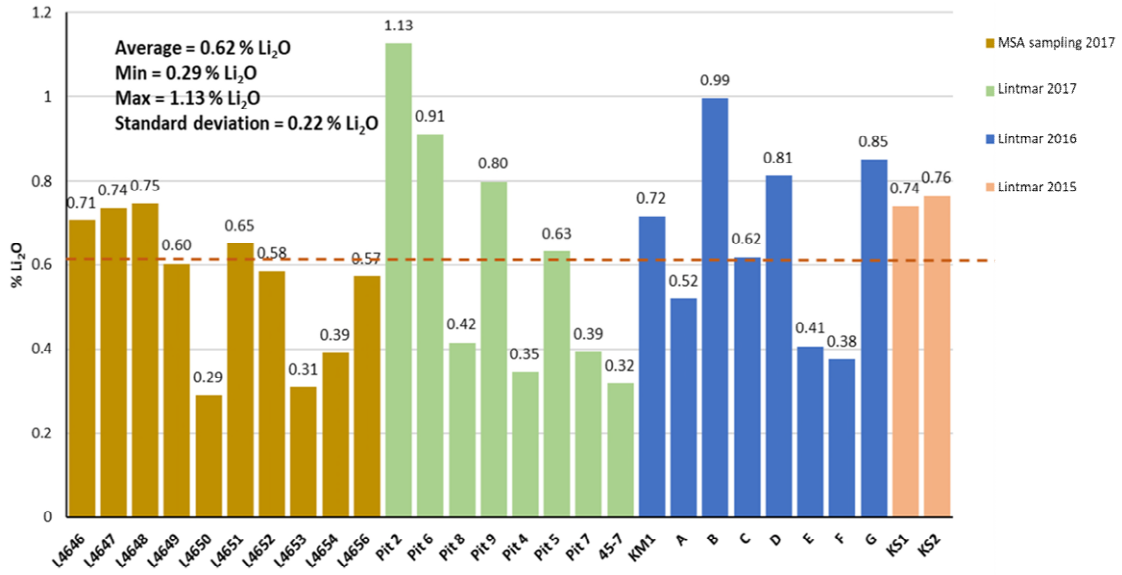
As the sampling was not carried out systematically, the grades presented do not necessarily reflect the average grade of the tailings dump but do provide a range of Li2O grades (Table 9-1 and Figure 9-2). These have been used to inform an Exploration Target which were reported in the previous Technical Report dated 4 April 2018. The results are comparable to Li2O grades reported in the various references used in the compilation of this Technical Report. UNIDO (1983) reports grades of between 0.51 % and 0.705 % Li2O and Sinclair (1996) reports a grade of 0.603 % Li2O).

Table 9-1
Grab samples taken on the Kamativi tailings and results. Average grade is 0.62 % Li2O (see Figure 9-1 and Figure 9-2)

Sample ID	Longitude	Latitude	% Li_2O	Year taken	Comments
L4646	-18.3198	27.04879	0.71	2017 (MSA check sampling)	
L4647	-18.3192	27.04865	0.74		
L4648	-18.3192	27.04865	0.75		

Sample ID	Longitude	Latitude	% Li_2O	Year taken	Comments
L4649	-18.3188	27.04852	0.60		
L4650	-18.3163	27.04674	0.29		
L4651	-18.3153	27.04677	0.65		
L4652	-18.3153	27.04677	0.58		
L4653	-18.3152	27.04531	0.31		
L4654	-18.3117	27.04188	0.39		
L4656	-18.3189	27.0458	0.57		
Pit 2	-18.3192	27.04863	1.13	2017	
Pit 6	-18.3153	27.04673	0.91		
Pit 8	-18.3118	27.04168	0.42		
Pit 9	-18.3201	27.04755	0.80		
Pit 4	-18.3171	27.047	0.35		
Pit 5	-18.3162	27.0476	0.63		
Pit 7	-18.3149	27.04495	0.39		
45-7			0.32		Combination of samples from pit 4, 5 and 7
KM1			0.72	2016	Used for Mineral Processing test work
Li-A			0.52		Used for Mineral Processing test work
Li-B			0.99		
Li-C			0.62		
Li-D			0.81		
Li-E			0.41		
Li-F			0.38		
Li-G			0.85		
Average KS1			0.74	2015	Used for Mineral Processing test work
Average KS2			0.76		

Figure 9-2
Plot of all Li_2O results



Since the samples are grab samples and not being used for Mineral Resource or Ore Reserve estimation, the procedures followed are considered sufficient for the purposes of informing an Exploration Target and future exploration programme.

Mineralogical Investigations

Fifteen composite samples from 7 of the auger drill holes were submitted to Geolabs Global in Centurion, South Africa for mineralogical analysis by XRD. The holes from which the samples were selected are spread across the surface of the dump. Sample material was taken from the samples submitted to SGS for assay and composited into samples ranging from 6 m to a maximum of 10.5 m.

The results of the XRD analyses (Geolabs Global, 2018) of the samples identify spodumene as the dominant lithium mineral present; any other potential lithium mineral phases are below the XRD detection limit. Five of the samples were screened to +425 µm and -425 µm fractions which were each separately analysed by XRD. These results are tabulated in Table 9-3. The results indicate that between 61 % and 92 % of the spodumene reports to the -425 µm fraction.

Density Pits

A total of 60 pits were excavated across the dumps for density measurements of the material close to the surface below the loose surface material, but where the material was consolidated. Pits were excavated at 1m depth increments (Figure 9-5) with depths ranging from 1 m up to 6 m. Once a pit had been excavated, samples were collected from the sidewall of the pit. The samples were collected as follows:

1) A square tube of 10 cm x 10 cm x 10 cm dimensions was knocked into the top of sidewall of the pit and to be flush with the surface of the sidewall. This was done where the material had not been disturbed.
2) Using the trowel or small spade the material within the tube was carefully removed and caught in the catch-pan or square plastic container;
3) The material was then transferred to a sample bag and weighed;
4) The sample ID was recorded as KTDPXX-YY where XX was the pit ID and YY the sample increment from where the sample was taken in the pit. The sample depth was also recorded. For example - the sample increment starts at .01 for the first sample. Then .02 would be the next sample. All this information was captured onto a log sheet and then transferred to a Microsoft Excel spreadsheet;
5) The process is then repeated at 1 m increments to the base of the pit; and
6) All samples were then to be air dried and weighed again.

The in-situ density and air-dried density was then calculated for each sample as follows:

In situ density in kg/dm3= sample mass (as recovered) (kg)/volume of steel pipe (dm3). Note that the square tube of internal dimension 10x10x10 cm = 1000 cm3 = 1 dm3 = 1 litre.
Air dried density in kg/dm3 = sample mass (air dried) (kg)/volume of steel pipe (dm3) The moisture content of the sample was also determined by the following calculation: % moisture by mass= 100*(in situ mass-air dried mass)/in situ mass. Table 9-4 summaries the density and moisture content values.

Table 9-4
Summary of in situ and dry density values from density pits (n=213 from 60 pits)

	In Situ Density (kg/dm3)	Dry Density (kg/dm3)	Moisture Content (%)
Average Value	1.77	1.67	5.94
Minimum Value	1.15	1.09	0.21
Maximum Value	2.18	2.08	22.89

Exploration Target

As part of the earlier work done, an Exploration Target was reported in the previous Technical Report of the Company dated 3 April 2018.

Mineral Processing and Metallurgical Testing

A campaign of preliminary metallurgical test work was conducted in two phases during 2015 and 2016. Test work assessed the deportment of lithium, tin, tantalum and iron, and investigated the potential recovery and concentration of these elements. The work was based on the following:

- mineralogical characterisation;
- heavy liquid separation ("HLS") tests using tetrabromoethane ("TBE") as a dense medium;
- X-Ray Fluorescence ("XRF") analysis of the head feed and X-ray powder diffraction ("XRD") analysis of the HLS floats and sinks fractions;
- Quantitative Evaluation of Minerals by Scanning Electron Microscopy ("QEMSCAN"), bulk modal mineralogy and mineral liberation analyses on the HLS sinks fraction; and
- magnetic separation.

a) Sampling

Two sampling campaigns for mineral processing and metallurgical test work have been conducted on the Kamativi dumps. During April 2015 samples KS1 and KS2 were taken from historical sampling pits and trenches. These samples together with a second batch of samples (samples Li-A to Li-G and KM1) taken during June 2016 and July 2016 were submitted to SGS South Africa.

Samples KS-1 and KS-2 were excavated as large samples of approximately 100 kilograms each and reduced to smaller sub-samples by the "cone-and-quarter" technique to obtain representative sub-samples of approximately 25 kilograms each.

In June 2016, additional bulk samples were excavated from various areas of the dump. Individual sub-samples were again produced by cone-and-quartering larger material masses excavated from the dump. Seven separate samples were delivered to South Africa for test work. These samples were designated LI-A to LI-G. The rejects from these samples were combined and split into two separate KM1 and the AH series of samples sub-samples, which were submitted for additional test work.

A summary of the completed and outstanding test work by sample is presented in Table 13-1.

Table 13-1
Summary of metallurgical samples and test work

Sample Designation	Test work Description
KS-1, KS-2	Elemental analysis (ICP-OES/MS), grade by size, particle size distribution (PSD) analysis
LI-A to G (Elemental Analysis) KM1 (Mineralogy)	Elemental Analysis (ICP OES/MS), mineralogy

b) Test Work and Results

(i) Elemental and Particle Size Distribution Analyses: Elemental analysis was completed by means of inductively coupled plasma ("ICP") technology. The head elemental analysis is shown for Li_2O, iron, tin and tantalum in Figure 13-1 to 13-4. The head samples contain an average of 0.67 % Li_2O, 274 ppm tin, 17 ppm tantalum and 0.90 % iron. The Li_2O, iron and tantalum grades are fairly consistent, increasing confidence that the grades of these elements, with the exception of tin, do not vary significantly across the surface of the dump. The tin grade is much more variable, as shown in Figure 13-3.

Figure 13-1
Li_2O head feed grade of metallurgical test work samples

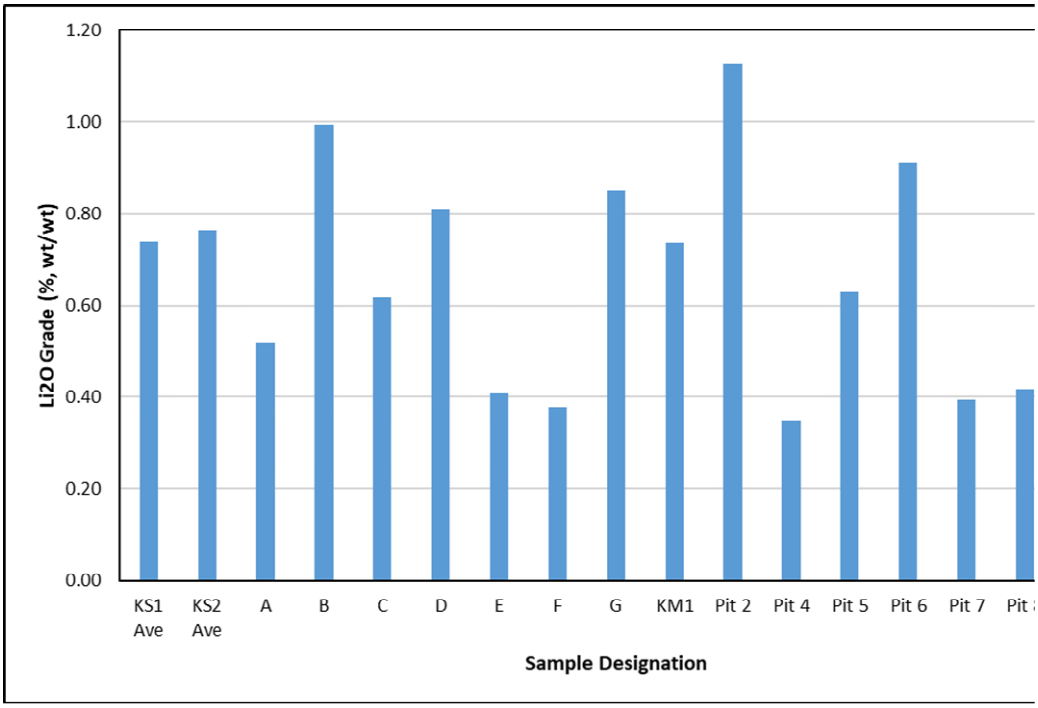


Figure 13-2
Iron head feed grade of metallurgical test work samples

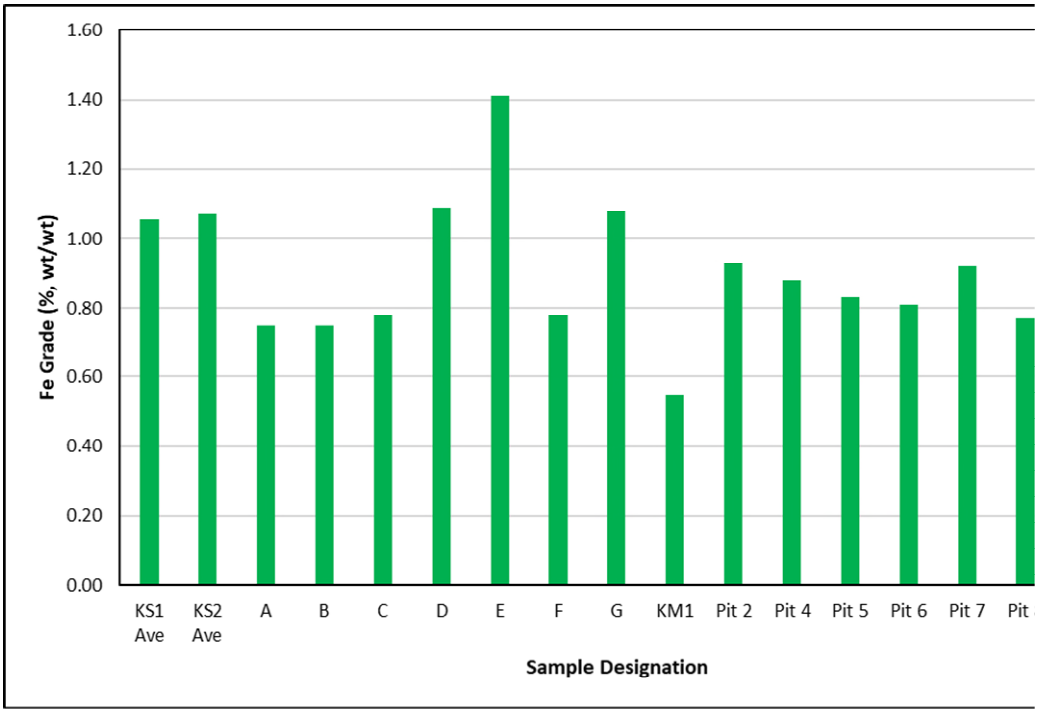


Figure 13-3
Tin head feed grade of metallurgical test work samples

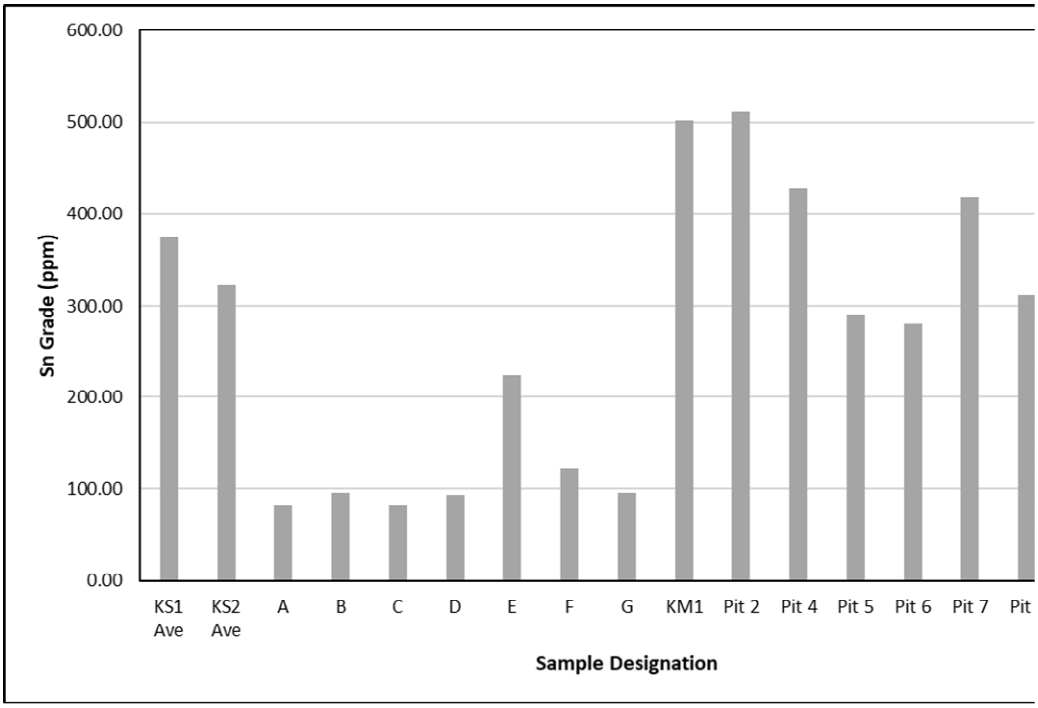
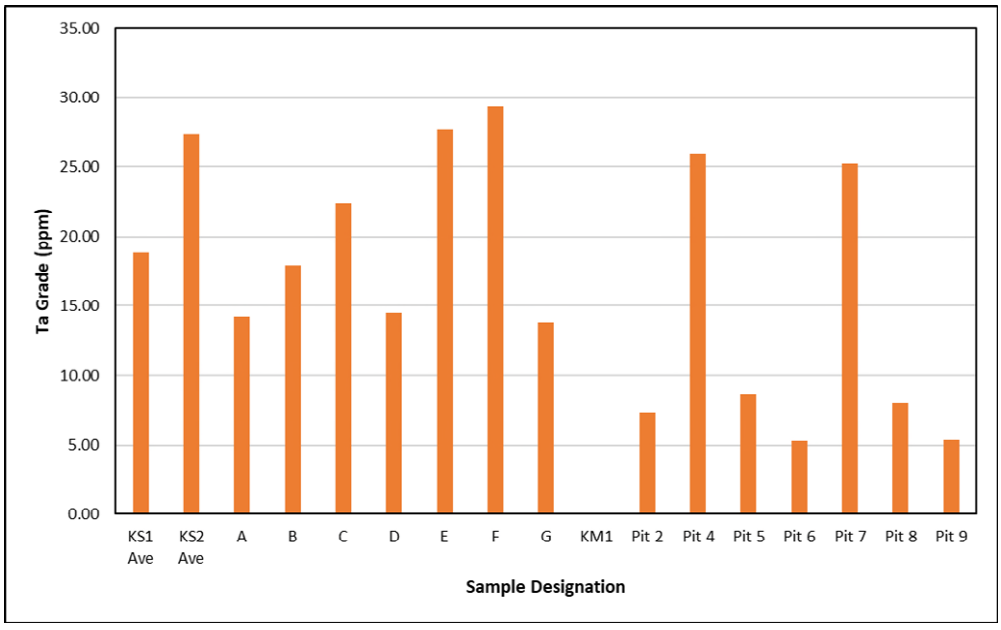


Figure 13-4
Tantalum head feed grade of metallurgical test work samples



Analysis of the samples taken in 2015 (KS1 and KS2) was also conducted on the various size fractions. Li2O, iron, tin and tantalum grades within each size fraction are shown for samples KS1 and KS2 in Figures 13-5 to 13-8.

Figure 13-5 indicates that the lithium-bearing minerals are relatively uniform across the entire size range apart from the very fine size fractions. Tin and tantalum, shown in Figures 13-7 and 13-8, are concentrated in the finer size fractions (-75 µm). Iron is concentrated within the 106 µm to 53 µm size range, as illustrated in Figure 13-6. This distribution of elements raises the possibility that the iron content of the feed to flotation can be reduced significantly by de-sliming the material. The tin and tantalum will also be concentrated in the slimes, allowing for possible beneficiation of this fraction for these elements. It is likely however, that the tantalum grade will prove too low for economic extraction. The extraction of tin may possibly be achieved by the application of fine material gravity separation technology (reflux classifier). This possibility will be investigated as test work progresses. The de-sliming of the flotation plant feed is also beneficial for the flotation process itself, as the presence of slimes and micaceous gangue material tends to result in entrainment and the formation of a more viscous froth, which in turn results in decreased flotation efficiency and product grade.

Figure 13-5
Li_2O head feed grade by size analysis

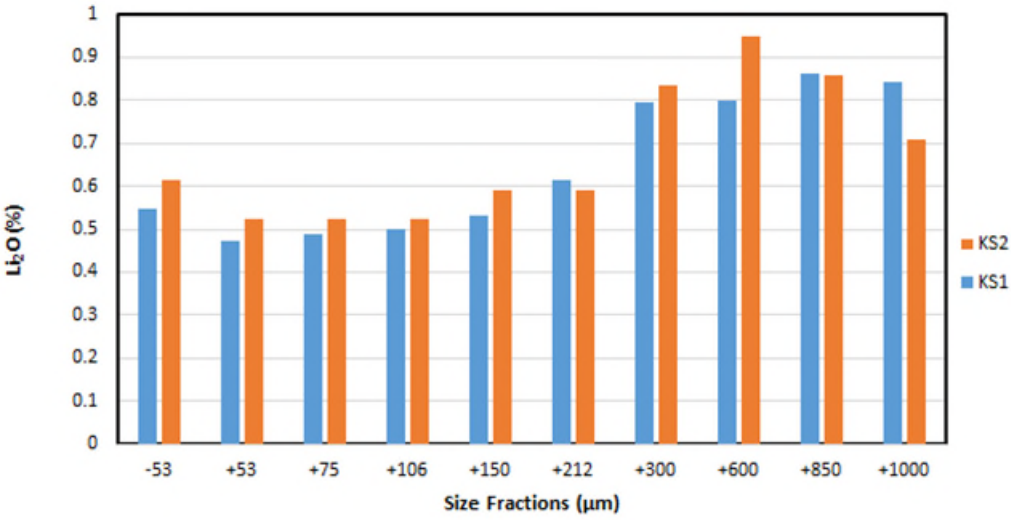


Figure 13-6
Iron head feed grade by size analysis

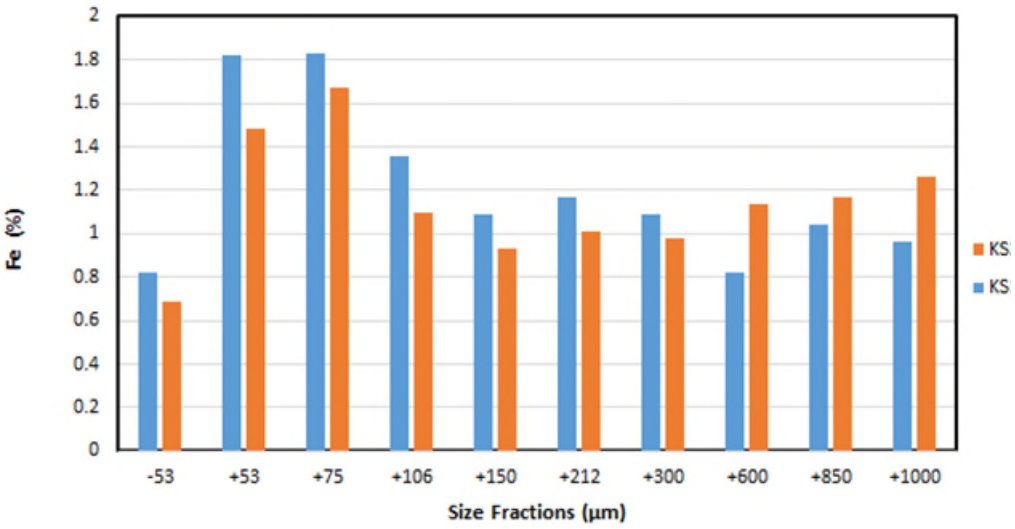


Figure 13-7
Tin head feed grade by size analysis

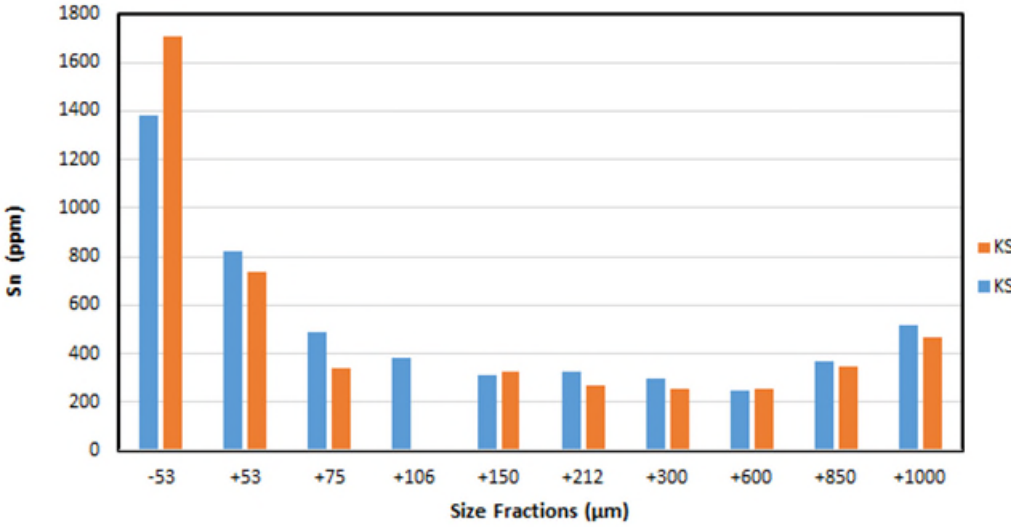
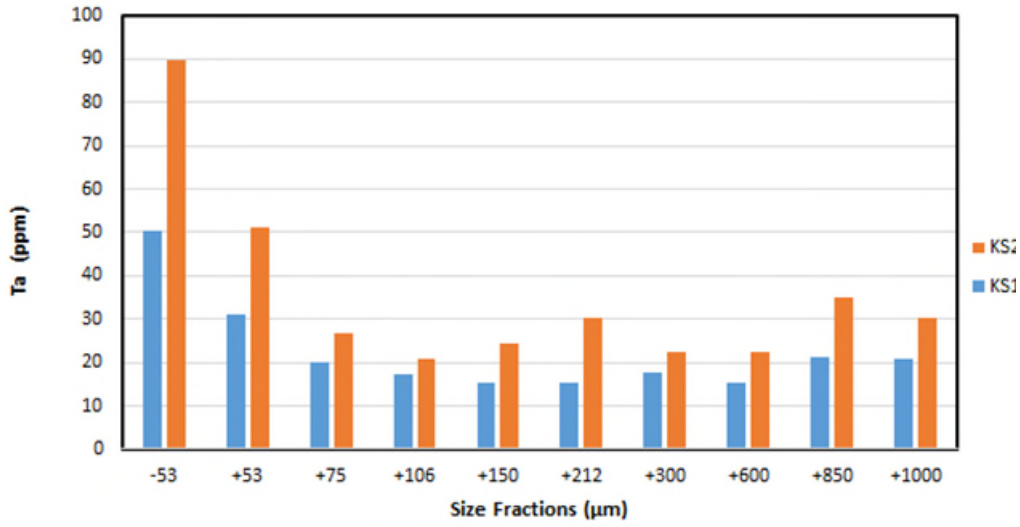


Figure 13-8
Tantalum head feed grade by size analysis



Grade-by-size analysis was also completed on the 2016 mineralogy sample, sample KM1. The resultant data is presented in Figures 13-9 and 13-10. The concentration of iron and tin within the finer size fractions is confirmed by the data presented. The trend observed for Li_2O is similar to that associated with the 2015 data, samples KM1 and LI-A to G.

Figure 13-9
Mineralogy sample grade by size for Li_2O and Fe (iron)

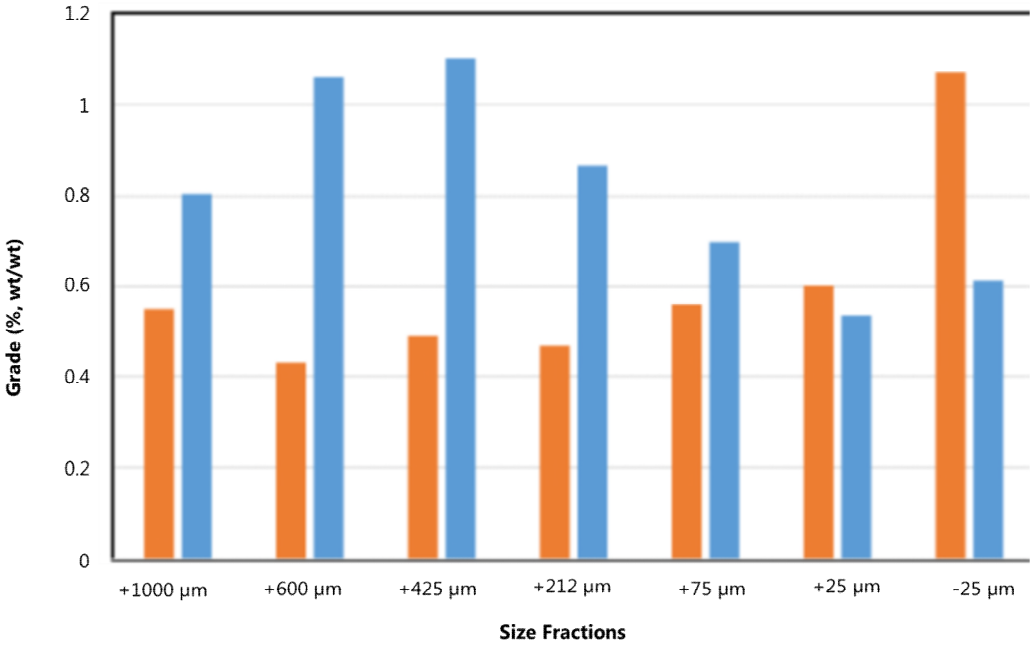
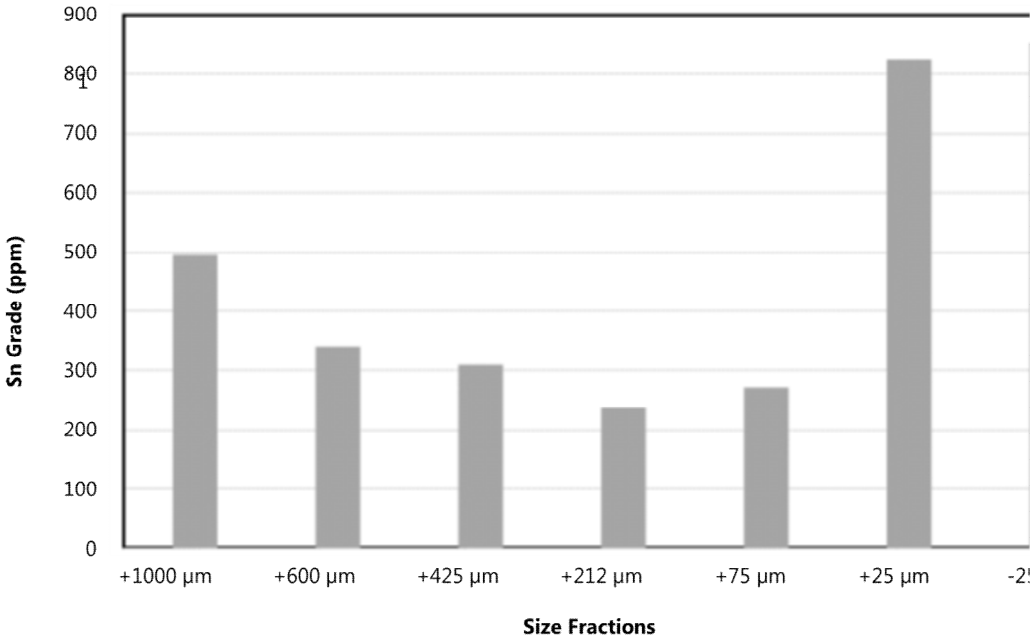
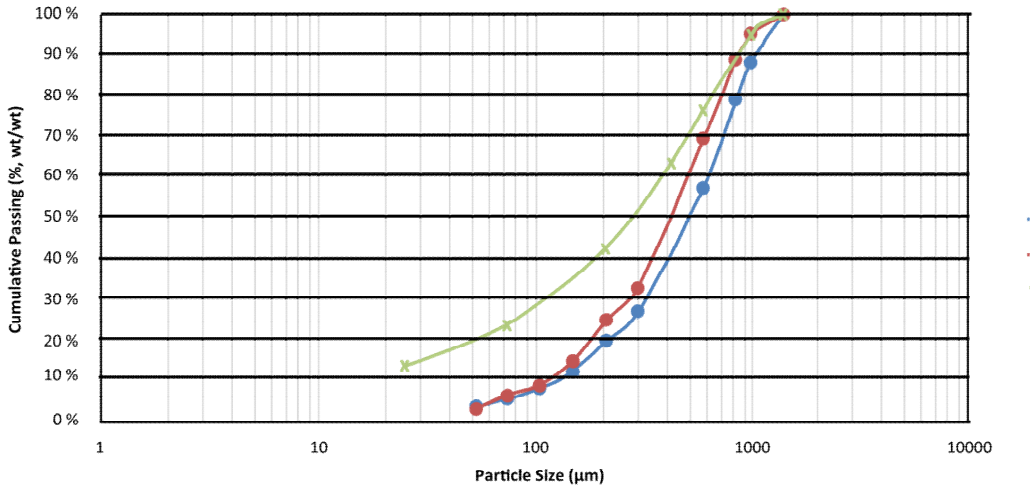


Figure 13-10
Mineralogy sample grade by size for Sn (tin)



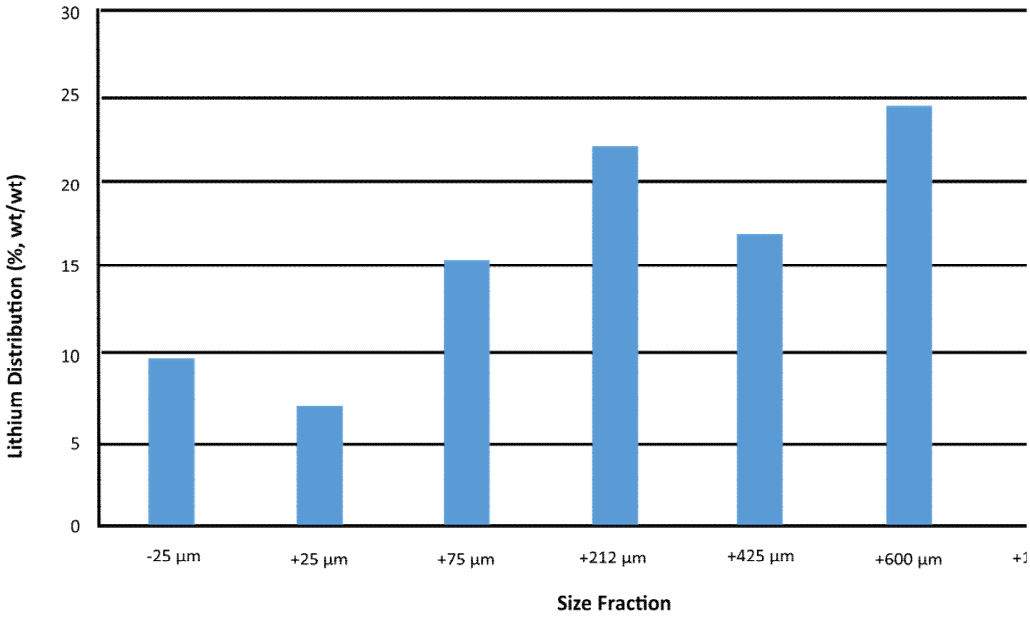
Particle size distribution analysis was completed on the 2015 samples, KS-1 and KS-2, and on the mineralogy sample, KM-1. The particle size distribution for these individual samples is shown in Figure 13-11. From the data it is clear that the mineralogy sample (KM-1) is significantly finer than the 2015 samples. The d50 values for samples KS-1 and KS-2 are 500 µm and 440 µm respectively, while the d50 for sample KM-1 is 290 µm. This is likely due to the fact that KS-1 and KS-2 are indicative grab samples taken from the side of the dump, while sample KM-1 is a larger more representative composite sample excavated from a number of points across the surface area of the dump. The material deposited towards the centre of the dump is generally finer.

Figure 13-11
Particle size distribution of head samples



The distribution of lithium across the various size ranges was calculated from analysis of particle size and grade-by-size distribution data. The distribution of the element is presented in Figure 13-12. The majority of the lithium is contained within the 75 µm to 1,000 µm size fraction.

Figure 13-12
Distribution of lithium across the various size fractions for the mineralogy sample KM-1



(ii) Mineralogical Characteristics: Mineralogical work was carried out by SGS Mineral Services, a respected and prominent laboratory based in Randfontein, South Africa. Test work conducted at SGS included:

- XRF analysis of the head feed;
- HLS tests using TBE as a dense medium;
- XRD analysis of the HLS floats and sinks fractions; and
- QEMSCAN, bulk modal mineralogy and mineral liberation analyses on the HLS sinks fraction.

Head feed XRF and HLS fraction bulk modal compositions

The head feed XRF results are presented in Table 13-2. The silica and aluminium values indicate that most of the material is present as aluminium silicates and quartz. The K_2O, Na_2O and CaO values indicate that a significant amount of the material is comprised of various feldspar minerals. The Fe_2O_3 grade of 0.86 % translates to an elemental iron grade of 0.6 % Fe. This differs slightly from the ICP value of 0.55 % Fe which is attributed to experimental error associated with the XRF measurement. The iron is present in the form of iron oxides and also in other minerals such as garnet, iron phosphates and tourmaline.

Table 13-2
Head Feed XRF Analysis

Compound	Al_2O_3	SiO_2	Fe_2O_3	MgO	CaO	K_2O	Na_2O
Grade (% wt/wt)	16.8	71.6	0.86	0.07	0.59	2.58	4.61

The results from the HLS test and the mass distribution of lithium between the different HLS fractions is shown in Table 13-3. A total of 5.6 % of the head sample mass reports to HLS sinks, while 81.4 % reports to the floats and 13 % is considered as slimes material (-25 μm). The Li_2O grade of the sinks material is 6.68 %, and accounts for approximately 50 % of the lithium mass in the sample.

Table 13-3
Heavy liquid separation results

HLS Fraction	Mass (g)	Mass Distribution (% wt/wt)	Li Grade (ppm)	Li_2O Grade (% wt/wt)	Li_2O Distribution (% wt/wt)
Sinks	29.11	5.59	31,000	6.68	49.65
Floats	423.46	81.36	1,720	0.37	40.08
Slimes	67.88	13.04	2,750	0.59	10.27
Total	**520.45**	**100.00**	**3,492**	**0.75**	**100.00**

The distribution of various minerals within the HLS fractions (Bulk Modal Analysis) is shown in Table 13-3. The presence of feldspar and quartz is confirmed by the Bulk Modal Analysis. Significant amounts of quartz, plagioclase (sodium and calcium feldspars) and K-feldspar are found in the HLS floats and slimes fractions. The Bulk Modal Analysis indicates that approximately 80 % of the sinks fraction mass comprises spodumene. A significant amount of lithium bearing material can be found in the floats fraction and after analysis of the data presented in Table 13-3 and 13-4, it is clear that a significant portion of this material is in the form of occluded spodumene particles. Smaller amounts of petalite, which is less dense than TBE, are also present. Trace amounts of lithium may also be in the form of amblygonite, which would report to the sinks fraction.

Table 13-4
Bulk Modal Compositions

Mineral	Calculated Head Grade (% wt/wt)	HLS Sinks Grade (% wt/wt)	HLS Floats Grade (% wt/wt)	Slimes Grade (% wt/wt)
Plagioclase	34.74	1.09	38.74	24.19
Quartz	30.31	3.54	34.20	17.52
Muscovite	12.05	1.53	10.99	23.16
K-feldspar	7.93	0.11	8.42	8.24
Tourmaline	0.54	1.50	0.35	1.35
Kalborsite	0.21	0.76	0.15	0.34
Dumortierite	0.18	0.08	0.10	0.76
Other Silicates	0.06	0.57	0.04	0.02
Total Non-Lithium Containing Silicates	**86.07**	**9.21**	**93.03**	**75.63**
Spodumene	6.44	80.84	1.83	3.27
Cookeite	3.19	0.97	1.66	13.70
Zinnwaldite	1.39	2.67	1.39	0.85
Petalite	1.12	0.69	0.87	2.83
Amblygonite	0.31	1.30	0.20	0.54
Total Lithium Bearing Minerals	**12.44**	**86.47**	**5.95**	**21.18**
Cassiterite	0.03	0.23	0	0.09
Fe(Mn) Oxides	0.23	1.04	0.14	0.40
Other Oxides	0.05	0.05	0.05	0.04
Total Oxide Minerals	**0.30**	**1.32**	**0.19**	**0.53**
Apatite	0.92	1.85	0.64	2.24
Other Phosphates	0.12	1.10	0.06	0.04
Other	0.16	0.05	0.13	0.37
Total Phosphates and Other Minerals	**1.20**	**3.00**	**0.83**	**2.65**

Lithium deportment data for the various streams is presented in Table 13-5. Approximately 70 % of the lithium in the feed material is in the form of spodumene, while 96 % of the lithium contained within the sinks fractions is in the form of spodumene. The lithium deportment to spodumene within the floats fraction is approximately 50 %.

Table 13-5
Lithium deportment

HLS Fraction	Lithium Deportment (% wt/wt)				
	Spodumene	Cookeite	Zinnwaldite	Petalite	Amblygonite
Concentrate/Sinks	96.34	0.41	1.36	0.46	1.43
Floats	49.66	16.02	16.03	13.28	5.00
Slimes	30.88	46.08	3.40	14.97	4.66
Calculated Head	**70.95**	**12.53**	**6.52**	**6.91**	**3.10**

Analysis was also conducted on the sinks material to determine iron deportment to the various iron-bearing mineral species. Data relating to iron deportment is presented in Table 13-6. The majority of the iron in the sinks fraction is present in the form of iron manganese oxides, zinnwaldite, garnet, tourmaline and iron phosphates.

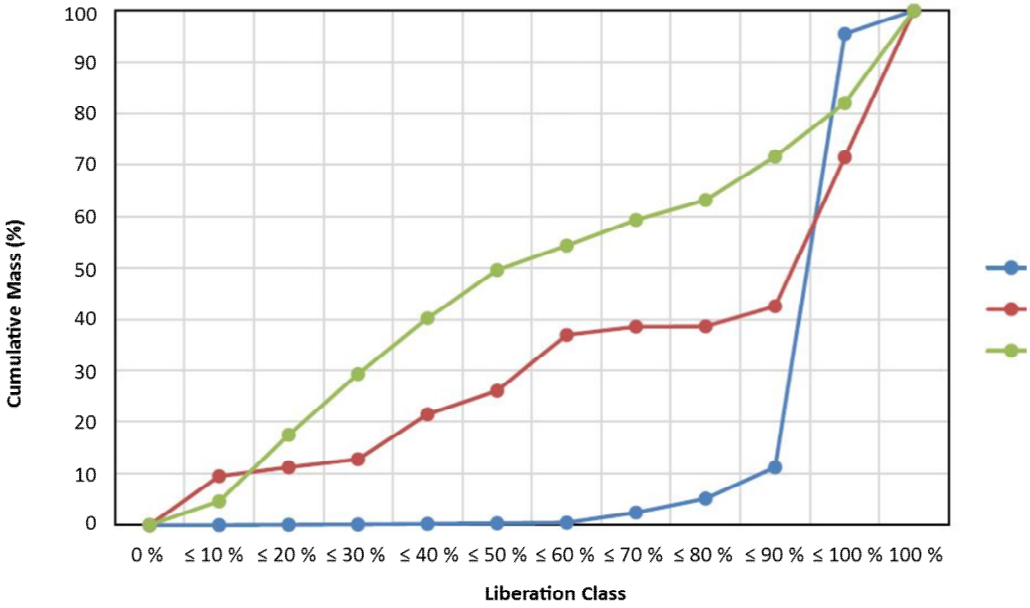
Table 13-6
Iron deportment

Mineral Species	Iron Deportment (%)
Fe(Mn) Oxides	34.67
Zinnwaldite	21.62
Garnet	15.43
Iron Phosphates	15.25
Tourmaline	10.12
Muscovite	1.39
Other	1.51

Particle liberation

The completion of QEMSCAN (Quantitative Evaluation of Minerals by SCANning electron microscopy) analysis allowed for a detailed examination of the liberation characteristics of various minerals contained within the HLS material fractions. Liberation data for spodumene is presented in Figure 13-4.

Figure 13-4
Spodumene liberation



It is concluded that:

- spodumene is well liberated in the HLS sinks fraction where in the order of 95 % of the particles are more than 80% liberated;
- similarly, a relatively large component is also well liberated in the HLS floats fraction, with approximately 61% of the spodumene particles characterised by liberation in excess of 80%; and
- the liberation of spodumene in the slimes fraction is poor. However, this fraction accounts for a relatively small percentage of the total lithium content.

Further QEMSCAN and Back Scatter Electron ("BSE") work conducted by SGS on the HLS fraction confirmed that the spodumene has high levels of liberation. Most of the lithium bearing minerals are also present, to a lesser extent, within the sinks fraction. Some phosphates and quartz species are present, which constitutes the diluents within the HLS sink fraction.

The QEMSCAN analysis also offers more detailed insight into the association of the spodumene particles with other minerals within the various HLS fractions. Table 13-7 represents the mineral association data for spodumene for the sinks, floats and slimes fractions.

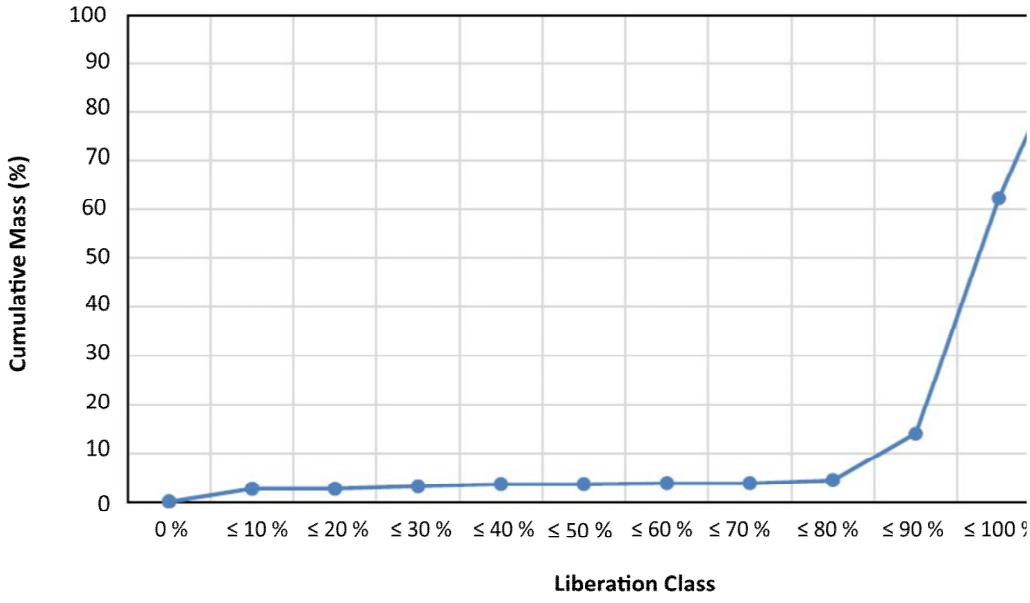
Table 13-7
Mineral association of Spodumene

HLS Fraction	Sinks	Floats	Slimes
Mineral	**Association with Spodumene (% wt/wt)**		
Background	78.21	58.60	51.62
Plagioclase	3.75	7.97	8.43
Quartz	5.84	12.61	4.25
Muscovite	3.53	4.83	16.31
Cookeite	3.69	7.44	12.66
Petalite	3.34	7.05	4.07
Other	1.64	1.50	2.66

Within the sinks fraction 78.2 % of the spodumene crystals are 100 % liberated. Attached spodumene within the sinks fraction is predominantly associated with plagioclase, quartz, muscovite, cookeite and petalite. The poorer liberation of the spodumene within the floats and slimes fraction is evidenced by the lower background associations of 58.60 % and 51.62 % for the spodumene in the floats and slimes respectively.

QEMSCAN data indicates that all the tin in the material occurs as cassiterite (SnO_2). Mineral liberation data relating to this mineral is presented in Figure 13-15, for the sinks material fraction only. The data indicates that the cassiterite grains within this material class are very well liberated with approximately 96 % of the cassiterite exhibiting liberation in excess of 80 % by particle area.

Figure 13-15
Cassiterite liberation – sinks fraction



c) Preliminary Test Work Summary

The preliminary test work indicates that:

- the head samples contain an average of 0.74 % Li_2O, 316 ppm Sn, 24 ppm Ta and 0.83 % Fe. The individual sample Li_2O, iron and tantalum grades are fairly consistent, increasing confidence that

the grades of these elements do not vary significantly across the surface of the dump. The tin grade is much more variable;

- mineralogical analysis indicates that the head material contains approximately 6.4% Spodumene, and that a concentrate containing 96.3% Spodumene (6.68 % Li_2O) can be produced by means of HLS separation at an SG of 2.96. Of the feed material, approximately 5.6% reports to the HLS sinks fraction. The spodumene within the sinks fraction is well liberated, with 78.2 % of the crystals being entirely liberated. Attached spodumene within the sinks fraction is predominantly associated with plagioclase, quartz, muscovite, cookeite and petalite. The poorer liberation of the spodumene within the floats and slimes fraction is evidenced by the lower background associations of 58.60 % and 51.62 % for the spodumene in the floats and slimes respectively.

d) Potential By-Products and Deleterious Elements

During the course of the preliminary test work, consideration has been given to potential commercial by-products and deleterious elements likely to impact on the saleability of Li2O concentrate product. Tin may potentially be a useful by-product, while iron is a penalty element and data relating to its content in a potential HLS or flotation concentrate should be closely analysed. Cassiterite is concentrated in the HLS sinks and slimes fractions. 37.2 % of the cassiterite reports to the slimes (-25 µm) fraction. The deportation of a large proportion of the cassiterite to the sinks fraction is due to the high density of the mineral. A significant proportion of the tin-bearing mineral may be recovered by the gravity concentration of the slimes fraction. The separation of slimes from the feed material may be achieved by means of a de-sliming cyclone.

A Mozley multi gravity separator ("MGS") unit is suitable for the treatment of the resultant cassiterite fines and is most efficient below 300 µm. The MGS utilises a similar working procedure to the shaking table with an additional centrifugal force applied to enhance the separation of fine particles. As the MGS is a low capacity unit, it is typically employed for the cleaning of precious metals or valuable minerals such as cassiterite from pre-concentrates. Further work will be required during the next phase of the Project.

Iron is generally specified as a penalty element in off-take agreements, with maximum iron grades relating to saleable spodumene concentrate being in the range of 0.1 - 0.2 % Fe. In light of the current test work the iron-bearing minerals would require removal from the HLS concentrate. This may be achieved through the use of magnetic separation equipment such as wet high intensity magnetic separation ("WHIMS", possibly used in conjunction with gravity separation technology such as tabling. A single magnetic separation test has been performed which removed around 5 % of the concentrate and produced a magnetic concentrate consisting of largely iron mineralisation. This will be further addressed during the next phase of the Project.

The Li2O – iron selectivity data indicates that the iron does not directly follow the spodumene recovery with an iron recovery of 53 % at a Li2O recovery of 71 %. The data suggests that an ironrich mineral is reporting to the float along with the lithium-bearing minerals. The flotation of these iron species may be inhibited by the selection of an additional depressant and will be investigated further during the next phase of the Project.

e) Heavy Liquid Separation of Coarse Fraction

HLS test work was conducted by SGS during the first two weeks of June 2017. The purpose of this work was to evaluate the technical feasibility of the production of a spodumene pre-concentrate through the application of dense media separation (DMS) technology. A concentrate was constituted from the HLS test work products for further magnetic separation test work, the results of which are detailed in Section 13-5 of the Technical Report.

f) Scoping Magnetic Separation Test Work

Following the completion of the HLS test work, a concentrate sample was constituted from the various SG fraction samples, starting at the floats sample at SG 3 and ending with the sinks sample at SG 3.3. The sample feed grades were estimated as 6.11 % Li2O and 0.93 % Fe. The concentrate sample was subsequently subjected to scoping magnetic separation test work, this for the purpose of reducing the iron content in the concentrate. The feed material was initially separated using a rotary sample splitter, where one of the ten

subsamples was set aside as a feed sample for analysis. The remaining nine subsamples were combined as feed to the magnetic separator. The test work was conducted using a dry permanent roll magnetic separator. A number of different rougher tests were performed, using various magnetic rolls characterised by varying magnetic intensities. The mass yield to the magnetic fraction was measured at the end of each test run.

The test work is further described in Section 13-6 of the Technical Report.

g) HLS and Magnetic Separation Test Work Summary

Heavy liquid separation test work completed by SGS has concluded the following:

- 46.4 % of the feed material is contained within the coarser +425 µm size fraction, however due to a higher Li2O grade associated with this coarser fraction (in the range of 0.85 % Li2O), in the order of 55 % of the lithium is contained within this fraction.
- The production of a high grade lithium concentrate may be optimally achieved at a relative cut density or SG of 2.9.
- The concentrate produced at this SG, under ideal conditions is characterised by the following ***calculated*** parameters:
    - Li2O grade of 6.11 % at a recovery of 74.85 %
    - Sn grade of 1144 ppm at a recovery of 38.74 %
    - Fe grade of 0.93 % at a recovery of 20 %
    - A total mass yield or recovery of 10.22 %
- The removal of iron species is essential due to concentrate iron grades which exceed those specified for a saleable concentrate.

Based on data associated with the initial magnetic separation scoping test, the following is concluded:

- 73.44 % of the iron was removed from the heavy liquid separation concentrate, with a corresponding Li2O loss of 2.09 %.
- The final concentrate assay was recorded as 7.08 % Li2O and 0.26 % Fe.

6) Mineralization

The mineralisation of interest is contained in the dumps derived from the mining of the complex spodumene-bearing LCT pegmatites (ML No. 12 – Kamativi Mine). A summary of the main lithium minerals commonly associated with pegmatite hosted lithium deposits is presented in Table 7-1.

At Kamativi, spodumene is the main lithium mineral present with lesser amounts of cookeite, zinnwaldite, petalite and amblygonite (UNIDO, 1983). Historical estimates of the size and lithium content of the tailings dump indicate that there is lithium mineralisation of potential economic interest.

Table 7-1
Chemical composition and density of the main lithium minerals associated with pegmatites

Mineral	Chemical composition	Maximum* Lithium % (calculated)	Maximum* Li_2O % (calculated)	Density range (average)
Spodumene	$LiAl(Si_2O_6)$	3.7	8.0	3.15
Cookeite	$LiAl_4(Si_3Al)O_{10}(OH)_8$	1.33	2.86	2.67
Zinnwaldite	$K(Al,Fe,Li)_3(Si,Al)_4O_{10}(OH)F$	1.59	3.42	2.9-3.1 (3.0)
Petalite	$LiAl(Si_4O_{10})$	1.6-2.27	3.4-4.9	2.39-2.46 (2.42)
Amblygonite	$LiAl(PO_4)(F,OH)$	3.4-4.7	7.3-10.1	3.0
Lepidolite	$K_2(Li,Al)_{5-6}(Si_{6-7}Al_{2-1}O_{20})(OH,F)_4$	1.39-3.6	3-7.9	2.8-2.9 (2.84)
Eucrypite	$LiAl(SiO_4)$	2.1-5.5	4.5-11.8	2.67
Lithiophilite	$LiMnPO_4$	4.4	9.53	3.34

Note: * Note that the actual lithium content of the minerals may be lower and the numbers presented represent maximum theoretical lithium content.
Conversion factor from Li % to Li_2O % = Li % x 2.153
Source: www.webmineral.com *and BGS (2016)*

The pegmatites at Kamativi form part of a larger regional pegmatite belt within the Dete-Kamativi Inlier (Senzani, 1992) and are hosted in the supracrustal gneisses and schists of the Kamativi Schist Belt that form part of the Palaeoproterozoic Magondi Belt. The Magondi Belt comprises a dominantly metasedimentary succession with minor mafic, intermediate to felsic metavolcanics (Master, 1991) that was deposited between 2.1-2.0 Ga (Master, 1991) and has metamorphic ages of between 2.0-1.8 Ga (Master *et al.*, 2013). The Dete-Kamativi inlier is the western extension of the Magondi Belt exposed through younger Phanerozoic cover. The inlier comprises granodioritic orthogneisses, granites and highly deformed and metamorphosed supracrustal sequences that are divided in four northeast-southwest tectonostratigraphic belts. The four belts are known as the Kamativi, Tshontanda, Inyantue and Malaputese and overlie and are surrounded by the orthogneisses (Master, 1991; Senzani, 1992). The pegmatites have been dated at between 1026-925 Ma (Melcher *et al.*, 2013).

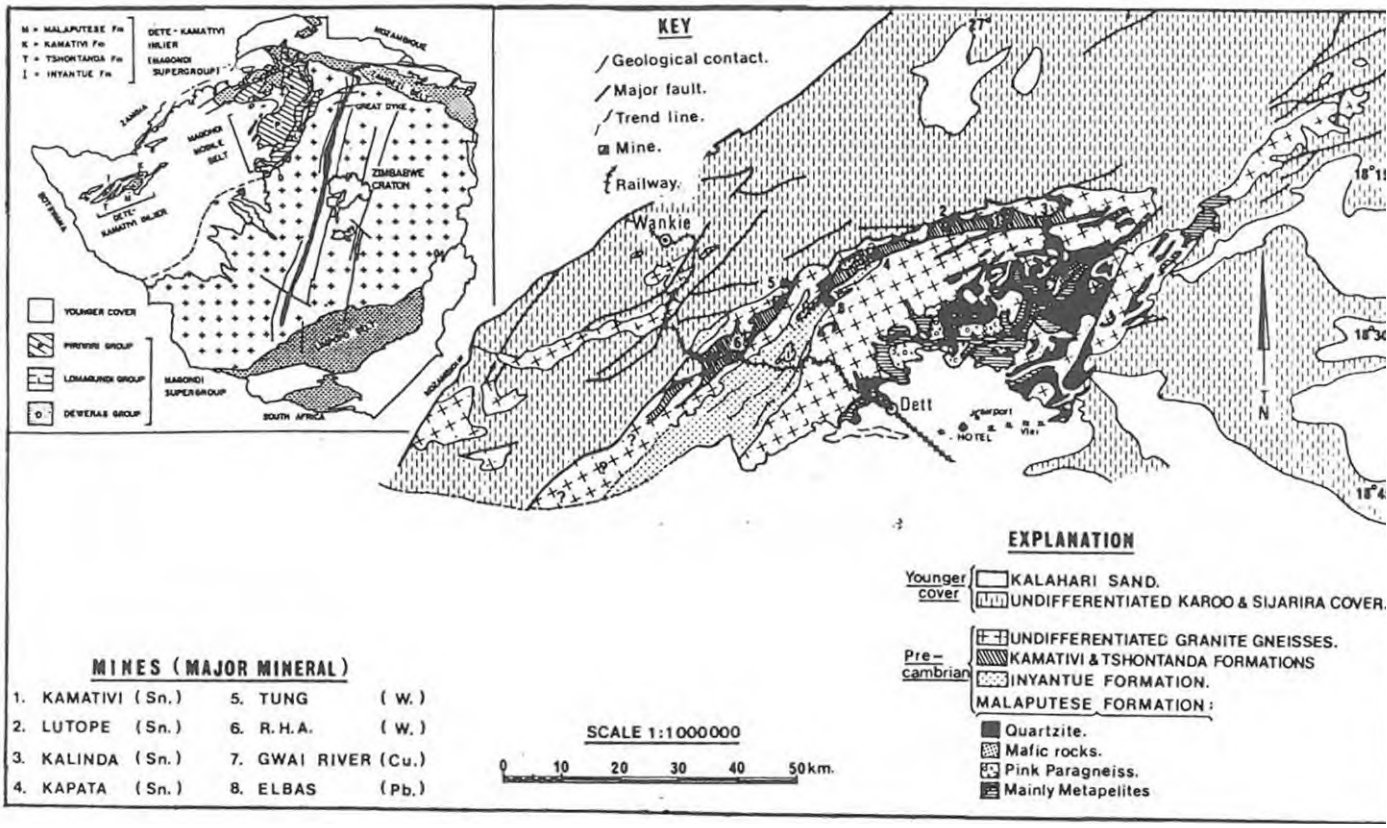
The pegmatites that were mined at the Kamativi Tin Mine are unzoned (Kinnaird *et al.*, 2016) bodies ranging from <1 m to >30 m wide and frequently bifurcate and pinch out along strike. Two types of pegmatite are recognised namely:

- stacks of thicker (up to 30 m+) inverted saucer shaped bodies and dips of between 20°-50° and have been traced for up to 2 km. These pegmatites occur within domal or anticlinal structures and are thickest in the centre of the domes/anticlines and thin outwards. The schist partings between the pegmatites may be up to 100 m thick. The pegmatite has been mined along a strike length of 800 m and to a depth of 270 m (Kinnaird et al., 2016); and

- as discordant, foliation parallel dykes with dips of >70° and widths up to 8 m. These thinner pegmatite dykes occur less frequently and considered to be the feeders to the larger more common flat lying pegmatites (Senzani, 1992; Begg, 2008).

The pegmatite-schist contacts comprise a 10 cm thick wall-rock alteration zone comprising tourmaline, quartz and depleted in feldspar. The pegmatites are albitised and contain tin (in the form of cassiterite), lithium (in the form of spodumene and a variety of other lithium minerals) and tantalum/niobium (tantalite-columbite minerals) mineralisation (Senzani, 1992). The tin mineralisation occurs as cassiterite patches within the thinner pegmatite dykes and in the thicker flatter pegmatites it is more evenly disseminated with higher grade patches within individual pegmatites. The thicker (>4 m) pegmatites contain the lithium minerals, mainly spodumene which constitute up to 15% of the pegmatite composition. Average grades range from 0.65-0.75 % Li_2O and the spodumene contains 7 % Li_2O and <0.5 % Fe (Begg, 2008). Wolframite is also reported to occur in small amounts in thin veins and stockworks of milky-grey quartz with minor tourmaline (Senzani, 1992).

Figure 7-1
Geological map of the Dete-Kamativi inlier



Source: *Senzani (1992*

7) Drilling

Exploration drilling was focussed on the tailings dump derived from the historical tin mining conducted at the now disused Kamativi Tin Mine. A total of 115 drill holes were drilled between 2 March 2018 and 29 May 2018 across the tailings dump to define the extent and depth of the dump. One hole was abandoned due to excessive collapsing and the samples were not submitted for assay. The abandoned hole was re-drilled. Drilling was carried out using an auger drill and for a portion of the programme a diamond coring rig.

The Technical Report concluded that the sampling is representative of the mineralization present. For more details on the drilling, see *Section 10 – Drilling* of the Technical Report.

8) Sampling and Analysis

(a) Previous sampling campaigns

A total of 28 samples have been collected across the tailings dump comprising 18 samples collected in 2015, 2016 and 2017 by Lintmar and another 10 samples collected for verification purposes by MSA in 2017 (see Section 12.1 of the Technical Report). All samples were sent to SGS Randfontein for sample preparation and assay. SGS Randfontein is accredited by SANAS (South African National Standard) and conforms to the requirements of ISO/IEC 17025 for the analytical methods used. A number of sample splits, from samples Li-A to Li-G and KM1, as described below were also sent to various laboratories (Axis House in Cape Town and Mintek in Randburg, Johannesburg) for metallurgical test work, the details of this work is described in Section 13 of the Technical Report. For more details on the previous sampling campaigns, please refer to Section 11-1 of the Technical Report.

(b) 2018 Borehole sampling, preparation and analysis

After each 1.5 m drill run, the samples were bagged into heavy duty sample bags and laid-out by the drillers in the sequence that they were drilled – this process was supervised by the on-site geologist. The sample bags containing the 1.5 m samples were labelled clearly with a paint marker by the on-site geologist – indicating both the borehole ID and the drilled interval on each sample bag. A sample ticket number was also inserted into each sample bag. All sample masses were recorded on site to three decimal places. The scale used to record masses was regularly calibrated to ensure accurate measurements.

A total of 1,272 samples were collected at 1.5 m lengths in this phase of the exploration drilling campaign and bagged and sealed on site. Samples were kept on site until inspected and signed off by Zimbabwe Ministry of Mines and then transported to a storage depot in Bulawayo where they were kept until the end of the drilling programme. At the end of the programme the samples were couriered to SGS Randfontein Johannesburg, South Africa for sample preparation and assay.All samples were composited to 3 m intervals by combining equal masses of material from two successive 1.5 m samples down the drill holes. Where the last sample in a drill hole did not represent a 1.5 m interval or could not be composited with another to make a 3 m composite the sample was left uncomposited.

For more details on the 2018 Borehole sampling, preparation and analysis, please refer to Section 11-2 of the Technical Report.

9) Security of Samples

In addition to the laboratory QA/QC programme routinely implemented by SGS using pulp duplicate analysis and internal blank and standards, MSA implemented an external QA/QC protocol comprising the insertion of certified reference materials (“CRMs”), blanks and composite duplicates, and sample split duplicates on a systematic basis amongst the samples shipped to SGS (discussed below). These were inserted at a frequency of 1 blank, 1 CRM and 1 duplicate for every 25 samples (giving an average of approximately 12%).

The Authors are of the opinion that the sample handling and logging protocols are considered in line with industry practice and that the samples are representative of the mineralization. Overall the performance of the CRMs, blanks, duplicates and check laboratory samples are considered acceptable. The assay methods used by SGS are in line with accepted industry standards and the assay results considered acceptable for use in the Mineral Resource estimate.

The measures taken to ensure the validity and integrity of samples is more fully described in Section 11 of the Technical Report.

10) Mineral Resources and Mineral Reserves

(a) Mineral Resources Statement

The Mineral Resource was estimated using The Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Best Practice Guidelines and is reported in accordance with the 2014 CIM Definition Standards, which have been incorporated by reference into National Instrument 43-101 – Standards of Disclosure for Mineral Projects (NI 43-101). The Mineral Resource is classified into the Indicated and Inferred categories as shown in Table 14-9. The Mineral Resource is reported for the total tailings dump. The lowest Li2O block estimate is 0.22% which MSA considers has reasonable prospects for eventual economic extraction given the anticipated low-cost bulk mining and non-selective nature of tailings storage facility reclamation, and the outcome of initial metallurgical test work (refer to Item 13 of this Technical Report). It should be noted that Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability and the use of economic parameters used to assess the potential for eventual economic extraction is not an attempt to estimate Mineral Reserves, the level of study so far carried out being insufficient with which to do so.

Table 14-9
Kamativi Lithium Tailings Mineral Resource for the Total Tailings Dump, 10 September 2018

Category	Tonnes (Millions)	Density t/m3	Li2O (%)	SnO2 ppm	Ta2O5 ppm	Fe2O3 (%)	Nb2O5 ppm
Indicated	26.32	1.67	0.58	493	41	1.22	65
Inferred	0.30	1.67	0.62	544	45	1.45	62

Notes:
1. All tabulated data have been rounded and as a result minor computational errors may occur.
2. Mineral Resources which are not Mineral Reserves have no demonstrated economic viability.
3. Fe2O3 is considered a deleterious material and is reported for information purposes.
4. Mineralogical work has demonstrated that the lithium mineralogy is dominantly spodumene. Test work indicates that
mineralogical separation of the spodumene is possible under laboratory conditions
5. For the purposes of establishing reasonable prospects for eventual economic extraction, the cost of producing and delivering one tonne of 6% Li2O spodumene concentrate, FOB Durban, is estimated at an average of US$286/t based on:
a. Mining costs of US$26/t
b. Processing costs of US$110/t
c. G&A of US$50/t
d. Transport of US$100/t
e. The expected revenue derived from one tonne of concentrate is expected to be US$800

11) Mineral Reserve Estimates

Not applicable at this stage.

12) Mining Operations

Not applicable at this stage

13) Exploration and Development

As part of the earlier work done, an Exploration Target was reported in the previous Technical Report dated 3 April 2018.

Conclusions and Recommendations

Mineralogical test work has confirmed that spodumene is the primary lithium bearing mineral. Preliminary metallurgical test work suggests the spodumene is recoverable through a combination of gravity and flotation methods and that a potentially saleable spodumene concentrate can be produced However more detailed work is required in order to establish the most efficient work flow and also a suitable method for the removal the iron from the concentrate.

The results of work completed on the Project to date warrant further exploration. The recommendations to be considered for subsequent exploration activities for the next two years on the Project are detailed below. Further exploration work is required in order to advance the Project and the proposed programme is:

- infill auger drilling and sampling programme over the high-grade portion of tailings dumps to improve the confidence in the Mineral Resource.
- advanced metallurgical test work taking into account possible variations in grade and mineralogy identified in the drilling programme and optimise the gravity process, flotation, grind size, and removal of the iron from the final concentrate; and
- finalisation of the location of the new tailings disposal facility and proposed process plant.

This will need to be done in conjunction with the Environmental Impact Assessment ("**EIA**").

Table 1-4
Summary of proposed exploration programme for next phase of exploration

Items	Key Quantities	Budget (USD)	Proposed Deliverables
Auger drilling programme	Approximately 525 m drilling and assays, Mineral Resource estimate and geological consulting	55,000	20 drill holes averaging 25m depth. Mineral Resource estimate brought to code compliant category
PEA		80,000	
Advanced metallurgical test work	Flotation, grind size determination, magnetic separation and gravity test work	150,000	Metallurgical process work flow
Environmental Impact Assessment	Hydrological study, hydrogeology, soils, water, biological field studies, tailings and pilot plant processing permitting.	100,000	Initiation of EIA Process

5. SELECTED FINANCIAL INFORMATION

The following table sets out the Company's selected financial information as at and for the periods indicated. Such information is derived from the financial statements of the Company attached as Schedule 1.

The information below should be read in conjunction with the Company's management discussion and analysis, audited annual financial statements and unaudited condensed interim financial statements and related notes and other financial information.

5.1 Annual Information

CAT Information	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
Revenue	Nil	Nil	Nil
Expenses	($458,615)	($1,358,905)	($1,046,674)
Net loss	($2,456,929)	($575,723)	($1,051,822)
Loss per share	(0,05)	(0,01)	(0.07)
Total assets	$49,035	$2,253,046	$1,152,890
Total liabilities	$696,056	$449,481	$365,636
Cash dividends	Nil	Nil	Nil

5.2 Quarterly Information

	2019				2018			
CAT Information	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net income (Loss)	($1,662,305)	($221,014)	($125,514)	($448,096)	$169,192	($168,310)	($319,689)	($326,801)
Earnings (Loss) per share – basic and diluted	($0.03)	($0.01)	($0.01)	($0.01)	($0.00)	($0.00)	($0.01)	($0.01)

5.3 Dividends

The payment of dividends, if any, in the future, rests within the sole discretion of the Board. The payment of dividends will depend upon the Company's earnings, its capital requirements and its financial condition, as well as other relevant factors. The Company has not declared any cash dividends since its inception and the Company intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its Shares and other classes of shares in the foreseeable future.

There are no restrictions in the Company's constating documents that prevent the Company from declaring dividends. The BCA, however, prohibits the Company from declaring a dividend where, after giving effect to the distribution of the dividend the Company would not be able to pay its debts as they become due in the usual course of business, or the Company's total assets would be less than the sum of its total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution.

5.4 Foreign GAAP

The Company's financial statements have not been prepared in accordance with Foreign or U.S. GAAP.

6. MANAGEMENT AND DISCUSSION ANALYSIS

This discussion concerns the Company's Financial Statements, which are included in this Listing Statement and should be referred to when reading this discussion. The Company's Financial Statements summarize the financial impact of the Company's financings, investments and operations, which Financial Statements were prepared in accordance with IFRS.

The Company's Management Discussion and Analysis for the period from January 1, 2019 to December 31, 2019, for the period from January 1, 2020 to March 31, 2020 and for the period from January 1, 2020 to June 30, 2020 are attached hereto as Schedule "B".

Certain information included in the Company's MD&As is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "*Note Regarding Forward-Looking Statements*" for further detail.

7. MARKET FOR SECURITIES

The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario. The Common Shares are listed and posted for trading on the CSE under the trading symbol "CAT". The Company's common shares also began trading on the Frankfurt Exchange under the symbol "8CH" commencing July 29, 2014.

Please refer to the section entitled "Trading Price and Volume" below.

8. CONSOLIDATED CAPITALIZATION

Since the year ended December 31, 2018 and the year ended December 31, 2019, the Company has not effected any material changes with respect to its share capital save and except for the changes described in this Listing Statement.
The following table sets out the capitalization of the Company as at the dates specified below and should be read in conjunction with the December 31, 2019 audited financial statements included hereto:

Description	Outstanding as at December 31, 2018 (Audited)	Outstanding as at December 31, 2019 (Audited)	Outstanding as at June 30, 2020 (Unaudited)	Outstanding at the date of this Listing Statement (Unaudited)
Common Shares	50,422,310	51,922,310	75,922,310	101,146,270
Warrants	23,854,163	22,692,496	22,652,496	33,818,700[(1)]

Notes:

(1) There are 2,500,000 warrants outstanding exercisable at a price of $0.05 until October 28, 2021;
There are 5,607,500 warrants outstanding exercisable at a price of $0.15 until December 1, 2020;
There are 711,200 warrants outstanding exercisable at a price of $0.25 until December 21, 2020;
There are 25,000,000 warrants outstanding exercisable at a price of $0.05 until August 24, 2023;

9. OPTIONS TO PURCHASE SECURITIES

The Stock Option Plan was approved by the Board and adopted by the Company in 2012 and has been approved at every annual general meeting of the shareholders since this date. The purpose of the Stock Option Plan is to assist the Company in attracting, retaining and motivating directors, officers, employees, consultants, and advisors (together "service providers") of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its shareholders.

The Stock Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance will be 10% of the number of Shares issued and outstanding from time to time. The Stock Option Plan will be administered by the Board, which will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such service providers of the Company and its affiliates, if any, as the Board may from time to time determine. The exercise prices shall be determined by the Board, but shall, in no event, be less than the closing market price of the Shares on the Exchange, less the maximum discount permitted under the Exchange policies, if such is permitted. The Stock Option Plan provides that the number of Shares issuable on the exercise of options granted to all persons together with all of the Company's other previously granted options may not exceed 10% of the issued and outstanding Shares.

In addition, the number of Shares which may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Shares on a yearly basis. Subject to earlier termination and in the event of dismissal for cause, termination other than for cause or in the event of death, all options granted under the Stock Option Plan will expire on the date of expiry set by the Board at the time of grant, which may not be later than ten years from the date that such options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

As at the date hereof, the Company has 1,870,000 issued and outstanding stock options:

Name of Optionnee	Position of Optionee	Date of Grant	No. of Optioned Shares	Exercise Price	Expiry Date
Robert Rosner	Director & Officer	2017/09/25	500,000	$0.15	2022/09/24
Luis Martins	Director	2017/09/25	100,000	$0.15	2022/09/24
Steven Cozine	Director & Officer	2017/09/25	100,000	$0.15	2022/09/24

Robert Rosner	Director & Officer	2017/12/01	500 000	$0.15	2022/12/01
Robert Rosner	Director & Officer	2018/06/11	200,000	$0.15	2022/12/01
Luis Martins	Director	2017/12/01	100 000	$0.15	2022/12/01
Steven Cozine	Consultant	2017/12/01	100 000	$0.15	2022/12/01
Steven Cozine	Consultant	2018/06/11	70 000	$0.15	2023/06/11
Luis Martins	Consultant	2018/06/11	200 000	$0.15	2023/06/11
		Total:	**1,870,000**		

10. DESCRIPTION OF THE SECURITIES

10.1 General

The Company has authorized an unlimited number of common shares without par value. As of the date of this Listing Statement, there were101,146,270 issued and outstanding fully paid common shares.

Holders of Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of the Company, and each Share confers the right to one vote, provided that the shareholder is a holder on the applicable record date declared by the Board. The holders of the Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board may determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company.

10.2 Debt Securities

As of the date of this Listing Statement, the Company has no debt securities listed.

10.3 Other Securities

As of the date of this Listing Statement, the Company has no other securities listed.

10.4 Modification of terms

The Company has not amended, modified or varied any of the terms or rights attached to its Common Shares.

The Company did issue a press release on June 24, 2020 announcing its intention to consolidate all of the issued and outstanding Common Shares on the basis of 1 post-consolidation common share for every 10 pre-consolidation shares (the “Consolidation”). However, as of the date of this Listing Statement, the Company did not effect the Consolidation proposed by its board of directors but reserves the right to do so in the future. The exercise or conversion price and the number of Common Shares issuable under any of the Company’s outstanding warrants and stock options described above will be proportionately adjusted to reflect the Consolidation in accordance with the respective terms thereof.

10.5 Other Attributes

There are no other attributes of the Company's Common Shares that would be materially limited or qualified by the rights of any other class of securities, or any other class of securities that would rank ahead of or equally with the Common Shares.

10.6 Prior Sales

The following table summarizes all sales/issuances of securities of the Company within the last twelve months before the date of this Listing Statement:

Allotment Date	Price per Security/Exercise Price	Number and Type of Securities	Reason for issuance
August 23, 2020	$0.02	25,000,000 Units [(1)]	Private Placement
September 21, 2020	$0.03	25,000,000 Shares	Property Acquisition

Notes :

(1) Units comprised of one common share and one common share purchase warrant entitling its holder to purchase one common share at a price of $0.05 per common share for a period of 36 months from the issuance;

10.7 Trading Price and Volume

The Common Shares are listed and posted for trading on the CSE under the trading symbol "CAT". The following table sets forth trading information for the Common Shares for the periods indicated, as reported on the CSE for each month during the 12-month period preceding the date of this Listing Statement:

	CSE		
Period	High ($)	Low ($)	Volume (Common Shares)
September 2019	0.04	0.04	0
October 2019	0.04	0.04	0
November 2019	0.04	0.04	0
December 2019	0.04	0.04	0
January2020	0.04	0.04	0
February 2020	0.04	0.04	0
March 2020	0.04	0.04	0
April 2020	0.04	0.04	0
May 2020	0.04	0.01	360,000
June 2020	0.03	0.02	435,559
July 2020	0.03	0.015	620,434
August 2020	0.04	0.02	2,759,145
September 2020	0.03	0.04	4.152,207

(1)

11. ESCROWED SECURITIES

As of the date of the Listing Statement, there were no common shares or other convertible securities held in escrow.

12. PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Company, as of the date of this Listing Statement, no person beneficially owns or exercises control or direction over, directly or indirectly, Shares carrying more than 10% of the votes attached to the Shares.

To the knowledge of the directors and officers of the Company, no voting trust exists within the Company such that more than 10% of any class of voting securities of the Company are held, or are to be held, subject to any voting trust or other similar agreement.

13. DIRECTORS AND EXECUTIVE OFFICERS

13.1 Name, Occupation and Security Holdings

Name and Province of Residence	Director/ Officer Since	Principal Occupation for the Past Five Years	Shares Beneficially Owned Directly or Indirectly(2)
Robert Rosner (2) **California, USA**	Chairman, President, CEO, and Director (Director since January 21, 2017; Chairman & CEO since January 24, 2020)	CFO and Director of Emgold Mining Corp (Director since July 7, 2018, and CFO since July 11, 2018) CFO and Director of Lucky Minerals (Director since April 25, 2017 and CFO since March 5, 2020) President and CEO of Lyynks Inc. (September 2011 - July 2018)	1,126,000
Luis Martins (2) **Lisbon, Portugal**	Director since July 2014	Portuguese representative on the "Raw Materials Supply Group" of DG Enterprise and Industry of the European Commission (June 2010-August 2012) and, as an expert, on the "UNECE Expert Group on Resource Classification" (October 2010-August 2012). He has more than 100 national and international peer-review publications and has participated in 375 congresses, workshops and seminars, presenting papers in 93 of them, being also a taught in more	0

		than 20 short courses for graduated students.	
Steve Cozine **Vancouver, BC**	Corporate Secretary since December 1, 2017, and became a Director and CFO on January 24, 2020	Corporate Secretary of Lucky Minerals Inc (Since June 2017) Corporate Secretary of Emgold Mining Corporation (Since June 2019) Independent Consultant (Since September 2010)	0
Diane Mann [(2)] **Vancouver, BC**	Director since March 18, 2020	Independent Marketing Consultant (Since December 2013) Marketing Exec for InvestX Capital (From April 2018 - June 2019)	0

Notes :

(1) Information as to ownership of shares has been taken from the list of registered shareholders maintained by the Company's transfer agent or has been provided by the individual or obtained from SEDI.

(2) Member of the Audit Committee.

13.2 Cease Trade Orders or Bankruptcies

Save and except as set out below, as of the date of this Listing Statement, no director or officer of the Company is, or has been, within ten years before the date of this Listing Statement, a director or executive 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 relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(b) was subject to an event that resulted, after the director or executive officer ceased to be 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 or more than 30 consecutive days; or

(c) 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.

Robert Rosner	Director and Officer of CAT Strategic Metals Corporation that was issued a cease trade order for failing to file its annual financial statements, annual management's discussion and analysis, annual information statement and certification of the annual filings, all for the period ended December 31, 2018 in time. The documents have been filed on SEDAR and the British Columbia Securities Commission issued a revocation order of the CTO on May 6, 2020.

Steve Cozine	Officer of CAT Strategic Metals Corporation that was issued a cease trade order for failing to file its annual financial statements, annual management's discussion and analysis, annual information statement and certification of the annual filings, all for the period ended December 31, 2018 in time. The documents have been filed on SEDAR and the British Columbia Securities Commission issued a revocation order of the CTO on May 6, 2020.

Luis Martins	Director and Officer of CAT Strategic Metals Corporation that was issued a cease trade order for failing to file its annual financial statements, annual management's discussion and analysis, annual information statement and certification of the annual filings, all for the period ended December 31, 2018 in time. The documents have been filed on SEDAR and the British Columbia Securities Commission issued a revocation order of the CTO on May 6, 2020.

13.3 Penalties or Sanctions

As of the date of this Listing Statement, no director or officer of the Company is, or has been, subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely to be considered important to a reasonable investor making an investment decision.

13.4 Personal Bankruptcies

To the Company's knowledge, no existing or proposed director, officer, promoter or other member of management of the Company has, during the ten years prior to the date hereof, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

13.5 Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the Company's knowledge, and other than as disclosed herein, there are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

13.6 Background – Directors and Executive Officers

The following is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date of this Listing Statement, experience in the Company's industry and the amount of time intended to be devoted to the affairs of the Company:

Robert Rosner, Chairman, President and Chief Executive Officer, 55 years old

Mr. Rosner has significant experience as a mining industry entrepreneur and executive. In addition to being the Chairman of the Board of Directors, President and CEO of CAT Strategic Metals Corporation, he is the CFO and a Director of Lucky Minerals Inc., the CFO and Director of Emgold Mining Corporation, and Chairman of the Board of Tomagold Corporation. He has initiated the formation of a number of junior exploration mining companies, and played instrumental roles in managing these, and other resource ventures involved in early stage exploration, resource location, delineation, and development. He has successfully utilized his extensive experience in public and private company management for over 30 years.

Mr. Rosner has acted as an officer and director of both Canadian and U.S. listed companies, providing senior management of reporting compliance, oversight and fiduciary capacities, and directing corporate activities. He also has significant experience in Initial Public Offerings, Mergers & Acquisitions, and reverse takeovers.

Mr. Robert Rosner is not a party to any employment, non-competition or confidentiality agreement with the Company. Mr. Rosner has signed a management contract, through Pan-Ocean Consulting Ltd., with an effective date as of May 1, 2018. Robert Rosner will devote approximately 33% of his time to the Company.

Luis Martins, Director, 61 years old

Luis Martins is a geologist with 30 years of experience in the exploration and mining sector. He graduated from the Faculty of Sciences of Lisbon (1973) and has a MsC in Economic Geology from the same faculty (1995) and also several national and international post-graduation courses.

He was a former Director of the Mineral Resources Department at the Geology and Mining Institute (the Geological Survey) and a former Director of the Mines and Quarries Department at the Directorate-General of Energy and Geology (the Mining Authority). He has participated in several national and international research projects, especially in the mineral exploration, environmental geology and mining heritage fields.

Steve Cozine, Director, Chief Financial Officer and Corporate Secretary, 55 years old

Mr. Cozine has over 25 years of experience in venture capital markets as an officer and director of publicly listed companies in the mining, industrial and high-tech sectors. In addition to being a Director, CFO and Secretary for CAT Strategic Metals Corporation, hi is the Corporate Secretary of Lucky Minerals Inc., and Corporate Secretary of Emgold Mining Corporation. His experience covers a wide range of corporate management duties with a focus on governance and regulatory compliance, project management, corporate finance including private funding and prospectus offerings, human resources, strategic planning and corporate operations. Steve Cozine will devote approximately 33% of his time to the Company.

Diane Mann, Director, 52 years old

Ms. Mann has been involved in the venture capital financial marketplace for over 25 years and brings a wealth of experience to the team in a variety of areas. She began her career in the investment industry and has since worked with several mining resource companies, primarily in executive administration, corporate communications, and special project coordination. As an experienced leader and team member, she is focused on supporting complex organizations through periods of constant and rapid growth through the proper application of strategic communications, stakeholder liaisson, and project management. Ms. Mann has a BSc. From the University of Manitoba.

All directors are elected at the Company's annual general meeting and hold office for a term of one year.

14. CAPITALIZATION

The following section is based on the Company's Common Shares, which are the only securities listed as of the date of this Listing Statement.

14.1 Issued Capital

The following table is with respect to the issued and outstanding Common Shares of the Company.

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	101,146,270	136,834,970	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	28,825,000	32,075,000	28.5%	23.4%
Total Public Float (A-B)	72,321,270	104,759,970	71.5%	76.6%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	50,000,000	50,000,000	49.4%	36.5%
Total Tradeable Float (A-C)	51,146,270	86,834,970	50.6%	63.5%

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security: Common Shares

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	18	720
100 – 499 securities	6	760
500 – 999 securities	0	0
1,000 – 1,999 securities	5	5,000
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	60	72,314,790

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security: Common Shares

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	15	453
100 – 499 securities	18	3,456
500 – 999 securities	7	4,744
1,000 – 1,999 securities	33	33,000
2,000 – 2,999 securities	12	26,102
3,000 – 3,999 securities	4	12,552
4,000 – 4,999 securities	3	12,000
5,000 or more securities	98	19,715,234
Unable to confirm		

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security: Common Shares

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	6	28,825,000

14.2 Convertible or Exchangeable Securities

The following chart provides details regarding all outstanding securities convertible or exchangeable into any class of listed securities as of the date of this Listing Statement.

Description of Security (conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Stock options granted to the directors and officers on September 25, 2017 exercisable at a price of $0.15 per share until September 24, 2022.	700,000	700,000
Stock options granted to the directors and officers on December 1, 2017 exercisable at a price of $0.15 per share until December 1, 2022. .	700,000	700,000
Stock options granted to the directors and officers on June 11, 2018 exercisable at a price of $0.15 per share until June 11, 2023.	470,000	470,000
Common Share Purchase Warrants issued on October 28, 2016 exercisable at a	2,500,000	2,500,000

price of $0.005 per common share until October 28, 2021		
Common Share Purchase Warrants issued on December 1, 2017 exercisable at a price of $0.15 per common share until December 1, 2020	5,607,500	5,607,500
Common Share Purchase Warrants issued on December 21, 2017 exercisable at a price of $0.25 per common share until December 21, 2020	711,200	711,200
Common Share Purchase Warrants issued on August 24, 2020 exercisable at a price of $0.05 per common share until August 24, 2023	25,000,000	25,000,000

15. EXECUTIVE COMPENSATION

15.1 Compensation Discussion and Analysis

The Company's completed Form 51-102 F6 Statement of Executive Compensation for the period ending on December 31, 2019 is attached hereto as Schedule "C". It is not the Company's plan to make any material chances to the compensation of its executives.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Listing Statement, no director or executive officer or employee of the Company, or an associate of any such director or officer is or at any time during the most recently completed financial year has been indebted to the Company and no indebtedness of any such individual to another entity is or at any time during the most recently completed financial year has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

17. RISK FACTORS

The following are certain factors relating to the business of the Company, which factors investors should carefully consider when making an investment decision concerning the Shares. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company, or that the Company currently deems immaterial, may also impair the operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its growth plans could be adversely affected.

17.1 Risk related to the operations of the Company

Prospects for companies in the mineral exploration industry generally may be regarded as uncertain given the nature of the industry and, accordingly, investments in mineral exploration companies should be regarded as highly speculative. Mineral exploration involves a significant degree of risk. An investor should carefully consider the risks and uncertainties described below. The risks and uncertainties described below are not an exhaustive list. Additional risks and uncertainties not presently known to the Company or that are considered to be immaterial may also adversely affect the Company's business. If any one or more of the following risks occur, the Company's business, financial condition and results of operations could be seriously harmed.

Further, if the Company fails to meet the expectations of the public market in any given period, the market price of the Shares could decline. An investment in the Shares should only be made by persons who can afford a significant or total loss of their investment.

The risks discussed below also include forward-looking statements and actual results may differ substantially from those discussed in these forward-looking statements. See "*Note Regarding Forward Looking Statements*" in this Listing Statement.

Dependence on the Kamativi Property

The Company is an exploration stage company and as such does not anticipate receiving revenue from its mineral properties for some time. The Company will be mainly focused on the exploration and development of the Kamativi Property. Unless the Company acquires additional property interests, any adverse developments affecting the Kamativi Property could have a material adverse effect upon the Company and would materially and adversely affect any profitability, financial performance and results of operations of the Company.

Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development programs at the Kamativi Property will result in the definition of bodies of commercial mineralization. There is also no assurance that even if commercial quantities of mineralization are discovered that Kamativi Property will be brought into commercial production. Failure to do so will have a material adverse impact on the Company's operations and potential future profitability. The discovery of bodies of commercial mineralization is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade and proximity to infrastructure), metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Most of the above factors are beyond the Company's control.

Exploration, Development and Production Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Company's resource base.

The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. In addition, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of processing equipment and such other factors as government regulations, including

regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access of properties in which the Company has an interest will have an adverse effect on profitability as a result of higher infrastructure costs. There are also physical risks to the exploration personnel working in the terrain in which the Company's properties will be located, often in poor climate conditions.

The long-term commercial success of the Company depends on its ability to explore, develop and commercially produce minerals from its properties and to locate and acquire additional properties worthy of exploration and development for minerals. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participation uneconomic.

Mineral Resources and Reserves

Mineralization estimates for the Company's properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

Unless otherwise indicated, mineralization figures presented in this Listing Statement are based upon estimates made by the Company, personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis which may prove to be unreliable. There can be no assurance that these estimates will be accurate; resource or other mineralization figures will be accurate; or such mineralization could be mined or processed profitably.

Insufficient Resources or Reserves

Substantial additional expenditures will be required to establish either resources or reserves on mineral properties and to develop processes to extract the minerals. No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis or at all.

Maintaining Interests in Mineral Properties

The Company's continuing right to maintain its interest in the Kamativi Property will be dependent upon compliance with applicable laws.

Obtaining and Renewing Licenses and Permits

In the ordinary course of business, the Company will be required to obtain and renew governmental licenses or permits for exploration, development, construction and commencement of mining at the Kamativi Property. Obtaining or renewing the necessary governmental licenses or permits is a complex and time consuming process involving public hearings and costly undertakings on the part of the Company. The duration and success of the Company's efforts to obtain and renew licenses or permits are contingent upon many variables not within the Company's control, including the interpretation of applicable requirements implemented by the licensing authority. The Company may not be able to obtain or renew licenses or permits that are necessary to its operations, including, without limitation, an exploitation license, or the cost to obtain or renew licenses or permits may exceed what the Company believes they can recover from the Kamativi Property. Any unexpected delays or costs associated with the licensing or permitting process could delay the development or impede the operation of a mine, which could adversely impact the Company's operations and profitability.

No Assurances

There is no assurance that economic mineral deposits will ever be discovered, or if discovered, subsequently put into production. Most exploration activities do not result in the discovery of commercially mineable deposits. The Company's future growth and profitability will depend, in part, on its ability to identify and expand its mineral reserves through additional exploration of the Burntland Property or the Kamativi Property and on the costs and results of continued exploration and development programs. Mining exploration is highly speculative in nature, involves many risks and frequently is not productive. Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any anticipated level of recovery of mineral reserves will be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. There can be no assurance that the Company's exploration efforts at the Burntland Property or the Kamativi Property will be successful.

Title Matters, Surface Rights and Access Rights

The Burntland Property or the Kamativi Property may be subject to prior unregistered agreements of transfer, and title may be affected by undetected defects. Until any such competing interests have been determined, there can be no assurance as to the validity of title of the Burntland Property or the Kamativi Property and any other mining or property interests derived from or in replacement or conversion of or in connection with the claims comprising the Burntland Property or the Kamativi Property or the size of the area to which such claims and interests pertain. The Company cannot guarantee that title to its mineral properties will not be challenged. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained.

Additional Funding Requirements

The exploration and development of the Burntland Property or the Kamativi Property will require substantial additional capital. When such additional capital is required, the Company will need to pursue various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. Additional financing may not be available when needed or, if available, the terms of such financing might not be favorable to the Company and might involve substantial dilution to existing shareholders. The Company may not be successful in locating suitable financing transactions in the time period required or at all. A failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations. Any future issuance of securities to raise required capital will likely be dilutive to existing shareholders. In addition, debt and other debt financing may involve a pledge of assets and may be senior to interests of equity holders. The Company may incur substantial costs in pursuing future capital requirements, including investment banking fees, legal fees, accounting fees, securities law compliance fees, printing and distribution expenses and other costs. The ability to obtain needed financing may be impaired by such factors as the capital markets, the Company's status as a new enterprise with a limited history, the location of the Burntland Property or the Kamativi Property, the price of commodities and/or the loss of key management personnel. Further, if the price of gold, copper and other metals on the commodities markets decreases, then potential revenues from the Burntland Property or the Kamativi Property will likely decrease and such decreased revenues may increase the requirements for capital. Failure to obtain sufficient financing will result in a delay or indefinite postponement of development or production at the Burntland Property or the Kamativi Property.

Dilution

Shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into Shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Company may issue additional Shares from time to time pursuant to Share purchase warrants and the options to purchase Shares issued from time to time by the Board. The issuance of these Shares could result in dilution to holders of Shares.

Environmental Risks

All phases of the Company's operations with respect to the Kamativi Property will be subject to environmental regulation. Environmental legislation involves strict standards and may entail increased scrutiny, fines and penalties for non-compliance, stringent environmental assessments of proposed projects and a high degree of responsibility for companies and their officers, directors and employees. Changes in environmental regulation, if any, may adversely impact the Company's operations and future potential profitability. In addition, environmental hazards may exist on the Burntland Property or the Kamativi Property that are currently unknown. The Company may be liable for losses associated with such hazards, or may be forced to undertake extensive remedial cleanup action or to pay for governmental remedial cleanup actions, even in cases where such hazards have been caused by previous or existing owners or operators of the properties, or by the past or present owners of adjacent properties or by natural conditions. The costs of such cleanup actions may have a material adverse impact on the Company's operations and future potential profitability.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

The Company may be subject to reclamation requirements designed to minimize long-term effects of mining exploitation and exploration disturbance by requiring the operating company to control possible deleterious effluents and to re-establish to some degree pre-disturbance landforms and vegetation. Any significant environmental issues that may arise, however, could lead to increased reclamation expenditures and could have a material adverse impact on the Company's financial resources.

Limited Operating History and Early Stage Property

The Company is an early stage company and the Kamativi Property is an exploration stage property. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The current state of the Burntland Property or the Kamativi Property requires significant additional expenditures before any cash flow may be generated. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of its success must be considered in light of its early stage of operations.

The Burntland Property and the Kamativi Property are in the early exploration stage and are without resources or reserves. The proposed programs on the Burntland Property and the Kamativi Property are an exploratory search for a mineral deposit. Development of the Property will only follow upon obtaining satisfactory results. Exploration for and development of minerals involve a high degree of risk and few properties, which are explored, are ultimately developed into producing properties. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term success of the Company's operations will be in large part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Lack of Operating Cash Flow

The Company currently has no source of operating cash flow and is expected to continue to do so for the foreseeable future. The Company's failure to achieve profitability and positive operating cash flows could have a material adverse effect on its financial condition and results of operations. If the Company sustains losses over an extended period of time, it may be unable to continue our business. Further exploration and development of the Burntland Property or the Kamativi Property will require the commitment of substantial financial resources. It may be several years before the Company will generate any revenues from operations, if at all. There can be no assurance that the Company will realize revenue or achieve profitability.

Regulatory Requirements

Even if the Burntland Property or the Kamativi Property are proven to host economic reserves of precious or non-precious metals, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits. Exploration and mining activities may be affected in varying degrees by government policies and regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of the Burntland Property or the Kamativi Property, environmental legislation and mine safety.

Volatility of Mineral Prices

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. In addition, currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in a world market in United States dollars.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Kamativi Property and Burntland Property. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Kamativi Property and Burntland Property will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operations.

Acquiring Additional Properties

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with large, better established mining companies with substantial capabilities and greater financial and technical resources, the Company may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable.

Risks Associated with Acquisitions

If appropriate opportunities present themselves, the Company may acquire other mineral claims and/or companies. The Company currently has no understandings, commitments or agreements with respect to any other material acquisition and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired company or mineral claims into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition.

Executive Employee Recruitment and Retention

The success of the Company will be dependent upon the performance of its management and key employees. The loss of any key executive or manager of the Company may have an adverse effect on the future of the Company's business. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, it will require additional key financial, administrative, geologic and mining personnel as well as additional operations staff. There is no assurance that it will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If the Company 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 its future cash flows, earnings, results of operations and financial condition.

Adverse General Economic Conditions

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the mineral exploration sector, were impacted by these market conditions. Some of the key impacts of the financial market turmoil included contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. A similar slowdown in the financial markets or other economic conditions, including but not limited to, inflation, fuel and energy costs, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's operations. Specifically, a global credit/liquidity crisis could impact the cost and availability of financing and our overall liquidity, the volatility of mineral prices would impact the Company's prospects, volatile energy, commodity and consumables prices and currency exchange rates would impact costs and the devaluation and volatility of global stock markets would impact the valuation of its equity and other securities. These factors could have a material adverse effect on the Company's financial condition and results of operations.

In recent years, the securities markets in Canada, as well as in other countries around the world, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Company in developing assets, adding additional resources, establishing feasibility of deposits or creating revenues, cash flows or earnings. The value of securities will be affected by market volatility. An active public market for the Shares might not develop or be sustained. If an active public market for the Shares does not develop or continue, the liquidity of a shareholder's investment may be limited and the price of the Shares may decline.

Claims and Legal Proceedings

The Company may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities, including relating to former employees. These matters may give rise to legal uncertainties or have unfavourable results. The Company may carry liability insurance coverage and mitigate risks that can be reasonably estimated; however, there is a risk that insurance may not be adequate to cover all possible risks arising from the Company's operations. In addition, the Company may be involved in disputes with other parties in the future that may result in litigation or unfavourable resolution which could materially adversely impact the Company's financial position, cash flow, results of operations, and reputation, regardless of the specific outcome.

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including the price of gold on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Competition

All aspects of the Company's business will be subject to competition from other parties. Many of the Company's competitors for the acquisition, exploration, production and development of mineral properties, and for capital to finance such activities, will include companies that have greater financial and personnel resources available to them than the Company. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The BBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCA. To the proposed management of the Company's knowledge, as at the date hereof there are no existing or potential material conflicts of interest between the Company and a proposed director or officer of the Company except as otherwise disclosed herein.

Dividends

To date, the Company has not paid any dividends on their outstanding shares. Any decision to pay dividends on the shares of the Company will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions.

Litigation

The Company and/or its directors and officers may be subject to a variety of civil or other legal proceedings, with or without merit. From time to time in the ordinary course of its business, the Company may become involved in various legal proceedings, including commercial, employment and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Company's business, operating results or financial condition.

Operating Hazards, Risks and Insurance

The ownership, exploration, operation and development of a mine or mineral property involves many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased production costs, damage to, or destruction of, mineral properties or production facilities and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on Company property, and punitive awards in connection with those claims and other liabilities.

It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of

our securities. Liabilities that the Company incurs may exceed the policy limits of insurance coverage or may not be covered by insurance, in which event the Company could incur significant costs that could adversely impact its business, operations, potential profitability or value. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Company's interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses. These could include loss or forfeiture of mineral interests or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Company might undertake and legal claims for errors or mistakes by personnel.

COVID-19

The Covid-19 pandemic has created a slowdown in the global economy and uncertainty in the global financial markets which is expected to continue for the next twelve months or longer and which may adversely impact the Company's equity financing capability in turn slowing down or stopping altogether the Company's exploration activity. Travel restrictions imposed as COVID-19 pandemic remediation measures will restrict access by key management personnel to exploration sites until restrictions are lifted.

17.2 Additional Securityholder Risk

There is no risk that Shareholders of the Company may become liable to make an additional contribution beyond the price they paid to purchase or acquire the Common Shares.

18. PROMOTERS

There are no persons performing Investor Relations Activities for the Company and there have been no persons performing such services within the last two years.

19. LEGAL PROCEEDINGS

19.1 Legal Proceedings

Neither the Company nor any of its property was previously a party to, or the subject of, any legal proceeding nor is the Company currently party to any material legal proceeding or contemplating any legal proceedings which are material to its business. From time to time, however, the Company may be subject to various claims and legal actions arising in the ordinary course of business. Management of the Company is not currently aware of any legal proceedings contemplated against the Company.

19.2 Regulatory Actions

From inception to the date of this Listing Statement, save and except for the cease trade orders discussed under section 13.2 herein, there have been no:

(i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority;

(ii) other penalties or sanctions imposed by a court or regulatory body against the Company necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and

(iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

20. INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth in this Listing Statement, the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, any person or company who owns of record, or is known by the Company to own beneficially, directly or indirectly, more than 10% of the Shares of the Company or any associate or affiliate of the foregoing persons or companies in any transaction or in any proposed transaction within the 3 years before the date of the Prospectus that has materially affected or is reasonably expected to materially affect the Company.

21. AUDITORS, TRANSFER AGENT AND REGISTRAR

21.1 Auditors

The auditors of the Company are Dale Matheson, Carr-Hilton, Labonte LLP, Chartered Professional Accountants Company, located at 1500 - 1140 West Pender St., Vancouver, BC V6E 4G1.

As of the date of this Listing Statement, it is proposed that the Company's auditors will continue to be Dale Matheson, Carr-Hilton, Labonte LLP, Chartered Professional Accountants Company.

21.2 Transfer Agent and Registrar

The Company's registrar and transfer agent of the Shares is Odyssey Trust Company at its office at 409, Granville Street, Suite 835, United Kingdom Building, Vancouver, BC, V6C 1T2.

22. MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business and those mentioned above, the following are the only material contracts entered into by the Company within the two years before the date of this Listing Statement and which are currently in effect and considered to be material:

1. The Share Exchange Agreement dated October 17, 2018, entered into by the Company and ZIM to organize the share exchange required to complete the contemplated reverse take over, subject to the terms and conditions set out therein. The Share Exchange Agreement was however terminated on June 28, 2019;

2. The Burntland Property Option Agreement dated September 10, 2020 between the Company and Prospect Or Corp., 9248-7792 Québec Inc., Twilight Capital Inc. and Structure Consulting Capital Inc.

23. EXPERTS

23.1 Names of Experts

The following are persons or companies whose profession or business gives authority to a statement made in this Listing Statement as having prepared or certified a part of that document, report, or valuation described in this Listing Statement:

- Dale Matheson, Carr-Hilton, Labonte LLP, Chartered Professional Accountants Company, are the auditors of the Company, who prepared the audit report on the Company's consolidated Financial Statements as of December 31, 2018 and December 31, 2019 included in and forming part of this Listing Statement; and

- The MSA Group (Pty) Ltd, Henley House, Greenacres Office Park, Cnr Rustenburg and Victory Roads, Victory Park, Gauteng, South Africa, 2196, represented by Michael Cronwright, Ipelo Gasela and John Derbyshire (the "**Authors**"), , who are Qualified Persons (as defined in NI 43-101), authored the Technical Report in accordance with the requirements of NI 43-101, the majority of which is reproduced in and forms part of this Listing Statement and is available in its full form on the Company's profile on SEDAR.

  Michael Cronwright, Ipelo Gasela and John Derbyshire do not have any direct or indirect interest in the Company or the Kamativi Property, and there are no circumstances that, when reasonably interpreted, could be thought to have interfered with the judgment of Michael Cronwright, Ipelo Gasela and John Derbyshire regarding the preparation of the Technical Report.

23.2 Interests of Experts

No person whose profession or business gives authority to a statement made by such person and who is named in this Listing Statement has received or will receive a direct or indirect interest in the Company's property or any associate or affiliate of the Company.

Dale Matheson, Carr-Hilton, Labonte LLP, Chartered Professional Accountants Company has confirmed that it is independent of the Company in accordance with the *Code of Professional Conduct of the Chartered Professional Accountants* of British Columbia.

As at the date hereof, none of the aforementioned persons beneficially owns, directly or indirectly, securities of the Company or its associates and affiliates. In addition, none of the aforementioned persons nor any director, officer or employee of any of the aforementioned persons, is or is expected to be elected, appointed or employed as, a director, senior officer or employee of the Company or of an associate or affiliate of the Company, or as a promoter of the Company or an associate or affiliate of the Company.

24. OTHER MATERIAL FACTS

To management's knowledge, there are no other material facts relating to the Company that are not otherwise disclosed in this Listing Statement or are necessary for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Company.

25. FINANCIAL STATEMENT

The following financial statements and MD&A are included herein:

- CAT Strategic Metals audited consolidated financial statements for the years ended December 31, 2019 and December 31, 2018, December 31, 2017 and unaudited condensed interim consolidated financial statements for the three and six months period ended June 30, 2020

- CAT Strategic Metals MD&A for the year December 31, 2019 and December 31, 2018, December 31, 2017 and for the three and six month period ended June 30, 2020

SCHEDULES

SCHEDULE A - Financial Statements of the Issuer	CAT Strategic Metals audited consolidated financial statements for the years ended December 31, 2019 and December 31, 2018, December 31, 2017 and unaudited condensed interim consolidated financial statements for the three and six months period ended June 30, 2020
SCHEDULE B - Management's Discussion and Analysis of the Issuer	CAT Strategic Metals MD&A for the year December 31, 2019 and December 31, 2018, December 31, 2017 and for the three and six month period ended June 30, 2020
SCHEDULE C - Statement of Executive Compensation	Statement of Executive Compensation (Form 51-102F6V) for the year ended December 31, 2019.
Other Appendices	
SCHEDULE D	Audit Committee Charter

SCHEDULE "A"

CAT STRATEGIC METALS CORPORATION AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2019, DECEMBER 31, 2018, DECEMBER 31, 2017 AND UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTH PERIOD ENDED JUNE 30, 2020

Financial Statements
December 31, 2017 and 2016

(Expressed in Canadian dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Chimata Gold Corp.

We have audited the accompanying financial statements of Chimata Gold Corp., which comprise the statements of financial position as at December 31, 2017 and 2016 and the statements of comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Chimata Gold Corp. as at December 31, 2017 and 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about Chimata Gold Corp.'s ability to continue as a going concern.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
April 30, 2018

An independent firm associated with
Moore Stephens International Limited
MOORE STEPHENS

CHIMATA GOLD CORP.

Statements of Financial Position

(Expressed in Canadian Dollars)

	Note	December 31, 2017	December 31, 2016
		$	$
Assets			
Current assets			
Cash		704,117	23,205
Prepayments		84,773	–
		788,890	23,205
Non-current assets			
Exploration and evaluation assets	4 & 12	364,000	5,000
Total assets		1,152,890	28,205
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities	4 & 5	215,636	42,291
		215,636	42,291
Long-term liabilties			
Long-term payable	4 & 12	150,000	–
		365,636	–
Shareholders' Equity			
Share capital	7	2,451,406	833,802
Share-based reserve	7	298,058	62,500
Loan reserve		61,994	61,994
Deficit		(2,024,204)	(972,382)
		787,254	(14,086)
Total shareholders' equity and liabilities		1,152,890	28,205

Nature and continuance of operations (Note 1)
Commitments (Note 12) and events subsequent to the reporting period (Note 13)
The accompanying notes are an integral part of these financial statements

Approved and authorized for issuance by the board of directors on April 30, 2018

"Robert Rosner" — Robert Rosner, Director

"Rick Groome" — Rick Groome, Director

CHIMATA GOLD CORP.

Statements of Comprehensive Loss

(Expressed in Canadian Dollars)

	Note	Year ended December 31, 2017	2016
Expenses		$	$
Advertising and promotion		16,682	–
Consulting		260,188	21,500
Exploration and evaluation		303,199	5,022
Insurance		435	–
Management fees		16,500	6,000
Listing and filing fees		56,026	16,050
Office and administration		9,439	4,168
Occupancy fees		20,168	12,000
Professional fees		40,429	15,157
Provision of uncollectible taxes		47,453	–
Share-based compensation	7	216,627	–
Travel	4	59,528	–
Loss before the following:		(1,046,674)	(79,897)
Finance fees		(148)	(5,684)
Gain on related party debt		–	1,040
Mineral property impairment	4	(5,000)	–
Loss and comprehensive loss		(1,051,822)	(84,541)
Loss per share, basic and diluted		(0.07)	(0.01)
Weighted average number of common shares outstanding		15,694,681	8,273,789

The accompanying notes are an integral part of these financial statements

CHIMATA GOLD CORP.

Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars except for number of shares)

	Number of Outstanding Shares	Share Capital	Loan Reserve	Share-based reserve	Deficit	Shareholders' equity (deficiency)
		$	$	$	$	$
Balance, December 31, 2015	7,829,800	646,302	61,994	–	(887,841)	(179,545)
Unit issuance for cash	2,500,000	187,500	–	62,500	–	250,000
Comprehensive loss for the year	–	–	–	–	(84,541)	(84,541)
Balance, December 31, 2016	10,329,800	833,802	61,994	62,500	(972,382)	(14,086)
Balance, December 31, 2016	10,329,800	833,802	61,994	62,500	(972,382)	(14,086)
Private placement at $0.055 per unit	15,851,636	871,840	–	–	–	871,840
Share issuance costs for Private placement at $0.055 per unit	–	(49,649)	–	16,856	–	(32,793)
Share-based compensation	–	–	–	216,627	–	216,627
Issuance of shares for acquisition of mineral property	600,000	54,000	–	–	–	54,000
Share issuance costs for acquisition of mineral property	–	(4,511)	–	–	–	(4,511)
Private placement at $0.10 per unit	5,591,500	559,150	–	–	–	559,150
Share issuance costs for Private placement at $0.10 per unit	–	(14,016)	–	1,681	–	(12,335)
Private placement at $0.15 per unit	1,416,000	212,400	–	–	–	212,400
Share issuance costs for Private placement at $0.15 per unit	–	(11,610)	–	394	–	(11,216)
Comprehensive loss for the year	–	–	–	–	(1,051,822)	(1,051,822)
Balance, December 31, 2017	33,788,936	2,451,406	61,994	298,058	(2,024,204)	787,254

The accompanying notes are an integral part of these financial statements

CHIMATA GOLD CORP.

Statements of Cash Flows

(Expressed in Canadian Dollars)

	Year ended December 31,	
	2017	2016
	$	$
Operating activities		
Loss for the year	(1,051,822)	(84,541)
Items not involving cash:		
Share-based compensation	216,627	–
Accrued interest expense reversal	(15,719)	–
Exploration & Evaluation asset write-off	5,000	–
Accrued finance fees	–	5,684
Changes in non-cash operating working capital		
Sales tax receivable	–	420
Prepayments	(84,773)	–
Accounts payable and accrued liabilities	69,064	(88,862)
Cash used in operating activities	(861,623)	(167,299)
Investing activities		
Mineral property option payment	–	(5,000)
Acquisition of mineral properpties	(40,000)	–
Cash used in investing activities	(40,000)	(5,000)
Financing activities		
Net proceeds from units issued for cash	1,582,535	250,000
Loan payable repayment	–	(56,000)
Cash provided by financing activities	1,582,535	194,000
Increase in cash	680,912	21,701
Cash, beginning of year	23,205	1,504
Cash, end of year	704,117	23,205

The accompanying notes are an integral part of these financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Chimata Gold Corp. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on November 16, 2010. The common shares of the Company began trading on TSX Venture Exchange ("TSXV") on September 16, 2011 under the symbol "CAT", and on the Frankfurt Exchange on July 29, 2014 under the symbol "8CH". The Company's principal activity is the acquisition and exploration of mineral properties.

The registered records office and place of business of the Company is 202 – 905 West Broadway, Vancouver, BC V5Z 4M3.

These financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent upon the successful identification of an exploration and evaluation asset, its ability to raise equity capital, to obtain loans from related parties, and to attain profitable operations to generate funds and meet current and future obligations. As at December 31, 2017, the Company had not advanced any exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, loans from related parties and/or private placement of common shares.

These financial statements were approved and authorized for issue by the Board of Directors on April 30, 2018.

2. STATEMENT OF COMPLIANCE

The financial statements of the Company, including comparatives, have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of measurement

The financial statements have been prepared on an accrual basis and are based on historical costs, except for financial instruments which are measured at fair value. The financial statements are presented in Canadian Dollars.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

The Company classifies its financial instruments in the following categories: loans and receivables, and financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

The Company does not have any derivative financial assets and liabilities.

Exploration and evaluation assets

Exploration and evaluation expenditures are those related to the search for and evaluation of mineral resources incurred after the Group has obtained legal rights to explore a specific area and before the technical feasibility and commercial viability of a mineral reserve are demonstrable. Mineral property acquisition costs incurred that result in the outright ownership of a mineral property interest are capitalized and include the cash paid and the estimated fair market value of the consideration of financial instruments on the date of issue.

Exploration and evaluation expenditures, including payments made pursuant to option agreements, are expensed in the period incurred. Administrative expenditures related to exploration and development activities are expensed in the period incurred.

Once it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, and sufficient financing for the continuation of project development has been arranged, the related acquisition costs capitalized are tested for impairment and transferred to mineral property interests and equipment.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and evaluation assets (Continued)

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Impairment of assets

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Asset retirement and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

Share-based payments

The fair value of share options granted to employees is measured at the grant date and recognized over the vesting period with a corresponding increase in equity. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is credited to the share-based payment reserve. The fair value of the options granted is measured using the Black-Scholes option-pricing model. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassification

Certain prior year amounts have been reclassified to conform to the current year's presentation.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. For the years ended December 31, 2017 and 2016, basic loss per share equals diluted loss per share as the effect of the outstanding warrants would be anti-dilutive.

Income taxes

Current income tax:
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:
Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and measurement of deferred tax assets.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification of expenditures as exploration and evaluation expenditures or operating expenses.

Accounting standards issued but not yet effective

Effective for annual periods commencing on or after January 1, 2018

IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15"), which was issued by the IASB in May 2014, supersedes IAS 11, *Construction Contracts*, IAS 18, *Revenue*, IFRIC 13, *Customer Loyalty Programmes*, IFRIC 15, *Agreements for the Construction of Real Estate*, IFRIC 18, *Transfers of Assets from Customers,* and SIC 31, *Revenue – Barter Transactions Involving Advertising Services*. IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and certainty of revenue and cash flows arising from a contract with a customer. IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company anticipates that the adoption of IFRS 15 will not have a material impact on its financial statements, as the Group does not currently generate significant revenue.

IFRS 9, *Financial Instruments* ("IFRS 9"), replaces IAS 39, *Financial Instruments: Recognition and Measurement*, in its entirety. The standard incorporates a number of improvements: a) includes a logical model for classification and measurement (IFRS 9 provides for principle based approach to classification which is driven by cash flow characteristics and the business model in which an asset is held); b) includes a single, forward-looking "expected loss" impairment model (IFRS 9 will require entities to account for expected credit losses from when financial instruments are first recognized and to recognize full lifetime expected losses on a timely basis); and c) includes a substantially-reformed model for hedge accounting with enhanced disclosures about risk management activity (IFRS 9's new model aligns the accounting treatment with risk management activities). IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The Company has determined that the adoption of IFRS 9 will have no material impact on its financial statements given the extent of its current use of financial instruments in the ordinary course of business.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting standards issued but not yet effective (continued)

Effective for annual periods commencing on or after January 1, 2019

On January 13, 2016, IASB issued IFRS 16, *Leases* ("IFRS 16"), which superseded IAS 17, Leases ("IAS 17"). IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is twelve months or less or the underlying asset has a low value. Lessor accounting, however, remains largely unchanged from IAS 17 and the distinction between operating and finance leases is retained. IAS 17, as revised, now prescribes the accounting policies and disclosures applicable to leases, both for lessees and lessors.

The Company anticipates that the adoption of IFRS 16 and revised IAS 17 will have no material impact on its financial statements given the extent of its current use of leases in the ordinary course of business.

4. EXPLORATION AND EVALUATION ASSET

a) Maggie

On August 31, 2016, the Company entered into an option agreement with Innovative Properties Inc. to earn up to 100% interest in certain mineral concessions ("Maggie Gold Property").

During the year ended December 31, 2017, the Company has abandoned and surrendered the option agreement in respect of all mineral claims of the Maggie Property and fully impaired the property.

b) Troilus North

On October 12, 2017, the Company acquired a 100% undivided interest in the Troilus North Property. The property is made up of 139 contiguous claims located 160 km north of the town of Chibougamau in the province of Quebec.

The purchase price is $250,000 with an initial payment of $25,000 due upon closing (paid - $25,000), $25,000 due within 90 days following signing of the agreement, $50,000 due on or before September 30, 2018, $50,000 due on or before March 31, 2019, $50,000 due on or before September 30, 2019, and $50,000 due on or before March 31, 2020. In addition, the Company has granted a 1.5% Net Smelter Royalty to the Vendor; 0.5% of which can be repurchased by the Company for $500,000.

4. EXPLORATION AND EVALUATION ASSET (Continued)

c) BAM

On December 1, 2017, the Company acquired a 100% interest in the BAM mineral property. The property is located in the Pacific Golden Triangle mining district approximately 80 Km south of Telegraph Creek in the Liard mining division of northwest British Columbia, Canada.

Under the terms of the purchase agreement, the Company will pay $60,000 cash and issue 600,000 common shares to Bearclaw Capital Corp. ("Bearclaw"). The initial $15,000 cash payment was paid to Bearclaw and 600,000 common shares were issued to Bearclaw on November 16, 2017 with a fair value of $54,000. The claims comprising the mineral property have been transferred to the Company. On March 1, 2018, the Company made $15,000 cash payment to Bearclaw. The balance of the cash payments will be provided in equal installments of $15,000 8 months and 12 months from the purchase agreement closing date. Bearclaw will retain a 2% Net Smelter Royalty on the property, of which 1% may be purchased by the Company for $1,000,000 at any time.

Acquisition Costs for Mineral Properties:

	Troilus North	BAM	Maggie
	$	$	$
December 31, 2016	-	-	5,000
Acquisitions (Disposal)	250,000	114,000	(5,000)
December 31, 2017	250,000	114,000	-

Exploration expenditures charged to profit and loss during the year 2017 and 2016:

	Troilus North	BAM	General
	$	$	$
December 31, 2016	-	-	-
Investigation cost	220,575	-	82,624
December 31, 2017	220,575	-	82,624

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2017	December 31, 2016
	$	$
Trades payable	168,454	13,573
Accrued liabilities	47,182	13,000
Interest payable on loans	-	15,718
	215,636	42,291

6. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2017, the Company incurred $32,500 (2016 - $Nil) in consulting fees and $85,444 (2016 - $nil) in share based compensation to the Company's Chief Executive Officer ("CEO"), $67,996 (2016 - $nil) in share based compensation to the Company's Chief Financial Officer ("CFO"), $30,000 (2016 - $1,400) in consulting fees to a company controlled by the Company's former Chief Executive Officer ("ex-CEO"), $27,077 (2016 - $Nil) in share based compensation to directors of the company, $16,800 (2016 - $Nil) in consulting fees and $13,539 (2016 - $Nil) in share based compensation to the Company's Corporate Secretary, and $Nil (2016 - $5,022) mineral property investigation fee, $Nil (2016 - $6,000) management fee, $Nil (2016 - $5,000) option payment and $Nil (2016 - $12,000) in occupancy costs, all to companies formerly under common control.

As at December 31, 2017, the Company was owed a balance of is $984 (2016 - $Nil) by the Company's CEO.

7. SHARE CAPITAL

Authorized share capital:
Unlimited common shares and preferred shares without par value

On October 28, 2016, the Company completed a private placement by issuing 12,500,000 units for gross proceeds of $250,000. Each unit is comprised on one common share at $0.02 and one share purchase warrant exercisable into one common share of the Company at $0.05 per share, and expiring 5 years after issuance. The value allocated to the warrants was $62,500 using the residual method of value assignment to these warrants.

On May 31, 2017 the Company completed a 1 to 5 reverse stock-split where each shareholder. The financial statements have been updated retrospectively to reflect the reverse stock-split.

On September 11, 2017 the company completed a non-brokered private placement for 15,851,636 units for gross proceeds of $871,840. Each unit consisted of one common share and one common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.075 per warrant for a period of 36 months. The value allocated to the warrants was $nil using the residual method.

In connection with the private placement, the Company paid cash finder's fees of $18,249 and issued 331,800 finders warrants with an exercise price of $0.075 with a 36 month life, and a grant date fair value of $16,856. The grant date fair value of the finder's warrants was determined using a black scholes option pricing model with the following assumption: life 3 years; volatility 211%; dividend yield 0%; and risk free rate 1.65%.

On November 16, 2017, 600,000 common shares were issued to Bearclaw with a fair value of $54,000 part of the BAM property acquisition costs (Note 4 c)).

7. SHARE CAPITAL (continued)

On December 1, 2017, the company completed a non-brokered private placement for 5,591,500 units for gross proceeds of $559,150. Each unit consisted of one common share and one common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.15 per warrant for a period of 36 months. The value allocated to the warrants was $nil using the residual method.

On December 1, 2017, the company issued 16,000 broker warrants with exercise price of $0.15 per warrant with a 36 month life, and a grant date fair value of $1,680. The grant date fair value of the finder's warrants was determined using a black scholes option pricing model with the following assumption: life 3 years; volatility 238%; dividend yield 0%; and risk free rate 1.56%.

On December 21, 2017, the company issued 3,200 broker warrants with exercise price of $0.25 per warrant with a 36 month life, and a grant date fair value of $394. The grant date fair value of the finder's warrants was determined using a black scholes option pricing model with the following assumption: life 3 years; volatility 238%; dividend yield 0%; and risk free rate 1.7%.

On December 22, 2017, the company completed a non-brokered private placement for 1,416,000 flow-though units for gross proceeds of $212,400. Each unit consisted of one common share and half common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.25 per warrant for a period of 36 months. The value allocated to the warrants was $nil using the residual method of value assignment to these warrants. There was no flow through premium in relation to this issuance.

Warrants

A continuity of the Company's warrants is as follows:

	Warrants	Weighted average exercise price	Weighted average number years to expiry
		$	
Balance, December 31, 2015	300,000	0.01	1.68
Granted	2,500,000	0.05	3.82
Balance, December 31, 2016	2,800,000	0.05	3.59
Granted	22,482,936	0.10	2.76
Balance, December 31, 2017	25,282,936	0.09	2.86

7. SHARE CAPITAL (continued)

Warrants (continued)

As at December 31, 2017, the Company had the following warrants outstanding:

Date Issued	Expiry Date	Exercise Price	Number of Warrants Outstanding
August 13, 2014	August 13, 2019	$ 0.01	260,000
April 13, 2015	April 13, 2020	$ 0.02	40,000
October 28, 2016	October 28, 2021	$ 0.05	2,500,000
September 1, 2017	September 1, 2020	$ 0.075	5,521,000
September 8, 2017	September 8, 2020	$ 0.075	4,627,800
September 25, 2017	September 25, 2020	$ 0.075	6,034,636
December 1, 2017	December 1, 2020	$ 0.15	5,607,500
December 21, 2017	December 21, 2020	$ 0.25	711,200
			25,302,136

Share Options

The Company's incentive stock option plan (the "Option Plan") provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the Company may grant a total of options not exceeding 10% of the issued and outstanding common shares. As at September 30, 2017 there were 3,000,000 stock options granted and exercisable (December 30, 2016: no stock options granted or outstanding).

A continuity of the Company's options is as follows:

	Options	Weighted average exercise price	Weighted average number years to expiry
Balance, December 31, 2016 & 2015	–	–	–
Granted	1,400,000	0.15	4.69
Granted	1,600,000	0.15	4.90
Balance, December 31, 2017	3,000,000	0.15	4.80

7. SHARE CAPITAL (continued)

Share options (continued)

As at December 31, 2017, the Company had the following options outstanding:

Date Issued	Expiry Date	Exercise Price	Number of Options Outstanding	Number of options Exercisable
September 25, 2017	September 24, 2022	$ 0.15	1,400,000	1,400,000
December 1, 2017	December 1, 2022	0.15	1,600,000	1,600,000

The fair value of each of these 1,400,000 options was calculated to be $74,645 using the Black Scholes option pricing model with the following assumptions:

Risk free interest rate – 1.80%; Dividend yield – 0.00%; Expected volatility – 208.65%; Expected life – 5 years.

The fair value of each of these 1,600,000 options was calculated to be $141,982 using the Black Scholes option pricing model with the following assumptions:

Risk free interest rate – 1.64%; Dividend yield – 0.00%; Expected volatility – 220.13%; Expected life – 5 years.

8. SEGMENT INFORMATION

During the years ended December 31, 2017 and 2016, the Company operates in one reportable operating segment, being the acquisition, exploration and development of resource properties located in Canada.

9. CAPITAL MANAGEMENT

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the Board of Directors. The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern. The Company is meeting its objective of managing capital through preparing short-term and long-term cash flow analysis to ensure an adequate amount of liquidity. The Company is not subject to any externally imposed capital restrictions. There were no changes in the Company's approach to capital management during the year.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major Canadian bank that is a high credit quality financial institution as determined by rating agencies.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements as well as related party loans. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Currency risk
Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not incur significant expenditures that are denominated in foreign currencies, and does not have any mineral property commitments that are denominated in foreign currencies. Therefore, the Company's exposure to currency risk is considered minimal.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its notes payable as the interest rate is dependent on Canada's prime interest rate. Since the Canadian prime interest rate is fairly stable, the Company's exposure to interest rate risk is not considered to be significant.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	December 31, 2017	December 31, 2016
	$	$
Loans and receivables:		
Cash	704,117	23,205

Financial liabilities included in the statement of financial position are as follows:

	December 31, 2017	December 31, 2016
	$	$
Non-derivative financial liabilities:		
Trade payables	48,456	13,573
Long-term payable	150,000	–
Interest payable	–	15,718
	198,456	29,291

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

11. INCOME TAXES

The income tax provisions differ from the expected amounts calculated by applying Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	December 31, 2017	December 31, 2016
	$	$
Net loss	(1,051,822)	(84,541)
Statutory tax rate	26%	26%
Expected income tax recovery	(273,474)	(21,981)
Non-deductible expenditures	56,323	-
Adjustment to prior year's provision	(42,412)	(1,485)
Change in unrecognized deferred assets	259,563	23,466
Actual income tax recovery	-	-

11. INCOME TAXES (Continued)

The Company's tax-effected deferred income tax assets and liabilities are estimated as follows:

	December 31, 2017	December 31, 2016
Deferred income tax assets	$	$
Non-capital losses carried forward	259,419	123,601
Exploration and evaluation asset	193,655	99,015
Share issuance costs	16,107	284
Investment tax credit	13,468	185
	482,649	22,900
	(469,181)	(223,086)
Net deferred income tax assets	-	-

As at December 31, 2017, the Company has income tax loss carry forwards of approximately $998,000 to reduce future federal and provincial taxable income which expire between 2031 and 2037.

12. COMMITMENTS

The commitments for the next five fiscal years subsequent are related to the office lease in Vancouver, British Columbia in the amount of $12,225, the cash payments for the acquisition of mineral property of Troilus North totaling $225,000 (note 4 b)) and BAM totaling $45,000 (note 4 c)). Minimum payments relating to the above commitments for each of the next three fiscal years are as follows:

2018	$ 132,225
2019	100,000
2020	50,000
Total	**$ 282,225**

13. SUBSEQUENT EVENTS

- On February 20, 2018, the Company issued 334,000 common shares for proceeds of $25,050 through the exercise of 334,000 share purchase warrants

- On March 1, 2018, the Company made $15,000 cash payment to Bearclaw Capital Corp. under the terms of the BAM mineral property purchase agreement

- On March 6, 2018, the Company issued 50,000 common shares for proceeds of $3,750 through the exercise of 50,000 common share purchase warrants

- On March 21, 2018, the Company issued 1,233,334 common shares for proceeds of $185,000 as part of private placement for up to $2,000,000 at $0.15 per unit.

CAT Strategic Metals Corporation

(Formerly Chimata Gold Corp.)

Financial Statements

December 31, 2018 and 2017

(Expressed in Canadian dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of CAT Strategic Metals Corporation (Formerly Chimata Gold Corp.)

Opinion

We have audited the financial statements of CAT Strategic Metals Corporation (Formerly Chimata Gold Corp.) (the "Company"), which comprise the statements of financial position as at December 31, 2018 and 2017, and the statements of comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018 and 2017, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes events or conditions which indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is David J. Goertz.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

November 18, 2019

MOORE
An independent firm associated with Moore Global Network Limited

CAT STRATEGIC METALS CORPORATION (FORMERLY CHIMATA GOLD CORP.)

Statements of Financial Position

(Expressed in Canadian Dollars)

	Note	December 31, 2018	December 31, 2017
		$	$
Assets			
Current assets			
Cash		–	704,117
Marketable Securities	4	600,000	–
Prepayments		–	84,773
Sales tax receivable		16,489	–
		616,489	788,890
Non-current assets			
Equipment	7	1,784	–
Exploration and evaluation assets	5	114,000	364,000
Long-term investment	6	1,520,773	–
Total assets		2,253,046	1,152,890
Liabilities and Shareholders' Equity			
Current liabilities			
Bank overdraft		184	–
Accounts payable and accrued liabilities	8, 9	449,297	215,636
		449,481	215,636
Long-term liabilties			
Long-term payable	5	–	150,000
		449,481	365,636
Shareholders' equity			
Share capital	10	3,934,270	2,451,406
Share-based reserve	10	407,228	298,058
Loan reserve		61,994	61,994
Deficit		(2,599,927)	(2,024,204)
		1,803,565	787,254
Total shareholders' equity and liabilities		2,253,046	1,152,890

Nature and continuance of operations (Note 1)
Commitments (note 14)
Subsequent events (notes 5, 6, 10 and 15)

The accompanying notes are an integral part of these financial statements.

Approved and authorized for issuance by the board of directors on November 18, 2019.

"Robert Rosner"
Robert Rosner, Director

"Richard Groome"
Richard Groome, Director

CAT STRATEGIC METALS CORPORATION (FORMERLY CHIMATA GOLD CORP.)

Statements of Comprehensive Loss

(Expressed in Canadian Dollars)

	Note	Year ended December 31, 2018	2017
Expenses		$	$
Advertising and promotion		50,126	16,682
Amortization	7	446	–
Consulting	9	678,049	260,188
Exploration and evaluation	5	246,493	303,199
Foreign exchange (gain)/loss		1,257	–
Insurance		–	435
Management fees	9	–	16,500
Listing and filing fees		58,113	56,026
Office and administration		10,317	9,439
Occupancy fees		31,398	20,168
Professional fees		108,631	40,429
Provision for uncollectible taxes		–	47,453
Share-based compensation	9, 10	79,170	216,627
Travel		94,905	59,528
Loss before the following:		(1,358,905)	(1,046,674)
Finance fees		(840)	(148)
Mineral property impairment		–	(5,000)
Recovery of sales taxes receivable previously written-off		35,980	–
Unrealized gain on marketable securities	4	20,000	–
Equity loss from investment in associates	6	(26,958)	
Gain on sale of mineral property interest	5	755,000	–
Loss and comprehensive loss		(575,723)	(1,051,822)
Loss per share, basic and diluted		(0.01)	(0.07)
Weighted average number of common shares outstanding		38,965,673	15,694,681

The accompanying notes are an integral part of these financial statements.

CAT STRATEGIC METALS CORPORATION (FORMERLY CHIMATA GOLD CORP.)

Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars except for number of shares)

	Number of Outstanding Shares	Share Capital	Loan Reserve	Warrant reserve	Share-based reserve	Deficit	Shareholders' equity (deficiency)
		$	$	$	$	$	$
Balance, December 31, 2016	10,329,800	833,802	61,994	62,500	–	(972,382)	(14,086)
Private placements	22,859,136	1,643,390	–	–	–	–	1,643,390
Share issuance costs for private placements	–	(75,275)	–	18,931	–	–	(56,344)
Shares issuance for mineral property acquisition	600,000	54,000	–	–	–	–	54,000
Share issuance costs for mineral property acquisition	–	(4,511)	–	–	–	–	(4,511)
Share-based compensation	–	–	–	–	216,627	–	216,627
Comprehensive loss for the year	–	–	–	–	–	(1,051,822)	(1,051,822)
Balance, December 31, 2017	33,788,936	2,451,406	61,994	81,431	216,627	(2,024,204)	787,254
Private placement at $0.15 per unit	1,303,334	195,500	–	–	–	–	195,500
Units issued for consulting fees	2,000,000	170,000	–	30,000	–	–	200,000
Share issuance costs	–	(20,165)	–	–	–	–	(20,165)
Shares issuance for long-term investment	9,185,040	826,654	–	–	–	–	826,654
Exercise of warrants at $0.075	4,145,000	310,875	–	–	–	–	310,875
Share-based compensation	–	–	–	–	79,170	–	79,170
Comprehensive loss for the year	–	–	–	–	–	(575,723)	(575,723)
Balance, December 31, 2018	50,422,310	3,934,270	61,994	111,431	295,797	(2,599,927)	1,803,565

The accompanying notes are an integral part of these financial statements.

CAT STRATEGIC METALS CORPORATION (FORMERLY CHIMATA GOLD CORP.)

Statements of Cash Flows

(Expressed in Canadian Dollars)

	Year ended December 31,	
	2018	2017
	$	$
Operating activities		
Loss for the year	(575,723)	(1,051,822)
Items not involving cash:		
Amortization	446	–
Share-based compensation	79,170	216,627
Other non-cash interest	–	(15,719)
Units issued for consulting fees	200,000	–
Recovery of sales taxes receivable previously written-off	(35,980)	–
Mineral property impairment	–	5,000
Unrealized loss on marketable securities	(20,000)	–
Equity loss from investment in associates	26,958	–
Gain on sale of mineral property interest	(755,000)	–
Changes in non-cash operating working capital		
Sales tax receivable	19,491	–
Prepayments	84,773	(84,773)
Accounts payable and accrued liabilities	308,661	69,064
Cash used in operating activities	(667,204)	(861,623)
Investing activities		
Proceeds from disposition of mineral interest	200,000	–
Acquisition of long-term investment	(721,077)	–
Acquisition of equipment	(2,230)	–
Acquisition of mineral properpties	–	(40,000)
Cash used in investing activities	(523,307)	(40,000)
Financing activities		
Net proceeds from units issued for cash	486,210	1,582,535
Cash provided by financing activities	486,210	1,582,535
Increase (decrease) in cash	(704,301)	680,912
Cash, beginning of year	704,117	23,205
Cash (Bank Overdraft), end of year	(184)	704,117
Non-cash transactions		
Shares issued for long-term investment	(826,654)	–
Allocation of debt for mineral property acquisition	225,000	–

The accompanying notes are an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

CAT Strategic Metals Corporation (formerly Chimata Gold Corp.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on November 16, 2010. The common shares of the Company began trading on TSX Venture Exchange ("TSXV") on September 16, 2011 under the symbol "CAT", and on the Frankfurt Exchange on July 29, 2014 under the symbol "8CH". Effective June 14, 2018, the Company's shares were transferred from TSXV to the Canadian Securities Exchange ("CSE") under the symbol "CAT". The decision to move the listing of its common shares from the TSXV to the CSE was taken by the Company as it deems that the CSE may be a more suitable stock exchange with respect to its development and its future expansion. Effective May 1, 2019, the Company's shares were halted for trading due to corporate reorganization. The Company's principal activity is the acquisition and exploration of mineral properties.

On February 14, 2019, the Company changed its name to CAT Strategic Metals Corporation from Chimata Gold Corp.

The registered records office and place of business of the Company is 1015 – 789 West Pender Street, Vancouver, BC V6C 1H2.

These financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent upon the successful identification of an exploration and evaluation asset, its ability to raise equity capital, to obtain loans from related parties, and to attain profitable operations to generate funds and meet current and future obligations. As at December 31, 2018, the Company had not advanced any exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, loans from related parties and/or private placement of common shares.

2. STATEMENT OF COMPLIANCE

The financial statements of the Company, including comparatives, have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements were approved and authorized for issue by the Board of Directors on November 1, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of measurement

The financial statements have been prepared on an accrual basis and are based on historical costs, except for financial instruments which are measured at fair value. The financial statements are presented in Canadian dollars.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in Accounts Policies – Financial Instruments

Effective January 1, 2018 the Company adopted IFRS 9 Financial Instruments ("IFRS 9"). The adoption of this new accounting standard did not have material impact to the Company's financial statements.

IFRS 9 addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 Financial Instruments. The new standard contains three classification for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVTOCI"), and fair value through profit and loss ("FVTPL"). The new standard eliminates the previous IAS 39 categories of held to maturity, loan and receivables, and available for sale.

Recognition and Measurement for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. Requirements for financial liabilities are largely carried forward from the existing requirements in IAS 39 except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income.

Following is the new accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

Financial assets	**Classification under IAS 39**	**Classification under IFRS 9**
Cash	FVTPL	Amortized cost
Marketable securities	FVTPL	FVTPL
Other receivables	Loans and receivable	Amortized cost
Financial liabilities	**Classification under IAS 39**	**Classification under IFRS 9**
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Long-term payable	Other financial liabilities	Amortized cost

There were no adjustments to the carrying amounts of financial instruments as a result of the change in classification from IAS39 to IFRS 9.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in Accounting Policies – IFRS 9, Financial Instruments (continued)

(ii) Measurement

Financial assets and liabilities at amortized cost:

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL:

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of comprehensive loss in the period in which they arise.

(iii) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company shall recognize in the Statements of Comprehensive Income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in Accounting Policies - IFRS 15, Revenue from Contracts with Customers

Effective January 1, 2018, the Company adopted IFRS 15, *Revenue from Contracts with Customers ("IFRS 15")* . IFRS 15, which supersedes IAS 18, *Revenue ("IAS 18"),* establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. IFRS 15 is effective for annual periods beginning on or after January 1, 2018.

IFRS 15 requires entities to recognize revenue when 'control' of goods or services transfers to the customer whereas IAS 18 required entities to recognize revenue when the 'risks and rewards' of the goods or services transfer to the customer.

This standard did not have an impact on the audited financial statements.

Exploration and evaluation assets

Exploration and evaluation expenditures are those related to the search for and evaluation of mineral resources incurred after the Company has obtained legal rights to explore a specific area and before the technical feasibility and commercial viability of a mineral reserve are demonstrable. Mineral property acquisition costs incurred that result in the outright ownership of a mineral property interest are capitalized and include the cash paid and the estimated fair market value of the consideration of financial instruments on the date of issue.

Exploration and evaluation expenditures, including payments made pursuant to option agreements, are expensed in the period incurred. Administrative expenditures related to exploration and development activities are expensed in the period incurred.

Once it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, and sufficient financing for the continuation of project development has been arranged, the related acquisition costs capitalized are tested for impairment and transferred to mineral property interests and equipment.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Asset retirement and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of assets

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Share-based payments

The fair value of share options granted to employees is measured at the grant date and recognized over the vesting period with a corresponding increase in equity. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is credited to the share-based payment reserve. The fair value of the options granted is measured using the Black-Scholes option-pricing model. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. For the years ended December 31, 2018 and 2017, basic loss per share equals diluted loss per share as the effect of the outstanding warrants would be anti-dilutive.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income taxes

Current income tax:
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:
Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Investment in Associate

Investments in entities over which the Company has a significant influence, but not control, are accounted for by the equity method, whereby the original cost of the investment is adjusted for the Company's proportionate share of the investee's income or loss. When the Company's equity investee issues its own shares to outside interests, a dilution gain or loss arises as a result of the difference between the Company's proportionate share of the proceeds and the carrying value of the underlying equity. When net accumulated losses from an equity accounted investment exceed its carrying amount, the investment balance is reduced to zero and additional losses are not provided for unless the Company is committed to provide financial support to the investee.

The Company resumes accounting for the investment under the equity method when the entity subsequently reports net income and the Company's share of that net income exceeds the share of net losses not recognized during the period the equity method was suspended. Profits or losses resulting from transactions between the Company and its associates are eliminated to the extent of the interest in the associate. The Company determines at each reporting date whether there is any objective evidence that the investments in associates are impaired. The financial statements of associates are prepared for the same reporting period as the Company. Where necessary, adjustments are made to bring the accounting policies of associates into line with those of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and measurement of deferred tax assets.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification of expenditures as exploration and evaluation expenditures or operating expenses.

Accounting standards issued but not yet effective

Effective for annual *periods commencing on or after January 1, 2019*

On January 13, 2016, IASB issued IFRS 16, Leases ("IFRS 16"), which superseded IAS 17, Leases ("IAS 17"). IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is twelve months or less or the underlying asset has a low value. Lessor accounting, however, remains largely unchanged from IAS 17 and the distinction between operating and finance leases is retained. IAS 17, as revised, now prescribes the accounting policies and disclosures applicable to leases, both for lessees and lessors.

The Company anticipates that the adoption of IFRS 16 will have no material impact on its financial statements given the extent of its current use of leases in the ordinary course of business.

4. MARKETABLE SECURITIES

At December 31, 2018, the Company's financial assets with fair value through profit and loss consist of common shares of 600,000 Emgold Mining Corporation ("Emgold"), a Canadian public company. For the year ended December 31, 2018, the Company recognized unrealized gain on change in fair value of the marketable securities of $20,000 (2017 - $nil).

Subsequent to the year ended December 31, 2018, the Company sold all shares held of Emgold for gross proceeds of $340,205.

5. EXPLORATION AND EVALUATION ASSETS

Mineral Properties Interest:

	Troilus North	BAM	Maggie	Total
	$	$	$	$
December 31, 2016			5,000	5,000
Acquisition	250,000	114,000	-	364,000
Disposition	-	-	(5,000)	(5,000)
December 31, 2017	250,000	114,000	-	364,000
Disposition	(250,000)	-	-	(250,000)
December 31, 2018	-	114,000	-	114,000

a) Maggie

On August 31, 2016, the Company entered into an option agreement with Innovative Properties Inc. to earn up to 100% interest in certain mineral concessions ("Maggie Gold Property").

During the year ended December 31, 2017, the Company has abandoned and surrendered the option agreement in respect of all mineral claims of the Maggie Gold Property and fully impaired the property.

b) Troilus North

i) Acquisition by the Company

On October 12, 2017, the Company acquired a 100% undivided interest in the Troilus North Property (the "Troilus North Property"). The property is made up of 139 contiguous claims located 160 km north of the town of Chibougamau in the province of Quebec. The total purchase price was $250,000 to be paid as follows:

- An initial payment of $25,000 (paid by the Company) due to Greg Exploration Inc. and other owners of the Troilus North Property (collectively referred to as the "Vendors") upon closing;
- $25,000 due within ninety (90) days following signing of the agreement;
- $50,000 due on or before September 30, 2018;
- $50,000 due on or before March 31, 2019;
- $50,000 due on or before September 30, 2019; and
- $50,000 due on or before March 31, 2020.

In addition, the Company has granted a 1.5% Net Smelter Royalty to the Vendor; 0.5% of which can be repurchased by the Company for $500,000. On May 14, 2018, the Company concluded the acquisition of a 100% undivided interest in the Troilus North Property.

On November 15, 2018, Emgold acquired 100% of the Troilus North Property from the Company with the following considerations:

- issue 6,000,000 common shares of Emgold to the Company (issued - Note 4);
- cash payment of $200,000 (received);
- complete $300,000 requirement in exploration expenditures on the Property (completed); and
- grant a 1.0% NSR on the Troilus North Property to the Company.

5. EXPLORATION AND EVALUATION ASSETS (Continued)

Upon closing of the sale of the Troilus North Property, the remaining purchase price obligations of $225,000 have been assigned to Emgold, and the Company recognized a gain on sale of mineral properties of $755,000.

Following the receipt of 6,000,000 share of Emgold, the Company owns an approximate 16.95% interest in Emgold. The transaction described between the Company and Emgold was not a non-arm's length transaction as the Company's Chief Financial Officer is also acting as director of Emgold.

c) BAM

On December 1, 2017, the Company acquired a 100% interest in the Bam mineral property. The property is comprised of 1052 hectares located in the Pacific Golden Triangle mining district approximately 80 Km south of Telegraph Creek in the Liard mining division of northwest British Columbia, Canada.

Under the terms of the purchase agreement, the Company will pay $60,000 cash and issue 600,000 common shares to Bearclaw. The initial $15,000 cash payment was provided to Bearclaw and 600,000 common shares issued to Bearclaw on November 16, 2017 with a fair value of $54,000 based on closing share price at $0.09 per share. The claims comprising the mineral property have been transferred to the Company. The balance of the cash payments will be provided in 3 equal installments of $15,000 over a 12 month period. Bearclaw will retain a 2% Net Smelter Royalty on the property, of which 1% may be purchased by the Company for $1,000,000 at any time.

During the year ended December 31, 2018, the Company incurred $246,493 (2017 - $303,199) in exploration and evaluation expenditures and property investigation costs for potential acquisition.

6. LONG-TERM INVESTMENT

Long-term investment represents the fair value of the Company's 19% shareholdings in Zimbabwe Lithium Company (Mauritius) Limited ("Zimbabwe Lithium", or "ZIM"), a privately held company incorporated under the laws of Mauritius as at December 31, 2018. Zimbabwe Lithium has the right to develop mining properties in Zimbabwe (the "Properties").

On December 27, 2017 the Company entered into a binding letter of intent (the "LOI") with Zimbabwe Lithium for a proposed reverse take-over between the Company and Zimbabwe Lithium (the "Transaction"). On October 31, 2018, the Company executed a share exchange agreement (the "Agreement") with the existing shareholders of ZIM. Pursuant to the terms of the LOI and the Agreement, the Transaction is defined into two distinctive phases: First Phase and Second Phase.

First Phase:

- The Company would issue its common shares to the existing shareholders of ZIM in exchange for 19% of the issued and outstanding shares in Zimbabwe Lithium. On October 31, 2018, the Company issued 9,185,040 common shares from its share capital with a fair value of $826,654, representing an aggregate of 19% of the current issued and outstanding share capital of the Company. In return, ZIM issued to the Company 755 ZIM shares, representing an aggregate of 19% of the current issued and outstanding share capital of ZIM.

6. LONG-TERM INVESTMENT (continued)

- The Company committed to advance the amount of US$500,000 to ZIM allowing ZIM to cover historical test work and consultant expenditures that have been incurred bringing the project to its current state as well as expenditures as they are gradually incurred, project expenditures and exploration on the Properties, including potential license and option payments to the Zimbabwe Mining Development Corporation ("ZMDC"), salaries and consultancy fees, drilling and assaying on the Properties along with the completion of a National Instrument 43-101 ("NI 43-101") compliant resource estimate of the Properties (the "Estimate"). As at December 31, 2018, the Company has advanced $721,077 (US$560,000). These cash advances were capitalized as cost of investment.

Second Phase:

- The proceeding to the Second Phase of the Transaction is subjected to the Estimate revealing that the resource contains a minimum of 11,111,000 cubic meters of tailings material at minimum 0.60 percent Lithia (Li_2O with the majority of the mineralization consisting of Spodumene) (the "Threshold Percentage") which is subject to an independent valuation certified by a Qualified Person under NI 43-101.
- Should the Estimate reveal that the Threshold Percentage is reached, ZIM shall be entitled to receive an additional share allocation of 51% of the current issued and outstanding share capital of the Company.

Prior to and in order to complete the Transaction and the NI 43-101, the Company will work towards the completion of the concurrent financing, to a maximum of $2,000,000 and to a minimum of $1,800,000 whereby $800,000 to be raised by the Company no later than July 30th, 2018 or two weeks from the date of completion and publication of the Estimate whichever is the latter, and the remaining balance of $1,000,000 to be raised by the Company no later than (a) August 30, 2018 or (b) six weeks from the date of completion and publication of the Estimate whichever is the latter.

As at June 28, 2019, the Company and ZIM terminated the Second Phase and the Definitive Agreement.

The Company, through its shareholding and board representation in ZIM, exercises significant influence over that company, but not control. As a result, the investment in Zimbabwe Lithium is accounted for using the equity method.

	December 31, 2018	December 31, 2017
Opening balance	$	$
Additions	1,547,731	-
Share of equity loss	(26,958)	-
Ending balance	**1,520,773**	**-**

The following is the financial summary of the equity investment:

	December 31, 2018
	$
Current assets	765,579
Current liabilities	(883,216)
Loss and comprehensive loss	(141,884)

7. EQUIPMENT

	Software
Cost	
Balance at December 31, 2017	$ -
Additions	2,230
Balance at December 31, 2018	2,230
Accumulated amortization	
Balance at December 31, 2017	$ -
Changes	446
Balance at December 31, 2018	446
Net carrying amount	
Balance at December 31, 2017	$ -
Balance at December 31, 2018	$ 1,784

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2018	December 31, 2017
	$	$
Trades payable	356,497	168,454
Acquisition cash payment payable for BAM	15,000	-
Accrued liabilities	77,800	47,182
	449,297	215,636

9. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the year ended December 31, 2018 and 2017 was as follows:

	December 31, 2018	December 31, 2017
	$	$
Management and consulting fees	272,497	79,300
Share-based payment	79,170	194,056
	351,667	273,336

During the year ended December 31, 2018, the Company incurred $120,997 (2017 - $32,500) in consulting fees to the entity controlled by the Company's Chief Executive Officer ("CEO"), $113,000 in consulting fees (2017 - $Nil) to the entity associated with the Company's Chief Financial Officer ("CFO"), $33,000 (2017 - $16,800) in consulting fees to the Company's Corporate Secretary, and $5,500 (2017 - $Nil) in consulting fees to a company controlled by a director of the Company.

9. RELATED PARTY TRANSACTIONS (continued)

Share-based payments are comprised of stock options, which are non-cash expenditures. During the year ended December 31, 2018, the Company granted 800,000 options in total (with 200,000 options each) to the CEO, CFO and two directors. The Company granted 70,000 options to the Company's Corporate Secretary. The option value for these option grants is calculated at $0.091 per option based on Black-Scholes Option Pricing Model.

As at December 31, 2018, the Company's accounts payable balances owing to the related parties include:

- $66,625 (2017 - $984) owed to the Company's CEO;
- $7,654 (2017 - $Nil) owed to the Company's CFO;
- $71,980 (2017 - $Nil) owed to the entity associated with the Company's CFO;
- $9,957 (2017 - $Nil) owed to the Company's Corporate Secretary;
- $34,158 (2017 - $Nil) owed to a company controlled by a director of the Company; and
- $35,935 (2017 - $Nil) owed to a director of the Company.

The above balances are non-interest bearing, unsecured and due on demand.

(a) The Company and an entity controlled by the CEO entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to the CEO over a term of 24 months commencing from February 1, 2018. The monthly consulting fee will be increased to $20,000 upon successful completion by the Company of its first major acquisition of $5,000,000 or greater in value.

(b) The Company and an entity associated with the Company's CFO entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to the CFO over a term of 23 months commencing from May 1, 2018. The monthly consulting fee will be increased to $20,000 upon successful completion by the Company of its first major acquisition of $5,000,000 or greater in value.

10. SHARE CAPITAL

Authorized share capital:
Unlimited common shares and preferred shares without par value

Share issuances:

For the year ended December 31, 2018:
On March 23, 2018, the Company issued 1,303,334 units of the Company for gross proceeds of $195,000. Each unit consists of one common share and one half warrant. Each whole warrant shall entitle the holder thereof to acquire one additional common share at a price of $0.25 per common share for a period of 12 months from the date of issuance.

On October 31, 2018, the Company issued 2,000,000 units of the Company for consulting fees rendered with a value of $200,000. Each unit consists of one common share and one warrant. Each warrant shall entitle the holder thereof to acquire one additional common share at a price of $0.20 per common share for a period of 24 months from the date of issuance. These shares were cancelled and returned to treasury subsequent to year-end.

On October 31, 2018, the company issued 9,185,040 common shares for the acquisition of 19% of the outstanding common shares of ZIM (Note 6).

10. SHARE CAPITAL (continued)

During the year December 31, 2018, the Company issued 4,145,000 common shares for the exercise of warrants for proceeds of $310,875.

During the year ended December 31, 2018, the Company incurred $20,165 as share issuance costs for legal fees incurred.

For the year ended December 31, 2017:

On December 22, 2017, the company completed a non-brokered private placement for 1,416,000 flow-through units for gross proceeds of $212,400. Each unit consisted of one common share and half common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.25 per warrant for a period of 36 months. The value allocated to the warrants was $nil using the residual method of value assignment to these warrants. There was no flow through premium in relation to this issuance.

On December 1, 2017, the company completed a non-brokered private placement for 5,591,500 units for gross proceeds of $559,150. Each unit consisted of one common share and one common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.15 per warrant for a period of 36 months. The value allocated to the warrants was $nil using the residual method.

On November 16, 2017, 600,000 common shares were issued to Bearclaw with a fair value of $54,000 part of the BAM property acquisition costs.

On September 11, 2017 the company completed a non-brokered private placement for 15,851,636 units for gross proceeds of $871,840. Each unit consisted of one common share and one common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.075 per warrant for a period of 36 months. The value allocated to the warrants was $nil using the residual method.

In connection with the private placement, the Company paid cash finder's fees of $18,249 and issued 331,800 finders warrants with an exercise price of $0.075 with a 36 month life, and a grant date fair value of $16,856. The grant date fair value of the finder's warrants was determined using a Black Scholes option pricing model with the following assumption: life 3 years; volatility 211%; dividend yield 0%; and risk free rate 1.65%.

On May 31, 2017 the Company completed a 1 to 5 reverse stock-split where each shareholder. The financial statements have been updated retrospectively to reflect the reverse stock-split.

10. SHARE CAPITAL (continued)

Warrants

A continuity of the Company's warrants is as follows:

	Warrants	Weighted average exercise price	Weighted average number years to expiry
		$	
Balance, December 31, 2016	2,800,000	0.05	2.59
Granted	22,547,496	0.10	1.76
Balance, December 31, 2017	25,347,496	0.09	1.96
Exercised	(4,145,000)	0.075	1.70
Granted	2,651,667	0.25	1.46
Balance, December 31, 2018	23,854,163	0.11	1.83

As at December 31, 2018, the Company had the following warrants outstanding:

Date Issued	Expiry Date	Exercise Price	Number of Warrants Outstanding
August 13, 2014	August 13, 2019	$ 0.01	260,000
April 13, 2015	April 13, 2020	$ 0.02	40,000
October 28, 2016	October 28, 2021	$ 0.05	2,500,000
September 1, 2017	September 1, 2020	$ 0.075	5,301,000
September 8, 2017	September 8, 2020	$ 0.075	3,719,160
September 25, 2017	September 25, 2020	$ 0.075	3,063,636
December 1, 2017	December 1, 2020	$ 0.15	5,607,500
December 21, 2017	December 21, 2020	$ 0.25	711,200
March 23, 2018	March 23, 2019	$ 0.25	616,667
June 6, 2018	June 6, 2019	$ 0.25	35,000
October 31, 2018	October 31, 2020	$ 0.20	2,000,000
			23,854,163

Subsequent to year ended December 31, 2018, 911,667 warrants expired unexercised.

Share Options

The Company's incentive stock option plan (the "Option Plan") provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the Company may grant a total of options not exceeding 10% of the issued and outstanding common shares. As at December 31, 2018, there were 3,670,000 options outstanding and exercisable and 870,000 stock options granted during the period ended December 31, 2018 (December 31, 2017: 3,000,000 stock options granted or outstanding).

10. SHARE CAPITAL (continued)

A continuity of the Company's options is as follows:

	Share Options	Weighted average exercise price	Weighted average number years to expiry
		$	
December 31, 2016	–	–	–
Granted	3,000,000	0.15	3.70
December 31, 2017	3,000,000	0.15	3.70
Granted	870,000	0.15	4.35
Cancelled	(200,000)	0.15	(3.87)
December 31, 2018	3,670,000	0.15	3.98

As at December 31, 2018, the Company had the following options outstanding:

Date Issued	Expiry Date	Exercise Price	Number of Options Outstanding	Number of options Exercisable
September 25, 2017	September 24, 2022	$ 0.15	1,300,000	1,300,000
December 1, 2017	December 1, 2022	$ 0.15	1,500,000	1,500,000
June 11, 2018	June 11, 2023	$ 0.15	870,000	870,000
			3,670,000	3,670,000

The fair value of each of these 870,000 options was calculated to be $0.091 using the Black Scholes option pricing model with the following assumptions:

Risk free interest rate – 2.14%; Dividend yield – 0.00%; Expected volatility – 107.16%; Expected life – 5 years.

11. CAPITAL MANAGEMENT

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the Board of Directors. The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern. The Company is meeting its objective of managing capital through preparing Long-term and long-term cash flow analysis to ensure an adequate amount of liquidity. The Company is not subject to any externally imposed capital restrictions. There were no changes in the Company's approach to capital management during the year.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major Canadian bank that is a high credit quality financial institution as determined by rating agencies.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its Long-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements as well as related party loans. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Currency risk
Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not incur significant expenditures that are denominated in foreign currencies, and does not have any mineral property commitments that are denominated in foreign currencies. Therefore, the Company's exposure to currency risk is considered minimal.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its notes payable as the interest rate is dependent on Canada's prime interest rate. Since the Canadian prime interest rate is fairly stable, the Company's exposure to interest rate risk is not considered to be significant.

Fair value
The fair value of the Company's financial assets and liabilities approximates the carrying amount.

13. INCOME TAXES

The income tax provisions differ from the expected amounts calculated by applying Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	December 31, 2018	December 31, 2017
	$	$
Net loss	(575,723)	(1,051,822)
Statutory tax rate	27%	26%
Expected income tax recovery	(155,445)	(273,474)
Impact of change in tax rate	(12,106)	-
Non-deductible expenditures	230,626	56,323
Adjustment to prior year's provision	62,017	(42,412)
Change in unrecognized deferred assets	(125,092)	259,563
Actual income tax recovery	-	-

13. INCOME TAXES (continued)

The Company's tax-effected deferred income tax assets and liabilities are estimated as follows:

	December 31, 2018	December 31, 2017
	$	$
Share issuance costs	18,737	16,107
Non-capital losses	124,431	259,419
Exploration and evaluation assets	201,104	193,655
Investment tax credit	13,286	13,468
	357,557	482,649
Unrecognized deferred tax assets	(357,557)	(482,649)
Net deferred tax assets	-	-

As at December 31, 2018, the Company has income tax loss carry forwards of approximately $434,000 to reduce future federal and provincial taxable income which expire between 2031 and 2037.

14. COMMITMENTS

The consulting fee commitment to an entity controlled by the CEO totaling $130,000, the consulting fee commitment to an entity controlled by the CFO totaling $150,000 and the consulting fee commitment to an external consultant totaling $130,000. Minimum payments relating to the above commitments for each of the next two fiscal years are as follows:

2019	$ 360,000
2020	50,000
Total	**$ 410,000**

15. SUBSEQUENT EVENTS

- On February 19, 2019, the Company closed the first tranche of its ongoing private placement for gross proceeds of $175,000 by the issuance of 3,500,000 units of the Company (each a "Unit"), each Unit being comprised of one common share and one half warrant. Each whole warrant entitles its holder to purchase an additional common share at a price of $0.10 per common share for a period of 18 months from the date of issuance.

- On May 27, 2019, the Company cancelled and returned to treasury 2,000,000 shares issued on October 31, 2018.

- Subsequent to year ended December 31, 2018, the Company sold 6,000,000 common shares of Emgold for gross proceeds of $340,205.

CAT Strategic Metals Corporation

Financial Statements

December 31, 2019 and 2018

(Expressed in Canadian dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of CAT Strategic Metals Corp.

Opinion

We have audited the financial statements of CAT Strategic Metals Corp. (the "Company"), which comprise the statements of financial position as at December 31, 2019 and 2018, and the statements of comprehensive loss, shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes events or conditions that indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is David Goertz.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

June 15, 2020

MOORE

An independent firm
associated with Moore
Global Network Limited

CAT STRATEGIC METALS CORPORATION
Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	For the years ended December 31, 2019	2018
		$	$
Assets			
Current Assets			
Cash		661	-
Marketable securities	4	-	600,000
Sales tax receivable		41,124	16,489
Prepaid expenses		6,000	-
		47,785	616,489
Non-current assets			
Equipment	7	1,250	1,784
Exploration and evaluation assets	5	-	114,000
Long-term investment	6	-	1,520,773
Total assets		49,035	2,253,046
Liabilities and Shareholders' Equity			
Current liabilities			
Bank overdraft		-	184
Accounts payable and accrued liabilities	8,9	621,056	449,297
Deposits received	5	75,000	-
		696,056	449,481
Shareholders' equity			
Share capital	10	3,899,270	3,934,270
Share-based reserve	10	448,571	407,228
Loan reserve		61,994	61,994
Deficit		(5,056,856)	(2,599,927)
Shareholders' Equity		(647,021)	1,803,565
Total Liabilities and Shareholders' Equity		49,035	2,253,046

Nature and continuance of operations (Note 1)
Commitment (Note 14)
Subsequent event (Note 15)

These financial statements were approved for issue by the Board of Directors on June 15, 2020 and signed on its behalf by:

"Robert Rosner"	*"Richard Groome"*
Robert Rosner, Director	Richard Groome, Director

The accompanying notes are an integral part of these financial statements.

CAT STRATEGIC METALS CORPORATION
Statement of Comprehensive Loss
(Expressed in Canadian Dollars)

	Note	For the years ended December 31, 2019	2018
		$	$
Expenses			
Advertising and promotion		8,151	50,126
Amortization		534	446
Consulting	9	294,375	678,049
Exploration and evaluation		-	246,493
Foreign exchange (gain) / loss		539	1,257
Listing and filing fees		40,862	58,113
Office and administration		26,239	41,715
Professional fees		87,099	108,631
Share-based compensation	9,10	-	79,170
Travel		816	94,905
Loss before the following items:		(458,615)	(1,358,905)
Finance fees		-	(840)
Loss on deemed disposal of evaluation and exploration asset	5	(114,000)	-
Recovery of sales taxes receivable previously written off		-	35,980
Loss on sale of marketable securities	4	(260,785)	20,000
Equity loss from long-term investment	6	(153,989)	(26,958)
Impairment of long-term investment	6	(1,388,197)	-
Loss on settlement of debt	10	(81,343)	-
Gain on sale of mineral property interest	5	-	755,000
Loss and comprehensive loss		(2,456,929)	(575,723)
Loss per share, basic and diluted		(0.05)	(0.01)
Weighted average number of common shares outstanding		52,372,995	38,965,673

The accompanying notes are an integral part of these financial statements.

CAT STRATEGIC METALS CORPORATION
Statement of Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of Outstanding Shares	Share Capital	Loan Reserve	Warrant reserve	Share-based reserve	Deficit	Shareholders' equity
		$	$	$	$	$	$
Balance, December 31, 2017	33,788,936	2,451,406	61,994	81,431	216,627	(2,024,204)	787,254
Private placements	1,303,334	195,500	-	-	-	-	195,500
Units issued for consulting fees	2,000,000	170,000	-	30,000	-	-	200,000
Share issuance costs	-	(20,165)	-	-	-	-	(20,165)
Share issuamce for long-term investment	9,185,040	826,654					826,654
Exercise of warrants at $0.075	4,145,000	310,875	-	-	-	-	310,875
Share-based compensation	-	-	-	-	79,170		79,170
Comprehensive loss for the year	-	-	-	-	-	(575,723)	(575,723)
Balance, December 31, 2018	50,422,310	3,934,270	61,994	111,431	295,797	(2,599,927)	1,803,565
Cancellation of shares issued	(2,000,000)	(200,000)	-	-	-	-	(200,000)
Private placements	1,500,000	25,000	-	-	-	-	25,000
Shares issued for settlement of debt	2,000,000	140,000	-	-	41,343	-	181,343
Comprehensive loss for the year	-	-	-	-	-	(2,456,929)	(2,456,929)
Balance, December 31, 2019	51,922,310	3,899,270	61,994	111,431	337,140	(5,056,856)	(647,021)

The accompanying notes are an integral part of these financial statements.

CAT STRATEGIC METALS CORPORATION
Statement of Cash Flows
(Expressed in Canadian Dollars)

	For the years ended December 31,	
	2019	2018
Operating activities	$	$
Loss for the year	(2,456,929)	(575,723)
Items not involving cash		
Amortization	534	446
Share-based compensation	-	79,170
Units issued (cancelled) for consulting fees	(200,000)	200,000
Recovery of sales tax receivable previously written off	-	(35,980)
Unrealized loss on marketable securities	-	(20,000)
Realized loss on sale of marketable securities	260,785	-
Equity loss from investment in associates	153,989	26,958
Impairment of mineral property interest	114,000	(755,000)
Impairment of investment in associates	1,388,197	-
Loss on settlement of debt	81,343	-
Changes in non-cash operating working capital		
Sales tax receivable	(24,635)	19,491
Prepaids	(6,000)	84,773
Accounts payable and accrued liabilities	271,759	308,661
Cash used in perating activities	(416,957)	(667,204)
Investing activities		
Proceeds from disposition of mineral interest	75,000	200,000
Proceeds from sale of marketable securities	339,215	-
Acquisition of long-term investment	(21,413)	(721,077)
Acquisition of equipment	-	(2,230)
Cash used in investing activities	392,802	(523,307)
Financing activities		
Net proceeds from units issued for cash	25,000	486,210
Cash provided by financing activities	25,000	486,210
Increase (decrease) in cash	845	(704,301)
Cash, beginning	(184)	704,117
Cash (Bank Overdraft), ending	661	(184)

The accompanying notes are an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

CAT Strategic Metals Corporation (formerly Chimata Gold Corp.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on November 16, 2010. The common shares of the Company began trading on TSX Venture Exchange ("TSXV") on September 16, 2011 under the symbol "CAT", and on the Frankfurt Exchange on July 29, 2014 under the symbol "8CH". Effective June 14, 2018, the Company's shares were transferred from TSXV to the Canadian Securities Exchange ("CSE") under the symbol "CAT". The decision to move the listing of its common shares from the TSXV to the CSE was taken by the Company as it deems that the CSE may be a more suitable stock exchange with respect to its development and its future expansion. Effective May 1, 2019, the Company's shares were halted for trading due to corporate reorganization. The Company's principal activity is the acquisition and exploration of mineral properties.

On February 14, 2019, the Company changed its name to CAT Strategic Metals Corporation from Chimata Gold Corp.

The registered records office and place of business of the Company is 1015 – 789 West Pender Street, Vancouver, BC V6C 1H2.

These financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent upon the successful identification of an exploration and evaluation asset, its ability to raise equity capital, to obtain loans from related parties, and to attain profitable operations to generate funds and meet current and future obligations. As at December 31, 2019, the Company had not advanced any exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, loans from related parties and/or private placement of common shares.

2. STATEMENT OF COMPLIANCE

The financial statements of the Company, including comparatives, have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements were approved and authorized for issue by the Board of Directors on June 15, 2020.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on an accrual basis and are based on historical costs, except for financial instruments which are measured at fair value. The financial statements are presented in Canadian dollars.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

The following is the Company's accounting policy for financial instruments under IFRS 9:

(i) Classification

The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Financial assets	**Classification under IFRS 9**
Cash	Amortized cost
Marketable securities	FVTPL
Other receivables	Amortized cost
Financial liabilities	**Classification under IFRS 9**
Accounts payable and accrued liabilities	Amortized cost

(ii) Measurement

Financial assets and liabilities at amortized cost:
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL:
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of comprehensive loss in the period in which they arise.

(ii) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company shall recognize in the Statements of Comprehensive Income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(iii) Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Exploration and evaluation assets

Exploration and evaluation expenditures are those related to the search for and evaluation of mineral resources incurred after the Company has obtained legal rights to explore a specific area and before the technical feasibility and commercial viability of a mineral reserve are demonstrable. Mineral property acquisition costs incurred that result in the outright ownership of a mineral property interest are capitalized and include the cash paid and the estimated fair market value of the consideration of financial instruments on the date of issue.

Exploration and evaluation expenditures, including payments made pursuant to option agreements, are expensed in the period incurred. Administrative expenditures related to exploration and development activities are expensed in the period incurred.

Once it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, and sufficient financing for the continuation of project development has been arranged, the related acquisition costs capitalized are tested for impairment and transferred to mineral property interests and equipment.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Asset retirement and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of assets

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Share-based payments

The fair value of share options granted to employees is measured at the grant date and recognized over the vesting period with a corresponding increase in equity. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is credited to the share-based payment reserve. The fair value of the options granted is measured using the Black-Scholes option-pricing model. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. For the years ended December 31, 2019 and 2018, basic loss per share equals diluted loss per share as the effect of the outstanding warrants would be anti-dilutive.

Income taxes

Current income tax:
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:
Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Investment in Associate

Investments in entities over which the Company has a significant influence, but not control, are accounted for by the equity method, whereby the original cost of the investment is adjusted for the Company's proportionate share of the investee's income or loss. When the Company's equity investee issues its own shares to outside interests, a dilution gain or loss arises as a result of the difference between the Company's proportionate share of the proceeds and the carrying value of the underlying equity. When net accumulated losses from an equity accounted investment exceed its carrying amount, the investment balance is reduced to zero and additional losses are not provided for unless the Company is committed to provide financial support to the investee.

The Company resumes accounting for the investment under the equity method when the entity subsequently reports net income and the Company's share of that net income exceeds the share of net losses not recognized during the period the equity method was suspended. Profits or losses resulting from transactions between the Company and its associates are eliminated to the extent of the interest in the associate. The Company determines at each reporting date whether there is any objective evidence that the investments in associates are impaired. The financial statements of associates are prepared for the same reporting period as the Company. Where necessary, adjustments are made to bring the accounting policies of associates into line with those of the Company.

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and measurement of deferred tax assets.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification of expenditures as exploration and evaluation expenditures or operating expenses.

Leases

The Company adopted all of the requirements of IFRS 16, effective January 1, 2019. IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. There was no impact on the Company's financial statements upon the adoption of this new standard.

4. MARKETABLE SECURITIES

At December 31, 2018, the Company's financial assets with fair value through profit and loss consist of common shares of 6,000,000 at a unit price of $0.10 Emgold Mining Corporation ("Emgold"), a Canadian public company. For the year ended December 31, 2019, the Company recognized unrealized gain on change in fair value of the marketable securities of $nil (2018- $20,000).

During the year ended December 31, 2019, the Company sold all shares held of Emgold for gross proceeds of $339,215and realized a loss of $260,785 as a result of the sale.

5. EXPLORATION AND EVALUATION ASSETS

Mineral Properties Interest:

	Troilus North	BAM	Total
	$	$	$
December 31, 2017	250,000	114,000	364,000
Disposition	(250,000)	-	(250,000)
December 31, 2018	-	114,000	114,000
Disposition		(114,000)	(114,000)
December 31, 2019	-	-	-

a) BAM

On December 1, 2017, the Company acquired a 100% interest in the Bam mineral property. The property is comprised of 1052 hectares located in the Pacific Golden Triangle mining district approximately 80 Km south of Telegraph Creek in the Liard mining division of northwest British Columbia, Canada.

5. EXPLORATION AND EVALUATION ASSETS (Continued)

Under the terms of the purchase agreement, the Company will pay $60,000 cash and issue 600,000 common shares to Bearclaw. The initial $15,000 cash payment was provided to Bearclaw and 600,000 common shares issued to Bearclaw on November 16, 2017 with a fair value of $54,000 based on closing share price at $0.09 per share. The claims comprising the mineral property have been transferred to the Company. The balance of the cash payments will be provided in 3 equal installments of $15,000 over a 12 month period. Bearclaw will retain a 2% Net Smelter Royalty on the property, of which 1% may be purchased by the Company for $1,000,000 at any time.

During the year ended December 31, 2019, the Company incurred $NIL (2018 - $246,493) in exploration and evaluation expenditures and property investigation costs for potential acquisition.

During the year ended December 31, 2019, the Company let its claims for the BAM Property lapse and recognized an impairment of $114,000.

b) Troilus North

i) Acquisition by the Company

On October 12, 2017, the Company acquired a 100% undivided interest in the Troilus North Property (the "Troilus North Property"). The property is made up of 139 contiguous claims located 160 km north of the town of Chibougamau in the province of Quebec. The total purchase price was $250,000 to be paid asfollows:

- An initial payment of $25,000 (paid by the Company) due to Greg Exploration Inc. and other owners of the Troilus North Property (collectively referred to as the "Vendors") upon closing;
- $25,000 due within ninety (90) days following signing of the agreement;
- $50,000 due on or before September 30, 2018;
- $50,000 due on or before March 31, 2019;
- $50,000 due on or before September 30, 2019; and
- $50,000 due on or before March 31, 2020.

In addition, the Company has granted a 1.5% Net Smelter Royalty to the Vendor; 0.5% of which can be repurchased by the Company for $500,000. On May 14, 2018, the Company concluded the acquisition of a 100% undivided interest in the Troilus North Property.

On November 15, 2018, Emgold acquired 100% of the Troilus North Property from the Company with the following considerations:

- issue 6,000,000 common shares of Emgold to the Company (issued - Note 4);
- cash payment of $200,000 (received);
- complete $300,000 requirement in exploration expenditures on the Property (completed); and
- grant a 1.0% NSR on the Troilus North Property to the Company.

Upon closing of the sale of the Troilus North Property, the remaining purchase price obligations of $225,000 have been assigned to Emgold, and the Company recognized a gain on sale of mineral properties of $755,000.

On December 9, 2019, the Company executed an assignment and assumption agreement with Emgold, whereby, the Company assigned the royalty agreement for the net smelter return interest in and to the production of minerals from the Troilus North Property to Emgold in consideration of cash payment of $75,000. The Company will remit the $75,000 received to the original optionor for the Troilus North Property, and the balance has been accounted for in accounts payable and accrued liabilities.

6. LONG-TERM INVESTMENT

Long-term investment represents the fair value of the Company's 19% shareholdings in Zimbabwe Lithium Company (Mauritius) Limited ("Zimbabwe Lithium", or "ZIM"), a privately held company incorporated under the laws of Mauritius. Zimbabwe Lithium has the right to develop mining properties in Zimbabwe (the "Properties").

On December 27, 2017 the Company entered into a binding letter of intent (the "LOI") with Zimbabwe Lithium for a proposed reverse take-over between the Company and Zimbabwe Lithium (the "Transaction"). On October 31, 2018, the Company executed a share exchange agreement (the "Agreement") with the existing shareholders of ZIM. Pursuant to the terms of the LOI and the Agreement, the Transaction is defined into two distinctive phases: First Phase and Second Phase.

First Phase:

- The Company would issue its common shares to the existing shareholders of ZIM in exchange for 19% of the issued and outstanding shares in Zimbabwe Lithium. On October 31, 2018, the Company issued 9,185,040 common shares from its share capital with a fair value of $826,654, representing an aggregate of 19% of the current issued and outstanding share capital of the Company. In return, ZIM issued to the Company 755 ZIM shares, representing an aggregate of 19% of the current issued and outstanding share capital of ZIM.

- The Company committed to advance the amount of US$500,000 to ZIM allowing ZIM to cover historical test work and consultant expenditures that have been incurred bringing the project to its current state as well as expenditures as they are gradually incurred, project expenditures and exploration on the Properties, including potential license and option payments to the Zimbabwe Mining Development Corporation ("ZMDC"), salaries and consultancy fees, drilling and assaying on the Properties along with the completion of a National Instrument 43-101 ("NI 43-101") compliant resource estimate of the Properties (the "Estimate"). As at December 31, 2018, the Company has advanced $721,077 (US$560,000). These cash advances were capitalized as cost of investment.

Second Phase:

- The proceeding to the Second Phase of the Transaction is subjected to the Estimate revealing that the resource contains a minimum of 11,111,000 cubic meters of tailings material at minimum 0.60 percent Lithia (Li_2O with the majority of the mineralization consisting of Spodumene) (the "Threshold Percentage") which is subject to an independent valuation certified by a Qualified Person under NI 43-101.
- Should the Estimate reveal that the Threshold Percentage is reached, ZIM shall be entitled to receive an additional share allocation of 51% of the current issued and outstanding share capital of the Company.

Prior to and in order to complete the Transaction and the NI 43-101, the Company will work towards the completion of the concurrent financing, to a maximum of $2,000,000 and to a minimum of $1,800,000 whereby $800,000 to be raised by the Company no later than July 30th, 2018 or two weeks from the date of completion and publication of the Estimate whichever is the latter, and the remaining balance of $1,000,000 to be raised by the Company no later than (a) August 30, 2018 or (b) six weeks from the date of completion and publication of the Estimate whichever is the latter.

The Company, through its shareholding and board representation in ZIM, exercises significant influence over that company, but not control. As a result, the investment in Zimbabwe Lithium is accounted for using the equity method.

6. LONG-TERM INVESTMENT (Continued)

As at June 28, 2019, the Company and ZIM terminated the Second Phase and the Definitive Agreement. During the year ended December 31, 2019, management assessed the fair value of the investment in associates to be $nil and recognized an impairment of $1,388,197.

	December 31, 2019	December 31, 2018
	$	$
Opening balance	1,520,773	-
Additions	21,413	1,547,731
Share of equity loss	(153,989)	(26,958)
Impairment of investment in associates	(1,388,197)	-
Ending balance	**-**	**1,520,773**

The following is the financial summary of the equity investment:

	December 31, 2019	December 31, 2018
	$	$
Current assets	10,312	765,579
Non-current assets	1,805,253	-
Current liabilities	(1,797,080)	(883,216)
Non-current liabilities	(614,309)	-
Loss and comprehensive loss	(810,471)	(141,884)

7. EQUIPMENT

	Software
Cost	$
Balance at December 31, 2018	2,230
Balance at December 31, 2019	2,230
Accumulated amortization	
Balance at December 31, 2018	446
Current provision	534
Balance at December 31, 2019	980
Net Book Value at December 31, 2018	1,784
Net Book Value at December 31, 2019	1,250

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2019	December 31, 2018
	$	$
Trades payable	571,056	356,497
Acquisition cash payment payable for BAM	15,000	15,000
Accrued liabilities	35,000	77,800
	621,056	449,297

9. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the year ended December 31, 2019 and 2018 was as follows:

	December 31, 2019	December 31, 2018
	$	$
Management and consulting fees	275,000	272,497
Rent	23,000	-
Share-based payment	-	79,170
	298,000	351,667

During the year ended December 31, 2019, the Company incurred $120,000 (2018 – 120,997) in consulting fees to the entity controlled by the Company's Chief Executive Officer ("CEO") and $120,000 in consulting fees (2018 - $113,000) to the entity associated with the Company's Chief Financial Officer ("CFO"), $35,000 (2018 - $33,000) in consulting fees to the Company's Corporate Secretary. The Company also paid $23,000 for rent to a company with a common director.

Share-based payments are comprised of stock options, which are non-cash expenditures. During the year ended December 31, 2018, the Company granted 800,000 options in total (with 200,000 options each) to the CEO, CFO and two directors. The Company granted 70,000 options to the Company's Corporate Secretary. The option value for these option grants is calculated at $0.091 per option based on Black-Scholes Option Pricing Model.

At December 31, 2019 the Company did not grant any share-based payments.

As at December 31, 2019, the Company's accounts payable balances owing to the related parties include:

- $104,910 (2018 - $71,980) owed to the entity associated with the Company's former CFO;
- $29,400 (2018 - $9,957) owed to the Company's Corporate Secretary;
- $120,000 to a Company controlled by a former director.

The above balances are non-interest bearing, unsecured and due on demand.

(a) The Company and an entity controlled by the CEO entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to the CEO over a term of 24 months commencing from February 1, 2018. This agreement was cancelled on January 24, 2020.

(b) The Company and an entity associated with the Company's CEO entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to the CEO over a term of 20 months commencing from February 5, 2018. The monthly consulting fee will be increased to $20,000 upon successful completion by the Company of its first major acquisition of $5,000,000 or greater in value. This agreement has been extended for an additional 24 months.

10. SHARE CAPITAL

Authorized share capital:
Unlimited common shares and preferred shares without par value

Share issuances:

For the year ended December 31, 2019:

During the year ended December 31, 2019, the Company cancelled 2,000,000 as a result of the cancellation of a consulting agreement.

On February 6, 2019 the Company issued 500,000 units of the Company for proceeds of $25,000. Each unit consists of one common shares and one-half share purchase warrant. Each whole warrant is exercisable at $0.10 per share for a period for 18 months.

On February 6, 2019 the Company issued 2,000,000 units of the Company for settlement of debt of $100,000. Each unit consists of one common shares and one-half share purchase warrant. Each whole warrant is exercisable at $0.10 per share for a period for 18 months. The fair value of the shares was $140,000 and the warrants were fair valued at $41,343, resulting in a loss of settlement of debt of $81,343. The fair value of the warrants was determined using the Black Scholes Option Pricing Model using the following assumptions: stock price: $0.07, exercise price: $0.10, volatility: 152.73%, expected life: 1.5 years and risk-free interest rate of 1.80%.

On February 6, 2019 the Company issued 1,000,000 units of the Company for $0.05 per unit at a value of $50,000. Each unit consists of one common shares and one-half share purchase warrant. Each whole warrant is exercisable at $0.10 per share for a period for 18 months. These units were subsequently cancelled due to no funds being received. As a result, these shares were recorded at $nil value.

For the year ended December 31, 2018:

On March 23, 2018, the Company issued 1,303,334 units of the Company for gross proceeds of $195,500. Each unit consists of one common share and one-half warrant. Each whole warrant shall entitle the holder thereof to acquire one additional common share at a price of $0.25 per common share for a period of 12 months from the date of issuance.

On October 31, 2018, the Company issued 2,000,000 units of the Company for consulting fees rendered with a value of $200,000. Each unit consists of one common share and one warrant. Each warrant shall entitle the holder thereof to acquire one additional common share at a price of $0.20 per common share for a period of 24 months from the date of issuance. These shares were cancelled and returned to treasury.

On October 31, 2018, the Company issued 9,185,040 common shares for the acquisition of 19% of the outstanding common shares of ZIM (Note 6).

During the year December 31, 2018, the Company issued 4,145,000 common shares for the exercise of warrants for proceeds of $310,875.

During the year ended December 31, 2018, the Company incurred $20,165 as share issuance costs for legal fees incurred.

10. SHARE CAPITAL (Continued)

Warrants

A continuity of the Company's warrants is as follows:

	Warrants	Weighted average exercise price	Weighted average number years to expiry
		$	
Balance, December 31, 2017	25,347,496	0.09	1.96
Exercised	(4,145,000)	0.075	1.70
Issued	2,651,667	0.25	1.46
Balance, December 31, 2018	23,854,163	0.11	1.83
Issued	1,750,000	0.10	1.50
Expired	(911,667)	(0.20)	-
Cancelled	(2,000,000)	(0.25)	-
Balance, December 31, 2019	22,692,496	0.07	0.88

As at December 31, 2019, the Company had the following warrants outstanding:

Date Issued	Expiry Date	Exercise Price	Number of Warrants Outstanding
April 13, 2015	April 13, 2020	$ 0.02	40,000
October 28, 2016	October 28, 2021	$ 0.05	2,500,000
September 1, 2017	September 1, 2020	$ 0.075	5,301,000
September 8, 2017	September 8, 2020	$ 0.075	3,719,160
September 25, 2017	September 25, 2020	$ 0.075	3,063,636
December 1, 2017	December 1, 2020	$ 0.15	5,607,500
December 21, 2017	December 21, 2020	$ 0.25	711,200
February 6, 2019	August 6, 2020	$ 0.10	1,750,000
			22,692,496

Share Options

The Company's incentive stock option plan (the "Option Plan") provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the Company may grant a total of options not exceeding 10% of the issued and outstanding common shares. As at December 31, 2019, there were 3,670,000 options outstanding and exercisable (2018 – 3,670,000) There were no stock options granted during the period ended December 31, 2019 (December 31, 2018 - 870,000 stock options granted or outstanding).

10. SHARE CAPITAL (Continued)

A continuity of the Company's options is as follows:

	Share Options	Weighted average exercise price	Weighted average number years to expiry
		$	
December 31, 2016	–	–	–
Granted	3,000,000	0.15	3.70
December 31, 2017	3,000,000	0.15	3.70
Granted	870,000	0.15	4.35
Cancelled	(200,000)	0.15	(3.87)
December 31, 2018	3,670,000	0.15	3.98
December 31, 2019	3,670,000	0.08	2.93

As at December 31, 2019, the Company had the following options outstanding:

Date Issued	Expiry Date	Exercise Price	Number of Options Outstanding	Number of options Exercisable
September 25, 2017	September 24, 2022	$ 0.15	1,300,000	1,300,000
December 1, 2017	December 1, 2022	$ 0.15	1,500,000	1,500,000
June 11, 2018	June 11, 2023	$ 0.15	870,000	870,000
			3,670,000	3,670,000

The fair value of each of these 870,000 options was calculated to be $0.091 using the Black Scholes option pricing model with the following assumptions:

Risk free interest rate – 2.14%; Dividend yield – 0.00%; Expected volatility – 107.16%; Expected life – 5 years.

11. CAPITAL MANAGEMENT

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the Board of Directors. The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern. The Company is meeting its objective of managing capital through preparing Long-term and long-term cash flow analysis to ensure an adequate amount of liquidity. The Company is not subject to any externally imposed capital restrictions. There were no changes in the Company's approach to capital management during the year.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major Canadian bank that is a high credit quality financial institution as determined by rating agencies.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its Long-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements as well as related party loans. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Currency risk
Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not incur significant expenditures that are denominated in foreign currencies, and does not have any mineral property commitments that are denominated in foreign currencies. Therefore, the Company's exposure to currency risk is considered minimal.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its notes payable as the interest rate is dependent on Canada's prime interest rate. Since the Canadian prime interest rate is fairly stable, the Company's exposure to interest rate risk is not considered to be significant.

Fair value
The fair value of the Company's financial assets and liabilities approximates the carrying amount.

13. INCOME TAXES

The income tax provisions differ from the expected amounts calculated by applying Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	December 31, 2019	December 31, 2018
	$	$
Net loss	(2,456,929)	(575,723)
Statutory tax rate	27%	27%
Expected income tax recovery	(663,371)	(155,445)
Impact of change in tax rate	(16,797)	(12,106)
Non-deductible expenditures	(30,780)	230,626
Adjustment to prior year's provision	16,793	(62,017)
Change in unrecognized deferred assets	694,154	(125,092
Actual income tax recovery	-	-

13. INCOME TAXES

The Company's tax-effected deferred income tax assets and liabilities are estimated as follows:

	December 31, 2019	December 31, 2018
	$	$
Share issuance costs	18,737	18,737
Non-capital losses	818,585	124,431
Exploration and evaluation assets	201,104	201,104
Investment tax credit	13,286	13,286
	1,051,712	357,557
Unrecognized deferred tax assets	(1,051,712)	(357,557)
Net deferred tax assets	-	-

As at December 31, 2018, the Company has income tax loss carry forwards of approximately $3,032,000 to reduce future federal and provincial taxable income which expire between 2031 and 2039.

14. COMMITMENTS

The consulting fee commitment to an entity controlled by the CEO totaling $240,000, the consulting fee commitment to the Corporate Secretary of $10,500 and the consulting fee commitment to an external consultant totaling $55,000. Minimum payments relating to the above commitments for each of the next two fiscal years are as follows:

2020	$ 185,500
2021	120,000
Total	**$ 305,500**

15. SUBSEQUENT EVENT

The recent outbreak of the coronavirus, also known as "COVID-19", has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company's business activities. The extent to which the coronavirus may impact the Company's business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and as such, the Company cannot determine their financial impact at this time.

CAT Strategic Metals Corporation

Financial Statements

June 30, 2020 and 2019

(Unaudited - Expressed in Canadian dollars)

NOTICE TO READER

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements have been prepared by management, and were not reviewed by the Company's independent auditor.

	Note	June 30, 2020 (Unaudited)	December 31, 2019 (Audited)
		$	$
Assets			
Current assets			
Cash		132	661
Prepayments		–	6,000
Amounts receivable		24,310	41,124
		24,442	47,785
Non-current assets			
Equipment	6	1,001	1,250
Total assets		25,443	49,035
Liabilities and Shareholders' Deficiency			
Current liabilities			
Accounts payable and accrued liabilities	7&8	785,736	621,056
Deposits received	4(b)	–	75,000
		785,736	696,056
Shareholders' deficiency			
Share capital	9	3,899,270	3,899,270
Share-based reserve	9	448,571	448,571
Loan reserve		61,994	61,994
Deficit		(5,170,128)	(5,056,856)
		(760,293)	(647,021)
Total shareholders' deficiency and liabilities		25,443	49,035

Nature and continuance of operations (Note 1)
Commitments (note 12)
Subsequent Events (Note 13)

The accompanying notes are an integral part of these Condensed Interim Financial Statements

Approved and authorized for issuance by the board of directors on August 4, 2020

"Robert Rosner" — Robert Rosner, Director

"Steve Cozine" — Steve Cozine, Director

CAT STRATEGIC METALS CORPORATION

Statements of Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

		Three months ended June 30,		Six months ended June 30,	
	Note	2020	2019	2020	2019
Expenses		$	$	$	$
Advertising and promotion		–	–	–	8,151
Amortization		124	178	249	354
Consulting		64,373	106,750	104,373	207,417
Exploration and evaluation	4	–	–	–	250
Foreign exchange (gain)/loss		–	(6)	11	26
Listing and filing fees		4,244	1,950	21,102	21,151
Office and administration		2,307	61	2,844	4,008
Occupancy fees		6,000	–	12,000	–
Professional fees		29,857	16,113	35,862	51,324
Travel		11,888	–	11,891	816
Loss before the following:		(118,793)	(125,046)	(188,332)	(293,497)
Finance fees		–	(60)	60	(170)
Gain of sale of royalty stream	4(b)	–	–	75,000	–
Loss on sale of marketable securities		–	–	–	(260,785)
Equity loss from investment on associate		–	(408)	–	(19,158)
Loss and comprehensive loss		(118,793)	(125,514)	(113,272)	(573,610)
Loss per share, basic and diluted		(0.00)	(0.00)	(0.00)	(0.01)
Weighted average number of common shares outstanding		50,922,310	53,175,058	51,092,640	53,206,841

The accompanying notes are an integral part of these Condensed Interim Financial Statements

CAT STRATEGIC METALS CORPORATION

Statements of Changes in Shareholders' Deficiency

(Expressed in Canadian Dollars except for number of shares)

	Number of Outstanding Shares	Share Capital	Loan Reserve	Warrant reserve	Share-based	Deficit	Shareholders' equity (deficiency)
		$	$	$	$	$	$
Balance, December 31, 2018	50,422,310	3,934,270	61,994	111,431	295,797	(2,599,927)	1,803,565
Private placement at $0.05 per unit	3,500,000	165,000	–	–	–	–	165,000
Cancellation of shares	(2,000,000)	(200,000)	–	–	–	–	(200,000)
Comprehensive loss for the period	–	–	–	–	–	(573,610)	(573,610)
Balance, June 30, 2019	51,922,310	3,899,270	61,994	111,431	295,797	(3,173,537)	1,194,955
Balance, December 31, 2019	51,922,310	3,899,270	61,994	111,431	337,140	(5,056,856)	(647,021)
Cancellation of shares	(1,000,000)	–	–	–	–	–	-
Comprehensive loss for the period	–	–	–	–	–	(113,272)	(113,272)
Balance, June 30, 2020	50,922,310	3,899,270	61,994	111,431	337,140	(5,170,128)	(760,293)

The accompanying notes are an integral part of these Condensed Interim Financial Statements

CAT STRATEGIC METALS CORPORATION

Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	Six months ended June 30,	
	2020	2019
	$	$
Operating activities		
Loss for the period	(113,272)	(573,610)
Items not involving cash:		
Amortization	249	354
Equity loss from investment on associate	–	19,158
Loss on sale of marketable securities	–	260,785
Gain on sale of mineral property interest	(75,000)	–
Changes in non-cash operating working capital		
Sales tax receivable	22,814	(97,021)
Prepayments	–	(44,431)
Due to related parties	146,004	–
Accounts payable and accrued liabilities	8,676	(27,764)
Cash used in operating activities	(10,529)	(462,529)
Investing activities		
Proceeds from sale of marketable securities	–	339,215
Cash provided by financing activities	–	339,215
Financing activities		
Net proceeds from units issued for cash	–	125,000
Loan advance from related party	10,000	–
Cash provided by financing activities	10,000	125,000
Increase in cash	(529)	1,686
Cash (Bank Overdraft), beginning of year	661	(184)
Cash, end of the period	132	1,502

The accompanying notes are an integral part of these Condensed Interim Financial Statements

1. NATURE AND CONTINUANCE OF OPERATIONS

CAT Strategic Metals Corporation (formerly Chimata Gold Corp.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on November 16, 2010. The common shares of the Company began trading on TSX Venture Exchange ("TSXV") on September 16, 2011 under the symbol "CAT", and on the Frankfurt Exchange on July 29, 2014 under the symbol "8CH". Effective June 14, 2018, the Company's shares were transferred from TSXV to the Canadian Securities Exchange ("CSE") under the symbol "CAT". The decision to move the listing of its common shares from the TSXV to the CSE was taken by the Company as it deems that the CSE may be a more suitable stock exchange with respect to its development and its future expansion. Effective May 6, 2019, the Company's shares were halted for trading due to corporate reorganization. The trading of the Company's shares was resumed on May 6, 2020. The Company's principal activity is the acquisition and exploration of mineral properties.

On February 14, 2019, the Company changed its name to CAT Strategic Metals Corporation from Chimata Gold Corp.

The registered records office and place of business of the Company is 1015 – 789 West Pender Street, Vancouver, BC V6C 1H2.

These financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent upon the successful identification of an exploration and evaluation asset, its ability to raise equity capital, to obtain loans from related parties, and to attain profitable operations to generate funds and meet current and future obligations. As at June 30, 2020, the Company had not advanced any exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, loans from related parties and/or private placement of common shares.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Accordingly, certain disclosures required in annual financial statements have been condensed or omitted. These condensed interim financial statements are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed interim financial statements be read in conjunction with the most recent audited annual financial statements of the Company for the year ended December 31, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of measurement

The financial statements have been prepared on an accrual basis and are based on historical costs, except for financial instruments which are measured at fair value. The financial statements are presented in Canadian dollars.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and measurement of deferred tax assets.

Significant judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification of expenditures as exploration and evaluation expenditures or operating expenses.

Accounting for Leases

On January 13, 2016, IASB issued IFRS 16, Leases ("IFRS 16"), which superseded IAS 17, Leases ("IAS 17"). IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is twelve months or less or the underlying asset has a low value. Lessor accounting, however, remains largely unchanged from IAS 17 and the distinction between operating and finance leases is retained. IAS 17, as revised, now prescribes the accounting policies and disclosures applicable to leases, both for lessees and lessors.

The Company concluded that the adoption of IFRS 16 had no material impact on its financial statements given the extent of its current use of leases in the ordinary course of business.

4. EXPLORATION AND EVALUATION ASSETS

Mineral Properties Interest:

	Troilus North	BAM	Zimbabwe	Total
	$	$	$	$
December 31, 2018 & June 30, 2019	-	114,000	-	114,000
December 31, 2019 & June 30, 2020	-	-	-	-

a) Troilus North

i) Acquisition by the Company

On October 12, 2017, the Company acquired a 100% undivided interest in the Troilus North Property (the "Troilus North Property"). The property is made up of 139 contiguous claims located 160 km north of the town of Chibougamau in the province of Quebec. The total purchase price was $250,000 to be paid as follows:

- An initial payment of $25,000 (paid by the Company) due to Greg Exploration Inc. and other owners of the Troilus North Property (collectively referred to as the "Vendors") upon closing;
- $25,000 due within ninety (90) days following signing of the agreement;
- $50,000 due on or before September 30, 2018;
- $50,000 due on or before March 31, 2019;
- $50,000 due on or before September 30, 2019; and
- $50,000 due on or before March 31, 2020.

In addition, the Company has granted a 1.5% Net Smelter Royalty to the Vendor; 0.5% of which can be repurchased by the Company for $500,000. On May 14, 2018, the Company concluded the acquisition of a 100% undivided interest in the Troilus North Property.

On November 15, 2018, Emgold acquired 100% of the Troilus North Property from the Company with the following considerations:

- issue 6,000,000 common shares of Emgold to the Company (issued - Note 4);
- cash payment of $200,000 (received);
- complete $300,000 requirement in exploration expenditures on the Property (completed); and
- grant a 1.0% NSR on the Troilus North Property to the Company.

Upon closing of the sale of the Troilus North Property, the remaining purchase price obligations of $225,000 have been assigned to Emgold, and the Company recognized a gain on sale of mineral properties of $755,000.

Following the receipt of 6,000,000 share of Emgold, the Company owns an approximate 16.95% interest in Emgold. The transaction described between the Company and Emgold was not a non-arm's length transaction as the Company's Chief Financial Officer is also acting as director of Emgold.

On December 9, 2019, the Company executed an assignment and assumption agreement with Emgold, whereby, the Company assigned the royalty agreement for the net smelter return interest in and to the production of minerals from the Troilus North Property to Emgold in consideration of cash payment of $75,000.

On January 23, 2020, Troilus Gold Corp., the net smelter royalty payor consented to the transfer of the net smelter royalty recipient from the Company to Emgold.

b) BAM

On December 1, 2017, the Company acquired a 100% interest in the Bam mineral property. The property is comprised of 1052 hectares located in the Pacific Golden Triangle mining district approximately 80 Km south of Telegraph Creek in the Liard mining division of northwest British Columbia, Canada.

Under the terms of the purchase agreement, the Company will pay $60,000 cash and issue 600,000 common shares to Bearclaw. The initial $15,000 cash payment was provided to Bearclaw and 600,000 common shares issued to Bearclaw on November 16, 2017 with a fair value of $54,000 based on closing share price at $0.09

per share. The claims comprising the mineral property have been transferred to the Company. The balance of the cash payments will be provided in 3 equal installments of $15,000 over a 12-month period. Bearclaw will retain a 2% Net Smelter Royalty on the property, of which 1% may be purchased by the Company for $1,000,000 at any time.

During the year ended December 31, 2019, the Company let its claims for the BAM Property lapse and recognized an impairment expense of $114,000 in fiscal 2019 and did not incur any further exploration expenditures in the six months ended June 30, 2020 (June 30, 2019 - $NIL).

5. LONG-TERM INVESTMENT

Long-term investment represents the fair value of the Company's 19% shareholdings in Zimbabwe Lithium Company (Mauritius) Limited ("Zimbabwe Lithium", or "ZIM"), a privately held company incorporated under the laws of Mauritius as at March 31, 2019. Zimbabwe Lithium has the right to develop mining properties in Zimbabwe (the "Properties").

On December 27, 2017 the Company entered into a binding letter of intent (the "LOI") with Zimbabwe Lithium for a proposed reverse take-over between the Company and Zimbabwe Lithium (the "Transaction"). On October 31, 2018, the Company executed a share exchange agreement (the "Agreement") with the existing shareholders of ZIM. Pursuant to the terms of the LOI and the Agreement, the Transaction is defined into two distinctive phases: First Phase and Second Phase.

First Phase:

- The Company would issue its common shares to the existing shareholders of ZIM in exchange for 19% of the issued and outstanding shares in Zimbabwe Lithium. On October 31, 2018, the Company issued 9,185,040 common shares from its share capital with a fair value of $826,654, representing an aggregate of 19% of the current issued and outstanding share capital of the Company. In return, ZIM issued to the Company 755 ZIM shares, representing an aggregate of 19% of the current issued and outstanding share capital of ZIM.

- The Company committed to advance the amount of US$500,000 to ZIM allowing ZIM to cover historical test work and consultant expenditures that have been incurred bringing the project to its current state as well as expenditures as they are gradually incurred, project expenditures and exploration on the Properties, including potential license and option payments to the Zimbabwe Mining Development Corporation ("ZMDC"), salaries and consultancy fees, drilling and assaying on the Properties along with the completion of a National Instrument 43-101 ("NI 43-101") compliant resource estimate of the Properties (the "Estimate"). As at December 31, 2018, the Company has advanced $721,077 (US$560,000). These cash advances were capitalized as cost of investment.

Second Phase:

- The proceeding to the Second Phase of the Transaction is subjected to the Estimate revealing that the resource contains a minimum of 11,111,000 cubic meters of tailings material at minimum 0.60 percent Lithia (Li_2O with the majority of the mineralization consisting of Spodumene) (the "Threshold Percentage") which is subject to an independent valuation certified by a Qualified Person under NI 43-101.
- Should the Estimate reveal that the Threshold Percentage is reached, ZIM shall be entitled to receive an additional share allocation of 51% of the current issued and outstanding share capital of the Company.

Prior to and in order to complete the Transaction and the NI 43-101, the Company will work towards the completion of the concurrent financing, to a maximum of $2,000,000 and to a minimum of $1,800,000 whereby $800,000 to be raised by the Company no later than July 30th, 2018 or two weeks from the date of completion and publication of the Estimate whichever is the latter, and the remaining balance of $1,000,000 to be raised by the Company no later than (a) August 30, 2018 or (b) six weeks from the date of completion and publication of the Estimate whichever is the latter.

On June 28, 2019, the Company and ZIM terminated the Second Phase and the Definitive Agreement.

The Company, through its shareholding and board representation in ZIM, exercises significant influence over that company, but not control. As a result, the investment in Zimbabwe Lithium is accounted for using the equity method. During the year ended December 31, 2019, management assessed the fair value of the investment in associates to be $nil and recognized an impairment of $1,388,197 in fiscal 2019.

	June 30, 2020	**June 30, 2019**
	$	$
Opening balance	-	1,520,773
Share of equity loss	-	(19,158)
Ending balance	**-**	**1,501,615**

6. EQUIPMENT

		Software
Cost		
Balance at December 31, 2019	$	2,230
Additions		-
Balance at June 30, 2020		2,230
Accumulated amortization		
Balance at December 31, 2019	$	980
Changes		249
Balance at June 30, 2020		1,229
Net carrying amount		
Balance at December 31, 2019	$	1,250
Balance at June 30, 2020	$	1,001

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2020	**December 31, 2019**
	$	$
Trades payable	733,102	571,056
Acquisition cash payment payable for BAM	15,000	15,000
Accrued liabilities	37,634	35,000
	785,736	621,056

8. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the six months ended June 30, 2020 and 2019 was as follows:

	June 30, 2020	June 30, 2019
	$	$
Management and consulting fees	81,000	141,000
	81,000	141,000

On January 24, 2020, the Company's Former Chief Executive Officer ("Ex-CEO") resigned from the role of the Chief Executive Officer of the Company. During the six months ended June 30, 2020, the Company incurred $NIL (2019 - $60,000) in consulting fees to the Entity controlled by the Company's Ex-CEO. On January 24, 2020, the Entity controlled by the Ex-CEO assigned its outstanding balance due from the Company to the Ex-CEO in the amount of $105,000 to an arms-length party.

On January 24, 2020, the Company's Former Chief Financial Officer assumed the role of the President and Chief Executive Officer ("CEO"), the Chairman of the Board and resigned from the role of the Chief Financial Officer of the Company. During the six months ended June 30, 2020, the Company incurred $60,000 in consulting fees (June 30, 2019 - $60,000) and $6,000 in rent (June 30, 2019 - $nil) to the entity associated with the Company's CEO. The CEO and the entity associated with the CEO altogether made loan advances totalling $10,000 to the Company during the six months ended June 30, 2020.

On January 24, 2020, the Company's Corporate Secretary assumed the role of the Interim Chief Financial Officer ("Interim CFO") and joined the board of the Company as director. During the six months ended June 30, 2020, the Company incurred $21,000 (June 30, 2019 - $21,000) in consulting fees to the Company's Corporate Secretary and Interim CFO.

On January 24, 2020, one of the former directors resigned from the board and assigned the balance owed by the Company to an entity controlled by him in the amount of $22,660 to an arms-length party.

As at June 30, 2020, the Company's accounts payable balances owing to the related parties include:

- $62,981 (December 31, 2019 - $5,875) owed to the Company's CEO including loan advance balance of $15,625 and expense reimbursable balance of $47,356;
- $181,860 (December 31, 2019 - $104,910) owed to the entity associated with the Company's CEO/Former-CFO including loan advance balance of $1,350 and balance related to fees and expense reimbursement of $180,510;
- $51,450 (December 31, 2019 - $29,400) owed to the Company's Corporate Secretary/Interim CFO; and
- $NIL (December 31, 2019 - $22,660) owed to an entity controlled by a former director of the Company;

The above balances are non-interest bearing, unsecured and due on demand.

(a) The Company and an entity controlled by the Ex-CEO entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to that entity over a term of 24 months commencing from February 1, 2018. The monthly consulting fee would be increased to $20,000 upon successful completion by the Company of its first major acquisition of $5,000,000 or greater in value. On January 24, 2020, this contract was terminated and all the outstanding amount due on the contract has been assigned to an arms-length party.

(b) The Company and an entity associated with the Company's President, CEO (former CFO) and Chairman of the Board entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to the entity associated with the CEO over a term of 23 months commencing from May 1, 2018. The monthly consulting fee will be increased to $20,000 upon successful completion by the Company of its first major acquisition of $5,000,000 or greater in value. On January 1, 2020, the Company extended this consulting agreement to another 24 months under the same terms of the original agreement expiring on January 5, 2022.

9. SHARE CAPITAL

Authorized share capital:
Unlimited common shares and preferred shares without par value

Share issuances:

During the six months ended June 30, 2020, the Company did not issue any shares (Six months ended June 30, 2019 - 3,500,000 common shares through a private placement with the cash proceeds of $25,000 and debt settlement in the amount of $140,000).

During the six months ended June 30, 2020, the Company cancelled 1,000,000 common shares on January 31, 2020 (On May 27, 2019, the Company cancelled 2,000,000 shares issued on October 31, 2018).

Warrants

A continuity of the Company's warrants is as follows:

	Warrants	Weighted average exercise price	Weighted average number years to expiry
		$	
Balance, December 31, 2019	22,692,496	0.07	-
Expired	(40,000)	0.02	-
Balance, June 30, 2020	22,652,496	0.10	0.38

As at June 30, 2020, the Company had the following warrants outstanding:

Date Issued	Expiry Date	Exercise Price	Number of Warrants Outstanding
October 28, 2016	October 28, 2021	$ 0.05	2,500,000
September 1, 2017	September 1, 2020	$ 0.075	5,301,000
September 8, 2017	September 8, 2020	$ 0.075	3,719,160
September 25, 2017	September 25, 2020	$ 0.075	3,063,636
December 1, 2017	December 1, 2020	$ 0.15	5,607,500
December 21, 2017	December 21, 2020	$ 0.25	711,200
February 6, 2019	August 6, 2020	$ 0.10	1,750,000
			22,652,496

Share Options

The Company's incentive stock option plan (the "Option Plan") provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the Company may grant a total of options not exceeding 10% of the issued and outstanding common shares. During the six months ended June 30, 2020 and 2019, there were no stock options grant.

A continuity of the Company's options is as follows:

	Share Options	Weighted average exercise price	Weighted average number years to expiry
		$	
December 31, 2019	3,670,000	0.08	-
Cancellation	(1,800,000)	0.15	-
June 30, 2020	1,870,000	0.15	2.48

As at June 30, 2020, the Company had the following options outstanding:

Date Issued	Expiry Date		Exercise Price	Number of Options Outstanding	Number of options Exercisable
September 25, 2017	September 24, 2022	$	0.15	700,000	1,300,000
December 1, 2017	December 1, 2022	$	0.15	700,000	1,500,000
June 11, 2018	June 11, 2023	$	0.15	470,000	870,000
				1,870,000	3,670,000

10. CAPITAL MANAGEMENT

The Company manages its capital, consisting of share and working capital, in a manner consistent with the risk characteristic of the assets it holds. All sources of financing are analyzed by management and approved by the Board of Directors. The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern. The Company is meeting its objective of managing capital through preparing Long-term and long-term cash flow analysis to ensure an adequate amount of liquidity. The Company is not subject to any externally imposed capital restrictions. There were no changes in the Company's approach to capital management during the six months ended June 30, 2020.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts.

As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major Canadian bank that is a high credit quality financial institution as determined by rating agencies.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its Long-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements as well as related party loans. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Currency risk
Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not incur significant expenditures that are denominated in foreign currencies, and does not have any mineral property commitments that are denominated in foreign currencies. Therefore, the Company's exposure to currency risk is considered minimal.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its notes payable as the interest rate is dependent on Canada's prime interest rate. Since the Canadian prime interest rate is fairly stable, the Company's exposure to interest rate risk is not considered to be significant.

Fair value
The fair value of the Company's financial assets and liabilities approximates the carrying amount.

12. COMMITMENTS

The consulting fee commitment to an entity associated with the CEO totaling $180,000 and the consulting fee commitment to an external consultant totaling $25,000.

Minimum payments relating to the above commitments for each of the next two fiscal years are as follows:

2020	$	85,000
2021		120,000
Total	**$**	**205,000**

13. SUBSEQUENT EVENTS

a) COVID-19

The recent outbreak of the coronavirus, also known as "COVID-19", has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company's business activities. The extent to which the coronavirus may impact the Company's business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and as such, the Company cannot determine their financial impact at this time.

SCHEDULE "B"

CAT STRATEGIC METALS CORPORATION MD&A FOR THE YEAR ENDED DECEMBER 31, 2019, DECEMBER 31, 2018, DECEMBER 31, 2017 AND FOR THE THREE AND SIX MONTH PERIOD ENDED JUNE 30, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2017

NOTE TO READERS

The following is management's discussion in respect of the results of operations and financial position of Chimata Gold Corp. (the "Company" or "Chimata"), for the year ended December 31, 2017 and should be read in conjunction with the Company's audited financial statements for the same period. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and presented in Canadian dollars. Additional information, including the above mentioned financial statements, which contain extensive disclosure of the history and properties of the Company are available on SEDAR and may be accessed at www.sedar.com.

FORWARD LOOKING STATEMENT

The information presented in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, "forward–looking statements" or "forward-looking information" (collectively "forward-looking statements") as those terms are used in the Private Securities Litigation Reform Act of 1995 and similar Canadian laws.

Such forward–looking statements, including but not limited to those with respect to the price of metals, the timing and amount of estimated future mineralization and economic viability of properties, capital expenditures, costs and timing of exploration projects, permitting timelines, title to properties, the timing and possible outcome of pending exploration projects and other factors and events described in this MD&A involve known and unknown risks, uncertainties and other factors such as general economic and business conditions, change in foreign currency exchange rates, 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 statements. Since forward looking statements address future events and conditions, by their nature, they involve inherent risks and uncertainties. Readers should verify all claims and do their own due diligence before investing in any securities mentioned or implied in this document. Investing in securities is speculative and carries a high degree of risk.

These statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Forward-looking statements are based on management's current plans, estimates, projections, beliefs, and opinions and we do not intend nor do we undertake any obligation to update or revise any forward-looking statements whether written or oral that may be made by or on the Company's behalf should the assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by securities law. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

Forwarding looking statements	***Assumptions***	***Risk factors***
Management intends to further eliminate the working capital deficiency and to finance its operating costs with loans from related parties and or private placement of common shares.	*Based on the past history of the Company, the Company was able to raise funds when needed through either private placement or debt financing*	*Change in interest rate, support by related parties, change in condition of capital market*

DATE OF REPORT

The information in this report is presented as of April 30, 2018.

ABOUT CHIMATA

Chimata Gold Corp. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on November 16, 2010 as Maxtech Resources Inc. and changed their name to Chimata Gold Corp. on February 10, 2011. The Company is listed on the TSX Venture Exchange under the symbol "CAT". The Company's common shares also began trading on the Frankfurt Exchange under the symbol "8CH" commencing July 29, 2014. The Company's current principal activity is the acquisition and exploration of mineral properties in Canada.

CORPORATE OVERVIEW AND OVERALL PERFORMANCE

Business Update

a) Maggie

On August 31, 2016, the Company entered into an option agreement with Innovative Properties Inc. to earn up to 100% interest in certain mineral concessions ("Maggie Gold Property").

During the year ended December 31, 2017, the Company has abandoned and surrendered the option agreement in respect of all mineral claims of the Maggie Property and fully impaired the property.

b) Troilus North

On October 12, 2017, the Company acquired a 100% undivided interest in the Troilus North Property. The property is made up of 139 contiguous claims totalling 7,502.6 hectares located 160 km north of the town of Chibougamau in the province of Quebec.

The total purchase price is two hundred and fifty thousand dollars ($250,000) with an initial payment of $25,000 due to the Vendor upon closing, $25,000 due within ninety (90) days following signing of the Agreement, $50,000 due on or before September 30, 2018, $50,000 due on or before March 31, 2019, $50,000 due on or before September 30, 2019, and $50,000 due on or before March 31, 2020. In addition, the Company has granted a 1.5% Net Smelter Royalty to the Vendor; 0.5% of which can be repurchased by the Company for $500,000.

c) BAM

On December 1, 2017, the Company acquired a 100% interest in the BAM mineral property. The property is located in the Pacific Golden Triangle mining district approximately 80 Km south of Telegraph Creek in the Liard mining division of northwest British Columbia, Canada.

Under the terms of the purchase agreement, the Company will pay $60,000 cash and issue 600,000 common shares to Bearclaw Capital Corp. ("Bearclaw"). The initial $15,000 cash payment was paid to Bearclaw and 600,000 common shares were issued to Bearclaw on November 16, 2017 with a fair value of $54,000. The claims comprising the mineral property have been transferred to the Company. On March 1, 2018, the Company made $15,000 cash payment to Bearclaw. The balance of the cash payments will be provided in equal installments of $15,000 8 months and 12 months from the purchase agreement closing date. Bearclaw will retain a 2% Net Smelter Royalty on the property, of which 1% may be purchased by the Company for $1,000,000 at any time.

Letter of Intent for the Zimbabwe Lithium Project

On February 14, 2018, the Company approved a binding Letter of Intent with Zimbabwe Lithium Company (Mauritius) Limited ("Zimbabwe Lithium", or "ZIM"), a privately held company incorporated under the laws of Mauritius. Pursuant to the terms of the LOI, Chimata will subscribe to the share capital of ZIM for an initial subscription of 19% of ZIM's share capital in exchange for the allocation by Chimata of an amount of shares representing 19% of its then issued and outstanding share capital to ZIM, such amount being calculated post-closing of the Concurrent Financing, as defined below, with right to further acquire the remaining issued and outstanding share capital of ZIM upon the fulfilling of certain terms and conditions as set out in the LOI, the whole resulting in ZIM becoming a subsidiary of Chimata (the "Transaction"). ZIM will be focused on developing lithium mining properties and assets located in Zimbabwe (the "Assets") held by ZIM and related companies wholly owned by ZIM's principals, one of which having recently signed a joint-venture agreement with the Zimbabwe Mining Development Corporation ("ZDMC") with respect to the grant of exclusive development rights for the Kamativi lithium tailings deposit at the Kamativi Tin mine, Matabeleland North Province, Zimbabwe. This tailings stockpile has been surveyed to give an estimated 23,168,000 metric tonnes of historical tailings material on surface.

Financing

On October 28, 2016, the Company completed a private placement by issuing 12,500,000 units for gross proceeds of $250,000. Each unit is comprised on one common share at $0.02 and one share purchase warrant exercisable into one common share of the Company at $0.05 per share, and expiring 5 years after issuance. The value allocated to the warrants was $62,500 using the residual method of value assignment to these warrants.

On September 11, 2017 the company completed a non-brokered private placement for 15,851,636 units for gross proceeds of $871,840. Each unit consisted of one common share and one common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.075 per warrant for a period of 36 months.

On December 1, 2017, the company completed a non-brokered private placement for 5,591,500 units for gross proceeds of $559,150. Each unit consisted of one common share and one common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.15 per warrant for a period of 36 months.

On December 22, 2017, the company completed a non-brokered private placement for 1,416,000 units for gross proceeds of $212,400. Each unit consisted of one common share and half common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.25 per warrant for a period of 36 months.

On February 14, 2018, the Company initiated a non-brokered private placement of up to two million Canadian dollars (CAD$2,000,000) by the issuance of units of Chimata (each a "Unit") at a price of $0.15 per Unit, each Unit being comprised of one common share in the share capital of Chimata and one half common share purchase warrants (each a "Warrant"), each full Warrant entitling its holder to purchase one common share in the share capital of Chimata at a price of $0.25 per common share for a period of 12 months. A finder's fee of six percent (6%) may be payable in cash on the Concurrent Financing to registered market dealers.

Following is the selected annual information of the Company for the last three years:

	2017 $	2016 $	2015 $
Revenue	--	--	--
Operating Expenses	1,046,672	79,897	69,643
Net loss	1,051,822	84,541	76,370
Total assets	1,152,890	28,205	1,924
Total long-term liabilities	--	--	--
Net loss per share (basic and diluted)	$ 0.07	$ 0.01	$ 0.00

SELECTED QUARTERLY INFORMATION

The Company has not had any revenue from inception. The Company's past result of operation was not subject to seasonality. Management expects it will be difficult for the Company to obtain further equity or debt financing in the near future given that the current Canadian capital market is in a downturn for junior mining companies. The current resources on hand are not adequate for the Company to meet its long term business objective or to conduct any significant explorative activities to the existing mineral properties. In order to preserve cash on hands, management has decided to curtail the Company's operations and will not conduct significant exploration activities until the Company can secure resources to finance such exploration activities by obtaining additional (equity or debt) financing or other arrangement including joint-venture and farm-out arrangements.

The Company's information of the latest eight quarters is summarized as follows:

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total assets	1,152,890	548,586	8,307	18,661	15,776	8,001	2,224	2,204
Revenue	-	-	-	-	-	-	-	-
Operating expenses	669,752	376,922	50,718	14,310	32,426	17,782	13,118	16,571
Gain (loss) from continued ops	(674,348)	(377,474)	(51,070)	(14,310)	(31,885)	(19,502)	(14,841)	(18,313)
Earnings (loss) per share, basic and diluted	0.03	0.03	0.00	0.00	0.00	0.00	0.00	0.00

RESULTS OF OPERATION

Year ended December 31, 2017 ("Fiscal 2017")

During Fiscal 2017, the Company had a loss of $1,051,822 comparing to the $84,541 loss in Fiscal 2016. The $1,051,822 loss was mainly a combined result of incurring $1,046,674 operating expenses (Fiscal 2016 - $79,897), $148 finance fees mainly in connection with the Company's outstanding promissory note (Fiscal 2016 - $5,684), $5,000 impairment on mineral property (2016 - $mil) and $nil in gain on related party debt forgiveness (2016 - $1,040).

The operating expenses incurred in Fiscal 2017 were mainly comprised of $16,682 advertising and promotion (Fiscal 2016 - $nil), $303,199 mineral property exploration and evaluation (Fiscal 2016 - $5,022), $260,188 consulting fees (Fiscal 2016 - $21,500), $20,168 occupancy fees (Fiscal 2016 - $12,000), $56,026

listing and filing fees (Fiscal 2016 - $16,050), $59,528 travel expense (Fiscal 2016 - $nil), $216,627 share-based compensation and $40,429 professional fees (Fiscal 2016 - $15,657). Professional fees consist of year-end audit, tax return filing fees and legal fees.

As at December 31, 2017, the Company's cash balance, accounts payable and accrued liabilities, and notes payable was $704,117 (December 31, 2016 - $23,205), $215,636 (December 31, 2016 - $42,291), and $150,000 (December 31, 2016 - $nil) respectively. The increase in cash was a combined result of receipt of $1,582,535 for shares and warrants issuance which was offset by the use of $861,623 cash in the Company's operations and $40,000 acquisition of mineral properties during Fiscal 2017.

Three Months Ended December 31 ("2017 Q4")

During 2017 Q4, the Company had a loss of $608,698 comparing to the $31,885 income in the same quarter of last year. The $608,698 loss was mainly a combined result of incurring $604,724 operating expenses (2016 Q4 - $32,426), $Nil finance charges in connection with the Company's outstanding promissory note (2016 Q4 - $nil), and $1,040 in gain on related party debt forgiveness (2016 Q4 - $1,040).

The operating expenses incurred in 2017 Q4 were mainly comprised of $279,908 exploration and evaluation expenses (2016 Q4 - $Nil), $59,528 travel expenses $16,101 occupancy fees (2016 Q4 - $1,500), 36,688 consulting fees, $142,027 stock based compensation and $31,382 professional fees (2016 Q4 – $9,800).

LIQUIDITY AND CAPITAL RESOURCES

The Company is an exploration stage company and has not earned revenue from operating activities since inception. Financing of operations has been achieved by equity and debt financing. As at December 31, 2017, the Company had $704,117 in cash, and working capital of 573,254. The Company has no operations that generate cash inflow.

Management intends to eliminate the working capital deficiency and to finance its operating costs with non-current loans from related parties and or private placement of common shares.

While the Company has a history of financing its operation through debt or equity financing in the past, readers are cautioned that there are no guarantees that the Company can do so in the future.

The Company did not have cash inflow/outflow from its investing activities during Fiscal 2017 and received net proceeds of $1,582,535 from issuance of 23,459,136 Units during Fiscal 2017.

The Company is not subject to external capital requirements and does not have capital commitment.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have off-balance sheet arrangements.

PROPOSED TRANSACTIONS

Company does not have any proposed transactions that have material impacts to the Company at this time.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company has 35,587,270 shares and 25,302,136 share purchase warrants outstanding. The Company has 3,000,000 options that are outstanding as at the date of this MD&A.

TRANSACTIONS WITH RELATED PARTIES

During the year ended December 31, 2017, the Company incurred $32,500 (2016 - $Nil) in consulting fees and $85,444 (2016 - $nil) in share based compensation to the Company's Chief Executive Officer ("CEO"), $67,996 (2016 - $nil) in share based compensation to the Company's Chief Financial Officer ("CFO"), $30,000 (2016 - $1,400) in consulting fees to a company controlled by the Company's former Chief Executive Officer ("ex-CEO"), $27,077 (2016 - $Nil) in share based compensation to directors of the company, $16,800 (2016 - $Nil) in consulting fees and $13,539 (2016 - $Nil) in share based compensation to the Company's Corporate Secretary, and $Nil (2016 - $5,022) mineral property investigation fee, $Nil (2016 - $6,000) management fee, $Nil (2016 - $5,000) option payment and $Nil (2016 - $12,000) in occupancy costs, all to companies formerly under common control.

As at December 31, 2017, the Company was owed a balance of is $984 (2016 - $Nil) by the Company's CEO

As at December 31, 2017, the balance payable to a company formerly under common control of $nil (2016 - $3,195).

During the year ended December 31, 2013, the Company received loans of $56,000 from Maxtech Ventures Inc., the former parent company of the Company to finance its operations. Maxtech Ventures Inc. and the Company had a common director when the loans were advanced. Both loans bore interest at 5% per annum until December 31, 2014 (the maturity date of the loan), after which interest increased to prime plus 10% per annum for the loan of $51,000 and remained at 5% per annum for the loan of $5,000. The loans were discounted using an estimated market rate of 15% per annum with the discount of $8,523 recorded to the loan reserve account in equity on inception. The Company had been reversing the discount as accretion expense over the remaining term of the loan to maturity, and as at December 31, 2014, the loans were fully accreted. During the year ended December 31, 2016, the Company repaid and extinguished the loans from Maxtech Ventures Inc. and $5,684 of interest expenses was recorded.

During the year ended December 31, 2017, the Company issued 100,000 (2016 – nil) units to a director for gross proceeds of $15,000. During the year ended December 31, 2017, the Company issued nil (2016 – 7,500,000) units to companies formerly under common control for gross proceeds of $ nil (2016 - $150,000).

CHANGES IN ACCOUNTING POLICIES

Refer to the Note 3 to the Company's audited financial statements for the year ended December 31, 2017.

FINANCIAL INSTRUMENTS

Refer to the Note 10 to the Company's audited financial statements for the year ended December 31, 2017.

RISK FACTORS

Risks of the Company's business include the following:

Mining Industry

The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of

an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of ore, including unusual and unexpected geology formations, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The Company's mineral exploration activities are directed towards the search, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company as described herein will result in discoveries of commercial quantities of ore. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than it will have for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Government Regulation

The exploration activities of the Company are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste.

Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration, mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

Permits and Licenses

The exploitation and development of mineral properties may require the Company to obtain regulatory or

other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that may be required to carry out exploration, development and mining operations on its properties.

Environmental Risks and Hazards

All phases of the Company's mineral exploration operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present, which have been caused, by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties. Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the ground water the environment, the Company may become subject to liability for hazards that cannot be insured against.

Commodity Prices

The profitability of mining operations is significantly affected by changes in the market price of gold and other minerals. The level of interest rates, the rate of inflation, world supply of these minerals and stability of exchange rates can all cause significant fluctuations in base metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of gold and other minerals has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable.

Depending on the price of gold and other minerals, cash flow from mining operations may not be sufficient.

Any figures for reserves presented by the Company will be estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the price of gold and other minerals may render reserves uneconomical. Moreover, short-term operating factors relating to the reserves, such as the need for orderly development of the ore bodies or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any particular accounting period.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure or against which they may elect not to insure.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Property Title

Although the Company has obtained title opinions with respect to certain of its properties, there may still be undetected title defects affecting such properties. Accordingly, such properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Company's operations.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI 52-109") (Certification of Disclosure in Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

OFFICERS AND DIRECTORS

Richard Groome	Interim CEO, President, Director and Chairman since September 25, 2017)
Robert Rosner	CFO, and Director since March 27, 2017; Secretary from March 27, 2017 to December 1, 2017
Steve Cozine	Secretary since December 1, 2017)
Luis Martins	Director
Alain Moreau	Director since December 19, 2017)

CAT STRATEGIC METALS CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2018

NOTE TO READERS

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These statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Forward-looking statements are based on management's current plans, estimates, projections, beliefs, and opinions and we do not intend nor do we undertake any obligation to update or revise any forward-looking statements whether written or oral that may be made by or on the Company's behalf should the assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by securities law. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

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DATE OF REPORT

The information in this report is presented as of November 18, 2019.

ABOUT CAT STRATEGIC METALS CORPORATION (FORMERLY CHIMATA GOLD CORP.)

CAT Strategic Metals Corporation (formerly Chimata Gold Corp.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on November 16, 2010. The common shares of the Company began trading on TSX Venture Exchange ("TSXV") on September 16, 2011 under the symbol "CAT", and on the Frankfurt Exchange on July 29, 2014 under the symbol "8CH". Effective June 14, 2018, the Company's shares were transferred from TSXV to the Canadian Securities Exchange ("CSE") under the symbol "CAT". The decision to move the listing of its common shares from the TSXV to the CSE was taken by the Company as it deems that the CSE may be a more suitable stock exchange with respect to its development and its future expansion. Effective May 1, 2019, the Company's shares were halted for trading due to corporate reorganization. The Company's principal activity is the acquisition and exploration of mineral properties.

CORPORATE OVERVIEW AND OVERALL PERFORMANCE

Business Update

a) Zimbabwe Lithium Company (Mauritius) Limited

On February 14, 2018, the Company approved a binding Letter of Intent with Zimbabwe Lithium Company (Mauritius) Limited ("Zimbabwe Lithium", or "ZIM"), a privately held company incorporated under the laws of Mauritius. Pursuant to the terms of the LOI, Chimata will subscribe to the share capital of ZIM for an initial subscription of 19% of ZIM's share capital in exchange for the allocation by Chimata of an amount of shares representing 19% of its then issued and outstanding share capital to ZIM, such amount being calculated post-closing of the Concurrent Financing, as defined below, with right to further acquire the remaining issued and outstanding share capital of ZIM upon the fulfilling of certain terms and conditions as set out in the LOI, the whole resulting in ZIM becoming a subsidiary of Chimata (the "Transaction"). ZIM will be focused on developing lithium mining properties and assets located in Zimbabwe (the "Assets") held by ZIM and related companies wholly owned by ZIM's principals, one of which having recently signed a joint-venture agreement with the Zimbabwe Mining Development Corporation ("ZDMC") with respect to the grant of exclusive development rights for the Kamativi lithium tailings deposit at the Kamativi Tin mine, Matabeleland North Province, Zimbabwe. This tailings stockpile has been surveyed to give an estimated 23,168,000 metric tonnes of historical tailings material on surface.

First Amendment to LOI with Zimbabwe Lithium Project

On May 30, 2018, the Company and ZIM entered into the first amendment of the LOI (Note 4 (a)). The key amendments are summarized as follows: (i) U$ 99,905 the remaining balance of the U$ 500,000 advance from the Company to ZIM is required to be made within five business days from May 30th, 2018. Upon completion of the U$ 99,905 advance, Phase I is deemed to be completed with the exception of the concurrent financing and both ZIM and the Company will enter into Phase II; (ii) The Company will work towards the completion of the Concurrent Financing, to a maximum of $2,000,000 and to a minimum of $1,800,000 whereby $800,000 to be raised by the Company no later than July 30th, 2018 or two weeks from the date of completion and publication of the Estimate (Note 4(a)) whichever is the latter, and the remaining balance of $1,000,000 to be raised by the Company no later than (a) August 30, 2018 or (b) six weeks from the date of completion and publication of the Estimate (Note 4(a)) whichever is the latter, and (iii)The Closing of the Definitive Agreement shall be completed no later than September 30, 2018.

On October 17, 2018, Chimata has entered into a definitive share exchange agreement (the "**Agreement**") with ZIM. As per the terms of the Agreement, Chimata shall, pursuant to the first phase of the contemplated transaction, issue to ZIM shareholders an amount of 9,185,039 common shares from its share capital, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of Chimata, and in return, ZIM shall issue to Chimata 755 ZIM shares, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of ZIM.

On October 31, 2018, pursuant to a definitive share exchange agreement (the "**Agreement**") with the existing shareholders of ZIM, CAT issued to ZIM shareholders an amount of 9,185,040 common shares from its share capital, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of Chimata. In return, ZIM issued to Chimata 755 ZIM shares, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of ZIM.

The second phase of the contemplated transaction has been triggered with the production of the Resource Estimate by ZIM in respect of the Kamativi Tailings (the "**Resource Estimate**") published on September 20th, 2018. The results of this Resource Estimate in combination with the financing referenced below will determine the ultimate resulting shareholding of ZIM shareholders in Chimata which will be between 70 and 80 %. Concurrently, the second phase of the transaction will result in ZIM becoming a wholly owned subsidiary of Chimata and Chimata will then be entitled, through the joint venture entity, to the exclusive development rights for the Kamativi Tailings.

On January 9, 2019, the Company announced the signing of a Term Sheet between Transamine Trading S.A. ("Transamine") and the Kamativi Tailings Company (Pvt) Ltd ("KTC") for a USD $9,500,000 finance and off-take facility for concentrate produced from the Kamativi Tailings Lithium Project (the "Project"). The key terms are as follows:

USD $9,500,000 Million debt funding will be provided as a lump sum payment on completion of the relevant condition's precedent by each of Transamine and KTC.

The tenor of the facility is in line with the construction project plan and allows sufficient time for repayment from free cash. The use of proceeds of the financing facility will be put toward the construction of the Phase 1 Processing Plant to be constructed for the Project and working capital. KTC will produce a +6% Li2O Spodumene concentrate to be sold to Transamine. Transamine will have the right to 150,000 tonnes of Concentrate produced from the Phase 1 Processing Plant. Commercial terms shall be agreed in line with the international market terms for +6% Li2O Spodumene concentrate.

On June 28, 2019, ZIM terminated the proposed reverse take-over transaction with the Company.

b) Troilus North

On October 12, 2017, the Company acquired a 100% undivided interest in the Troilus North Property. The property is made up of 139 contiguous claims totaling 7,502.6 hectares located 160 km north of the town of Chibougamau in the province of Quebec.

The total purchase price is two hundred and fifty thousand dollars ($250,000) with an initial payment of $25,000 due to the Vendor upon closing, $25,000 due within ninety (90) days following signing of the Agreement, $50,000 due on or before September 30, 2018, $50,000 due on or before March 31, 2019, $50,000 due on or before September 30, 2019, and $50,000 due on or before March 31, 2020. In addition, the Company has granted a 1.5% Net Smelter Royalty to the Vendor; 0.5% of which can be repurchased by the Company for $500,000.

On May 14, 2018, the Company received regulatory approval from the TSX Venture Exchange concluding the acquisition of a 100% undivided interest in the Troilus North Property.

On November 15, 2018 the Company announced since optioning the Troilus North Property to Emgold Mining Corporation ("Emgold") in June 2018, Emgold had completed the C$300,000 requirement in exploration expenditures on the Troilus North Property and had elected to move forward with acquisition of 100% ownership of the Property by accelerating the exercise of the First Option and Second Options together. As such, Emgold closed the 100% acquisition of the Property by completing the remaining requirements of the Definitive Agreement and Amendment, which required Emgold to issue 4.0 million additional common shares, make a cash payment of $200,000 and grant a 1.0% NSR on the Property to the Company. As at the date of this MD&A, Emgold advanced a total of $185,500 payment out of the $200,000 cash payment requirement to the Company. Following closing of the transaction, the Company held 6.0 million Common Shares of the Company out of 30,968,805 Common Shares issued and outstanding, representing 19.4% of Emgold's issued and outstanding share capital. The transaction described between the Company and Emgold was not a non-arm's length transaction as the Company's Chief Financial Officer, who is also acting as director of Emgold.

As of the date of this MD&A, the Company had sold all its Emgold shares.

c) BAM

On December 1, 2017, the Company acquired a 100% interest in the Bam mineral property. The property is comprised of 1052 hectares located in the Pacific Golden Triangle mining district approximately 80 Km south of Telegraph Creek in the Liard mining division of northwest British Columbia, Canada.

Under the terms of the purchase agreement, the Company will pay $60,000 cash and issue six hundred thousand common shares to Bearclaw . The initial $15,000 cash payment was provided to Bearclaw and six hundred thousand common shares issued to Bearclaw on Nov 16, 2017 with a fair value of $54,000 based on closing share price at $0.09/share. The claims comprising the mineral property have been transferred to the Company. The balance of the cash payments will be provided in three equal installments of $15,000 over a twelve-month period. Bearclaw will retain a 2% Net Smelter Royalty on the property, of which 1% may be purchased by the Company for $1,000,000 at any time.

Financing

On October 28, 2016, the Company completed a private placement by issuing 12,500,000 units for gross proceeds of $250,000. Each unit is comprised on one common share at $0.02 and one share purchase warrant exercisable into one common share of the Company at $0.05 per share, and expiring 5 years after issuance. The value allocated to the warrants was $62,500 using the residual method of value assignment to these warrants.

On September 11, 2017 the company completed a non-brokered private placement for 15,851,636 units for gross proceeds of $871,840. Each unit consisted of one common share and one common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.075 per warrant for a period of 36 months.

On December 1, 2017, the company completed a non-brokered private placement for 5,591,500 units for gross proceeds of $559,150. Each unit consisted of one common share and one common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.15 per warrant for a period of 36 months.

On December 22, 2017, the company completed a non-brokered private placement for 1,416,000 units for gross proceeds of $212,400. Each unit consisted of one common share and half common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.25 per warrant for a period of 36 months.

On March 23, 2018, the Company issued 1,303,334 units of the Company for gross proceeds of $195,000. Each unit consists of one common share and one half warrant. Each whole warrant shall entitle the holder thereof to acquire one additional common share at a price of $0.25 per common share for a period of 12 months from the date of issuance.

On October 31, 2018, the Company issued 2,000,000 units of the Company for consulting fees rendered with a value of $200,000. Each unit consists of one common share and one warrant. Each warrant shall entitle the holder thereof to acquire one additional common share at a price of $0.20 per common share for a period of 24 months from the date of issuance. These shares were cancelled and returned to treasury subsequent to year-end.

On October 31, 2018, the company issued 9,185,040 common shares for the acquisition of 19% of the outstanding common shares of ZIM (Note 6).

During the year December 31, 2018, the Company issued 4,145,000 common shares for the exercise of warrants for proceeds of $310,875.

During the year ended December 31, 2018, the Company incurred $20,165 as share issuance costs for legal fees incurred.

On February 19, 2019, the Company closed the first tranche of its ongoing private placement for gross proceeds of $175,000 by the issuance of 3,500,000 units of the Company (each a "Unit"), each Unit being comprised of one common share of the Company and one half of one common share purchase warrant (each a "Warrant"), each whole Warrant entitling its holder to purchase an additional common share at a price of $0.10 per common share for a period of 18 months from the date of issuance.

The proceeds from the Private Placement will be used by the Corporation to finance its contemplated transaction with Zimbabwe Lithium Company Limited ("ZIM"), with respect to the exploration and exploitation of lithium properties located in Zimbabwe, and for general working capital purposes.

Following is the selected annual information of the Company for the last three years:

	2018 $	2017 $	2016 $
Revenue	--	--	--
Operating Expenses	1,358,905	1,046,674	79,897
Net loss	575,723	1,051,822	84,541
Total assets	2,253,046	1,152,890	28,205
Total long-term liabilities	--	150,000	--
Net loss per share (basic and diluted)	$ 0.01	$ 0.07	$ 0.00

Fiscal 2016 losses were consistent and maintained at care and maintenance level due to the downturn of the mining industry.

The change of board and management team and successful completion of fund raising to advance the mineral exploration project in the third quarter of fiscal 2017 created the need to incur significant higher consulting fees comparing to fiscal 2016. The losses in fiscal 2017 were further increase due to the recognition of stock-based compensation related to the grant of 3 million stock options in the last quarters of fiscal 2017.

The decrease of losses incurred in fiscal 2018 versus fiscal 2017 was due to recognition of a gain of $755,000 on disposition of Troilus North property to Emgold offsetting against a significant increase in consulting fees of approximately $400,000 compared with 2017. The significant increase in consulting fee in fiscal 2018 against 2017 is mainly due to the significant amount of management executive times devoted in the ZIM project throughout the year and the initiation of the 24 months consulting contracts with the Company controlled by the Company's Chief Executive Officer, Mr. Richard Groome and the entity associated with the Company's Chief Financial Officer, Mr. Robert Rosner in May 2018.

SELECTED QUARTERLY INFORMATION

The Company has not had any revenue from inception. The Company's past result of operation was not subject to seasonality. Management expects it will be difficult for the Company to obtain further equity or debt financing in the near future given that the current Canadian capital market is in a downturn for junior mining companies. The current resources on hand are not adequate for the Company to meet its long term business objective or to conduct any significant explorative activities to the existing mineral properties. In order to preserve cash on hands, management has decided to curtail the Company's operations and will not conduct significant exploration activities until the Company can secure resources to finance such exploration activities by obtaining additional (equity or debt) financing or other arrangement including joint-venture and farm-out arrangements.

The Company's information of the latest eight quarters is summarized as follows:

	2018				2017			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total assets	2,253,046	1,529,087	1,094,704	392,425	1,152,890	548,546	8,307	18,661
Revenue	–	–	–	–	–	–	–	–
Net income (Loss) and comprehensive income (loss)	169,192	(168,310)	(249,804)	(326,801)	(669,752)	(376,922)	(50,718)	(14,310)
Earnings (loss) per share, basic and diluted	(0.00)	(0.00)	(0.01)	(0.01)	(0.03)	(0.03)	(0.00)	(0.00)

The decline in the losses from the quarter of March 31, 2017 to June 30, 2017 is mainly due to the discontinuance of certain management and consulting services.

During the quarter of September 30, 2017, the addition of new board members and senior management members and the completion of the private placement of gross proceeds of $871,000 all contributed to the significant increase in consulting, management, professional fees and stakeholder relationship fees during the quarter.

During the quarter of December 31, 2017, the grant of 1,600,000 stock options resulted in $141,982 share-based compensation recognized in the quarter, the completion of the flow-through financing resulting in $559,150 where approximately $212,000 expenses were incurred for the flow through properties combining with travel and conference for investor relationship contributed to the significant increase of losses.

During the quarters of March 31, 2018, the main operating expenses were incurred in exploration and property investigation activities related to the LOI with Zimbabwe Lithium Project and private placement financing activities. The absence of the option grant related share based compensation and reduction in spending in the flow through expenditures on the Troilus North property contributed to the decrease in the operating expenses compared to the previous quarter.

During the quarter of June 30, 2018, the Company continued to incur expenses on the Zimbabwe Lithium Project which explains the minimal variance comparing to the previous quarter.

During the quarter of September 30, 2018, the Company slowed down on spending on the exploration front and the recognition of a cost recovery of approximately $35,000 related to the GST amount previously written in Fiscal 2017 upon receipt of the GST refund.

During the quarter of December 31, 2018, the significant increase in income is due to the recognition of the gain on sale of the Troilus North Property to Emgold Mining Corporation for $755,000 offset by the current quarter operating expenses of $528,692.

RESULTS OF OPERATION

Year ended December 31, 2018 ("Fiscal 2018")

During Fiscal 2018, the Company had a comprehensive loss of $575,723 comparing to the $1,051,822 loss in Fiscal 2017. The $575,723 loss was mainly a combined result of incurring $1,358,905 operating expenses (Fiscal 2017 - $1,046,674), offset by the mark-to-market gain of $20,000 related to the Emgold shares held at the year-end date, the recognition of equity loss from investment in associate of $26,958 related to the investment in the ZIM project and the gain of $755,000 on disposition of Troilus North property to Emgold.

The operating expenses incurred in Fiscal 2018 were mainly comprised of $678,049 consulting (Fiscal 2017 - $260,188), $246,493 mineral property exploration and evaluation (Fiscal 2017 - $303,199), $94,905 travel expense (Fiscal 2017 - $59,528), $108,631 professional fees (Fiscal 2017 - $40,429).

The significant increase in consulting fee in 2018 versus 2017 is due to the significant amount of management executive times devoted in the ZIM project throughout the year and the initiation of the 24 months consulting contracts with the Company controlled by the Company's Chief Executive Officer, Mr. Richard Groome and the entity associated with the Company's Chief Financial Officer, Mr. Robert Rosner in May 2018.

The significant increase in travel in 2018 versus 2017 is a consequence of the property investigation for the ZIM project in Zimbabwe.

The significant increase in professional fee in 2018 versus 2017 is a consequence of the legal costs related to the ZIM project.

As at December 31, 2018, the Company's cash balance, accounts payable and accrued liabilities, and notes payable was ($184) overdraft (December 31, 2017 - $704,117), $449,297 (December 31, 2017 - $215,636), and $NIL (December 31, 2017 - $150,000) respectively. The decrease in cash was due to the cash advance for the investment in the ZIM project during Fiscal 2018.

The Fourth Quarter Ended December 31 ("2018 Q4")

During 2018 Q4, the Company had an income of $169,192 comparing to the $646,692 loss in the same quarter of last year. The $169,192 income was mainly a combined result of incurring $528,692 operating expenses (2017 Q4 - $642,696), $20,000 unrealized gain on marketable securities (2017 Q4 - $Nil), equity loss from investment in associate of $26,958 (2017 Q4 - $Nil) and a gain on disposition of mineral interests of $755,000 (2017 Q4 - $Nil). The unrealized gain of marketable securities is related to the mark-to-market of 6,000,000 shares of Emgold held at year-end. These Emgold shares were acquired in the fiscal 2018 as a result of the sale of Troilus North Property to Emgold. The gain on disposition of mineral interests is also a result of the Troilus North Property sale to Emgold in fiscal 2018 where the completion of the sale of Troilus North occurred in November 2018.

LIQUIDITY AND CAPITAL RESOURCES

The Company is an exploration stage company and has not earned revenue from operating activities since inception. Financing of operations has been achieved by equity and debt financing. As at December 31, 2018, the Company had an overdraft of $184, and working capital of $167,008. The Company has no operations that generate cash inflow.

Management intends to finance its operating costs with non-current loans from related parties and or private placement of common shares.

While the Company has a history of financing its operation through debt or equity financing in the past, readers are cautioned that there are no guarantees that the Company can do so in the future.

The Company had net cash outflow of $523,307 from its investing activities during Fiscal 2018 and received net proceeds of $486,210 from issuance of units during Fiscal 2018 and raised gross proceeds of $175,000 from issuance of 3,500,000 Units in February 2019.

The Company is not subject to external capital requirements and does not have capital commitment.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have off-balance sheet arrangements.

PROPOSED TRANSACTIONS

Company does not have any proposed transactions that have material impacts to the Company at this time.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company has 51,922,310 shares and 22,692,496 share purchase warrants outstanding. The Company has 3,670,000 share purchase options that are outstanding as at the date of this MD&A.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the year ended December 31, 2018 and 2017 was as follows:

	December 31, 2018	December 31, 2017
	$	$
Management and consulting fees	266,997	79,300
Share-based payment	79,170	194,056
	346,167	273,336

During the year ended December 31, 2018, the Company incurred $120,997 (2017 - $32,500) in consulting fees to Mr. Richard Groome, the Company's Chief Executive Officer ("CEO"), $113,000 in consulting fees

(2017 - $Nil) to PanOcean Consulting Ltd., the entity associated with Mr. Robert Rosner, the Company's Chief Financial Officer ("CFO"), $33,000 (2017 - $16,800) in consulting fees to Mr. Steve Cozine, the Company's Corporate Secretary, and $5,500 (2017 - $NIL) in consulting fees to Technologies Earth Metrix, a company controlled by Mr. Alain Moreau, a director of the Company.

Share-based payments are comprised of stock options, which are non-cash expenditures. During the year ended December 31, 2018, the Company granted 800,000 options in total (with 200,000 options each) to Mr. Richard Groome, Mr. Robert Rosner, Mr. Luis Martin and Mr. Alain Moreau. The Company granted 70,000 options to Mr. Steve Cozine. The option value for these option grants is calculated at $0.091 per option based on Black-Scholes Models.

As at December 31, 2018, the Company's accounts payable balances owing to the related parties include:

$66,625 (2017 - $984) owed to Mr. Richard Groome;
$7,654 (2017 - $NIL) owed to Mr. Robert Rosner;
$71,980 (2017 - $NIL) owed to PanOcean Consulting Ltd.;
$9,957 (2017 - $NIL) owed to Mr. Steve Cozine;
$34,158 (2017 - $NIL) owed to Technologies Earth Metrix;
$35,935 (2017 - $NIL) owed to Alain Moreau;

The above balances are non-interest bearing, unsecured and due on demand.

(a) The Company and Notre Dame Capital Inc., the entity controlled by Mr. Richard Groome entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to Mr. Richard Groome over a term of 24 months commencing from February 1, 2018. The monthly consulting fee will be increased to $20,000 upon successful completion by the Company of its first major acquisition of $5,000,000 or greater in value.

(b) The Company and PanOcean Consulting Ltd., an entity associated with Mr. Robert Rosner entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to PanOcean Consulting Ltd. over a term of 23 months commencing from May 1, 2018. The monthly consulting fee will be increased to $20,000 upon successful completion by the Company of its first major acquisition of $5,000,000.

CHANGES IN ACCOUNTING POLICIES

Refer to the Note 3 to the Company's audited financial statements for the year ended December 31, 2018.

FINANCIAL INSTRUMENTS

Refer to the Note 10 to the Company's audited financial statements for the year ended December 31, 2018.

RISK FACTORS

Risks of the Company's business include the following:

Mining Industry

The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical

processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of ore, including unusual and unexpected geology formations, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The Company's mineral exploration activities are directed towards the search, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company as described herein will result in discoveries of commercial quantities of ore. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than it will have for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Government Regulation

The exploration activities of the Company are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste.

Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration, mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

Permits and Licenses

The exploitation and development of mineral properties may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that may be required to carry out

exploration, development and mining operations on its properties.

Environmental Risks and Hazards

All phases of the Company's mineral exploration operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present, which have been caused, by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties. Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the ground water the environment, the Company may become subject to liability for hazards that cannot be insured against.

Commodity Prices

The profitability of mining operations is significantly affected by changes in the market price of gold and other minerals. The level of interest rates, the rate of inflation, world supply of these minerals and stability of exchange rates can all cause significant fluctuations in base metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of gold and other minerals has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable.

Depending on the price of gold and other minerals, cash flow from mining operations may not be sufficient. Any figures for reserves presented by the Company will be estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized.

Market fluctuations and the price of gold and other minerals may render reserves uneconomical. Moreover, short-term operating factors relating to the reserves, such as the need for orderly development of the ore bodies or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any particular accounting period.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure or against which they may elect not to insure.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Property Title

Although the Company has obtained title opinions with respect to certain of its properties, there may still be undetected title defects affecting such properties. Accordingly, such properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Company's operations.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI 52-109") (Certification of Disclosure in Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

OFFICERS AND DIRECTORS

Richard Groome	Interim CEO, President, Director and Chairman since September 25, 2017)
Robert Rosner	CFO, and Director since March 27, 2017; Secretary from March 27, 2017 to December 1, 2017
Steve Cozine	Secretary since December 1, 2017)
Luis Martins	Director
Alain Moreau	Director since December 19, 2017)

CAT STRATEGIC METALS CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2019

NOTE TO READERS

The following is management's discussion in respect of the results of operations and financial position of CAT Strategic Metals Corporation (Formerly Chimata Gold Corp.) (the "Company" or "CAT"), for the year ended December 31, 2019 and should be read in conjunction with the Company's audited financial statements for the same period. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and presented in Canadian dollars. Additional information, including the above mentioned financial statements, which contain extensive disclosure of the history and properties of the Company are available on SEDAR and may be accessed at www.sedar.com.

FORWARD LOOKING STATEMENT

The information presented in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, "forward–looking statements" or "forward-looking information" (collectively "forward-looking statements") as those terms are used in the Private Securities Litigation Reform Act of 1995 and similar Canadian laws.

Such forward–looking statements, including but not limited to those with respect to the price of metals, the timing and amount of estimated future mineralization and economic viability of properties, capital expenditures, costs and timing of exploration projects, permitting timelines, title to properties, the timing and possible outcome of pending exploration projects and other factors and events described in this MD&A involve known and unknown risks, uncertainties and other factors such as general economic and business conditions, change in foreign currency exchange rates, 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 statements. Since forward looking statements address future events and conditions, by their nature, they involve inherent risks and uncertainties. Readers should verify all claims and do their own due diligence before investing in any securities mentioned or implied in this document. Investing in securities is speculative and carries a high degree of risk.

These statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Forward-looking statements are based on management's current plans, estimates, projections, beliefs, and opinions and we do not intend nor do we undertake any obligation to update or revise any forward-looking statements whether written or oral that may be made by or on the Company's behalf should the assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by securities law. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

Forwarding looking statements	***Assumptions***	***Risk factors***
Management intends to further eliminate the working capital deficiency and to finance its operating costs with loans from related parties and or private placement of common shares.	*Based on the past history of the Company, the Company was able to raise funds when needed through either private placement or debt financing*	*Change in interest rate, support by related parties, change in condition of capital market*

DATE OF REPORT

The information in this report is presented as of June 15, 2020.

ABOUT CAT STRATEGIC METALS CORPORATION (FORMERLY CHIMATA GOLD CORP.)

CAT Strategic Metals Corporation (formerly Chimata Gold Corp.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on November 16, 2010. The common shares of the Company began trading on TSX Venture Exchange ("TSXV") on September 16, 2011 under the symbol "CAT", and on the Frankfurt Exchange on July 29, 2014 under the symbol "8CH". Effective June 14, 2018, the Company's shares were transferred from TSXV to the Canadian Securities Exchange ("CSE") under the symbol "CAT". The decision to move the listing of its common shares from the TSXV to the CSE was taken by the Company as it deems that the CSE may be a more suitable stock exchange with respect to its development and its future expansion. Effective May 1, 2019, the Company's shares were halted for trading due to corporate reorganization. The Company's principal activity is the acquisition and exploration of mineral properties.

CORPORATE OVERVIEW AND OVERALL PERFORMANCE

Business Update

a) Zimbabwe Lithium Company (Mauritius) Limited

On February 14, 2018, the Company approved a binding Letter of Intent with Zimbabwe Lithium Company (Mauritius) Limited ("Zimbabwe Lithium", or "ZIM"), a privately held company incorporated under the laws of Mauritius. Pursuant to the terms of the LOI, Chimata will subscribe to the share capital of ZIM for an initial subscription of 19% of ZIM's share capital in exchange for the allocation by Chimata of an amount of shares representing 19% of its then issued and outstanding share capital to ZIM, such amount being calculated post-closing of the Concurrent Financing, as defined below, with right to further acquire the remaining issued and outstanding share capital of ZIM upon the fulfilling of certain terms and conditions as set out in the LOI, the whole resulting in ZIM becoming a subsidiary of Chimata (the "Transaction"). ZIM will be focused on developing lithium mining properties and assets located in Zimbabwe (the "Assets") held by ZIM and related companies wholly owned by ZIM's principals, one of which having recently signed a joint-venture agreement with the Zimbabwe Mining Development Corporation ("ZDMC") with respect to the grant of exclusive development rights for the Kamativi lithium tailings deposit at the Kamativi Tin mine, Matabeleland North Province, Zimbabwe. This tailings stockpile has been surveyed to give an estimated 23,168,000 metric tonnes of historical tailings material on surface.

First Amendment to LOI with Zimbabwe Lithium Project

On May 30, 2018, the Company and ZIM entered into the first amendment of the LOI (Note 4 (a)). The key amendments are summarized as follows: (i) U$ 99,905 the remaining balance of the U$ 500,000 advance from the Company to ZIM is required to be made within five business days from May 30th, 2018. Upon completion of the U$ 99,905 advance, Phase I is deemed to be completed with the exception of the concurrent financing and both ZIM and the Company will enter into Phase II; (ii) The Company will work towards the completion of the Concurrent Financing, to a maximum of $2,000,000 and to a minimum of $1,800,000 whereby $800,000 to be raised by the Company no later than July 30th, 2018 or two weeks from the date of completion and publication of the Estimate (Note 4(a)) whichever is the latter, and the remaining balance of $1,000,000 to be raised by the Company no later than (a) August 30, 2018 or (b) six weeks from the date of completion and publication of the Estimate (Note 4(a)) whichever is the latter, and (iii)The Closing of the Definitive Agreement shall be completed no later than September 30, 2018.

On October 17, 2018, Chimata has entered into a definitive share exchange agreement (the "**Agreement**") with ZIM. As per the terms of the Agreement, Chimata shall, pursuant to the first phase of the contemplated transaction, issue to ZIM shareholders an amount of 9,185,039 common shares from its share capital, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of Chimata, and in return, ZIM shall issue to Chimata 755 ZIM shares, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of ZIM.

On October 31, 2018, pursuant to a definitive share exchange agreement (the "**Agreement**") with the existing shareholders of ZIM, CAT issued to ZIM shareholders an amount of 9,185,040 common shares from its share capital, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of Chimata. In return, ZIM issued to Chimata 755 ZIM shares, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of ZIM.

The second phase of the contemplated transaction has been triggered with the production of the Resource Estimate by ZIM in respect of the Kamativi Tailings (the "**Resource Estimate**") published on September 20th, 2018. The results of this Resource Estimate in combination with the financing referenced below will determine the ultimate resulting shareholding of ZIM shareholders in Chimata which will be between 70 and 80 %. Concurrently, the second phase of the transaction will result in ZIM becoming a wholly owned subsidiary of Chimata and Chimata will then be entitled, through the joint venture entity, to the exclusive development rights for the Kamativi Tailings.

On January 9, 2019, the Company announced the signing of a Term Sheet between Transamine Trading S.A. ("Transamine") and the Kamativi Tailings Company (Pvt) Ltd ("KTC") for a USD $9,500,000 finance and off-take facility for concentrate produced from the Kamativi Tailings Lithium Project (the "Project"). The key terms are as follows:

USD $9,500,000 Million debt funding will be provided as a lump sum payment on completion of the relevant condition's precedent by each of Transamine and KTC.

The tenor of the facility is in line with the construction project plan and allows sufficient time for repayment from free cash. The use of proceeds of the financing facility will be put toward the construction of the Phase 1 Processing Plant to be constructed for the Project and working capital. KTC will produce a +6% Li2O Spodumene concentrate to be sold to Transamine. Transamine will have the right to 150,000 tonnes of Concentrate produced from the Phase 1 Processing Plant. Commercial terms shall be agreed in line with the international market terms for +6% Li2O Spodumene concentrate.

On June 28, 2019, ZIM terminated the proposed reverse take-over transaction with the Company.

b) Troilus North

On October 12, 2017, the Company acquired a 100% undivided interest in the Troilus North Property. The property is made up of 139 contiguous claims totaling 7,502.6 hectares located 160 km north of the town of Chibougamau in the province of Quebec.

The total purchase price is two hundred and fifty thousand dollars ($250,000) with an initial payment of $25,000 due to the Vendor upon closing, $25,000 due within ninety (90) days following signing of the Agreement, $50,000 due on or before September 30, 2018, $50,000 due on or before March 31, 2019,

$50,000 due on or before September 30, 2019, and $50,000 due on or before March 31, 2020. In addition, the Company has granted a 1.5% Net Smelter Royalty to the Vendor; 0.5% of which can be repurchased by the Company for $500,000.

On May 14, 2018, the Company received regulatory approval from the TSX Venture Exchange concluding the acquisition of a 100% undivided interest in the Troilus North Property.

On November 15, 2018 the Company announced since optioning the Troilus North Property to Emgold Mining Corporation ("Emgold") in June 2018, Emgold had completed the C$300,000 requirement in exploration expenditures on the Troilus North Property and had elected to move forward with acquisition of 100% ownership of the Property by accelerating the exercise of the First Option and Second Options together. As such, Emgold closed the 100% acquisition of the Property by completing the remaining requirements of the Definitive Agreement and Amendment, which required Emgold to issue 4.0 million additional common shares, make a cash payment of $200,000 and grant a 1.0% NSR on the Property to the Company. As at the date of this MD&A, Emgold advanced a total of $185,500 payment out of the $200,000 cash payment requirement to the Company. Following closing of the transaction, the Company held 6.0 million Common Shares of the Company out of 30,968,805 Common Shares issued and outstanding, representing 19.4% of Emgold's issued and outstanding share capital. The transaction described between the Company and Emgold was not a non-arm's length transaction as the Company's Chief Financial Officer, who is also acting as director of Emgold.

On December 9, 2019, the Company executed an assignment and assumption agreement with Emgold, whereby, the Company assigned the royalty agreement for the net smelter return interest in and to the production of minerals from the Troilus North Property to Emgold in consideration of cash payment of $75,000.

c) BAM

On December 1, 2017, the Company acquired a 100% interest in the Bam mineral property. The property is comprised of 1052 hectares located in the Pacific Golden Triangle mining district approximately 80 Km south of Telegraph Creek in the Liard mining division of northwest British Columbia, Canada.

Under the terms of the purchase agreement, the Company will pay $60,000 cash and issue six hundred thousand common shares to Bearclaw . The initial $15,000 cash payment was provided to Bearclaw and six hundred thousand common shares issued to Bearclaw on Nov 16, 2017 with a fair value of $54,000 based on closing share price at $0.09/share. The claims comprising the mineral property have been transferred to the Company. The balance of the cash payments will be provided in three equal installments of $15,000 over a twelve-month period. Bearclaw will retain a 2% Net Smelter Royalty on the property, of which 1% may be purchased by the Company for $1,000,000 at any time.

During the year ended December 31, 2019, the Company let its claims for the BAM Property lapse.

Financing

On September 11, 2017 the company completed a non-brokered private placement for 15,851,636 units for gross proceeds of $871,840. Each unit consisted of one common share and one common share purchase

warrant, with each share purchase warrant exercisable into one common shares at $0.075 per warrant for a period of 36 months.

On December 1, 2017, the company completed a non-brokered private placement for 5,591,500 units for gross proceeds of $559,150. Each unit consisted of one common share and one common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.15 per warrant for a period of 36 months.

On December 22, 2017, the company completed a non-brokered private placement for 1,416,000 units for gross proceeds of $212,400. Each unit consisted of one common share and half common share purchase warrant, with each share purchase warrant exercisable into one common shares at $0.25 per warrant for a period of 36 months.
On March 23, 2018, the Company issued 1,303,334 units of the Company for gross proceeds of $195,000. Each unit consists of one common share and one half warrant. Each whole warrant shall entitle the holder thereof to acquire one additional common share at a price of $0.25 per common share for a period of 12 months from the date of issuance.

On October 31, 2018, the Company issued 2,000,000 units of the Company for consulting fees rendered with a value of $200,000. Each unit consists of one common share and one warrant. Each warrant shall entitle the holder thereof to acquire one additional common share at a price of $0.20 per common share for a period of 24 months from the date of issuance. These shares were cancelled and returned to treasury subsequent to year-end.

On October 31, 2018, the company issued 9,185,040 common shares for the acquisition of 19% of the outstanding common shares of ZIM (Note 6).

During the year December 31, 2018, the Company issued 4,145,000 common shares for the exercise of warrants for proceeds of $310,875.

During the year ended December 31, 2018, the Company incurred $20,165 as share issuance costs for legal fees incurred.

During the year ended December 31, 2019, the Company cancelled 2,000,000 as a result of the cancellation of a consulting agreement.

On February 6, 2019 the Company issued 500,000 units of the Company for proceeds of $25,000. Each unit consists of one common shares and one-half share purchase warrant. Each whole warrant is exercisable at $0.10 per share for a period for 18 months.

On February 6, 2019 the Company issued 2,000,000 units of the Company for settlement of debt of $100,000. Each unit consists of one common shares and one-half share purchase warrant. Each whole warrant is exercisable at $0.10 per share for a period for 18 months.

On February 6, 2019 the Company issued 1,000,000 units of the Company for $0.05 per unit at a value of $50,000. Each unit consists of one common shares and one-half share purchase warrant. Each whole warrant is exercisable at $0.10 per share for a period for 18 months. These shares were subsequently

cancelled due to no funds being received. As a result, these shares were recorded at $nil value.

The proceeds from the Private Placement will be used by the Corporation to finance its contemplated transaction with Zimbabwe Lithium Company Limited ("ZIM"), with respect to the exploration and exploitation of lithium properties located in Zimbabwe, and for general working capital purposes.

Following is the selected annual information of the Company for the last three years:

	2019 $	2018 $	2017 $
Revenue	--	--	--
Operating Expenses	458,615	1,358,905	1,046,674
Net loss	2,456,929	575,723	1,051,822
Total assets	49,035	2,253,046	1,152,890
Total long-term liabilities	--	-	150,000
Net loss per share (basic and diluted)	$ 0.05	$ 0.01	$ 0.07

he decrease of losses incurred in fiscal 2018 versus fiscal 2017 was due to recognition of a gain of $755,000 on disposition of Troilus North property to Emgold offsetting against a significant increase in consulting fees of approximately $400,000 compared with 2017. The significant increase in consulting fee in fiscal 2018 against 2017 is mainly due to the significant amount of management executive times devoted in the ZIM project throughout the year and the initiation of the 24 months consulting contracts with the Company controlled by the Company's Chief Executive Officer, Mr. Richard Groome and the entity associated with the Company's Chief Financial Officer, Mr. Robert Rosner in May 2018.

The increase of losses incurred in fiscal 2019 versus fiscal 2018 was mainly due to the impairment of the investment in ZIM project of $1,388,197, the loss on deemed disposition of exploration and evaluation asset related to the ZIM project of $114,000, the recognition of higher equity loss from investment in associate of $153,989 compared to $26,958 in fiscal 2018 related to the investment in the ZIM project, the loss on sale of marketable securities of $260,785 of Emgold Mining Corp's shares compared to mark-to-market gain of $20,000 in fiscal 2018 and the loss on settlement of debt of $81,343 through share issuance in February 2019.

Subsequent Events

The recent outbreak of the coronavirus, also known as "COVID-19", has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company's business activities. The extent to which the coronavirus may impact the Company's business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and as such, the Company cannot determine their financial impact at this time.

SELECTED QUARTERLY INFORMATION

The Company has not had any revenue from inception. The Company's past result of operation was not subject to seasonality. Management expects it will be difficult for the Company to obtain further equity or debt financing in the near future given that the current Canadian capital market is in a downturn for junior mining companies. The current resources on hand are not adequate for the Company to meet its long term business objective or to conduct any significant explorative activities to the existing mineral properties. In order to preserve cash on hands, management has decided to curtail the Company's operations and will not conduct significant exploration activities until the Company can secure resources to finance such exploration activities by obtaining additional (equity or debt) financing or other arrangement including joint-venture and farm-out arrangements.

The Company's information of the latest eight quarters is summarized as follows:

	2019				2018			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total assets	49,035	1,755,015	1,826,488	1,832,153	2,253,046	1,529,087	1,094,704	392,425
Revenue	–	–		–	–	–	–	–
Net income (Loss) and comprehensive income (loss)	(1,662,305)	(221,014)	(125,514)	(448,096)	169,192	(168,310)	(319,689)	(326,801)
Earnings (loss) per share, basic and diluted	(0.03)	(0.01)	(0.01)	(0.01)	(0.00)	(0.00)	(0.01)	(0.01)

During the quarters of March 31, 2018, the main operating expenses were incurred in exploration and property investigation activities related to the LOI with Zimbabwe Lithium Project and private placement financing activities. The absence of the option grant related share based compensation and reduction in spending in the flow through expenditures on the Troilus North property contributed to the decrease in the operating expenses compared to the previous quarter.

During the quarter of June 30, 2018, the Company continued to incur expenses on the Zimbabwe Lithium Project which explains the minimal variance comparing to the previous quarter.

During the quarter of September 30, 2018, the Company slowed down on spending on the exploration front and the recognition of a cost recovery of approximately $35,000 related to the GST amount previously written in Fiscal 2017 upon receipt of the GST refund.

During the quarter of December 31, 2018, the significant increase in income is due to the recognition of the gain on sale of the Troilus North Property to Emgold Mining Corporation for $755,000 offset by the current quarter operating expenses of $528,692.

During the quarter of March 31, 2019, the significant increase in losses was due to the loss on sale of the shares of Emgold Mining Corporation and the share of the 19% of the quarterly losses of Zimbabwe Lithium.

During the quarter of June 30, 2019, the losses were reduced due to the reduced level of activity related to the Zimbabwe Lithium transaction as the Company decided to terminate the next phase development of the Project.

During the quarter of September 30, 2019, the significant increase in losses was due to the share of the 19% of the quarterly losses of Zimbabwe Lithium.

During the quarter of December 31, 2019, the significant increase in losses was due to the impairment of the investment in Zimbabwe Lithium of $1,388,197 and the loss of deemed disposition of the exploration and evaluation asset related to Zimbabwe Lithium of $114,000.

RESULTS OF OPERATION

Year ended December 31, 2019 ("Fiscal 2019")

During Fiscal 2019, the Company had a comprehensive loss of $2,456,929 comparing to the $575,723 loss in Fiscal 2018. The $2,456,929 loss was mainly a combined result of incurring $458,615 operating expenses (Fiscal 2018 - $1,358,905), the impairment of the investment in associate related to the ZIM project of $1,388,197 (Fiscal 2018 - $NIL), the loss on deemed disposition of exploration and evaluation asset related to the ZIM project of $114,000 (Fiscal 2018 - $NIL), the recognition of equity loss from investment in associate of $153,989 (Fiscal 2018 - $26,958) related to the investment in the ZIM project, the loss on sale of marketable securities of $260,785 (Fiscal 2018 – gain of $20,000), the loss on settlement of debt of $81,343 (Fiscal 2018 - $NIL).

The operating expenses incurred in Fiscal 2019 were mainly comprised of $294,375 consulting (Fiscal 2018 - $678,049), zero mineral property exploration and evaluation expenditure (Fiscal 2018 - $246,493), $816 travel expense (Fiscal 2018 - $94,905), $87,099 professional fees (Fiscal 2018 - $108,631).

The significant decrease in consulting fees, travel expense and professional fees in 2019 versus 2018 is due to the significant reduction in the level of activity in the ZIM project throughout the year.

As at December 31, 2019, the Company's cash balance, accounts payable and accrued liabilities, and deposit received were $661 (December 31, 2018 - $184 overdraft position), $621,056 (December 31, 2018 - $449,297), and $75,000 (December 31, 2018 - $NIL) respectively. The increase in cash was due to the deposit received for the Troilus North Royalty offset by the operating expenses during Fiscal 2019.

The Fourth Quarter Ended December 31 ("2019 Q4")

During 2019 Q4, the Company had a loss of $1,662,305 comparing to an income of $169,192 loss in the same quarter of last year. The $1,662,305 loss was mainly a combined result of incurring $53,719 operating expenses (2018 Q4 - $528,692), impairment of the investment in ZIM project of $1,388,197 (2018 Q4 - $NIL), equity loss from investment in associate of $25,301 (2018 Q4 - $26,958), loss on settle of debt with shares of $81,343 (2018 Q4 - $NIL) and a loss of deemed disposition of mineral interests of $114,000 related to the ZIM project (2018 Q4 – gain of $755,000 related to Troilus North).

LIQUIDITY AND CAPITAL RESOURCES

The Company is an exploration stage company and has not earned revenue from operating activities since inception. Financing of operations has been achieved by equity and debt financing. As at December 31, 2019, the Company had $661 cash, and deficit working capital of $647,021. The Company has no

operations that generate cash inflow.

Management intends to finance its operating costs with non-current loans from related parties and or private placement of common shares.

While the Company has a history of financing its operation through debt or equity financing in the past, readers are cautioned that there are no guarantees that the Company can do so in the future.

The Company had net cash proceeds of $392,802 from its investing activities during Fiscal 2019 and received net proceeds of $25,000 from issuance of units during Fiscal 2019 and raised gross proceeds of $25,000 and settlement of debts of $140,000 through issuance of 2,000,000 Units in February 2019. The Company also cancelled 2,000,000 of shares during February 2019.

The Company is not subject to external capital requirements and does not have capital commitment.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have off-balance sheet arrangements.

PROPOSED TRANSACTIONS

Company does not have any proposed transactions that have material impacts to the Company at this time.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company has 51,922,310 shares and 22,692,496 share purchase warrants outstanding. The Company has 1,870,000 share purchase options that are outstanding as at the date of this MD&A.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the year ended December 31, 2019 and 2018 was as follows:

	December 31, 2019	December 31, 2018
	$	$
Management and consulting fees	275,000	272,497
Rent	23,000	-
Share-based payment	-	79,170
	298,000	351,667

During the year ended December 31, 2019, the Company incurred $120,000 (2018 – 120,997) in consulting fees to the entity controlled by the Company's Chief Executive Officer ("CEO") and $120,000 in consulting fees (2018 - $113,000) to the entity associated with the Company's Chief Financial Officer ("CFO"),

$35,000 (2018 - $33,000) in consulting fees to the Company's Corporate Secretary. The Company also paid $23,000 for rent to a company with a common director.

Share-based payments are comprised of stock options, which are non-cash expenditures. During the year ended December 31, 2018, the Company granted 800,000 options in total (with 200,000 options each) to the CEO, CFO and two directors. The Company granted 70,000 options to the Company's Corporate Secretary. The option value for these option grants is calculated at $0.091 per option based on Black-Scholes Option Pricing Model.

At December 31, 2019 the Company did not grant any share-based payments.

As at December 31, 2019, the Company's accounts payable balances owing to the related parties include:

- $104,910 (2018 - $71,980) owed to the entity associated with the Company's former CFO;
- $29,400 (2018 - $9,957) owed to the Company's Corporate Secretary;
- $22,660 to a Company controlled by a former director.

The above balances are non-interest bearing, unsecured and due on demand.

(a) The Company and an entity controlled by the CEO entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to the CEO over a term of 24 months commencing from February 1, 2018. This agreement was cancelled on January 24, 2020.

(b) The Company and an entity associated with the Company's CEO entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to the CEO over a term of 20 months commencing from February 5, 2018. The monthly consulting fee will be increased to $20,000 upon successful completion by the Company of its first major acquisition of $5,000,000 or greater in value. This agreement has been extended for an additional 24 months.

CHANGES IN ACCOUNTING POLICIES

Refer to the Note 3 to the Company's audited financial statements for the year ended December 31, 2019.

FINANCIAL INSTRUMENTS

Refer to the Note 10 to the Company's audited financial statements for the year ended December 31, 2019.

RISK FACTORS

Risks of the Company's business include the following:

Mining Industry

The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining

operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of ore, including unusual and unexpected geology formations, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The Company's mineral exploration activities are directed towards the search, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company as described herein will result in discoveries of commercial quantities of ore. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than it will have for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Government Regulation

The exploration activities of the Company are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste.

Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration, mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

Permits and Licenses

The exploitation and development of mineral properties may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that may be required to carry out exploration, development and mining operations on its properties.

Environmental Risks and Hazards

All phases of the Company's mineral exploration operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present, which have been caused, by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties. Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the ground water the environment, the Company may become subject to liability for hazards that cannot be insured against.

Commodity Prices

The profitability of mining operations is significantly affected by changes in the market price of gold and other minerals. The level of interest rates, the rate of inflation, world supply of these minerals and stability of exchange rates can all cause significant fluctuations in base metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of gold and other minerals has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable.

Depending on the price of gold and other minerals, cash flow from mining operations may not be sufficient. Any figures for reserves presented by the Company will be estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the price of gold and other minerals may render reserves uneconomical. Moreover,

short-term operating factors relating to the reserves, such as the need for orderly development of the ore bodies or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any particular accounting period.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure or against which they may elect not to insure.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Property Title

Although the Company has obtained title opinions with respect to certain of its properties, there may still be undetected title defects affecting such properties. Accordingly, such properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Company's operations.

Covid-19

Covid-19 has created business interruption and affected markets. Exploration activities were ceased by order government agencies in both Quebec and Nevada where Emgold works. Offices were also shut down and management had to work from home locations. Covid-19 has impacted current operations and may continue to impact future operations until such time as a vaccine is developed and widely distributed. The future impacts from Covid-19 are essentially unknown, as to whether it will ebb or resurge and whether economic impacts will improve or worsen.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

The Company’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company’s certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial

information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI 52-109") (Certification of Disclosure in Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

OFFICERS AND DIRECTORS

Robert Rosner	Chairman & CEO since January 24, 2020, Director since March 27, 2017, CFO from March 27, 2017 to January 24, 2020, Secretary from March 27, 2017 to December 1, 2017
Steve Cozine	Director and CFO since January 24, 2020, Secretary since December 1, 2017
Luis Martins	Director since July 2014
Diane Mann	Director since March 18, 2020

CAT STRATEGIC METALS CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Six Months Ended June 30, 2020

NOTE TO READERS

The following is management's discussion in respect of the results of operations and financial position of Chimata Gold Corp. (the "Company" or "Chimata"), for the six months ended June 30, 2020 and should be read in conjunction with the Company's audited financial statements for the same period. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and presented in Canadian dollars. Additional information, including the above mentioned financial statements, which contain extensive disclosure of the history and properties of the Company are available on SEDAR and may be accessed at www.sedar.com.

FORWARD LOOKING STATEMENT

The information presented in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, "forward–looking statements" or "forward-looking information" (collectively "forward-looking statements") as those terms are used in the Private Securities Litigation Reform Act of 1995 and similar Canadian laws.

Such forward–looking statements, including but not limited to those with respect to the price of metals, the timing and amount of estimated future mineralization and economic viability of properties, capital expenditures, costs and timing of exploration projects, permitting timelines, title to properties, the timing and possible outcome of pending exploration projects and other factors and events described in this MD&A involve known and unknown risks, uncertainties and other factors such as general economic and business conditions, change in foreign currency exchange rates, 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 statements. Since forward looking statements address future events and conditions, by their nature, they involve inherent risks and uncertainties. Readers should verify all claims and do their own due diligence before investing in any securities mentioned or implied in this document. Investing in securities is speculative and carries a high degree of risk.

These statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements. Forward-looking statements are based on management's current plans, estimates, projections, beliefs, and opinions and we do not intend nor do we undertake any obligation to update or revise any forward-looking statements whether written or oral that may be made by or on the Company's behalf should the assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by securities law. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

Forwarding looking statements	***Assumptions***	***Risk factors***
Management intends to further eliminate the working capital deficiency and to finance its operating costs with loans from related parties and or private placement of common shares.	*Based on the past history of the Company, the Company was able to raise funds when needed through either private placement or debt financing*	*Change in interest rate, support by related parties, change in condition of capital market*

DATE OF REPORT

The information in this report is presented as of August 5, 2020.

ABOUT CAT STRATEGIC METALS CORPORATION (FORMERLY CHIMATA GOLD CORP.)

CAT Strategic Metals Corporation (formerly Chimata Gold Corp.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on November 16, 2010. The common shares of the Company began trading on TSX Venture Exchange ("TSXV") on September 16, 2011 under the symbol "CAT", and on the Frankfurt Exchange on July 29, 2014 under the symbol "8CH". Effective June 14, 2018, the Company's shares were transferred from TSXV to the Canadian Securities Exchange ("CSE") under the symbol "CAT". The decision to move the listing of its common shares from the TSXV to the CSE was taken by the Company as it deems that the CSE may be a more suitable stock exchange with respect to its development and its future expansion. Effective May 6, 2019, the Company's shares were halted for trading due to corporate reorganization. The trading of the Company's shares was subsequently resumed on May 6, 2020. The Company's principal activity is the acquisition and exploration of mineral properties.

CORPORATE OVERVIEW AND OVERALL PERFORMANCE

Business Update

a) Trading Resumption

On May 6, 2020, the securities regulators in the Provinces of British Columbia and Ontario (the **Securities Commissions**") have granted a full revocation (the "**Revocation**") of the cease trade order issued by the British Columbia Securities Commission as the principal regulator on May 6, 2019 against the securities of the Company. The cease trade orders had been imposed by the Security Commissions for failure by the Company to file its required filings by the filing deadline as prescribed by applicable securities laws. Consequently, the Company resumes trading through the facilities of the Canadian Securities Exchange (the **"CSE"**) on May 6, 2020.

b) Corporate Reorganization

On January 24, 2020, the Company announced changes to the Company's management team and Board of Directors. Mr. Richard Groome has resigned his positions as Director, Interim Chairman, CEO and President. Additionally, Alain Moreau has also resigned as a Director. Mr. Luis Martins and Mr. Robert Rosner remain on the Board as Directors, and also announce the following corporate changes: as of January 24, 2020, Mr. Robert Rosner will assume the roles of President & Chief Executive Officer, and Chairman of the Board of Directors. Mr. Rosner has resigned as Chief Financial Officer in favour of Mr. Steven Cozine, the Company's Corporate Secretary, who has agreed to act as the Interim Chief Financial Officer as well as a Director of the Company.

Effective March 18, 2020, Ms. Diane Mann has been appointed to the Company's Board of Directors and serves as an independent Director and also act as a member of CAT's Audit Committee.

c) Zimbabwe Lithium Company (Mauritius) Limited

On February 14, 2018, the Company approved a binding Letter of Intent with Zimbabwe Lithium Company (Mauritius) Limited ("Zimbabwe Lithium", or "ZIM"), a privately held company incorporated under the laws of Mauritius. Pursuant to the terms of the LOI, Chimata will subscribe to the share capital of ZIM for an initial subscription of 19% of ZIM's share capital in exchange for the allocation by Chimata of an amount of shares representing 19% of its then issued and outstanding share capital to ZIM, such amount being calculated post-closing of the Concurrent Financing, as defined below, with right to further acquire the

remaining issued and outstanding share capital of ZIM upon the fulfilling of certain terms and conditions as set out in the LOI, the whole resulting in ZIM becoming a subsidiary of Chimata (the "Transaction"). ZIM will be focused on developing lithium mining properties and assets located in Zimbabwe (the "Assets") held by ZIM and related companies wholly owned by ZIM's principals, one of which having recently signed a joint-venture agreement with the Zimbabwe Mining Development Corporation ("ZDMC") with respect to the grant of exclusive development rights for the Kamativi lithium tailings deposit at the Kamativi Tin mine, Matabeleland North Province, Zimbabwe. This tailings stockpile has been surveyed to give an estimated 23,168,000 metric tonnes of historical tailings material on surface.

First Amendment to LOI with Zimbabwe Lithium Project

On May 30, 2018, the Company and ZIM entered into the first amendment of the LOI (Note 4 (a)). The key amendments are summarized as follows: (i) U$ 99,905 the remaining balance of the U$ 500,000 advance from the Company to ZIM is required to be made within five business days from May 30th, 2018. Upon completion of the U$ 99,905 advance, Phase I is deemed to be completed with the exception of the concurrent financing and both ZIM and the Company will enter into Phase II; (ii) The Company will work towards the completion of the Concurrent Financing, to a maximum of $2,000,000 and to a minimum of $1,800,000 whereby $800,000 to be raised by the Company no later than July 30th, 2018 or two weeks from the date of completion and publication of the Estimate (Note 4(a)) whichever is the latter, and the remaining balance of $1,000,000 to be raised by the Company no later than (a) August 30, 2018 or (b) six weeks from the date of completion and publication of the Estimate (Note 4(a)) whichever is the latter, and (iii)The Closing of the Definitive Agreement shall be completed no later than September 30, 2018.

On October 17, 2018, Chimata has entered into a definitive share exchange agreement (the "**Agreement**") with ZIM. As per the terms of the Agreement, Chimata shall, pursuant to the first phase of the contemplated transaction, issue to ZIM shareholders an amount of 9,185,039 common shares from its share capital, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of Chimata, and in return, ZIM shall issue to Chimata 755 ZIM shares, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of ZIM.

On October 31, 2018, pursuant to a definitive share exchange agreement (the "**Agreement**") with the existing shareholders of ZIM, CAT issued to ZIM shareholders an amount of 9,185,040 common shares from its share capital, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of Chimata. In return, ZIM issued to Chimata 755 ZIM shares, representing an aggregate of nineteen percent (19%) of the current issued and outstanding share capital of ZIM.

The second phase of the contemplated transaction has been triggered with the production of the Resource Estimate by ZIM in respect of the Kamativi Tailings (the "**Resource Estimate**") published on September 20th, 2018. The results of this Resource Estimate in combination with the financing referenced below will determine the ultimate resulting shareholding of ZIM shareholders in Chimata which will be between 70 and 80 %. Concurrently, the second phase of the transaction will result in ZIM becoming a wholly owned subsidiary of Chimata and Chimata will then be entitled, through the joint venture entity, to the exclusive development rights for the Kamativi Tailings.

On January 9, 2019, the Company announced the signing of a Term Sheet between Transamine Trading S.A. ("Transamine") and the Kamativi Tailings Company (Pvt) Ltd ("KTC") for a USD $9,500,000 finance and off-take facility for concentrate produced from the Kamativi Tailings Lithium Project (the "Project"). The key terms are as follows:

USD $9,500,000 Million debt funding will be provided as a lump sum payment on completion of the relevant condition's precedent by each of Transamine and KTC.

The tenor of the facility is in line with the construction project plan and allows sufficient time for repayment from free cash. The use of proceeds of the financing facility will be put toward the construction of the Phase 1 Processing Plant to be constructed for the Project and working capital. KTC will produce a +6% Li2O Spodumene concentrate to be sold to Transamine. Transamine will have the right to 150,000 tonnes of Concentrate produced from the Phase 1 Processing Plant. Commercial terms shall be agreed in line with the international market terms for +6% Li2O Spodumene concentrate.

On June 28, 2019, ZIM terminated the proposed reverse take-over transaction with the Company.

b) Troilus North

On October 12, 2017, the Company acquired a 100% undivided interest in the Troilus North Property. The property is made up of 139 contiguous claims totaling 7,502.6 hectares located 160 km north of the town of Chibougamau in the province of Quebec.

The total purchase price is two hundred and fifty thousand dollars ($250,000) with an initial payment of $25,000 due to the Vendor upon closing, $25,000 due within ninety (90) days following signing of the Agreement, $50,000 due on or before September 30, 2018, $50,000 due on or before March 31, 2019, $50,000 due on or before September 30, 2019, and $50,000 due on or before March 31, 2020. In addition, the Company has granted a 1.5% Net Smelter Royalty to the Vendor; 0.5% of which can be repurchased by the Company for $500,000.

On May 14, 2018, the Company received regulatory approval from the TSX Venture Exchange concluding the acquisition of a 100% undivided interest in the Troilus North Property.

On November 15, 2018 the Company announced since optioning the Troilus North Property to Emgold Mining Corporation ("Emgold") in June 2018, Emgold had completed the C$300,000 requirement in exploration expenditures on the Troilus North Property and had elected to move forward with acquisition of 100% ownership of the Property by accelerating the exercise of the First Option and Second Options together. As such, Emgold closed the 100% acquisition of the Property by completing the remaining requirements of the Definitive Agreement and Amendment, which required Emgold to issue 4.0 million additional common shares, make a cash payment of $200,000 and grant a 1.0% NSR on the Property to the Company Following the receipt of 6,000,000 share of Emgold, the Company owns an approximate 16.95% interest in Emgold. All the Company's holdings in Emgold were sold during the first quarter of fiscal 2019.

The transaction described between the Company and Emgold was not a non-arm's length transaction as the Company's Chief Financial Officer is also acting as director of Emgold.

On December 9, 2019, the Company executed an assignment and assumption agreement with Emgold, whereby, the Company assigned the royalty agreement for the net smelter return interest in and to the production of minerals from the Troilus North Property to Emgold in consideration of cash payment of $75,000.

On January 23, 2020, Troilus Gold Corp., the net smelter royalty payor consented to the transfer of the net smelter royalty recipient from the Company to Emgold.

c) BAM

On December 1, 2017, the Company acquired a 100% interest in the Bam mineral property. The property is comprised of 1052 hectares located in the Pacific Golden Triangle mining district approximately 80 Km south of Telegraph Creek in the Liard mining division of northwest British Columbia, Canada.

Under the terms of the purchase agreement, the Company will pay $60,000 cash and issue six hundred thousand common shares to Bearclaw . The initial $15,000 cash payment was provided to Bearclaw and

six hundred thousand common shares issued to Bearclaw on Nov 16, 2017 with a fair value of $54,000 based on closing share price at $0.09/share. The claims comprising the mineral property have been transferred to the Company. The balance of the cash payments will be provided in three equal installments of $15,000 over a twelve-month period. Bearclaw will retain a 2% Net Smelter Royalty on the property, of which 1% may be purchased by the Company for $1,000,000 at any time.

During the year ended December 31, 2019, the Company let its claims for the BAM Property lapse.

Subsequent Events

On August 4, 2020 the Annual General Meeting of Shareholders of the Company was held whereby the Shareholders approved the election of Robert Rosner, Steven Cozine, Luis Martins, and Diane Mann to the Board of Directors, the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as the Company's auditors, and ratified the Company's 10% rolling stock option plan for the ensuing year.

SELECTED QUARTERLY INFORMATION

The Company has not had any revenue from inception. The Company's past result of operation was not subject to seasonality. Management expects it will be difficult for the Company to obtain further equity or debt financing in the near future given that the current Canadian capital market is in a downturn for junior mining companies. The current resources on hand are not adequate for the Company to meet its long term business objective or to conduct any significant explorative activities to the existing mineral properties. In order to preserve cash on hands, management has decided to curtail the Company's operations and will not conduct significant exploration activities until the Company can secure resources to finance such exploration activities by obtaining additional (equity or debt) financing or other arrangement including joint-venture and farm-out arrangements.

The Company's information of the latest eight quarters is summarized as follows:

	2020		2019				2018	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Total assets	25,443	21,077	49,035	1,755,015	1,826,488	1,832,153	2,253,046	1,529,087
Revenue	–	–	–	–	–	–	–	–
Net income (Loss) and comprehensive income (loss)	(118,793)	5,521	(1,662,335)	(220,984)	(125,514)	(448,096)	169,192	(168,310)
Earnings (loss) per share, basic and diluted	(0.00)	(0.00)	(0.03)	(0.01)	(0.00)	(0.01)	(0.00)	(0.00)

During the quarter of September 30, 2018, the Company slowed down on spending on the exploration front and the recognition of a cost recovery of approximately $35,000 related to the GST amount previously written in Fiscal 2017 upon receipt of the GST refund.

During the quarter of December 31, 2018, the significant increase in income was due to the recognition of the gain on sale of the Troilus North Property to Emgold Mining Corporation for $755,000 offset by the current quarter operating expenses of $528,692.

During the quarter of March 31, 2019, the significant increase in losses was due to the loss on sale of the

shares of Emgold Mining Corporation and the share of the 19% of the quarterly losses of Zimbabwe Lithium.

During the quarter of June 30, 2019, the losses were reduced due to the reduced level of activity related to the Zimbabwe Lithium transaction as the Company decided to terminate the next phase development of the Project.

During the quarter of September 30, 2019, the significant increase in losses was due to the share of the 19% of the quarterly losses of Zimbabwe Lithium.

During the quarter of December 31, 2019, the significant increase in losses was due to the impairment of the investment in Zimbabwe Lithium of $1,388,197 and the loss of deemed disposition of the exploration and evaluation asset related to Zimbabwe Lithium of $114,000.

During the quarter of March 31, 2020, the Company focused on corporate reorganization which resulted in further reduction of costs. The Company also recognized the revenue on the sale of the net smelter royalty on the Troilus North Property to Emgold Mining Corporation upon the consent of Troilus Gold Corp., the royalty payor on January 23, 2020.

During the quarter of June 30, 2020, the Company incurred regular officer monthly fees and continued to seek viable business project.

RESULTS OF OPERATION

The Quarter Ended June 30, 2020 ("2020 Q2") and 2019 ("2019 Q2")

During 2020 Q2, the Company had a loss of $118,793 comparing to the $125,514 loss in the same quarter of last year. The $118,793 loss was mainly a combined result of incurring $118,793 operating expenses (2019 Q2 - $125,046), $NIL equity loss on investment in associate (2019 Q2 - $408), and $NIL finance fees (2019 Q2 - $60).

The operating expenses incurred in 2020 Q2 were mainly comprised of $64,311 consulting fees (2019 Q2 - $106,750), $545 travel expense (2019 Q2- $NIL), $29,857 professional fees (2019 Q2 - $16,113) and $11,888 (2019 Q2 - $NIL). The decrease of these operating expenses in 2020 Q2 comparing to 2019 Q2 was due to the resignation of the former CEO at the beginning of fiscal 2020.

Six months ended June 30, 2020 ("2020 Q2 YTD") and 2019 ("2019 Q2 YTD")

During 2020 Q2 YTD, the Company had a loss of $113,272 comparing to the $573,610 loss in 2019 Q2 YTD. The $113,272 loss was mainly a combined result of incurring $188,332 operating expenses (2019 Q2 YTD - $293,497) and $75,000 gain on royalty stream (2019 Q2 YTD - $NIL), $NIL loss on sale of marketable securities (2019 Q2 YTD - $260,785), and $NIL equity loss on investment in associate (2019 Q2 YTD - $19,158).

The operating expenses incurred in 2020 Q2 YTD were mainly comprised of $104,311 consulting fees (2019 Q2 YTD - $207,417), $12,000 occupancy fee (2019 Q2 YTD - $NIL), $11,891 (2019 Q2 YTD - $816) and $35,862 professional fees (2019 Q2 YTD - $51,324). The significant decrease of these operating expenses in 2020 Q2 YTD comparing to 2019 Q2 YTD was a result of the resignation of the former CEO at the beginning of fiscal 2020.

One-time event of recognition of the gain on disposition of the net smelter royalty rights on the Troilus North to Emgold Mining Corporation during 2020 Q1 in the amount of $75,000 contributed to the gain in 2020 Q1.

The loss on sale of marketable securities for $260,785 was related to the disposition of all the Company's holdings in the shares of Emgold Mining Corporation during 2019 Q2 YTD.

LIQUIDITY AND CAPITAL RESOURCES

The Company is an exploration stage company and has not earned revenue from operating activities since inception. Financing of operations has been achieved by equity and debt financing. As at June 30, 2020, the Company had a cash balance of $132, and working capital deficiency of $761,294. The Company has no operations that generate cash inflow.

Management intends to finance its operating costs with non-current loans from related parties and or private placement of common shares.

While the Company has a history of financing its operation through debt or equity financing in the past, readers are cautioned that there are no guarantees that the Company can do so in the future.

The Company had cash outflow of $10,529 from its operating activities during the 2020 Q2 which was mainly spent on exchange filing fees on resumption of the trading of the shares of the Company.

The Company had cash inflow of $10,000 from its financing activities during the 2020 Q2 which were the proceeds from the loan advance from the President/CEO and the entity associated with the President/CEO of the Company.

The Company is not subject to external capital requirements and does not have capital commitment.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have off-balance sheet arrangements.

PROPOSED TRANSACTIONS

Company does not have any proposed transactions that have material impacts to the Company at this time.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company has 50,922,310 shares and 22,652,496 share purchase warrants outstanding. The Company has 1,870,000 share purchase options that are outstanding as at the date of this MD&A.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the six months ended June 30, 2020 and 2019 was as follows:

	June 30, 2020	June 30, 2019
	$	$
Management and consulting fees	81,000	141,000
	81,000	141,000

On January 24, 2020, Mr. Richard Groome, the Company's Former Chief Executive Officer ("Ex-CEO") resigned from the role of the Chief Executive Officer of the Company. During the six months ended June 30, 2020, the Company incurred $NIL (2019 - $60,000) in consulting fees to Notre Dame Capital Inc. ("Notre Dame"), the entity controlled by the Company's Ex-CEO. On January 24, 2020, Notre Dame assigned its outstanding balance due from the Company to Notre Dame in the amount of $105,000 to Structure Capital Consulting Ltd. ("Structure Capital"), an arms-length party.

On January 24, 2020, Mr. Robert Rosner, the Company's Former Chief Financial Officer assumed the role of the President and Chief Executive Officer ("CEO"), the Chairman of the Board and resigned from the role of the Chief Financial Officer of the Company. During the six months ended June 30, 2020, the Company incurred $60,000 in consulting fees (June 30, 2019 - $60,000) and $6,000 in rent (June 30, 2019 - $nil) to Pan Ocean Consulting Ltd. ("Pan Ocean"), the entity associated with the Company's CEO. Mr. Robert Rosner and Pan Ocean altogether made loan advances totalling $10,000 to the Company during the six months ended June 30, 2020.

On January 24, 2020, Mr. Steve Cozine, the Company's Corporate Secretary assumed the role of the Interim Chief Financial Officer ("Interim CFO") and joined the board of the Company as director. During the six months ended June 30, 2020, the Company incurred $21,000 (June 30, 2019 - $21,000) in consulting fees to the Mr. Steve Cozine.

On January 24, 2020, Mr. Alain Moreau, one of the former directors resigned from the board and assigned the balance owed by the Company to Technologies Earth Metrix, an entity controlled by Mr. Alain Moreau in the amount of $22,660 to Structure Capital.

As at June 30, 2020, the Company's accounts payable balances owing to the related parties include:

- $62,981 (December 31, 2019 - $5,875) owed to Mr. Robert Rosner, the Company's CEO including loan advance balance of $15,625 and expense reimbursable balance of $47,356;
- $181,860 (December 31, 2019 - $104,910) owed to Pan Ocean, the entity associated with the Company's CEO/Former-CFO including loan advance balance of $1,350 and balance related to fees and expense reimbursement of $180,510;
- $51,450 (December 31, 2019 - $29,400) owed to Mr. Steve Cozine; and
- $NIL (December 31, 2019 - $22,660) owed to Technologies Earth Metrix, an entity controlled by Mr. Alain Moreau, a former director of the Company;

The above balances are non-interest bearing, unsecured and due on demand.

(a) The Company and Notre Dame, an entity controlled by Mr. Richard Groome, the Ex-CEO entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to Notre Dame over a term of 24 months commencing from February 1, 2018. The monthly consulting fee would be increased to $20,000 upon successful completion by the Company of its first major acquisition of $5,000,000 or greater in value. On January 24, 2020, this contract was terminated and all the outstanding amount due on the contract has been assigned to Structure Capital.

(b) The Company and Pan Ocean, an entity associated with Mr. Robert Rosner, the Company's President, CEO (former CFO) and Chairman of the Board entered into a consulting agreement whereby the Company is committed to pay a monthly consulting fee of $10,000 to Pan Ocean over a term of 23 months commencing from May 1, 2018. The monthly consulting fee will be increased to $20,000 upon successful completion by the

Company of its first major acquisition of $5,000,000 or greater in value. On January 1, 2020, the Company extended this consulting agreement to another 24 months under the same terms of the original agreement expiring on January 5, 2022.

CHANGES IN ACCOUNTING POLICIES

Refer to the Note 3 to the Company's financial statements for the six months ended June 30, 2020 and audited financial statements for the year ended December 31, 2019.

FINANCIAL INSTRUMENTS

Refer to the Note 11 of the Company's financial statements for the six months ended June 30, 2020 and the Note 12 to the Company's audited financial statements for the year ended December 31, 2019.

RISK FACTORS

Risks of the Company's business include the following:

Mining Industry

The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of ore, including unusual and unexpected geology formations, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The Company's mineral exploration activities are directed towards the search, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company as described herein will result in discoveries of commercial quantities of ore. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than it will

have for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Government Regulation

The exploration activities of the Company are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste.

Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration, mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Company.

Permits and Licenses

The exploitation and development of mineral properties may require the Company to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Company will be able to obtain all necessary permits and licenses that may be required to carry out exploration, development and mining operations on its properties.

Environmental Risks and Hazards

All phases of the Company's mineral exploration operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present, which have been caused, by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to

compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties. Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the ground water the environment, the Company may become subject to liability for hazards that cannot be insured against.

Commodity Prices

The profitability of mining operations is significantly affected by changes in the market price of gold and other minerals. The level of interest rates, the rate of inflation, world supply of these minerals and stability of exchange rates can all cause significant fluctuations in base metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of gold and other minerals has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable.

Depending on the price of gold and other minerals, cash flow from mining operations may not be sufficient. Any figures for reserves presented by the Company will be estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the price of gold and other minerals may render reserves uneconomical. Moreover, short-term operating factors relating to the reserves, such as the need for orderly development of the ore bodies or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any particular accounting period.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure or against which they may elect not to insure.

Conflicts of Interest

Certain of the directors of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Property Title

Although the Company has obtained title opinions with respect to certain of its properties, there may still be undetected title defects affecting such properties. Accordingly, such properties may be subject to prior

unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Company's operations.

Covid-19

Covid-19 has created business interruption and affected markets. Exploration activities were ceased by order government agencies in both Quebec and Nevada where Emgold works. Offices were also shut down and management had to work from home locations. Covid-19 has impacted current operations and may continue to impact future operations until such time as a vaccine is developed and widely distributed. The future impacts from Covid-19 are essentially unknown, as to whether it will ebb or resurge and whether economic impacts will improve or worsen.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under National Instrument ("NI 52-109") (Certification of Disclosure in Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

OFFICERS AND DIRECTORS

Robert Rosner	President, CEO and Chairman of the Board since January 24, 2020, CFO since March 27, 2017 to January 24, 2020 and Director since March 27, 2017; Secretary from March 27, 2017 to December 1, 2017
Steve Cozine	Interim CFO since January 24, 2020 and Secretary since December 1, 2017
Luis Martins	Director
Diane Mann	Director since March 18, 2020

SCHEDULE "C"

STATEMENT OF EXECUTIVE COMPENSATION
FOR THE YEAR ENDED DEMCEMBER 31, 2019

CAT Strategic Metals Corp.
(the "Company")

Form 51-102F6V
STAETMENT OF EXECUTIVE COMPENSATION
(For the Year Ended December 31, 2019)

The following information, dated as of June 30, 2020, is presented in accordance with National Instrument Form 51-102F6V *Statement of Executive Compensation – Venture Issuers* (the "**Form**") of the Company for the financial year ended on December 31, 2019 All amounts represented in this form are in Canadian dollars unless stated otherwise.

1. GENERAL

For the purposes of this Form, the terms below have the following meaning:

"**company**" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

"**external management company**" includes a subsidiary, affiliate or associate of the external management company;

"**named executive officer**" or "**NEO**" means each of the following individuals:

a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer ("**CEO**"), including an individual performing functions similar to a CEO;

b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer ("**CFO**"), including an individual performing functions similar to a CFO;

c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000 for that financial year;

d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

"**plan**" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

"**underlying securities**" means any securities issuable on conversion, exchange or exercise of compensation securities.

Based on the foregoing definitions, during the financial year ended December 31, 2019, the Company had two (2) NEOs.

2. DIRECTOR & NAMED EXECUTIVE OFFICER COMPENSATION

2.1. Oversight and description of director and NEO compensation

The Company has not, as of yet, generated any income or cash flows and operates with limited financial resources. The Board of Directors (the "**Board**"), through informal discussion without any formal objectives, criteria or analysis, is responsible for determining the final compensation to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position.

The Board's compensation philosophy is aimed at attracting and retaining quality and experienced people which is critical to the success of the Company and may include a "pay-for-performance" element which supports the Company's commitment to delivering strong performance for the Shareholders.

The Board annually reviews the corporate goals and objectives relevant to executive compensation; evaluates each executive officer's performance in light of those goals and objectives and sets the executive officer's compensation level based, in part, on this evaluation. The Board also takes into consideration the Company's overall performance, shareholder returns, the value of similar incentive awards to executive officers at comparable companies and the awards given to executive officers in past years.

The Company has no arrangements, standard or otherwise, under which Directors are compensated for their services in their capacity as Directors or NEO, or for committee participation or involvement in special assignments during the most recently completed financial year or subsequently, up to and including the date of this Form.

During the financial year ended December 31, 2018, the Company had three (3) NEOs and four (4) directors:

- Richard Groome (CEO/President & Director);
- Robert Rosner (CFO & Director);
- Steven Cozine (Corporate Secretary)
- Alain Moreau (Director);
- Luis Martins (Director);

2.2. Director and NEO compensation excluding compensation securities

The following table sets out compensation paid to Management and Directors in the past two fiscal years.

Table of compensation excluding compensation securities

Name and position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee Or meeting fees ($)	Value of perquisites ($)	Value of all other compensation ($)	Total compensation ($)
Richard Groome CEO/Director[(1)]	2019	120,000	-	-	-	-	120,000
	2018	120,997	-	-	-	-	120,997
Robert Rosner CFO / Director[(2)]	2019	120,000	-	-	-	-	120,000
	2018	113,000	-	-	-	-	113,000
Steven Cozine Corporate Secretary	2019	35,000	-	-	-	-	35,000
	2018	33,000	-	-	-	-	33,000
Alain Moreau Director [(3)]	2019	-	-	-	-	-	-
	2018	5,500	-	-	-	-	5,500

Luis Martins Director	2019	-	-	-	-	-	-
	2018	-	-	-	-	-	-

(1) Paid to Mr. Richard Groome pursuant to Consulting Agreement with Notre Dame Capital Inc. dated February 1, 2018 providing for a monthly consulting fee of $10,000. Mr. Groome resigned from his position on as Director and Officer of the Company on January 24, 2020.
(2) Paid to Pan Ocean Consulting Ltd., an entity in which Mr. Robert Rosner is a common director, and the Company's Chief Financial Officer.
(3) Paid to Technologies Earth Metrix, a company controlled by Mr. Alain Moreau, a Director of the Company. Mr. Groome resigned from his position on as Director and Officer of the Company on January 24, 2020.

In the above, all amounts of compensation were paid to directors or NEOs in their capacity as directors or NEOs of the Company, in their capacity as members of a committee of the board of directors of the Company, or as consultants or experts, during the Company's past two fiscal years.

2.3. Stock options and other compensation securities

The Stock Option Plan is an important part of the Company's incentive strategy for its directors and officers, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and is intended to reinforce commitment to long-term growth and shareholder value.

The Stock Option Plan of the Company is administered by the Board and provides that stock options may be issued to directors, officers, employees, consultants and other personnel of the Company. The Stock Option Plan also provides that the number of common shares issuable under the plan, may not exceed 10% of the issued and outstanding common shares of the Company at any time. All stock options granted under the Stock Option Plan expire on a date not later than five years after the date of grant of such option, and are exercisable at an exercise price set by the Board in its sole discretion which price may not be less than the Discounted Market Price (as defined in the Option Plan).

Stock options grants may be made periodically to ensure that the number of options granted to any particular officer or director is commensurate with the officer's level of ongoing responsibility within the Company. The Board will evaluate the number of options an officer has been granted, the exercise price of the options and the term remaining on those options when considering further grants.

The Company did not grant any compensation securities to a director or NEO during the financial year ended December 31, 2019.

2.4. Employment, consulting and management agreements

Unless indicated otherwise herein, management functions of the Company are substantially performed by directors or NEO (or private companies controlled by them, either directly or indirectly) of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

As for the Consulting Agreement between the Company, Richard Groome and Notre Dame Capital Inc. dated February 1, 2018, it provides for the payment of a monthly consulting fee of $10,000 which is payable directly to Richard Groome.

The Consulting Agreement contains a provision regarding the expiry date which is 30 days after cessation of services to the Company; and the earlier of one year from the optionee's death or the expiry date of the option. In the event of change of control or other type of reorganization, the optionee is entitled to a cash payment on the exercise of the options being the difference between the exercise price of the options and the fair market value of the underlying shares of all unexercised options.

2.5. Pension disclosure

The Company does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

The Company has not entered into any compensatory plans, contracts or arrangements with any of its Officers or directors whereby those officers are entitled to receive compensation as a result of the resignation, retirement or any other termination of employment of the Officer or director with the Company or from a change in control of the Company or a change in the Officer's responsibilities following a change in control.

SCHEDULE "D"

AUDIT COMMITTEE CHARTER

CAT STRATEGIC METALS CORPORATION
(the "Company")

1. Mandate

The Audit Committee will be responsible for managing, on behalf of shareholders of the Company, the relationship between the Company and the external auditors. In particular, the Audit Committee will have responsibility for the matters set out in this Charter, which include:

(a) overseeing the work of external auditors engaged for the purpose of preparing or issuing an auditing report or related work;

(b) recommending to the board of directors the nomination and compensation of the external auditors;

(c) reviewing significant accounting and reporting issues;

(d) reviewing the Company's financial statements, MD&A and earnings press releases before the Company publicly discloses this information;

(e) focusing on judgmental areas such as those involving valuations of assets and liabilities;

(f) considering management's handling of proposed audit adjustments identified by external auditors;

(g) being satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements of the Company;

(h) establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

(i) evaluating whether management is setting the appropriate tone by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities.

2. Membership of the Audit Committee

Composition

The audit committee will be comprised of at least such number of directors as required to satisfy the audit committee composition requirements of National Instrument 52-110, as amended from time to time. Each member will be a director of the Company.

Independence

The Audit Committee will be comprised of a number of independent directors required to enable the Company to satisfy:

(a) the independent director requirements for audit committee composition required by National Instrument 52-110, as amended from time to time, and

(b) the independent director requirements of the stock exchange on which the Company's shares are traded from time to time.

Chair

The Audit Committee shall select from its membership a chair. The job description of the chair is attached as Exhibit 1 hereto.

Expertise of Audit Committee Members

Each member of the Audit Committee must be financially literate. Financially literate means the ability to read and understand a set of financial statements that represent a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Financial Expert

The Company will strive to include a financial expert on the Audit Committee. An Audit Committee financial expert means a person having: (i) an understanding of financial statements and accounting principles; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves; (iii) experience in preparing, auditing, analyzing or evaluating financial statements that present a similar breadth and level of complexity as the Company's statements; (iv) an understanding of internal controls; and (v) an understanding of an Audit Committee's functions.

3. Meetings of the Audit Committee

The Audit Committee must meet in accordance with a schedule established each year by the board of directors, and at other times as the Audit Committee may determine. A quorum for transaction of business in any meeting of the Audit Committee is a majority of members. At least twice a year, the Audit Committee must meet with the Company's chief financial officer and external auditors separately.

4. Responsibilities of the Audit Committee

The Audit Committee will be responsible for managing, on behalf of the shareholders of the Company, the relationship between the Company and the external auditors. In particular, the Audit Committee has the following responsibilities:

<u>External Auditors</u>

(a) the Audit Committee must recommend to the board of directors:

(i) the external auditors to be nominated for the purpose of preparing or issuing an audit report or performing other audit or review services for the Company; and

(ii) the compensation of the external auditors;

(b) the Audit Committee must be directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting;

(c) with respect to non-audit services:

(i) the Audit Committee must pre-approve all non-audit services provided to the Company or its subsidiaries by its external auditors or the external auditors of the Company's subsidiaries, except for tax planning and transaction support services in an amount not to exceed $15,000 for each service in a fiscal year; and

(ii) the Audit Committee must pre-approve all non-audit services provided to the Company or its subsidiaries by its external auditors or the external auditors of the Company's subsidiaries, except *de minimis* non-audit services as defined in applicable law.

(d) the Audit Committee must also:

(i) review the auditors' proposed audit scope and approach;

(ii) review the performance of the auditors; and

(iii) review and confirm the independence of the auditors by obtaining statements from the auditors on relationships between the auditors and the Company, including non-audit services, and discussing the relationships with the auditors;

Accounting Issues

(e) the Audit Committee must:

(i) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and,

(ii) ask management and the external auditors about significant risks and exposures and plans to minimize such risks.

Financial Statements, MD&A and Press Releases

(f) the Audit Committee must:

(i) review the Company's financial statements, MD&A and earnings press releases before the Company publicly discloses this information;

(ii) in reviewing the annual financial statements, determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles;

(iii) pay particular attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;

(iv) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses, warranty, professional liability, litigation reserves and other commitments and contingencies;

(v) consider management's handling of proposed audit adjustments identified by the external auditors;

(vi) ensure that the external auditors communicate certain required matters to the committee;

(vii) be satisfied that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements, other than the disclosure referred to in paragraph (f)(i) (above), and must periodically assess the adequacy of those procedures;

(viii) be briefed on how management develops and summarizes quarterly financial information, the extent to which the external auditors review quarterly financial information and whether that review is performed on a pre- or post-issuance basis;

(ix) meet with management, either telephonically or in person to review the interim financial statements;

(x) to gain insight into the fairness of the interim statements and disclosures, the Audit Committee must obtain explanations from management on whether:

(a) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;

(b) changes in financial ratios and relationships in the interim financial statements are consistent with changes in the Company's operations and financing practices;

(c) generally accepted accounting principles have been consistently applied;

(d) there are any actual or proposed changes in accounting or financial reporting practices;

(e) there are any significant or unusual events or transactions;

(f) the Company's financial and operating controls are functioning effectively;

(g) the Company has complied with the terms of loan agreements or security indentures; and

(h) the interim financial statements contain adequate and appropriate disclosures;

Compliance with Laws and Regulations

(g) the Audit Committee must:

(h) periodically obtain updates from management regarding compliance;

(iii) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements;

(iv) review the findings of any examinations by regulatory agencies such as the Ontario Securities Commission; and

(v) review, with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements;

Employee Complaints

(i) the Audit Committee must establish procedures for:

(j) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

(iii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

Other Responsibilities

(i) the Audit Committee must:

(j) review and approve the Company's hiring policies of employees and former employees of the present and former external auditors of the Company;

(iii) evaluate whether management is setting the appropriate tone by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;

(iv) focus on the extent to which internal and external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of a systems breakdown;

(v) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management;

(vi) periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Corporate Governance and Nominating Committee and the board for approval;

(vii) review, and if deemed appropriate, approve expense reimbursement requests that are submitted by the chief executive officer or the chief financial officer to the Company for payment;

(viii) assist the board to identify the principal risks of the Company's business and, with management, establish systems and procedures to ensure that these risks are monitored; and

(ix) carry out other duties or responsibilities expressly delegated to the Audit Committee by the board.

5. Authority of the Audit Committee

The Audit Committee shall have the authority to:

(a) engage independent counsel and other advisors as it determines necessary to carry out its duties;

(b) set and pay the compensation for any advisors employed by the Audit Committee; and

(c) communicate directly with the internal and external auditors.

Exhibit 1 to Audit Committee Charter
CAT Strategic Metals Corporation
(the "Company" or "CAT")
Job Description – Audit Committee Chair

The responsibilities of the Audit Committee chair include, among other things:

(a) managing the affairs of the Committee and monitoring its effectiveness;

(b) managing the meetings of the Committee by ensuring meaningful agendas are prepared and guiding deliberations of the Committee so that appropriate decisions and recommendations are made; and

(c) setting up agendas for meetings of the Committee and ensuring that all matters delegated to the Committee by the board are being dealt with at the Committee level during the course of the year.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, CAT Strategic Metals Corporation, hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to CAT Strategic Metals Corporation. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Vancouver on this 20th day of October, 2020.

(s) Robert Rosner

Robert Rosner

(s) Luis Martins

Luis Martins

(s) Steve Cozine

Steve Cozine

(s) Diane Mann

Diane Mann