

FORM 7
MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Graycliff Exploration Limited** (the “Company” or the “Issuer”).

Trading Symbol: **GRAY (OTCQB:GRYCF) (FSE:GE0)**

Number of Outstanding Listed Securities: **22,942,175 common shares**

Date: **April 30, 2021**

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.

Graycliff Exploration is a mineral exploration company focused on its 945 hectares of prospective ground, located roughly 80 kilometres west of Sudbury on the prolific Canadian Shield. The Company’s Shakespeare Project consists of one crown patented lease, two crown leases and 40 claims on a property associated with the historic Shakespeare Gold Mine, which operated from 1903 to 1907.

Effective April 6, 2021, the Issuer announced that it received notice of conversion pertaining to convertible debentures issued in September 2020 (the “Financing”). Both strategic shareholders from the Financing have informed the Company they are converting their Debentures into Graycliff common shares ahead of the maturity date. The Financing was comprised of \$530,000 of 5% unsecured convertible debentures (the “Debentures”) at an issue price of \$1,000 per Debenture. The Debentures were to mature on September 24, 2022 and were convertible into common shares of Graycliff at a price of \$0.60 per common share. As a result of the early conversion, the Company has issued 905,961 common shares, including 22,628 common shares that were issued for the accrued interest on the Debentures. The Company now has no debt.

Effective April 15, 2021, the Issuer reported the completion of a non-brokered private placement offering of 1,246,333 non flow-through units (the “NFT Unit”) at \$0.75 per NFT Unit and 1,875,000 flow through shares (“FT Share”) at a price of \$0.80 per FT Share of the Company (the “Financing”) for gross proceeds of \$2,434,750. Each NFT Unit consists of one common share which is not a “flow-through” share and one-half purchase warrant (“NFT Warrant”). Each whole NFT Warrant will entitle the holder to purchase one additional common share which is not a “flow-through” share at a price of \$1.00 for two years from the closing.

Graycliff intends to use the net proceeds from the Financing to continue the exploration program at the Company’s Shakespeare Project in Ontario, Canada. The Company paid finder’s fee commissions of \$167,808 cash and

issued 214,993 finder's warrants on the Financing. Each finder's warrant has a strike price of \$0.75 per share and an expiry two years from the closing.

Effective April 22, 2021, the Issuer announced the completion of the second phase of drilling ("Phase 2 Drilling") as part of its 2021 exploration program on the Company's Shakespeare Gold Project ("Shakespeare") located on the prolific Canadian Shield near Sudbury, Ontario. Graycliff's Phase 2 Drilling consisted of 14 core diamond drill holes totalling 2,000 metres and focused on expanding the previously identified mineralization and the new mineralized zone identified in Phase 1 drilling. The mineralized area is located in the vicinity of the Miller Shaft and above the Number 3 adit.

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

See Item 1

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

See Item 1

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

N/A

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

N/A

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

N/A

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

N/A

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

N/A

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

N/A

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

N/A

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

N/A

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

N/A

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

N/A

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

Security	Number Issued	Details of Issuance	Use of Proceeds
Common Shares	905,961	See below (1)	
Non Flow-Through Units	1,246,333	See below (2)	
Flow-Through Shares	1,875,000		
Finder's Warrants	214,993		
Options	900,000	See below (3)	

(1) **Two strategic investors converted their Debenture into common shares ahead of the maturity date. The Debentures were to mature on September 24, 2022 and were convertible into common shares of Graycliff at a price of \$0.60 per common share. As a result of the early conversion, the Company has issued 905,961 common shares, including 22,628 common shares that were issued for the accrued interest on the Debentures. The Company now has no debt.**

(2) **Graycliff completed a non-brokered private placement offering of 1,246,333 non flow-through units (the "NFT Unit") at \$0.75 per NFT Unit and 1,875,000 flow through shares ("FT Share") at a price of \$0.80 per FT Share of the Company (the "Financing") for gross proceeds of \$2,434,750. Each NFT Unit consists of one common share which is not a "flow-through" share and one-half purchase warrant ("NFT Warrant"). Each whole NFT Warrant will entitle the holder to purchase one additional common share which is not a "flow-through" share at a price of \$1.00 for two years from the closing. Graycliff intends to use the net proceeds from the Financing to continue the exploration program at the Company's Shakespeare Project in Ontario, Canada. The Company paid finder's fee commissions of**

\$167,808 cash and issued 214,993 finder's warrants on the Financing. Each finder's warrant has a strike price of \$0.75 per share and an expiry two years from the closing.

(3) On April 23, 2021, the Company granted 900,000 incentive stock options at an exercise price of \$0.75 per common share with an expiry date of April 23, 2026 to Directors and consultants, as per our Form 11.

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

N/A

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

N/A

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 **May 6, 2021**

James Macintosh

Name of Director or Senior
Officer

/s/ James Macintosh

Signature

President and CEO

Official Capacity

<i>Issuer Details</i> Name of Issuer Graycliff Exploration Limited	For Month End April 30, 2021	Date of Report YY/MM/D 21/05/06
Issuer Address 2702 – 401 Bay Street		
City/Province/Postal Code Toronto, ON M5H 2Y4	Issuer Fax No. N/A	Issuer Telephone No. (416) 862-7003
Contact Name James Macintosh	Contact Position President & CEO	Contact Telephone No. (416) 862-7003
Contact Email Address im@graycliffexploration.com	Web Site Address www.graycliffexploration.com	