

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Tarachi Gold Corp.** (the “Company” or the “Issuer”).

Trading Symbol: **TRG**

Number of Outstanding Listed Securities: **115,751,810**

Date: **March 31, 2022**

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.

The Company closed its Private Placement Financing of 23,227,005 Units of the Company at a price of C\$0.18 per Unit for gross proceeds of C\$4,180,861. Proceeds from the Financing will be used for exploration, working capital purposes and for ongoing development of the Company’s Magistral project in Mexico. For details, please see news release dated [March 11, 2022](#).

Mr. Todd Roth was appointed VP of Operations on March 24, 2022. Please see news release dated [March 24, 2022](#) for further details.

On March 24, 2022, the Company mailed out to all registered shareholders and subsequently filed on Sedar under the Company’s Sedar Profile a Notice of Meeting, Management Information Circular and Proxy Form for its upcoming Annual General Meeting to be held on April 19, 2022. Shareholders can find the documents on the Company’s [website](#) or the Company’s Sedar [profile](#).

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

The Company’s primary business is to identify and acquire mineral properties. Currently, the Company has an option to acquire a 100% interest in the group of mining concessions known as the Tarachi project located in the Sierra Madre Gold Belt of Eastern Sonora, Mexico. In 2021, the Company acquired the Magistral Mill and Tailings project located in Durango, Mexico.

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.

Please see Note 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.

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.

On March 20, 2022, the Company signed new land lease and water rights agreements with the local Magistral Ejido community. The Magistral Ejido Assembly is made up of the local families and community members with official status as members of Ejido Magistral. For details, please see news release dated [March 23, 2022](#)

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.

The Company and Ejido amended their existing tailings material agreement resulting in an increase of US\$0.25 per tonne in the purchase fee paid when gold prices are above \$1475/oz with approximately 70% of the tonnes included in the Magistral Mineral Resource Estimate being subject to the new agreement terms. The Company has also agreed to increase the monthly advanced tailings purchases which according to its schedule would be: 4,000 tonnes per month for February 2022; 5,000 tonnes per month for June 2022; and 7,500 tonnes per month for September 2022. For details, please see news release dated [March 23, 2022](#).

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 hiring's, 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.

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Common Shares	23,227,005	Each Unit is comprised of one common share and one-half of one common share purchase warrant. ⁽¹⁾	Proceeds to be used for exploration, working capital purposes and for the ongoing development of the Company's Magistral project in Mexico. ⁽²⁾
Warrants	11,613,502	Each Warrant entitles the holder to purchase one common share of the Company at an exercise price of C\$0.30 with expiry date on March 11, 2024. ⁽¹⁾	N/A
Broker Warrants	454,422	Each Broker Warrant entitles the holder to purchase one common share of the Company	N/A

		at an exercise price of C\$0.30 with expiry date on March 11, 2024. ⁽¹⁾	
Stock Options		200,000 granted, exercisable for period of five years at exercise price of \$0.165 and will vest immediately.	N/A
Common Shares	4,000,000	Shares issued in connection with the Asset Purchase Agreement signed with Manto Resources S.A. de C.V. on February 8, 2021	N/A

(1) Units, Warrants and Broker Warrants have a hold period of four months and one day from closing, expiring on July 12, 2022.

(2) For more details, please see news release dated March 11, 2022.

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

None.

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

Todd Roth was appointed as Vice president of Operations for the Company.

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 was 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 April 7, 2022.

Cameron Tymstra

Name of Director or Senior
Officer

/s/ Cameron Tymstra

Signature

CEO

Official Capacity

<i>Issuer Details</i> Name of Issuer <u>Tarachi Gold Corp.</u>	For Month End March 2022	Date of Report YY/MM/D 22/04/7
Issuer Address #700 - 1090 West Georgia St.		
City/Province/Postal Code Vancouver, BC V6E 3V7	Issuer Fax No.	Issuer Telephone No. (416) 668-1495
Contact Name Cameron Tymstra	Contact Position CEO	Contact Telephone No. (416) 668-1495
Contact Email Address cameron@tarachigold.com	Web Site Address www.tarachigold.com	