

# FORM 7

## MONTHLY PROGRESS REPORT

Name of Listed Issuer: MUZHU MINING LTD. (the "Issuer").

Trading Symbol: MUZU

Number of Outstanding Listed Securities: 24,605,129 common shares

Date: December 07, 2022

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

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

### **General Instructions**

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

### **Report on Business**

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

**Muzhu Mining Ltd. has created a 100 percent owned subsidiary company, named Luoyang Sow International Mining Company Ltd., as part of its operations in China.**

**At present, the sole director and chief executive officer of Luoyang Sow International Mining Company is Muzhu's Vice-President of China**

Operations, Anthony Tam, BSc, Engineering, who is presently in China commencing exploration operations on the XWG property.

The XWG property is located in China's Silver Triangle with good infrastructure, water, power and road access, including several floatation mills close by to provide future customized processing along with the Jinqiao mill just nine kilometres away from the XWG property.

Samples were taken during a 2018 exploration program that exhibit highly anomalous grades of silver, lead, zinc and copper. Some samples returned values as high as 1,500 grams per tonne Ag, 3.88 per cent Pb, 6,680 parts per million Zn and 7 per cent Cu. More than seven individual mineralized veins have been identified by previous work carried out on the property by team 6 of the Henan non-ferrous geological prospecting department. Lengths of the known veins vary from 270 to 1,080 metres with widths varying from one metre to five metres (Muzhu Mining press release, Feb. 1, 2022).

James Tong, interim CEO of Muzhu Mining, states: "The Board of Muzhu Mining is very excited to be moving forward with the XWG property exploration in China. The newly created, 100 percent-owned subsidiary Luoyang Sow International Mining Company will contribute greatly to the company's future successful operations within the Henan province of China."

Muzhu Mining Ltd. has provided a geology overview of the XWG property, which is located in China's Silver Triangle with good infrastructure, water, power and road access, along with the Jinqiao mill just nine kilometres (km) away from the XWG property.

The XWG property exhibited high grades of Silver, Lead, Zinc and Copper with some samples returning values as high as; 1,500 g/t Ag, 3.88 % Pb, 6680 ppm Zn and 7% Copper . More than seven (7) individual mineralized veins have been identified with lengths of the known veins from 270 to 1,080 metres with widths varying from 1.0 to 5.0 metres.

The Xiao Wa Gou ( XWG) property , which is encircled by several operating Silver, Zinc, Lead producing mines in the Henan Province of China, to which Muzhu Mining has an option agreement to earn up to 80 percent interest in, is situated in the 300 km-long west-northwesterly trending Qinling orogenic belt , on a major structural belt formed by the collision of two large continental tectonic plates in the Paleozoic time period

Rocks along the orogenic belt between the two major tectonic plates are severely folded and faulted, offering optimal structural conditions for the emplacement of a myriad of mineral deposits. Several operating silver-lead-zinc mines, including those in the Ying Mining District, occur along this belt.

The Qinling orogenic belt is composed largely of Proterozoic- to Paleozoic-age rock sequences consisting of mafic to felsic volcanic rocks with

variable amounts of interbedded clastic and carbonate sedimentary rocks. The rocks are weakly metamorphosed to lower greenschist facies, with local areas of strongly metamorphosed lower amphibolite facies.

The basement of the belt comprises highly metamorphosed Archean-age rocks of the North China plate, dominantly felsic to mafic gneisses with minor amphibolite, intrusive gabbro and diabase. The metamorphosed Qinling belt sequence and the underlying Archean basement rocks are intruded by mafic to felsic dykes and stocks of Proterozoic and Mesozoic ages.

The dominant structures in the Qinling orogenic belt are west-northwest trending folds and faults generated during the collision of the two major tectonic plates in Paleozoic time. The faults consist of numerous thrusts having a component of oblique movement with sets of conjugate shear structures trending either northwest or northeast. These conjugate shear zones, which display features of brittle fracturing such as fault gouge, brecciation and well-defined slickensides, are associated with all the important mineralization recognized along the 300 km-long orogenic belt .

Muzhu's Interim CEO, James Tong comments, "Muzhu Mining is keen to get started with exploration work, including a bulk sampling program on the XWG property in the near future. With very favourable surface high grade veins and with infrastructure located very close by within the same geological structure, Muzhu looks forward to moving forward with the program."

Tom Carpenter, P.Geo., is a Qualified Person as defined by National Instrument 43-101 ("N.I. 43-101") guidelines and has reviewed and approved the content of this information.

Muzhu Mining Ltd.'s Vice-President of China operations, Anthony Tam, BSc, Engineering Physics, BSc, Mining Engineering, and Aaron Meckler, CIM, FCSI, have both been appointed to the Board of Directors, effective November 15, 2022.

Mr. Tam holds a Bachelor of Sciences Degree in Engineering Physics as well as a Bachelor of Sciences Degree in Mining Engineering, both from Queen's University. As well, Mr. Tam is also a qualified CPA, CA. He brings over 35 years of experience in the mining industry including numerous management positions in North America and China. With these companies, Mr. Tam has been instrumental in the acquisition, exploration and advancement of numerous mineral properties and mine development. He has been successful in negotiating various joint venture agreements in China, along with conducting preliminary geological and engineering assessments of mineral properties.

Mr. Meckler brings a decade of corporate finance experience and is a seasoned chief financial officer and investment banker within Canada's junior public markets. He has been advising the company since earlier in

the year and his appointment comes at a pivotal time for the company as we plan to execute our exploration strategy in China on our optioned XWG property," said interim chief executive officer James Tong.

"I am excited to join Mr. Tam and the rest of the Muzhu board of directors. I have been acquiring shares in the company since early 2022, both in the open market and through a private placement, and, recently, have become one of the single largest shareholders of the company. I believe in the value proposition of our XWG property option and its potential for silver production, just like several comparable mine sites in the same region which utilize parts of the same infrastructure. Advising the board on a more formulated capital formation strategy will be a priority of mine. As an investor in multiple projects, I have rarely seen a company with a market cap as low as Muzhu with such high geology metrics and near-term bulk sampling potential of silver and I am excited to have an opportunity to change the status quo," stated Mr. Meckler, CIM, FCSI.

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.

**None.**

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.

**None.**

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.

**None.**

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.

**None.**

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.

**None.**

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

**None.**

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.

**None.**

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

**None.**

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

**None.**

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

**None.**

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

**None.**

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

**None.**

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

**None.**

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

**See Item 1.**

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

**None.**

## 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 December 07, 2022.

RICHARD SUNG YING TONG

Name of Director or Senior  
Officer

"RICHARD SUNG YIN TONG"

Signature

CFO and DIRECTOR

Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer	For Month End	Date of Report YY/MM/D
MUZHU MINING LTD	November 30, 2022	22/12/07
Issuer Address		
777 HORNBY STREET, SUITE 600		
City/Province/Postal Code	Issuer Fax No. ( )	Issuer Telephone No.
VANCOUVER, BC, V6Z 1S4	N/A	( 226) 455-5644
Contact Name	Contact Position	Contact Telephone No.
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