

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Etruscus Resources Corp** (the "Issuer").

Trading Symbol: **ETR**

Number of Outstanding Listed Securities: **25,899,945 common shares**

Date: **September 3, 2020**

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.

On August 5, 2020, the Company increased its proposed non-brokered private placement from \$1 million to \$1.525 million with a lead order from Palisades Goldcorp Ltd.

On August 12, 2020, the Company announced it had closed \$1,219,900 of its \$1,525,000 non-brokered private placement led by Palisades Goldcorp Ltd.

Efforts continued through the end of August to complete a second and final tranche, which had not yet closed as at the date of this Form 7.

Phase 1 of the Company's 2020 field exploration program was completed in August, consisting of sampling, prospecting and mapping. A VTEM[©] survey covering 137 sq. km, or approximately 2/3 of the claim areas of the Rock & Roll and Sugar properties, was flown in August and is still ongoing as of the date of this Form 7. Results to date are being assessed by the exploration team, as they prioritize drilling targets for the next phase of exploration.

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

In August, the Company filed its quarterly report for the three-months ended June 30, 2020. The Company's health and safety plans for field operations continued to be updated, following Worksafe BC guidelines and all COVID-19 mitigation measures.

Management continued to hold investor meetings and presentations as part of its financing plans.

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.

In August, a Phase 1 field exploration program was completed, consisting of sampling, prospecting and mapping. There was no drilling, nor were any new resource properties acquired. As noted, a VTEM survey was flown over the properties in August and is still ongoing; the results are helping target drill hole locations.

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.

No drilling, exploration, or production was amended or abandoned.

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.

No new business relationships were entered during the month.

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.

No expiry or termination of contracts or agreement occurred during the month.

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.

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

No acquisition of new customers or loss of customers occurred during the preceding month.

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.

No new developments or effects on intangible products occurred during the preceding month.

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

No employee hirings, terminations or lay-offs occurred during the preceding month.

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

No labour disputes occurred during the preceding month.

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.

No legal proceedings occurred during the preceding month.

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

No indebtedness occurred during the preceding month.

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

In August, the Company closed \$1,219,900 of its \$1,525,000 non-brokered private placement led by Palisades Goldcorp Ltd., as follows:

3,130,000 non-flow-through units were subscribed for at a price of \$0.35 per unit for proceeds of \$1,095,500, with each unit consisting of one (1) common share and one (1) non-transferable share purchase warrant. Each warrant is exercisable for a period of three (3) years for the purchase of one (1) additional common share at a price of \$0.50 per share; and

276,444 flow-through units were subscribed for at a price of \$0.45 per unit for proceeds of \$124,400, with each flow-through unit consisting of one (1) flow-through common share and one (1) non-flow-through, non-transferable

share purchase warrant. Each warrant is exercisable for a period of three (3) years for the purchase of one (1) additional non-flow-through common share at a price of \$0.60 per share.

The Company paid finder's fees of \$19,163 and 53,861 finder's warrants to arm's length parties in connection with the private placement as permitted by securities law. The finders' warrants are exercisable at \$0.45 per share for a three (3) year period.

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

No loans were given or received by related parties during the preceding month.

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

There were no changes in directors, officers or committee members.

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

Precious metals prices have surged recently, with gold ending August at \$US\$1,971/oz and silver ending August at US\$27.51/oz, well above its US\$14-US\$20/oz range over the past 6 years. Earlier in August, spot gold reached an all-time high of US\$2,070/oz. These trends are positive factors for the natural resource sector, and such price levels are expected to remain robust into 2021.

In BC, where the Company's properties are located, we eliminate the need for foreign travel which has been severely curtailed globally due to COVID-19. BC also continues to be a generally favourable jurisdiction in which to conduct mining, with the availability of Canadian tax incentive programs such as flow-through share and mineral exploration tax credits.

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 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: **September 3, 2020**

Gordon Lam

Name of Director or Senior
Officer

“Gordon Lam”

Signature

President & CEO

Official Capacity

<i>Issuer Details</i> Name of Issuer	For Month End	Date of Report YY/MM/DD
Etruscus Resources Corp	August	20/09/03
Issuer Address		
604 – 850 West Hastings St		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, BC V6C 1E1	(604) 688-5017	(604) 604-336-9088
Contact Name	Contact Position:	Contact Telephone No.
Gordon Lam	President	(604) 604-336-9088
Contact Email Address	Web Site Address	
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