FORM 7  
  
MONTHLY PROGRESS REPORT

Name of Listed Issuer: Emperor Metals Inc. (the “Issuer”).

Trading Symbol: AUOZ

Number of Outstanding Listed Securities: 48,189,028

Date: January 9, 2023

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

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

**General Instructions**

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

**Report on Business**

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

Emperor is evaluating exploration results from its listing property, the Pine Grove Property, located near the Hemlo Gold Mine within the western portion of the prolific Wawa-Abitibi Gold Belt of Ontario, Canada. The 2022 flow-through spending obligation was met during December. Future exploration is to be determined.

On December 9, the Company announced it had closed the first tranche of its non-brokered private placement financing, previously announced on November 25, 2022. The first tranche consisted of 10,155,728 flow-through shares (the “FT Shares”) at a price of $0.23 per FT Shares for gross proceeds of up to $2,335,817. In connection with the sale of these FT Shares, Emperor also paid a total of $138,907 in cash and issued 603,943 finder’s warrants (“Finder’s Warrants”) to eligible finders for certain of the FT Shares sold. Each Finder’s Warrant will entitle the holder to purchase one common share of the Company at an exercise price of $0.17 for a period of 24 months from the date of issue of the Finder’s Warrant. All securities issued are subject to a hold period of four-month and a day from the Closing Date. The gross proceeds from the sale of all FT Shares will be used to incur eligible “Canadian exploration expenses” during 2023 that will qualify as “flow-through mining expenditures” as such terms are defined in the Income Tax Act (Canada) (the “Qualifying Expenditures”) related to the Company’s Duquesne West Gold Project located in Quebec, Canada, which was optioned from Globex Mining Enterprises Inc. subject to completion of a financing, as previously announced October 12, 2022.

On December 22, the Company closed the second and final tranche of its non-brokered private placement financing, previously announced on November 25, 2022. The second tranche consisted of 5,228,500 non flow-through units (the “NFT Units”) at a price of $0.17 per NFT Units for gross proceeds of $888,845. Each NFT Unit consists of one common share and one-half of a share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $0.30 for a period of 24 months from the Closing Date. In connection with the sale of these NFT Units, Emperor also paid fees of $53,135.20 cash, 24,000 common shares and 226,110 finder’s warrants (“Finder’s Warrants”) to eligible finders for certain of the NFT Units sold. Each Finder’s Warrant will entitle the holder to purchase one common share of the Company at an exercise price of $0.17 for a period of 24 months from the date of issue of the Finder’s Warrant. The net proceeds raised from the NFT Units may be used to fund payments pursuant to Emperor’s option agreement for the Company’s Duquesne West Gold Project, and for working capital and general corporate purposes.

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

Management is actively involved with the ongoing operations of the Company on a daily basis. During December, Management completed negotiated terms of its Option Agreement with Globex, completed its evaluation of the Duquesne West project, closed a private placement of $3,224,662 in gross proceeds and retained Peak Investor Marketing Corp. to deliver its marketing program going forward.

1. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

On December 23, having raised sufficient funds, Emperor made the first option payment to Globex of $450,000 under the Option Agreement announced previously on October 12, 2021.

The Duquesne West Gold Property is located 32 km northwest of the city of Rouyn-Noranda and 10 km east of the town of Duparquet. The property lies within the historic Duparquet gold mining camp in the southern portion of the Abitibi Greenstone Belt in the Superior Province. The Property hosts a historical inferred mineral resource estimate of 727,000 ounces of gold at a grade of 5.42 g/t Au.**1** The mineral resource estimate predates modern CIM guidelines and a Qualified Person on behalf of Emperor has not reviewed or verified the mineral resource estimate, therefore it is considered historical in nature and is reported solely to provide an indication of the magnitude of mineralization that could be present on the property. The gold system remains open for resource identification and expansion. Reinterpretation of the existing geological model was created using Artificial Intelligence and Machine Learning. This model shows opportunity for additional discovery by revealing gold trends unknown to previous workers and the potential to expand the resource along significant gold endowed structural zones.

**1 Watts, Griffis, and McOuat Consulting Geologists and Engineers, Oct 20, 2011, Technical Report and Mineral Resource Estimate Update for the Duquesne-Ottoman Property, Quebec, Canada for XMet Inc.**

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

N/A

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

Emperor announced on December 9 that it had retained Peak Investor Marketing Corp. (“Peak”) a full-service marketing and consulting services focused on the junior mining sector. Peak is an independent arms-length entity and will assist the Company with marketing strategy and planning, corporate communications and public relations, with the goal of increasing market awareness for the company. Under the terms of the Agreement, the Company will compensate Peak $12,000.00 per month for an initial 12-month term and will also grant Peak stock options exercisable to purchase 400,000 common shares of Emperor at an exercise price of $0.18 per share. The options shall remain exercisable until 90 days after the termination date of the agreement between the parties, to a maximum of five years from the date of grant. 200,000 options will vest 4 business days from the date hereof, with the remaining 200,000 options vesting on the date which is 6 months from that date.

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

N/A

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

The Company entered an Option Agreement with Globex to acquire the Duquesne West Gold Project subject to CSE approval and financing requirement, as announced previously on October 12, 2021. Subsequent to closing its financing in December, the initial option payment of $450,000 was made to Globex, pursuant to the Option Agreement.

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

N/A

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

N/A

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

N/A

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

N/A

1. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

N/A

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

N/A

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

Warrant exercise.

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| --- | --- | --- | --- |
| **Security** | **Number Issued** | **Details of Issuance** | **Use of Proceeds(1)** |
| Common Shares | 174,720 | Warrants exercised | G&A |
| Common Shares | 189,600 | Warrants exercised | G&A |
| Common Shares | 260,480 | Warrants exercised | G&A |
| Common Shares | 10,155,728 | Flow-Through Placement | Mineral Exploration |
| Common Shares | 5,252,500 | Non-Flow Through Placement | G&A |
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*(1) State aggregate proceeds and intended allocation of proceeds.*

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

N/A

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

The Company previously announced on November 1, 2021, the appointment of Mr. John Florek, M.Sc., P.Geo., to the roles of President, CEO and Director of the Company, replacing Mr. Alex Horsley who will continue with Emperor in a Corporate Development role and as a Director. Mr. Florek holds a M.Sc. from Queens University and has been active in the mining industry for over 30 years in technical and senior management capacities for major and junior mining companies, including roles as Founder, Director and VP Exploration. He has served as Emperor's due diligence consultant and Qualified Person for its recent option agreement to acquire the Duquesne West project from Globex (see News Release Oct 12, 2022). Mr. Florek's work affiliations within major mining companies include BHP, Placer Dome, Barrick/Teck, KL Gold, and Agnico Eagle. He has helped to identify and develop significant asset value for grass roots and advanced projects and mines. Most recently, as Geological Superintendent at Detour Lake Gold Mine from 2016 to 2021, his team was instrumental in the developing the ore-deposit into a significant generational mine acquired by Agnico Eagle Mines. In 2008, his team was intimately involved with extending the mine life at Hemlo Mines and was part of the team that received the 2008 Developer of the Year Award from the Northwestern Ontario Prospectors Association.

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

There are no known regulatory or political trends which currently affect Emperor.

**Certificate Of Compliance**

The undersigned hereby certifies that:

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

Dated January 9, 2023 .

**Sean Mager**\_\_\_\_\_\_\_\_  
Name of Director or Senior Officer

***signed “Sean Mager”***   
Signature

**CFO**   
Official Capacity

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| ***Issuer Details***  Name of Issuer  Emperor Metals Inc.. | For Month End  January 2023 | Date of Report  23/01/09 |
| Issuer Address  250 Southridge, Suite 300 | | |
| City/Province/Postal Code  Edmonton, AB T6H 4M9 | Issuer Fax No.  ( ) | Issuer Telephone No.  (780) 437-6624 |
| Contact Name  Sean Mager | Contact Position  CFO | Contact Telephone No.  (780) 437-6624 |
| Contact Email Address  seanm@metalsgroup.com | Web Site Address  https://emperormetals.com/ | |