

## 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: **17,889,882** common shares

Date: **December 31, 2020**

#### 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 847 hectares of prospective ground, located roughly 80 kilometres west of Sudbury on the prolific Canadian Shield. The Company's Shakespeare Project consists of 39 claims on a property associated with the historic Shakespeare Gold Mine, which operated from 1903 to 1907.**

**Effective December 16, 2020, the Issuer announced that, effective immediately, it will begin trading on the OTCQB Venture Marketplace ("OTCQB") under the symbol "GRYCF".**

The OTCQB is a US trading platform that is operated by the OTC Markets Group in New York. Graycliff's OTCQB information can be found on the OTC Markets website: <https://www.otcmarkets.com/stock/GRYCF/overview>.

With the commencement of trading on the OTCQB, Graycliff will now be available for trading on three marketplaces around the world including the Canadian Securities Exchange (“CSE”) and the Frankfurt Stock Exchange (“FSE”).

The Company also announces the engagement of Mackie Research Capital Corporation for Market Stabilization and Liquidity Services (“Market Maker”) for Graycliff's CSE listing. Under the terms of the agreement, the Company will pay the Market Maker CAD\$5,000 per month for an initial term of three months. The agreement can be renewed on a month to month basis after the initial term is completed. The Market Maker will not receive shares or options as compensation and is considered to be an unrelated and unaffiliated entity at the time of the agreement.

Mackie Research Capital Corporation is a member of the Investment Industry Regulatory Organization of Canada (“IIROC”).

**Effective December 24, 2020, the Issuer reported the completion of a non-brokered placement offering of 1,560,000 common shares (the “Shares”) of**

**the Company, issued on a flow-through basis at a price of \$0.50 per share (the “Financing”) for gross proceeds of \$780,000. The Issuer intends to use the net proceeds from the Financing to expand the 2020-2021 exploration program at the Company’s Shakespeare Project in Ontario, Canada. The Company paid finder’s fee commissions of \$61,200 cash and 113,600 broker warrants on the Financing. Each broker warrant has a strike price of \$0.50 per share and an expiry two years from the closing.**

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.

**N/A**

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.

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds (1)</b>
Common shares	1,560,000	Common Shares issued on a flow-through basis at a price of \$0.50 per share.	\$780,000
Broker warrants	113,600	Each broker warrant has a strike price of \$0.50 per share and an expiry two years from the closing.	N/A

(1) Proceeds are to be used for exploration purposes.

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 **January 7, 2021**

**James Macintosh**

Name of Director or Senior  
Officer

**/s/ James Macintosh**

Signature

**President and CEO**

Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer <b>Graycliff Exploration Limited</b>	For Month End <b>December 31, 2020</b>	Date of Report YY/MM/D <b>21/01/07</b>
Issuer Address <b>2702 – 401 Bay Street</b>		
City/Province/Postal Code <b>Toronto, ON M5H 2Y4</b>	Issuer Fax No. N/A	Issuer Telephone No. <b>(416) 862-7003</b>
Contact Name <b>James Macintosh</b>	Contact Position <b>President &amp; CEO</b>	Contact Telephone No. <b>(416) 862-7003</b>
Contact Email Address <a href="mailto:jm@graycliffexploration.com">jm@graycliffexploration.com</a>	Web Site Address <a href="http://www.graycliffexploration.com">www.graycliffexploration.com</a>	