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UNIGOLD INC.

NI 43-101 F1 TECHNICAL REPORT UPDATED MINERAL RESOURCE ESTIMATE AND PRELIMINARY ECONOMIC ASSESSMENT FOR THE OXIDE PORTION OF THE CANDELONES PROJECT NEITA CONCESSION DOMINICAN REPUBLIC

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1.0 SUMMARY

1.1 GENERAL

Unigold Inc. (TSX-V:UGD) (Unigold) has retained Micon International Limited (Micon) to update the estimated oxide, transitional and sulphide mineral resources of the Candelones Project (or the Project) to include the results of the exploration work performed since the last resource estimate was published and, secondly, based upon the updated resource estimate, to prepare a Preliminary Economic Assessment (PEA) of the economics of producing gold and silver from the oxide resources by open pit mining and heap leaching. The Candelones Project is located on part of Unigold's wholly owned Neita Concession, in the Dominican Republic.

The results of the PEA and the results of the updated mineral resource estimates in this report supersede the Technical Report dated October 6, 2020 (effective date August 17, 2020) titled "NI 43-101 Technical Report, Updated Mineral Resource Estimate for the Candelones Project, Neita Concession, Dominican Republic". That report was posted on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR).

The results of the PEA disclosed herein assume that the oxide portion of the Main Zone will be mined using open pit techniques.

The updated sulphide mineral resource estimate disclosed herein assumes that the mineral deposits at the Candelones Project will be exploited primarily by means of an open pit, followed by the transition to an underground mine with associated processing facilities and infrastructure. Unigold believes there are multiple benefits offered by combining the open pit and underground mining methods for the sulphide deposits.

Micon conducted a site visit to the Candelones Project between October 22 and 26, 2019. Further discussions were subsequently held in 2019, 2020 and 2021 in Toronto with Unigold personnel, regarding the Project, exploration results, resource estimating procedures, metallurgical testwork and other topics.

The material in this report was derived from published material researched by Micon and its Qualified Persons (QPs), as well as data, professional opinions and unpublished material submitted by the professional staff of Unigold and/or its consultants. Much of these data came from reports prepared and provided by Unigold.

The QPs responsible for the preparation of this report are:

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Neither Micon nor its QPs have or have had any material interest in Unigold or related entities. The relationship with Unigold is solely a professional association between the client and the independent consultant. This report is prepared in return for fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this report. This is the fourth Technical Report written by Micon on the Candelones Project for Unigold.

This report includes technical information which requires subsequent calculations or estimates to derive sub-totals, totals and weighted averages. Such calculations or estimations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, Micon and its QPs do not consider them to be material.

The conclusions and recommendations in this report reflect Micon's and the authors' best independent judgment in light of the information available to them at the time of writing. Micon and the authors reserve the right, but will not be obliged, to revise this report and conclusions if additional information becomes known to them subsequent to the date of this report. Use of this report acknowledges acceptance of the foregoing conditions.

This report is intended to be used by Unigold subject to the terms and conditions of its agreement with Micon. That agreement permits Unigold to file this report as a Technical Report with the Canadian Securities Administrators pursuant to provincial securities legislation. Except for the purposes legislated under provincial securities laws, any other use of this report, by any third party, is at that party's sole risk.

The requirements of electronic document filing on SEDAR necessitate the submission of this report as an unlocked, editable pdf (portable document format) file. Micon accepts no responsibility for any changes made to the file after it leaves its control.

1.2 PROPERTY DESCRIPTION AND LOCATION

The Neita Concession is located in the province of Djabon, in the northwestern region of the Dominican Republic. The Concession borders the Republic of Haiti to the west, with much of the western limit of the Concession defined by the Libon River, the border between the Republic of Haiti and the Dominican Republic.

The latitude and longitude of the centre of the Concession are approximately 19°25'28" N, 71°41'08" W. The Universal Transverse Mercator (UTM) coordinates are 2,150,000 N, 218,000 E and the datum used was WGS-84, UTM-Zone 19N.

In this report, the term Candelones Project refers to the area within the Concession in which the Candelones Main (CM), Candelones Extension (CE) and Candelones Connector (CMC) deposits are located. The deposits that comprise the Candelones Project are entirely contained within the confines of the property. The term Neita Concession (Concession) refers to the entire land package under Unigold's control.

The Neita Concession is a 21,030.75-hectare mineral exploration concession (lease), officially described as Neita Fase II.

Unigold holds a 100% interest in the Neita Concession by means of Mining Resolution R-MEM-CM-016-2018, granted by the Ministry of Energy and Mines (Ministerio de Energiá y Minas) on May 10, 2018, through the Directorate General of Mining (Direccion General de Minera or DGM). The Directorate General of Mining administers mining in the Dominican Republic, as established under Mining Law 146 (1971).

On March 24, 2021, the Ministerio de Energia Y Minas, Dirreccion General de Mineria, approved the first of the two, one year extension periods. As a result, the Concession is in good standing to May 10, 2022.

On April 15, 2021, Unigold submitted an application to the Ministro de Medio Ambiente y Recursos Naturales seeking to extend the Environmental Permit for the Neita Fase II Concession to May 10, 2022. This Extension would synchronize the Environmental Permit with the Exploration Permit for the Concession. The current Environmental Permit is set to expire on May 21, 2021. The paperwork for the permit is still currently being processed but there is no reason to believe that the application to extend the Environmental Permit for the Neita Fase II Concession will be denied.

1.3 Accessibility, Climate, Physiography, Local Resources and Infrastructure

The Dominican Republic features many international airports, including those at Santiago and Puerto Plata, which are the closest airports to the Project.

The property is accessible by road, being bisected by highway #45, a paved road from Monte Christi, on the Atlantic coast, south to Djabon, Restauración and Matayaya. Monte Christi is also the terminus for highway #1, a major highway originating in the capital of Santo Domingo and heading northwest through Santiago, before continuing on to Monte Christi.

The Candelones deposits and other parts of the Neita Concession are accessible by means of a network of trails and unpaved roads, leading off highway #45. These trails and roads are passable year-round.

The climate is semitropical. There is a distinct rainy season that commences in May and extends through October, with the Atlantic hurricane season extending from June through November. There have been no recorded data of hurricanes affecting activities in the town of Restauración. Unigold can operate year-round with little difficulty.

The property is located within the Cordillera Central, where it displays the associated craggy highlands and mountains, interspersed with rich workable valleys. The steep slopes, deep valleys and sharp crests are common characteristics of volcanic mountain ranges. Elevation varies from 460 metres above sea level (masl) in the valley of Rio Libon to 1,009 masl at the peak of Cerro del Guano.

The vegetation on the property is comprised of a mix of montane pine forest and mixed pine-broad-leaved forest, with the undergrowth and floor layers comprising younger saplings, ferns, grasses, orchids, moss and fungi. These pine forests are generally the result of reforestation. Low lying areas and areas with gentle slopes/relief are dominated by agricultural land.

The border region with Haiti is one of the least densely populated and least developed areas of the Dominican Republic. Farming and forestry are the primary means of income.

The nearest population centre is Restauración (pop. 7,000). Several smaller communities (pop. <500) lie within the Concession. The remainder of the population is rural, living in scattered farms.

Restauración is serviced by the national electrical grid and offers a number of small local businesses that support the community and the local farming and forestry industries. Djabon, which is located 45 kilometres (km) north, is the closest urban area of any size. Santiago is the second largest city in the Dominican Republic and the closest major centre, approximately 150 km to the northeast. Santiago is accessible by paved road from the property.

Unigold has established a semi-permanent camp approximately 2 km from Restauración. The camp can accommodate more than twenty-five people and includes bunkhouse facilities, washroom facilities, a full dining room/kitchen, office facilities, fuel and consumable storage, warehousing facilities and a core processing and storage facility. Most of the buildings are converted shipping containers. The camp is fenced and there is security onsite 24 hours per day. There is no additional infrastructure in the area and Unigold generates its own power at the camp using diesel generators.

Unigold owns three diamond drills and an associated inventory of parts and down-hole tools, sufficient to support an additional 25,000 metres (m) of diamond drilling.

The local workforce is largely unskilled, with no mining history. Unigold's existing workforce consists almost entirely of local labour, many of whom were trained as diamond drillers, heavy equipment operators, general labourers, technical support staff and supervisors.

1.4 HISTORY

The Concession was first explored by Mitsubishi International Corp. (Mitsubishi) between 1965 and 1969. Mitsubishi was granted the exploration rights to over 7,700 square kilometres

(km^2) of the Cordillera Central and its exploration program was focused on porphyry copper deposits.

After four years on the Concession, Mitsubishi did not complete any further work.

In 1985, Rosario Dominicana (Rosario) drilled one hole at Cerro Candelones (CM Zone). Historical documents note that the hole was extensively mineralized, but that recovery was very poor. Surface geological mapping by Rosario identified three areas (Cerro Candelones, Cerro Berro and El Corozo) and recommendations were made to continue work on these prospects.

In 1990, Rosario completed a detailed geological mapping program, as well as collecting 1,308 soil samples, and excavating 78 trenches for a total of 2,968 m of trenching at the Cerro Candelones, Guano-Naranjo and El Montazo prospects. Rosario made the decision to start drilling on the Cerro Candelones prospect and eight holes were completed for a total of 642 m.

In September, 1997, Bureau de Recherches Géologiques et Minières (BRGM) of France combined efforts with Rosario and Geofitec, S.A. in a thirteen-month exploration program sponsored by the European Community. The exploration program produced a geological evaluation of the area and a pre-feasibility study and environmental impact study of the Candelones deposit that was based on a potential open pit mine concept.

BRGM also authored a six-volume prefeasibility study, completed to international standards of the day, but noted that the resulting project did not meet its internal hurdle rate and, as a result, BRGM shelved the project.

Unigold acquired the rights to the Neita Concession in 2002, by means of a contract with the Dominican State. Unigold commenced exploration in October, 2002 and has operated more or less continuously since that date.

1.5 GEOLOGICAL SETTING AND MINERALIZATION

1.5.1 Regional Geology

The island of Hispaniola is largely a result of island arc volcanism that took place from the early Cretaceous through the mid Tertiary (Eocene) period. The geology of the island is still being studied and remains a source of considerable debate.

Geologically, the most well understood area is the southeastern Cordillera Central district near Maimon. The mines at Falcondo (Ni), Cerro de Maimon (Cu-Au) and Pueblo Veijo (Au) are all located in this region, with all having been extensively studied.

In general, the consensus is that the island of Hispaniola developed as a classic island arc sequence, resulting from the subduction of the North American plate beneath the Caribbean plate.

The Tireo Formation, which dominates the local geology of the Neita Concession, can be traced for 300 km along strike and averages 35 km in width. It is comprised of volcano-sedimentary rocks and lavas of Upper Cretaceous age that outcrop in the Massif du Nord of Haiti and the Cordillera Central of the Dominican Republic.

1.5.2 Local and Property Geology

Outcrop within the Neita Concession is generally lacking and, where there is outcrop, it has been intensely altered by weathering. The most studied area within the Concession is the Candelones Project area, where the bulk of the exploration effort has been focused to date.

The Concession geology is dominated by the Tireo Formation. A small section of the Trois Rivieres – Peralta Formation is found near the southwestern boundary of the Concession. The contact between the Tireo and Trois Rivieres – Peralta Formation is believed to be the trace of the San Jose – Restauración Fault Zone. It is believed that the older rocks of the Tireo Formation were thrust over the younger marine sediments of the Trois Rivieres – Peralta Formation.

The Tireo Formation is subdivided into Upper and Lower members. The older Lower Tireo is dominated by volcanic, volcanoclastics and pyroclastics of predominantly andesitic composition and lies to the northeast of the main branch of the San Jose – Restauración Thrust which bisects the Concession almost in half along a northwest trending corridor.

Both members of the Tireo Formation are intruded by granitoid stocks and batholiths, as evidenced by the Loma de Cabrera batholiths located immediately north of the Concession boundary. K-Ar age dating of the Loma de Cabrera batholiths suggests a multi-phase origin, with an initial largely gabbroic phase around the mid-Cretaceous, a second, extensive hornblende – tonalite phase during the late Cretaceous and a final, less mafic tonalite phase during the early Eocene.

The CM, CMC and CE deposits (zones) define an east-northeast trend that has been traced through field mapping and diamond drilling for over a 3.0 km distance. This trend is believed to be related to a series of east-northeast trending fault zones that extend from the Candelones Project, through the Montazo target, and continue to the Guano, Naranjo, Juan de Bosques and Rancho Pedro targets which are located approximately 8 km to the east-northeast of the Candelones Project.

Observations from drill core at the CE indicate that polymetallic mineralization is localized within brecciated and reworked dacite volcanoclastics that stratigraphically underlie a series of andesite volcanics and volcanoclastic rocks. The contact strikes east-west and the dip of the contact varies from horizontal at the current western boundary to approximately 70º to the south at the currently defined eastern limit. The variability in dip is interpreted to be the product of faulting. Consistent stratigraphic marker horizons have yet to be identified, although the closer spaced drilling from 2016 to present is providing some clarity to the litho-structural interpretation which is evolving as Unigold completes additional drill holes.

1.5.3 Mineralization

The Candelones deposits feature anomalous gold, silver, copper, lead and zinc mineralization. To date, all mineralization is confined to brecciated dacite volcanoclastics where they are in contact with andesite volcanics/volcanoclastices (CMC, CE) or dacite volcanics (CM).

Mineralization is currently interpreted to be a product of a hybrid type system. Volcanogenic massive sulphide (VMS) in a shallow water, back arc basin setting, is interpreted to have introduced low tenor copper, lead and zinc mineralization, coeval with deposition of the host dacite volcanoclastics, over a widespread area. Post mineral uplift developed extensive folding and faulting, interpreted to have produced extensive brecciation within the dacite volcanoclastic unit. The brecciated dacites offered ideal pathways for later, epithermal mineralization events associated with the late calc-akaline intrusives mapped elsewhere in the Tireo Formation that are possibly largely buried within the Concession limits. Hydrothemal fluid flow related to these buried intrusives is interpreted to have introduced the majority of the gold and silver into the Candelones deposits. The final stage of mineralization was reactivation of the fault systems followed by a late, mafic volcanic event which emplaced the observed mafic dikes and/or sills. These late intrusives are proximal to the high-grade systems that have been the focal point of drilling since 2015. It is currently interpreted that these late mafic intrusives may have remobilized gold to the dike margins.

At the CE and CMC deposits, mineralization is stratigraphically restricted to dacite volcanoclastics that underlie a sequence of andesite volcanics and volcanoclastic rocks. The contact strikes east-west and the dip varies from horizontal at the CMC and western limit of the CE, to 70º south at the eastern limit of the CE. The variability in dip is currently interpreted to be the result of the extensive faulting produced during the formation of the island of Hispaniola.

1.6 UNIGOLD EXPLORATION PROGRAMS

Unigold commenced exploration in 2002 and the current exploration database for the Neita Concession as of December 31, 2020, includes:

- 581 diamond drill holes (138,671 m).
- 31,559 m of surface trenching.
- 31 test pits.
- 32,704 geochemical soil samples.
- 11,089 rock samples.
- 884 stream sediment samples.
- 196 line km of surface geophysics.

- 687 km^2 of airborne geophysics.
- 151,860 drill hole geochemical analyses.

The drilling excludes the 27 holes completed by Mitsubishi.

There is soil geochemical coverage over the entire Concession. Sampling was generally conducted on 200 m line spacing with 50 m between samples. Tighter spacing (100 m line spacing, 50 m between samples) was conducted at the CM, CMC and CE, Noisy, Corozo, Valle Simon, Cerro Berro, Montazo, Rancho Pedro, Juan de Bosques, Guano, Naranja, Pan de Azucar and Jimenez showings. The majority (75%) of the geochemical lines are oriented to the northeast-southwest, perpendicular to the dominant lithological-structural trend. The remainder (25%) are largely confined to the southwest sector of the Concession, and are oriented in a north-south direction.

Approximately 11,000 surface rock samples have been collected to date. Surface rock sampling is largely concentrated in the southern half of the Concession where outcrop is more prevalent.

Airborne MAG/EM (Fugro DIGHEM) coverage is available for the entire Concession area. Ground based induced polarity (IP) (chargeability and resistivity) coverage is limited to the southwestern sector of the Concession and essentially covers the Candelones-Montazo-Guano trend. The IP survey has identified multiple prospective targets requiring further field work to follow up and was instrumental in the discovery of significant mineralization at the CE.

Surface geological mapping, with associated rock sampling, is used as the primary means of following up targets generated by soil geochemistry and/or geophysics. Once a target is isolated, field mapping and surface sampling are used as the primary means of locating surface trenches, to ensure the correct orientation of each trench. Trench sample results are used to position future drill holes if results are positive.

Unigold has completed 31,559 m of surface trenching at the Neita Concession and collected 31,559 samples. Trenching is largely concentrated in and near the Candelones deposits, but additional trenches have been completed at Corozo, KM6, Noisy, Rancho Pedro, Montazo, Guano, Naranja and Juan de Bosques. As with the soil samples, the majority of the trench samples were analyzed for 36 elements.

Test pits to a maximum depth of 6.0 m from surface were completed to evaluate gold grade and physical characteristics of the oxide mineralization at the CM and CMC deposits.

The test pits were located at the CM and CMC deposits. Six pits twinned historical drill holes to verify the grades out of concerns of the accuracy of select intervals due to excessive core loss. Unigold concluded that there is no discernable sample bias due to excessive core loss. The results of the test pits confirmed the results from the drill holes, most of which reported core recoveries of less than 25%. In addition, there is no appreciable difference in grade between the coarse and fine size fractions from the ¼ inch riffle split.

Unigold has resumed active diamond drilling at the CE Targets A, B and C effective August 26, 2020.

1.7 METALLURGICAL TESTWORK

Five phases of metallurgical testwork have been completed using samples derived from the Los Candelones deposit. Historical work includes test programs at SGS Lakefield in 2007, ALS in 2012 and SGS Chile in 2014. More recent work includes preliminary testwork on three sulphide and one oxide composite samples at Bureau Veritas Minerals (BVM), Vancouver in 2020 and additional ongoing column leach testwork in 2021, also at BVM.

1.7.1 Metallurgical Testwork Results

1.7.1.1 Oxide Mineralization

All bottle roll leaching tests using samples of oxide mineralization have shown that conventional agitation leaching would extract between 90% and 95% of the gold.

A column leach test using agglomerated crushed oxide sample shows fast extraction of gold from the finely crushed Oxide Composite sample. Approximately 90% gold and 40% silver extractions were achieved within 10 days of leaching and the final 30-day leach extractions were 91% and 44% for gold and silver, respectively.

For the PEA, the oxide column leach test gold extractions were discounted to allow for a coarser feed. These discounted values were used to develop solution flux gold recovery model which was used to develop the PEA process design criteria.

There are no material deleterious elements or compounds associated with the oxide mineralization, although a preliminary geochemical test suggests that the tailings from a leaching process will likely be acid generating.

Four additional column leach tests were prepared by BVM in 2021 and operated while the PEA was being prepared. Two tests comprised agglomerated oxide composite samples, one crushed to minus ¾ inch or 19 mm (Column 1) and one crushed to minus ½ inch or 12.5 mm (Column 2). The other two columns contained composite samples of minus 12.5 mm agglomerated transition (Column 3) and sulphide mineralization (Column 4).

The two oxide columns were leached for 44 days, and the transition and sulphide columns were leached for 79 days.

These tests show that, even at a crush size of 17 mm the oxide mineralization leached rapidly with 90% gold extraction achieved in 30 days, or a solution to solids ratio of 1.6.

The final transition sample preliminary results showed about 69% gold extraction and the sulphide sample around 32% for the same period. The estimated gold recovery used in the

PEA for the three types of mineralization were 80%, 50% and 20% for oxide, transition and sulphide, respectively.

The 2021 column leach test results support the PEA estimates even though the final PEA design criteria allowed primary ore breakage only to minus 100 mm to 150 mm using a mineral sizer. Also, it should be noted that there is no sulphide mineralization within the PEA pit design.

1.7.1.2 Sulphide Mineralization

Metallurgical testwork in 2019 was completed on three bulk composite samples collected from drill cores completed during Unigold's 2019 drill program. The three composite samples tested were:

- Composite 1 Target A disseminated sulphide mineralization – VMS origin.
- Composite 2 Target A massive to semi-massive sulphide mineralization – epithermal origin.
- Composite 3 Target B polymetallic quartz-barite mineralization – epithermal origin.

The results from the preliminary testwork program suggest that the CE disseminated, and the massive sulphide mineralization can be considered to be refractory to semi-refractory, with only 35 to 60% recovery of the contained gold achieved by conventional atmospheric cyanide leaching, even at a relatively fine grind size. The preliminary leach testwork showed that the sulphide mineralization at Target B tends to be more amenable to conventional leaching technology, with gold extraction of almost 90% achieved from standard bottle roll tests.

Flotation can recover over 90% of the gold in all types of sulphide mineralization into a sulphide flotation rougher concentrate. Copper concentrates containing >20% Cu and elevated gold and silver credits can be produced from the CE massive sulphide and the Target B mineralization.

Gravity concentration of the B-Zone composite C3 recovered about 50% of the gold into a rougher concentrate grading 29 grams per tonne (g/t) gold and 16% of the gold into a cleaner concentrate containing 548 g/t gold.

Grinding testwork suggests that the sulphide mineralization is of medium hardness with Bond ball mill work indices of around 13 to 15 kilowatt hours per tonne (kWh/t).

There are no material deleterious elements or compounds associated with the sulphide mineralization, although preliminary Net Acid Generation (NAG) tests suggest that the tailings from a flotation process will likely be acid generating.

1.8 MINERAL RESOURCE ESTIMATE

The Candelones Project is currently composed of two distinct mineralization zones: CMC and CE. As previously predicted by Micon's QPs, the new drilling has allowed joining the CM and CMC zones into a single continuous zone. The present Candelones resource update is focused on the updated economic parameters for the oxidized portion of the CMC zone which were used as the basis for the oxide PEA described in this Technical Report. The sulphide portions of the CMC and the CE models have not only been updated to reflect the new economic parameters but, in the case of the CE zone, have been updated to reflect the new drilling information obtained during the 2015, 2016, 2019, 2020 and 2021 drilling.

1.8.1 Supporting Data

The Candelones Project database provided to Micon is comprised of 425 drill holes and 31 test pits, with a total of 107,839 m of drill core and containing 67,814 samples. This database was the starting point from which the two mineralized envelopes, CMC and CE, were modelled.

For the mineral resource update of the oxidized zone at the CMC, Micon QPs used only the data contained within the wireframes, so that the effective number of drill holes and samples used to produce the estimate are 147 drill holes, including 14 new drill holes from 2016 and 2019, and 21 test pits, totalling 6,611 samples of mineralized intercepts.

In addition to the drill holes, Micon's QPs included trench sample data for the CMC zone, as it assisted in defining the shape of the outcropping mineralization. A total of 70 trenches containing 2,778 samples were used in the resource estimate.

For the CE resource update, Micon's QPs used 153 drill holes with a total of 13,700 samples inside the wireframes. This represented a substantial increase of drilling information compared to the 4,579 samples used in 2013.

Unigold provided Micon with initial 3-D wireframes representing the mineralized envelopes for the CMC and CE zones. Micon's QPs reviewed and modified the wireframes to correct some irregular shapes that caused losses of volume, and to ensure that the drill hole intercepts were snapped to the wireframe. Once these changes were completed, the resulting envelopes were discussed with Unigold prior to finalizing the wireframes.

Outlier gold values were reviewed carefully. The capping grade selection was based on log-normal probability plots for the oxidized and sulphide zones.

According to the variographic studies, the CMC and CE zones show acceptable grade continuity, although these zones have different and very clear orientations and dips. The mineralization trends are clear for both CMC and CE.

Two block models were constructed:

- The first contains the CMC oxide and sulphides zone. The proximity of these zones allowed for the interpolation of the zones to be completed using the same model.
- The second block model contains the CE zone.

A set of parameters were derived to interpolate the block grades, based on the results of a variographic analysis.

1.8.2 Economic Assumptions

The mineral resource estimates have been constrained using economic assumptions that consider both open pit (shallow mineralization) and underground (mineralization below the conceptual pit) mining scenarios. The optimized pit shells are conceptual in nature and are based on the economic assumptions stated herein, applied using the Lerchs-Grossman algorithm contained in the Datamine NPV Scheduler software. The potential underground blocks are also conceptual in nature and are based on identifying a reasonable spatially continuous tonnage sufficient to justify an eventual underground development. No specific underground mining method nor economic model was evaluated, but scattered and isolated blocks were excluded from out of the resource.

The mineral resource estimate and open pit optimization have been prepared without reference to surface rights or the presence of overlying private property or public infrastructure or geographical constraints.

The Candelones Project has been evaluated using gold assays only for the oxide resources, while the updated sulphide resources were evaluated using the silver and copper assays as well.

Operating costs were estimated based on similar operations. It is Micon's QPs opinion that the costs are reasonable, but they were not developed from first principles and are considered conceptual in nature.

Table 1.1 summarizes the open pit and underground economic assumptions upon which the resource estimate for the Candelones Project is based. All monetary values are expressed in US dollars.

Table 1.1
Summary of the Candelones Project Economic Assumptions for the Conceptual Open Pit and Underground Mining Methods

Candelones Parameters	Oxides (PEA)		Sulphides
	Oxides	Transition	
Au price $/oz	$1,700	$1,700	$1,700
Ag price $/oz	$20.00	$20.00	$20.00
Cu price $/lb	$4.00	$4.00	$4.00
Au recovery	80%	50%	84%

Candelones Parameters	Oxides (PEA)		Sulphides
	Oxides	Transition	
Ag recovery			55%
Cu recovery			87%
Open Pit Mining Cost $/t	$2.35	$3.61	$2.85
Processing Cost (Heap Leach) $/t	$7.40	$7.40	
Processing Cost (Flotation) $/t			$25.00
G&A Cost $/t	$2.39	$2.39	$2.39
Open Pit Overall Cost $/t	$12.14	$13.40	$30.24
Underground Mining Cost $/t			$60.00
Underground Overall Cost $/t			$87.39
Open Pit Au Cut-off g/t	0.28	0.49	0.66
Au Eq. Cut-off g/t			0.65
Open Pit NSR Cut-off ($/t)			$20.24
Underground Au Cut-off (g/t)			1.9
Underground Au-Eq Cut-off (g/t)			1.89
Underground NSR Cut-off ($/t)			$77.39
Open pit slope	45	45	45

The open pit parameters noted above were input into the pit optimization software and a series of nested pit shells representing varying revenue factors (gold prices) were generated.

The pit shell maximizing revenue (optimum pit) indicated that the cut-off grades for open pit mining are:

- Oxide mineralization (starter pit) 0.28 g/t.
- Transition mineralization (starter pit) 0.49 g/t.
- Sulphide mineralization (ultimate pit) $20/t NSR.
- Sulphide mineralization (underground) $77/t NSR.

The stripping ratios for the optimized pit shells at a gold price of US $1,700/oz are 7.46 for the CE, 0.91 for the CMC ultimate pit and 0.13 for the CMC starter pit.

For the underground mining scenario, the model indicated that the mining cut-off value is $77/t NSR for the sulphide mineralization. There is no oxide mineralization in the underground scenario.

1.8.3 Mineral Resource Classification

Micon's QPs have classified the mineral resource estimate of the Candelones Project as being in the Measured, Indicated and Inferred categories. The criteria for each category are as follows:

- Measured Resources:
  - All oxide blocks in the CMC deposit within 20 m of an informing sample, with a significant density of informing samples from drill holes, test pits and trenches.
  - All sulphide blocks in the CE deposit within 25 m of an informing sample.
- Indicated Resources:
  - All oxide blocks in the CMC deposit within 20 m of an informing sample, but with a lesser density of informing samples from drill holes, test pits and trenches.
  - All sulphide blocks in the CE deposit within 40 m of an informing sample.
- Inferred Resources:
  - All remaining blocks in the CMC oxide zone.
  - All transition and sulphide blocks in the CMC zone.
  - All remaining sulphide blocks in the CE zone.

All Measured and Indicated resources were subjected to a final, manual grooming check for reasonableness.

1.8.4 Mineral Resource Estimate

The mineral resource estimates for the Candelones Project are summarized in Table 1.2 (PEA oxide resources). and Table 1.3 (sulphide resources).

Mineral resources which are not mineral reserves do not have demonstrated economic viability. At the present time, Micon and the QPs do not believe that the mineral resource estimate is materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

The production plan for the PEA discussed in this report includes Inferred Mineral Resources which are considered to be too speculative geologically to have the economic considerations applied to them that would allow them to be classified as Mineral Reserves. There is no assurance that the economic conclusions of the PEA would be realized in practice.

Table 1.2
Oxide Mineral Resource Estimate for Candelones Project PEA, Effective Date May 10, 2021

Deposit	Mining Method	Mineralization Type	Category	Tonnes (x1,000)	Au g/t	Au oz (x1,000)	Strip Ratio
CMC	Open Pit (Starter) PEA	Oxide (Heap Leach)	Measured	1,851	0.82	49	0.13
			Indicated	1,616	0.82	42	
		Total Measured + Indicated		**3,467**	**0.82**	**91**	
		Oxide (Heap Leach)	Inferred	1,154	0.6	22	
		Transition (Heap Leach)		478	0.87	13	
		Total Inferred		**1,632**	**0.68**	**36**	

Table 1.3
Sulphide Mineral Resource Estimate for the Candelones Project, Effective Date May 10, 2021

Deposit	Mining Method	Category	NSR$ Cut-off	Tonnes (x1,000)	AuEq g/t	Au g/t	Ag g/t	Cu %	AuEq oz (x1,000)	Au oz (x1,000)	Ag oz (x1,000)	Cu lb (x1,000)	Strip Ratio
CE	Open Pit (Ultimate)	Measured	20	6,280	2.22	1.90	3.28	0.18	449	383	662	25,042	7.46
		Indicated	20	13,098	1.63	1.40	4.18	0.12	688	591	1,762	34,201	
		M+I	**20**	**19,378**	**1.82**	**1.56**	**3.89**	**0.14**	**1,137**	**974**	**2,425**	**59,243**	
		Inferred	20	18,594	1.55	1.38	2.93	0.09	928	826	1,749	36,022	
CMC			20	4,448	1.38	1.25	1.17	0.07	197	178	167	7,207	0.91
CMC + CE		**Inferred Subtotal**	**20**	**23,042**	**1.52**	**1.36**	**2.59**	**0.09**	**1,125**	**1,005**	**1,916**	**43,229**	N/A
CE	Underground	Measured	77	759	3.15	2.65	1.88	0.29	77	65	46	4,836	N/A
		Indicated	77	348	2.73	2.35	2.32	0.22	31	26	26	1,652	
		M+I	**77**	**1,107**	**3.02**	**2.56**	**2.02**	**0.27**	**107**	**91**	**72**	**6,488**	
		Inferred	77	417	2.63	2.32	3.53	0.17	35	31	47	1,535	
CMC			77	338	2.72	2.46	0.81	0.15	30	27	9	1,114	
CMC + CE		**Inferred Subtotal**	**77**	**755**	**2.67**	**2.38**	**2.31**	**0.16**	**65**	**58**	**56**	**2,649**	
Sulphides Total Measured + Indicated				**20,484**	**1.89**	**1.62**	**3.79**	**0.15**	**1,244**	**1,065**	**2,497**	**65,731**	
Sulphides Total Inferred				**23,797**	**1.55**	**1.39**	**2.58**	**0.09**	**1,190**	**1,063**	**1,972**	**45,878**	

Micon and the QPs consider that the resource estimate for the Candelones Project has been reasonably prepared and conforms to the current 2014 CIM standards and definitions for estimating resources. The mineral resource estimate can be used as Unigold's basis for the ongoing exploration at the Candelones Project.

The process of mineral resource estimation includes technical information that requires subsequent calculations or estimates to derive sub-totals, totals and weighted averages. Such calculations or estimations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, Micon and the QPs do not consider them to be material.

Micon's QPs validated the block model using two methods: visual inspection and trend analysis.

For the visual inspection, the model blocks and the drill hole intercepts were viewed in section to ensure that the grade distribution in the blocks was honouring the drill hole data. The degree of agreement between the block grades and the drill intercepts is satisfactory.

The block model grades, and the grades of the informing composites, were compared by swath plots. Overall, the swath plots show a good spatial correlation between the composite grades and the block model grades.

1.9 PEA Mining, Processing and Infrastructure

1.9.1 Mining

The oxide resources that are the subject of the PEA described herein are located close to the surface and would be mined by open pit methods.

The Candelones Starter Pit will primarily be mined using hydraulic excavators which are able to free dig the mineralized overburden and oxidized rock and waste down to the transition rock. Only the transition leach feed and transition waste will require blasting. The total amount of rock that will require blasting is only 14% of the total and will be encountered during the later half of the mine life.

The production requirement for Candelones was to establish a mining rate that would achieve an optimal balance between capital cost minimization and operating cost minimization. This was achieved through the adoption of a three-year mine life with all mineralized rock above the cut-off grade going directly to the primary crusher and then onto the leach pad.

The mine will operate 360 days per year, with five days scheduled for non-operation. Mining will be carried out on two eight-hour shifts per day.

Additional mine operations time scheduled for loss will occur overnight as the mine will operate on two eight hour shifts to follow ILO guidelines.

The mining of the Candelones Starter Pit will generally be executed in 4 m benches, using 2 m flitches where preferred. Whereas the block model has dimensions of 6 m x 6 m x 2 m (height), the mine planning has the ability to evaluate strategic selectivity using of 2 m flitches as needed. In general, however, for improved productivity, 4 m benches will be preferred. Where blasting is required in the transition material, 4 m will be drilled with 0.75 m subgrade.

The overall pit slope angles are all less than the 40-degree maximum of the inter-ramp angle defined by the face angle and the berm widths. The mining of the pit will be divided in to four pushbacks during the 3 years of operation.

The mining rate follows the 5,000 t/d throughput capacity of the crushing circuit by which the leach feed is reduced in size prior to being loaded onto the leach pad. This amounts to 1.8 Mt of leach feed planned to be mined, crushed and leached per year.

The mine plan is based on 2.5% dilution and 2.5% leach feed loss. The in-situ grade of 0.77 g/t is adjusted down to 0.75 g/t, to account for the estimated 2.5% of sterile rock dilution of the leach feed.

There are generally several active faces being mined at any time, thus minimizing the impact of congestion of equipment in the pit and on haul roads, and also increasing the flexibility of the mine plan during rainy seasons.

1.9.2 Processing

A total of 5,000 t/d of mineralization from the Candelones open pit will be mined and hauled approximately 3 km onto a “run-of-mine” heap leach pad. The feed to the leaching process will be crushed using a mineral sizer, in order to break-up agglomerates and oversized material. The leach feed will be mixed with hydrated lime prior to being delivered to the heap leach pad. The pad will be irrigated with a leach solution obtaining a LOM average 75% leach gold recovery following a 10-week leach cycle.

Gold and silver will be recovered from the pregnant leach solution (PLS) by contacting the solution with granular activated carbon-in-columns (CIC), followed by a Zadra adsorption, desorption and regeneration (ADR) plant, comprising acid wash, elution, carbon handling, carbon regeneration, electrowinning cells and refinery to produce doré. No tailings facility will be required.

Gold recovery estimates for oxide and transition mineralization are based on metallurgical testwork undertaken by Bureau Veritas Commodities Canada Ltd., Vancouver. The process design criteria are based on a series of bottle roll leach tests, phase 1 column leach testwork completed in 2020, and phase 2 column leach testwork that is currently ongoing.

1.9.3 Infrastructure

The infrastructure included in the PEA includes the following:

- Access road.
- Site roads.
- On-site power generation and site electrical distribution system.
- Bore holes, pumps and piping for site fresh water supply.
- Heap leach facility.
- Process solution ponds.
- Waste dump.
- Process facility buildings, including control room and secure gold room.
- Modular units for administration, offices, dry, lunchroom, first aid building and security gate.

1.9.4 Capital and Operating Costs

Micon's QPs estimates of the capital and operating costs are expressed in first quarter 2021 United States dollars, without provision for escalation. Where appropriate, an exchange rate of DOP 58/US$ has been applied. The expected accuracy of the estimates is ±30%.

Total capital costs for the base case are forecast as shown in Table 1.4.

Table 1.4
LOM Capital Cost Summary

Area	Initial Capital ($'000)	Sustaining Capital ($'000)	LOM Total Capital ($'000)
Mining	1,840	432	2,272
Processing Plant	11,835	-	11,835
Site Infrastructure	12,856	-	12,856
Indirects	2,803	-	2,803
Owner's Costs	2,374		2,374
Contingency	4,756	-	4,756
Total construction cost	**36,465**	**432**	**36,897**
Mine Closure Provision	3,409	-	3,409
Grand Total	**39,874**	**432**	**40,306**

The operating costs have been estimated from first principles. A summary of these estimates is presented in Table 1.5.

Table 1.5
LOM Total Cash Operating Costs – Base Case

Area	Life-of-Mine Cost ($ 000)	Unit Cost $/t leached	Unit Cost US$/oz Gold
Mining	17,003	3.22	177.9
Processing	31,467	5.97	329.2
General & Administrative	10,184	1.93	106.5
Selling costs	8,663	1.64	90.6
Total Cash Costs	**67,317**	**12.76**	**704.3**

1.10 PEA ECONOMIC ANALYSIS

1.10.1 Basis of Evaluation

Micon's QP has prepared the assessment of the Project on the basis of a discounted cash flow model, from which Net Present Value (NPV) can be determined. Assessments of NPV are generally accepted within the mining industry as representing the economic value of a project after allowing for the cost of capital invested.

The objective of the study was to determine the potential viability of an open pit mine, heap-leach pad and gold recovery plant on site. In order to do this, the cash flow arising from the base case has been forecast, enabling a computation of NPV to be made. The sensitivity of the NPV to changes in base case assumptions is then examined.

1.10.2 Macro-Economic Assumptions

1.10.2.1 Exchange Rate and Inflation

All results are expressed in United States dollars except where otherwise stated. Cost estimates and other inputs to the cash flow model for the Project have been prepared using constant, first quarter 2021 money terms, without provision for escalation or inflation.

1.10.2.2 Weighted Average Cost of Capital

In order to find the NPV of the cash flows forecast for the Project, an appropriate discount factor must be applied which represents the weighted average cost of capital (WACC) imposed on the Project by the capital markets. The cash flow projections used for the evaluation have been prepared on an all-equity basis. This being the case, WACC is equal to the market cost of equity.

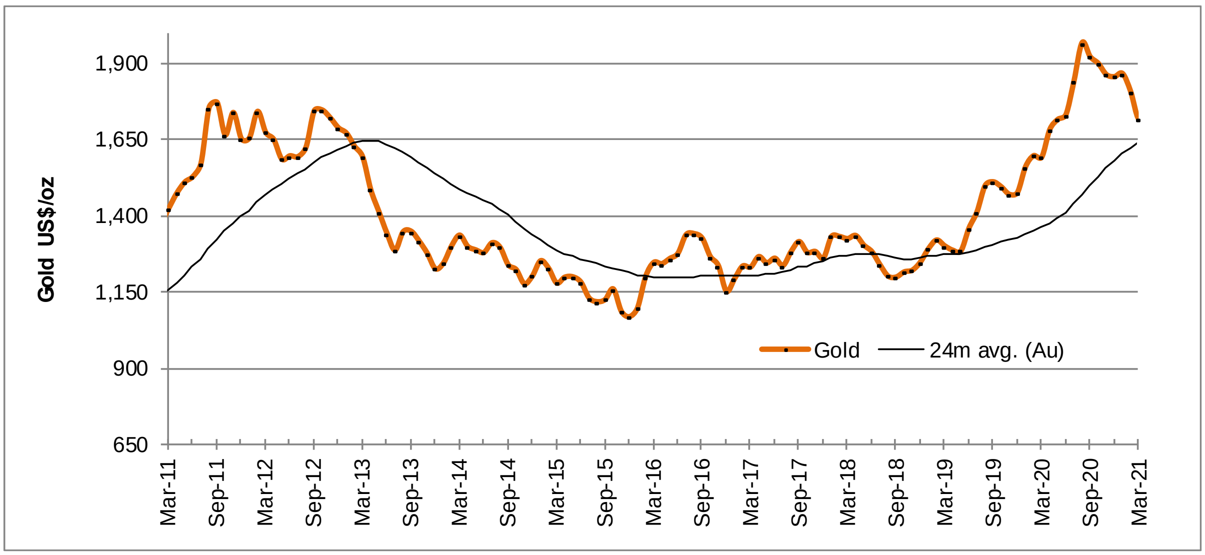
In line with the cost of capital estimated for other gold producers, Micon's QP has selected an annual discount rate of 5% for its base case and has tested the sensitivity of the project to changes in this rate.

1.10.2.3 Expected Metal Prices

Project revenues will be generated from the sale of gold doré bars. The Project has been evaluated using constant metal prices of US$1,650/oz Au. While below current market levels, the forecast gold price approximates the average achieved over the 24 months ending 23 April, 2021.

Figure 1.1 presents monthly average prices for gold over the past ten years, along with the 24-month trailing average price over that period.

Figure 1.1
Ten Year Price History



1.10.2.4 Taxation and Royalty Regime

Dominican Republic provincial income and mining taxes have been provided for in the economic evaluation, comprising a 5% royalty on gold sales, which is credited in full against income taxes levied at the rate of 27%. Depreciation of capital costs is allowed on a modified declining balance basis.

1.10.3 Technical Assumptions

The technical parameters, production forecasts and estimates described within the body of this report are reflected in the base case cash flow model. These inputs to the model are summarized below.

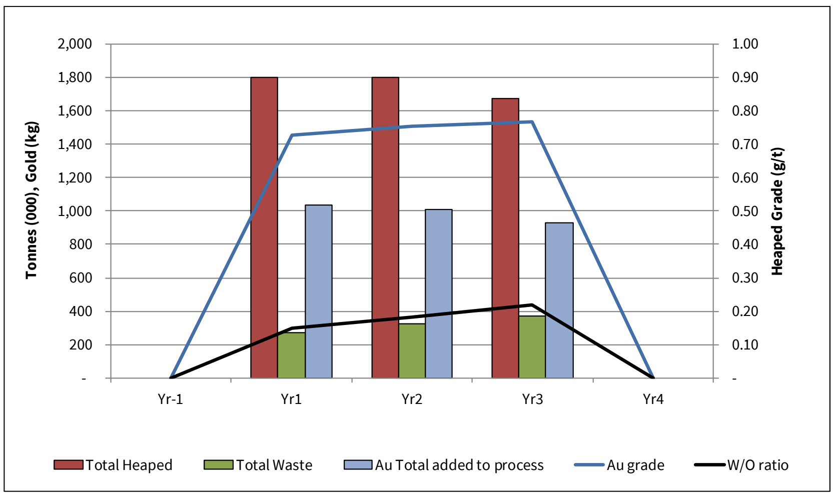
1.10.3.1 Production Schedule

Figure 1.2 shows the annual tonnages of waste rock, and the material heaped on the leach pad, the average ore grade, stripping ratio and the gold content of the material to be leached.

Heap leach extraction of gold has been modelled assuming 80% recovery from oxide material and 50% from the transition zone. Notwithstanding column testwork showing more rapid leaching, the cash flow model assumes that full recovery of the leachable gold will require 3 months from placement of material on the heap.

A further 7 days of sales is provided in working capital for accounts receivable. Stores and accounts payable are provided for with 45 and 30 days, respectively.

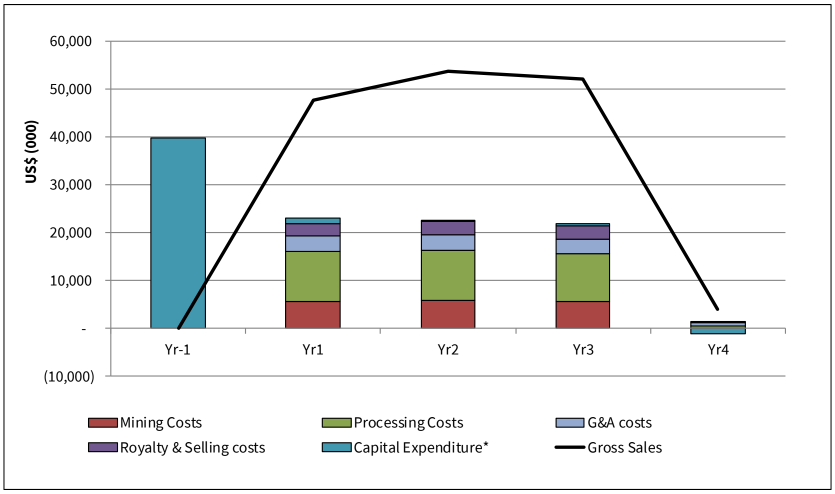
Figure 1.2
LOM Production Schedule



1.10.4 Operating Margin

Figure 1.3 shows the annual sales revenues compared to cash operating costs and capital expenditures. The chart demonstrates that the Project maintains a significant operating margin in each period over the life-of-mine, with the operating margin forecast to average 57%.

Figure 1.3
LOM Net Revenue, Capital and Operating Costs



1.10.5 Project Cash Flow

This Preliminary Economic Assessment is preliminary in nature; it includes inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized.

The estimated life-of-mine base case Project cash flow is presented in Table 1.6 and summarized in Figure 1.4. Annual cash flows are set out in Table 1.7.

Table 1.6
Life-of-Mine Cash Flow Summary

	LOM Total $'000	$/t Treated	US$/oz Au
Gross Revenue	**157,718**	**29.90**	**1,650**
Mining costs	17,003	3.22	178
Processing costs	31,467	5.97	329
General & Administrative costs	10,184	1.93	107
Subtotal Cash Operating Costs	58,655	11.12	614
Selling expenses incl. Royalty	8,663	1.64	91
Total Cash Cost	**67,317**	**12.76**	**704**
Net cash operating margin	90,401	17.14	946
Initial capital	36,465	6.91	381
Sustaining capital	432	0.08	5
Closure provision	3,409	0.65	36
Net Cash flow before tax	**50,095**	**9.50**	**524**
Taxation	16,522	3.13	173
Net Cash flow after tax	**33,572**	**6.37**	**351**
All-in Sustaining Cost per ounce (AISC)			744
All-in Cost per ounce (AIC)			1,126

Figure 1.4
Life-of-Mine Cash Flows

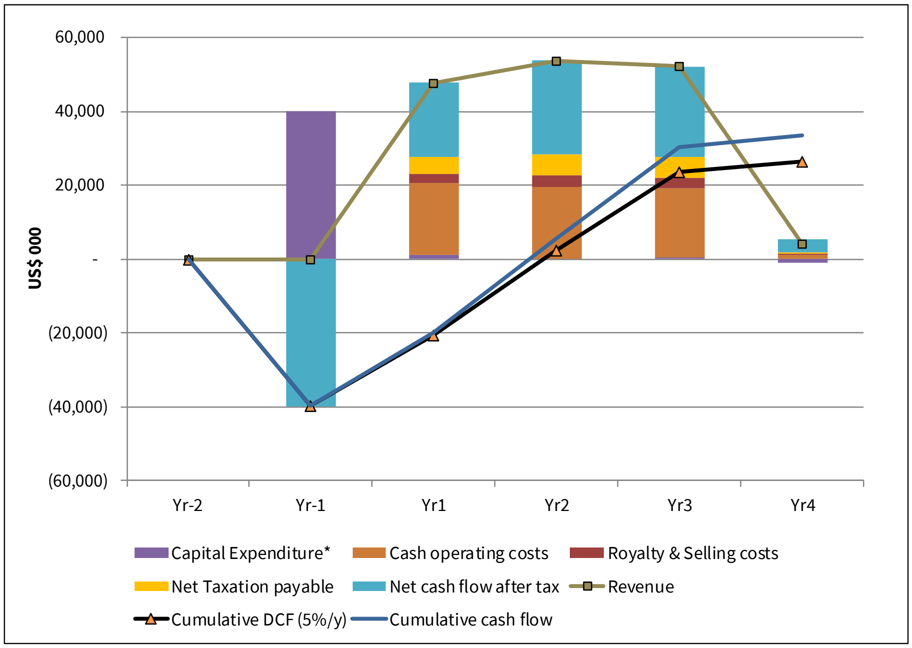


Table 1.7
Life of Mine Annual Cash Flow

Period	Units	LOM Total	Yr-1	Yr1	Yr2	Yr3	Yr4
Tonnes treated (t'000)	t'000	5,275	-	1,799	1,799	1,677	-
Heaped Grade	g/t Au	0.75	-	0.73	0.75	0.77	-
Gold Content	koz Au	126.99	-	42.05	43.65	41.28	-
Gold Sales (payable oz)	koz Au	95.59	-	28.89	32.58	31.64	2.48
Gross revenue	$'000	157,718	-	47,663	53,761	52,207	4,087
Mining	$'000	17,003	-	5,659	5,792	5,552	-
Processing	$'000	31,467	-	10,536	10,535	9,968	428
G&A	$'000	10,184	-	3,134	3,134	3,134	783
Cash operating costs	$'000	58,655	-	19,329	19,462	18,654	1,211
Selling costs	$'000	8,663	-	2,620	2,956	2,865	222
Total Cash Costs	$'000	67,317	-	21,948	22,417	21,519	1,433
Net cash operating margin	$'000	90,401	-	25,715	31,343	30,688	2,655
Initial capital	$'000	36,465	36,465	-	-	-	-
Sustaining capital	$'000	432	-	-	-	432	-
Closure provision	$'000	3,409	3,409	-	-	-	-
Change in working capital	$'000	-	-	1,102	112	(38)	(1,176)
Net Cash flow before tax	$'000	50,095	(39,874)	24,613	31,231	30,294	3,831
Taxation	$'000	16,522	-	4,560	5,775	5,675	512
Net Cash flow after tax	$'000	33,572	(39,874)	20,053	25,456	24,619	3,319

Period	Units	LOM Total	Yr-1	Yr1	Yr2	Yr3	Yr4
Disc. cash flow (5%)	$'000	26,310	(39,874)	19,098	23,090	21,267	2,730
Cumulative disc. cash flow	$'000		(39,874)	(20,776)	2,313	23,580	26,310
		Before Tax	After Tax				
Internal Rate of Return	$'000	50.3%	34.9%				
Undiscounted cash flow	$'000	50,095	33,572				
Net Present Value (5%)	$'000	41,215	26,310				
Net Present Value (7.5%)	$'000	37,301	23,110				
Net Present Value (10%)	$'000	33,689	20,157				
Total Cash Cost	US$/oz	704					
All-in Sustaining Cost	US$/oz	744					
All-in Cost	US$/oz	1,126					

Pre-tax cash flows provide an internal rate of return (IRR) of 50%; when discounted at the rate of 5% per year, the pre-tax net present value (NPV_5) is $41.2 million. Undiscounted, the pre-tax payback period is 1.5 years. When discounted at 5% per year, it extends 1.6 years.

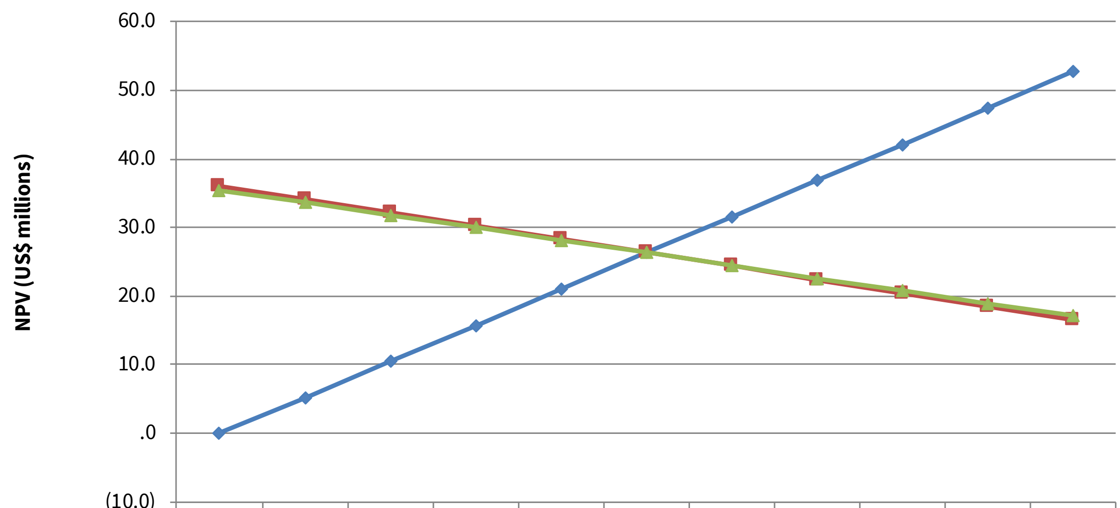
After-tax cash flows provide an IRR of 34.9%; after-tax NPV_5 is $26.3 million. Profitability index (i.e., the ratio of NPV_5/Initial Capital) is 0.7. Undiscounted, the after-tax payback period is 1.8 years. When discounted at 5% per year, it extends to 1.9 years.

1.10.6 Sensitivity Study and Risk Analysis

Micon's QP tested the sensitivity of the base case after-tax NPV_5 to changes in metal price, operating costs and capital investment for a range of 25% above and below base case values. The impact on NPV_5 to changes in other revenue drivers such as gold grade of material treated and the percentage recovery of gold from processing is equivalent to gold price changes of the same magnitude, so these factors can be considered as equivalent to the price sensitivity.

Figure 1.5 shows the results of changes in each factor separately. The chart demonstrates that the Project remains viable across the range of sensitivity tested, with a negative NPV_5 recorded only with a 25% reduction in gold price to $1,238/oz. The Project is less sensitive to both operating and capital costs, with an increase of 25% reducing NPV_5 to $16.6 million and $17.1 million, respectively.

Figure 1.5
Sensitivity of Base Case to Capital, Operating Costs and Gold Price



	75%	80%	85%	90%	95%	100%	105%	110%	115%	120%	125%
Revenue drivers	(.1)	5.2	10.5	15.7	21.0	26.3	31.6	36.9	42.2	47.4	52.7
Operating costs	36.0	34.1	32.1	30.2	28.3	26.3	24.4	22.4	20.5	18.5	16.6
Capital costs	35.5	33.7	31.8	30.0	28.2	26.3	24.5	22.6	20.8	18.9	17.1

Separately, Micon's QP also tested the sensitivity of the Project NPV_5 for specific gold prices above and below the base case price of $1,650/oz. Table 1.8 shows the results of this exercise, which demonstrates that each $100/oz change in the gold price results in a change of around $6.4 million in NPV_5.

Table 1.8
Base Case: Sensitivity of NPV_5 and IRR to Gold Price

Gold Price (US$/oz)	NPV_5 (US$M)	IRR (%)
1,400	10.3	17.2%
1,450	13.5	20.9%
1,500	16.7	24.5%
1,550	19.9	28.0%
1,600	23.1	31.5%
1,650	**26.3**	**34.9%**
1,700	29.5	38.3%
1,750	32.7	41.7%
1,800	35.9	45.0%
1,850	39.1	48.3%
1,900	42.3	51.6%

1.11 CONCLUSIONS AND RECOMMENDATIONS

1.11.1 Resource Estimate Conclusions

Micon's QPs believe that the oxide mineral resource estimate is robust enough that it can be used as the basis of further economic studies while Unigold continues to further define the nature and extent of the underlying sulphide mineralization through its exploration programs.

1.11.2 PEA Economic Conclusions

Micon's QPs conclude that, based on the forecast production, capital and operating cost estimates presented in this study, and at the PEA level of analysis, the Project base case demonstrates an all-in sustaining cost (AISC) of US$744/oz, and that the base case presents a potentially viable project at gold prices above $1,400/oz. There is, however, no assurance that the economic results of the PEA would be realized in practice.

1.11.3 Further Budget Expenditures

Unigold's primary objective is completion of a pre-feasibility study on the Candelones Oxide Project. This will allow Unigold to apply for an Exploitation Concession in 2022. Exploitation Concessions are granted for a 75-year term. Unigold believes that the at surface oxide resource may be a low capital cost Project that can be permitted, developed and brought into commercial production rapidly. Potential cash flow generated from the oxide resource can be re-invested into advancing the sulphide resource potential.

The 2021 Project budget includes 10,000 m of exploration diamond drilling. Exploration diamond drilling will focus on testing select target areas to identify other potential sources of oxide mineralization which could enhance the economics of the currently defined oxide Project.

Drilling will also test prioritized exploration targets identified outside the Candelones Project footprint. Potentially, this will include Rancho Pedro, Montazo, Guanao, Corozo and other targets within the Concession limits.

Unigold plans to continue to inform the local communities on the benefits of mining and the proposed oxide Project development.

Table 1.9 summarizes Unigold's budget expenditures for 2021.

Given the known extent of mineralization on the property, as demonstrated by the other exploration targets, the Neita Concession has the potential to host further deposits or lenses of gold and multi-element mineralization, similar to those identified so far at the Candelones Project.

Table 1.9
Budget Summary for the Neita Concession – 2021

Description	Amount CDN$
Metallurgy (sulphide + oxide)	250,000
PFS CM & CC Oxide	250,000
Geophysics	250,000
Exploration Drilling	1,500,000
Public Relations	750,000
Total	**3,000,000**

Table provided by Unigold Inc.

Micon's QPs have reviewed the exploration programs for the property and, in light of the observations made in this report, along with the prospective nature of the property, believes that Unigold should continue to conduct targeted exploration programs on the Neita Concession and at the Candelones Project.

1.11.4 Further Recommendations

Micon's QPs agree with the general direction of Unigold's exploration programs and economic studies for both the Neita Concession and Candelones Project and makes the following additional recommendations:

1. Micon's QPs recommend that Unigold continues to work out the structural relationships of not only the lithological units themselves but also of the various faults and shear zones that are located on the property and how they may have affected the mineral deposit.
2. Micon's QPs recommend that more holes should be drilled in the opposite direction from that of the primary exploration drilling (scissor holes). This will assist in further identifying and verifying geological structures in the deposit areas.
3. Micon's QPs recommend that further step out exploration drilling is conducted to expand on the mineral resources already known. This will most likely initially increase the potential inferred mineral resources, but infill drilling can be conducted as necessary to increase the confidence of the mineral resources.
4. Micon's QPs recommend that Unigold continue to conduct the technical studies necessary in order to initiate a pre-feasibility study for the Candelones Project.
5. Micon's QPs recommend that for the transition zone in the CMC deposit, accurate information regarding the upper and lowers contacts is obtained in order for it to be able to be categorized higher than inferred resources and that more metallurgical work is conducted for a better idea of the actual recovery.
6. Micon's QP recommend that the dyke models need to be completed for both the east and west portions of the CE deposit.

1.11.5 Recommendations for Further Metallurgical Work

1.11.5.1 Oxide Mineralization

A bulk oxide sample excavated from surface pits on site has been collected by Unigold and shipped to BVM to be used as feed for two large diameter column tests. The results from these tests can be used as a basis to update the PEA design criteria for a more advanced technical study.

1.11.5.2 Sulphide Mineralization

More detailed mineralogical studies are recommended to confirm the liberation characteristics of the sulphide mineralization and the gold deportment of the different zones within the Candelones deposit.

Additional flotation tests are recommended to optimize the production of potentially salable concentrates.

Preliminary refractory gold testwork on flotation products from Main Zone disseminated and massive sulphide mineralization is recommended. This work should include pressure oxidation and bacterial oxidation pre-leach treatment processes.

A complete suite of metallurgical tests should be completed for the mineralization at Target C, a third high-grade target within the CE zone, that is a focal point of Unigold's current exploration program.

2.0 INTRODUCTION

2.1 General Information

At the request of Mr. Wes Hanson, Chief Operating Officer of Unigold Inc. (TSX-V:UGD) (Unigold), Micon International Limited (Micon) has been retained to provide an Preliminary Economic Assessment (PEA) for the Main Zone oxide mineral resources at the Candelones Project. The PEA is based on the oxide mineral resource model from August, 2020 which has been updated using new economic parameters for costs and metal prices. This Technical Report also contains updated mineral resources for the sulphide portion of the deposits based on both the updated economic parameters and results from the recent 2020 and 2021 drilling. The Candelones Project (or the Project) is located on part of Unigold's wholly owned Neita Concession, in the Dominican Republic.

This updated mineral resource estimate supersedes the March, 2015 Technical Report titled "NI 43-101 Technical Report, Mineral Resource Estimate for the Candelones Extension Deposit, Candelones Project, Neita Concession, Dominican Republic" That report was posted on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR).

The updated mineral resource estimate disclosed herein assumes that, conceptually, the mineral deposits at the Candelones Project will be exploited primarily by means of an open pit followed by the transition to an underground mine with associated processing facilities and infrastructure. Unigold believes there are multiple benefits offered by combining the open pit and underground mining methods.

2.2 Qualified Persons and Site Visits

Micon's most recent site visit was conducted to the Candelones Project between October 22 and 26, 2019. Further discussions were subsequently held in 2019, 2020 and 2021 in Toronto with Unigold personnel, regarding the Project, exploration results, resource estimating procedures, metallurgical testwork and other topics. Prior site visits by Micon Qualified Persons (QPs) were conducted in May, 2013 and June, 2017.

The QPs responsible for the preparation of this report are:

- William J. Lewis, P.Geo., Senior Geologist with Micon.
- Richard M. Gowans, P.Eng., President and Principal Metallurgist with Micon.
- Ing. Alan San Martin, MAusIMM(CP), Mineral Resource Specialist with Micon.
- Chris Jacobs, MBA, CEng., MIMMM, Vice President and Senior Consultant Mineral Economics with Micon.
- Nigel Fung, B.Sc.H., B.Eng., P.Eng., Vice President, Mining with Micon.

Mr. Lewis is responsible for the independent summary and review of the geology, exploration, Quality Assurance and Quality Control (QA/QC) program and the comments on the propriety of Unigold's plans and budget for the next phase of exploration and in-fill drilling. Mr. Lewis conducted the 2013, 2017 and 2019 site visits. Mr. San Martin also conducted the 2013 site visit.

Various aspects of the Candelones Project were reviewed by QPs, with Mr. Gowans covering the metallurgical aspects and Mr. San Martin conducting the review of the Candelones database. Messrs. Lewis and San Martin completed the mineral resource estimates for the Candelones Main (CM), Candelones Extension (CE) and Candelones Connector (CMC) deposits. Messrs. Lewis and San Martin also completed the prior 2013, 2015 and 2020 mineral resource estimates for the Candelones Project.

Mr. Chris Jacobs reviewed the economic and related aspects of the Project, with Mr. Fung undertaking the mining engineering and related aspects. Halyard Inc. (Halyard) completed the PEA process engineering and infrastructure design and cost estimation under the supervision of Micon.

2.3 OTHER INFORMATION

All currency amounts and commodity prices are stated in United States dollars (US$). Quantities are generally stated in metric units, the standard Canadian and international practice, including metric tons (tonnes, t) and kilograms (kg) for weight, kilometres (km) or metres (m) for distance, hectares (ha) for area and grams per metric tonne (g/t) for gold and silver grades (g/t Au, g/t Ag). Wherever applicable, Imperial units have been converted to Système International d'Unités (SI) units for reporting consistency. Precious metal grades may be expressed in parts per million (ppm) or parts per billion (ppb) and their quantities may also be reported in troy ounces (ounces, oz), a common practice in the mining industry. A list of abbreviations is provided in Table 2.1. Appendix 1 contains a glossary of mining and other related terms.

Table 2.1
List of Abbreviations

Name	Abbreviation
Acme Analytical Laboratories S.A.	AcmeLabs™
Adsorption/desorption/reactivation	ADR
ALS-Chemex Laboratories	ALS
ALS Global	ALS
ALS Minerals	ALS
ALS Metallurgical	ALS
Bureau de Recherches Géologiques et Minières	BRGM
Canadian Institute of Mining, Metallurgy and Petroleum	CIM
Canadian National Instrument 43-101	NI 43-101
Canadian Securities Administrators	CSA
Candelones Extension	CE
Candelones Main	CM
Candelones Main/Connector	CMC
Centimetre(s)	cm
Certified Reference Materials	CRMs
Chartered Professional	CP

Name	Abbreviation
Compania Fresnillo S.A. de C.V.	Fresnillo
Degree(s), Degrees Celsius	º, ºC
Digital elevation model	DEM
Discounted cash flow	DCF
Grams per metric tonne	g/t
Goldquest Mining Corporation	Goldquest
Halyard Inc.	Halyard
Hectare(s)	ha
Inch(es)	in
Induced polarity	IP
Inductively Coupled Plasma – Emission Spectrometry	ICP-ES
Internal diameter	ID
Internal rate of return	IRR
Kilogram(s)	kg
Kilometre(s)	km
Laboratory Information Management System	LIMS
Life-of-mine	LOM
Litre(s)	L
Metre(s)	m
Micon International Limited	Micon
Million (e.g. million tonnes, million ounces, million years)	M (Mt, Moz, Ma)
Milligram(s)	mg
Millimetre(s)	mm
Mitsubishi International Corp.	Mitsubishi
North American Datum	NAD
Net present value, at discount rate of 5%/y	NPV, NPV_5
Net smelter return	NSR
Not available/applicable	N/A
Ounces (troy)/ounces per year	oz, oz/y
Parts per billion, part per million	ppb, ppm
Percent(age)	%
Qualified Person	QP
Quality Assurance/Quality Control	QA/QC
Rosario Dominicana	Rosario
Run-of-mine	ROM
SGS Mineral Services of Lakefield, Ontario, Canada	SGS
Specific gravity	SG
Square kilometre(s)	km^2
System for Electronic Document Analysis and Retrieval	SEDAR
Three-dimensional	3-D
TSL Laboratories	TSL
Tonne (metric)/tonnes per day	t, t/d
Tonne-kilometre	t-km
Tonnes per cubic metre	t/m^3
TSL Laboratories Inc.	TSL
Unigold Inc.	Unigold
United States Dollar(s)	US$
Universal Transverse Mercator	UTM
Value Added Tax (or IVA)	VAT or IVA
Volcanic hosted metallogenic sulphide	VHMS
Year	Y

The review of the Candelones Project was based on published material researched by Micon and its QPs, as well as data, professional opinions and unpublished material submitted by the professional staff of Unigold or its consultants. Much of these data came from reports prepared and provided by Unigold.

Neither Micon nor the QPs have, nor have they previously had any material interest in Unigold or related entities. The relationship with Unigold and its related entities is solely a professional association between the client and the independent consultant. This report is prepared in return for fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this report.

This report includes technical information which requires subsequent calculations or estimates to derive sub-totals, totals and weighted averages. Such calculations or estimations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, neither Micon nor the QPs consider them to be material.

The conclusions and recommendations in this report reflect the authors' best independent judgment in light of the information available to them at the time of writing. Micon and the authors reserve the right, but will not be obliged, to revise this report and conclusions if additional information becomes known to them subsequent to the date of this report. Use of this report acknowledges acceptance of the foregoing conditions.

This report is intended to be used by Unigold subject to the terms and conditions of its agreement with Micon. That agreement permits Unigold to file this report as a Technical Report with the Canadian Securities Administrators pursuant to provincial securities legislation. Except for the purposes legislated under provincial securities laws, any other use of this report, by any third party, is at that party's sole risk.

The descriptions of geology, mineralization and exploration used in this report are taken from reports prepared by various organizations and companies or their contracted consultants, as well as from various government and academic publications. The conclusions of this report are based in part on data available in published and unpublished reports supplied by the companies which have conducted exploration on the property, and information supplied by Unigold. The information provided to Unigold was supplied by reputable companies. Neither Micon nor the QPs have any reason to doubt its validity and have used the information where it has been verified through their own review and discussions.

In some cases, the sections of this report are reproduced from the same sections contained in the previous Micon Technical Reports on the Candelones Project, modified where necessary to reflect any subsequent events.

Micon and the QPs are pleased to acknowledge the helpful cooperation of Unigold management and consulting field staff, all of whom made any and all data requested available and responded openly and helpfully to all questions, queries and requests for material.

Some of the figures and tables for this report were reproduced or derived from historical reports written on the property by various individuals and/or supplied to Micon by Unigold for its previous Technical Reports or for this current report. Most of the photographs were taken by Mr. Lewis during his site visits. In the cases where photographs, figures or tables were supplied by other individuals or Unigold, they are referenced below the inserted item.

3.0 RELIANCE ON OTHER EXPERTS

In this report, discussions regarding royalties, permitting, taxation, bullion sales agreements and environmental matters are based on material provided by Unigold. Micon's QPs are not qualified to comment on such matters and has relied on the representations and documentation provided by Unigold for such discussions.

All data used in this report were originally provided by Unigold. Micon's QP have reviewed and analyzed these data and has drawn their own conclusions therefrom, augmented by its direct field examinations during the 2013, 2017 and 2019 site visits.

Micon's QPs offer no legal opinion as to the validity of the title to the mineral concessions claimed by Unigold and has relied on information provided by it.

4.0 PROPERTY DESCRIPTION AND LOCATION

4.1 GENERAL INFORMATION

The Neita Concession is located in the province of Djabon, in the northwestern region of the Dominican Republic. The Concession borders the Republic of Haiti to the west, with much of the western limit of the Concession being defined by the Libon River, the border between the Dominican Republic and the Republic of Haiti. Figure 4.1 is a location map for the Neita Concession.

The latitude and longitude of the centre of the Concession are approximately 19°25'28" N, 71°41'08" W. The Universal Transverse Mercator (UTM) coordinates are 2,150,000 N, 218,000 E and the datum used was WGS-84, UTM-Zone 19N.

In this report, the term Candelones Project refers to the area within the Concession where the Candelones Main (CM), Candelones Extension (CE) and Candelones Connector (CMC) deposits are located. The term Neita Concession (Concession) refers to the entire land package under Unigold's control. The Candelones deposits are entirely contained within the confines of the Concession.

4.2 PROPERTY DESCRIPTION AND OWNERSHIP

The Neita Concession is a 21,030.75-hectare mineral exploration Concession (lease), officially described as Neita Fase II.

Unigold holds a 100% interest in the Neita Concession by means of Mining Resolution R-MEM-CM-016-2018, granted by the Ministry of Energy and Mines (Ministerio de Energiá y Minas) on May 10, 2018, through the Directorate General of Mining (Direccion General de Minera or DGM). The Directorate General of Mining administers mining in the Dominican Republic, as established under Mining Law 146 (1971).

The term of Resolution R-MEM-CM-016-2018 is three years, after which the Concession holder may apply for up to two extensions, each of which is valid for one year. Mining Resolution R-MEM-CM-016-2018 provides Unigold with the exclusive rights to explore for gold, silver, copper, lead, zinc and other metals within the Neita Concession.

This is the third consecutive mining resolution granted to Unigold for the Neita Concession. The first Resolution No. XC-06, was granted on April 11, 2006, and extended by means of Official Letter No. 797 (April 23, 2009) and No. 841 (May 12, 2010).

The second Resolution, No. I 12, was granted March 7, 2012, and extended by means of Official Letter No. 753 (March 24, 2015) and No. DGM-508 (Feb. 18, 2016).

Figure 4.1
Location Map for the Neita Concession

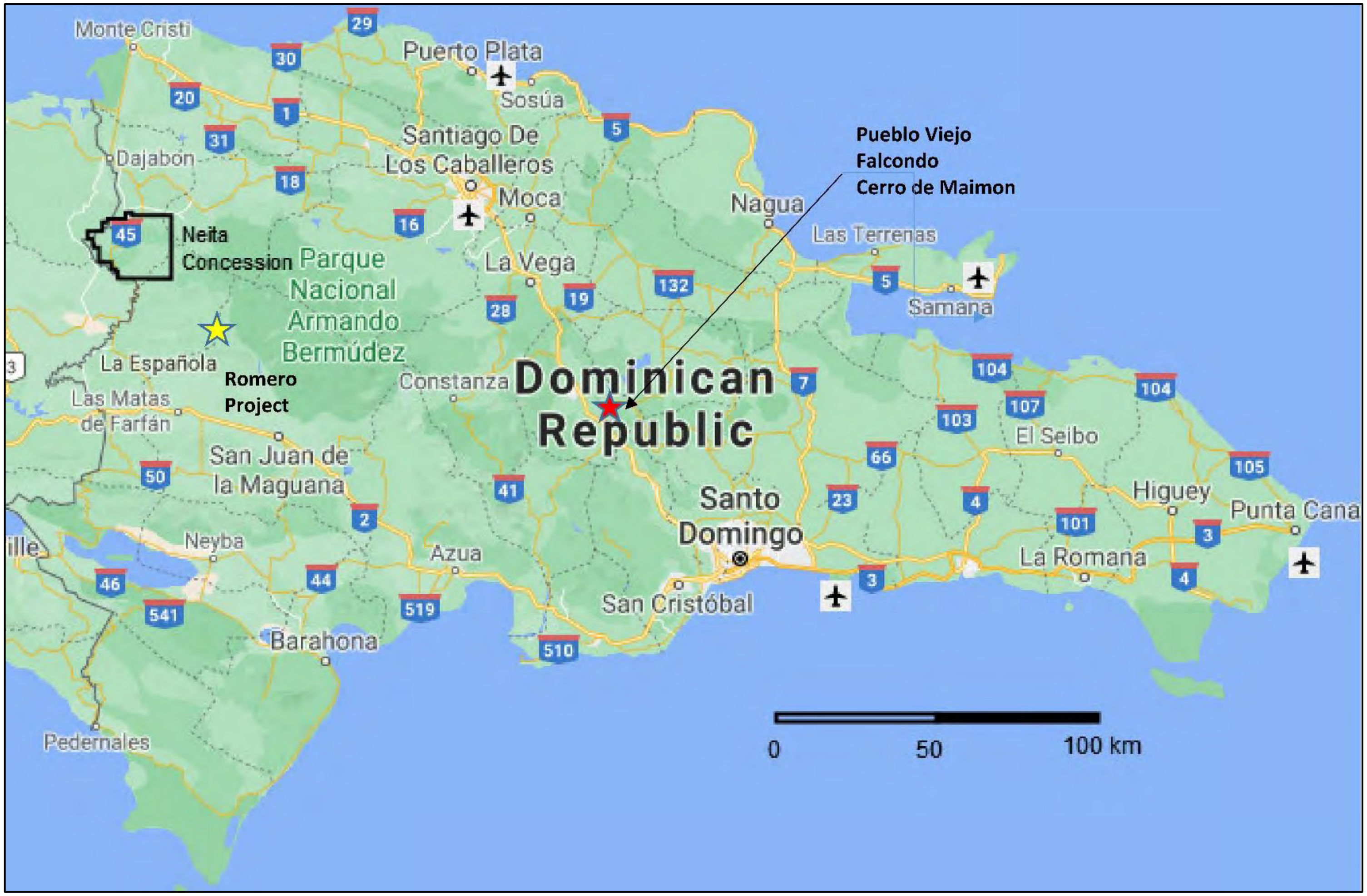


Figure provided by Unigold Inc., September, 2020.

Under Dominican Mining Law, "the mineral substances of every nature in the soil and subsoil of the National Territory belong to the Dominican State, which will grant the right to explore, exploit or benefit through a mining concession." Furthermore, as per Article 38 of the Mining Law, private landowners cannot refuse access to private lands for the purposes of exploration.

On March 24, 2021, the Ministerio de Energia Y Minas, Dirreccion General de Mineria, approved the first of the two, one year extension periods. As a result, the Concession is in good standing to May 10, 2022.

On April 15, 2021, Unigold submitted an application to the Ministro de Medio Ambiente y Recursos Naturales seeking to extend the Environmental Permit for the Neita Fase II Concession to May 10, 2022. This Extension would synchronize the Environmental Permit with the Exploration Permit for the Concession. The current Environmental Permit is set to expire on May 21, 2021. The paperwork for the permit is still currently being processed but here is no reason to believe that the application to extend the Environmental Permit for the Neita Fase II Concession will be denied.

Regular reports are submitted summarizing the exploration activities for the Concession. Reports are compiled and submitted to the DGM in July (January to June) and January (July to December). The reports summarize all physical work completed including all significant results. The reports also include a three-year exploration budget outlining anticipated exploration benchmarks for the Concession.

Exploitation Concessions may be requested at any time during the exploration stage. Exploitation Concessions grant exclusive rights the applicant to exploit, smelt and use the extracted materials for commercial business purposes. Exploitation Concessions are granted for a seventy-five (75) year term.

The Concession boundary is established in the field from an established reference points known as the Punto de Partida (PP). The PP is monumented in the field using a steel rod embedded in cast-in-place concrete. The PP for the Neita Concession is located on a topographic high along the N-S secondary road to Rio Limpio from Highway 45, where it crosses the Rio Neyta. Four additional reference points are established near the PP. The physical boundary of the Concession is located by bearing and distance from the preceding point. All points along the perimeter are defined by north-south or east-west bearing and the distance between the points is noted.

A paper plot map of the Concession is submitted to the DGM for approval (Figure 4.2). The map includes all the perimeter points, all point-to-point bearings and distances, topography, major communities, roads, waterways, parks, restricted areas (if any) and neighbouring Concessions. A detailed map of the PP and associated reference points is also provided to the DGM as part of the application process.

Figure 4.2
Boundary of Neita Fase II Concession

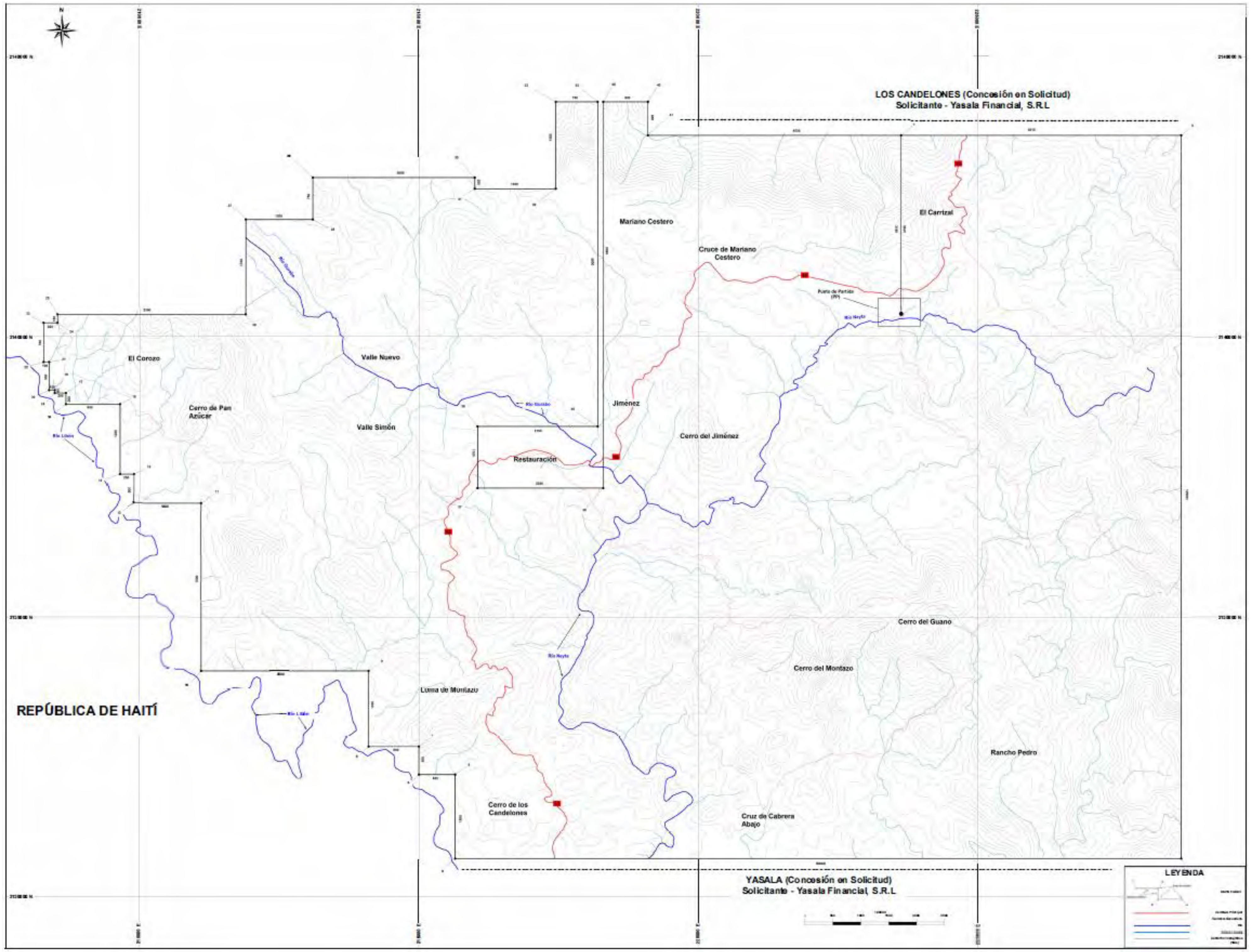


Figure provided by Unigold Inc. and dated September, 2020.

On approval by the Ministry of Energy and Mines granting the Concession, a government surveyor verified the PP and PP reference points in the field.

4.3 Obligations and Encumbrances, Environmental Liabilities and Permitting

4.3.1 Obligations and Encumbrances

Article 6 of Mining Resolution I-12 states that Unigold has an obligation to reforest areas affected during exploration activities and to maintain an adequate program to compensate land-owners for damages resulting from exploration activity. Unigold has continued to satisfy both obligations.

Currently, there are no other encumbrances associated with the Concession grant. Should Unigold successfully identify, permit and develop a mining operation, it would be liable to pay a royalty to the State. The amount of the royalty is a nominal cash value, typically less than 50,000 Dominican pesos (DOP) annually.

In addition, once commercial production is achieved, Unigold would be required to pay income taxes (typically at a rate of 25%) and export duties (typically averaging 5% of FOB value).

These fees are partially offset by the fact that the Neita Concession lies within a tax and customs exemption area, as defined by Law 28-01 (2001). Under this law, companies operating in border regions qualify for a 100% exemption from taxes, duties and import fees for a twenty-year period. Unigold was issued Certificate No 022-2003 certifying that it qualifies as a border company.

4.3.2 Environmental Liabilities and Permitting

The Ministry of the Environment and Natural Resources (Secretaría de Estado de Medioambiente y Recursos Naturales) granted Environmental Permit No. 0225-03 Renovado for the Concession on December 3, 2003, and subsequently renewed the permit on March 21, 2012.

Obligations related to the permit include regular inspections and a requirement to file annual and semi-annual reports on exploration disturbance and impact with the Ministry. Unigold has submitted the reports and the terms of the permit are in good standing.

Under Dominican Law 64-00, Unigold, as concessionaire, has the unlimited right to utilize surface water in support of exploration activity.

Unigold has informed Micon that it holds all necessary permits to continue exploration through May, 2022. Unigold has applied for, and the Ministry of the Environment has acknowledged receipt of application to change the Environmental Permit for Neita Fase II to coincide the with the current Exploration Permit which has been approved by the Ministry of Energy and Mines with an expiration date of May 10, 2022.

Unigold fully expects that the Ministry of Environment will grant this application.

4.4 MICON QP COMMENTS

Micon’s QPs are not aware of any significant factors or risks besides those discussed in this report that may affect access, title or right or ability to perform work on the property by Unigold or any other party which may be engaged to undertake work on the property by Unigold. It is Micon’s QPs understanding that further permitting and environmental studies would be required if the Project were to advance beyond the current exploration stage.

The Neita Concession is large enough to be able to locate and accommodate the infrastructure necessary to host a mining operation, should the economics of the mineral deposits be sufficient to warrant proceeding with that decision at some future point.

5.0 ACCESSIBILITY, CLIMATE, PHYSIOGRAPHY, INFRASTRUCTURE AND LOCAL RESOURCES

5.1 ACCESSIBILITY

The Dominican Republic is accessible via international airports located in the cities of Santo Domingo, Santiago and Puerto Plata. Santiago and Puerto Plata are the closest airports to the Project.

The property is accessible by road, being bisected by highway #45, a paved road from Monte Christi, on the Atlantic coast, south to Djabon, Restauración and Matayaya. Monte Christi is also the terminus for highway #1, a major highway originating in the capital of Santo Domingo and heading northwest through Santiago (second largest city), before continuing on to Monte Christi.

The Candelones deposits and other parts of the Neita Concession are accessible by means of a network of trails and unpaved roads, leading off highway #45. These trails and roads are passable year-round. Figure 5.1 shows the access, community and Unigold camp locations within the Concession.

5.2 CLIMATE

The climate is semitropical. Daytime temperatures average 25°C, with humidity ranging between 60 and 80%. Nighttime temperatures average 18°C. Average monthly precipitation ranges from 40 to 220 mm. There is a distinct rainy season that commences in May and extends through October. Table 5.1 summarizes the data collected from NOAA (National Oceanic and Atmospheric Administration) station 78000000000433, located in the town of Restauración.

Table 5.1
Summary of the Climate Data from the Restauración NOAA Station

Month	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Avg.
Max. Avg. Temp. (°C)	29.6	30.0	31.2	31.4	31.7	31.8	32.4	32.3	31.9	31.7	30.4	29.1	**31.1**
Min. Avg. Temp. (°C)	16.0	16.0	16.5	17.4	18.3	18.9	18.7	18.8	18.8	18.8	18.2	16.8	**17.7**
Avg. Precip. (mm)	45.8	45.3	64.5	102.6	177.3	179.9	129.3	160.3	220.2	213.6	94.9	56.1	**124.2**

Table provided by Unigold Inc.

The climate is sufficiently moderate that Unigold can operate year-round with little difficulty.

The Atlantic hurricane season extends annually from June through November, with the largest number of tropical cyclones occurring in August and September. There have been no recorded data of hurricanes affecting activities in the town of Restauración.

Figure 5.1
Map of the Access, Communities and Unigold Camp on the Neita Concession

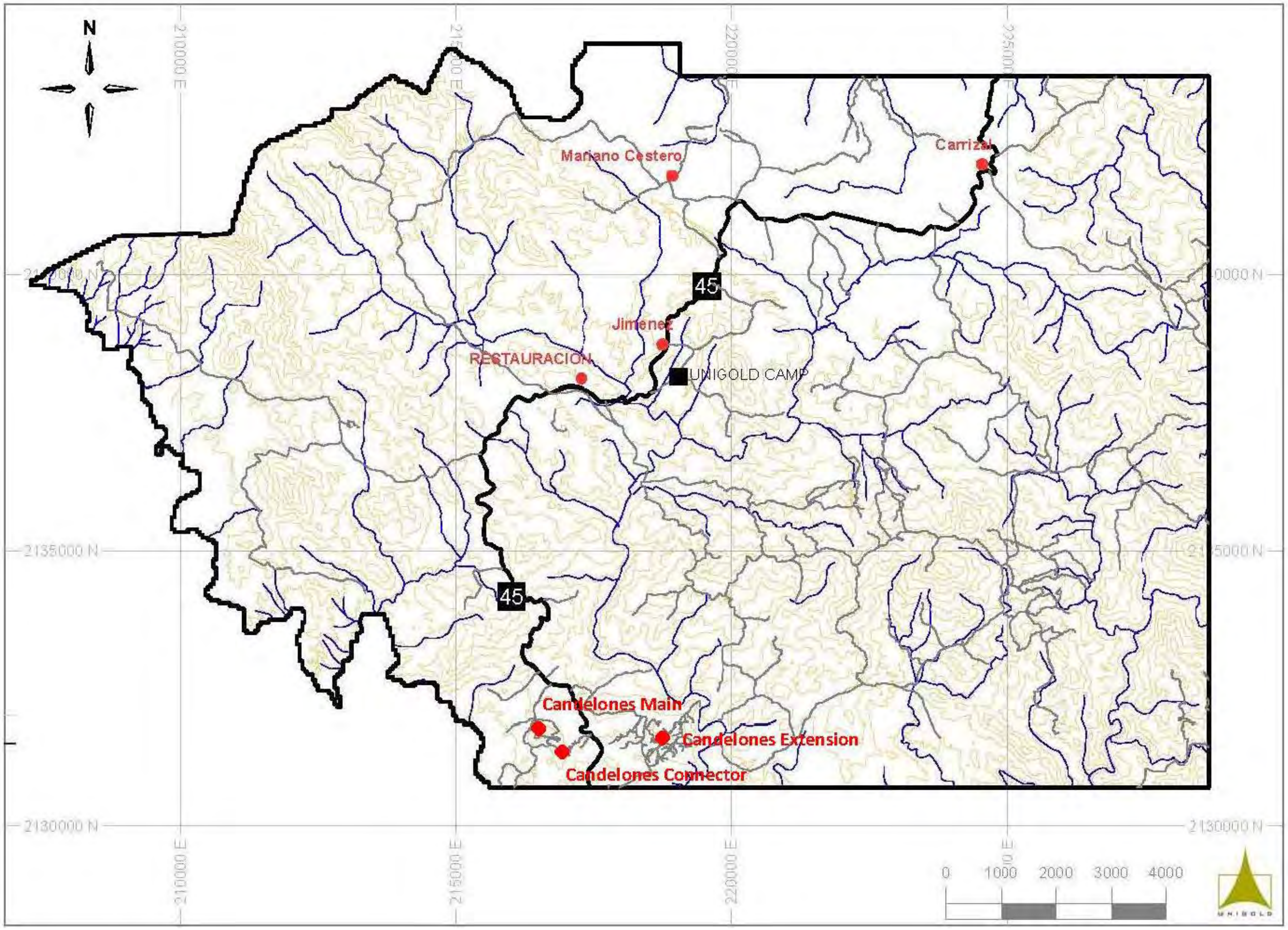


Figure provided by Unigold Inc., December, 2013.

5.3 PHYSIOGRAPHY

The property is located within the Cordillera Central, where it displays the associated craggy highlands and mountains, interspersed with rich workable valleys. The steep slopes, deep valleys and sharp crests are common characteristics of volcanic mountain ranges. Elevation varies from 460 masl in the valley of Rio Libon to 1,009 masl at the peak of Cerro del Guano.

The vegetation on the property is comprised of a mix of montane pine forest and mixed pine-broad-leaved forest, with the undergrowth and floor layers comprising younger saplings, ferns, grasses, orchids, moss and fungi. These pine forests are generally the result of reforestation. Low lying areas and areas with gentle slopes/relief are dominated by agricultural land.

Figure 5.2 and Figure 5.3 are different views of the physiography located on the Concession.

5.4 INFRASTRUCTURE

The border region with Haiti is one of the least densely populated and least developed areas of the Dominican Republic. Farming and forestry are the primary means of income.

The nearest population centre is Restauración (pop. 7,000), which is the third largest city in the province of Dajabon. Several smaller communities (pop. <500) lie within the Concession. The remainder of the population is rural, living in scattered farms. Figure 5.4 is a view of the main street in Restauración, the local community near Unigold's camp.

Restauración lies along Route 45, is serviced by the national electrical grid and offers a number of small local businesses that support the community and the local farming and forestry industries. Djabon, which is located 45 km north, is the closest urban area of any size. Most services are available in Djabon, although it is generally easier and less expensive to go to Santiago for services. Santiago is the second largest city in the Dominican Republic and the closest major centre, approximately 150 km to the northeast, and is accessible by paved road from the property.

Unigold has established a semi-permanent camp approximately 2 km from Restauración. The camp can accommodate more than twenty-five people and includes bunkhouse facilities, washroom facilities, a full dining room/kitchen, office facilities, fuel and consumable storage, warehousing facilities and a core processing and storage facility. Most of the buildings are converted shipping containers. The camp is fenced and there is 24-hour security onsite. Figure 5.5 is a view of some of the buildings in the Unigold camp.

There is no additional infrastructure in the area and Unigold generates its own power at the camp using diesel generators. Diesel fuel is obtained from a local supplier.

Unigold owns three diamond drills and an associated inventory of parts and down-hole tools, sufficient to support an additional 25,000 m of diamond drilling.

Figure 5.2
View of the Physiography from a Hilltop on the Candelones Main Deposit

Figure 5.3
View of the General Neita Concession Physiography North of the Candelones Project

Figure 5.4
View of the Main Street in Restauración

Figure 5.5
Buildings in the Unigold Camp

5.5 LOCAL RESOURCES

Water for drilling is readily available from rivers and streams on the property and Unigold's Resolution No. I-12 allows use of surface water for exploration purposes.

The local workforce is largely unskilled, with no mining history. Unigold's existing workforce consists almost entirely of local labour, many of whom were trained as diamond drillers, heavy equipment operators, technical support staff and supervisors. Should Unigold advance the Project to an operational stage it would need to bring in outside personnel for management and staff positions until a suitable workforce could be trained locally.

6.0 HISTORY

6.1 EXPLORATION HISTORY

6.1.1 Exploration 1965 through 1969

The earliest documented exploration of the Concession area was completed by Mitsubishi International Corp. (Mitsubishi) between 1965 and 1969. Mitsubishi was granted the exploration rights to over 7,700 km^2 of the Cordillera Central and its exploration program was focused on porphyry copper deposits.

Mitsubishi collected stream sediment samples throughout the Cordillera Central and utilized the data from these samples as a targeting tool, to identify areas prospective for copper. This initial work highlighted the Neita Concession as an area requiring follow-up.

During the second year, Mitsubishi focused its exploration program on a 145 km^2 area that was called the Neita Concession prospect. In this area, Mitsubishi took an additional 805 stream sediment samples, but only assayed for copper and molybdenum. Three smaller areas were then selected, Neita Concession A (2.8 km^2), Neita Concession B (2.3 km^2) and Neita Concession C (2.7 km^2), and a surface soil sampling program was completed on grid spacing of 100 m x 100 m and 50 m x 50 m.

During the third and fourth years, Mitsubishi completed induced polarization (IP) surveys to identify prospective targets for drilling. A total of 27 drill holes were completed by Mitsubishi, testing the Neita Concession A and B targets. The drilling discovered narrow veins carrying chalcopyrite, bornite and chalcocite, with copper values ranging from 0.5% to 5.0% Cu in the Neita Concession A area. In the Neita Concession B area, copper sulphides and pyrite were found disseminated in andesites, diorites and porphyries, and sulphide bearing quartz veins were located along the contact of the diorites with the porphyries.

After the exploration programs in the third and fourth years, Mitsubishi did not complete any further work.

6.1.2 Exploration 1985 through 1999

In 1985, Rosario Dominicana (Rosario) drilled one hole at Cerro Candelones (Candelones Main deposits). Historical documents note that the hole was extensively mineralized, but recovery was very poor. Surface geological mapping by Rosario identified three areas (Cerro Candelones, Cerro Berro and El Corozo) and recommendations were made to continue the work on these prospects.

In 1990, Rosario completed a detailed geological mapping program, as well as collecting 1,308 soil samples, and excavating 78 trenches for a total of 2,968 m of trenching at the Cerro Candelones, Guano-Naranjo and El Montazo prospects.

Rosario made the decision to start drilling on the Cerro Candelones prospect and eight holes were completed for a total of 642 m. Assaying was performed at Rosario, using fire assay with a detection limits of 50 ppb for gold. The highlight from this drill program was hole SC3, which returned an intersection of 16 m averaging 2.4 g/t Au.

In September, 1997, Bureau de Recherches Géologiques et Minières (BRGM) of France combined efforts with Rosario and Geofitec, S.A. in a thirteen-month exploration program sponsored by the European Community. The exploration program produced a geological evaluation of the area and a pre-feasibility study and environmental impact study of the Candelones deposit that was based on a potential open pit mine concept.

BRGM authored the six-volume pre-feasibility study, completed to international standards of the day. The study included results from 14 trenches (969 m) and 17 drill holes (3,000 m). The final database included approximately 1,800 samples. Sample preparation was completed at Rosario's Pueblo Viejo mine (currently owned by Barrick and Goldcorp), with final analysis completed at BRGM's laboratory in France.

BRGM estimated a mineral resource inventory from 11 vertical sections, spaced 30 m apart. BRGM estimated a "Proven and Probable Reserve" of 2.0 Mt averaging 1.10 g/t Au that could be recovered through open pit mining with a strip ratio of 9:1. BRGM noted that the resulting project did not meet its internal hurdle rate and, as a result, BRGM shelved the project.

The BRGM estimate is historical and Micon QPs have not verified, audited or conducted sufficient work on the historical estimate to classify it as current. Therefore, neither Unigold nor Micon's QPs are relying upon the historical BRGM resource and it is included in this Technical Report as historical information only. The key assumptions, parameters and methods used to prepare the historical BRGM estimate are not known.

6.1.3 Exploration 2002 through to 2010

Unigold acquired the rights to the Neita Concession in 2002, by means of a contract with the Dominican State. Unigold commenced exploration in October, 2002 and has operated more or less continuously since that date.

Unigold completed a regional soil geochemistry survey of the entire Concession with lines spaced 200 m and with samples collected every 50 m. Areas returning anomalous values were typically infilled with additional soil geochemistry lines spaced 100 to 50 m apart. The soil geochemistry identified over twenty distinct anomalies, most of which include a significant gold response.

The CM (and CMC) deposits were extensively trenched, and surface geological mapping and rock sampling programs were completed.

Diamond drilling largely focused on the CM deposit area with modest, shallow surface drilling completed at the Corozo, Noisy, Guano, Naranja, Montazo, Rancho Pedro and Juan de Bosques targets.

In 2007, Unigold completed DIGHEM multi-coil, multi-frequency electromagnetic and high sensitivity magnetic airborne survey of the Concession. The survey was completed by Fugro Airborne Surveys, Mississauga, ON, Canada.

As of December, 2010, Unigold had completed:

- 223 diamond drill holes (40,107 m).
- 23,026 m of surface trenching.
- 28,363 geochemical soil samples.
- 7,245 rock samples.
- 196-line km of surface geophysics.
- 687 km^2 of airborne geophysics.

6.1.4 Exploration 2011 through to 2014

In 2011, Unigold completed 135-line km of gradient Induced Polarity and 27-line km of stacked IP soundings. The survey extended from the Loma de Montazo showing west of the CM deposit ENE to the Guano-Naranja showing, approximately 10 km to the east of CM.

In January, 2012, Unigold announced results for hole LP17, testing an IP chargeability response at the CE deposit. LP17 intersected 73.0 m averaging 2.36 g/t Au with elevated Ag, Cu, Pb and Zn. The reported interval included 6.0 m of massive pyrite mineralization that returned 6.05 g/t Au with 0.84% Cu.

Unigold shifted exploration focus almost exclusively on the CE deposit initiating a drill campaign designed to provide an initial mineral resource estimate for the Candelones Project, encompassing the CM, CMC and CE deposits. The initial mineral resource estimate was authored by Micon’s QPs, with an effective date November 4, 2013. The estimate considered open pit mining methods targeting the near surface, low-grade mineralization from the CM, CMC and CE deposits.

As of December 2013, Unigold had completed:

- 425 diamond drill holes (97,393 m).
- 32,704 geochemical soil samples.
- 29,966 m of surface trenching.
- 9,542 rock samples.
- 196-line km of surface geophysics.

- 687 km^2 of airborne geophysics.

6.1.5 Exploration 2014 through to 2015

Unigold completed 12,000 hectares of regional surface mapping of the Concession and conducted small trenching and surface diamond drill programs at the Corozo, Loma de Montazo, Montazo, Montazo Norte, Rancho Pedro, Juan de Bosques, Jimenez and Mariano Cestero targets in 2014.

An updated mineral resource estimate was authored by Micon's QPs, with an effective date of February 24, 2015. This estimate considered potential underground mining methods for the higher-grade mineralization at the CE deposit only.

Exploration activities were suspended for much of 2015 as Unigold sought additional financing.

In Q4, 2015, Unigold initiated a surface diamond drill program at the CE deposit. The drilling was designed to evaluate the continuity of high-grade gold mineralization at three targets, identified as Target A, B and C, respectively.

The first hole of the 2015 drill campaign, LP15-93, intersected 23.3 metres of pyrite dominant massive sulphide mineralization assaying 6.1 g/t Au with 1.1% Cu.

As of December 31, 2015, the Concession database included:

- 452 diamond drill holes (104,804 m).
- 31,559 m of surface trenching.
- 32,704 geochemical soil samples.
- 10,108 rock samples.
- 196-line km of surface geophysics.
- 687 km^2 of airborne geophysics.

6.1.6 Exploration 2016 to December 31, 2020

Drilling in 2016 focused on expanding the three high-grade target areas identified within the CE footprint. Target A, a pyrite dominated, Au-Cu rich massive sulphide lens was traced for over 300 m along an easterly plunge axis. Target B is an interpreted, sub-vertical feeder system, 200 m down dip. Target C, a second interpreted sub-vertical target, was traced down dip and along strike. High-grade mineralization was identified at Target C to the south of the andesite-dacite contact area drilled prior to 2013. Systematic, step out drilling successfully expanded all three targets, primarily at depth. Approximately 85% of the holes completed intersected what Unigold considers to be significant mineralization, returning grades greater than 1,5 g/t over several tens of metres, including metre scale intervals grading in excess of 5.0 g/t on average.

In Q4, 2016, Unigold submitted an application seeking to renew both the exploration and the environmental permits for the Neita Concession. All exploration activity was halted during the permit renewal process.

Exploration resumed in Q4, 2018, with all necessary permits in hand. A test pit program evaluating the at surface oxide resource at the CMC deposit was initiated to twin select drill holes and probe the physical limits of the oxide mineralization.

Diamond drilling resumed in Q4, 2019 with a 20,000 m drill program focused on infill drilling at Targets A, B and C, to provide sample material for metallurgical testing and to increase the geological confidence of future mineral resource estimates. Unigold also completed shallow diamond drill holes at the CMC deposits testing the at surface oxide mineralization. As at the CE, the primary purpose of the drilling was to provide material for metallurgical testing and increase the geological confidence of the at surface oxide resource potential. The data collected for the oxide resource was to be used to evaluate the potential of the oxide mineralization as a small-scale surface mining opportunity. Exploration was suspended in March, 2020, as countries around the world initiated efforts to reduce the spread of COVID-19.

Active exploration resumed in October, 2020. Drilling from October through December was monitored remotely. Drilling in 2020 largely focused on infill drilling at the three primary high-grade targets. Exploration drilling testing the three targets at depth and initial step out drilling along strike commenced in mid-November, targeting the gap between the CMC and CE deposits.

As of December 31, 2020, the Concession database included:

- 581 diamond drill holes (138,671 m).
- 31,559 m of surface trenching.
- 31 test pits.
- 32,704 geochemical soil samples.
- 11,089 rock samples.
- 884 stream sediment samples.
- 196 line km of surface geophysics.
- 687 km^2 of airborne geophysics.
- 151,860 drill hole geochemical analyses.

6.2 HISTORICAL RESOURCE ESTIMATES

The following historical mineral resource estimates have been authored:

- BRGM *Pre-Feasibility Study of the Candelones Project*; 1998.
- Unigold "*NI 43 101 Technical Report Mineral Resource Estimate for the Candelones Project, Neita Concession, Dominican Republic",* Micon International Limited, Effective Date Nov. 4, 2013.
- Unigold "*NI 43 101 Technical Report Mineral Resource Estimate for the Candelones Extension Deposit, Candelones Project, Neita Concession, Dominican Republic",* Micon International Limited, Effective Date Feb. 24, 2015.
- Unigold *"NI 43-101 F1 Technical Report Updated Mineral Resource Estimate for the Candelones Project Neita Concession Dominican Republic"*, Micon International Limited, Effective Date August 17, 2020.

These historical and prior estimates have been superseded by the current estimate disclosed in Section 14.0 of this report.

6.3 MINING ACTIVITIES AND PRODUCTION

There has been no commercial mining production at either the Candelones Project or on the larger Neita Concession. However, there is evidence of illegal, artisanal gold mining in the northwestern portion of the Concession near Corozo. This activity is sporadic and generally ceases when Unigold is active in the area.

7.0 GEOLOGICAL SETTING AND MINERALIZATION

7.1 REGIONAL GEOLOGY

The island of Hispaniola is largely a result of island arc volcanism that took place from the early Cretaceous through the mid Tertiary (Eocene) period. The geology of the island is still being studied and, not surprisingly, remains a source of considerable debate.

Geologically, the most well understood area is the southeastern Cordillera Central district near Maimon. The mines at Falcondo (Ni), Cerro de Maimon (Cu-Au) and Pueblo Veijo (Au) are all located in this region, with all having been extensively studied.

In general, the consensus is that the island of Hispaniola developed as a classic island arc sequence, resulting from the subduction of the North American plate beneath the Caribbean plate.

Mueller et al., (2008) state that the Cretaceous-Eocene basement of Hispaniola may be divided into terranes north of the Septentrional-Hispaniola fault system, terranes of the Cordillera Central, and terranes south of the Enriquillo-Plantain Garden Fault.

The northern margin of the Cordillera Central is defined by the Hispanola sinistral fault. The terrane of the Cordillera Central has been described as being composed of autochthonous volcanic rocks of the Early Createaceous oceanic arc, allochthonous mafic and ultramafic rocks of an early Createcous ophiolite complex, and tonalite batholiths and volcanic-volcaniclastic rocks of the Late Cretaceous-Early Tertiary.

Draper and Louis (1991) have described the basement rocks, excluding the batholiths, as having been regionally metamorphosed to prehnite-pumpellyite and greenschist facies assemblages.

Mann et al. (1991) divide the island into 12 island arc terranes (Figure 7.1) and suggest that the Septentrional Fault Zone and Enriquilo-Plantain-Garden Fault Zone define the island arc assemblage. The island arc assemblage includes five stratigraphic terranes (Tireo, Seibo, Oro, Presqu'ile du Nord-Ouest-Neiba and Altimira), believed to be the result of the volcano-plutonic island arc. One stratigraphic terrane is believed to have formed in a back-arc basin (Trois Rivieres – Peralta) and one terrane is believed to be a fragment of the oceanic plateau (Sell-Hotte-Bahoruco).

The Tireo Formation, which dominates the local geology of the Neita Concession, can be traced for 300 km along strike and averages 35 km in width. It is comprised of volcano-sedimentary rocks and lavas of Upper Cretaceous age that outcrop in the Massif du Nord of Haiti and the Cordillera Central of the Dominican Republic (Valls, 2008).

Figure 7.1
Regional Geology of the Island of Hispaniola

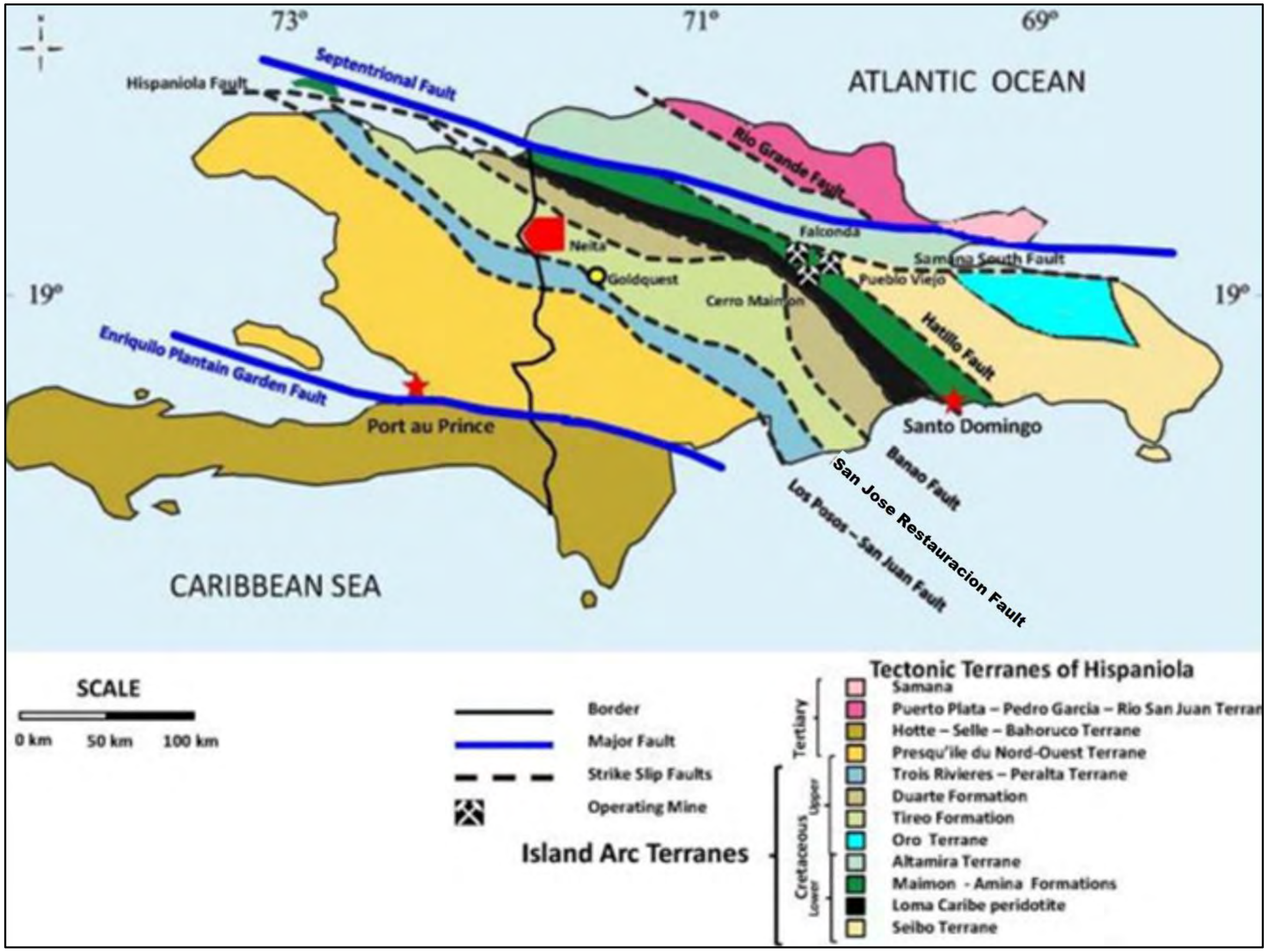


Figure provided by Unigold Inc., May, 2021, and derived from Mann et al., 1991.

Lewis, et. al. (1991), no relationship to current author, suggest that the Tireo Formation is comprised of two members. The Lower member, best observed at the Massif du Nord in Haiti, is a 4,000 m thick sequence of massive, green, vitric-lithic tuffs of basic composition and metabasalt flows with intercalated mudstones, siltstones, chert and limestone. Near Restauración (within Unigold's boundary), the Lower Tireo consists of interbedded red-green tuffs, well stratified lithic tuffs, silicified tuffs, andesite flows and pyroclastic basaltic rocks.

The Lower Tireo Group passes conformably into rocks of the Upper Tireo Group, which consist of an unknown thickness of lava, pyroclastic rocks and reworked tuffs of dacitic to rhyolitic composition.

The Upper Tireo Group passes unconformably into the marine sedimentary rocks of the Trois Rivieres Peralta Formation along the San Jose – Restauración fault zone.

Both members of the Tireo Formation have been extensively intruded by numerous calc-alkaline stocks and batholiths.

7.2 LOCAL GEOLOGY

Outcrop within the Neita Concession is generally lacking and, where there is outcrop, it has been intensely altered by weathering and/or supergene alteration. The most studied area within the Concession is the Candelones Project area, where the bulk of the exploration effort has been focused to date.

The Concession geology is dominated by the Tireo Formation (Figure 7.2). A small section of the Trois Rivieres – Peralta Formation is found near the southern boundary of the Concession. The contact between the Tireo and Trois Rivieres – Peralta Formation is believed to be splay of the San Jose – Restauración Fault Zone (Figure 7.1 and Figure 7.2). It is believed that the older rocks of the Tireo Formation were thrust over the younger marine sediments of the Trois Rivieres – Peralta Formation.

The Tireo Formation is subdivided into Upper and Lower members (Figure 7.2). The older Lower Tireo is dominated by volcanic, volcanoclastics and pyroclastics of predominantly andesitic composition and lies to the northeast of the main branch of the San Jose – Restauración Thrust which bisects the Concession almost in half along a northwest trending corridor.

The younger Upper Tireo member is comprised largely of volcanic and volcanoclastics rocks of andesitic to rhyodacitic composition.

Figure 7.2
Local Geology of the Neita Concession

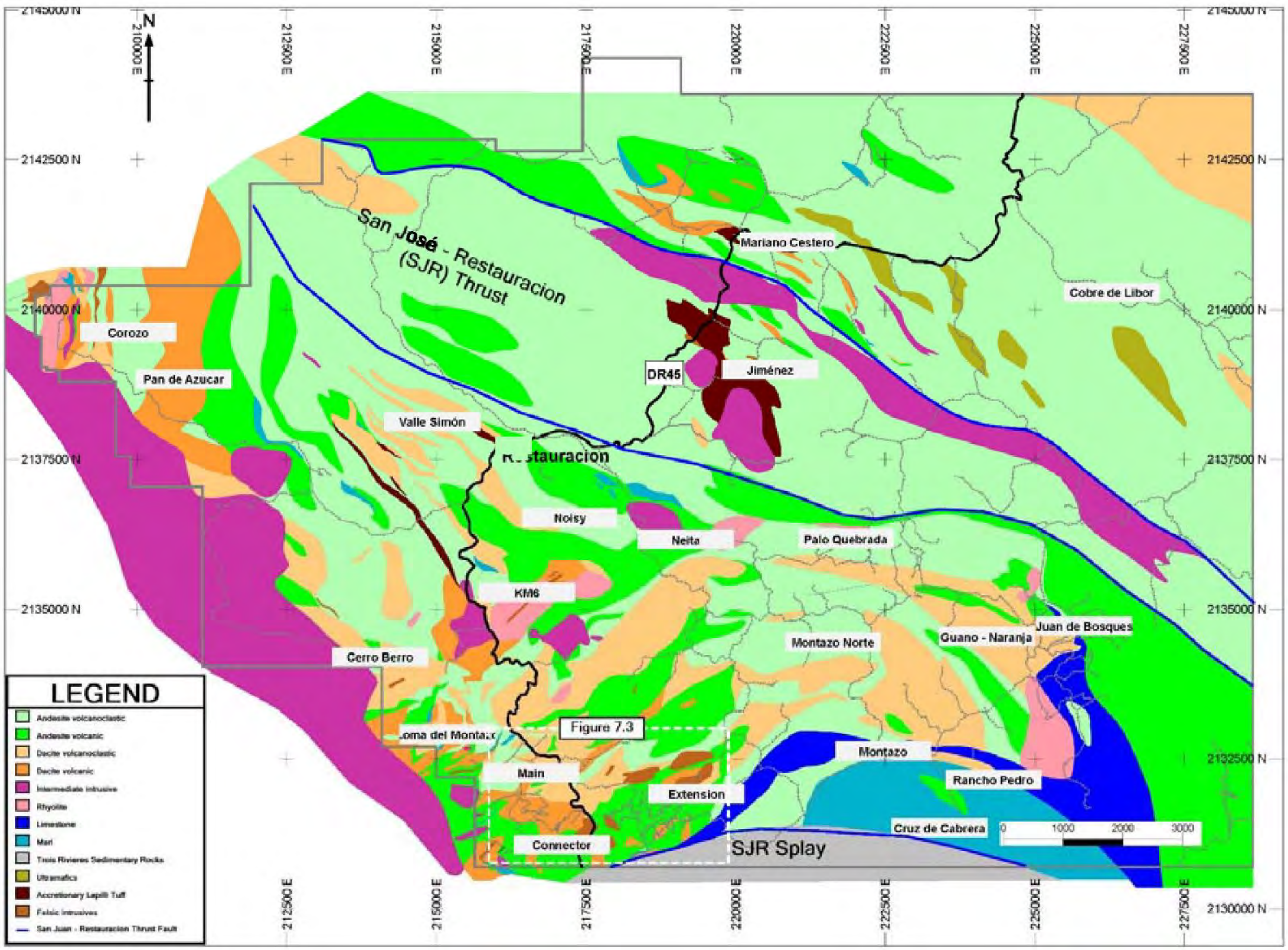


Figure provided by Unigold Inc., May, 2021.

Both members of the Tireo Formation are intruded by granitoid stocks and batholiths, as evidenced by the Loma de Cabrera batholiths located immediately north of the Concession boundary. Kesler et al. (1991), note that K-Ar age dating of the Loma de Cabrera batholiths suggests a multi-phase origin, with an initial largely gabbroic phase around the mid-Cretaceous (102-87 Ma), a second, extensive hornblende-tonalite phase during the late Cretaceous (87-83 Ma) and a final, less mafic tonalite phase during the early Eocene (~50 Ma).

Kesler concludes that the volcanism during the late Cretaceous period undoubtedly corresponds to the formation of the Tireo Formation and represents "the period of greatest magma generation in Hispaniola arc evolution".

7.3 CANDELONES PROJECT GEOLOGY

The CM, CMC and CE deposits (zones) define an east-northeast trend that has been traced through field mapping and diamond drilling for over a 3.0 km distance (Figure 7.3). This trend is believed to be related to a series of east-northeast trending fault zones that extend from the Candelones Project, through the Montazo target, and continue to the Guano, Naranjo, Juan de Bosques and Rancho Pedro targets which are located approximately 8 km to the east-northeast of the Candelones Project.

Observations from drill core at the CE indicate that polymetallic mineralization is localized within a brecciated and reworked dacite volcanoclastic unit that stratigraphically underlies a series of andesite volcanics and volcanoclastic rocks. The contact strikes east-west and the dip of the contact varies from horizontal at the current western boundary to approximately 70º to the south at the currently defined eastern limit. The variability in dip is currently interpreted to be the product of faulting but could be manifesting the limb of a fold. Consistent stratigraphic marker horizons have yet to be identified, although the closer spaced drilling from 2016 to present is providing some clarity to the litho-structural interpretation which is evolving as Unigold completes additional drill holes.

The mineralization at the CMC, approximately 800 to 1,000 m west of the current western limit of CE deposit, occurs within a flat lying brecciated dacite volcaniclastic that overlies a thick sequence of andesite volcanics and volcanoclastics. Information along the 800 to 1,000 m gap between the two known deposits is sparse, limited to approximately 20 widely spaced drill holes, all of which targeted the interpreted andesite-dacite contact. Recent drilling at Target C – CE, returned anomalous intervals at a second andesite-dacite interface that is south of the initial contact, targeted by the historical drilling. This contact mineralization remains open to the west at this time and Unigold indicates that it plans to drill this target as part of its current exploration program.

Figure 7.3
Property Geology for the Candelones Project

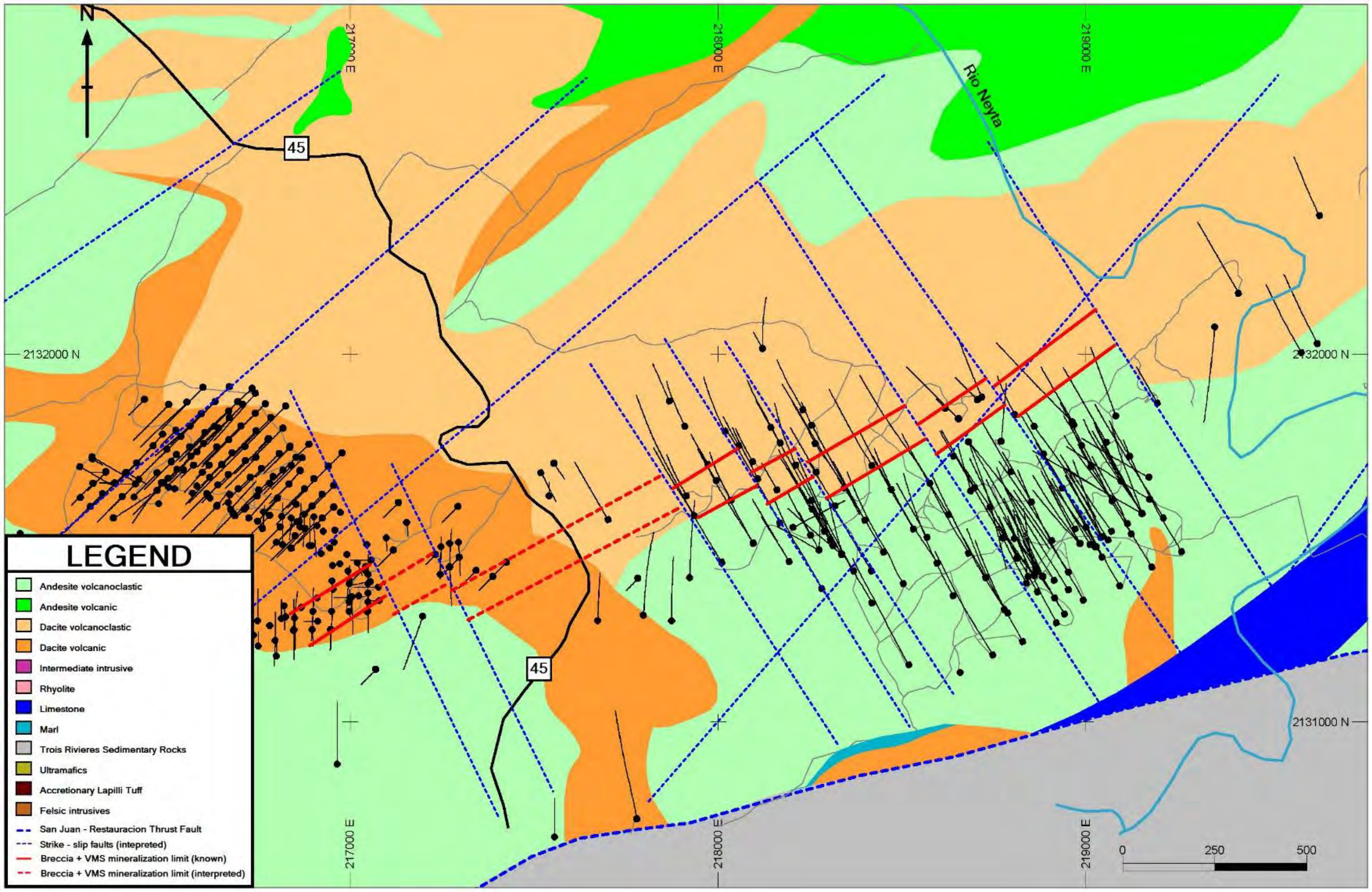


Figure provided by Unigold Inc., September, 2020.

The CM deposit is hosted in dacite breccias developed where the hanging wall dacite volcanoclastics are in contact with a dacite intrusive (Figure 10.9). The CM deposit strikes southeast and dips between 50-70º to the northeast. The northwest terminus is abrupt and interpreted to be fault offset, but there is no indication as to the direction of movement at this time.

The CM deposit generally dips steeply to the north, while that of the CMC zone is generally sub-horizontal.

The host dacite volcanoclastic sequences in contact with the andesite are largely tuffaceous and exhibit textures indicative of submarine deposition, as well as brecciation resulting from extensive and long-lived tectonic activity as the island arc matured. The contact zone is often described as brecciated, containing sub-angular to sub-rounded fragments of dacite tuff ranging in size from 2 mm to >20 mm within a fine to medium grained clay matrix that has been locally silicified. Some have identified the contact rocks as hyaloclastites, suggesting volcanic deposition in a shallow water environment. Unigold's current geological model proposes a hybrid type system with elements of both volcanogenic massive sulphide origins, as well as later, epithermal overprinting.

As noted in the Section 7.2, the Upper Tireo is interpreted to have been thrust over the younger Trois Rivieres – Peralta sediments. The contact is readily observable on surface, where bedding angles suggest that this unit dips at 25° to 30°. Drilling has intersected a sedimentary flysch sequence (FY) at depth below the CE deposit. Interpretation suggests that the contact dips at 55° to 65° to the north.

Figure 7.4 presents a typical cross-section of the CE Zone.

7.4 MAJOR LITHOLOGIES

The current lithological legend for the Project has been simplified from past versions which include over 60 distinct lithological units. The historical coding system resulted in a challenging hole to hole, section to section interpretive effort.

Starting in 2014, efforts to simplify the lithological legend were initiated. In 2019-20, re-logging of the historical core in the core storage facility from holes proximal to the areas actively being drilled, provided clarity with respect to both the legend and the interpretation.

The current lithological coding system for the Candelones Project is described below.

There are two main lithological units that are compositionally distinct. Hanging wall andesites, coded as AN and foot wall dacites, coded as DA. The andesites are slightly more mafic than the felsic dominated dacites.

Figure 7.4
Typical Cross-Section for the Candelones Extension Deposit

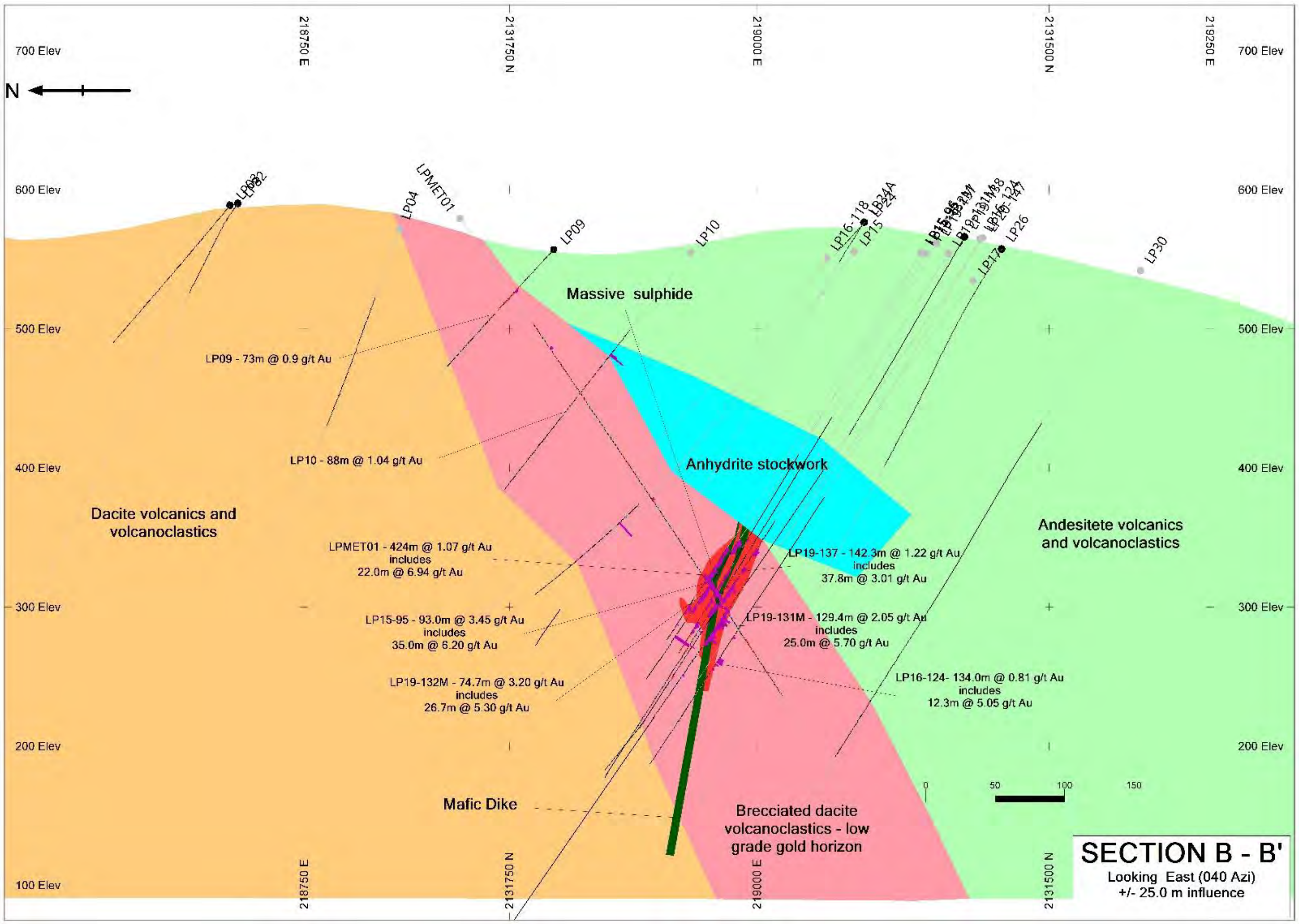


Figure provided by Unigold Inc., September, 2020.

Within each main lithology are the following sub-lithologies. These include:

- a anhydrite stockwork – ANa or DAa – highly distinctive unit due to the presence of upwards of 30% anhydrite (+/- gypsum, +/- pyrite) as fine, chaotically oriented fracture fill up to 1.0 cm thick. This unit was first identified vertically above the thick, massive sulphide mineralization intersected at Target A at the CE. Similar anhydrite stockwork has been intersected in dacite volcanoclastics in the footwall of the mineralized dacite breccias. In some drill holes, the anhydrite stockwork includes fine grained, pyrite rich sulphide stringers up to 2 cm thick which carry low tenor gold and silver mineralization. This lower DAa unit is thick and at the maximum depth capability of the current drills owned by Unigold.
- d dike, typically fine grained to aphanitic, massive, coded as ANd and DAd. Slight compositional variations produce a wide range of colour and texture, but the dikes are distinguished from intrusive units based on observed hornsfeling along the contacts.
- i intrusive, generally fine to medium grained with a porphyritic texture, coded as ANi and DAi. DAi has very distinctive quartz eyes.
- l lapilli tuff, very distinctive unit with 2-64 mm phenocrysts, flamme structures are common, coded as ANl and DAl.
- t tuffs coded as ANt and DAt, - both are variable ranging from fine, bedded ash tuffs to coarse grained crystal tuffs.
- x brecciation, unmineralized to strongly mineralized, dominantly monomictic composition – coded as ANx / DAx. Fragments range in size from millimetres to centimetres and vary from rounded to sub-angular. In rare cases, the fragments are rimmed, occasionally by fine grained pyrite but more often by silica.

The main mineralized zone is always coded as DAx. The only exception is when the main mineralized zone is expressed as massive or semi-massive sulphides (MS or SMS).

Faults are broken out and highlighted, typically coded as Fz but also as Fs (if extensive shearing is observed), Fg (clay gouge observed) or Fx (brecciated) are also utilized.

Zones of massive to semi-massive sulphide mineralization are also highlighted within the host DAx, coded as MS or SMS.

The final two primary lithological units may be potential marker lithologies.

Late mafic dikes (sills), coded as Md, occur proximal to all three high-grade targets at the CE and may remobilize gold to the contact surrounding the dike. These dikes are very distinctive, typically fine grained to aphanitic, and jet black in colour, highly magnetic and chaotically oriented. The late mafic dikes are not always associated with mineralization, however, all high-grade mineralization intersected to date, including that at Targets A, B and C at the CE, features mafic dike intervals proximal to the mineralization (Ref. Figure 10.9).

7.5 MINERALIZATION

The Candelones deposits feature anomalous gold, silver, copper, lead and zinc mineralization. To date, all mineralization is confined to brecciated dacite volcanoclastics where they are in contact with andesite volcanics/volcanoclastices (CMC, CE) or dacite volcanics (CM).

Mineralization is currently interpreted to be a product of a hybrid type system. Volcanogenic massive sulphide (VMS), in a shallow water, back arc basin setting, is interpreted to have introduced low tenor copper, lead and zinc mineralization, coeval with deposition of the host dacite volcanoclastics, over a widespread area. Post mineral uplift developed extensive folding and faulting, interpreted to have produced extensive brecciation within the dacite volcanoclastic unit. The brecciated dacites offered ideal pathways for later, epithermal mineralization events associated with the late calc-akaline intrusives mapped elsewhere in the Tireo Formation that are possibly buried within the Concession limit. Hydrothemal fluid flow related to these buried intrusives is interpreted to have introduced the majority of the gold and silver into the Candelones deposits. The final stage of mineralization was reactivation of the fault systems followed by a late, mafic volcanic event which emplaced the observed mafic dikes and/or sills. These late intrusives are proximal to the high-grade systems that have been the focal point of drilling since 2015. It is currently interpreted that these late mafic intrusives may have remobilized gold to the dike margins.

At the CE and CMC deposits, mineralization is stratigraphically restricted to dacite volcanoclastics that underlie a sequence of andesite volcanics and volcanoclastic rocks. The contact strikes east-west and the dip varies from horizontal, at the CMC and western limit of the CE, to 70º south at the eastern limit of the CE. The variability in dip is currently interpreted to be the result of the extensive faulting produced during the formation of the island of Hispaniola.

The San Jose-Restauración (SJR) thrust fault transects the Concession, separating the Lower Tireo rocks in the north from the Upper Tireo rocks in the south. Most of the anomalous gold mineralization within the Neita Concession has been identified in the Upper Tireo.

Near the Candelones deposits, a splay of the SJR thrust fault curves east-west, defining the southern limit of the Upper Tireo rocks. This splay has overthrust a wedge of younger, Trois Riviere sediments over the older Upper Tireo sequence.

Extensive NW to NE trending strike slip faults are interpreted to be common, based on surface mapping and diamond drill hole interpretation. Movement and orientation of the faults is difficult to isolate, as there are few recognizable marker horizons and compositional variation within the dominant andesites and dacites is minimal.

7.5.1 Dacite Breccia Mineralization – VMS Type

Dacite breccia typically starts at the andesite-dacite contact and extends for up to 125 m. Brecciation decreases as the distance from the contact increases, as does the tenor of mineralization. The contact can be identified visually. It is the most distinctive marker horizon identified to date. The footwall of the dacite breccia can be identified visually in the core as the intensity of brecciation decreases but the actual terminus of the mineralization is defined by assay cut-off. There is a sharp, order of magnitude decrease in gold grade from 100 ppb to 10 ppb that defines the footwall terminus of the host dacite.

Table 7.1 presents assay results from a typical hole passing through the dacite breccia, host unit of the interpreted VMS type mineralization.

7.5.2 Massive Sulphide Mineralization

Drilling in late 2015 intersected a zone of massive sulphide mineralization that is interpreted to be discordant to the andesite-dacite contact, striking northeast and plunging to the east at approximately 30º. The massive sulphide is pyrite dominant and has returned gold and copper values that are elevated by an order of magnitude relative to the VMS mineralization discussed in Section 7.5.1. The massive sulphide mineralization has been traced by drilling for a strike length of 350 m along an east-northeast trend. Gold and copper grades within the massive sulphide mineralization are markedly consistent, with no significant outliers.

The massive sulphides appear localized along the margin of a late, barren, mafic intrusive, interpreted to be a sub-vertical dike (Ref. Figure 7.4). Table 7.2 is a summary of the individual sample intervals returned from hole LP19-132M, an infill hole drilled to collect material for metallurgical testing.

7.5.3 Quartz Vein Polymetallic Mineralization – Target B Candelones Extension

Drilling in 2016 confirmed the presence of high-grade gold, silver, copper and zinc associated with quartz +/- barite veining and matrix replacement at Target B of the Candelones Extension. Pyrite and sphalerite are also common, with rare chalcopyrite and galena. This high-grade target is 150 m west of the massive sulphide mineralization at Target A and is interpreted to be a product of one or more hydrothermal fluid floods into the host dacite breccia, along interpreted sub-vertical, NE and NW fault zones. Drilling has intersected higher grade gold values over 150 m strike length. The mineralization is interpreted to occur as anastomosing veins within a fault bounded, sub-vertical fault block (Ref. Figure 10.6).

Table 7.3 is a summary of the individual sample intervals returned from hole LP19-135.

Table 7.1
Typical Assay Results – VMS Type Mineralization

BHID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	BHID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm
LP15	**0**	**210**	**0.03**	**0.02**	**191**	**134**	LP15	255	256	0.53	0.80	1708	1,741
LP15	210	211	8.39	33.20	5,512	10,000	LP15	256	257	0.43	1.00	1439	2,012
LP15	211	212	5.17	19.50	3,792	10,000	LP15	257	258	0.48	0.01	1063	472
LP15	212	213	0.87	2.70	2,619	52	LP15	258	259	0.37	0.01	160	1,573
LP15	213	214	1.03	3.20	2,448	118	LP15	259	260	0.33	0.50	609	1,440
LP15	214	215	0.72	2.80	375	42	LP15	260	261	0.29	1.00	868	3,335
LP15	215	216	0.81	2.20	1,658	443	LP15	261	262	0.24	0.01	151	1,599
LP15	216	217	0.93	1.80	1,532	1,584	LP15	262	263	0.36	0.01	70	555
LP15	217	218	1.44	1.50	1,819	3,748	LP15	263	264	0.32	0.01	195	414
LP15	218	219	2.08	2.30	2,861	7,504	LP15	264	265	2.21	1.20	3,025	9,541
LP15	219	220	1.11	1.20	814	3,326	LP15	265	266	33.50	11.00	32,860	5,007
LP15	220	221	1.41	1.50	1,868	6,007	LP15	266	267	0.82	0.90	1,238	411
LP15	221	222	1.04	0.70	277	4,207	LP15	267	268	0.46	0.70	1,648	252
LP15	222	223	3.35	1.00	817	5,427	LP15	268	269	0.76	1.70	5,762	455
LP15	223	224	0.94	2.80	4,397	10,000	LP15	269	270	0.32	0.90	2,290	583
LP15	224	225	1.08	1.10	516	1,698	LP15	270	271	0.28	1.00	1,810	202
LP15	225	226	0.94	0.01	49	1,024	LP15	271	272	0.27	1.50	3,760	392
LP15	226	227	0.80	0.60	44	1,095	LP15	272	273	0.30	1.10	2,641	1,991
LP15	227	228	0.76	0.01	242	645	LP15	273	274	0.29	1.10	2,135	232
LP15	228	229	0.82	0.80	166	4,169	LP15	274	275	0.40	1.00	1,161	787
LP15	229	230	1.09	2.00	3,396	8,609	LP15	275	276	0.24	0.60	1,519	848
LP15	230	231	1.05	1.80	1,292	10,000	LP15	276	277	0.38	1.40	3,567	1,148
LP15	231	232	1.00	0.70	92	1,001	LP15	277	278	0.26	0.70	1,829	120
LP15	232	233	1.10	0.80	897	10,000	LP15	278	279	0.24	0.70	1,446	132
LP15	233	234	0.91	0.01	68	2562	LP15	279	280	0.34	1.20	3,185	219
LP15	234	235	0.96	0.01	50	1,675	LP15	280	281	0.22	0.90	2,295	1,119
LP15	235	236	0.95	0.01	167	4,951	LP15	281	282	0.27	0.90	2,366	4,175
LP15	236	237	1.51	1.80	3,159	6,701	LP15	282	283	0.37	1.20	3,342	6,136
LP15	237	238	1.78	1.50	3,349	3,125	LP15	283	284	0.39	1.60	4,809	10,200
LP15	238	239	0.58	0.90	574	1,394	LP15	284	285	0.59	1.00	1,955	11,500
LP15	239	240	1.20	0.01	155	894	LP15	285	286	0.25	0.60	1,059	6,376
LP15	240	241	3.19	1.30	3,089	3,797	LP15	286	287	0.10	0.01	93	310

BHID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	BHID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm
LP15	241	242	0.85	0.60	223	1,075	LP15	287	288	0.13	0.01	109	170
LP15	242	243	0.57	0.01	330	709	LP15	288	289	0.08	0.01	246	355
LP15	243	244	0.48	0.01	355	1,295	LP15	289	290	0.09	0.50	203	210
LP15	244	245	0.45	0.01	1,836	1,691	LP15	290	291	0.09	0.01	58	232
LP15	245	246	0.49	0.01	479	2,933	LP15	291	292	0.12	0.01	56	287
LP15	246	247	0.43	0.01	131	378	LP15	292	293	0.10	0.01	191	956
LP15	247	248	1.01	0.01	367	1,484	LP15	293	294	0.07	0.01	27	990
LP15	248	249	0.48	0.01	839	630	LP15	294	295	0.04	0.01	40	287
LP15	249	250	0.30	0.01	72	314	LP15	295	296	0.05	0.01	63	243
LP15	250	251	0.34	0.01	136	315	LP15	296	297	0.15	0.01	385	6,969
LP15	251	252	0.39	0.01	1,304	1,290	LP15	297	298	0.10	0.01	200	1,302
LP15	252	253	1.21	6.30	2,707	246	**LP15**	**210**	**298**	**1.19**	**1.53**	**1,730**	**2,571**
LP15	253	254	0.56	1.00	1,165	226	**LP15**	**298**	**348.5**	**0.04**	**0.02**	**85**	**444**
LP15	254	255	0.51	0.60	558	602							

Table provided by Unigold Inc., September, 2020.

Table 7.2
Typical Results – Massive Sulphide Mineralization – CE – Target A

Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	Description
LP19-132M	0.0	58.6	Unsampled				
LP19-132M	58.6	59.0	1.01	7.4	18,400	7,132	
LP19-132M	59.0	150.4	Unsampled				
LP19-132M	150.4	150.7	0.69	0.3	99	52	
LP19-132M	150.7	196.2	Unsampled				
LP19-132M	196.2	196.5	0.68	0.9	14,300	64	
LP19-132M	196.5	236.0	Unsampled				
LP19-132M	236.0	237.5	0.08	0.3	144	135	**Start of Dax - VMS envelope**
LP19-132M	237.5	239.0	1.56	3.2	995	7130	
LP19-132M	239.0	240.5	3.71	5.0	9,500	9,900	
LP19-132M	240.5	242.0	2.70	5.0	4,777	12,500	
LP19-132M	242.0	243.5	0.69	1.5	1,641	596	
LP19-132M	243.5	245.0	0.96	1.4	2,032	630	
LP19-132M	245.0	246.5	0.93	2.4	2,865	1,302	
LP19-132M	246.5	248.0	4.49	1.8	2,837	628	
LP19-132M	248.0	249.0	2.78	3.2	4,013	1,118	
LP19-132M	249.0	250.0	2.21	4.8	6,390	451	
LP19-132M	250.0	251.5	5.95	11.5	10,200	281	
LP19-132M	251.5	253.0	8.32	12.9	12,500	1,058	
LP19-132M	253.0	254.5	9.90	11.5	16,600	2,359	
LP19-132M	254.5	256.0	5.28	5.8	5,017	99	
LP19-132M	256.0	257.5	5.70	5.8	6,636	82	
LP19-132M	257.5	259.0	6.91	6.9	5,545	42	
LP19-132M	259.0	260.5	8.96	7.8	6,758	42	
LP19-132M	260.5	262.0	4.56	5.3	5,343	23	
LP19-132M	**237.5**	**262.0**	**4.53**	**5.7**	**6,134**	**2,309**	**Massive Sulphide HW**
LP19-132M	262.0	263.5	0.07	0.3	310	146	Mafic dike
LP19-132M	263.5	286.0	Unsampled				
LP19-132M	286.0	287.3	0.34	0.6	425	122	
LP19-132M	287.3	288.5	5.12	3.3	4,813	21	
LP19-132M	288.5	290.0	4.60	3.0	5,820	26	

Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	Description
LP19-132M	314.0	315.5	1.03	0.8	988	10	
LP19-132M	315.5	317.0	0.81	0.8	778	18	
LP19-132M	317.0	317.3	1.23	1.0	1,298	7	
LP19-132M	317.3	318.7	2.80	2.2	4,159	9	
LP19-132M	318.7	320.0	0.46	0.3	614	3	
LP19-132M	320.0	321.5	0.99	0.9	1,559	2	
LP19-132M	321.5	322.3	0.90	1.1	1,337	4	
LP19-132M	322.3	323.5	0.19	0.3	132	12	
LP19-132M	323.5	324.1	0.17	0.3	149	37	
LP19-132M	324.1	333.0	Unsampled				
LP19-132M	333.0	334.3	0.93	0.3	271	429	
LP19-132M	334.3	335.0	41.20	2.9	6,993	23	
LP19-132M	335.0	336.5	30.60	2.5	8,139	50	
LP19-132M	336.5	338.0	0.19	0.3	868	53	
LP19-132M	338.0	339.5	0.13	0.3	105	31	
LP19-132M	339.5	340.7	0.17	0.3	135	4	
LP19-132M	340.7	342.1	0.32	0.3	584	9	
LP19-132M	342.1	343.5	0.16	0.3	439	11	
LP19-132M	**237.5**	**343.5**	**3.21**	**2.6**	**3129**	**555**	**End of Dax - VMS envelope**
LP19-132M	343.5	345.0	0.04	0.3	80	48	
LP19-132M	345.0	346.5	0.05	0.3	47	43	
LP19-132M	346.5	348.0	0.05	0.3	73	50	
LP19-132M	348.0	349.5	0.10	0.3	117	52	
LP19-132M	349.5	351.0	0.06	0.3	49	59	
LP19-132M	351.0	352.0	0.08	0.3	58	54	
LP19-132M	352.0	353.0	0.08	0.3	324	63	
LP19-132M	353.0	373.0	Unsampled				
LP19-132M	373.0	374.0	0.06	0.3	89	57	

Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	Description	Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	Description
LP19-132M	290.0	291.5	5.97	4.2	10,000	37									
LP19-132M	291.5	293.0	4.80	3.7	3,403	38									
LP19-132M	293.0	294.5	5.99	4.9	5,324	50									
LP19-132M	294.5	296.0	6.96	6.2	7,571	52									
LP19-132M	296.0	297.5	7.73	6.5	7,213	45									
LP19-132M	297.5	299.0	7.99	7.3	6,249	50									
LP19-132M	299.0	300.5	6.09	5.9	7,225	35									
LP19-132M	300.5	302.0	6.43	6.0	6,366	63									
LP19-132M	302.0	303.5	6.16	5.7	7,640	55									
LP19-132M	303.5	305.0	4.26	3.9	3,902	40									
LP19-132M	305.0	306.5	3.81	4.2	3,336	20									
LP19-132M	306.5	308.0	2.83	2.9	2,728	13									
LP19-132M	308.0	309.5	3.19	3.1	3,073	15									
LP19-132M	309.5	311.0	4.03	3.5	6,840	20									
LP19-132M	311.0	312.5	4.58	4.1	3,937	29									
LP19-132M	312.5	314.0	4.60	3.8	3,258	36									
LP19-132M	**287.3**	**314.0**	**5.29**	**4.6**	**5,491**	**36**	**Massive sulphide FW**								

Table provided by Unigold Inc., September, 2020.

Table 7.3
Typical Results – CE – Target B

Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	Description
LP19-135	287.00	288.50	0.10	0.3	1,330	747	LP19-135	382.10	383.00	5.12	13.3	1,162	1,105	
LP19-135	288.50	290.00	0.28	0.3	1,587	474	LP19-135	383.00	383.80	3.27	7.0	999	1,682	
LP19-135	290.00	291.00	0.06	0.3	629	464	LP19-135	383.80	385.25	1.88	4.0	1,292	1,757	
LP19-135	291.00	292.00	0.10	0.7	416	625	LP19-135	385.25	386.30	5.70	11.3	2,226	1,811	
LP19-135	292.00	293.25	0.18	1.2	114	377	LP19-135	386.30	387.50	1.05	3.2	744	4,928	
LP19-135	293.25	294.00	0.14	1.3	167	392	LP19-135	387.50	388.90	2.59	8.4	3,293	10,400	
LP19-135	294.00	294.75	0.08	0.8	81	208	LP19-135	388.90	389.80	12.75	19.8	7,137	176	
LP19-135	294.75	296.00	0.11	0.3	33	187	**LP19-135**	**382.10**	**389.80**	**4.19**	**8.9**	**2,335**	**3,561**	**HW Vein**
LP19-135	296.00	297.50	0.10	0.3	109	1,946	LP19-135	389.80	390.30	2.15	1.7	1,264	233	
LP19-135	297.50	299.00	0.11	0.3	149	1,014	LP19-135	390.30	391.00	0.99	1.5	500	20	
LP19-135	299.00	299.50	0.11	0.3	217	949	LP19-135	391.00	391.80	2.43	3.5	2,627	94	
LP19-135	299.50	301.00	0.22	0.5	75	439	LP19-135	391.80	392.70	0.79	0.6	325	12	
LP19-135	301.00	302.50	0.23	0.6	335	1,141	LP19-135	392.70	393.10	3.74	2.6	2,629	81	

Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	Description
LP19-135	302.50	303.70	0.16	0.3	57	434	LP19-135	393.10	394.50	1.68	4.6	1,577	31	
LP19-135	303.70	304.50	0.33	3.2	457	1,604	LP19-135	394.50	396.00	0.61	0.1	1,153	9	
LP19-135	304.50	305.50	0.23	2.8	3,545	2,092	LP19-135	396.00	396.30	3.19	1.7	9,016	28	
LP19-135	305.50	306.15	0.13	1.3	704	5,967	LP19-135	396.30	397.30	0.89	0.3	299	24	
LP19-135	306.15	307.00	0.30	2.2	8,964	31,900	LP19-135	397.30	397.60	5.51	1.4	3,851	40	
LP19-135	307.00	307.60	0.11	0.9	2,021	233	LP19-135	397.60	399.00	7.12	1.7	497	21	
LP19-135	307.60	309.00	0.09	1.3	1,321	107	LP19-135	399.00	400.00	8.50	3.4	3,310	23	
LP19-135	309.00	310.50	0.12	0.6	971	3,314	LP19-135	400.00	401.50	9.48	3.0	582	11	
LP19-135	310.50	311.50	0.19	0.3	899	17,100	LP19-135	401.50	402.50	7.44	4.9	2,421	25	
LP19-135	311.50	312.20	0.22	0.3	123	2,207	LP19-135	402.50	403.90	6.98	2.1	721	50	
LP19-135	312.20	312.60	0.28	0.3	234	6,128	LP19-135	403.90	404.00	3.02	2.9	1,131	37	
LP19-135	312.60	313.75	0.13	0.3	731	1,724	LP19-135	404.00	405.00	4.41	2.0	826	23	
LP19-135	313.75	314.70	0.26	0.6	911	466	LP19-135	405.00	406.00	5.99	7.7	3,998	41	
LP19-135	314.70	316.00	0.35	0.3	1,728	6,548	LP19-135	406.00	407.00	8.59	12.3	4,677	49	
LP19-135	316.00	317.50	0.47	0.3	404	11,600	LP19-135	407.00	407.40	2.38	3.0	1,830	37	
LP19-135	317.50	318.40	0.52	0.3	89	1,293	LP19-135	407.40	408.50	3.20	4.4	2,422	94	
LP19-135	318.40	319.00	0.28	0.3	462	4,612	LP19-135	408.50	409.00	0.97	1.6	1,063	35	
LP19-135	319.00	320.40	0.29	0.5	329	7,283	LP19-135	409.00	410.00	2.47	4.4	1,709	64	
LP19-135	320.40	320.70	0.46	1.1	2,317	52,900	LP19-135	410.00	411.00	6.34	9.6	3,229	42	
LP19-135	320.70	322.00	0.20	0.3	447	5,561	LP19-135	411.00	412.00	13.40	18.7	14,700	349	
LP19-135	322.00	322.80	0.26	0.3	405	2,371	LP19-135	412.00	413.00	4.76	6.8	4,634	261	
LP19-135	322.80	323.50	0.42	0.3	306	1,774	LP19-135	413.00	414.00	4.25	7.4	4,746	216	
LP19-135	323.50	325.00	0.17	0.3	416	4,254	**LP19-135**	**397.30**	**414.00**	**6.41**	**5.7**	**3,115**	**82**	**Central vein**
LP19-135	325.00	326.50	0.18	0.3	229	1,263	LP19-135	414.00	415.00	2.06	5.3	1,418	308	
LP19-135	326.50	328.00	0.28	0.3	177	988	LP19-135	415.00	415.60	1.30	1.6	1,309	210	
LP19-135	328.00	329.50	0.27	0.3	559	7,175	LP19-135	415.60	417.10	1.46	3.0	863	164	
LP19-135	329.50	330.40	0.27	0.3	150	2,009	LP19-135	417.10	417.55	2.65	2.5	2,183	213	
LP19-135	330.40	332.00	0.56	0.6	656	6,195	LP19-135	417.55	419.00	8.48	3.2	5,779	605	
LP19-135	332.00	333.40	0.30	0.7	640	5,503	LP19-135	419.00	420.00	10.60	3.2	9,180	8,423	
LP19-135	333.40	334.00	1.52	0.8	1,506	9,924	LP19-135	420.00	421.00	6.79	2.1	4,750	5,005	
LP19-135	334.00	335.00	4.98	2.0	3,044	41,800	LP19-135	421.00	421.30	4.47	1.5	3,144	3,841	
LP19-135	335.00	335.90	1.45	0.9	1,088	16,200	LP19-135	421.30	422.00	3.22	2.1	2,899	3,088	
LP19-135	335.90	336.25	0.80	0.8	197	1,538	**LP19-135**	**417.55**	**422.00**	**7.48**	**2.7**	**5,681**	**3,959**	**FW Vein**
LP19-135	336.25	337.50	0.23	0.3	148	1,348	LP19-135	422.00	423.00	2.17	1.6	2,775	1,581	
LP19-135	337.50	339.00	0.81	0.3	273	1,792	LP19-135	423.00	424.00	0.71	1.1	1,393	97	
LP19-135	339.00	340.50	0.47	0.3	545	577	LP19-135	424.00	425.00	0.53	1.5	1,488	35	
LP19-135	340.50	341.30	0.22	0.3	62	312	LP19-135	425.00	426.00	0.28	1.2	1,020	29	

Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	Description
LP19-135	341.30	342.70	0.36	0.3	247	1,214	
LP19-135	342.70	344.00	0.33	0.3	331	327	
LP19-135	344.00	345.00	0.19	0.3	339	277	
LP19-135	345.00	346.00	0.25	0.3	99	280	
LP19-135	346.00	346.90	0.25	0.3	241	239	
LP19-135	346.90	348.00	0.32	0.3	95	177	
LP19-135	348.00	349.50	0.19	0.3	66	214	
LP19-135	349.50	351.00	0.18	0.3	145	186	
LP19-135	351.00	352.50	0.19	0.3	94	166	
LP19-135	352.50	353.00	0.17	0.3	115	203	
LP19-135	353.00	354.40	0.18	0.3	164	191	
LP19-135	354.40	356.00	0.14	0.3	75	219	
LP19-135	356.00	357.20	0.16	0.3	86	224	
LP19-135	357.20	358.00	0.10	0.3	197	159	
LP19-135	358.00	359.00	0.08	0.3	245	83	
LP19-135	359.00	359.80	0.12	0.3	1,915	234	
LP19-135	359.80	361.00	0.11	0.3	92	187	
LP19-135	361.00	362.00	0.13	0.3	220	197	
LP19-135	362.00	363.00	0.19	0.3	43	136	
LP19-135	363.00	364.50	0.15	0.3	61	136	
LP19-135	364.50	366.00	0.12	0.3	97	145	
LP19-135	366.00	367.60	0.13	0.3	34	146	
LP19-135	367.60	368.50	0.18	0.3	78	114	
LP19-135	368.50	369.40	0.22	0.3	1,136	152	
LP19-135	369.40	370.00	0.38	0.3	2,183	153	
LP19-135	370.00	371.00	0.44	0.3	1,188	218	
LP19-135	371.00	372.00	0.38	0.8	1,405	568	
LP19-135	372.00	373.00	0.15	0.3	122	619	
LP19-135	373.00	374.30	0.66	0.3	100	628	
LP19-135	374.30	374.90	0.95	2.7	160	9,700	
LP19-135	374.90	376.00	1.58	2.4	329	8,912	
LP19-135	376.00	377.50	0.78	3.7	598	10,900	
LP19-135	377.50	379.00	1.47	1.1	399	5,648	
LP19-135	379.00	380.40	2.94	3.8	2,165	12,900	
LP19-135	380.40	381.00	2.21	5.5	1,098	4,409	
LP19-135	381.00	382.10	1.58	4.4	1,346	1,973	
LP19-135	426.00	427.00	0.46	1.3	1,825	117	
LP19-135	427.00	428.00	0.28	1.1	1,076	8	
LP19-135	428.00	429.00	0.33	1.0	716	18	
LP19-135	429.00	430.00	0.28	0.8	353	13	
LP19-135	430.00	430.30	0.31	0.7	981	77	
LP19-135	430.30	431.00	0.32	0.8	752	18	
LP19-135	431.00	432.00	0.49	1.4	1,053	25	
LP19-135	432.00	433.40	0.32	0.8	1,718	77	
LP19-135	433.40	433.90	3.09	3.5	21,200	35	
LP19-135	433.90	434.30	1.18	2.0	2,355	58	
LP19-135	434.30	435.00	4.63	2.4	6,918	149	
LP19-135	435.00	436.00	0.81	2.1	2,612	12	
LP19-135	436.00	437.00	0.80	1.4	1,853	23	
LP19-135	437.00	437.60	0.42	1.0	1,090	8	
LP19-135	437.60	439.00	2.87	2.5	6,991	13	
LP19-135	439.00	440.00	2.12	1.9	4,844	16	
LP19-135	440.00	440.60	1.89	1.8	1,745	58	
LP19-135	440.60	442.00	0.02	0.3	66	101	
LP19-135	442.00	443.50	0.19	1.8	357	236	
LP19-135	443.50	445.00	0.01	0.3	24	116	
LP19-135	445.00	446.50	0.02	0.3	130	110	
LP19-135	446.50	448.00	0.01	0.3	103	94	
LP19-135	448.00	448.70	0.01	0.3	127	101	
LP19-135	448.70	450.00	0.05	0.3	131	8	
LP19-135	450.00	451.20	0.13	0.7	3,659	15	
LP19-135	451.20	452.20	2.74	4.2	32,800	44	
LP19-135	452.20	453.00	0.08	0.3	1,109	8	
LP19-135	453.00	454.50	0.09	0.3	1,053	11	
LP19-135	454.50	456.00	0.04	0.3	347	6	
LP19-135	456.00	457.50	0.06	0.3	1,191	16	
LP19-135	457.50	458.50	0.12	0.3	320	30	
LP19-135	458.50	459.40	0.27	0.9	2,000	63	
LP19-135	**287.00**	**459.40**	**1.48**	**1.8**	**1,559**	**2,177**	Dax - VMS Mineralization

Table provided by Unigold Inc., September, 2020.

7.5.4 Dacite Breccia – Target C Mineralization

Target C mineralization is very similar to Target B. Elevated gold values are associated with a zone of intense brecciation. Sub-angular to sub-rounded fragments of dacite tuff are set in a silica-sulphide matrix dominated by sphalerite and pyrite, with rare chalcopyrite and galena. Gold occurs preferentially in areas that are flooded by barite and quartz or proximal to what are interpreted to be sub-vertical mafic dikes that bisect the breccia unit.

Table 7.4 is a summary of the individual sample intervals returned from hole LP20-148.

7.5.5 Candelones Connector

Mineralization at the CMC deposit occurs within a brecciated dacite tuff stratigraphically above an andesite volcanoclastic unit. Elevated gold values are associated with a zone of intense brecciation. Sub-angular to sub-rounded fragments of dacite tuff are set in a silica-sulphide matrix dominated by pyrite. Gold occurs preferentially in areas that are flooded by barite and quartz. As at the CE deposit, the gold mineralization is interpreted to be spatially related to NE and NW trending faults that are interpreted from the current data set.

Unlike the CE deposit, mineralization at the CMC outcrops to surface and is intensely weathered and oxidized to a depth approaching 30.0 m from surface. Metallurgical testing to date suggests that gold recoveries are particularly robust, with +95% recovery estimated from direct cyanidation.

Below the oxide horizon, the mineralization appears to be largely VMS type mineralization, limited to the brecciated dacites, to the andesite contact where anomalous grades are immediately truncated.

Table 7.5 is a summary of the individual sample intervals returned from hole DCZ10 at the CMC deposit.

Table 7.4
Typical Results – CE – Target C

Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm	Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm
LP20-148	103.00	104.00	0.73	4.7	121	1,386	LP20-148	177.70	179.00	0.01	0.3	1	29
LP20-148	104.00	105.00	0.88	6.6	109	2,619	LP20-148	216.00	217.40	0.02	0.3	4	46
LP20-148	105.00	105.70	2.05	16.8	212	3,984	LP20-148	217.40	218.00	0.01	0.3	195	119
LP20-148	105.70	107.00	1.29	9.4	360	7,080	LP20-148	218.00	219.10	0.02	0.3	105	102
LP20-148	107.00	108.50	1.32	4.0	377	3,737	LP20-148	219.10	219.80	0.02	0.3	69	191
LP20-148	108.50	110.00	1.81	17.4	372	5,321	LP20-148	219.80	221.00	0.03	0.3	51	21
LP20-148	110.00	111.00	1.03	5.4	263	1,969	LP20-148	221.00	222.50	0.02	0.3	34	6
LP20-148	111.00	111.80	2.33	11.9	646	9,003	LP20-148	222.50	224.00	0.04	0.3	73	5
LP20-148	111.80	113.00	0.29	2.4	185	1,233	LP20-148	224.00	225.20	0.04	0.3	18	1
LP20-148	UNSAMPLED - DIKE						LP20-148	225.20	226.00	0.03	0.3	42	2
LP20-148	121.90	123.00	1.55	12.4	468	6,180	LP20-148	226.00	227.00	0.06	0.3	45	1
LP20-148	123.00	124.00	2.06	15.3	695	6,375	LP20-148	227.00	228.50	0.04	0.3	44	1
LP20-148	124.00	125.00	1.02	3.0	361	2,386	LP20-148	228.50	230.00	0.04	0.3	21	1
LP20-148	125.00	126.00	1.34	10.7	536	6,777	LP20-148	230.00	231.50	0.06	0.3	39	1
LP20-148	126.00	127.00	3.80	12.4	608	5,425	LP20-148	231.50	233.00	0.05	0.3	38	1
LP20-148	127.00	127.70	2.27	11.2	760	10,700	LP20-148	233.00	234.50	0.06	0.3	23	1
LP20-148	127.70	129.10	2.58	16.7	750	13,100	LP20-148	234.50	236.00	0.04	0.3	56	1
LP20-148	129.10	130.50	3.67	8.1	805	13,400	LP20-148	236.00	237.50	0.03	0.3	15	1
LP20-148	**103.00**	**130.50**	**1.20**	**6.6**	**305**	**4,094**	LP20-148	237.50	239.00	0.03	0.3	14	1
LP20-148	130.50	131.50	9.66	30.0	2,388	56,100	LP20-148	239.00	239.30	0.07	0.3	49	1
LP20-148	131.50	132.50	15.40	4.4	1,535	19,500	LP20-148	239.30	240.00	0.02	0.3	14	1
LP20-148	132.50	133.20	26.00	23.6	5,639	99,500	LP20-148	240.00	240.50	0.06	0.3	26	1
LP20-148	133.20	134.00	20.20	2.4	399	6,938	LP20-148	240.50	242.00	0.06	0.3	37	1
LP20-148	134.00	135.50	5.29	0.6	88	2,290	LP20-148	242.00	243.50	0.04	0.3	18	1
LP20-148	135.50	137.00	16.70	3.0	2,080	16,500	LP20-148	243.50	245.00	0.03	0.3	13	1
LP20-148	137.00	138.50	14.60	3.8	3,643	22,700	LP20-148	245.00	245.30	0.04	0.3	39	1
LP20-148	138.50	140.00	7.16	2.3	3,076	3,653	LP20-148	245.30	246.00	0.03	0.3	75	6
LP20-148	140.00	141.50	4.21	1.4	1,612	4,438	LP20-148	246.00	247.00	0.01	0.3	94	37
LP20-148	141.50	143.00	7.30	2.6	2,514	13,100	LP20-148	247.00	248.00	0.04	0.3	38	4
LP20-148	143.00	144.50	7.42	1.9	2,050	12,300	LP20-148	248.00	249.50	0.05	0.3	386	1
LP20-148	144.50	146.00	10.30	1.8	1,264	3,378	LP20-148	249.50	251.00	0.04	0.3	515	8
LP20-148	146.00	147.50	6.22	1.5	771	5,877	LP20-148	251.00	252.50	0.02	0.3	125	30
LP20-148	147.50	149.00	6.70	1.1	983	4,216	LP20-148	252.50	254.00	0.02	0.3	90	14

Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm
LP20-148	**130.50**	**149.00**	**10.18**	**4.5**	**1,909**	**15,323**
LP20-148	149.00	150.00	3.35	1.0	1,329	6,301
LP20-148	150.00	151.50	1.08	0.8	2,746	258
LP20-148	151.50	152.00	0.76	0.3	204	216
LP20-148	152.00	153.00	0.20	0.3	155	145
LP20-148	153.00	154.10	0.40	0.3	157	201
LP20-148	154.10	155.00	0.19	0.3	90	168
LP20-148	157.70	159.00	1.26	0.3	44	103
LP20-148	165.30	166.00	1.70	3.4	1,350	5,465
LP20-148	166.00	167.00	0.12	0.3	126	131
LP20-148	167.00	168.00	0.02	0.3	34	98
LP20-148	168.00	169.10	0.02	0.3	10	226
LP20-148	169.10	170.00	5.85	1.1	126	728
LP20-148	170.00	171.00	2.02	0.7	101	385
LP20-148	171.00	171.80	1.42	0.6	101	513
LP20-148	171.80	173.00	6.79	1.1	158	2,632
LP20-148	173.00	173.80	3.06	3.1	856	3,703
LP20-148	173.80	175.00	0.47	0.3	72	309
LP20-148	175.00	176.00	0.24	0.3	75	161
LP20-148	176.00	177.00	0.32	0.3	31	108
LP20-148	177.00	177.70	6.04	0.3	17	76
LP20-148	**103.00**	**177.70**	**3.85**	**6.2**	**811**	**7,077**

Hole_ID	From (m)	To (m)	Au ppm	Ag ppm	Cu ppm	Zn ppm
LP20-148	254.00	255.50	0.03	0.3	105	1
LP20-148	255.50	257.00	0.01	0.3	35	1
LP20-148	257.00	258.50	0.02	0.3	34	1
LP20-148	258.50	260.00	0.02	0.3	121	4
LP20-148	260.00	260.40	0.04	0.6	1143	181
LP20-148	260.40	261.50	0.02	0.3	54	4
LP20-148	261.50	263.00	0.02	0.3	459	7
LP20-148	263.00	264.50	0.01	0.3	39	5
LP20-148	264.50	266.00	0.02	0.3	601	4

Table provided by Unigold Inc., September, 2020.

Table 7.5
Typical Results – CMC

BHID	From (m)	To (m)	Au_ppm	Ag_ppm	Cu_ppm	Zn_ppm	Zone
DCZ10	0.00	5.00	3.07	14.3	176	28	
DCZ10	5.00	8.00	6.21	15.4	215	51	
DCZ10	8.00	9.00	4.26	29.5	238	28	
DCZ10	9.00	10.00	2.64	26.8	116	13	
DCZ10	10.00	11.00	1.47	34.7	153	53	
DCZ10	11.00	12.00	4.20	37.1	540	44	
DCZ10	12.00	13.00	4.60	40.5	134	13	
DCZ10	13.00	14.00	2.05	55.5	196	16	
DCZ10	14.00	15.00	0.98	28.7	138	18	
DCZ10	15.00	16.00	1.68	20.2	101	21	
DCZ10	16.00	17.00	1.02	12.9	169	23	
DCZ10	17.00	17.90	1.11	10.9	143	24	
DCZ10	17.90	18.80	1.80	10.2	260	19	
DCZ10	18.80	20.20	0.81	3.2	2,145	444	
DCZ10	20.20	22.75	0.36	1.1	304	1,435	
DCZ10	22.75	24.00	0.16	0.8	59	499	
DCZ10	24.00	25.00	0.24	0.8	53	788	
DCZ10	**0.00**	**25.00**	**2.48**	**17.3**	**303**	**250**	**OXIDE**
DCZ10	25.00	26.00	0.14	0.8	39	775	
DCZ10	26.00	27.00	0.33	0.7	142	1,721	
DCZ10	27.00	28.00	0.90	1.0	576	10,700	
DCZ10	28.00	29.00	1.03	1.2	534	7,493	
DCZ10	29.00	30.00	0.38	1.2	55	907	
DCZ10	30.00	31.00	1.04	1.5	1,819	5,607	
DCZ10	31.00	32.00	0.58	1.4	1,516	1,001	
DCZ10	32.00	33.00	0.43	0.9	40	733	
DCZ10	33.00	34.00	1.03	1.5	1,974	2,834	
DCZ10	34.00	35.00	1.31	1.4	380	4,066	
DCZ10	35.00	36.00	0.74	0.9	67	1,127	
DCZ10	36.00	37.00	0.87	1.1	74	1,230	
DCZ10	37.00	38.00	1.46	1.1	181	3,472	
DCZ10	38.00	39.00	0.64	1.1	155	2,476	
DCZ10	39.00	40.00	0.35	1.0	80	694	
DCZ10	40.00	41.00	0.93	1.2	205	2,248	
DCZ10	41.00	42.00	0.58	1.2	363	677	
DCZ10	42.00	43.00	0.80	1.4	1,682	1,582	
DCZ10	43.00	44.00	0.60	1.6	377	2,631	
DCZ10	44.00	45.10	0.54	1.6	342	4,337	
DCZ10	45.10	46.00	0.68	2.3	602	4,661	
DCZ10	46.00	47.00	0.64	1.9	610	4,348	
DCZ10	47.00	48.00	0.90	1.7	3,082	2,693	
DCZ10	48.00	49.00	0.95	1.1	220	2,463	
DCZ10	49.00	50.00	0.43	1.1	117	1,432	
DCZ10	50.00	51.00	0.76	1.9	1,735	2,020	
DCZ10	51.00	52.00	0.90	1.3	939	977	
DCZ10	**0.00**	**52.00**	**1.57**	**9.0**	**490**	**1,560**	
DCZ10	52.00	53.00	0.05	0.0	91	133	
DCZ10	53.00	54.00	0.03	0.0	42	60	
DCZ10	54.00	55.60	0.05	0.0	69	95	
DCZ10	55.60	57.00	0.01	0.0	102	116	

BHID	From (m)	To (m)	Au_ppm	Ag_ppm	Cu_ppm	Zn_ppm	Zone
DCZ10	57.00	58.00	0.01	0.0	36	71	
DCZ10	58.00	59.00	0.00	0.0	44	80	
DCZ10	59.00	60.00	0.00	0.0	35	54	
DCZ10	60.00	61.00	0.00	0.0	32	52	
DCZ10	61.00	62.00	0.00	0.0	56	46	
DCZ10	62.00	63.45	0.00	0.0	81	51	
DCZ10	63.45	65.00	0.00	0.0	60	81	
DCZ10	65.00	66.00	0.00	0.0	65	78	
DCZ10	66.00	67.00	0.00	0.0	51	75	
DCZ10	67.00	68.00	0.00	0.0	67	74	

Table provided by Unigold Inc., September, 2020.

7.5.6 Candelones Main

Mineralization at the CM deposit occurs within a broad interval of brecciated dacite tuff in contact with what is interpreted to be a dacite intrusive. The CM deposit strikes northwest, almost perpendicular to the strike of the CE deposit, and dips at 50-70º to the northeast. The mineralization is interpreted to be largely VMS type mineralization, with the tenor of mineralization directly related to the intensity of brecciation. The hanging wall rocks are comprised of dacite tuffs.

As at the CMC deposit, the CM mineralization outcrops to surface and is oxidized to depths of over 30 m. Metallurgical testing indicates robust gold recovery from direct cyanidation, with recoveries estimated to be over 95%.

Strong clay alteration is also common, with extensive illite and montmorillonite associated with the mineralized envelope near surface. Extensive silica alteration is also observed within the sulphide component below the oxidation cap.

Unigold notes that review of the CM deposit is in progress with the objective of identifying priority, high-grade targets for follow up drilling, extrapolating observations from the CE deposit to the CM.

Table 7.6 is a summary of the individual sample intervals returned from hole CF105 at the CM deposit.

Table 7.6
Typical Results – CM

BHID	From (m)	To (m)	Au_ppm	Ag_ppm	Cu_ppm	Zn_ppm
CFI05	**19**	**59**	**0.121343**	**0.13**	**470.0775**	**1,347.81**
CFI05	59	60	2.466	0	147	363
CFI05	60	61	8.718	0.8	136	448
CFI05	61	62	1.779	0.9	510	2,903
CFI05	62	62.9	2.288	0.9	464	386
CFI05	62.9	63.8	5.106	1.3	923	8,438
CFI05	63.8	65	2.765	0.9	375	338
CFI05	65	66	2.863	1.7	920	3,597
CFI05	66	68	1.073	0.6	293	1,356

BHID	From (m)	To (m)	Au_ppm	Ag_ppm	Cu_ppm	Zn_ppm
CFI05	68	69.5	6.688	2.6	9,506	12,600
CFI05	**59**	**69.5**	**3.616819**	**1.100952**	**1,738.695**	**3,549.543**
CFI05	69.5	71	0.779	0	344	3,431
CFI05	71	72	0.183	0	64	676
CFI05	72	73	0.348	0	183	1,003
CFI05	73	74	4.633	0.6	824	8,709
CFI05	74	75	0.738	0	278	1,134
CFI05	75	76	0.553	0	191	654
CFI05	76	77	0.58	0	72	1,018
CFI05	77	78	1.602	0.5	263	9,454
CFI05	78	79	1.537	0.6	262	5,019
CFI05	79	80	0.471	0	69	972
CFI05	80	81	0.236	0	116	464
CFI05	81	82	1.988	0.7	383	125
CFI05	82	83	0.64	0.5	132	474
CFI05	83	84	0.463	0.8	174	247
CFI05	84	85	1.351	0.6	82	390
CFI05	85	86	0.225	0.5	48	178
CFI05	86	87	0.175	0.6	63	117
CFI05	87	88	0.193	0.5	54	113
CFI05	88	88.9	0.231	0	72	134
CFI05	**69.5**	**88.9**	**0.891361**	**0.304124**	**197.8763**	**1,856.397**
CFI05	88.9	90	6.369	1.7	6,436	18,900
CFI05	90	91	6.164	1.4	2,134	16,000
CFI05	91	92	0.493	1	278	378
CFI05	92	93	4.547	1.4	957	16,900
CFI05	**88.9**	**93**	**4.441439**	**1.382927**	**2,548.439**	**13,187.32**
CFI05	**19**	**141.15**	**0.768273**	**0.489357**	**717.8895**	**1,773.443**

Table provided by Unigold Inc., September, 2020.

7.6 MICON QP COMMENTS

Unigold is in the process of reviewing and revising the geological model for the mineralization on the Candelones Project due to its recent work (2015 to 2020). Further discussions regarding the geological model for the mineralization will continue to be outlined and discussed in future Technical Reports.

8.0 DEPOSIT TYPES

8.1 POTENTIAL DEPOSIT TYPES

The island of Hispaniola occupies the north-central segment of the Greater Antilles island arc, extending from Cuba to the north coast of South America. The island arc formed during the Cretaceous – Eocene period, above a southwesterly dipping subduction zone where the Caribbean plate collided with the North American plate. Volcanism, a product of the subduction process, makes the island prospective for a number of potential valuable mineral deposits (Figure 8.1) including:

- Volcanogenic massive sulphide deposits (Zn, Cu, Pb, Ag, Au).
- High sulphidation epithermal (Au, Ag).
- Intermediate sulphidation epithermal (Au, Ag).
- Low sulphidation epithermal (Au, Ag).
- Mesothermal vein deposits (Au, Ag).
- Porphyry deposits (Cu, Au, Mo).

Figure 8.1
Hydrothermal Mineral Deposits

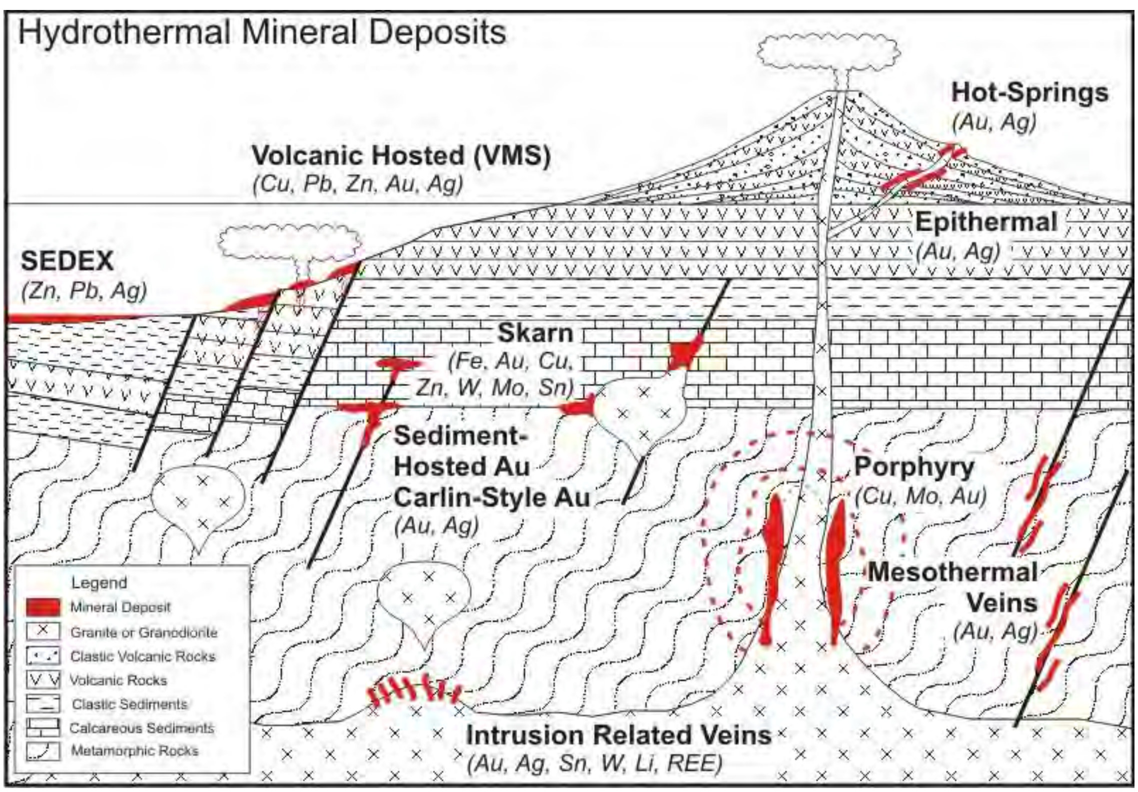


Figure provided by Unigold Inc. – Sourced from Earth Science Australia.

8.2 GEOLOGICAL MODEL AND CONCEPTS

The Neita Concession lies entirely within the Cretaceous aged Tireo Formation, a 35 km wide x 300 km long belt of intermediate volcanics and volcanoclastic rocks the transects the island of Hispaniola. It is bounded to the north by the Banao-Guacara fault and to the south by the SJR fault (Figure 7.1).

Early exploration by Mitsubishi International Corp. focused on the porphyry copper potential of the Concession. Unigold's initial exploration of the Concession was largely focused in and around the CM deposit, where extensive argillic alteration and pervasive silicification suggested potential for an intermediate sulphidation deposit.

In 2011, the CE discovery exhibited features consistent with volcanic massive sulphide deposit models. Cooper (2012) cites the presence of a preserved barite carapace, chert bands, overlapping sulphide mounds, collapsed chimneys, turbidite sequences and metal zoning as evidence supporting a VMS origin. Cooper suggested that the CE deposit is a gold enriched, VMS deposit, stratigraphically controlled by an east-west trending, south dipping contact between hanging wall andesite volcanic/volcanoclastics and footwall dacite volcanics/volcanoclastics. The contact dips between 40 to 75º to the south. All drilling was perpendicular to the contact, with drill sections every 100 m and holes spaced 100 m apart. The drilling returned remarkably consistent, gold, silver, copper, lead and zinc mineralization, typically starting at the contact and extending up to 1,200 m into the footwall dacites, averaging between 0.5 to 1.5 g/t Au with lesser Ag, Cu, Zn and Pb grades. The tenor of the mineralization, particularly gold, decreases as the distance from the contact increases. Broad intervals of massive sulphide, with elevated Zn and Cu, typical of most VMS deposits elsewhere in the world.

Unigold's current exploration model assumes that the Candelones deposits were formed as a hybrid system, with as many as three separate mineralization events. The first is low tenor VMS deposition, coeval with the deposition of the dacite volcanoclastics, which introduced Au, Ag, Cu, Zn and Pb mineralization within the dacite volcanoclastics. This mineralization event is interpreted to have occurred in shallow water, possibly in a back-arc environment. A lack of confining pressure from the water column allowed widespread mineralization to accumulate within the dacite volcanoclastics rather than precipitate out into cohesive, massive sulphide lenses adjacent to the volcanic vents that are typically associated with VMS deposits elsewhere.

The dacites were then capped by later andesite volcanoclastics that were also likely deposited in a shallow water environment.

A period of uplift associated with the subduction of the North American Plate is interpreted to have produced extensive faulting throughout the Tireo Formation. It is interpreted that some of these faults transect the original VMS chimneys. The faulting produced extensive brecciation, establishing conduits for subsequent hydrothermal mineralization events.

A second period of volcanism, associated with the calc-akaline intrusives intruded throughout the Tireo Formation, is believed to have generated mineral rich hydrothermal fluid flow, interpreted to include elevated Au and Ag mineralization. This event may have introduced additional Au and Ag mineralization into the system, concentrated within the breccias formed by the fault zone development. It is unknown, at this time, if there is a single mineralizing event associated with the calc-akaline intrusives or if multiple events of faulting and hydrothermal fluid flow occurred over time.

The third and final event introduced late stage mafic to intermediate dikes (sills) throughout the mineralized system. At least some of these dikes are interpreted to have been emplaced along the reactivated fault zones and it is apparent that the dikes have remobilized gold and other metals and concentrated them along the intrusive contact. The highest-grade mineralization is located in contact with the mafic-intermediate dikes at all three targets tested at the CE.

Unigold continues to evaluate and update its geological interpretation as new information is obtained.

8.3 MICON QP COMMENTS

Micon’s QP held a number of discussions with Unigold personnel during its 2019 site visit to the Candelones Project and in Toronto and notes that the exploration programs are planned and executed on the basis of the new deposit models discussed above. Micon’s QP also observed the various stages of the drilling program during its 2019 site visit to the Candelones Project and notes that they have been conducted according to industry best practices and taking into account the current deposit model which has been proposed for the Project.

9.0 EXPLORATION

9.1 GENERAL INFORMATION

Unigold has informed Micon that its exploration at the Neita Concession has been performed following the Exploration Best Practices Guidelines established by the CIM. All work has been carried out under the supervision of a QP.

Exploration targets are generated through established field procedures, relying on the following data sources:

- Regional geology.
- Soil geochemistry.
- Geophysical surveys (airborne MAG and ground-based IP).
- Local geology (including surface rock sampling).
- Surface trenching.
- Diamond drilling.

All Project and Concession data are collected utilizing hand-held GPS survey units. Critical data (drill hole collars, etc.) are verified utilizing a differential GPS survey unit. The Zone 19, WGS-84 survey datum is the standard for the Concession. All sample locations (soil, rock chip, trench and drill hole collar locations) are surveyed. All drill holes are surveyed for down-hole deflection using a Reflex ™ EZ shot instrument.

There is soil geochemical coverage over the entire Concession. Sampling was generally conducted on 200 m line spacing with 50 m between samples. Tighter spacing (100 m line spacing, 50 m between samples) was conducted at the MC, CMC and Extension, Noisy, Corozo, Valle Simon, Cerro Berro, Montazo, Rancho Pedro, Juan de Bosques, Guano, Naranja, Pan de Azucar and Jimenez showings. The majority (75%) of the geochemical lines are oriented to the northeast-southwest, perpendicular to the dominant lithological-structural trend. The remainder (25%) are largely confined to the southwest sector of the Concession, and are oriented in a north-south direction.

All samples have been analyzed at accredited assay facilities for 36 elements. Figure 9.1 illustrates the soil sample coverage on the Neita Concession.

Approximately 11,000 surface rock samples have been collected to date (Figure 9.2). Surface rock sampling is largely concentrated in the southern half of the Concession where outcrop is more prevalent.

Figure 9.1
Neita Concession, Geochemical Soil Sampling Map

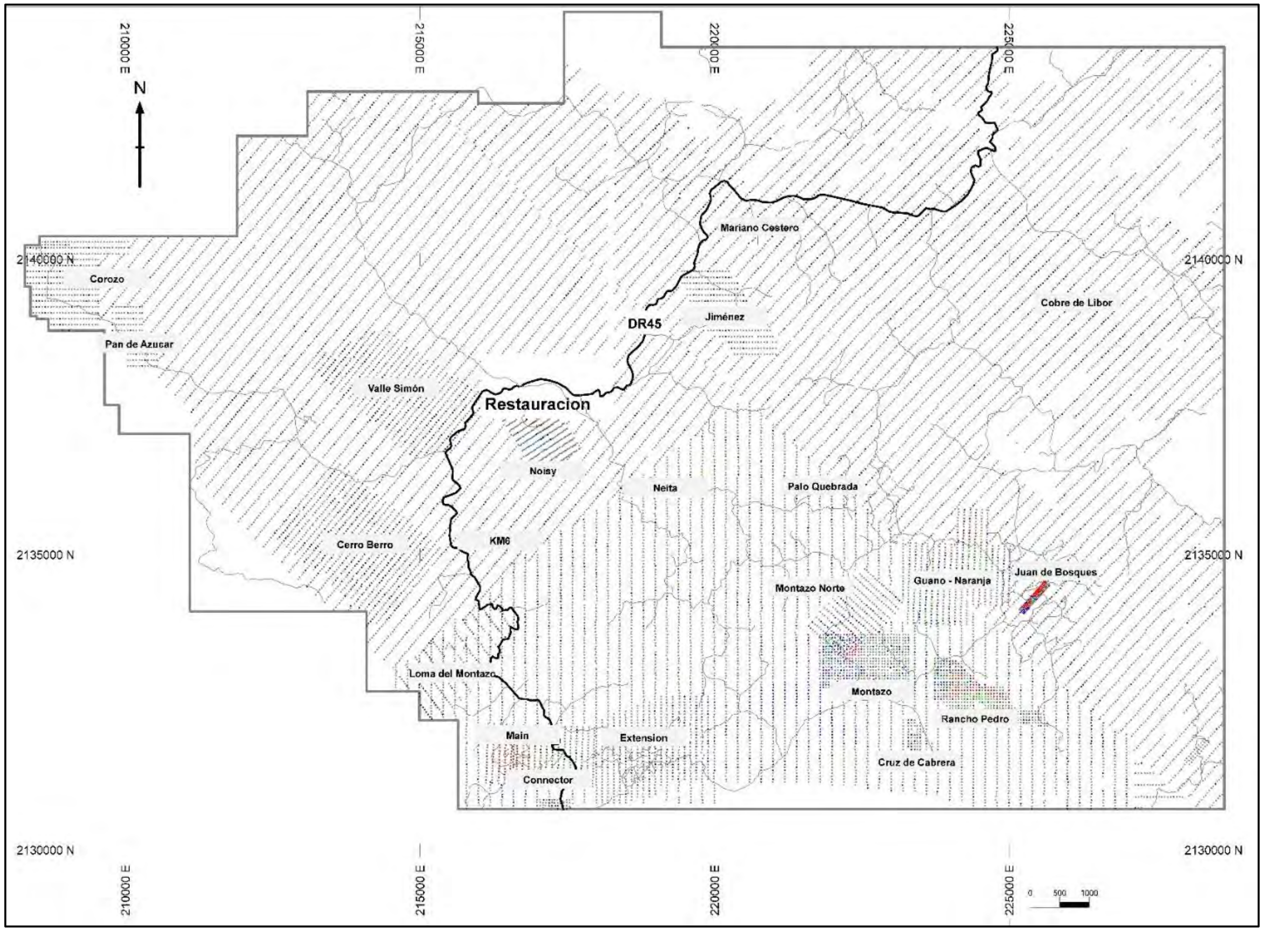


Figure provided by Unigold Inc., September, 2020.

Figure 9.2
Neita Concession Map Showing Surface Rock Geochemistry Sampling

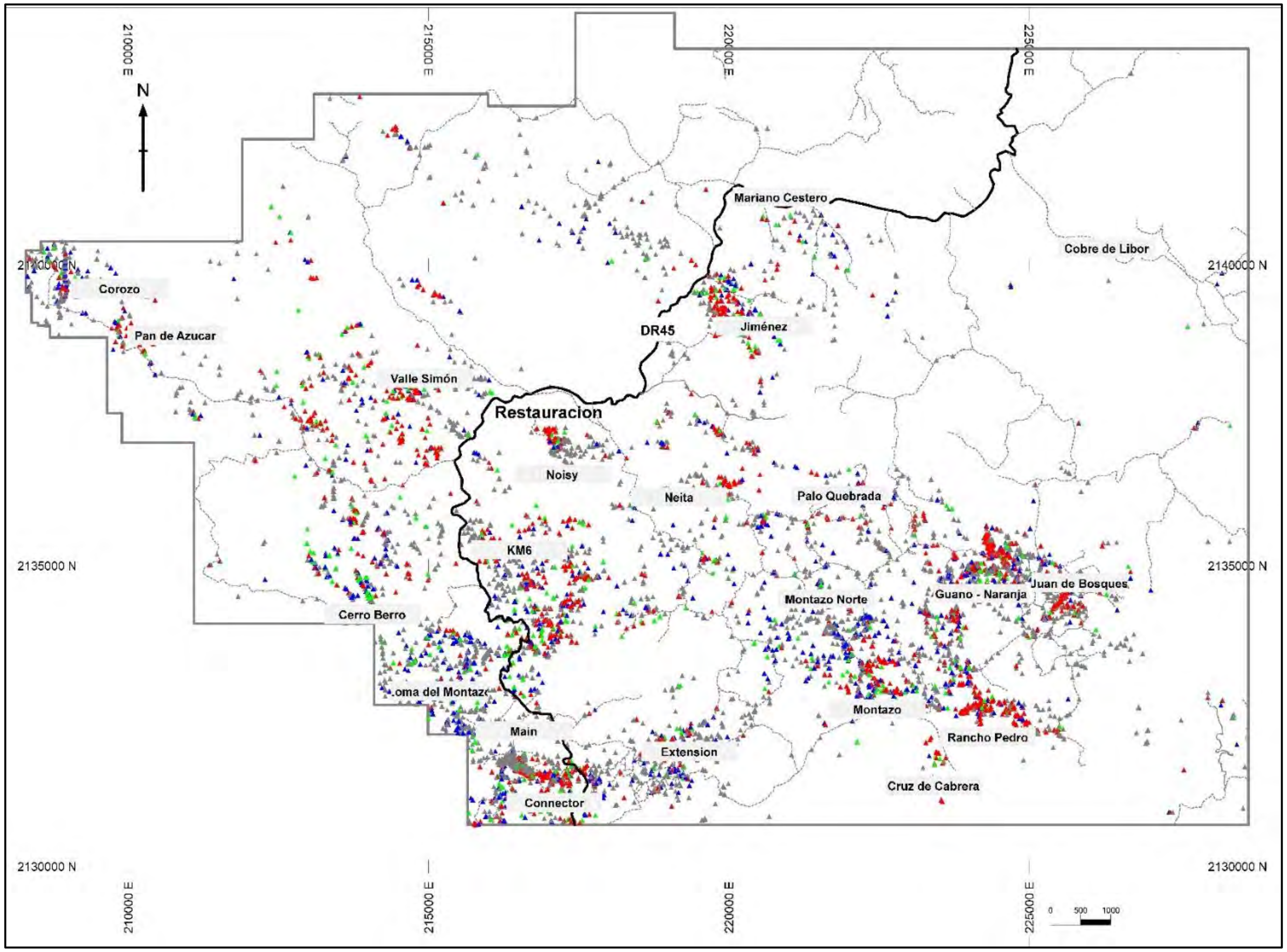


Figure provided by Unigold Inc., September, 2020.

Airborne MAG/EM (Fugro DIGHEM) coverage is available for the entire Concession area (Figure 9.3). Ground based induced polarity (IP) (chargeability and resistivity) coverage is limited to the southwestern sector of the Concession and essentially covers the Candelones-Montazo-Guano trend. The IP survey identified multiple prospective targets requiring further field work to follow up and was instrumental in the discovery of significant mineralization at the CE (Figure 9.4).

Surface geological mapping, with associated rock sampling, is used as the primary means of following up targets generated by soil geochemistry and/or geophysics. Once a target is isolated, field mapping and surface sampling are used as the primary means of locating surface trenches, to ensure the correct orientation of each trench. Trench sample results are used to position future drill holes if results are positive.

Trenches are dug using a mechanized excavator to a maximum depth of one metre. The trenches are then cleaned by hand using shovels, before being mapped and sampled. This is done to avoid contamination. Samples are collected along one the wall of the trench at 6 cm from the bottom of the trench, using hand picks. Samples are bagged and tagged on site under the supervision of a qualified geologist. Figure 9.5 is a view of one of the trenches on the CM deposit.

Unigold has completed 31,559 m of surface trenching at the Neita Concession and has collected 31,559 samples. Trenching is largely concentrated in and near the Candelones deposits, but additional trenches have been completed at Corozo, KM6, Noisy, Rancho Pedro, Montazo, Guano, Naranja and Juan de Bosques. As with the soil samples, the majority of the trench samples were analyzed for 36 elements.

The final step in the exploration process is diamond drilling, if the results of the field processes are considered positive.

9.2 SAMPLING METHODOLOGY

There are five main types of samples within the current database:

- Soil samples.
- Rock samples.
- Trench samples.
- Diamond drill samples.
- Test pit samples.

No soil samples or rock samples were used in completing the resource estimate. The primary purpose of these samples is as a guide to exploration and target identification.

Figure 9.3
Neita Concession Map Showing the Airborne MAG Coverage

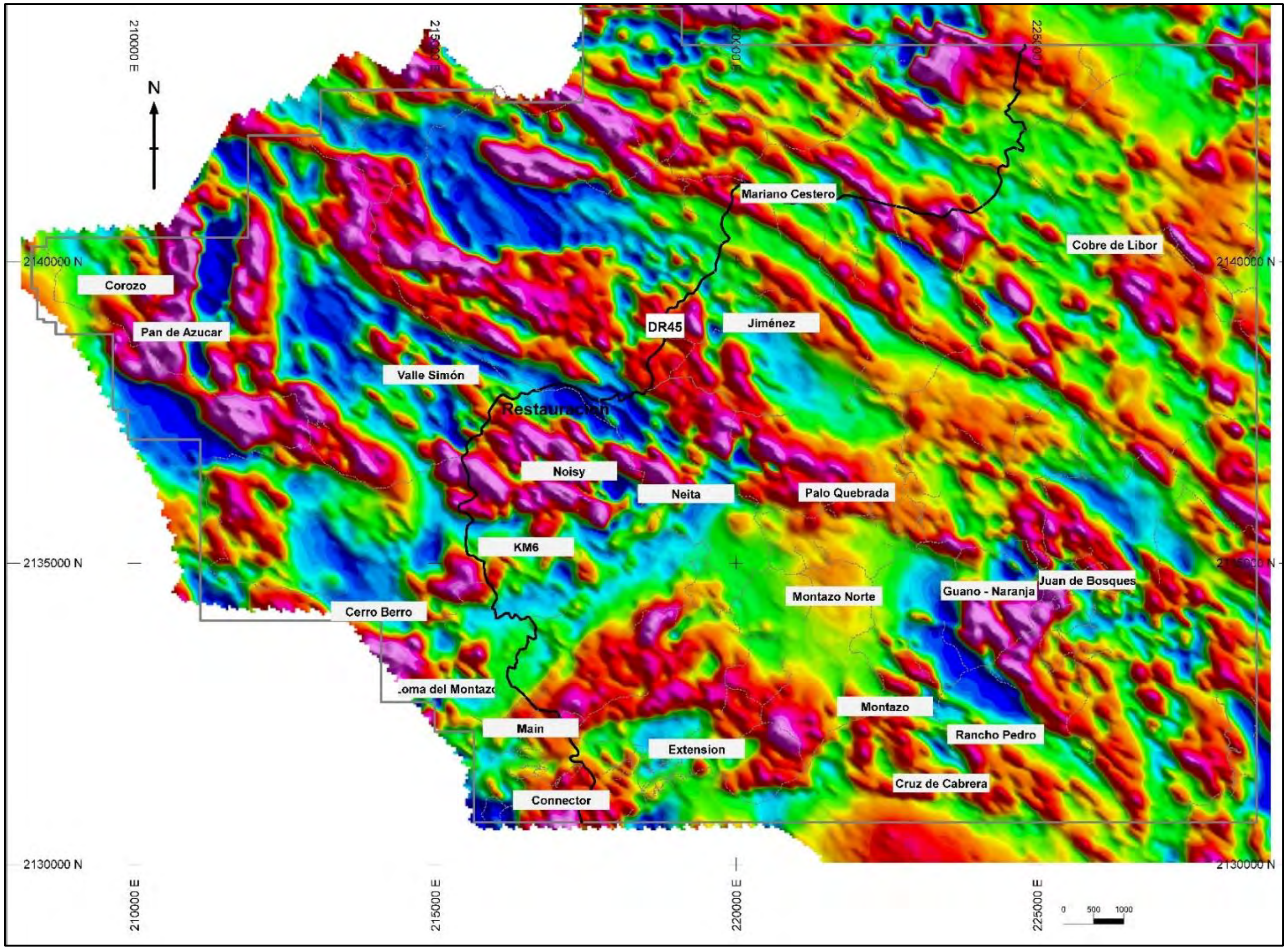


Figure provided by Unigold Inc., September, 2020.

Figure 9.4
Neita Concession Map Showing the IP Chargeability Survey Coverage

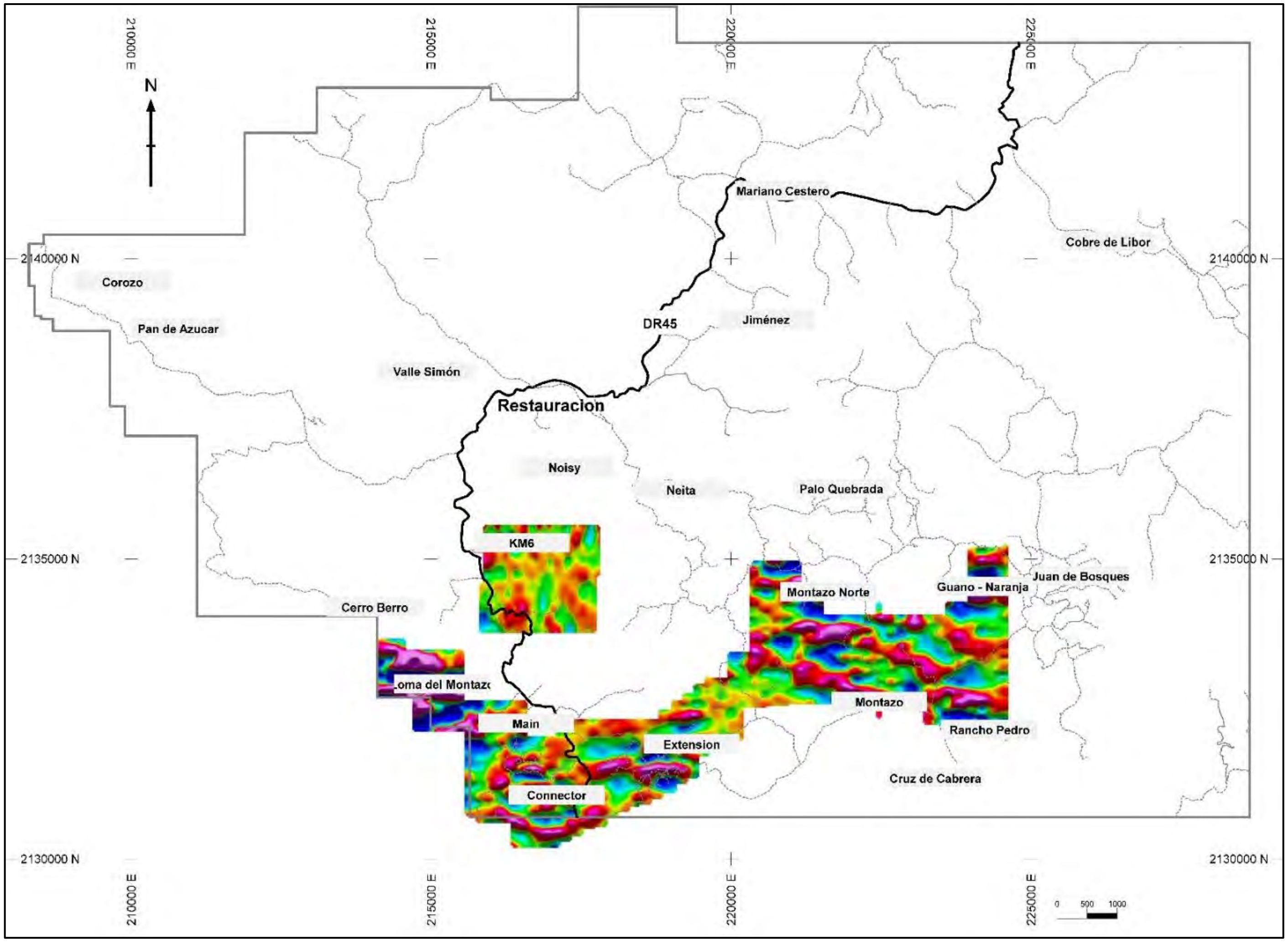


Figure provided by Unigold Inc., September, 2020.

Figure 9.5
View of One of the Trenches on the CM Deposit

2013 Micon site visit.

Trenches are completed under the supervision of a QP. Trenches are continuously sampled by means of chip sampling, with sample intervals that vary in length according to the lithological boundaries between geological rock units, for the most part.

Test pits to a maximum depth of 6.0 m from surface were completed to evaluate gold grade and physical characteristics of the oxide mineralization at the CM and CMC deposits. Pits measured approximately 2.4 m x 2.8 m. Pits were excavated utilizing a CAT325 excavator to a maximum depth of 5.0-6.0 m. All four pit walls were continuously chip-channel sampled along one-metre vertical intervals from the pit floor to the pit collar. Parallel cuts were made, approximately 10.0-15.0 cm apart and 2-4 cm deep (Figure 9.6). The material between the cut lines was chipped off and collected on a tarp spread at the bottom of the pit. Once the sample was completed, the material in the tarp was placed in a five-gallon pail and lifted to surface. Samples were riffle split in the field using a ¼ inch splitter. Oversize fragments were hand sorted, equally divided between the sample and reject fractions. One half of each split was bagged and tagged and sent for analysis as a primary sample. The reject portion was passed through the riffle splitter a second time to separate the +¼ inch and -¼ size fractions. The coarse fraction was bagged and tagged as a coarse reject sample and both fine fractions were combined, bagged and tagged as a fine reject sample. All three samples were sent for analyses.

Figure 9.6
Establishing the Channel Ribs in Test Pit – 2018

Photograph supplied by Unigold, September, 2020.

The test pits were located at the CM and CMC deposits. Six pits twinned historical drill holes to verify the grades out of concerns over the accuracy of select intervals, due to excessive core loss. Unigold concluded that there is no discernable sample bias due to excessive core loss. The results of the test pits confirmed the results from the drill holes, most of which reported core recoveries of less than 25%. In addition, there is no appreciable difference in grade between the coarse and fine size fractions from the ¼ inch riffle split.

Drill holes are oriented to intersect the interpreted targets at right angles to the dominant trend of the surficial geology in the target area. Drill hole dips are selected to intersect the target horizon at an angle as close as possible to the true width of the deposit. The dominant direction of drilling at CM is southwest (225° azimuth.). The dominant direction of drilling at CE is northwest (330° azimuth.). Drilling at the CMC was oriented due north-south, utilizing a series of scissor holes to test what is, essentially, a flat lying tabular mineralized zone.

The initial drill holes at Candelones were sampled from collar to the end of hole on one metre sample intervals. More recent drilling limits sampling to the areas considered to be mineralized. Samples are collected continuously on one metre intervals, across the core length identified for sampling. Since 2016, sample intervals have been adjusted to reflect litho-structural contacts observed during core logging. The core is sampled in one-metre intervals within geological breaks identified by the core logging geologist. Despite this adjustment, the vast majority of samples are 1.0 m in length.

Sample selection is supervised by the QP. All samples are sawn utilizing a diamond saw, with one half of the core sent for analysis and the remaining core kept as part of the historic core library.

The core storage facility offers rack storage for approximately 50,000 m of core. The core is cycled out of the storage racks and cross-stacked to provide rack space for the current drill campaign.

All the samples are analyzed for gold and the majority (80%), are analyzed for Ag, Al, As, Au, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, La, Mg, Mn, Mo, Na, Nb, Mi, P, Pb, S, Sb, Sc, Sn, Sr, Th, Ti, U, V, W, Y, Zn and Zr.

The above analyses are completed utilizing Emission Spectroscopy analysis. A separate analysis is performed for gold, using industry standard fire assay with an AA finish.

The majority of the samples collected have been analyzed at an accredited assaying facility independent of Unigold.

9.3 Sampling Quality

The use of Certified Reference Materials (CRMs) was not integrated into Unigold's exploration programs from 2002 through to late 2011. Largely, this affected the trenching and drilling at the CM deposit and the first 16 holes at the CE.

Recognizing this as an area of concern, Unigold commissioned P&E Mining Consultants (P&E), Brampton, Ontario, to assess the quality of the historical data collected without the benefit of industry standard QA/QC protocols.

Ms. T. Armstrong, P.Geo, of P&E, reviewed the historical data and collected pulp reject and coarse reject samples for independent analysis. In a Memorandum titled: "Unigold Candelones and Lomita Pina Deposits, Dominican Republic, Quality Control Evaluation Report", Ms. Armstrong concluded that the historical results are accurate, based on P&E's verification assaying of a representative subset of the population from Candelones and Lomita Pina (Lomita Pina is now referred to as CE). P&E's report also included trench samples, providing a higher level of confidence in the trench sampling, as well as the diamond drill core results.

Subsequent to Ms. Armstrong's review, Unigold initiated industry standard QA/QC procedures. CRMs (blanks and standards), supplied by a certified laboratory, are regularly inserted into the sample stream at a maximum rate of one in ten (10%) or at a minimum rate of one in twenty (5%) of the core samples sent for analysis. Unigold utilizes multiple standards with varying gold, silver, copper and zinc limits. The CRM performance is monitored for all results received and standards or blanks returning results that are outside the expected performance metrics are investigated to determine the cause of the observed variance. In rare cases, sample batches corresponding to the standard or blank that reported results outside the acceptable precision limit, are re-assayed to verify the results.

9.4 EXPLORATION DATA SUMMARY

Unigold's database for the Neita Concession as of December 31, 2020, includes:

- 581 diamond drill holes (138,671 m).
- 31,559 m of surface trenching.
- 31 test pits.
- 32,704 geochemical soil sampling.
- 11,089 rock samples.
- 884 stream sediment samples.
- 196 line km of surface geophysics.
- 687 km^2 of airborne geophysics.
- 151,860 drill hole geochemical analyses.

Approximately 78% of the drilling (453 holes, 110,303 m) was performed at the Candelones Project.

Unigold resumed active diamond drilling at the CE Targets A, B and C effective August 26, 2020. The current exploration budget assumes completion of 50-60 drill holes (15,000 to 20,000 m) targeting extensions to the high-grade epithermal targets identified by exploration drilling from 2016 through H1, 2020. The planned drill program commenced August 26, 2020, with the drilling testing the three targets at depth. Initial step out drilling along strike commenced in mid-November targeting the gap between the CMC and CE deposits.

9.5 MICON QP COMMENTS

Micon's QP discussed the exploration sampling programs with Unigold personnel during the 2019 site visit. The surface soil sampling, stream sampling and general rock sampling are useful indicators of the location of mineral deposits but are not used for estimating resources, since there are a number of factors, such as sampling conditions, soil conditions and depth taken, that may affect the quality of the sample.

The trench and test pit sampling was used in the resource estimation, as it is able to expose fresh oxide material for the purpose of mapping and sampling the lithological units along the exposure. In this case, some sampling bias can stem from how the sample is collected or from the natural weathering conditions (oxidized/unoxidized) in the collection location. The sampling biases can be mitigated or lessened with proper sampling protocols, as in the case of Unigold. Micon' QPs consider that the trench and test pit sampling is of sufficient quality to be used in the mineral resource estimate for the Candelones Project.

Micon's QP has reviewed Unigold's exploration programs and has visited several of the exploration sites, as well as discussing the exploration programs, procedures and practices with responsible personnel during the 2019 visit to the Candelones Project. Micon's QP believes that the exploration programs are managed according to the Exploration Best Practice Guidelines established by the CIM on November 29, 2019, and its earlier version dated August, 2000.

Unigold also informed Micon's QP that all work has been carried out under the supervision of a Qualified Person.

10.0 DRILLING

10.1 DRILLING PROCEDURES

As of December 31, 2020, 581 holes totalling 138,671 m have been drilled within the Concession limits. These data exclude 27 holes completed by Mitsubishi prior to 1990.

All the holes are diamond drill holes completed utilizing modern, hydraulic, wireline drills. Both HQ diameter and NQ diameter drill core is produced, as the hole is usually collared as an HQ hole and, at some point down the hole, depending on conditions, the core is reduced to NQ diameter tooling. Unigold owns and operates three diamond drills, using locally trained Dominican workers and management. Figure 10.1 shows one of Unigold's drills in the process of completing a hole during a Micon site visit.

Figure 10.1
Unigold's Drill Completing a Hole during the 2013 Micon Site Visit

Photograph taken during the 2013 Micon site visit.

Drill locations are selected by the Unigold geological staff managing the Project. Platform locations are located in the field, utilizing hand-held GPS receivers. After the platforms are constructed, the collar location for the drill hole is established and the drill is moved onto the platform and aligned by a QP.

Down-hole deviation is measured utilizing a Reflex™ EZ shot instrument. The initial survey is completed at a depth of 15 m and the results are reviewed, by the QP, to determine if the drill hole will continue or if a realignment is necessary to intersect the planned target.

Preliminary drill hole location and alignment data are supplied to the database manager, who updates the drill database. Working sections of the current hole are produced and the hole progress is charted by sketching the pertinent geological data from the core onto the section, to monitor hole progress.

The QP determines the hole shut down depth, based on observations of the core and the working sections. Once the hole is terminated, the drill is moved off the platform, a concrete monument is constructed for the hole and the hole number, azimuth, dip and total depth are inscribed on the monument. Figure 10.2 is a view of one of the concrete monuments for the drill holes.

Figure 10.2
Concrete Monument for a Drill Hole

Photograph taken during the 2013 Micon site visit.

The monuments are surveyed using differential GPS survey instruments at a later date and the more accurate survey data are supplied to the database manager, who updates the final collar location in the database.

The drill pads are reclaimed and reseeded at the beginning of the rainy season (April through June).

Drilling was executed to industry standards in a safe, secure and environmentally responsible manner, and the sites were as well cleaned and reclaimed as possible.

10.2 Drilling Locations

Table 10.1 summarizes the drilling by year completed for the Candelones Project. Micon's QPs advise that the 27 drill holes completed by Mitsubishi were not included in the database used to estimate the mineral resources. However, the drill data do include 22 holes (2,718 m) drilled by Rosario Dominicana at the CM deposit in the late 1990's.

Figure 10.3 is a location map showing the collar locations of the holes completed as of June 30, 2020, at the Candelones Project.

Table 10.1
Summary of Diamond Drilling by Year for the Candelones Project

Year	Company	Target	Number Holes	Metres
1990	Rosario Dominicana	CM	8	645.3
1998	Rosario Dominicana	CM	14	2,072.8
		Other	8	934.6
		Subtotal	**22**	**3,007**
2003	Unigold	CM	2	122.5
2004	Unigold	CM	18	2,253.4
		Other	7	1,108.7
		Subtotal	**25**	**3,362**
2007	Unigold	CM	50	8,453.2
		Other	6	820.5
		Subtotal	**56**	**9,274**
2008	Unigold	CM	37	8,599.0
		Other	12	1,448.0
		Subtotal	**49**	**10,047**
2009	Unigold	CM	5	636.0
		CE	3	465.0
		Other	4	443.0
		Subtotal	**12**	**1,544**
2010	Unigold	CM	3	923.7
		CE	12	3,196.7
		Other	26	6,384.5
		Subtotal	**41**	**10,505**
2011	Unigold	CM	6	843.6
		CE	5	1,738.5
		Other	8	1,583.5
		Subtotal	**19**	**4,166**
2012	Unigold	CM	-	-
		CE	47	20,887.9
		CMC	7	618.6
		Other	1	200.0
		Subtotal	**55**	**21,707**
2013	Unigold	CM	27	4,580.2
		CE	35	11,896.8

Year	Company	Target	Number Holes	Metres
		CMC	39	6,928.3
		Other	33	9,449.1
		Subtotal	**134**	**32,854**
2014	Unigold	CM	-	-
		CE	-	-
		CMC	-	-
		Other	23	5,996.4
		Subtotal	**23**	**5,996**
2015	Unigold	CM	-	-
		CE	4	1,415.3
		CMC	-	-
		Other	-	-
		Subtotal	**4**	**1,415**
2016	Unigold	CM	-	-
		CE	34	12,304.3
		CMC	8	626.0
		Other	-	-
		Subtotal	**42**	**12,930**
2019	Unigold	CM	14	414.7
		CE	13	6,518.7
		CMC	11	276.5
		Other	-	-
		Subtotal	**38**	**7,210**
2020	Unigold	CM	7	255.0
		CE	36	12,126.0
		CMC	8	1,505.0
		Other	-	-
		Subtotal	**51**	**13,886**
Project to Date		**CM**	**191**	**29,799**
		CE	**189**	**70,549**
		CMC	**73**	**9,954**
		Total	**453**	**110,303**
		Other	**128**	**28,368**
		Total	**581**	**138,671**

Table provided by Unigold Inc.

Figure 10.3
Drill Hole Location Plan for the Candelones Project

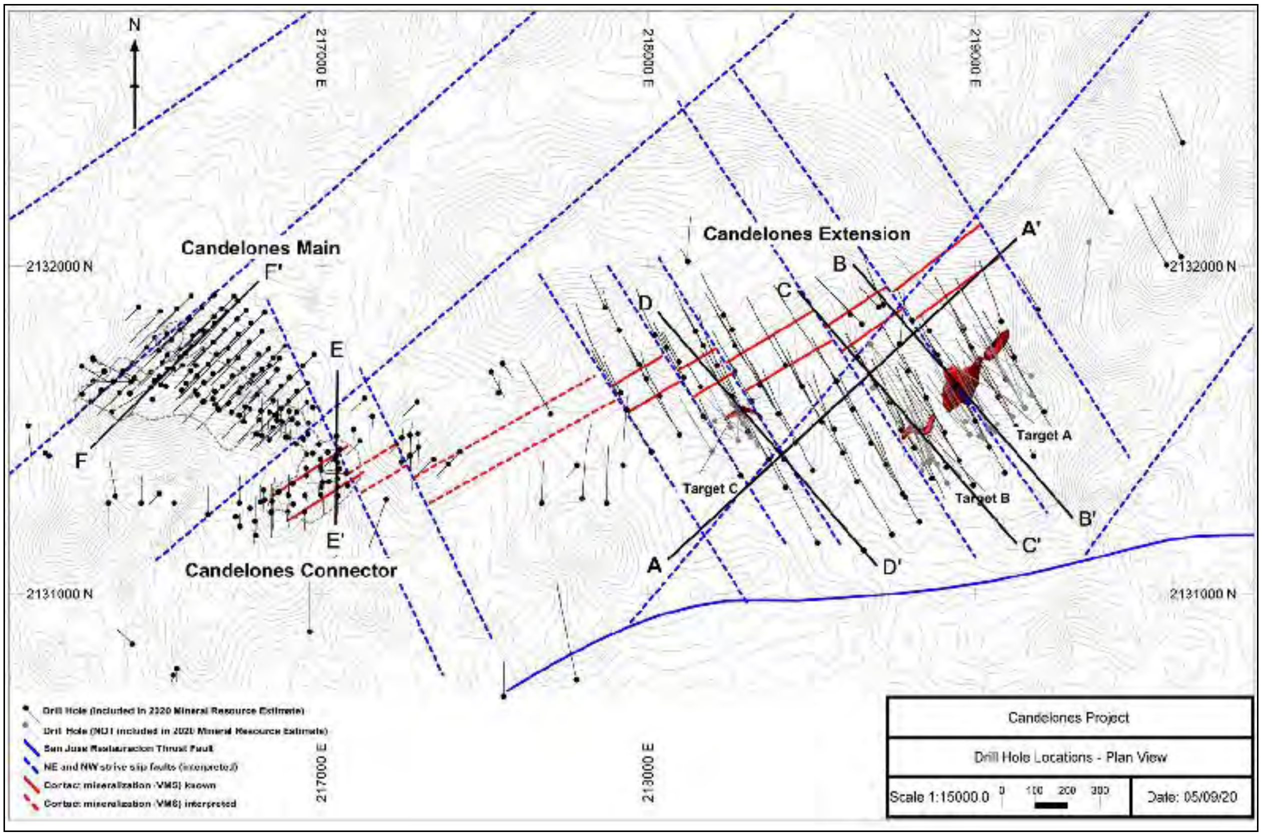


Figure provided by Unigold Inc., September, 2020.

10.3 SUMMARY OF SIGNIFICANT DRILLING RESULTS

Table 10.2 is a partial summary of the drill hole location and alignment data for the holes with significant intersections of mineralization for the Candelones Project, by deposit/target.

Table 10.3 through Table 10.7 present the significant results by target and deposit for the CE, CMC and CM deposits. The tables correspond to the accompanying figures.

Figure 10.5 is a longitudinal section of the CE deposit, while Figures 10.5 to 10.9 are cross-sections through Target A, Target B, Target C, CMC and CM, respectively.

True width is estimated based on the hole orientation relative to the currently interpreted strike and dip of the mineralization. Drill hole alignment is largely perpendicular to the andesite-dacite contact interpreted to control the stratabound, VMS type mineralization and as such, the true width approximates the length of the reported mineralized interval.

High-grade mineralization is currently interpreted to occur as quartz-sulphide, semi-massive sulphides and massive sulphides that occur along the margins of late, mafic to intermediate intrusive dikes or sills. The late intrusives are interpreted to be deposited within major, strike-slip faults, particularly along intersections, and the resultant brecciation allowed hydrothermal fluid flow producing a series of anastomosing veins within the dacite volcanoclastic sequence. These high-grade vein systems are erratic but appear to be preferentially oriented in a sub-vertical plane. True width is estimated based on the currently interpreted strike, dip and plunge of the vein systems relative to the drill hole orientation.

Figure 10.4 is a simplified longitudinal section (A-A') of the CE deposit. Figure 10.5 through Figure 10.9 are simplified cross-sections of Targets A, B and C (CE), CMC and CM.

The figures present a simplified interpretation of the current geological model which continues to evolve as more data are returned at Targets A, B and C. Unigold advises that the current geological model benefitted from re-logging historical drill core proximal to the identified high-grade targets. Unigold notes that, to date, the same level of analysis has not been extended to either the CM or CMC deposits where historical drilling also identified isolated, higher grade intervals within the broader, low tenor, mineralized envelope.

Table 10.2
Listing of the Drill Holes with Significant Results for the Candelones Project by Deposit and Target as of June 30, 2020

Deposit Target	Reference Figure	Hole Number	Coordinates (UTM)			Drill Hole Parameters		
			Easting	Northing	Elevation	Depth (m)	Azimuth (°)	Dip (°)
CE Target A	Figure 10.5	LP09	218886	2131727	557	171	330	-45
		LP10	218937	2131634	555	224	330	-50
		LPMET01	218861	2131802	579	518	150	-52
		LP15-95	219042	2131501	555	339	330	-55
		LP19-132M	219047	2131502	554	374	328	-56
		LP19-137	219070	2131517	561	460	328	-58
		LP19-131M	219062	2131494	554	416	328	-56
		LP16-124	219153	2131567	564	446	300	-60
CE Target B	Figure 10.6	LP28	218869	2131352	533	414	330	-50
		LP16-120	218861	2131398	539	455	323	-65
		LP16-128	218807	2131498	530	464	0	-90
		LP16-123	218861	2131398	539	398	320	-65
		LP19-134M	218916	2131336	528	445	328	-56
		LP29	218921	2131269	515	483	330	-50
		LP19	218161	2131630	555	269	330	-70
		LP19-135	218943	2131292	527	596	328	-56
CE Target C	Figure 10.7	LP65	218095	2131707	560	314	330	-70
		LP20-146	218291	2131518	538	194	328	-50
		LP52	218307	2131495	532	426	330	-50
		LP20-150	218314	2131478	530	278	328	-60
		LP16-110	218338	2131454	526	290	330	-55
		LP71	218058	2131750	571	269	330	-70
		LP57	218370	2131410	522	494	330	-50
		LP20-148	218314	2131478	530	266	328	-50
		LP16-113	218338	2131454	526	325	345	-60
		LP91	218418	2131409	522	342	330	-55

Deposit Target	Reference Figure	Hole Number	Coordinates (UTM)			Drill Hole Parameters		
			Easting	Northing	Elevation	Depth (m)	Azimuth (°)	Dip (°)
CCM	Figure 10.8	DCZ10	216997	2131410	545	218	180	-60
		DCZ24	217000	2131375	547	101	0	-60
		DCZ04	217000	2131325	552	73	0	-60
		DCZ08	217005	2131340	548	206	180	-60
		DCZ03	217000	2131300	554	50	180	-60
		DCZ19-55	216999	2131385	547	23	0	-90
		DCZ16-47	216993	2131455	541	77	0	-90
CM	Figure 10.9	SC28	216549	2131684	595	120	225	-60
		CFI08A	216489	2131650	605	281	225	-70
		SC20	216507	2131662	603	159	222	-60
		CFI03	216531	2131686	596	155	225	-60
		CFI04	216568	2131721	583	150	225	-60
		SC39	216585	2131733	578	150	225	-60
		CFI05	216603	2131756	569	269	225	-60
		DC105	216633	2131803	557	258	225	-60
		CFI07	216674	2131826	546	276	225	-60
		CFI06	216643	2131798	557	241	225	-60
		DC110	216673	2131845	542	287	225	-60
		CFI02	216710	2131862	535	302	225	-60
		CFI01	216745	2131893	527	356	225	-60

Table provided by Unigold Inc.

Table 10.3
Listing of Significant Results Section B-B'; Target A CE Deposit

Deposit/ Target	Reference Figure	Hole Number	From (m)	To (m)	Interval (m)	True Width (m)	Gold (g/t)	Silver (g/t)	Copper (%)	Zinc (%)
CE Target A	Figure 10.5	LP09	37.0	110.0	73.0	67.5	0.89	2.5	0.0	0.3
		incl.	39.0	45.0	6.0	5.6	3.03	4.3	0.0	0.1
		LP10	95.0	183.0	88.0	81.4	1.04	2.0	0.0	0.4
		incl.	95.0	97.0	2.0	1.9	21.95	4.9	0.0	0.1
		LPMET01	60.5	484.0	423.6	DD	1.1	1.2	0.1	0.2
		incl. MS	314.0	336.0	22.0	18.7	6.9	6.6	0.6	0.0
		LP15-95	236.1	326.9	90.8	84.0	3.5	2.3	0.3	0.0
		incl.MS	252.6	287.5	34.9	12.2	6.2	4.1	0.6	0.0
		LP19-132M	236.0	342.1	106.1	98.1	3.2	2.6	0.3	0.1
		incl. MS	250.0	262.0	12.0	4.2	6.9	8.4	0.9	0.0
		and MS	287.3	314.0	26.7	9.3	5.3	4.6	0.5	0.0
		LP19-137	251.2	393.5	142.3	131.6	1.2	1.1	0.1	0.0
		incl. MS	306.5	321.8	15.3	5.4	5.7	3.7	0.5	0.0
		LP19-131M	249.6	379.0	129.4	119.7	2.0	2.0	0.2	0.0
		incl. MS	284.0	309.0	25.0	8.8	5.7	3.4	0.4	0.0
		LP16-124	307.0	441.0	134.0	124.0	0.8	0.4	0.1	0.0
		incl. MS	356.2	368.5	12.3	4.3	5.0	1.5	0.2	0.0

Notes: incl. = includes.
MS - massive sulphides.

Table 10.4
Listing of Significant Results; Section C-C'; Target B CE Deposit

Deposit/ Target	Reference Figure	Hole Number	From (m)	To (m)	Interval (m)	True Width (m)	Gold (g/t)	Silver (g/t)	Copper (%)	Zinc (%)
CE Target B	Figure 10.6	LP28	262.0	397.0	135.0	135.0	2.6	4.1	0.1	0.7
		incl.	263.0	278.0	15.0	10.5	16.4	26.7	0.3	2.4
		and	368.0	374.0	6.0	4.2	7.4	6.3	1.1	0.3
		LP16-120	245.4	369.7	124.3	124.3	0.9	1.4	0.2	0.3
		incl.	256.0	259.7	3.7	2.6	3.3	1.5	0.0	0.3
		and	363.0	369.7	6.7	4.7	3.3	6.5	1.9	0.2
		LP16-128	183.8	395.1	211.3	211.3	1.0	2.4	0.1	0.5
		incl.	262.8	274.0	11.2	7.8	5.1	7.4	0.3	2.5
		and	333.8	335.5	1.6	1.2	7.0	5.0	0.9	0.5
		LP16-123	265.4	379.5	114.1	114.1	2.2	1.8	0.3	0.7
		incl.	265.4	279.0	13.6	9.5	6.8	2.5	0.9	2.5
		and	371.5	375.5	4.0	2.8	18.0	5.6	1.3	0.0
		LP19-134M	286.0	392.0	106.0	106.0	2.0	2.8	0.2	0.3
		incl.	296.0	303.0	7.0	4.9	1.6	1.4	0.1	0.4
		and	367.0	378.0	11.0	7.7	6.3	6.5	0.9	0.5
		LP29	316.0	422.0	106.0	106.0	1.5	1.7	0.2	0.2
		incl.	328.0	334.0	6.0	4.2	2.6	0.7	0.1	0.6
		and	396.0	412.0	16.0	11.2	5.2	6.3	0.9	0.4
		LP19	96.0	126.0	30.0	30.0	0.3	0.4	0.0	0.1
		LP19-135	288.5	512.0	223.5	223.5	1.2	1.4	0.1	0.2
		incl.	374.9	423.0	48.1	33.7	4.2	4.7	0.3	0.2
		and	433.4	435.0	1.6	1.1	3.3	2.6	1.0	0.0

Notes: incl. = includes.

Table 10.5
Listing of Significant Results; Section D-D'; Target C CE Deposit

Deposit/ Target	Reference Figure	Hole Number	From (m)	To (m)	Interval (m)	True Width (m)	Gold (g/t)	Silver (g/t)	Copper (%)	Zinc (%)
CE Target C	Figure 10.7	LP65	67.0	223.2	156.2	152.3	0.7	1.3	0.1	0.1
		incl.	123.0	125.0	2.0	2.0	6.6	0.0	0.1	1.3
		LP20-146	110.0	185.0	75.0	71.3	3.1	10.7	0.2	1.0
		incl.	111.0	125.0	14.0	13.3	10.3	35.3	0.3	2.6
		and	146.0	149.0	3.0	2.9	4.8	5.1	0.3	0.9
		LP52	115.2	199.0	83.8	79.6	3.1	8.7	0.1	1.4
		incl.	115.2	131.0	15.8	15.0	11.4	38.3	0.4	5.1
		and	175.0	183.0	8.0	7.6	3.7	1.5	0.0	1.2
		LP20-150	134.9	278.0	143.1	135.9	2.0	6.3	0.1	0.6
		incl.	141.5	144.0	2.5	2.4	5.2	147.9	0.1	1.4
		and	210.0	227.0	17.0	16.2	9.4	11.8	0.2	2.4
		LP16-110	142.0	290.0	148.0	140.6	1.5	3.3	0.0	0.4
		incl.	156.0	161.0	5.0	4.8	3.5	27.3	0.1	0.8
		and	233.0	245.0	12.0	11.4	9.7	7.0	0.1	1.6
		LP71	96.2	172.1	76.0	74.1	0.7	7.5	0.0	0.1
		incl.	110.7	114.6	3.9	3.8	4.3	0.9	0.1	0.2

Deposit/ Target	Reference Figure	Hole Number	From (m)	To (m)	Interval (m)	True Width (m)	Gold (g/t)	Silver (g/t)	Copper (%)	Zinc (%)
		and	137.0	138.7	1.7	1.6	6.7	1.0	0.2	0.0
		LP57	256.5	358.0	101.5	96.4	1.1	1.5	0.0	0.2
		incl.	260.0	273.0	13.0	12.3	5.9	4.2	0.1	0.7
		LP20-148	103.0	177.7	74.7	71.0	3.4	3.7	0.1	0.6
		incl.	126.0	150.0	24.0	22.8	8.6	5.8	0.2	1.4
		and	169.1	173.8	4.7	4.5	4.0	1.3	0.0	0.2
		LP16-113	180.0	309.0	129.0	122.6	0.8	1.0	0.0	0.3
		incl.	223.1	228.6	5.5	5.2	4.1	5.6	0.1	1.2
		LP91	265.3	341.7	76.5	72.6	0.8	NA	NA	NA
		incl.	272.5	281.5	9.0	8.6	3.0	NA	NA	NA

Notes: incl. = includes.

Table 10.6
Listing of Significant Results; Section E-E'; CMC Deposit

Deposit/ Target	Reference Figure	Hole Number	From (m)	To (m)	Interval (m)	True Width (m)	Gold (g/t)	Silver (g/t)	Copper (%)	Zinc (%)
CMC	Figure 10.8	DCZ10	0.0	52.0	52.0	39.5	1.5	8.4	0.0	0.2
		incl. OX	0.0	24.0	24.0	18.2	2.3	16.8	0.0	0.0
		DCZ24	0.0	75.1	75.1	57.1	1.3	4.9	0.1	0.5
		incl. OX	0.0	31.0	31.0	23.6	1.0	9.1	0.0	0.1
		DCZ04	17.0	62.5	45.5	34.6	0.8	3.7	0.1	0.1
		incl. OX	17.0	25.2	8.2	6.2	1.6	9.4	0.0	0.0
		DCZ08	0.0	52.0	52.0	39.5	0.3	3.7	0.0	0.0
		incl. OX	0.0	28.0	28.0	21.3	0.3	4.0	0.0	0.0
		DCZ03	8.0	44.0	36.0	27.4	0.3	3.0	0.0	0.1
		incl. OX	8.0	27.0	19.0	14.4	0.5	4.9	0.1	0.1
		DCZ19-55	0.0	22.5	22.5	22.5	0.7	NA	NA	NA
		DCZ16-47	0.0	71.0	71.0	71.0	0.1	0.9	0.0	0.1
		incl. OX	0.0	18.0	18.0	18.0	0.0	1.1	0.1	0.0

Notes: incl. = includes.
OX = Oxide mineralization.

Table 10.7
Listing of Significant Results; Section F-F'; CM Deposit

Deposit/ Target	Reference Figure	Hole Number	From (m)	To (m)	Interval (m)	True Width (m)	Gold (g/t)	Silver (g/t)	Copper (%)	Zinc (%)
CM	Figure 10.9	SC28	19.0	44.0	25.0	22.5	0.5	3.6	1.1	0.1
		CFI08A	3.0	32.0	29.0	26.1	0.6	2.8	0.0	0.0
		SC20	0.0	56.0	56.0	50.4	0.3	0.2	0.0	0.0
		CFI03	2.0	76.0	74.0	66.6	1.0	7.6	0.1	0.1
		incl.	12.5	38.0	25.5	23.0	2.5	20.3	0.3	0.2
		CFI04	2.0	111.0	109.0	98.1	0.4	0.9	0.1	0.1
		incl.	61.0	64.0	3.0	2.7	4.9	5.2	1.8	0.5
		SC39	13.0	133.0	120.0	108.0	0.5	0.3	0.0	0.1
		incl.	40.0	44.0	4.0	3.6	4.3	0.7	0.1	0.8

Deposit/ Target	Reference Figure	Hole Number	From (m)	To (m)	Interval (m)	True Width (m)	Gold (g/t)	Silver (g/t)	Copper (%)	Zinc (%)
		CFI05	53.0	141.2	88.2	79.3	1.0	0.6	0.1	0.2
		incl.	88.9	94.0	5.1	4.6	3.8	1.3	0.2	1.1
		DC105	101.0	184.0	83.0	74.7	0.4	0.1	0.0	0.2
		incl.	120.0	123.0	3.0	2.7	1.5	0.6	0.1	0.5
		CFI07	80.0	208.0	128.0	115.2	0.4	0.4	0.0	0.1
		incl.	195.2	202.4	7.2	6.5	2.2	1.7	0.3	0.1
		CFI06	103.1	238.5	135.4	121.8	0.4	0.1	0.0	0.1
		incl.	103.1	112.0	8.9	8.0	1.1	0.4	0.1	0.6
		DC110	141.0	247.0	106.0	95.4	0.6	0.4	0.0	0.2
		incl.	208.0	211.0	3.0	2.7	2.8	0.9	0.3	0.8
		CFI02	164.0	266.0	102.0	91.8	0.4	0.3	0.0	0.1
		incl.	201.0	212.0	11.0	9.9	0.7	0.5	0.2	0.2
		CFI01	193.6	279.5	85.9	77.3	0.1	0.6	0.0	0.0

Notes: incl. = includes.

Figure 10.4
Simplified Longitudinal Section A – A' CE Deposit

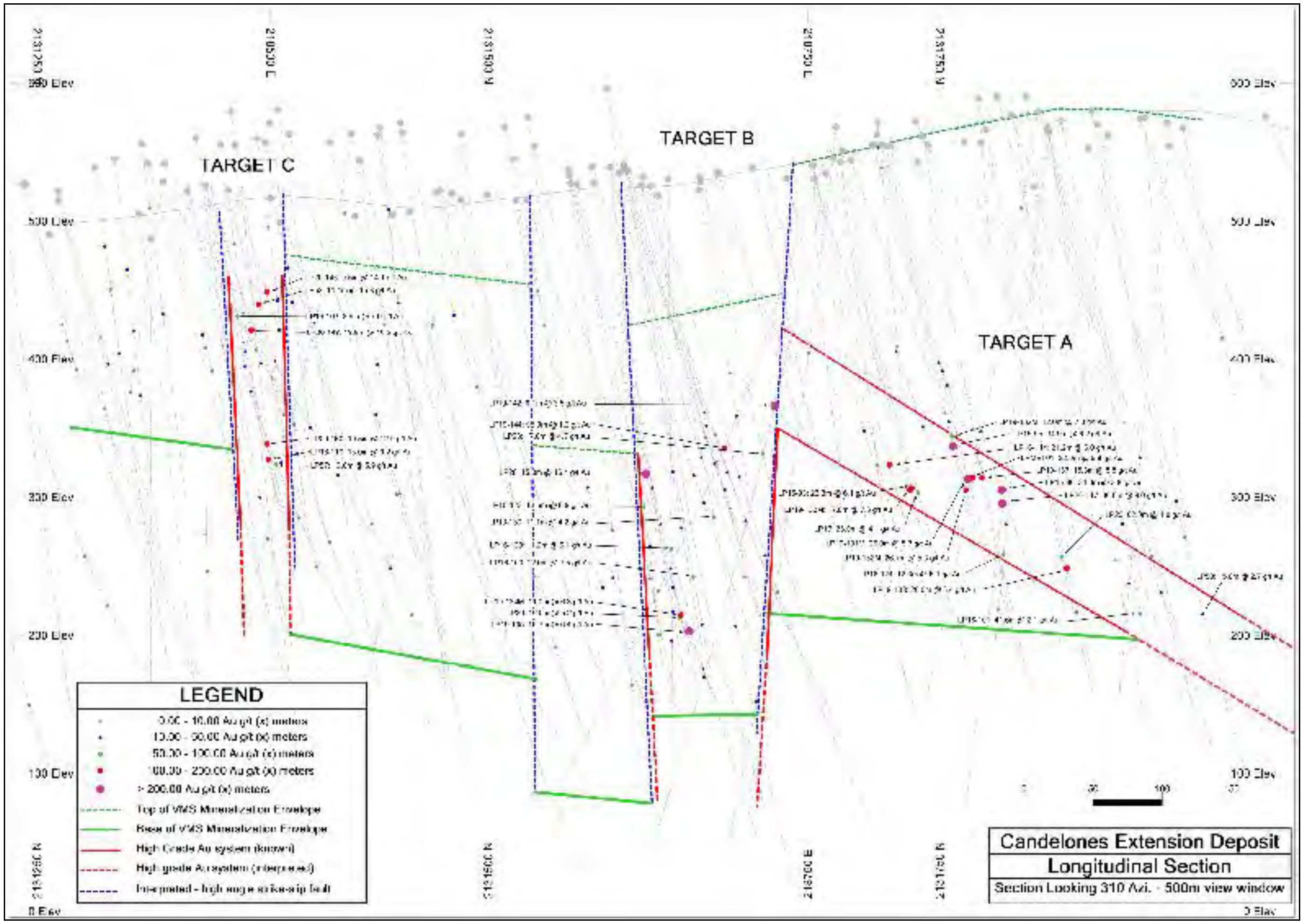


Figure provided by Unigold Inc., September, 2020.

Figure 10.5
Simplified Cross-Section B-B' CE Deposit, Target A

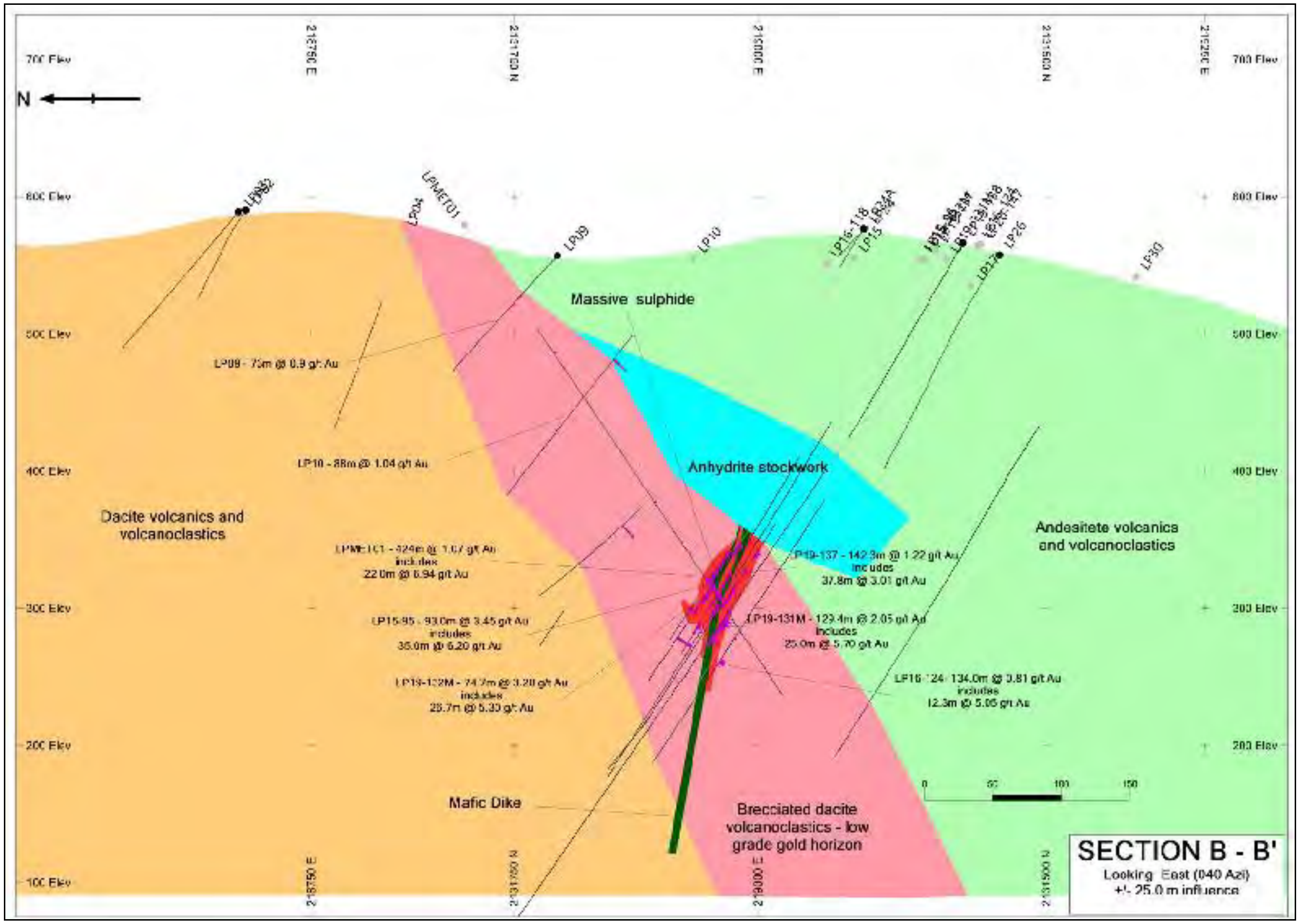


Figure provided by Unigold Inc., September, 2020.

Figure 10.6
Simplified Cross-Section C-C' CE Deposit, Target B

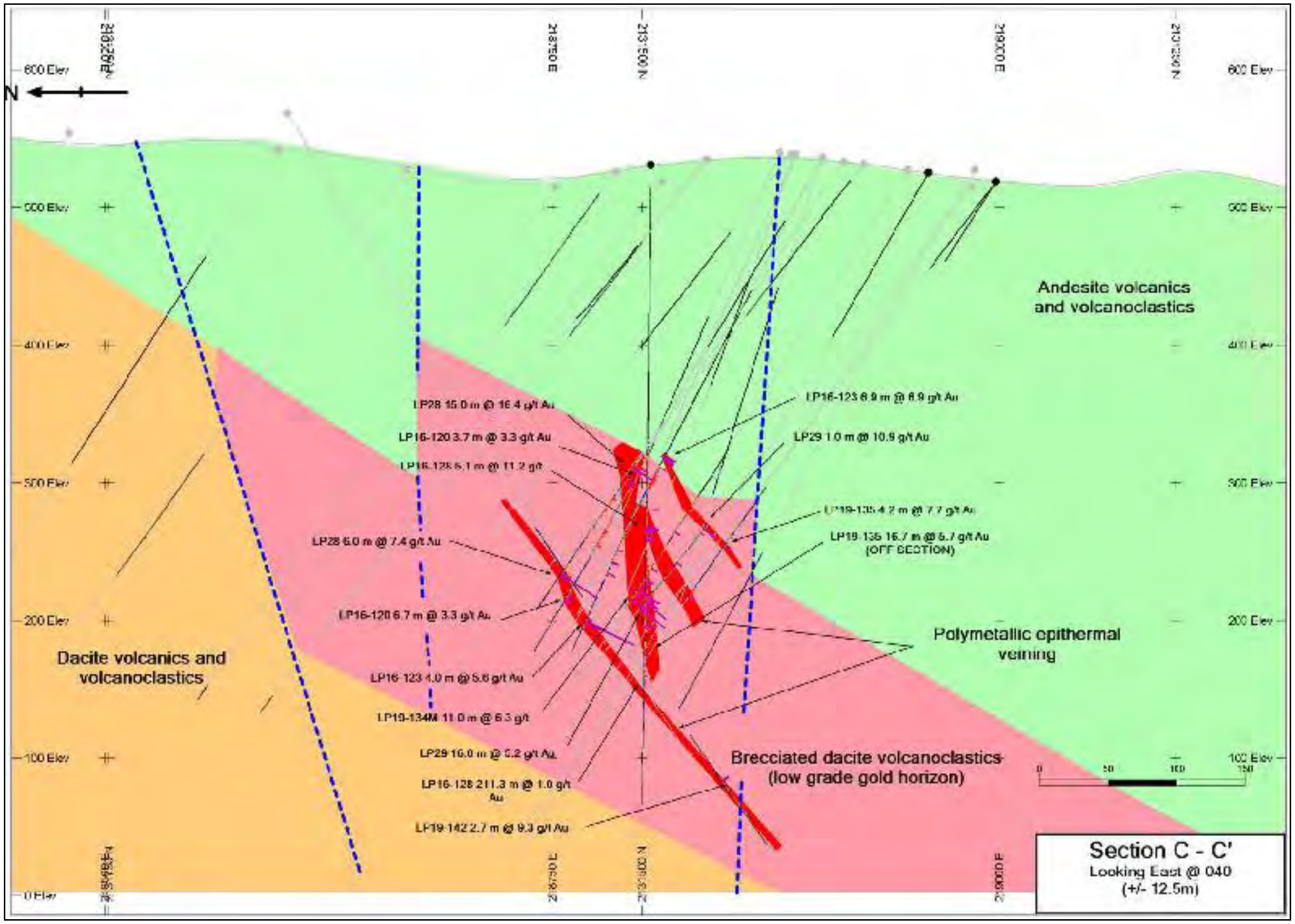


Figure provided by Unigold Inc., September, 2020.

Figure 10.7
Simplified Cross-Section D-D' CE Deposit – Target C

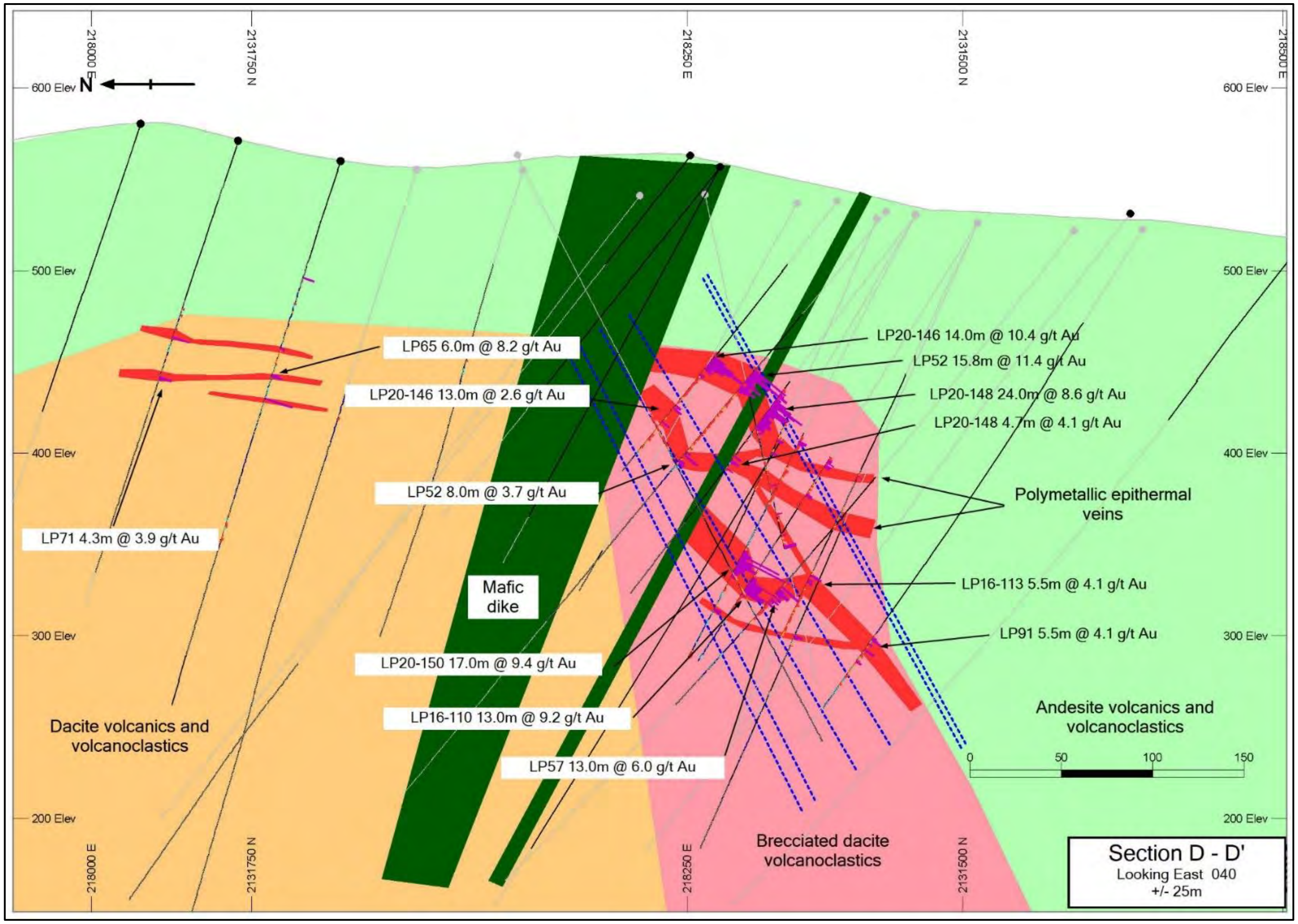


Figure provided by Unigold Inc., September, 2020.

Figure 10.8
Simplified Cross-Section E-E' CMC Deposit

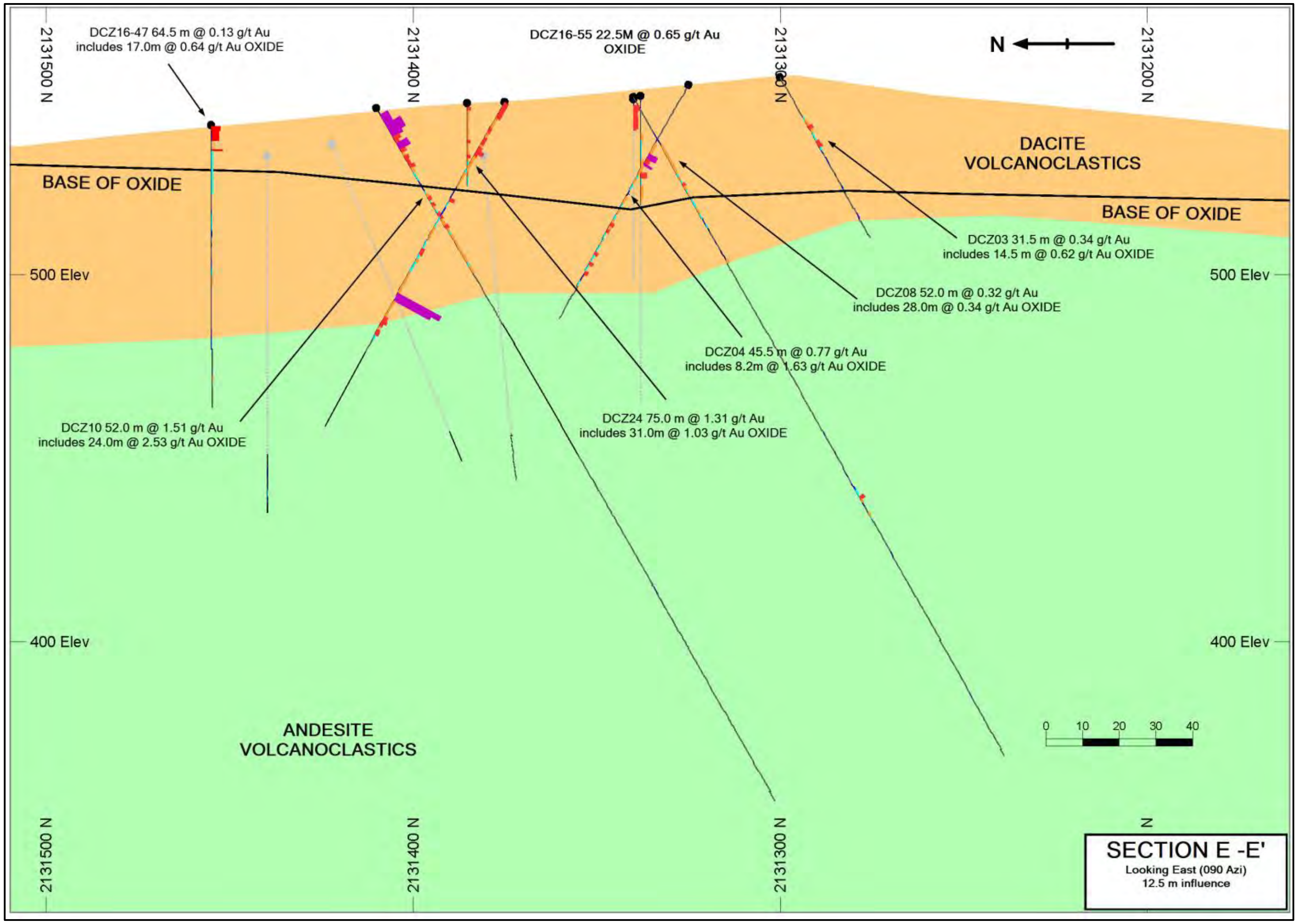


Figure provided by Unigold Inc., September, 2020.

Figure 10.9
Simplified Cross-Section F-F' CM Deposit

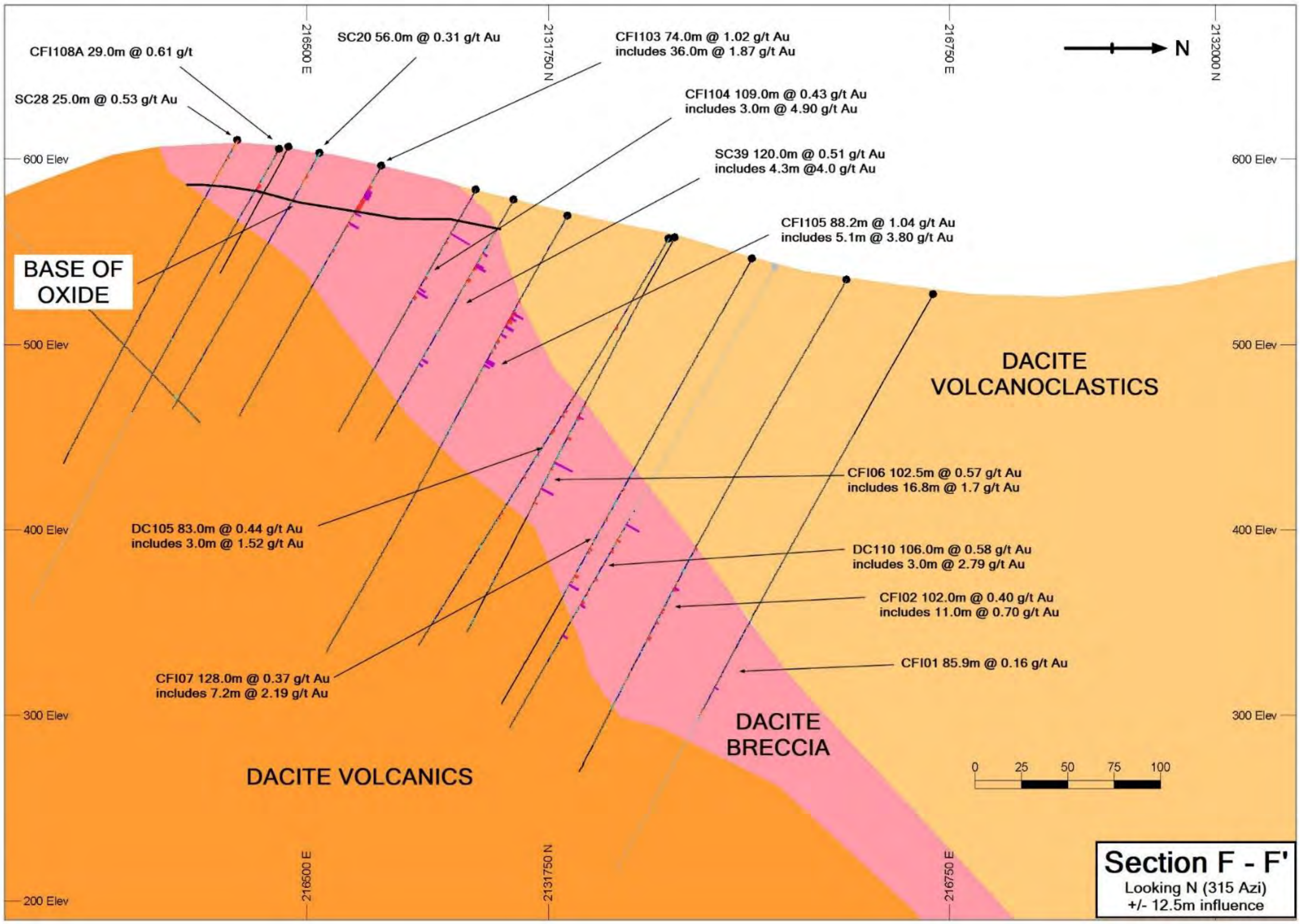


Figure provided by Unigold Inc., September, 2020.

10.4 MICON QP COMMENTS

During its site visits, Micon's QP observed the various components of the drilling program from the drills moving to a new hole, drilling and recovery of the core, logging and sampling, and data input and verification. In general, the Unigold drilling program is conducted according to the CIM guidelines for best practices. Micon' QP believes that the data collected by Unigold are of sufficient quality and quantity to form the basis of a mineral resource estimate.

10.4.1 Historical Factors Potentially Affecting the Resource Estimate on the Candelones Project

In reviewing the data for the Candelones Project, Micon's QPs have identified the following risks that may affect the resource estimate, primarily in the CM and CMC deposits. These factors are as follows:

1. Core recovery data were not available in most of the historical drill holes located in CM zone and instances of poor core recovery (less than 70%) were noted in drill core collected from the CM and CMC deposits. Micon QPs believe that any drill holes where the core recovery was less than 70% should be subject to further verification of the data. Micon's QPs note that the poorest core recovery was returned from the oxide mineralization that subcrops at surface. The test pit program completed in 2018, tended to confirm the tenor of the gold grades reported in the diamond drill hole database, suggesting that the poor ore recovery has not introduced any material bias as it pertains to the diamond drill data.
2. The digital terrain model (DTM) surface was used to correct a number of collar elevations. In Micon's QPs opinion, however, this will have minimal impact on the resource estimate, as only the collar elevations were affected.

Micon's QPs believe that the recovery data, potentially had the largest impact on the classification of the mineral resource estimate, since it limits the confidence in the grade distribution and continuity of the mineralization, rather than the extent of the mineralization itself. However, as Unigold's 2018 test pit program tended to confirm the tenor of the gold grades reported in the diamond drill hole database, Micon's QPs currently believe that the drill holes can be used to confirm the use of higher classifications for the mineralization in the CM and CMC zones.

11.0 SAMPLE PREPARATION, ANALYSIS AND SECURITY

11.1 SAMPLING METHODOLOGY

Sample preparation and analysis procedures prior to 2011 were documented by Valls (2008) and generally follow current procedures, with the notable exception of quality control and quality assurance procedures. Prior to 2011, Unigold relied on the primary analytical facility to provide quality control, utilizing the laboratory's own internal quality control procedures. There was no effort by Unigold to independently monitor the sample quality.

Subsequent to 2011, with the focus of the diamond drilling program on defining the CE deposit, Unigold initiated industry standard quality control and quality assurance programs that included the regular insertion and monitoring of certified standards (Certified Reference Materials (CRMs)) and blanks, at a rate of 1 in every 20 samples (5%).

Core is removed from the core tube and placed in wooden or plastic core boxes that are labelled with the hole number and the depth of each core run. The core boxes are sealed at the drill site and transported to the core logging facility by truck at the end of each 12-hour shift.

The core boxes are opened every morning under the supervision of the geologists working in the core logging facility. The core is then moved from the receiving area and placed in sequential order on the logging racks, where recovery and rock quality designation (RQD) measurements are collected and the core is washed in preparation for logging.

Access to the core receiving and logging facility is not formally restricted but, generally, only the geologists and the local labourers assigned to open, move and split the core have access. A security guard monitors the core facility during the night shift.

Logging is performed by a qualified geologist who completes the lithological-structural description and selects the samples for each drill hole. The logging geologist physically marks up the samples and supervises the preparation of the sample log. Samples are typically limited to 1.0 m in length but are adjusted to reflect the lithological-structural contacts identified during logging. Assay tickets are placed in the core tray at the start of the sample and stapled into place. The sample number is written on the core at the start of the sample in a red china marker. The core is then photographed (wet and dry) and prepared for cutting.

The core is cut using a diamond saw and one half of the core is placed in a plastic sample bag, along with its corresponding ticket number. The remaining half core portion is placed in the core box and stored at the core logging facility in racks for future access. Sample numbers are written on the exterior of the sample bags using indelible marker and the bags are then either stapled shut or tied using a cable tie.

Samples are placed in rice bags with the sample series written on the outside of the bag in permanent marker. The rice bags are tied shut using a cable tie and a line of paint is sprayed over the cable tie and rice bags. Photographs are taken at various points in the sampling process to verify the correct handling and chain of custody, until the samples are handed over to Bureau Veritas Minerals at the exploration camp. Bureau Veritas Minerals is independent of Unigold.

Samples are regularly picked up at site by representatives from the Bureau Veritas Minerals preparation laboratory, located in Maimon. As of January, 2021, with the full alignment of the ISO 9001 and 17025 standards, Bureau Veritas has decided to maintain only ISO 17025 accreditation for its minerals facilities.

Unigold has a complete record of the core drilling on the property and maintains a core library at site that includes:

- 10 years (+ selected holes) of half cores after splitting.
- Three years of sample rejects.
- A complete inventory of pulp rejects.

The onsite core library is well maintained and organized and provides an excellent historical record for future use.

11.2 Quality Assurance and Quality Control Procedures

The use of CRMs and blanks was not integrated into Unigold’s exploration programs from 2002 through to late 2011. Largely, this affected all trenching and drilling at the CM deposit, and the initial exploration holes at Corozo, Noisy, Rancho Pedro, Montazo, Guano, Naranja and Juan de Bosques and the first 16 holes at the CE deposit.

Recognizing this as an area of concern, Unigold commissioned P&E Mining Consultants to assess the quality of the historical data collected without the benefit of industry standard QA/QC protocols, as described in Section 9.3.

From 2011 through 2020, Unigold has utilized the regular insertion Certified Reference Materials (CRMs) as standard operating procedure. Blanks and CRMs are regularly and randomly inserted into the assay stream. CRMs are purchased from Rocklabs (New Zealand) and CDN Resource Laboratories (Canada) (CDN Resource). CRM’s include Au only, Au-Ag-Cu-Pb-Zn multi-element and Au-Cu-Mo multi-element CRMs. Gold is the primary element evaluated to monitor the CRM performance.

Unigold maintains a number of CRMs of varying grade ranges in inventory. CRMs are randomly inserted into the sample stream at a target rate of 1 in 20 samples. CRM insertion is supervised by the logging geologist who determines where in the sample stream the CRM is inserted and, generally, which CRM is inserted, attempting to match the CRM grade to that of the interval where the insertion is planned. The geologist logging the core identifies the CRM insertion in the sample tag book as the core is being marked up for sampling. In most cases, the logging geologist identifies the CRM to be inserted.

The physical insertion of the CRM is performed by the geologist logging the hole and the senior geotechnican, as the core is being sampled. The geologist identifies where each blank and/or standard is to be inserted as the core is being logged and the technician inserts the identified CRM, bags and tags the CRM and includes it in the sample shipment.

The database manager is initially responsible for monitoring CRM results. Results are monitored and samples returning values outside the CRM performance limit are flagged for follow up by the logging geologist. The logging geologist and database manager evaluate all CRMs returning values outside the CRM performance specification. All failures are evaluated to determine if re-analysis is warranted. If re-analysis is recommended, the five samples preceding and five samples following the standard are re-assayed, along with the failed CRM.

The database for the Candelones deposits supporting this PEA and mineral resource estimate includes 1,799 CRM results from a total population of 41,153 analyses representing an insertion rate of 4.37% or approximately 1 standard for every 20 samples, which is the targeted insertion rate established by Unigold.

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The regular insertion of blanks into the sample stream commenced after CRM insertion became standard operating practice. A total of 1,041 blanks have been inserted within a population of 38,086 analyses, an insertion rate of 2.73%, approximately one blank for every 40 samples.

11.2.1 Certified Reference Materials (Standards)

A total of 85 standard failures have been observed to date, representing a failure rate of 4.73%. A failure is considered any result outside the expected tolerance window of the CRM. CRMs supplied by Canadian Resource Laboratories identify the tolerance window for each CRM. The tolerance window of the CRMs supplied by Rocklabs is based on the standard deviation of the Rocklab round robin analyses. The CRM tolerance for the Rocklab CRMs is set as two times the standard deviation of the round robin analyses.

All observed failures occur within the dataset used to estimate the mineral resource discussed in Section 14.0 of this report.

All failures are reviewed by a geologist and the QP supervising the drill programs. Of the 85 observed CRM failures, 4 were considered critical, returning a result that was an order of magnitude different from the certified value for that standard. Of the four critical failures observed, only two are unexplained. The remaining two were classified as having been mislabelling during the insertion process.

Table 11.1 summarizes all standards and blanks utilized from 2011 through 2020.

Table 11.1
Certified Reference Materials and Blanks 2011 through 2020

Standard	Gold		Silver		Copper		Lead		Zinc		Molybdenum	
	Grade (g/t)	Tolerance (g/t)	Grade (g/t)	Tolerance (g/t)	Grade (%)	Tolerance (%)	Grade (%)	Tolerance (%)	Grade (%)	Tolerance (%)	Grade (%)	Tolerance (%)
CDN-BL-10	0.010	0.040										
CDN-BL-2	0.010	0.040										
CDN-CGS-19	0.132	0.010										
OxC72	0.205	0.024										
SE19	0.583	0.078										
SE29	0.597	0.048										
SE44	0.606	0.051										
OxE101	0.607	0.048										
OxE74	0.615	0.051										
CDN-ME-19	0.620	0.084	103	7	0.474	0.018	0.980	0.060	0.750	0.040		
CDN-CGS-19	0.740	0.086			0.132	0.010						
OxF65	0.805	0.068										
SF57	0.848	0.090										
SG40	0.976	0.066										
OxG83	1.002	0.081										
SG56	1.027	0.099										
CDN-GS-1W	1.063	0.113										
CDN-CM-15	1.253	0.155			1.280	0.090					0.054	0.004
OxH97	1.278	0.090										
OxH55	1.282	0.114										
OxH66	1.285	0.064										
CDN-ME-1602	1.310	0.134	137	6	0.372	0.014	1.130	0.050	0.775	0.038		
Oxi67	1.817	0.186										
CDN-CM-19	2.110	0.221			2.040	0.110					0.104	0.012
CDN-ME-1407	2.120	0.203	246	7	0.427	0.016	3.970	0.170	0.536	0.024		
CDN-ME-1206	2.610	0.263	274	14	0.790	38.000	0.801	44.000	2.380	0.150		
CDN-GS-3K	3.190	0.265										
CDN-ME-1607	3.330	0.270	150	5	0.310	0.008	1.720	0.060	0.560	0.020		
CDN-ME-1812	7.860	0.790	97	5	0.989	0.042	1.470	0.060	3.230	0.200		
CDN-GS-10D	9.500	0.685										

Table provided by Unigold Inc.

Figure 11.1 graphically depicts the performance of standard OxE101 in use from 2012 through 2016. A total of 168 analyses of the standard were completed. This standard has a certified value of 607 ppb Au. A total of seven (7) failures are observed with four analyses returning grades greater than the upper limit of the standard and an additional three analyses returning values less than the lower limit of the standard.

Figure 11.1
Performance Summary for CRM OxE101

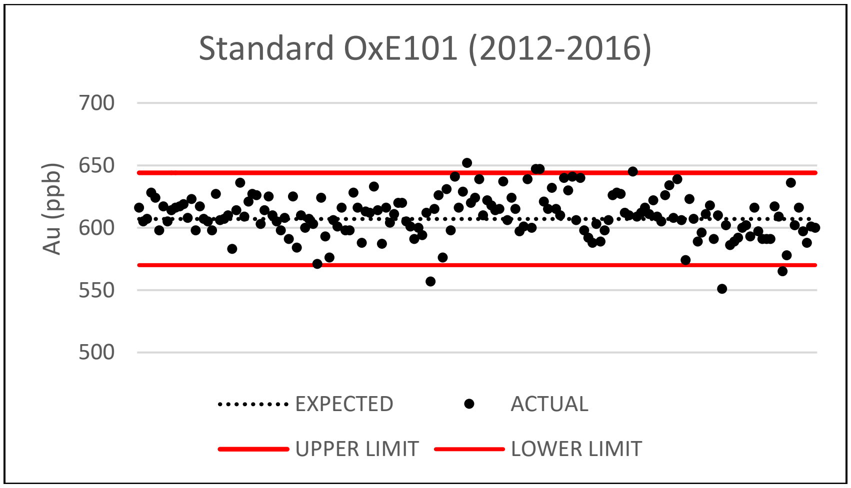


Figure provided by Unigold Inc.

Figure 11.2 graphically depicts the performance of standard ME-1602 in use from 2016 through 2020. A total of 90 analyses of the standard were completed. This standard has a certified value of 1,310 ppb Au. A total of seven (7) failures are observed with two analyses returning grades greater than the upper limit of the standard and five analyses returning values less than the lower limit of the standard.

Figure 11.2
Performance Summary for CRM ME-1602

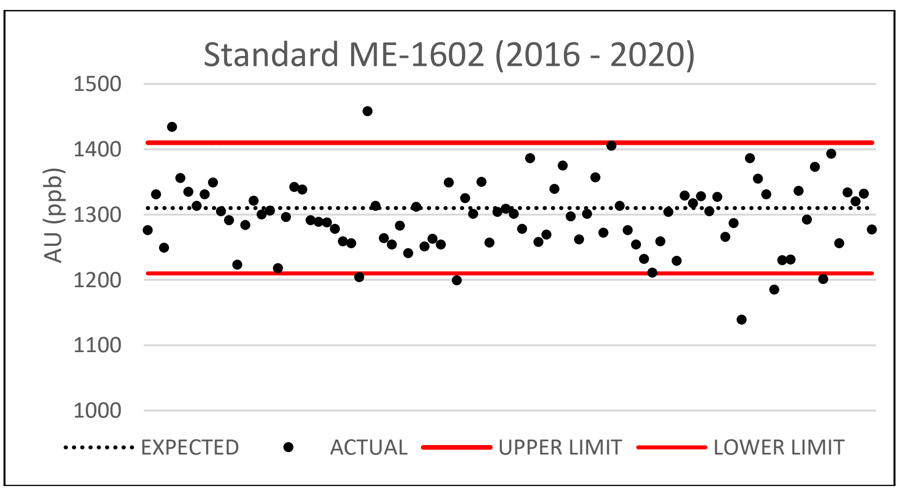


Figure provided by Unigold Inc.

Figure 11.3 graphically depicts the performance of standard ME-1607 in use from 2019 through 2021. A total of 138 analyses of the standard were completed. This standard has a certified value of 3,330 ppb Au. A total of two (2) failures are observed, both returning grades greater than the upper limit of the standard.

Figure 11.3
Performance Summary for CRM ME-1607

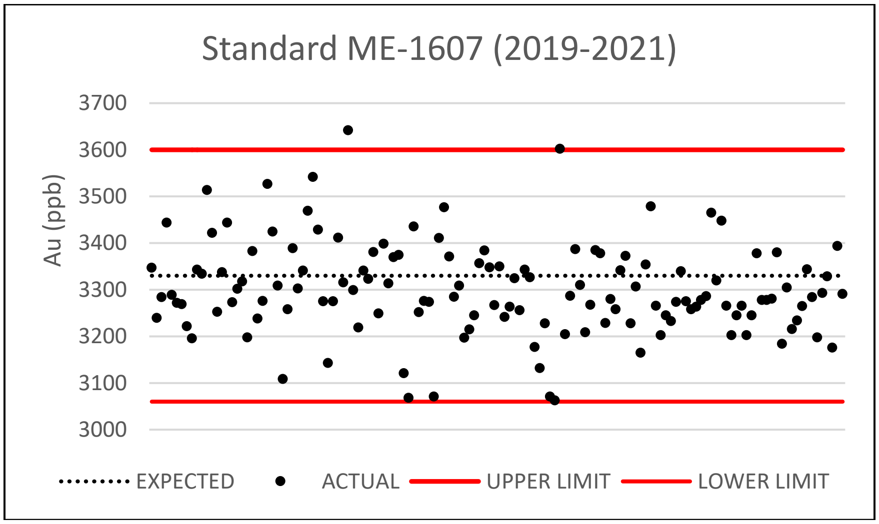


Figure provided by Unigold Inc.

Figure 11.4 graphically depicts the performance of standard GS-10D in use from 2013 through 2019. A total of 44 analyses of the standard were completed. This standard has a certified value of 9,500 ppb Au. No failures are observed.

Figure 11.4
Performance Summary for CRM GS-10D

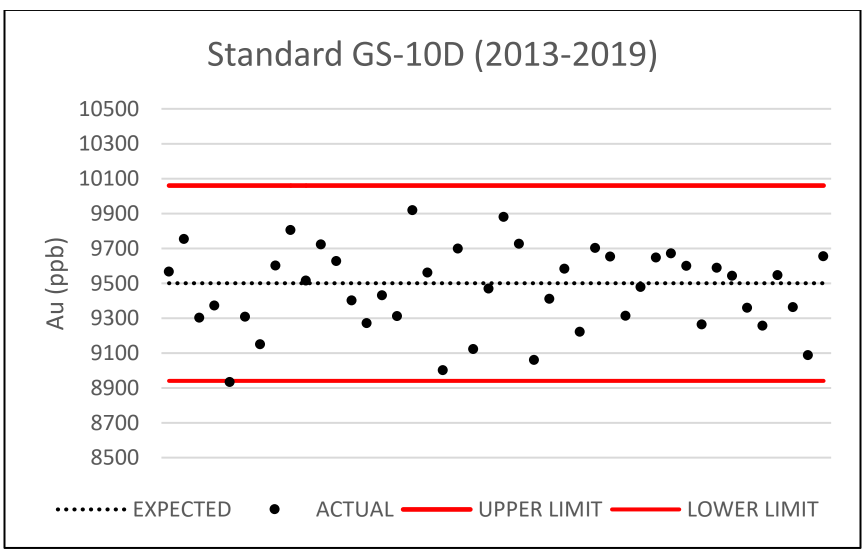


Figure provided by Unigold Inc.

Unigold considers the CRM insertion rate and the performance of the CRMs to be within acceptable tolerances.

11.2.2 Blanks

A total of 1,041 blanks were submitted for analyses within a sample population of 38,086 samples, an insertion rate of 2.75%. All blanks inserted have a certified value of <10 ppb Au. Unigold advises that from 2015 through to Q4-2020, a data entry error erroneously set the failure level of blank analyses to <100 ppb Au. As a result, 24 failures were not identified for follow up by the Database Manager.

In total, 31 blanks returned assay results exceeding the 10 ppb Au limit. This represents 2.98% of the population. One failure was identified as a labeling error during insertion with the standard and blank being swapped in the tag book. The remaining 30 failures returned results ranging from 11 to 73 ppb Au (Figure 11.5).

All 30 failures were reviewed by Unigold's QP. Of the 30 failures observed, 10 were flagged for re-assay. The determination as to whether or not re-assay was necessary was made by the supervising QP. Blanks returning a result greater than 10 ppb Au occurring within intervals averaging 1,000 ppb Au were selected for re-assay. Those blanks returning a result greater than 10 ppb Au where the samples above and below the failed blank assayed between 100 and 1,000 ppb Au were not selected for re-assay.

Figure 11.5
Black Analysis 2010 to 2020

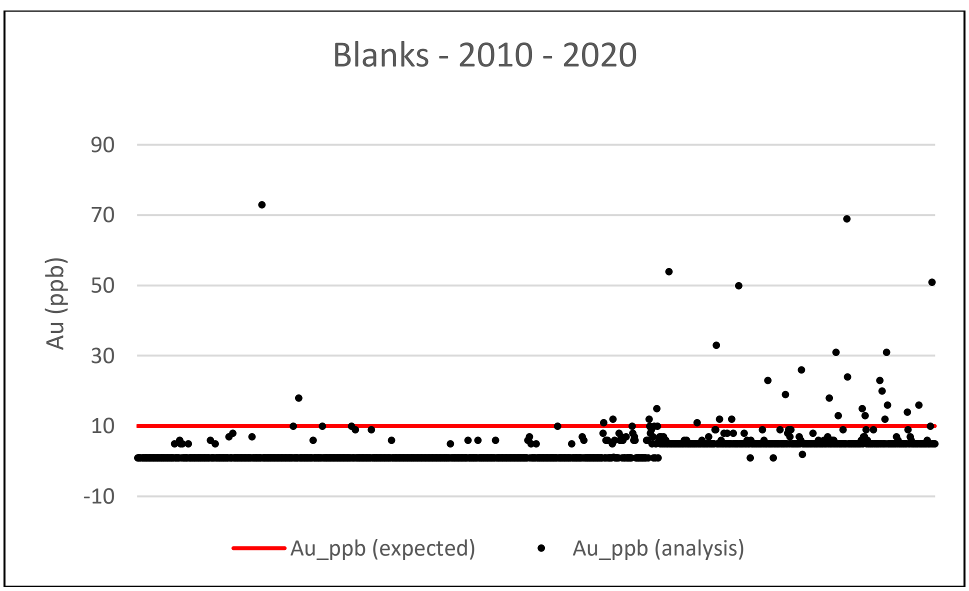


Figure provided by Unigold Inc.

11.2.3 Duplicate Analyses.

A total of 88 duplicate analyses have been completed as part of the QA/QC program. The results suggest good to excellent correlation between the two populations. (Figure 11.6). The re-assay results represent the failed blank and standards selected by the QP for re-assay.

Figure 11.6
Duplicate Analysis 2020

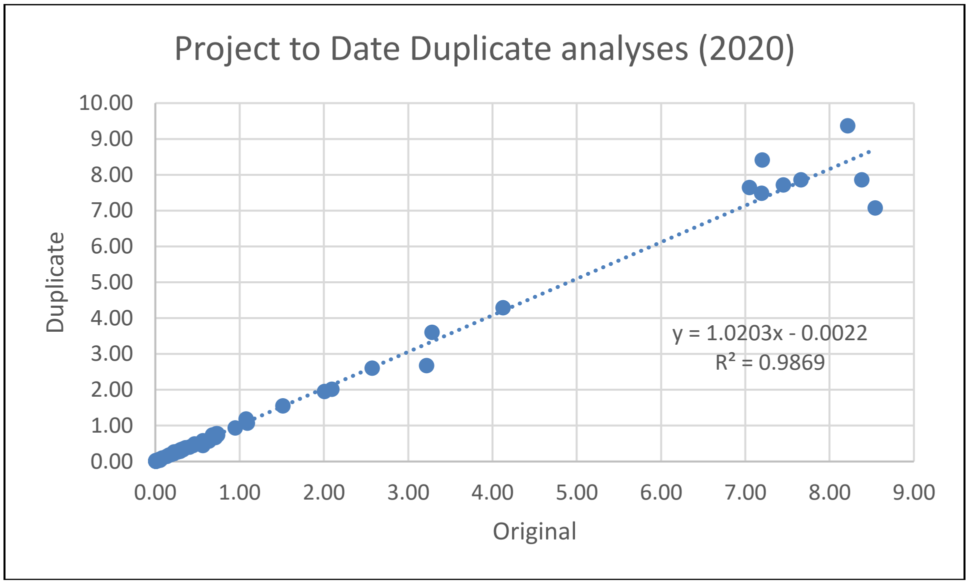


Figure provided by Unigold Inc.

11.3 SAMPLING PROCEDURES

All samples are collected under the supervision of a geologist.

Trench samples are typically collected over a 1.0 m interval within each trench, at an elevation of 0.15 metres above the sill of the trench. The samples are collected using a continuous panel sampling method.

Drill core is typically sampled over a standard 1.0 m core length. The geologist who logs each hole identifies the sample intervals by physically marking the core. Typically, sample intervals are marked using a red china marker. A line, perpendicular to the core axis, marks the start of the interval and a continuous line is drawn on the core parallel to the core axis to the end of the sample interval. The end of the sample interval is marked by another line perpendicular to the core axis. The sample tag for each interval is filled out by the geologist logging the core and placed at the start of each interval. Primary geological contacts (lithological-structural) are honoured during sample mark up, resulting in some sample intervals that are greater or lesser than the 1.0 m standard sample length.

A geotechnician prepares a sample log which is submitted to the database manager who supervises the transcription of the sample log into the electronic database. The data are manually entered by local personnel and, upon completion, of the data entry is verified for accuracy by the supervising geologist.

11.4 Sample Preparation, Analysis and Certification

Samples are sent to the Bureau Veritas preparation laboratory, located in the town of Maimon.

Bureau Veritas uses the Laboratory Information Management System (LIMS) system for the control of samples, using bar codes. LIMS is computer software that is used in the laboratory for the management of samples, laboratory users, instruments, standards and other laboratory functions, such as invoicing, plate management and work flow automation.

Samples are received at Bureau Veritas, unpacked, entered into the LIMS system and air dried at 60°C. Samples are then crushed to 70% passing #10 mesh. The crushers are air cleaned between samples and cleaned with a barren quartz rock every 10 samples, or more frequently when the sample stream is clay rich and/or oxidized.

The crushed sample is homogenized and then riffle split, with a 300 g sample selected for pulverization. The crushed sample reject is stored and returned to Unigold. The 300 g sample split is pulverized to 95% passing #150 mesh in a ring and puck pulverizer, bagged and tagged using a number generated by LIMS and packed for shipment to Bureau Veritas in Vancouver, Canada, for analysis.

The pulverized samples are air freighted to Bureau Veritas in Vancouver, where the samples are unpacked and scanned into the LIMS.

The prepared samples are subjected to the following analyses:

- A 50-gram aliquot is fire assayed for gold with an atomic absorption finish (gravimetreic finish on overlimits).
- A 0.25 gram aliquot is digested in a mixture of HNO_3, $HClO_4$, HF, and HCL and analyzed for Ag, Al, As, Au, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, La, Mg, Mn, Mo, Na, Nb, Mi, P, Pb, S, Sb, Sc, Sn, Sr, Th, Ti, U, V, W, Y, Zn and Zr, using emission spectrometry.

11.5 Micon QP Comments

Micon’s QPs have reviewed and discussed the Candelones Project QA/QC with Unigold personnel both during the 2019 site visit and on various occasions in Toronto. Micon’s QPs conclude that the issues surrounding the deficiency of a QA/QC program for the drilling programs prior to 2011 have been sufficiently addressed by the P&E report. At the present time, Unigold has a QA/QC program in place which follows the best practice guidelines as set out by the CIM.

Micon's QPs consider that the QA/QC programs presently conducted by Unigold are sufficiently reliable to allow the results obtained from the sampling and assaying to be used for a mineral resource estimate. In Micon's QPs opinion that the work conducted by P&E, along with Unigold's subsequent verification work, allows for the previous sampling results to be incorporated into a mineral resource estimate.

12.0 DATA VERIFICATION

This is the fourth Technical Report that Micon has prepared on Unigold's Candelones Project. In addition to the previous 2013, 2015 and 2020 Technical Reports, Micon has also written two internal memoranda for Unigold which discussed the results of a QA/QC and data review in 2013 and the results of a drill core and QA/QC data review in 2017.

12.1 MICON QUALIFIED PERSONS

12.1.1 2019 Site Visit

Micon's QPs most recent site visit to the Candelones Project was conducted between October 22 and 26, 2019. Further discussions were subsequently held in 2019, 2020 and 2021 in Toronto with Unigold personnel, regarding the Project, exploration results, resource estimating procedures, metallurgical testwork and other topics. Prior site visits by Micon QPs were conducted in May, 2013 and June, 2017. Micon's QPs believe that the October, 2019 site visit remains current as the subsequent 2020 and 2021 drilling is part of the same program that the QP discussed during the 2019 site visit. The drilling program was briefly halted for a few months in 2020 due to the Covid-19 pandemic which is on going at this time.

During the October, 2019 site visit, a number of drill holes were visited, drilling procedures as well as logging and sampling procedures were observed. A number of test pit locations were also visited and, although these had been filled back in for safety reasons, their location in relationship to the surrounding drill holes was observed.

In addition to logging the new drill holes, Unigold was relogging the core from previous campaigns as it has been observed during the 2017 site visit that relogging the drill holes from previous campaigns, could assist with reinterpreting the geological model.

Figure 12.1 through Figure 12.10 show various aspects of the drilling activities and camp facilities during the 2019 site visit to the Candelones Project.

Discussions were held with the geological personnel on-site related to possible geological models for the deposits and what distinguishing characteristics were being observed in the core and in the field that supported the various geological models.

During the 2019 site visit, Micon's QP did not take any independent samples of the mineralization, as 28 random pulp samples selected during the 2013 site visit had previously verified the tenor of the mineralization. The 2013 verification samples were sent to an independent commercial assay laboratory in Canada for assaying, with the results of that assaying discussed in the 2013 Technical Report.

Figure 12.1
Drilling on the CE Zone, 2019 Site Visit

Figure 12.2
Freshly Drilled Core at Drill Site at the CE Zone, 2019 Site Visit

Figure 12.3
Drilling the Oxide Mineralization at the CMC Zone, 2019 Site Visit

Figure 12.4
Freshly Drilled Core at Drill Site at the CMC Zone, 2019 Site Visit

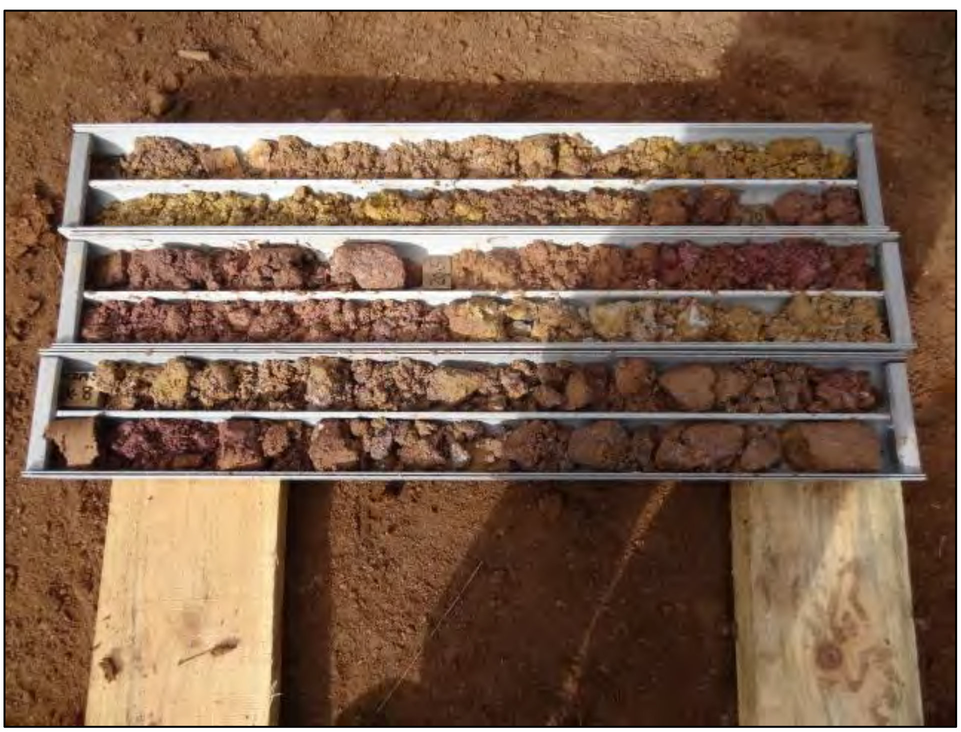


Figure 12.5
Marker for Drill Hole DCZ-27

Figure 12.6
Core Ready for Logging at the Core Shack in Camp

Figure 12.7
Preparing the Core Samples at the Camp

Figure 12.8
Core Storage Facilities at the Camp Core Shack

Figure 12.9
Core Photography Area in the Candelones Core Shack

Figure 12.10
View of the Candelones Project Camp from the Core Shack, 2019 Site Visit

12.1.2 Database and Block Model Review

Micon's QPs reviewed the complete geological database constructed by Unigold. A detailed review was conducted of the down-hole surveys, assay data, density measurements and lithology and alteration logs, to ensure that any errors or omissions were corrected prior to undertaking the resource estimate.

Micon's QPs review of the database indicated that it was of sufficient quality and data quantity to support conducting a mineral resource estimate for the Candelones Project.

Unigold provided Micon with initial 3-D wireframes representing the mineralized envelopes for the Candelones Main/Connector and Candelones Extension zones. Micon's QPs reviewed and modified the wireframes to correct some irregular shapes that caused losses of volume, and to ensure the that drill hole intercepts were snapped to the wireframe. Once these changes were completed, the resulting envelopes were discussed with Unigold prior to finalizing the wireframes.

12.2 MICON QP COMMENTS

Based on Micon's 2019 site visit, as well as the previous 2013 and 2017 site visits, along with the further 2020 and 2021 database and block model reviews, Micon's QPs believe that Unigold's database is of sufficient quality that a mineral resource containing measured and indicated resources can be estimated for the Candelones Project.

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

Five phases of metallurgical testwork have been completed using samples derived from the Los Candelones deposit. The reports issued that describe this work are:

- SGS Mineral Services of Lakefield, Ontario, Canada (SGS), September, 2007, Los Candelones Cyanidation Test Results (SGS, 2007).
- ALS Metallurgy, September, 2012, Metallurgical Testing of Candelones Zone (Lomita Pina), Neita Gold Project (ALS, 2012).
- SGS Mineral Services S.A. of Chile, October, 2014, Scoping Level Testwork on a Composite Sample from La Neita Concession (SGS, 2014).
- Bureau Veritas Minerals (BVM), Vancouver, October, 2020, Preliminary Metallurgical Testing of Samples from the Candelones Deposit, Dominican Republic (BVM, 2020). Preliminary testwork on three sulphide and one oxide composite sample.
- Bureau Veritas Minerals (BVM), Vancouver, ongoing, started December, 2020. Column leach testwork on samples representing the oxide, transition and sulphide mineralization included in the oxide mineral resource pit shell. Preliminary testwork on two sulphide composite samples (no reports available).

The completed testwork that supports this PEA comprises bottle roll and column leach testwork undertaken by BVM in 2020 and 2021 using mainly oxide mineralization. These series of tests are described below, while the other, mainly sulphide related testwork programs, are discussed later in this Section.

13.1 BVM PHASE 1 OXIDE TEST PROGRAM (2020)

BVM was contracted in early 2020 to undertake a program of preliminary metallurgical testwork, using samples that represent the oxide and sulphide mineralization at Candelones.

One composite sample was collected from shallow drill holes from the Candelones Main and Connector oxide mineralization. The scope of the oxide testwork program comprised chemical and physical characterization, bottle roll leach tests and multiple grind sizes and a column leach test to investigate potential amenability to heap leaching.

13.1.1 Sample Characterization

13.1.1.1 Oxide Composite

The oxide composite selected and prepared by Unigold comprised 41 crushed samples with a total weight of 162 kg, and measured gold and silver grades of 0.60 g/t and 4.5 g/t, respectively. A copy of the gold and silver analyses per screened size fraction can be found in Table 13.1.

Table 13.1
Oxide Composite - Head Analyses per Size Fraction

Size Fraction		Weight			Assay		Distribution	
Tyler Mesh	Micrometres	(g)	Individual % Retained	Cumulative % Passing	Au (g/t)	Ag (g/t)	Au (%)	Ag (%)
9 mesh	2000	31.4	12.5	87.5	0.599	8.6	12.4	22.0
10 mesh	1680	13.2	5.2	82.3	0.410	5.7	3.6	6.2
14 mesh	1190	25.4	10.1	72.2	0.467	5.0	7.8	10.4
20 mesh	841	25.2	10.0	62.2	0.390	3.6	6.5	7.4
28 mesh	595	21.1	8.4	53.9	0.411	3.8	5.7	6.5
48 mesh	297	26.0	10.3	43.5	0.369	3.8	6.3	8.1
100 mesh	150	18.3	7.3	36.3	0.355	4.1	4.3	6.1
200 mesh	75	13.4	5.3	31.0	0.471	3.5	4.1	3.8
500 mesh	25	15.3	6.1	24.9	0.693	5.2	6.9	6.5
-500 mesh	-25	62.8	24.9	-	1.033	4.5	42.5	23.0
Calculated Total		**252.2**	**100.0**		**0.605**	**4.9**	**100.0**	**100.0**
Measured Total					0.598	4.5		

A standard Bond ball mill Work Index test using the oxide composite gave a result of 11.9 kWh/t.

13.1.2 Oxide Composite – Gravity Separation

The results from a gravity separation test are provided in Table 13.2. A laboratory scale Knelson concentrator produced a rougher concentrate from a 2 kg sample of Oxide Composite that was ground to P_{80} of 105 microns. The rougher concentrate was upgraded using hand panning.

Table 13.2
Oxide Composite – Gravity Test Results

Products	Weight (%)	Assay		% Distribution	
		Au (g/t)	Ag (g/t)	Au	Ag
Pan Concentrate	0.1	17.710	399.0	1.8	5.8
Pan Tail	3.6	7.470	12.1	33.9	7.9
Gravity Rougher Concentrate	**3.7**	**7.691**	**20.4**	**35.7**	**13.7**
Gravity Rougher Tail	96.3	0.533	5.0	64.3	86.3
Total (calculated head)	**100.0**	**0.798**	**5.5**	**100.0**	**100.0**
Measured head		0.598	4.5		

13.1.3 Oxide Composite – Cyanide Leach Tests

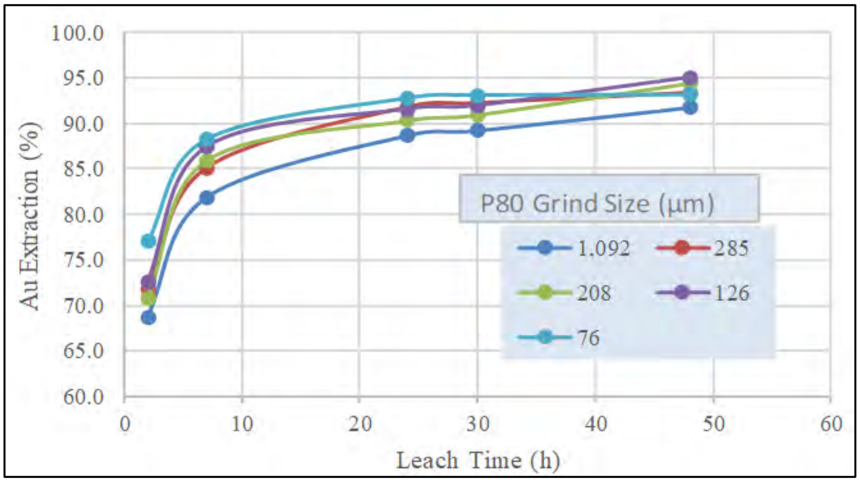
13.1.3.1 Laboratory Bottle Roll Leach Tests

A series of standard bottle roll leaching tests was undertaken by BVM using the Oxide Composite and a variable grind size. A summary of the results is presented in Table 13.3 and Figure 13.1.

Table 13.3
Oxide Composite – Bottle Roll Cyanide Leach Tests

Test No.	P_{80} (µm)	Gold Extraction (%) Leach Time (h)					Consumption (kg/t)	
		2	7	24	30	48	NaCN	Lime
C1	1092	68.7	81.9	88.6	89.2	91.7	1.40	3.82
C3	285	71.8	85.1	91.8	92.2	93.4	1.58	3.74
C4	208	70.7	85.9	90.3	90.9	94.4	1.68	3.74
C5	126	72.6	87.4	91.6	92.0	95.0	1.55	3.74
C2	76	77.0	88.2	92.8	93.1	93.1	1.37	3.93

Figure 13.1
Oxide Composite – Bottle Roll Cyanide Leach Test Results



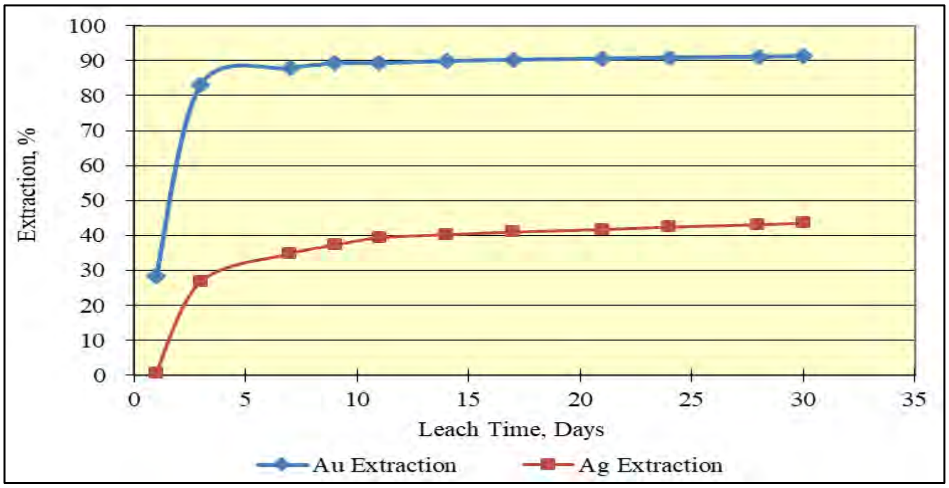
The bottle roll leach tests show that the oxide mineralization is amenable to standard agitation cyanide leach technology, even at relatively coarse grind sizes. These results suggest that there is limited benefit with regard to gold leach extracting with grinding finer than 285 microns.

13.1.3.2 Laboratory Column Leach Test

A 29 kg sample of the oxide composite was agglomerated with 4 kg/t of lime and 5 kg/t of cement and loaded into a 150 mm diameter by 1,520 mm high column. The agglomerated sample was leached for 30 days while the leach solution was maintained at a NaCN concentration of 0.5 g/L. No additional lime addition was required during the test. The gold and silver extraction kinetics are presented in Figure 13.2.

The column leach test shows fast extraction of gold from the finely crushed Oxide Composite sample. Approximately 90% gold and 40% silver extractions were achieved within 10 days of leaching and the final 30-day leach extractions were 91.3% and 43.6% for gold and silver, respectively.

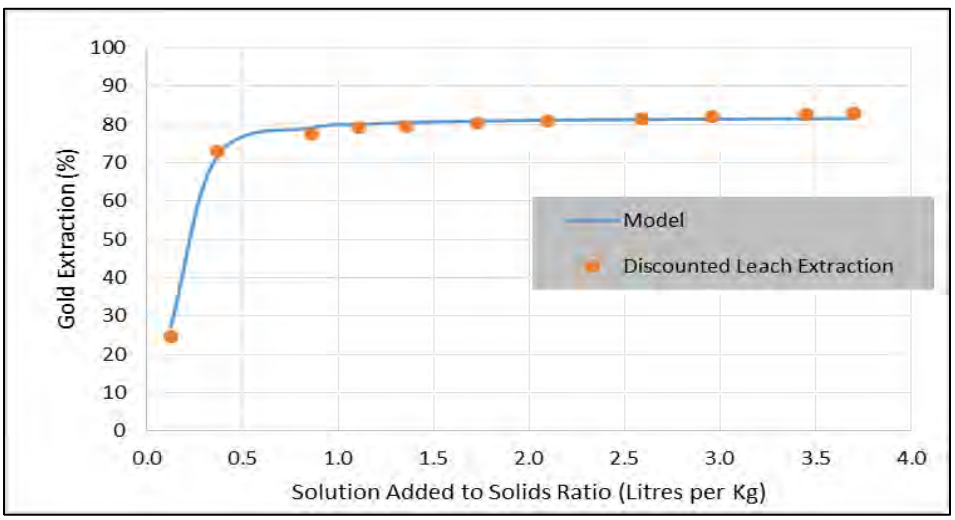
Figure 13.2
Oxide Composite – Column Cyanide Leach Test Results



Source: BVM Column Test Results, (BVM, 2020).

For the PEA, the oxide column tests gold extractions were discounted to allow for a coarser feed. These discounted values and a model developed from these results are presented in Figure 13.3.

Figure 13.3
Oxide Composite – Column Leach Solution Flux vs Gold Recovery



The solution flux gold recovery model developed using the discounted gold recoveries was used to develop the PEA process design criteria. The algorithm is presented below, y=gold extraction (%) and x=solution flux (L/kg).

$$y = 81.819 + (-80648500 - 81.819) / (1 + (x/0.00001346)^{1.557})$$

13.2 BVM PHASE 2 OXIDE TEST PROGRAM (2021)

Near the end of 2020, drill core from 12 freshly drilled holes from the oxide mineral resource pit shell was shipped to BVM in Vancouver to be used for heap leach metallurgical testing. The 401 individual samples were grouped into three different types of mineralization based on the drill logs. These three styles were oxide, transition and sulphide, with the oxide mineralization near the surface, the sulphide mineralization at the bottom of the pit shell and transition in-between the two.

In addition to the oxide open pit samples, two composites comprising sulphide mineralization from the recent 2020 Target C drill program were also forwarded to BVM for characterization and scoping level metallurgical testing. The sulphide samples and the initial test results are discussed later in this Section.

13.2.1 Sample Characterization

The samples selected by Unigold for the phase 2 heap leach testing program at BVM are listed in Table 13.4 and a summary of the multi-element chemical analyses of the composite samples used for the four column leach tests is presented in Table 13.5.

Table 13.4
Phase 2 Heap Leach Test Program Feed Composite Samples

Drill Hole #	Oxide		Transition		Sulphide	
	No of samples	Weight (kg)	No of samples	Weight (kg)	No of samples	Weight (kg)
DC20-158	13	30.87	8	18.30	9	24.06
DC20-159	16	38.18	1.00	1.30	18	36.82
DC20-160	34	97.73	3	11.60	4	14.9
DC20-161	21	35.33	3	7.10	8	26.24
DC20-161B	24	37.20	5	14.08	3	4.7
DC20-162	31	89.90	4	13.56	6	22.1
DC20-163	33	83.71	1	2.95	8	23.02
DCZ20-67	20	44.60	1	1.69	11	33.95
DCZ20-68	14	36.99	5	16.26	20	59.87
DCZ20-69	21	50.60			11	29.7
DCZ20-70	19	37.29	1	1.57	3	7.5
DCZ20-71	18	41.90	6	19.41	7	22.1
Total	**264**	**624.3**	**38**	**107.82**	**108**	**304.96**

Table 13.5
Summary Analyses of the Phase 2 Heap Leach Test Program Feed Composite Samples

Element	Units	Oxide-1	Oxide-2	Transition-1	Sulphide-1
Au	g/t	1.13	0.74	1.12	1.28
Ag	ppm	7.20	4.70	6.00	3.00
Hg	ppm	0.53	0.22	0.36	0.18
C/ORG	%	0.04	<0.02	<0.02	<0.02
S (tot)	%	0.89	0.42	1.90	4.60

Element	Units	Oxide-1	Oxide-2	Transition-1	Sulphide-1
S/S-	%	0.07	<0.05	1.40	3.71
Cu	ppm	143.2	126.7	1304.4	1814.7
Pb	ppm	708.6	409.4	245.6	536.7
Zn	ppm	48.0	49.0	176.0	3563.0
Fe	%	4.2	3.2	3.7	3.9
As	ppm	219.0	87.0	94.0	69.0
Sb	ppm	13.2	5.3	4.8	3.1
Cr	ppm	265.0	186.0	190.0	77.0
Mg	%	0.2	0.3	0.4	1.5
Ba	ppm	10,627	8,030	1,484	549
Al	%	3.1	4.4	4.5	5.8
K	%	0.8	0.8	0.8	0.8
Zr	ppm	28.9	26.6	33.6	34.0

13.2.2 Baseline Bottle Roll Leach Tests

Four composites were prepared for the column leach tests. Two oxide columns (one for ¾ inch crush and one for ½ inch crush), one transition column and one sulphide column, both crushed to minus ½ inch.

The baseline bottle roll leach test results are summarized in Table 13.6.

Table 13.6
Baseline Bottle Roll Cyanide Leach Tests

Test No.	Sample	P_{80} (µm)	Calculated Head		48-h Leach Extraction (%)		Consumption (kg/t)	
			Au-g/t	Ag-g/t	Au	Ag	NaCN	Lime
C15	Oxide-1 Composite	80	1.421	6	96.4	92.1	1.40	3.82
C16	Oxide-2 Composite	86	0.839	5	97.4	61.6	1.58	3.74
C17	Transition-1 Composite	87	1.189	7	84.6	71.2	1.68	3.74
C18	Sulphide-1 Composite	72	1.241	2	59.0	77.2	1.55	3.74

13.2.3 Column Leach Tests

Four column leach tests were prepared by BVM. Two tests comprised agglomerated oxide composite samples, one crushed to minus ¾ inch or 19 mm (Column 1) and one crushed to minus ½ inch or 12.5 mm (Column 2). The other two columns contained composite samples of minus 12.5 mm agglomerated transition (Column 3) and sulphide mineralization (Column 4).

Each of the four columns used were 150 mm in diameter by 3 m high and contained approximately 70 kg of mineralization. Prior to loading the column, the crushed material was agglomerated using a cement mixer at ~5% moisture with 5 kg/t of cement and 4 kg/t of hydrated lime, which acted as binders to avoid plugging of the column flow by fines, and pH modifiers.

A photograph of the column test set-up at BVM is provided in Figure 13.4.

Figure 13.4
Photograph of the BVM Column Leach Test Setup

Once loaded, a cyanide-free lime solution of pH 11 was circulated through the column until the pH stabilized above 10.5, and then a 0.5 g/L NaCN leach solution was added at 6 mL/min and maintained at this level during the leach test. The pregnant leach solution (PLS) that emerged from the bottom of the column was fed through a small carbon column filled with about 30 g of activated carbon and stripped barren leach solution (BLS), after adjustment of pH and NaCN concentration, was recycled as leach solution to the top of the column. The gold and silver loaded carbon and strip solution samples were collected at regular intervals during the test period and all test products were assayed for gold and silver for metallurgical balance.

The two oxide columns were leached for 44 days, and the transition and sulphide columns leached for 79 days. The gold extraction results for all four column tests are presented in

Figure 13.5 and Figure 13.6. The two oxide test results are based on final residue sample analyses, but the transition and sulphide results are based on head grade and solution assays.

Figure 13.5
Kinetic Gold Extraction Results for the Four Column Leach Tests

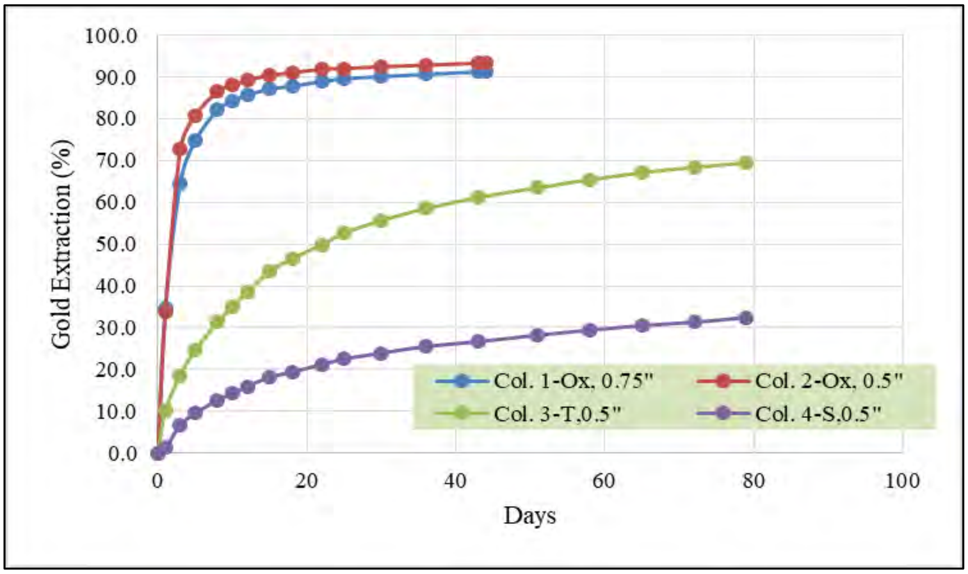
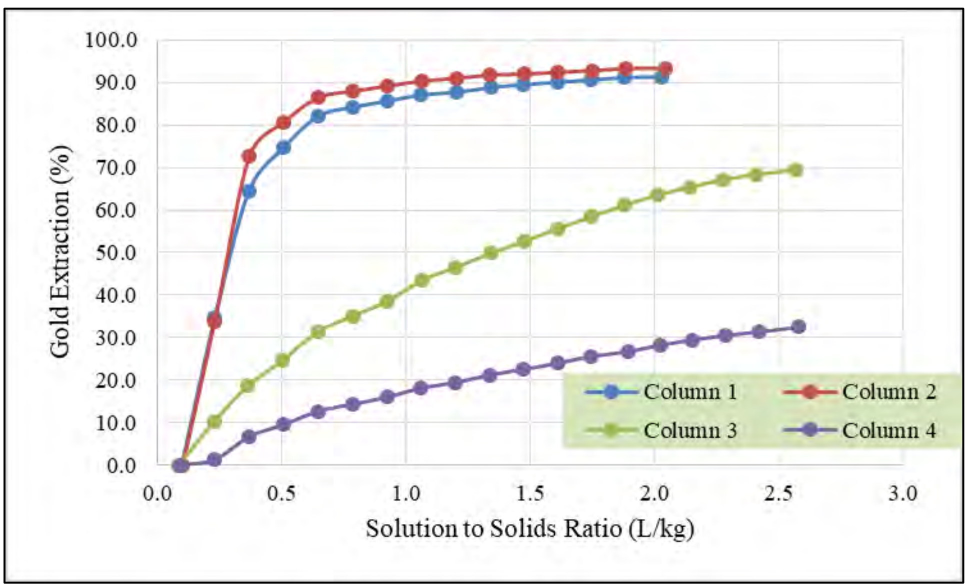


Figure 13.6
Gold Extraction vs Solution Flux for the Four Column Leach Tests



These tests show that, even at a crush size of 17 mm, the oxide mineralization leached rapidly with 90% gold extraction achieved in 30 days, or a solution to solids ratio of 1.6.

The final transition sample preliminary results showed about 69% gold extraction in 79 leaching days and the sulphide sample around 32% gold extraction for the same period. It should be noted that the estimated gold recovery used in the PEA for the three types of mineralization were 80%, 50% and 20% for oxide, transition and sulphide, respectively.

These column leach test results support the PEA estimates, even though the final PEA design criteria allowed primary ore breakage only to minus 100 mm to 150 mm using a mineral sizer. Also, it should be noted that there is no sulphide mineralization within the PEA pit design.

13.3 SGS, 2007 – Historical Sulphide and Oxide Testwork

In February, 2007, SGS received approximately 780 kg of mineralized material contained in 31 boxes of samples. These samples were separated into two composites by Unigold, which were named Medium Grade Oxide and Medium Grade Sulphide.

The composite samples were analyzed for sulphur speciation and multi-element ICP scan. Gold was assayed using a standard screen metallic protocol. A summary of the analytical results is presented in Table 13.7.

Table 13.7
SGS 2007 Testwork Sample Chemical Analyses

Element	Units	Medium Grade Oxide	Medium Grade Sulphide
Au	g/t	0.76	0.66
Ag	g/t	<2	<2
S^{TOT}	%	0.11	5.15
S^-	%	<0.05	4.81
Fe	%	5.4	4.8
As	g/t	100	<30
Cu	g/t	690	270
Zn	g/t	160	840

The size distribution and associated gold content per size range for the crushed sulphide composite was fairly normal, with slightly higher gold values in the fines. For the oxide composite, however, 75% of the material and 92.5% of the gold was in the minus 38-micron fraction.

Mineralogical investigations of the oxide composite showed gold occurring as native gold grains, ranging from between 1 to 20 microns in size. At 80% passing (P_{80}) 150 microns, 48% of the gold was liberated or attached, with the remainder locked in silicates and iron oxides/hydroxides (mainly goethite, limonite, magnetite and hematite).

Mineralogical investigations of the sulphide composite suggested that gold occurs as native gold grains, ranging between 2 and 42 microns in size. At P_{80} 150 microns, 5% of the gold was liberated or attached, with the remainder locked in silicates and sulphide minerals. The sulphide minerals identified in this sample were pyrite, chalcopyrite, galena, sphalerite, bornite, covellite, pyrrhotite, marcasite and stibnite.

Scoping bottle roll cyanidation tests on the two composites gave the results summarized in Table 13.8.

Table 13.8
Summary of the SGS Bottle Roll Leach Test Results

Composite	Feed Size (P_{80}) (microns)	48 hr Leach Au Extraction (%)	NaCN Consumption (kg/t)	Lime Consumption (kg/t)
Med Grade Sulphide	180	56.5	0.27	3.05
Med Grade Sulphide	37	59.2	0.90	3.21
Med Grade Oxide	69	96.6	0.03	8.96
Med Grade Oxide	32	96.6	0.15	8.73

These results suggest that the oxide mineralization is amenable to conventional cyanidation, while the sulphide material can be termed semi-refractory, with over 40% of the gold not amenable to conventional cyanide atmospheric leaching.

13.4 ALS, 2012 – Historical Sulphide Testwork

A program of preliminary metallurgical testwork was undertaken by ALS Metallurgical (ALS) of Kamloops, British Columbia, using a master composite sample and 20 variability samples. Micon's QP understands that these samples originated from the CM deposit.

Samples received in May, 2012 comprised over one hundred half diamond drill core samples, totalling about 188 kg. These core samples were combined into 20 variability samples. The analyses of these samples and the master composite is provided in Table 13.9.

Mineralogical investigations on the master composite showed that 13.5% of the sample comprised sulphides, mainly pyrite, sphalerite and chalcopyrite. About 93% of the sulphide minerals were present as pyrite. At 80% passing 92 microns, about 59% of sulphides were liberated and, at this grind, good sulphide flotation recoveries would be expected. Dominant non-sulphide gangue minerals include quartz (50%), chlorite (14%) and barite (9%).

Table 13.9
ALS (2012) Testwork Sample Chemical Analyses

Sample	Hole ID	From (m)	To (m)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	S^- (%)	Fe (%)
Master[1]				1.46	7	0.120	0.45	6.89	6.80
1	LP17	260	265	0.45	5	0.075	0.04	2.53	-
2	LP17	287	292	6.05	5	0.880	<0.01	24.3	20.4
3	LP17	313	318	1.19	3	0.041	<0.01	7.87	-
4	LP18	207	212	1.06	5	0.014	0.16	3.75	-
5	LP18	240	245	0.42	4	0.086	0.25	3.59	-
6	LP18	221	226	2.55	4	0.047	1.08	3.78	-

Sample	Hole ID	From (m)	To (m)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	S^- (%)	Fe (%)
7	LP19	106	111	0.27	4	0.012	<0.01	5.44	-
8	LP20	63	68	3.27	20	0.14	0.13	3.07	-
9	LP20	126	131	1.63	70	0.054	0.97	5.48	3.36
10	LP20	146	151	1.23	8	0.110	1.91	5.20	-
11	LP21	238	243	0.81	14	0.045	0.29	4.51	-
12	LP21	250	255	0.88	4	0.079	0.32	4.92	-
13	LP22A	244	249	1.47	8	0.094	1.09	5.22	-
14	LP22A	256	261	1.77	5	0.033	0.29	4.65	-
15	LP22A	300	305	0.35	4	0.025	0.16	2.88	-
16	LP23	217	222	2.88	7	0.330	0.01	26.8	-
17	LP23	243	248	2.56	3	0.025	0.15	0.83	-
18	LP23	260	265	0.65	4	0.016	0.05	3.44	-
19	LP15	218	223	1.68	4	0.110	0.36	5.16	-
20	LP15	233	238	0.94	4	0.087	0.31	4.49	-
21[2]				1.58	3	0.073	0.50	7.29	6.80
22[3]				2.54	8	0.049	0.80	3.16	2.66
23[4]				0.95	5	0.076	0.32	4.51	4.04

[1] Master composite comprises equal proportions of samples 1 to 20.
[2] Sample 21 was generated by combining samples 3 and 13.
[3] Sample 22 was generated by combining samples 6 and 8.
[4] Sample 23 was generated by combining samples 11 and 20.

13.4.1 Comminution Testwork

Two comminution composites were prepared from the 20 variability samples. Comminution composite 1 was generated from samples 1 to 10 and comminution composite 2 from samples 11 to 20.

Comminution tests on the two composites gave Bond rod mill work indices of 16.2 and 17.2 kWh/t and Bond ball mill work indices of 15.2 and 15.5 kWh/t. This suggests medium to hard material.

SAG mill (SMC) tests were also completed, and the material was classed as relatively hard, with respect to grinding in a SAG mill. The A*b parameter, a measure of resistance to impact breakage in the SAG mill, was 37.9 and 33.8 for comminution composite 1 and 2, respectively.

13.4.2 Flotation Test Results

Rougher flotation tests at varying grind sizes (80% passing 53 to 164 microns) gave gold recoveries of around 86% into a 22% mass concentrate. The results were similar for all size ranges tested.

A range of cleaner tests, with and without re-grind of the bulk rougher concentrate, were conducted. A primary grind of 93 µm was used for the cleaner flotation tests. A regrind discharge size of 24 µm gave the best results, with about 84% of the gold in the feed recovered into about 11% of the feed mass. The gold grade of the final concentrate was about 13 g/t.

Locked cycle tests with a primary grind of 93 microns and a rougher concentrate regrind of 20 microns, with three stages of cleaning, recovered about 86% of the gold into a final concentrate of 12% weight recovery, grading about 12 g/t Au. Gold loss to the cleaner tails was about 4%. It was noted that aggressive collector addition rates were required in order to minimize the losses to the cleaner tails.

Variability flotation cleaner tests gave gold recoveries between 60% and 95% into a cleaner concentrate.

Preliminary copper and zinc flotation tests were undertaken, and a bulk Cu concentrate grading about 17% Cu was produced, with weight and Cu recoveries of approximately 0.2% and 36%, respectively. The Zn grade and recovery into the bulk Cu concentrate were 13% and 7%, respectively. The Au grade and recovery into the bulk Cu concentrate were approximately 50 g/t and 8%, respectively.

13.4.3 Cyanide Leaching and Gravity Separation Test Results

Direct 48-hour cyanidation leach tests, with feed grind varying from 80% passing 75 to 164 microns, showed minor grind size effect and gold extractions of around 40%.

Gravity tests gave gold recoveries of around 30% into a primary gravity concentrate.

Conventional and pressure oxidation (POX) cyanidation leach tests on the locked cycle flotation concentrate gave gold extractions of about 57% for conventional leaching and around 98% for POX. NaCN and lime consumptions were very high for conventional leach (79 kg/t and 3.8 kg/t, respectively) and about 13 kg/t and 436 kg/t, respectively for POX. It was noted that conventional leach results using a reground concentrate (8 microns) did not increase the gold extraction.

13.5 SGS, 2014 – Historical Sulphide Testwork

Approximately one tonne of drill core samples was selected by Unigold in 2014 and forwarded to SGS, Chile. From this inventory, 62 individual samples, weighing 157 kg, were selected to be combined into a single composite with a target grade of approximately 0.2% copper and 1.6 g/t gold.

13.5.1 Sample Characterization

A summary analysis of the composite sample is provided in Table 13.10.

Table 13.10
Head Analysis of the Composite Sample

Element	Units	Analysis
Au	g/t	1.77
Cu (Total)	%	0.147

Element	Units	Analysis
Cu (Soluble)	%	0.005
Fe	%	7.9
Ag	g/t	3
Zn	%	0.285
As	%	0.007
S	%	7.82

Mineralogical analysis of the composite sample suggested that it was comprised around 85% of non-metallic gangue and that the main metallic species were pyrite (13.8%), chalcopyrite (0.41%), sphalerite (0.41%) and galena (0.11%).

Liberation studies on the copper mineralization suggested that, at a grind of P_{80} 106 microns, a copper recovery of around 80% into a rougher concentrate can be expected, albeit contaminated with pyrite and zinc. Native gold grains with grain sizes of 7 to 120 microns were found, with an average size of 27 microns. Liberated gold and gold associated with silicate gangue and pyrite were observed in the sample.

A standard Bond ball mill Work Index test gave a result of 16.3 kWh/t.

13.5.2 Gravity Separation

A rougher gravity test using a Knelson concentrator gave a gold recovery of 18.9% into a concentrate grading 14 g/t. A cleaning gravity stage using a super panner recovered 18.2% of the gold in the rougher concentrate into a concentrate grading 71.6 g/t gold. The overall gravity test gold recovery was 3.4%.

13.5.3 Cyanide Leaching

Two standard bottle roll cyanidation tests using a NaCN concentration of 1.0 g/L were completed. One of the tests used a sample of the feed composite with a head grade of 1.57 g/t Au and P_{80} grind of 75 microns and the other was a flotation rougher tailings sample with a P_{80} of 106 microns and grade of 0.53 g/t Au. The final 72 leach gold extraction was 29.1% for the feed sample and 26.9% for the flotation tailings sample. The cyanide consumption for both tests was about 0.25 kg/t, which suggests a low concentration of cyanide consuming minerals.

The results from the cyanide leach tests indicate that the gold is refractory and corresponds with the low proportion of liberated gold identified in the mineralogical investigations.

13.5.4 Flotation

A series of batch rougher and cleaner flotation tests were undertaken on aliquots of the master composite sample.

The best rougher flotation tests gave 93.7% Cu recovery and 86.9% gold recovery, although the mass recovery was high at 23.9%.

Regrinding of the rougher concentrate prior to cleaning did not appear to be successful. Similar grades and recoveries were obtained at the three regrind sizes tested, which were P_{80} of 25, 35 and 45 microns.

The cleaner tests did not produce a copper concentrate of sufficient grade to be considered as feed to a smelter. For this reason, an additional flotation test was undertaken and combined with a gravity test to try and maximize gold and copper recovery into a low-grade concentrate suitable as a feed to a refractory gold process. The combined results gave copper and gold recoveries of around 90% into a concentrate grading 0.8% Cu and 9 g/t Au.

13.6 BVM, 2020 – Recent Sulphide Testwork

BVM was contracted in early 2020 to undertake a program of preliminary metallurgical testwork using samples that represent the oxide and sulphide mineralization at Candelones.

Three sulphide composite samples were collected from high-grade Targets A and B, CE, to represent the following:

1. Mineralization, interpreted to be of VMS origin, surrounding the Target A massive sulphide zone consisting of disseminated and fracture fill sulphide within a dacite breccia unit. Composite labeled MET 1 or C1.
2. Massive sulphide mineralization from Target A, CE, comprising massive to semi-massive sulphides as replacement and matrix flooding within a brecciated and silicified dacite host. Most samples that make up the composite contain between around 60% sulphides, dominantly consisting of pyrite with minor chalcopyrite and lesser sphalerite. Composite labeled MET 2 or C2.
3. Typical mineralization from Target B, interpreted to be of epithermal replacement origin. Composite labeled MET 3 or C3.

In addition, one composite sample was collected from shallow drill holes from the Candelones Main and Connector oxide mineralization. The scope of the preliminary sulphide testwork program included chemical and physical characterization, mineralogy, gravity separation, flotation and bottle roll leaching.

The scope of the oxide testwork program comprised chemical and physical characterization, bottle roll leach tests and multiple grind sizes and a column leach test to investigate potential amenability to heap leaching. These tests have been described earlier in Section 13.1.

13.6.1 Sulphide Samples Characterization

Three composite samples were selected and prepared by Unigold, using split drill core that represented typical sulphide mineralization from high-grade targets A and B of the CE deposit. Composite 1 (C1) comprised 67 individual samples of disseminated sulphide material collected peripheral to the massive sulphide mineralization at Target A with a total weight of 150 kg. Composite 2 (C2) consisted of 66 individual samples of massive to semi-massive sulphide mineralization of Target A, CE, with a combined weight of 192 kg, and Composite 3 was made up of 97 individual samples from Target B, CE with a total weight 202 kg. A summary of chemical analyses for the three composite samples is shown in Table 13.11.

Table 13.11
Sulphide Composites – Multi-Element Head Analyses

Element	Unit	Sample ID		
		Sulphide Comp. 1 (C1)	Sulphide Comp. 2 (C2)	Sulphide Comp. 3 (C3)
Au	g/t	2.673	6.207	4.315
Au	g/t	3.296	6.609	2.426
Au	g/t			5.451
Au	g/t			2.325
Au Average	**g/t**	**2.985**	**6.408**	**3.629**
Ag	ppm	2	9	3
Hg	ppb	250	565	236
C/ORG	%	<0.02	0.04	<0.02
S (tot)	%	11.7	26.6	5.5
S/S-	%	10.7	26.0	4.38
Mo	ppm	19.1	32.5	18.6
Cu	ppm	2,669	8,121	2,585
Pb	ppm	166	276	162
Zn	ppm	2,204	190	3,535
Ag	ppm	2.4	11	3.2
Ni	ppm	50.3	105	28.8
Co	ppm	49	143	19
Mn	ppm	90	77	242
Fe	%	10.6	22.4	5.8
As	ppm	117	123	93

Note: Blue shading shows elements of economic or deleterious interest.
Duplicate gold analyses for C3 shows high degree of variability.

13.6.1.1 Mineral Composition

The relative proportions of minerals identified in the three sulphide composite samples using QEMSCAN™ Bulk Mineral Analysis (BMA) are shown in Table 13.12. Only minerals above 0.5% by weight are listed.

Table 13.12
Sulphide Composites – Relative Proportions of Minerals

Minerals	Mineral Compositions (wt. %)		
	Sulphide Comp 1	Sulphide Comp 2	Sulphide Comp 3
Quartz	60.6	45.6	58.9
Pyrite	21.3	46.2	9.03
Muscovite	9.92	3.36	13.9
Chlorite	3.84	1.31	11.4
Chalcopyrite	0.55	1.37	1.11
K-Feldspars	1.17	0.25	2.24
Barite	0.88	0.23	0.50
Sphalerite	0.32	0.02	0.71
Iron Metal/Iron Oxides	0.29	0.52	0.55
Others	1.10	1.11	1.63
Total	**100.0**	**100.0**	**100.0**

Total sulphides in the three composites are 22.2%, 47.6% and 10.8% for C1, C2 and C3, respectively. Pyrite is by far the dominant sulphide mineral found in all the three composites, followed by minor chalcopyrite and sphalerite. The estimated particle liberation of chalcopyrite and pyrite for the three composites, at the primary grind particle size of 100 µm P_{80}, are presented in Table 13.13.

Table 13.13
Sulphide Composites – Estimated Particle Liberation of Chalcopyrite and Pyrite

Mineral	Estimate of Liberation %		
	Sulphide Composite 1	Sulphide Composite 2	Sulphide Composite 3
Chalcopyrite	56%	37%	73%
Pyrite	64%	63%	60%

The degree of liberation for chalcopyrite is lower for C2 at a grind of 80% passing (P_{80}) 100 microns, while pyrite liberation for all three composites is similar, at around 60% to 65%. This suggests that a finer grind may be required to achieve good recovery of copper from C2.

13.6.1.2 Gold and Silver Deportment

An assessment of the gold deportment mineralogy of the three composites was completed by BVM using QEMSCAN™ Trace Mineral Search (TMS) on each of the unsized composite samples. The results and observations from this work are summarized below:

- The gold in Composites 2 and 3 was mostly carried by native gold (Au,Ag). In the Composite 1, the majority of the gold was present as calaverite ($AuTe_2$), sylvanite [$(Au,Ag)_2Te_4$] and native gold, in the order of gold distribution. Trace amounts of petzite (Ag_3AuTe_2] and gold bearing hessite [$(Ag,Au)_2Te$] were also observed in the three composites.

- The gold grain sizes of the three composites ranged from 0.5 microns to about 22 microns, but averaged at 3 to 6 microns in circular diameter and between 75 to 92 percent of the gold occurrences in the three sulphide composites were sized finer than 5 micron.
- At the primary grind particle size of 100 µm P_{80}, the two-dimensional liberations of gold in the three composites was 55% for C1, 13% for C2 and 10% for C3. The unliberated gold was dominantly associated with chalcopyrite, pyrite and non-sulphide gangue in binary or multiphase forms.
- The gold locking characteristics data indicate that the unliberated gold mostly presented exposed surfaces in the form of adhesions attaching to other minerals. The liberated gold and gold adhesions combined accounted for 75% (Composite 1) to above 90% (Composites 2 and 3) of the total composite gold. Further, the locked gold without exposed surfaces was mostly associated with pyrite in binary or multiphase forms. Therefore, majority of the gold in the mineralized samples will likely be recovered during sulphide flotation.

More than 90% of the silver in the three sulphide composites was contained in gold and gold bearing minerals, including native gold (Au,Ag), sylvanite [$(Au,Ag)_2Te_4$], petzite (Ag_3AuTe_2] and gold bearing hessite [$(Ag,Au)_2Te$]. Therefore, recovering the gold from these composites will consequently recover the majority of the silver. Other observed silver bearing minerals in the three sulphide composites were acanthite/argentite (Ag_2S), iodargyrite (AgI) and stephanite (Ag_5SbS_4). Similar to that of gold, the averaged grain sizes of silver in the three composites ranged from 3 to 5 microns in circular diameter.

13.6.1.3 Diagnostic Leaching

The results from standard diagnostic leach tests that estimates the distribution of gold in various minerals in the three sulphide composite samples are provided in Table 13.14.

Table 13.14
Sulphide Composites – Diagnostic Leach Test Results

Description	Gold Distribution %		
	Sulphide Composite 1	Sulphide Composite 2	Sulphide Composite 3
Stage 1 - Cyanide Soluble	48.2	37.3	68.8
Stage 2 - Primarily associated with carbonaceous minerals	12.4	2.7	2.9
Stage 3 - Primarily associated with calcite/dolomite/pyrrhotite minerals	10.3	9.7	8.6
Stage 4 - Primarily associated with base metals sulphides (Labile sulphides)	8.4	6.5	8.0
Stage 5 - Primarily associated with majority sulphides (Py,AsPy and Marcasite)	20.0	42.7	11.2
Residue - Insoluble or associated with preg-robbing and other refractory minerals	0.8	1.1	0.4
Total	**100.0**	**100.0**	**100.00**

Note: samples pulverized as per assay procedure, typically >95% passing 100 microns.

The diagnostic leach tests suggest that the gold is semi-refractory and recoveries of between 35 to 70% would be expected using standard atmospheric agitation leaching. However, high gold recoveries (>95%) into concentrates would be expected with a combination of gravity and sulphide flotation.

A standard Bond ball mill Work Index test using the sulphide Composite 2 and Composite 3 gave a result of 13.0 and 14.6 kWh/t, respectively.

13.6.2 Sulphide Composites – Gravity Separation

Preliminary gravity separation tests were undertaken by BVM using the three Sulphide Composites. The results are summarized in Table 13.15.

Table 13.15
Sulphide Composites – Gravity Test Results

Test No	Composite ID	Grind Size (P_{80} µm)	Products	Mass %	Assay Au, g/t	Distribution Au, %
G2	Sulphide Composite 1	105	**Pan Concentrate**	**0.08**	**51.80**	**1.4**
			Gravity Rougher Concentrate	6.18	9.12	20.0
			Gravity Rougher Tail	93.82	2.41	80.0
G3	Sulphide Composite 2	105	**Pan Concentrate**	**0.07**	**72.06**	**0.8**
			Gravity Rougher Concentrate	6.70	11.83	12.6
			Gravity Rougher Tail	93.30	5.91	87.4
G4	Sulphide Composite 3	105	**Pan Concentrate**	**0.07**	**547.72**	**15.7**
			Gravity Rougher Concentrate	4.67	28.81	52.9
			Gravity Rougher Tail	95.33	1.26	47.1

The gravity concentration results for composites C1 and C2 did not result in appreciable recovery of gold into the final gravity concentrate. However, the test using Composite 3 produced a final concentrate containing 548 g/t of gold and a recovery of 16% and a rougher gravity concentrate gold recovery of 53% with a gold grade of 29 g/t.

13.6.3 Sulphide Composites – Flotation

Results from selected initial scoping flotation tests using the three sulphide composites are summarized in Table 13.16 and Table 13.17. First table shows the results from the rougher flotation tests and Table 13.18 presents the results from the batch open circuit cleaner tests.

The total sulphur recoveries to the copper and pyrite rougher concentrates were above 90% for all the three Sulphide Concentrates. Gold and silver rougher recoveries were also good although the results for C1 were a little lower than for C2 and C3.

While the rougher tests attempted to produce a copper concentrate and a gold rich pyrite concentrate by using two-stage sequential flotation, the objectives of the cleaner tests were to maximize gold recovery into a bulk sulphide concentrate, then selectively recover copper into a cleaner concentrate with gold rich pyrite remaining in the cleaner tailings.

Table 13.16
Sulphide Composites – Flotation Rougher Test Results

Composite C1, Test F4	P_{80} = 80				Pyr pH = 7.7						
Product	**Weight**	**Assay - (% or g/t)**					**Distribution - percent**				
	%	**Cu**	**Zn**	**S**	**Au**	**Ag**	**Cu**	**Zn**	**S**	**Au**	**Ag**
Total Cu Rougher Conc.	23.8	1.04	0.72	42.29	9.08	7.79	92.1	77.1	86.2	79.7	75.1
Total Pyrite Rougher Conc.	8.6	0.16	0.48	11.84	3.17	3.21	5.2	18.7	8.8	10.1	11.2
Total Flotation Conc.	32.4	0.80	0.66	34.18	7.51	6.57	97.3	95.8	95.0	89.8	86.3
Final Tails.	67.6	0.01	0.01	0.87	0.41	0.50	2.7	4.2	5.0	10.2	13.7
Calculated Feed	100	0.27	0.22	11.67	2.71	2.47	100.0	100.0	100.0	100.0	100.0
Measured Head		0.27	0.22	11.69	2.99	2.40					
Composite C2, Test F5	P_{80} = 75				Pyr pH = 7.5						
Product	**Weight**	**Assay - (% or g/t)**					**Distribution - percent**				
	%	**Cu**	**Zn**	**S**	**Au**	**Ag**	**Cu**	**Zn**	**S**	**Au**	**Ag**
Total Cu Rougher Conc.	5.6	4.00	0.12	41.71	10.51	23.41	27.4	31.4	8.7	9.4	12.4
Total Pyrite Rougher Conc.	54.7	1.05	0.02	43.05	9.77	16.22	70.8	63.2	88.5	86.4	84.3
Total Flotation Conc.	60.3	1.32	0.03	42.93	9.84	16.88	98.2	94.6	97.2	95.8	96.6
Final Tails.	39.7	0.04	0.00	1.89	0.66	0.90	1.8	5.4	2.8	4.2	3.4
Calculated Feed	100.0	0.81	0.02	26.63	6.19	10.54	100.0	100.0	100.0	100.0	100.0
Measured Head		0.81	0.02	26.59	6.41	10.00					
Composite C3, Test F3	P_{80} = 101				Pyr pH = 6.0						
Product	**Weight**	**Assay - (% or g/t)**					**Distribution - percent**				
	%	**Cu**	**Zn**	**S**	**Au**	**Ag**	**Cu**	**Zn**	**S**	**Au**	**Ag**
Total Cu Rougher Conc.	14.3	1.66	2.19	31.12	42.78	18.60	95.8	88.5	78.8	95.7	81.5
Total Pyrite Rougher Conc.	16.4	0.04	0.18	4.59	1.02	2.40	2.4	8.5	13.3	2.6	12.1
Total Flotation Conc.	30.6	0.79	1.12	16.95	20.47	9.95	98.2	97.0	92.1	98.3	93.6
Final Tails.	69.4	0.01	0.02	0.64	0.15	0.30	1.8	3.0	7.9	1.7	6.4
Calculated Feed	100.0	0.25	0.35	5.64	6.38	3.26	100.0	100.0	100.0	100.0	100.0
Measured Head		0.26	0.35	5.50	4.01	3.00					

Table 13.17
Sulphide Composites – Flotation Batch Cleaner Test Results

Composite C1, Test F9	Pri. P_{80} = 75			Regrind P_{80}= 29				pH = 11-12			
Product	**Weight**	**Assay - (% or g/t)**					**Distribution - percent**				
	%	**Cu**	**Zn**	**S**	**Au**	**Ag**	**Cu**	**Zn**	**S**	**Au**	**Ag**
3rd Cleaner Conc.	0.52	13.70	0.83	47.90	55.58	18.56	27.2	2.0	2.0	11.0	4.1
2nd Cleaner Conc.	3.67	3.48	0.56	53.42	18.46	10.69	49.1	9.7	15.8	26.0	16.9
1st Cleaner Conc.	15.68	1.40	0.61	54.45	11.58	9.40	84.7	44.8	69.0	69.6	63.6
Combined Cl. Tails	32.50	0.56	0.62	35.44	6.37	6.27	69.7	94.2	93.1	79.4	88.1
Ro. + Scav. Conc.	35.60	0.71	0.58	33.38	6.74	6.10	97.8	96.7	96.1	91.9	93.9
Final Tails	64.40	0.01	0.01	0.75	0.33	0.22	2.2	3.3	3.9	8.1	6.1
Calculated Head	100.00	0.26	0.21	12.37	2.61	2.31	100.0	100.0	100.0	100.0	100.0
Measured Head		0.27	0.22	11.69	2.99	2.40					

Composite C2, Test F10	Pri. P_{80} = 72			Regrind P_{80}= 24				pH = 11-12		
Product	**Weight**	**Assay - (% or g/t)**					**Distribution - percent**				
	%	**Cu**	**Zn**	**S**	**Au**	**Ag**	**Cu**	**Zn**	**S**	**Au**	**Ag**
3rd Cleaner Conc.	0.78	21.31	0.11	42.50	30.35	38.84	20.9	4.1	1.2	3.8	2.9
2nd Cleaner Conc.	2.16	12.00	0.09	48.16	22.90	33.44	32.7	9.8	3.6	8.0	7.0
1st Cleaner Conc.	6.71	5.29	0.06	50.65	16.18	25.63	44.7	18.7	11.8	17.4	16.5
Combined Cl. Tails	55.83	1.05	0.03	47.92	9.94	16.43	74.0	90.0	93.3	89.0	88.1
Ro. + Scav. Conc.	62.60	1.25	0.03	45.05	9.74	16.21	98.6	96.1	98.3	97.8	97.5
Final Tails	37.40	0.03	0.00	1.28	0.38	0.70	1.4	3.9	1.7	2.2	2.5
Calculated Head	100.00	0.79	0.02	28.68	6.24	10.41	100.0	100.0	100.0	100.0	100.0
Measured Head		0.81	0.02	26.59	6.41	10.00					

Composite C3, Test F11	Pri. P_{80} = 80			Regrind P_{80}= 25				pH = 11-12		
Product	**Weight**	**Assay - (% or g/t)**					**Distribution - percent**				
	%	**Cu**	**Zn**	**S**	**Au**	**Ag**	**Cu**	**Zn**	**S**	**Au**	**Ag**
3rd Cleaner Conc.	0.43	22.10	3.30	40.79	132.41	63.30	39.4	4.1	3.1	21.2	8.7
2nd Cleaner Conc.	2.07	8.11	3.17	48.08	49.13	40.60	70.2	19.2	17.4	38.2	26.9
1st Cleaner Conc.	8.37	2.70	2.82	49.53	24.62	27.67	94.3	69.0	72.4	77.2	74.0
Combined Cl. Tails	22.46	0.62	1.40	22.38	8.88	11.29	57.9	92.2	87.9	74.7	81.1
Ro. + Scav. Conc.	26.98	0.87	1.23	19.66	9.57	10.61	97.8	96.8	92.7	96.7	91.6
Final Tails	73.02	0.01	0.02	0.57	0.12	0.36	2.2	3.2	7.3	3.3	8.4
Calculated Head	100.00	0.24	0.34	5.72	2.67	3.13	100.0	100.0	100.0	100.0	100.0
Measured Head		0.26	0.35	5.50	4.01	3.00					

The batch cleaner tests showed that a copper concentrate containing greater than 20% Cu by weight could be produced from Sulphide Composites 2 and 3. The gold grades of these products were 30 g/t and 132 g/t, respectively. Although the recoveries of Cu and Au into these final copper concentrates were not high, this will significantly improve when the flotation conditions are optimized and under closed circuit conditions.

The combined flotation cleaner tailings contained around 94% of the pyrite and over 90% of the sphalerite for all three composites. The gold grade of this combined product varied between 6.4 g/t for C1 to 9.9 g/t for C2.

The discrepancy between the calculated and measured head gold grade for Composite 3 suggests a possible nugget effect caused by the presence of free gold or free electrum. This is also supported by the variability of the gold head assay results, relatively high gravity test gold recovery and the high gold grade in the copper concentrate of Test F11, where liberated gold particles were possibly selectively floated with the chalcopyrite.

13.6.4 Sulphide Composites – Cyanide Leaching

Standard leach tests using target grind sizes of P_{80} 75 and 30 microns were undertaken on each of three Sulphide Composites. For each test NaCN concentration was 1.0 g/L, pulp density was 40% solids by weight and pH was maintained at between 10 and 10.5 with the addition of lime. The results of these bottle roll tests are summarized in Table 13.18.

Table 13.18
Sulphide Composites – Bottle Roll Cyanide Leach Tests

Test No	Sample ID	Grind Size P_{80} (µm)	Au Head Grade (g/t)		48-hour Au Rec. (%)	Residue	Consumption (kg/t)	
			Measured	Calculated		Au (g/t)	NaCN	Lime
C6	C1	77	2.98	2.95	46.9	1.56	3.94	1.32
C7		34	2.98	2.89	38.3	1.79	4.02	0.80
C8	C2	73	6.41	6.68	29.5	4.71	4.97	1.83
C9		33	6.41	6.74	35.8	4.33	5.04	1.72
C10	C3	77	4.01	3.24	87.9	0.39	4.14	0.54
C11		43	4.01	3.26	88.8	0.37	4.18	0.44

The standard bottle roll leach test results suggest that there is no consistent improvement in gold leach extraction with a finer grind. The samples C1 and C2 returned gold leach extractions of between 30% and 47%, suggesting that the gold content of this material is refractory to semi-refractory. The gold leach extraction for sample C3 was almost 90%.

An additional series of bottle roll leach tests was undertaken by BVM using relatively aggressive conditions on samples of first cleaner scavenger tailings products from flotation tests F9, F10 and F11 (see Table 13.17). The test conditions comprised fine grinding, 3 kg/t lead nitrate, 2.0 g/L NaCN and oxygen injection.

The objective of these tests was to ascertain the potential gold extraction using atmospheric cyanide leaching on high pyrite samples. The results of these tests are summarized in Table 13.19.

Table 13.19
Sulphide Composites – Aggressive Cyanide Leach Tests of 1st Cleaner Scavenger Samples

Test No	Sample ID	Grind Size P_{80} (µm)	Au Head Grade (g/t)		48-hour Au Rec. (%)	Residue	Consumption (kg/t)	
			Measured	Calculated		Au (g/t)	NaCN	Lime
C12	C1	10	2.13	2.28	50.2	1.14	9.22	3.80
C13	C2	9	8.25	8.39	35.3	5.43	14.16	4.76
C14	C3	9	1.38	0.73	61.5	0.28	7.57	3.08

These results show a similar trend to the whole sample leach tests in that C3 gave the highest gold recovery, C1 was the next highest and C2 was the lowest. The results for C1 and C2 were similar to the whole sample results but C3 was lower, which is not unexpected as most of the free gold appears to have been recovered into the copper concentrate (see Table 13.17 and Table 13.18).

13.7 BVM Current Sulphide Test Program (2021)

Two composite samples were prepared by Unigold using split fresh drill core that represented typical sulphide mineralization from Targets C. Target C-Barite composite comprised 45 individual samples from five drill holes of sulphide material and Target C-

Breccia consisted of 58 individual sulphide samples from four drill holes. A summary of chemical analyses for the two composite samples is shown in Table 13.20.

Table 13.20
Target C Sulphide Composites – Multi-Element Head Analyses

Element	Units	Target C Barite	Target C Breccia
Au	g/t	10.74	3.76
Au	g/t	10.59	3.74
Au Average	**g/t**	**10.67**	**3.75**
Ag	ppm	45	8
Hg	ppb	1.72	0.58
C/ORG	%	0.02	<0.02
S (tot)	%	7.98	4.15
S/S-	%	1.91	2.75
Mo	ppm	38.6	26.5
Cu	ppm	2,009	2,317
Pb	ppm	5,662	3,718
Zn	ppm	24,009	1,2734
Ni	ppm	38.4	33.8
Co	ppm	11	13
Mn	ppm	312	120
Fe	%	2.79	3.18
As	ppm	158	113

Note: Blue shading shows elements of economic or deleterious interest.

The preliminary scoping metallurgical test program planned for these two composite samples is ongoing and should be completed by the end of June, 2021. The program includes mineralogy and gold deportment studies as well as gravity, flotation and cyanide leaching amenability tests.

13.8 Discussion of Testwork Results

13.8.1 Oxide Mineralization

All bottle roll leaching tests using samples of oxide mineralization have shown that conventional agitation leaching of this material would successfully recover the contained gold. Preliminary testwork suggest that gold extractions of between 90% and 95% would be expected using carbon-in-leach (CIL) or carbon-in-pulp (CIP) technology. The gold recovery does not appear to be very sensitive to grind size with minimal performance improvements below a P_{80} of 290 microns.

Column leach tests results suggest that heap leach technology has good potential to recover gold from the oxide mineral resources. High gold recoveries in excess of 90% in less than 30 days have been achieved in column tests, even with a crush size of 17 mm.

There are no material deleterious elements or compounds associated with the oxide mineralization although a preliminary geochemical test suggests that the tailings from a leaching process will likely be acid generating.

13.8.2 Sulphide Mineralization

Based on the metallurgical testwork undertaken so far, the disseminated, and massive sulphide mineralization at Target A, CE, can be considered to be refractory to semi-refractory, with only 35 to 60% recovery of the contained gold obtained by conventional atmospheric cyanide leaching, even at a relatively fine grind size.

Preliminary mineralogical work suggests that the gold in Composites 2 and 3, interpreted to be of epithermal origin, was mostly carried by native gold and electrum (Au,Ag). In the Composite 1, interpreted to be largely lower grade, VMS type mineralization, the majority of the gold was present as calaverite ($AuTe_2$), sylvanite [$(Au,Ag)_2Te_4$] and native gold, in the order of gold distribution. Approximately 75 to 92 percent of the gold occurrences in the three sulphide composites were sized finer than 5 microns.

Preliminary leach testwork suggests that the Target B sulphide mineralization is more amenable to conventional leaching technology with gold extraction of almost 90% achieved from standard bottle roll tests.

Flotation could recover over 90% of the gold in all types of sulphide mineralization into a sulphide flotation rougher concentrate. Copper concentrates containing >20% Cu and elevated gold and silver credits could be produced from the Target A massive sulphide and the Target B epithermal mineralization.

Gravity concentration of the Target B composite C3 recovered about 50% of the gold into a rougher concentrate grading 29 g/t gold and 16% of the gold into a cleaner concentrate containing 548 g/t gold.

Grinding testwork suggests that the sulphide mineralization is of medium hardness with Bond ball mill work indices of around 13 to 15 kWh/t.

There are no material deleterious elements or compounds associated with the sulphide mineralization although preliminary NAG tests suggest that the tailings from a flotation process will likely be acid generating.

13.9 RECOMMENDATIONS FOR FURTHER WORK

13.9.1 Oxide Mineralization

A bulk oxide sample excavated from surface pits on site has been collected by Unigold and shipped to BVM to be used as feed for two large diameter column tests. The results from these tests can be used as a basis to update the PEA design criteria for a more advanced technical study.

13.9.2 Sulphide Mineralization

More detailed mineralogical studies are recommended to confirm the liberation characteristics of the sulphide mineralization and the gold deportment of the different zones within the Candelones deposit.

Additional flotation tests are recommended to optimize the production of potentially salable concentrates.

Preliminary refractory gold testwork on flotation products from Main Zone disseminated and massive sulphide mineralization is recommended. This work should include pressure oxidation and bacterial oxidation pre-leach treatment processes.

A complete suite of metallurgical tests should be completed for the mineralization at Target C, a third high-grade target within the CE zone, that is a focal point of Unigold’s current exploration program.

14.0 MINERAL RESOURCES

14.1 GENERAL DESCRIPTION

The Candelones Project is currently composed of two distinct mineralization zones: CMC and CE. As expected, the new drilling has allowed joining the CM and CMC zones into a single continuous zone. The present Candelones resource update is focused on updating the parameters for the oxidized portion of the CMC zone, with no other change to the model used for the previous August, 2020 oxide estimate. The sulphide portions of the CMC and the CE models were reinterpreted based on the results of the 2019, 2020 and 2021 drilling, along with updating the economic parameters. This has resulted in upgrading previous inferred resources into the measured and indicated categories in portions of the sulphide mineral resources. Figure 14.1 show the location of the mineralized zones in relation to each other.

Figure 14.1
Location of the Candelones Mineralized Zones

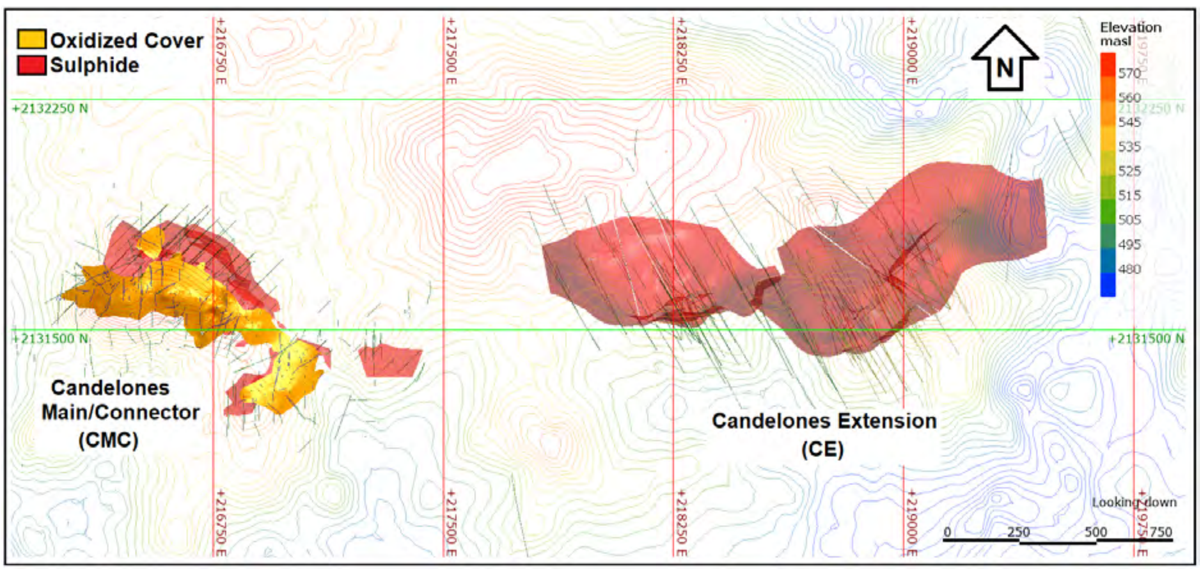


Figure supplied by Micon, May, 2021.

14.2 CIM MINERAL RESOURCE DEFINITIONS AND CLASSIFICATIONS

All resources presented in a Technical Report must follow the current CIM definitions and standards for mineral resources and reserves. The latest edition of the CIM definitions and standards was adopted by the CIM council on May 10, 2014, and includes the resource definitions reproduced below:

> *"Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource."*

"A Mineral Resource is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction."

"The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling."

"Material of economic interest refers to diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals."

"The term Mineral Resource covers mineralization and natural material of intrinsic economic interest which has been identified and estimated through exploration and sampling and within which Mineral Reserves may subsequently be defined by the consideration and application of Modifying Factors."

"Inferred Mineral Resource"

"An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity."

"An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration."

"An Inferred Mineral Resource is based on limited information and sampling gathered through appropriate sampling techniques from locations such as outcrops, trenches, pits, workings and drill holes. Inferred Mineral Resources must not be included in the economic analysis, production schedules, or estimated mine life in publicly disclosed Pre-Feasibility or Feasibility Studies, or in the Life-of-mine plans and cash flow models of developed mines. Inferred Mineral Resources can only be used in economic studies as provided under NI 43-101."

"Indicated Mineral Resource"

"An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit."

"Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation."

"An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve."

"Mineralization may be classified as an Indicated Mineral Resource by the Qualified Person when the nature, quality, quantity and distribution of data are such as to allow confident interpretation of the geological framework and to reasonably assume the continuity of mineralization. The Qualified Person must recognize the importance of the Indicated Mineral Resource category to the advancement of the feasibility of the project. An Indicated Mineral

Resource estimate is of sufficient quality to support a Pre-Feasibility Study which can serve as the basis for major development decisions."

"Measured Mineral Resource"

"A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit."

"Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation.

A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve."

"Mineralization or other natural material of economic interest may be classified as a Measured Mineral Resource by the Qualified Person when the nature, quality, quantity and distribution of data are such that the tonnage and grade or quality of the mineralization can be estimated to within close limits and that variation from the estimate would not significantly affect potential economic viability of the deposit. This category requires a high level of confidence in, and understanding of, the geology and controls of the mineral deposit."

14.3 CIM Estimation of Mineral Resources Best Practices Guidelines

Micon and its QPs have used the CIM Estimation of Mineral Resources and Mineral Reserves Best Practices Guidelines which were adopted by the CIM Council on November 29, 2019, in estimating the Mineral Resources contained within of the Candelones Project. The November, 2019 guidelines supersede the 2003 CIM Best Practices Guidelines which were followed by Micon and its QPs when completing the previous resource estimations and audits for the Project.

14.4 Mineral Resource Estimation Procedures

14.4.1 Supporting Data

The Candelones Project database provided to Micon is comprised of 425 drill holes and 31 test pits, with a total of 107,839 m of drill core and containing 67,814 samples. This database was the starting point from which the two mineralized envelopes, CMC and CE, were modelled.

For the mineral resource update of the oxidized zone at the CMC, Micon's QPs used only the data contained within the wireframes, so that the effective number of drill holes and samples used to produce the estimate are 147 drill holes, including 14 new drill holes from 2016 and 2019, and 21 test pits, totalling 6,611 samples of mineralized intercepts.

In addition to the drill holes, Micon's QPs included trench sample data for the CMC zone, as it assisted in defining the shape of the outcropping mineralization. A total of 70 trenches containing 2,778 samples were used in the resource estimate.

For the CE resource update, Micon's QPs used 153 drill holes with a total of 13,700 samples inside the wireframes. This represents a substantial increase of drilling information compared to the 4,579 samples used in 2013.

14.4.2 Topography

The Project topography comes from a digital terrain model (DTM) based on grid data, purchased by Unigold. Some collar and trench elevations were corrected using this topographic surface. The DTM is based on satellite imagery and can exhibit errors, due to heavy vegetation covering the land surface or rugged terrain. The corrected collar and trench elevations, therefore, may also be subject to some error but, in Micon's QPs opinion, this would have minimal effect on the resource estimate.

14.4.3 Geological and Mineralogical Data

The CMC and CE deposits define an east-northeast trend that has been traced through field mapping and diamond drilling over a 3.0 km distance. This trend is believed to be related to a series of east-northeast trending fault zones that extend from the Candelones Project, through the Montazo target, and continue to the Guano, Naranjo, Juan de Bosques and Rancho Pedro targets, which are located approximately 8 km to the east-northeast of the Candelones Project.

Observations from drill core at the CE deposit indicate that the polymetallic mineralization is localized along a contact between andesite volcanics and volcanoclastics (hanging wall) with predominantly dacite tuffs (footwall). Anomalous polymetallic mineralization extends for over 100 m from the contact and the current interpretation is that this mineralization reflects an early, volcanogenic massive sulphide origin. Field mapping has traced this favourable contact zone along the length of the trend discussed.

In general, the contact at CE dips variably to the south, ranging from flat to vertical, but generally trending at a 50° south dip. The variability is likely the product of both the origin of the deposit and subsequent post-mineral faulting.

The dacite volcanoclastics in contact with the andesite hanging wall rocks are largely tuffaceous and, in some locations, exhibit textures indicative of submarine deposition. The contact zone is often described as brecciated, containing sub-angular to sub-rounded fragments of dacite tuff ranging in size from 2 mm to >20 mm, within a fine to medium grained clay matrix that has been locally silicified. Some have identified the contact rocks as hyaloclastites, suggesting volcanic deposition in a shallow water environment.

Exploration since 2016 has focused on zones of higher-grade tenor within the CE deposit. These higher-grade targets are currently interpreted to be epithermal, replacement mineralization that are spatially associated with sub-vertical fault zones.

The Candelones Project contains gold, silver, copper and zinc mineralization associated with pyrite, predominantly as clast replacement disseminated veinlets, matrix floods and colloform bands. Variable sphalerite and chalcopyrite are also present.

In some locations, mineralization is associated with massive to semi-massive barite replacement, which may represent a carapace.

The main sulphide mineral is pyrite, with minor sphalerite and chalcopyrite. Locally, the sulphides occur as massive sulphide lenses, but their extent is unknown, even though closer spaced drilling has been conducted in these areas.

At the CM and CMC deposits, both an oxide and a sulphide phase are observed. Typically, the oxide zone extends from surface to a depth ranging from 15 to 50 m. The sulphide phase has been traced to depths of over 400 m.

14.4.4 Rock Density

Density measurements were taken by local technicians and geologists employed by Unigold. Density measurements were conducted on drill core samples, using the water displacement or buoyancy method. The drill core density measurements were separated by lithology and by zone. ALS Minerals (ALS) was contracted by Unigold to conduct independent specific gravity tests on 13 samples and these tests generally confirmed the density measurements conducted by Unigold.

A total of 841 revised density measurements were delivered to Micon, from which average densities were calculated for the CMC deposit, as well as for waste rock. The overall average density value of the Candelones Project is 2.64 g/cm^3. Out of the total measurements, a total of 688 density values were used for the current resource estimate for the CMC deposit, following a more specific sequential selection starting from the shallowest overburden, followed by oxidized rock, transition rock (1 & 2), sulphides and waste rock. This approach made more sense as density averages were increasing in the deeper rock mass. The CE density was updated and increased to 2,986 from 298 density measurements used for the previous 2013 resource estimate. Table 14.1 summarizes the density measurements.

Table 14.1
Candelones Project Average Density within the Mineralized Envelopes and Waste Rock

Deposit	Number of Measurements	Minimum	Maximum	Average Value
CMC – Overburden	2	1.76	2.67	2.14
CMC – Oxidized	20	1.55	2.59	2.17
CMC – Transition 1	7	1.83	2.62	2.19
CMC – Transition 2	4	2.34	2.65	2.49
CMC – Sulphides	89	1.50	4.29	2.70
CMC – Waste Rock	566	1.18	3.10	2.63
CE – Sulphides	2,986	1.50	4.62	2.68

14.4.5 General Statistics

Basic statistics were gathered for the entire database and for selected intervals of the mineralized envelopes. The results are summarized in Table 14.2.

Table 14.2
Candelones Basic Statistics within the Envelopes

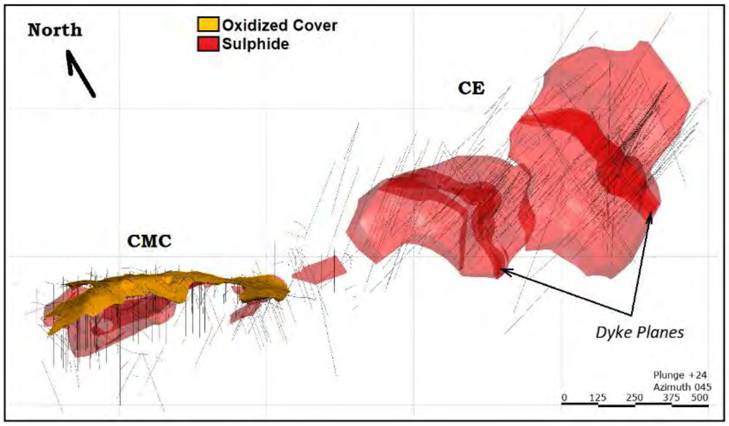
Description	CM + CMC		CE
Sample Source	DDH	Trench	DDH
Variable	Au g/t	Au g/t	Au g/t
Number of samples	6,611	2,778	13,700
Minimum value	0.001	0.001	0.001
Maximum value	47.700	157.000	77.500
Mean	0.704	0.926	1.046
Median	0.360	0.414	0.339
Variance	2.302	23.287	7.582
Standard deviation	1.517	4.826	2.754
Coefficient of variation	2.156	5.211	3.061

14.4.6 Three-Dimensional Modelling

Unigold provided Micon with initial three-dimensional (3-D) wireframes representing the mineralized envelopes for the CMC and CE zones. Micon's QPs reviewed and modified the wireframes to correct some irregular shapes that caused losses of volume, and to ensure that the drill hole intercepts were snapped to the wireframe. Once these changes were completed, the resulting envelopes were discussed with Unigold prior to finalizing the wireframes.

Figure 14.2 illustrates the final wireframes for the mineralized zones.

Figure 14.2
Finalized Wireframes for the Three Candelones Mineral Zones



Note: The dykes are thin and cross-cut the mineralization in a northernly strike direction.
Figure supplied by Micon, May, 2021.

14.4.7 Data Processing

14.4.7.1 Grade Capping

Outlier gold values were reviewed carefully. The capping grade selection was based on log-normal probability plots for the oxidized and sulphide zones (Figure 14.3 and Figure 14.4). Table 14.3 summarizes the grade capping for the Candelones Project, by mineralized zone.

Figure 14.3
CMC Oxides (PEA) and Sulphides Gold Probability Plot

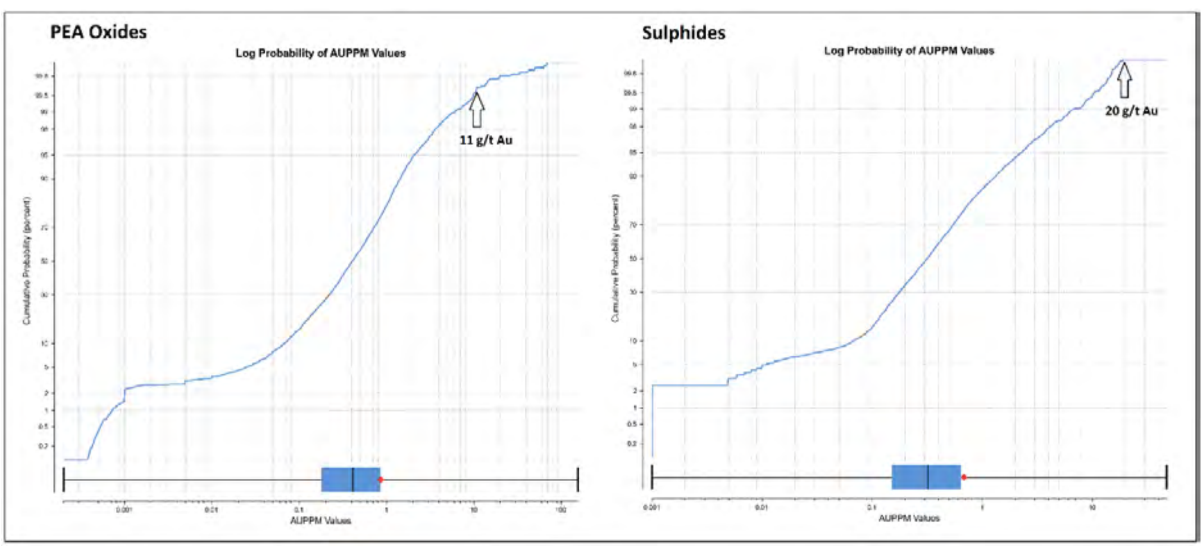


Figure 14.4
CE East and West Gold Probability Plot

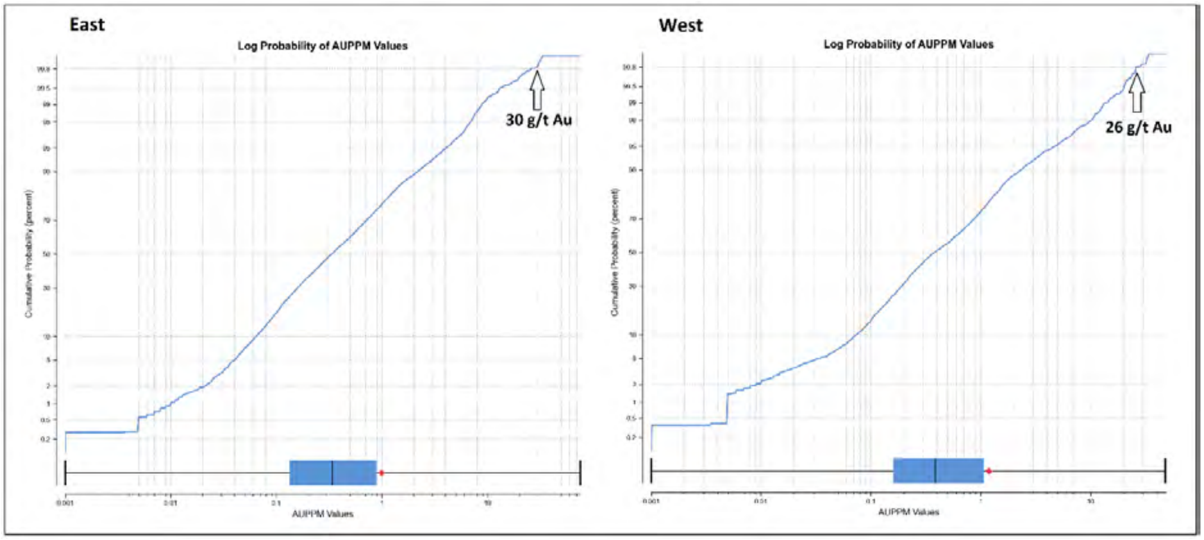


Table 14.3
Candelones Project Grade Capping by Mineral Zone

Mineral Zone	Gold Capping Value (g/t)	Number of Capped Samples
CMC Oxides (PEA)	11.0	26
CMC Sulphides	20.0	5
CE – West	26.0	7
CE – East	30.0	18

14.4.7.2 Compositing

After the grade capping was completed, the selected intercepts for the Candelones Project were composited into 1.0 m equal length intervals, with the composite length selected based on the average original sampling length. Table 14.4 summarizes the basic statistics of the composited data.

Table 14.4
Summary of the Basic Statistics for the 1m Composites

Description	CMC (Oxides and Sulphides)		CE	
	Not Capped	Capped	Not Capped	Capped
Variable	Au g/t	Au g/t	Au g/t	Au g/t
Number of samples	12,574	12,574	14,646	14,646
Minimum value	0.000	0.000	0.001	0.001
Maximum value	157.000	20.000	77.500	30.000
Mean	0.780	0.707	1.046	1.026
Median	0.375	0.375	0.351	0.351
Variance	9.323	1.660	6.991	5.296
Standard deviation	3.053	1.288	2.644	2.301
Coefficient of variation	3.914	1.823	2.527	2.244

14.4.8 Mineral Deposit Variography

Variography is the analysis of the spatial continuity of grade. Micon's QPs performed various iterations with 3-D variograms, in order to identify the best parameters for the deposits of the Candelones Project.

First, down-the-hole variograms were constructed for each zone, to establish the nugget effect to be used in the modelling of the 3-D variograms. Figure 14.5 to Figure 14.8 show the resulting major variograms of the 4 zones, with the CMC oxide and sulphide areas, and the CE east and west zones, split onto separate areas.

Variograms have to be constructed on regular coherent shapes with geologic support, and the Candelones Extension had to be split into east and west lenses due to the changing orientation of the deposit.

Figure 14.5
CMC/CM PEA Oxidized Zone – Variograms

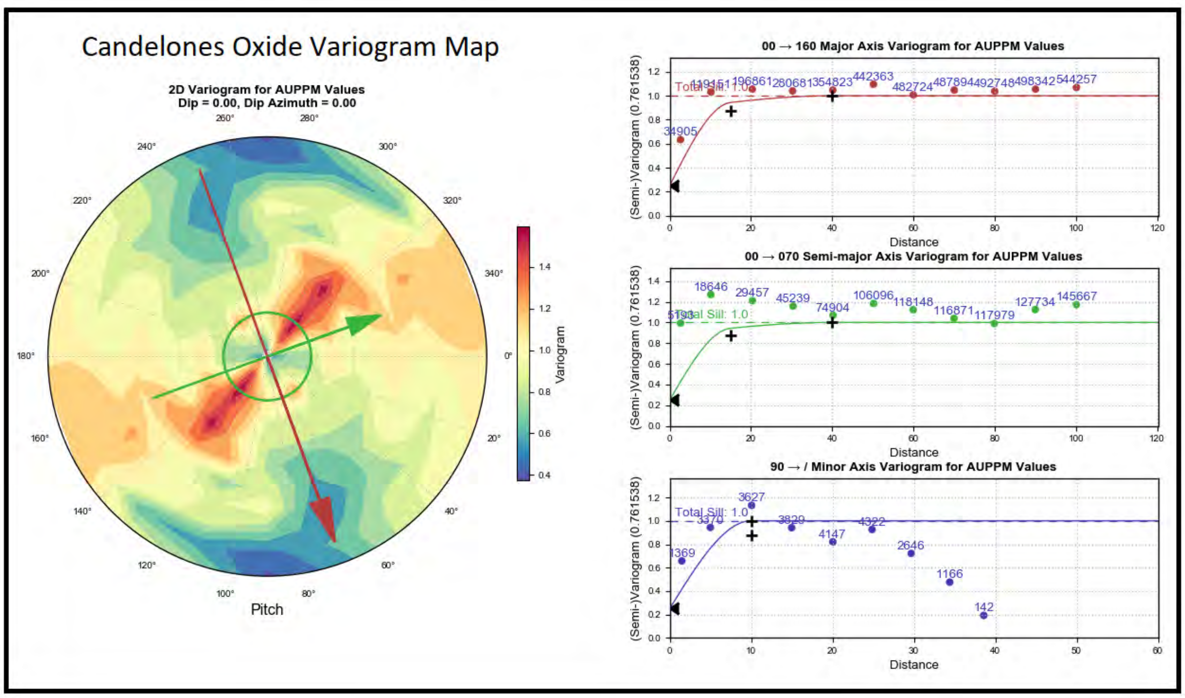


Figure 14.6
CMC/CM Sulphide Zone – Variograms

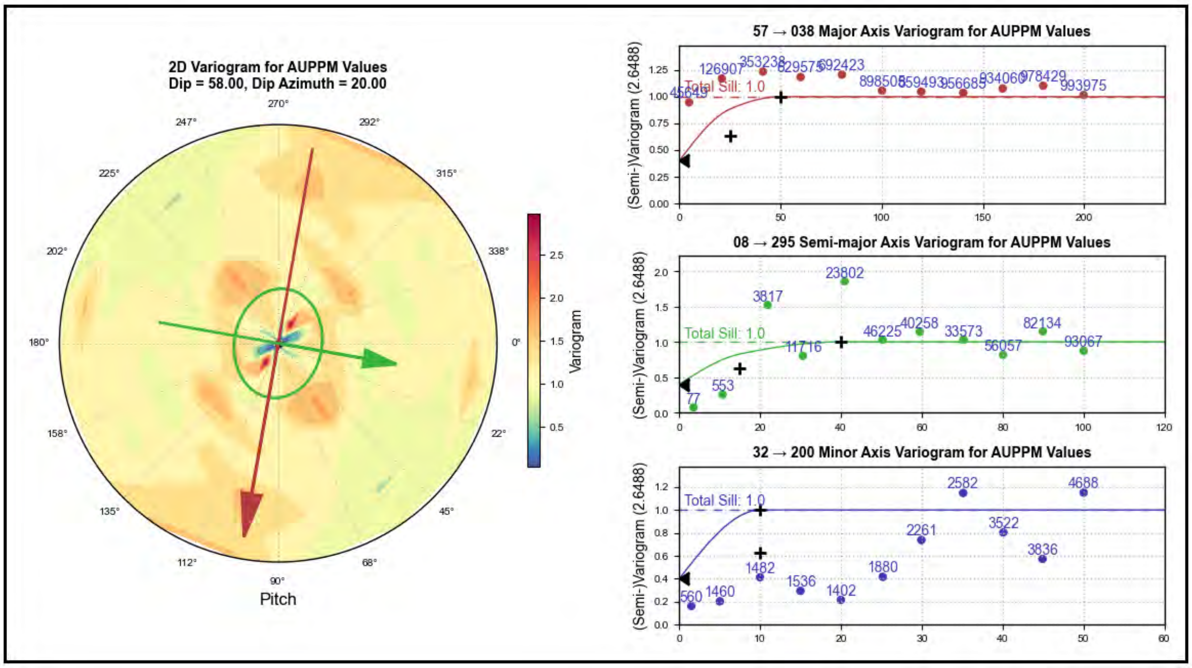


Figure 14.7
CE Zone East – Variograms

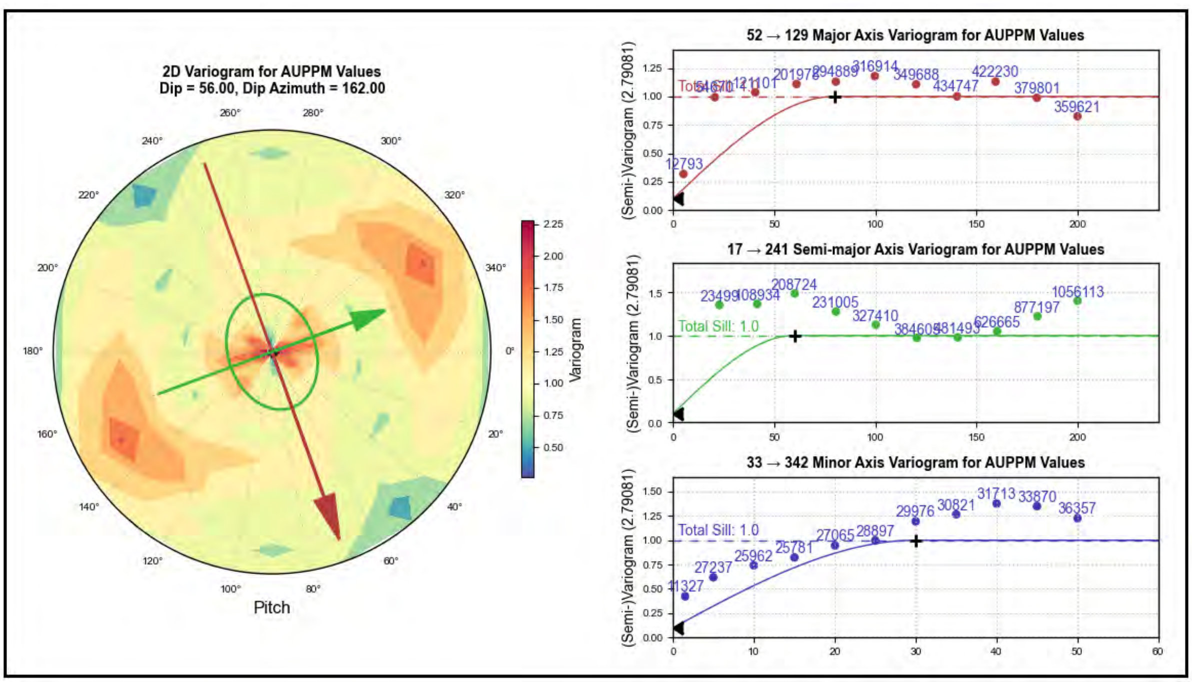
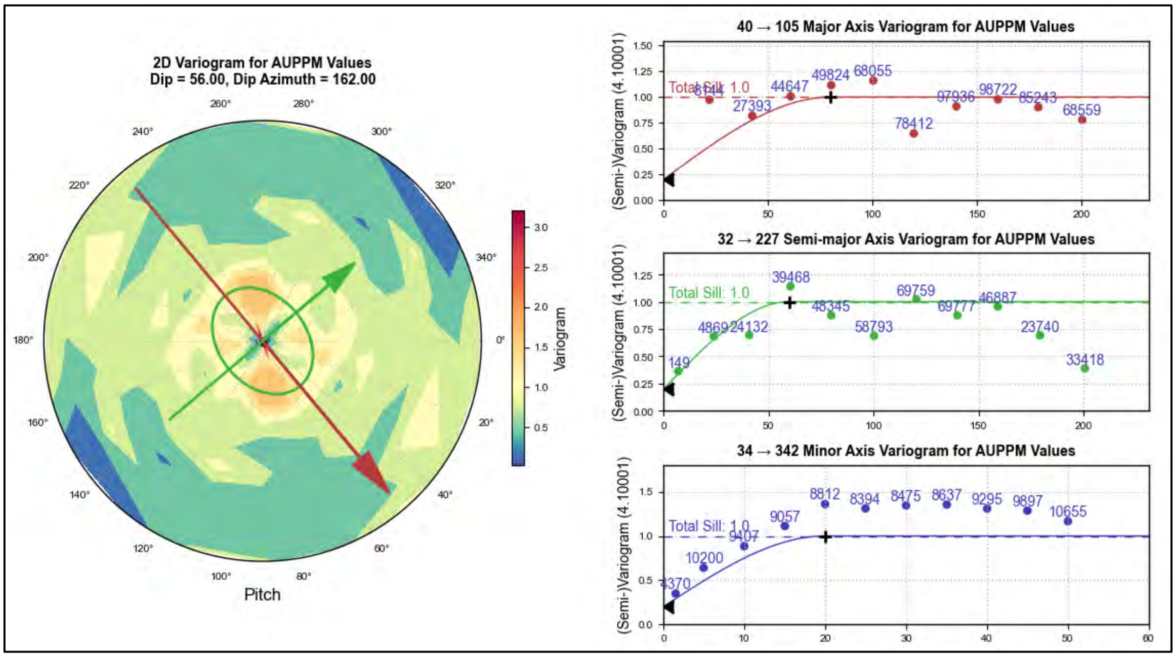


Figure 14.8
CE Zone West – Variograms

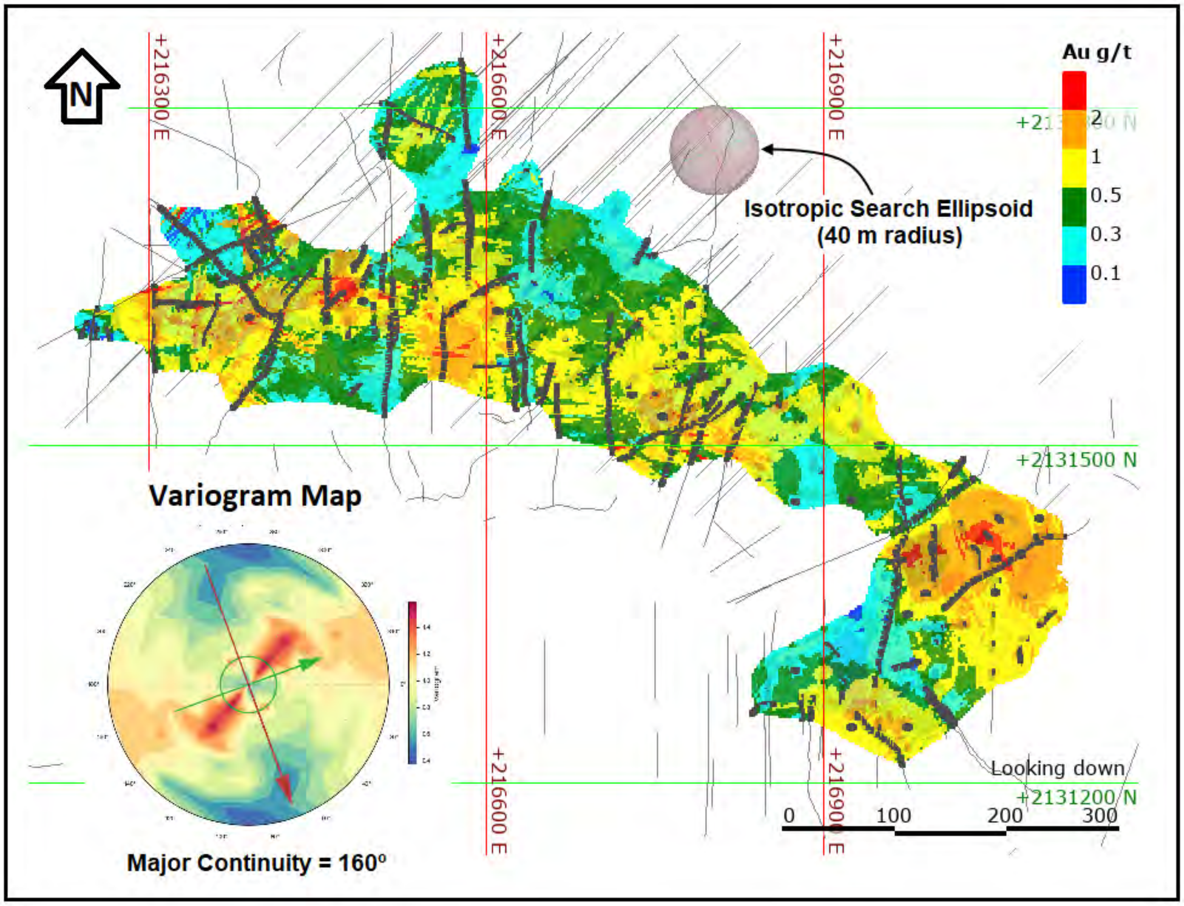


14.4.9 Continuity and Trends

The CMC and CE zones show acceptable grade continuity, although these zones have different and very clear orientations and dips. The CMC oxide zone has a 160º bearing according to the variograms modelled (Figure 14.9).

The mineralization trends are clear for both CMC and CE.

Figure 14.9
CMC PEA Oxidized Zone – Variogram Map



14.5 Mineral Resource Estimation

14.5.1 Block Model

Two block models were constructed:

- The first contains the CMC oxide and sulphides zones. The proximity of these zones allowed for the interpolation of the zones to be completed using the same model.
- The second block model contains the CE zone.

A summary of the definition data for both block models is contained in Table 14.5.

Table 14.5
Summary of Information for the Candelones Project Block Models

Description	Block Model (CMC)	Block Model (CE)
Dimension X (m)	1,250	2,140
Dimension Y (m)	780	1,220

Description	Block Model (CMC)	Block Model (CE)
Dimension Z (m)	400	650
Origin X (Easting)	216,170	217,600
Origin Y (Northing)	2,131,150	2,131,000
Origin Z (Upper Elev.)	620	620
Rotation (º)	0	0
Block Size X (m)	10	10
Block Size Y (m)	10	5
Block Size Z (m)	5	5
Child Block Size XYZ (m)	2 x 2 x 1	2.5 x 2.5 x 2.5

14.5.2 Search Strategy and Interpolation

A set of parameters were derived to interpolate the block grades, based on the results of a variographic analysis. A summary of the Candelones Project ordinary kriging interpolation parameters is contained in Table 14.6.

Table 14.6
Candelones Project, Ordinary Kriging Interpolation Parameters

Rock* Code(s)	Pass	Orientation			Variogram Parameters		Search Parameters					
		Az (°)	Plunge (°)	Dip (°)	Nugget	Sill	Range Major Axis (m)	Range Semi-Major Axis (m)	Range Vertical Axis (m)	Minimum Samples	Maximum Samples	Maximum Samples per Hole
CMC	1	Dynamic Anisotropy (search ellipse follows deposit curvature)			0.25	0.628/0.122	15/40	15/40	10	6	18	2
CMC	2				0.25	0.628/0.122	80	80	20	4	12	2
CMC	3				0.25	0.628/0.122	100	100	30	1	12	2
CE-E	1	Dynamic Anisotropy (search ellipse adjusted to deposit variable azimuths and dips)			0.10	0.90	80	60	30	15	30	5
CE-E	2				0.10	0.90	80	60	30	10	20	5
CE-E	3				0.10	0.90	160	120	60	2	20	5
CE-W	1				0.20	0.80	80	60	30	15	30	5
CE-W	2				0.20	0.80	80	60	30	10	20	5
CE-W	3				0.20	0.80	120	90	30	2	20	5

*Note: The CE deposit was split into East and West due to structural interpretation of a fault zone.

14.5.3 Prospects of Economic Extraction

The mineral resource estimates have been constrained using economic assumptions that consider both open pit (shallow mineralization) and underground (mineralization below the conceptual pit) mining scenarios. The optimized pit shells are conceptual in nature and are based on the economic assumptions stated herein, applied using the Lerchs-Grossman algorithm contained in the Datamine NPV Scheduler software. The potential underground blocks are also conceptual in nature and are based on identifying a reasonable spatially continuous tonnage sufficient to justify an eventual underground development. No specific underground mining method nor economic model was evaluated, but scattered and isolated blocks were excluded from the resource.

The mineral resource estimate and open pit optimization have been prepared without reference to surface rights or the presence of overlying private property or public infrastructure or geographical constraints.

The Candelones Project has been evaluated using gold assays only for the oxide resources, while the updated sulphide resources were evaluated using silver and copper assays as well.

Operating costs were estimated based on similar operations. It is Micon's QP's opinion that the costs are reasonable, but they were not developed from first principles and are considered conceptual in nature.

Table 14.7 summarizes the open pit and underground economic assumptions upon which the resource estimate for the Candelones Project is based. All monetary values are expressed as US dollars.

Table 14.7
Summary of the Candelones Project Economic Assumptions for the Conceptual Open Pit and Underground Mining Methods

Candelones Parameters	Oxides (PEA)		Sulphides
	Oxides	Transition	
Au price $/oz	$1,700	$1,700	$1,700
Ag price $/oz	$20.00	$20.00	$20.00
Cu price $/lb	$4.00	$4.00	$4.00
Au recovery	80%	50%	84%
Ag recovery			55%
Cu recovery			87%
Open Pit Mining Cost $/t	$2.35	$3.61	$2.85
Processing Cost (Heap Leach) $/t	$7.40	$7.40	
Processing Cost (Flotation) $/t			$25.00
G&A Cost $/t	$2.39	$2.39	$2.39
Open Pit Overall Cost $/t	$12.14	$13.40	$30.24
Underground Mining Cost $/t			$60.00
Underground Overall Cost $/t			$87.39
Open Pit Au Cut-off g/t	0.28	0.49	0.66
Au Eq. Cut-off g/t			0.65
Open Pit NSR Cut-off ($/t)			$20.24
Underground Au Cut-off (g/t)			1.9
Underground Au-Eq Cut-off (g/t)			1.89
Underground NSR Cut-off ($/t)			$77.39
Open pit slope	45	45	45

The open pit parameters noted above were input into the pit optimization software and a series of nested pit shells representing varying revenue factors (gold prices) were generated.

The pit shell maximizing NPV (optimum pit) indicated that the mining cut-off grade for open pit mining is:

- Oxide mineralization (starter pit) 0.28 g/t.

- Transition mineralization (starter pit) 0.49 g/t.
- Sulphide mineralization (ultimate pit) $20/t NSR.
- Sulphide mineralization (underground) $77/t NSR.

The stripping ratios for the optimized pit shells at a gold price of US $1,700/oz gold are 7.46 for the CE, 0.91 for the CMC ultimate pit and 0.13 for the CMC starter pit.

For the underground mining scenario, the model indicated that the mining cut-off value is $77/t NSR for the sulphide mineralization. There is no oxide mineralization in the underground scenario.

14.5.4 Classification of the Mineral Resource Estimate

Micon' QPs have classified the mineral resource estimate of the Candelones Project as being in the Measured, Indicated and Inferred categories. The criteria for each category are as follows:

- Measured Resources:
  - All oxide blocks in the CMC deposit within 20 m of an informing sample, with a significant density of informing samples from drill holes, test pits and trenches.
  - All sulphide blocks in the CE deposit within 25 m of an informing sample.
- Indicated Resources:
  - All oxide blocks in the CMC deposit within 20 m of an informing sample, but with a lesser density of informing samples from drill holes, test pits and trenches.
  - All sulphide blocks in the CE deposit within 40 m of an informing sample.
- Inferred Resources:
  - All remaining blocks in the CMC oxide zone.
  - All transition and sulphide blocks in the CMC zone.
  - All remaining sulphide blocks in the CE zone.

All Measured and Indicated resources were subjected to a final, manual grooming check for reasonableness.

The resulting categorization of oxide mineral resources of the CMC zone can be seen in Figure 14.10. The categorization for the sulphide mineral resources for the CE zone are shown in Figure 14.11. Sulphide mineral resources for the CMC zone are all inferred and are not shown.

Figure 14.10
CMC Zone Oxidized Resource Categories

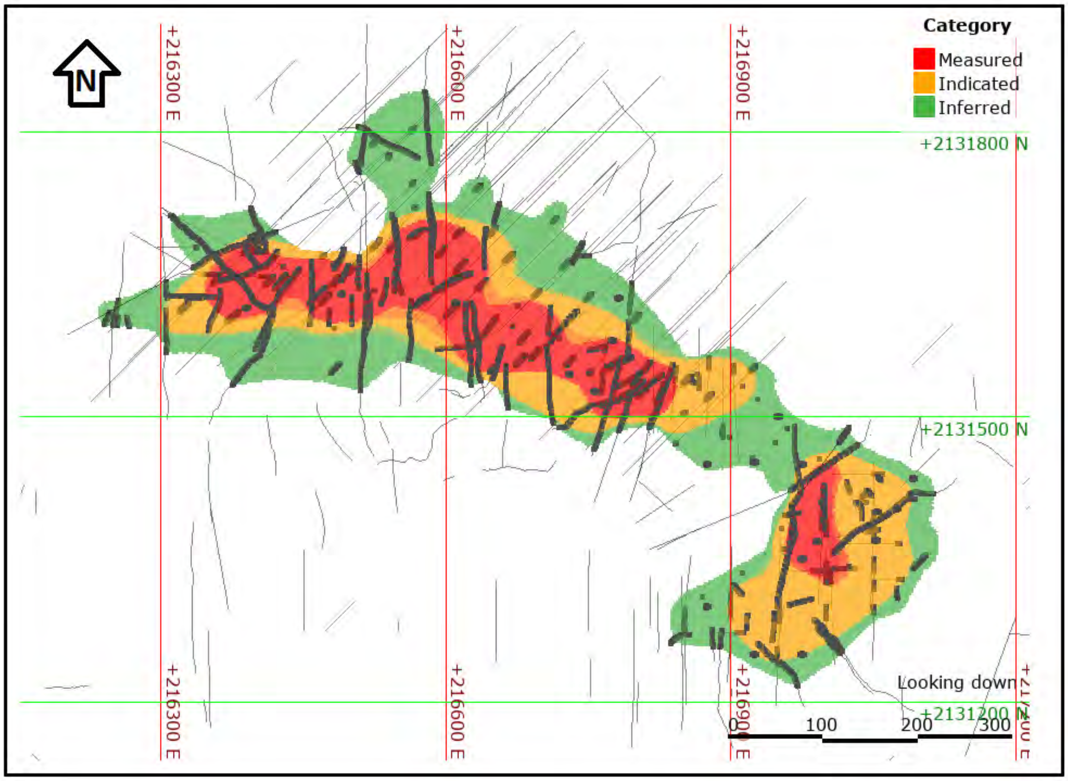
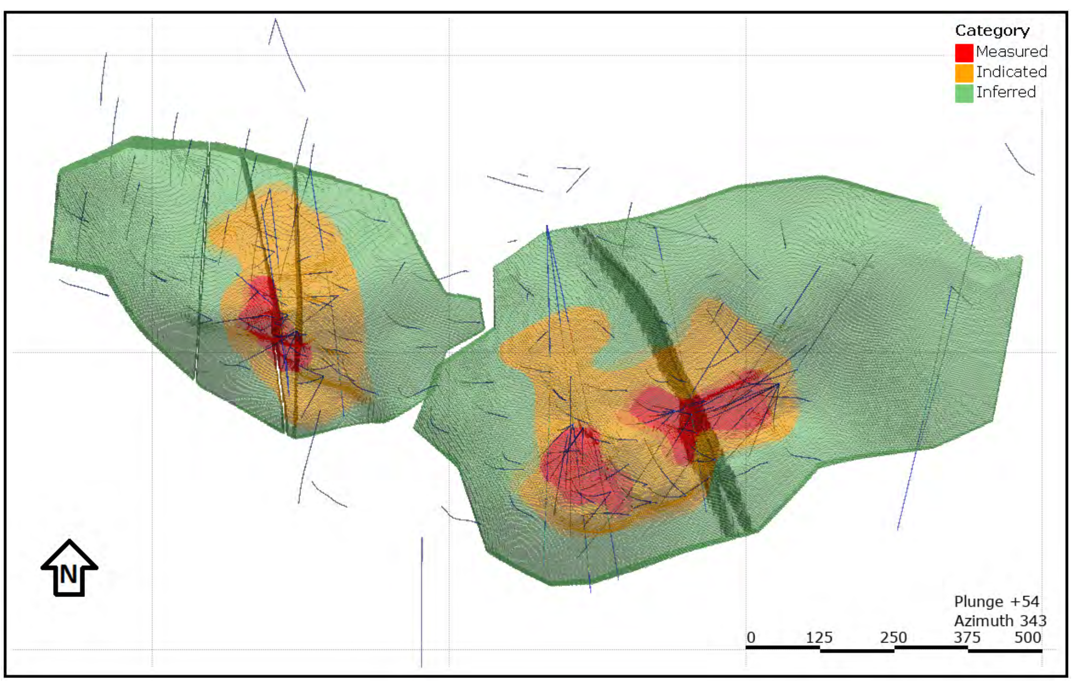


Figure 14.11
CE Sulphide Zone Resource Categories



14.6 Mineral Resource Statement for the Candelones Project

The mineral resource estimates for the Candelones Project are summarized in Table 14.8 (PEA oxide resources). and Table 14.9 (sulphide resources)

Mineral resources which are not mineral reserves do not have demonstrated economic viability. At the present time, Micon and the QPs do not believe that the mineral resource estimate is materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

Micon and the QPs consider that the resource estimate for the Candelones Project has been reasonably prepared and conforms to the current 2014 CIM standards and definitions for estimating resources. The mineral resource estimate can be used as Unigold's basis for the ongoing exploration at the Candelones Project.

The process of mineral resource estimation includes technical information that requires subsequent calculations or estimates to derive sub-totals, totals and weighted averages. Such calculations or estimations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, Micon and the QPs do not consider them to be material.

Due to the uncertainty and lower confidence levels that are attached to inferred mineral resources, they must not be included in the economic analysis, production schedules, or estimated mine life in publicly disclosed Pre-Feasibility or Feasibility Studies, or in the Life-of-mine plans and cash flow models of developed mines. Inferred Mineral Resources can only be used in economic studies as provided under NI 43-101. However, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

The mineral resources summarized in Table 14.8 (oxide resources, CMC) and Table 14.9 (sulphide resources, CMC and CE) above are shown graphically in Figure 14.12, Figure 14.13 and Figure 14.14, respectively.

Table 14.8
Oxide Mineral Resource Estimate for Candelones Project PEA, Effective Date May 10, 2021

Deposit	Mining Method	Mineralization Type	Category	Tonnes (x1,000)	Au g/t	Au oz (x1,000)	Strip Ratio
CMC	Open Pit (Starter) PEA	Oxide (Heap Leach)	Measured	1,851	0.82	49	0.13
			Indicated	1,616	0.82	42	
		Total Measured + Indicated		**3,467**	**0.82**	**91**	
		Oxide (Heap Leach)	Inferred	1,154	0.6	22	
		Transition (Heap Leach)		478	0.87	13	
		Total Inferred		**1,632**	**0.68**	**36**	

Table 14.9
Sulphide Mineral Resource Estimate for the Candelones Project, Effective Date May 10, 2021

Deposit	Mining Method	Category	NSR$ Cut-off	Tonnes (x1,000)	AuEq g/t	Au g/t	Ag g/t	Cu %	AuEq oz (x1,000)	Au oz (x1,000)	Ag oz (x1,000)	Cu lb (x1,000)	Strip Ratio
CE	Open Pit (Ultimate)	Measured	20	6,280	2.22	1.90	3.28	0.18	449	383	662	25,042	7.46
		Indicated	20	13,098	1.63	1.40	4.18	0.12	688	591	1,762	34,201	
		M+I	**20**	**19,378**	**1.82**	**1.56**	**3.89**	**0.14**	**1,137**	**974**	**2,425**	**59,243**	
		Inferred	20	18,594	1.55	1.38	2.93	0.09	928	826	1,749	36,022	
CMC			20	4,448	1.38	1.25	1.17	0.07	197	178	167	7,207	0.91
CMC + CE		**Inferred Subtotal**	**20**	**23,042**	**1.52**	**1.36**	**2.59**	**0.09**	**1,125**	**1,005**	**1,916**	**43,229**	N/A
CE	Underground	Measured	77	759	3.15	2.65	1.88	0.29	77	65	46	4,836	N/A
		Indicated	77	348	2.73	2.35	2.32	0.22	31	26	26	1,652	
		M+I	**77**	**1,107**	**3.02**	**2.56**	**2.02**	**0.27**	**107**	**91**	**72**	**6,488**	
		Inferred	77	417	2.63	2.32	3.53	0.17	35	31	47	1,535	
CMC			77	338	2.72	2.46	0.81	0.15	30	27	9	1,114	
CMC + CE		**Inferred Subtotal**	**77**	**755**	**2.67**	**2.38**	**2.31**	**0.16**	**65**	**58**	**56**	**2,649**	
Sulphides Total Measured + Indicated				**20,484**	**1.89**	**1.62**	**3.79**	**0.15**	**1,244**	**1,065**	**2,497**	**65,731**	
Sulphides Total Inferred				**23,797**	**1.55**	**1.39**	**2.58**	**0.09**	**1,190**	**1,063**	**1,972**	**45,878**	

Figure 14.12
PEA Oxides Starter Pit - CMC Block Model and US$1,700 Pit Shell Isometric View

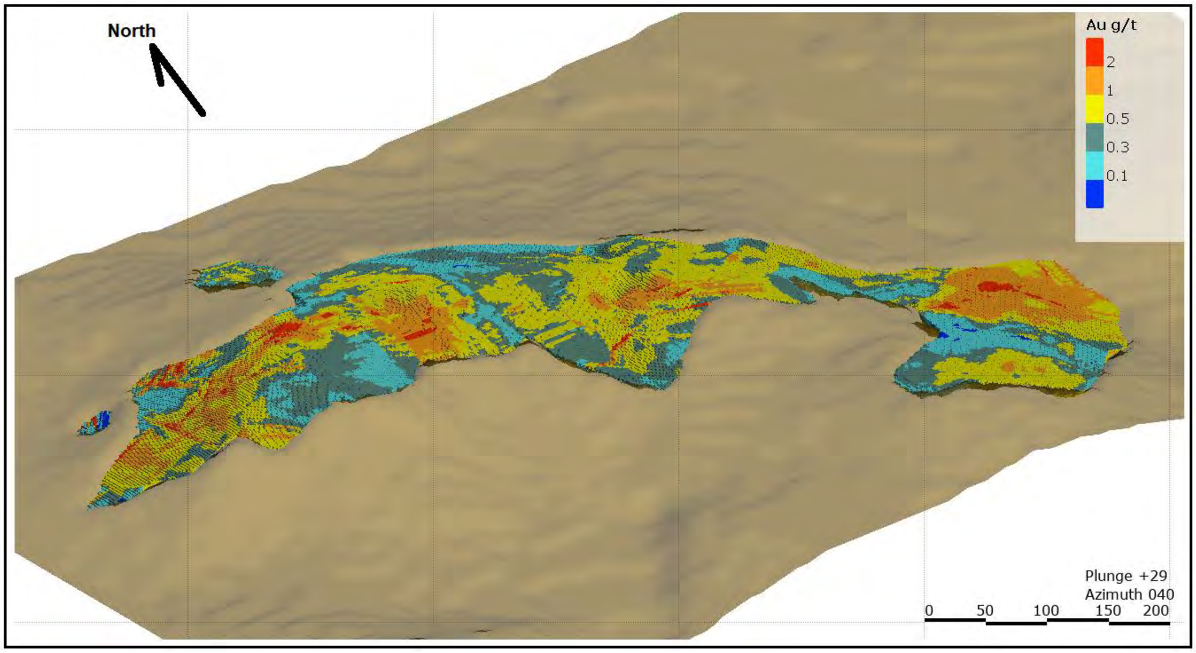


Figure 14.13
Ultimate Pit (Oxides and Sulphides) CMC Block Model and US$1,700 Pit Shell Isometric View

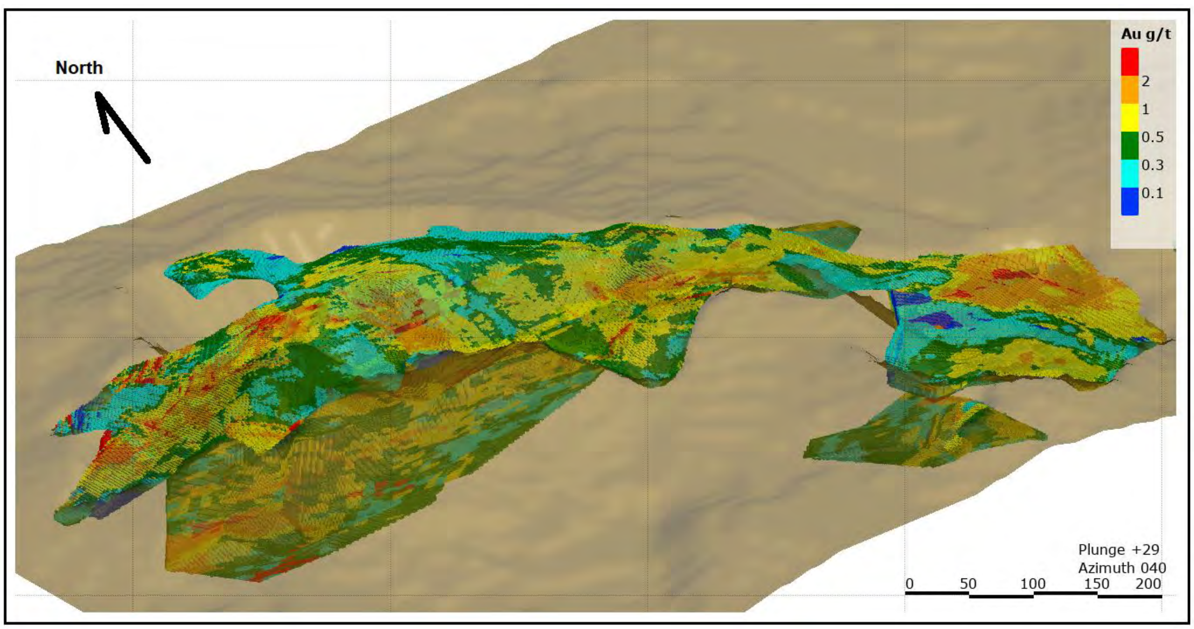
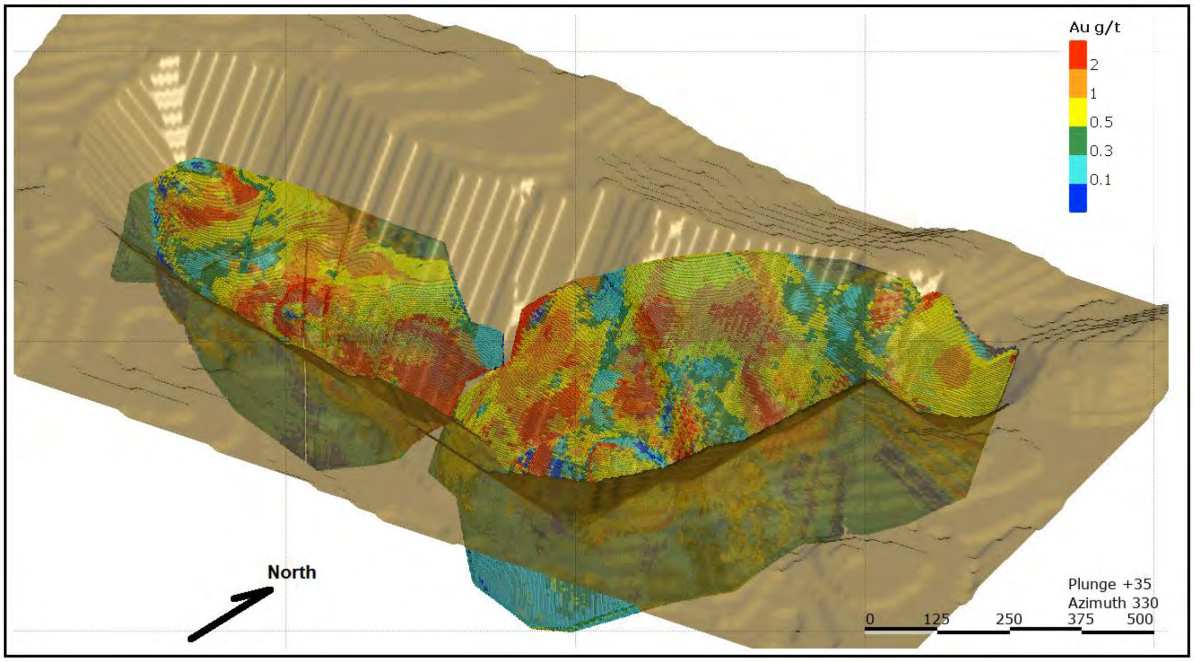


Figure 14.14
CE Block Model and US$1,700 Pit Shell Isometric View



14.7 MINERAL RESOURCE VALIDATION

Micon QPs have validated the block model using two methods: visual inspection and trend analysis.

14.7.1 Visual Inspection

The model blocks and the drill hole intercepts were viewed in section to ensure that the grade distribution in the blocks was honouring the drill hole data. Figure 14.15 and Figure 14.16 are typical vertical sections for the CMC and CE zones, respectively. The degree of agreement between the block grades and the drill intercepts is satisfactory.

14.7.2 Swath Plots

The block model grades, and the grades of the informing composites, were compared by swath plots, examples of which are shown in Figure 14.17 and Figure 14.18.

In the CE block model, the East side shows a greater number of blocks and slightly lower average grade. This is due to the Low-Grade zone cap added to help the open pit optimization strip ratio.

The swath plots show a good spatial correlation between the composite grades and the block model grades.

Figure 14.15
Typical Vertical Section for the CMC Zone

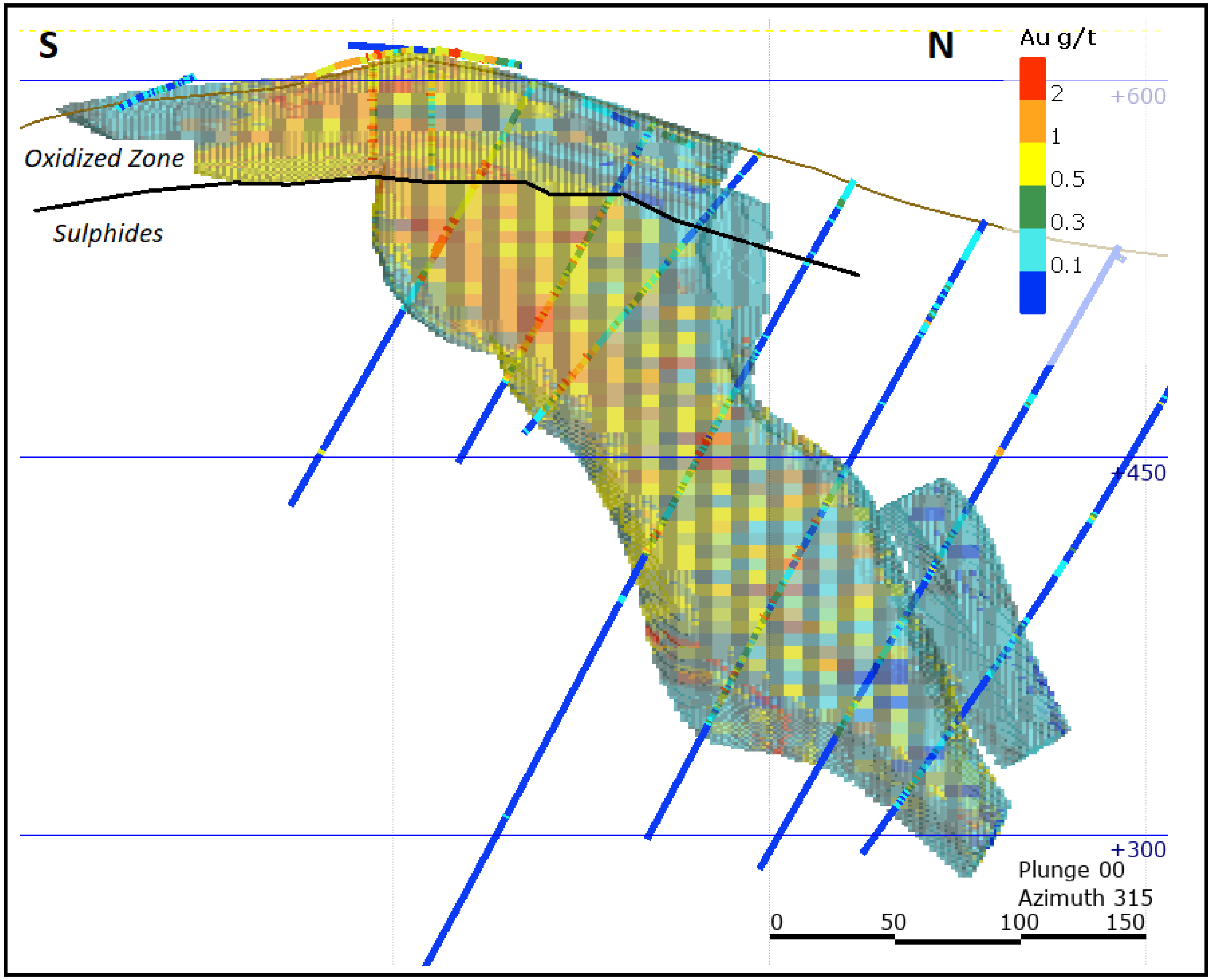


Figure 14.16
Typical Vertical Section for the CE Zone

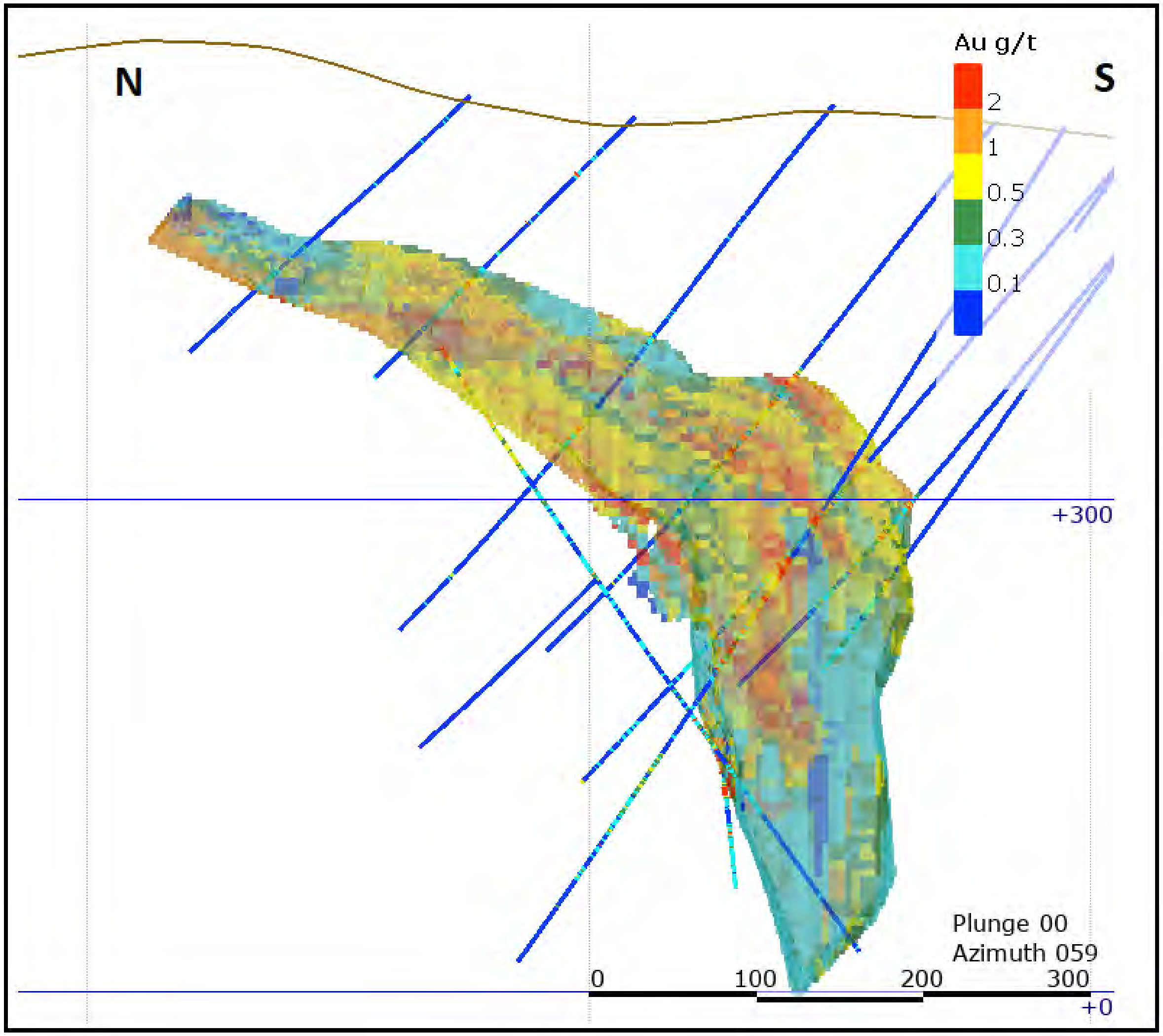


Figure 14.17
Results for the CMC Zone Swath Plot, Composite versus Block Model

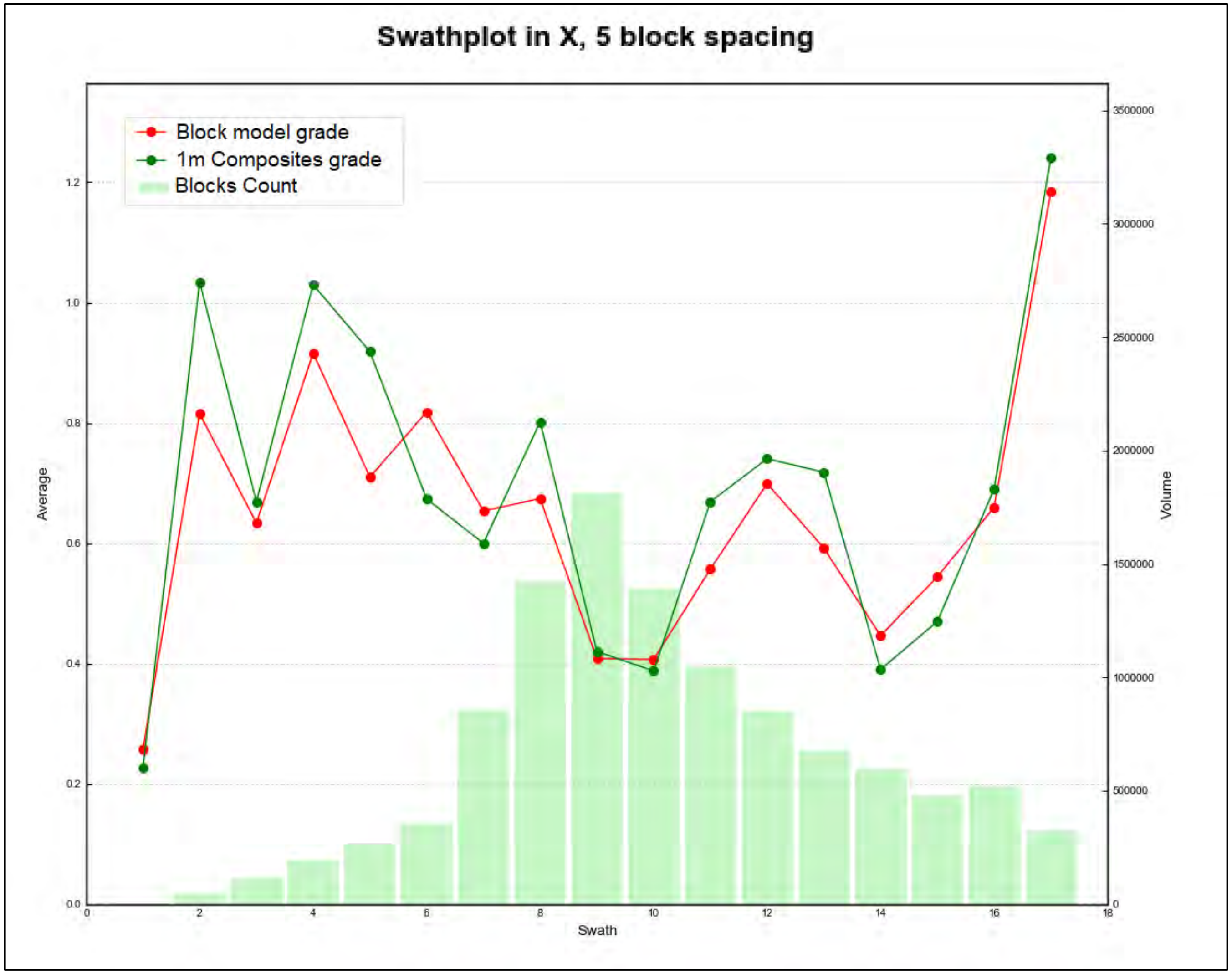
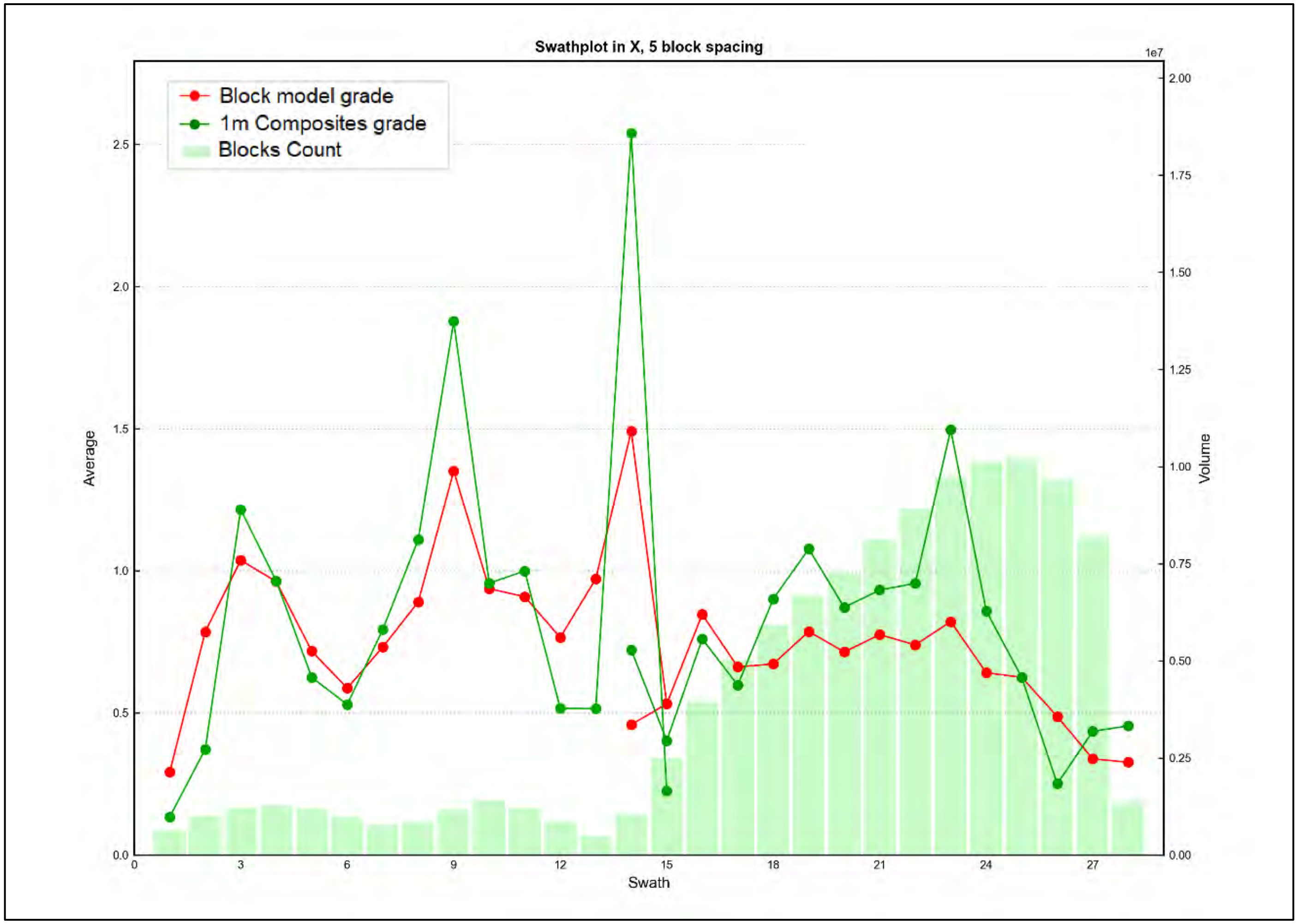


Figure 14.18
Results for the CE Zone Swath Plot, Composite versus Block Model



14.8 Mineral Resource Sensitivity

The grade/tonnage curves for the CMC (oxide and sulphide) and CE base cases at US$ 1,700/oz gold are shown in Figure 14.19, Figure 14.20 and Figure 14.21. Figure 14.22, Figure 14.23 and Figure 14.24 show the simple revenue factors for the nested pit shells (CMC oxide PEA, CMC oxide and sulphide and CE), with each bar representing the ore/waste ratio for the pit at the corresponding gold prices.

Figure 14.19
CMC Grade/Tonnage Curve PEA Oxide Starter Pit

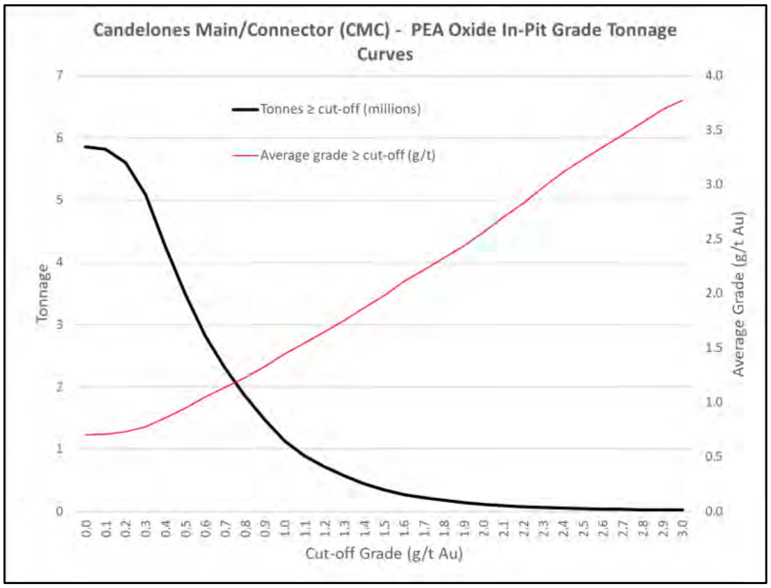


Figure 14.20
CMC Grade/Tonnage Curve – Sulphides Ultimate Pit

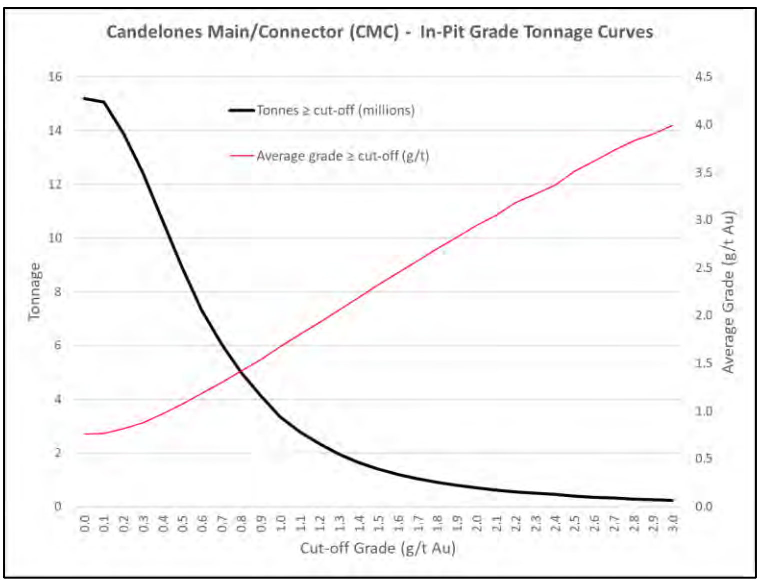


Figure 14.21
CE Grade/Tonnage Curve

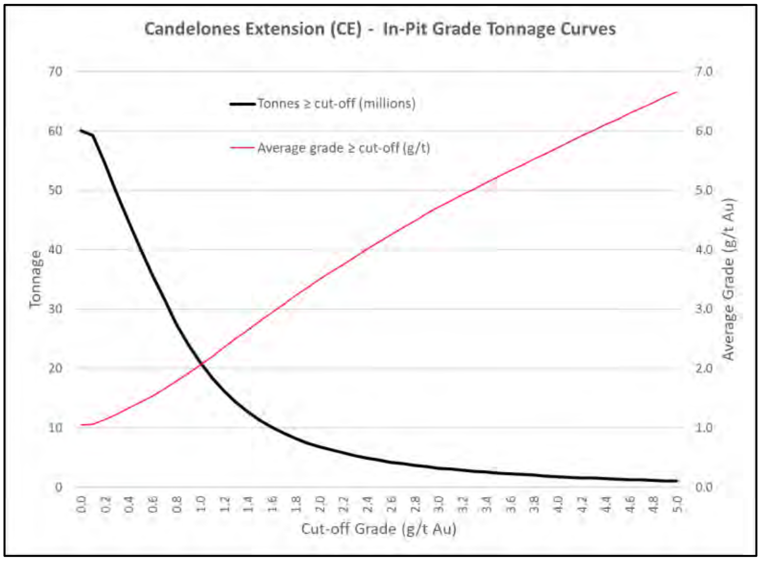


Figure 14.22
Simple Revenue Factors for each Nested Pit Shell for the PEA Oxides at the CMC Deposit

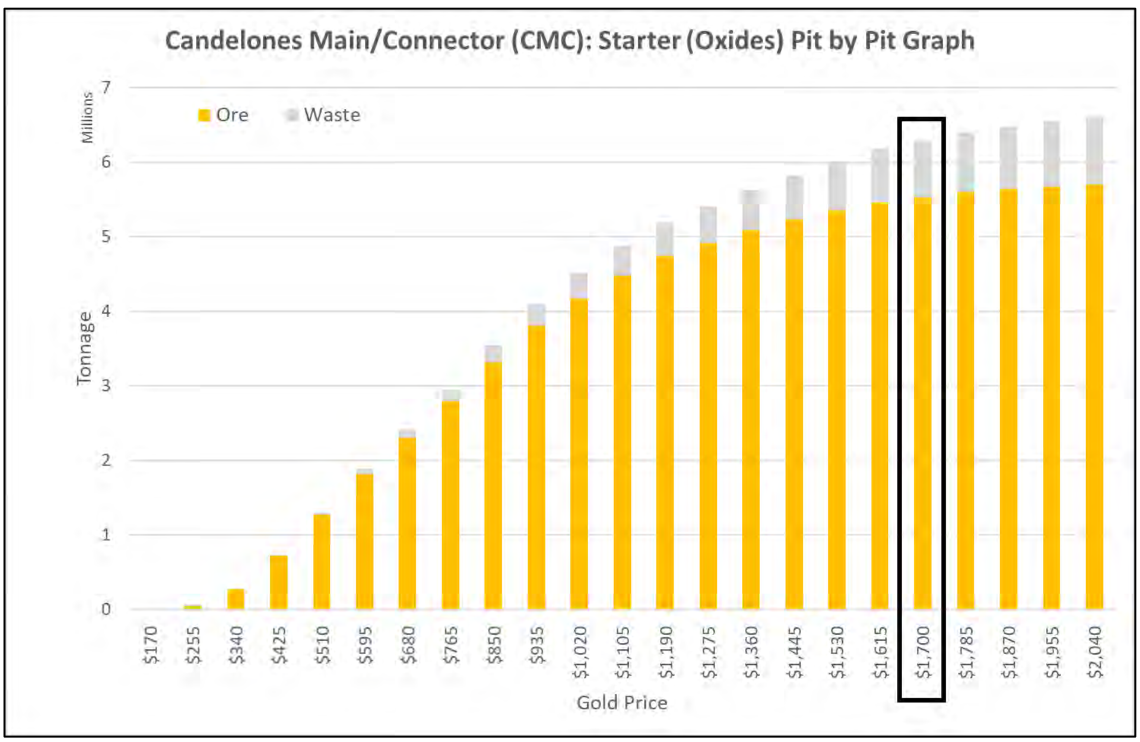


Figure 14.23
Simple Revenue Factors for each Nested Pit Shell for the Ultimate (Oxides & Sulphides) at the CMC Deposit

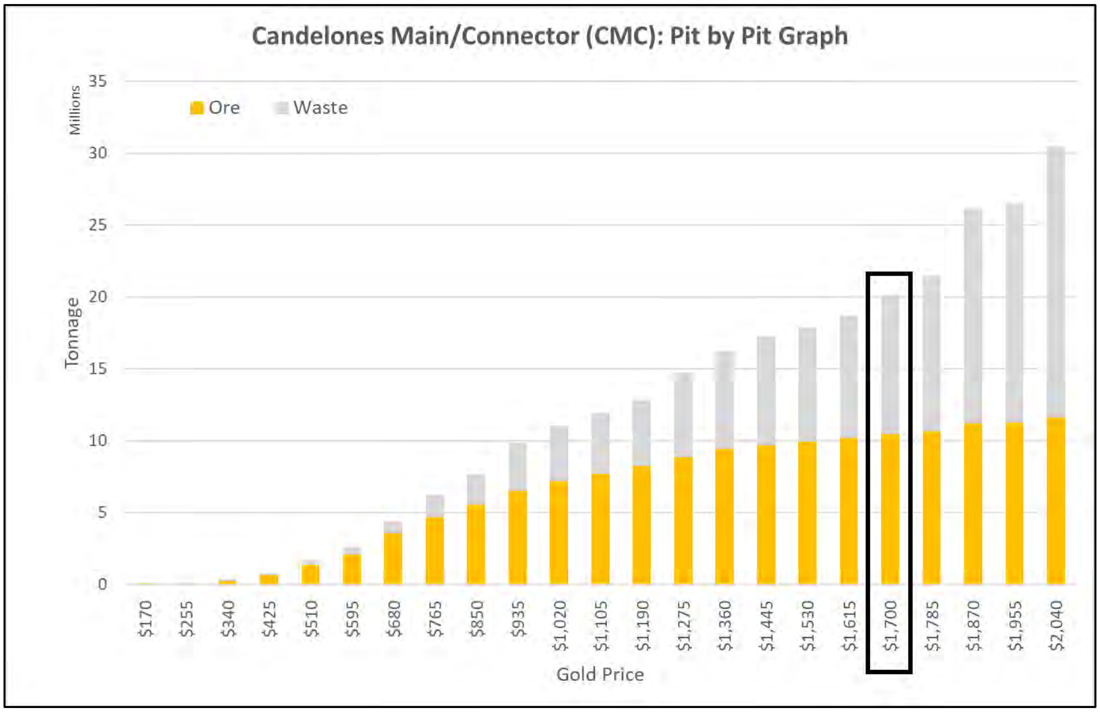
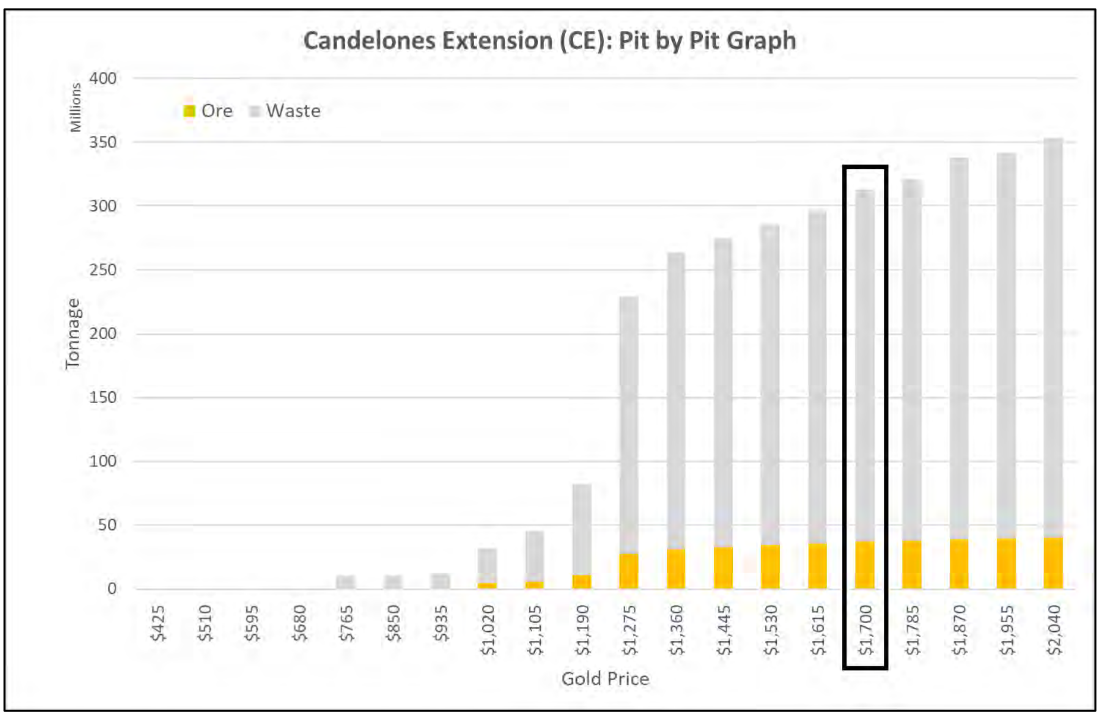


Figure 14.24
Simple Revenue Factors for each Nested Pit Shell at the CE Deposit



15.0 MINERAL RESERVE ESTIMATES

There are presently no mineral reserves at the Candelones Property.

16.0 MINING METHODS

Mining of the Candelones "Starter Pit" focuses on the mining of mineralized overburden, oxidized dacite, and a small amount of mineralized transition zone material in a shallow pit over a period of three years.

Mineralized leach feed will be sent to the primary crusher north of the pit, before being stacked onto the leach pad, while waste material will be placed on the waste dump to the northeast of the pit. Standard encapsulation methods will be employed in the waste dump to mitigate potentially acid generating waste rock stored there.

For the purpose of this PEA, inferred resources that meet the cut-off criteria are included in the tonnage of leach feed.

16.1 OPEN PIT MINING

Due to the fact that the targeted mineralization is located at or near the surface topography, it was determined that mining of the deposit would be best performed by open pit rather than underground methods.

The Candelones Starter Pit will primarily be mined using hydraulic excavators, which are easily able to free dig the mineralized overburden and oxidized rock and waste down to the transition material. The PEA assumes that only the transition leach feed and transition waste will require blasting. The total amount of rock that will require blasting is 14% of the total and will be encountered during the latter half of the mine life.

16.1.1 Mining Battery Limits

The scope of the mining section of the technical study begins with the resource and ends with the delivery of the leach feed to the primary crusher.

The mining section of the study includes the economic parameters for calculating the cut-off grade, economic and physical parameters for the pit optimization, selection of the pit shell for the basis of the pit design, the pit design itself and the mining schedule which is based upon mining the leach feed and waste inside of the pit design. Preliminary haul road and waste dump designs are also included.

Mining capital expenditures and operating costs and included within the battery limits and are based primarily upon contractor budget quotes but also include allowances for dewatering, auxiliary operational equipment, and technical team equipment.

16.1.2 Open Pit Mining Method

The Candelones mine deposits will be mined using a traditional open pit truck and shovel or truck and loader mining method. The leach feed to be sent to a primary crusher will be oxidized saprolitic material which will not be blasted, transition material which is partially oxidized and is planned to be blasted 75% of the time, and fresh unoxidized sulphide rock which will be blasted 100% of the time and will use a higher powder factor.

16.1.3 Production Requirements

The production requirement for the Candelones Project was to establish a mining rate that would achieve an optimal balance between capital cost minimization and operating cost minimization. This was achieved through the adoption of a three-year mine life, with all mineralized rock above the cut-off grade going directly to the primary crusher and then onto the leach pad.

The three-year in-situ production requirements are presented in Table 16.1.

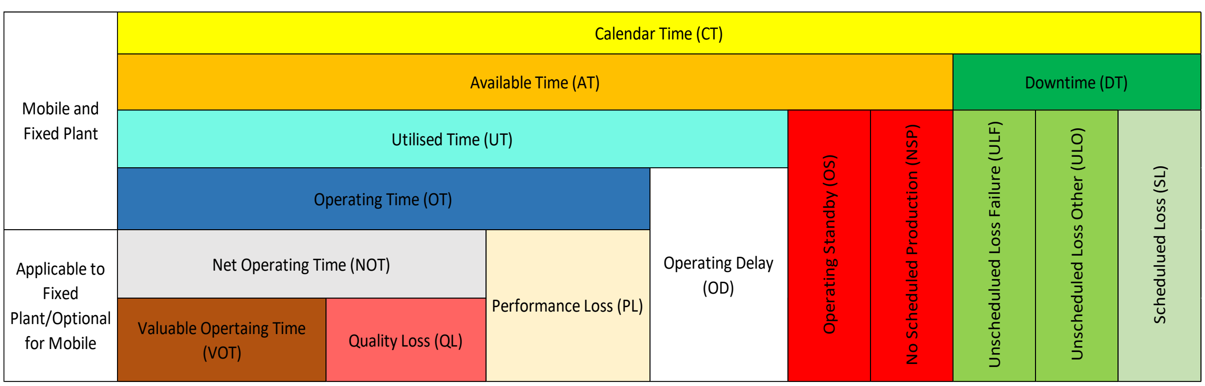
Table 16.1
Candelones In-Situ Production Requirements

Parameter	Year 1	Year 2	Year 3
Leach Feed (Kt)	1,800.1	1,800.0	1,677.7
Leach Feed Grade (g/t)	0.75	0.77	0.78

16.1.4 Time Allocation

The allocation of time categories for the mine schedule and equipment productivity will follow the definitions presented in Figure 16.1.

Figure 16.1
Time Allocation Definitions



The mine will operate 360 days per year, with five days scheduled for non-operation.

Additional mine operations time scheduled for loss will occur overnight, as the mine will operate on two eight hour shifts per day to follow ILO guidelines.

The assumed deration of available time to Net Operating Time is approximately 61%, due to the deration factors presented in Table 16.2.

Table 16.2
Operating Deration Factors

Deration Factors	Unit	Value
Mechanical Availability	%	85
Utilization	%	85
Performance Loss	%	15

16.1.5 Unit Rates

The cost of diesel fuel in the Dominican Republic is estimated at US$3.218/US gallon (US$0.850/L).

The estimated cost of electricity in the Dominican Republic is presented in Table 16.3.

Table 16.3
Dominican Republic Electricity Prices (September, 2020)

Currency	Household, kWh	Business, kWh
Dominican Peso	5.126	8.2
U.S. Dollar	0.09	0.144

16.1.6 General Arrangement for Mining

Mining of the Candelones Starter pit will generally be executed in 4 m benches, using 2 m flitches where preferred. Whereas the block model has 6 m x 6 m x 2 m (height) dimensions, the mine planning has the ability to look at strategic selectivity using of 2 m flitches, as needed. However, for improved productivity, 4 m benches will be preferred where possible. Where drilling is required in the transition material, 4 m will be drilled with 0.75 m subgrade.

16.2 OPEN PIT OPTIMIZATION

The open pit design is based upon an optimized pit shell. The pit optimization exercise was carried out using Datamine's commercially available NPVS software. The software uses the Lerchs Grossman algorithm to generate the optimized pit shell, using the resource block model and the selected input parameters.

16.2.1 Global Resource Statistics

The global resource statistics are presented in Table 16.4. The block model in its entirety was used as the starting point for the mining pit optimization.

Table 16.4
Candelones Datamine, Global Block Model

	Type	Class	Mass (t)	Au (g)	Au Recoverable (g)	Au (g/t)
Rock 11	OB	Measured	394,762	350,196	272,934	0.89
Rock 12	OB	Indicated	427,606	373,749	291,291	0.87
Rock 13	OB	Inferred	404,066	266,752	207,900	0.66
Rock 21	Oxide	Measured	1,409,129	1,179,969	919,640	0.84
Rock 22	Oxide	Indicated	1,123,366	936,225	729,672	0.83
Rock 23	Oxide	Inferred	561,275	357,697	278,781	0.64
Rock 33	Transition	Inferred	1,162,426	864,841	674,036	0.74
Total			**5,482,629**	**4,329,429**	**3,374,253**	**0.79**

16.2.2 Optimization Parameters

The economic parameters used for the cut-off grade calculation and the pit optimization are presented in Table 16.5.

The break-even cut-off grade intrinsic to the optimization process is 0.29 g/t for mineralized overburden and oxides, and 0.52 g/t for transition material.

The heap leach cut-off grade, which determines if mineralized rock will be sent to the crusher or to the waste dump after it has been mined and is at the pit’s edge, is 0.24 g/t for mineralized overburden and oxides, and 0.38 g/t for transition material.

Table 16.5
Economic, Recovery and Pit Slope Parameters for Pit Optimization and Cut-off Grade

Open Pit Optimization Parameters	Unit	Value
Direct leach feed mining costs for free dig material	US$/t of leach feed	2.35
Direct leach feed mining costs for blasted material	US$/t of leach feed	3.61
Direct waste mining costs for free dig material	US$/t of waste	2.35
Direct waste mining costs for blasted material	US$/t of waste	3.61
General & administration	US$/ROM t	2.39
Heap leach costs		
Overburden	US$/ROM t	7.40
Oxide	US$/ROM t	7.40
Transition	US$/ROM t	7.40
Sulphide	US$/ROM t	n/a
Heap leach recovery		
Overburden	Percent	80.0
Oxide	Percent	80.0
Transition	Percent	50.0
Sulphide	Percent	n/a
Heap Leach throughout	t/y	1,800,000
Exchange rate DOP : US$	US$:DOP	0.017
Average selling price	US$/oz Au	1,650
Average selling price	US$/g Au	53.05
Average selling costs	US$/recovered oz	5.00
Gold payability	Percent	99.92

Open Pit Optimization Parameters	Unit	Value
NPV discount rate	Percent	5.00
Mining dilution	Percent	2.50
Mining losses	Percent	2.50
Overall pit slope angle		
Overburden	Degree	40
Oxide	Degree	40
Transition	Degree	40
Sulphide	Degree	n/a

Due to the short mine life, the observed RQD of the core, photographs of the test pits and the QP's experience with similar oxidized rock types, a conservative pit slope of 40 degrees was used throughout for final pit wall angles.

16.2.3 Optimization Results

Details of the nested Lerchs-Grossman optimized pit shells for incremental price factors using the parameters in Table 16.5 are presented in Table 16.6. Pit number 41 is highlighted as it was the pit selected for use as the template for the final pit design in this study.

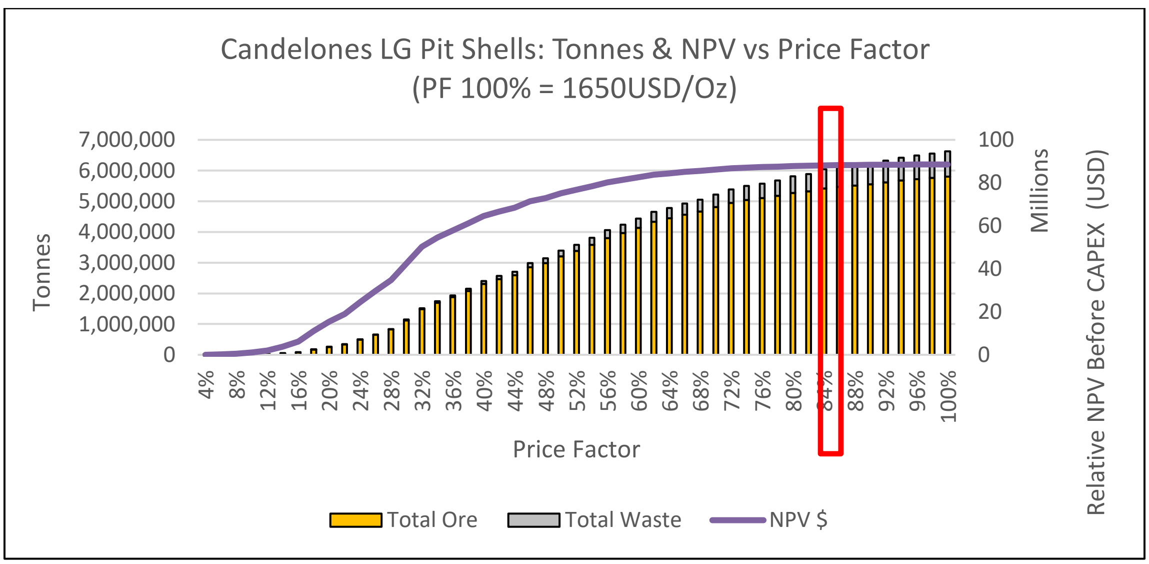
Table 16.6
Candelones Optimized LG Pit-by-Pit Summary

Phase #	Price Factor	Rock Mt	Leach Feed Mt	Grade g/t	Waste Mt	Strip Ratio W:O	% of Max NPV	Revenue M$	Leaching Cost M$	Mining Cost M$	Profit M$	NPV M$
Pit 1	4%	0.0001	0.00	7.37	0.00	0.00	0.0%	0.00	0.00	0.00	0.00	0.00
Pit 2	6%	0.001	0.00	4.81	0.00	0.00	0.3%	0.26	0.01	0.00	0.25	0.25
Pit 3	8%	0.003	0.00	4.38	0.00	0.02	0.6%	0.55	0.03	0.01	0.51	0.51
Pit 4	10%	0.01	0.01	3.55	0.00	0.02	1.2%	1.17	0.08	0.02	1.07	1.07
Pit 5	12%	0.02	0.02	2.91	0.00	0.01	2.3%	2.26	0.18	0.04	2.04	2.03
Pit 6	14%	0.04	0.04	2.48	0.00	0.01	4.2%	4.25	0.41	0.10	3.74	3.74
Pit 7	16%	0.08	0.08	2.20	0.00	0.01	6.9%	7.10	0.77	0.19	6.14	6.13
Pit 8	18%	0.17	0.17	1.91	0.00	0.01	12.5%	13.13	1.64	0.40	11.10	11.06
Pit 9	20%	0.26	0.26	1.76	0.00	0.01	17.5%	18.66	2.52	0.61	15.53	15.45
Pit 10	22%	0.34	0.34	1.66	0.00	0.01	21.4%	23.25	3.33	0.80	19.11	18.98
Pit 11	24%	0.50	0.49	1.52	0.00	0.01	27.7%	30.75	4.82	1.17	24.77	24.53
Pit 12	26%	0.65	0.65	1.42	0.01	0.01	33.6%	37.96	6.34	1.53	30.09	29.71
Pit 13	28%	0.83	0.82	1.34	0.01	0.01	39.3%	45.35	8.05	1.95	35.34	34.79
Pit 14	30%	1.15	1.12	1.24	0.03	0.03	48.0%	57.14	10.99	2.71	43.43	42.52
Pit 15	32%	1.52	1.48	1.15	0.04	0.02	56.8%	69.71	14.48	3.57	51.65	50.25
Pit 16	34%	1.74	1.70	1.10	0.05	0.03	61.6%	76.97	16.61	4.11	56.25	54.52
Pit 17	36%	1.94	1.88	1.07	0.06	0.03	65.4%	82.84	18.41	4.57	59.86	57.84
Pit 18	38%	2.15	2.08	1.04	0.07	0.04	69.0%	88.88	20.36	5.08	63.44	61.10
Pit 19	40%	2.40	2.31	1.01	0.09	0.04	72.9%	95.54	22.62	5.67	67.25	64.54
Pit 20	42%	2.56	2.46	0.99	0.10	0.04	75.4%	99.82	24.09	6.06	69.67	66.70
Pit 21	44%	2.70	2.59	0.97	0.11	0.04	77.3%	103.32	25.36	6.39	71.57	68.39
Pit 22	46%	2.99	2.85	0.94	0.14	0.05	80.6%	109.94	27.90	7.09	74.96	71.38
Pit 23	48%	3.15	2.99	0.93	0.16	0.05	82.4%	113.46	29.24	7.47	76.75	72.94
Pit 24	50%	3.39	3.20	0.91	0.18	0.06	84.9%	118.67	31.36	8.06	79.25	75.10
Pit 25	52%	3.59	3.38	0.89	0.20	0.06	86.7%	122.87	33.11	8.56	81.20	76.77
Pit 26	54%	3.81	3.58	0.88	0.22	0.06	88.7%	127.38	35.06	9.11	83.21	78.48
Pit 27	56%	4.06	3.80	0.86	0.26	0.07	90.6%	132.19	37.18	9.75	85.26	80.21
Pit 28	58%	4.24	3.97	0.85	0.28	0.07	92.0%	135.74	38.81	10.23	86.70	81.40
Pit 29	60%	4.44	4.14	0.84	0.30	0.07	93.3%	139.32	40.48	10.75	88.09	82.56
Pit 30	62%	4.66	4.33	0.83	0.32	0.07	94.6%	143.27	42.39	11.34	89.54	83.75
Pit 31	64%	4.78	4.45	0.82	0.34	0.08	95.4%	145.60	43.53	11.70	90.37	84.42

Phase #	Price Factor	Rock Mt	Leach Feed Mt	Grade g/t	Waste Mt	Strip Ratio W:O	% of Max NPV	Revenue M$	Leaching Cost M$	Mining Cost M$	Profit M$	NPV M$
Pit 32	66%	4.93	4.57	0.82	0.36	0.08	96.1%	147.95	44.69	12.10	91.16	85.06
Pit 33	68%	5.05	4.67	0.81	0.38	0.08	96.7%	149.91	45.68	12.43	91.79	85.57
Pit 34	70%	5.22	4.81	0.80	0.41	0.08	97.4%	152.63	47.11	12.92	92.61	86.22
Pit 35	72%	5.38	4.94	0.80	0.44	0.09	98.0%	155.01	48.40	13.35	93.26	86.74
Pit 36	74%	5.50	5.04	0.79	0.46	0.09	98.4%	156.69	49.32	13.67	93.71	87.09
Pit 37	76%	5.58	5.10	0.79	0.48	0.09	98.6%	157.75	49.91	13.88	93.97	87.30
Pit 38	78%	5.68	5.18	0.78	0.50	0.10	98.9%	159.09	50.68	14.15	94.27	87.53
Pit 39	80%	5.81	5.27	0.78	0.54	0.10	99.2%	160.65	51.54	14.52	94.58	87.78
Pit 40	82%	5.88	5.32	0.78	0.56	0.11	99.3%	161.55	52.07	14.73	94.75	87.91
Pit 41	**84%**	**6.04**	**5.42**	**0.77**	**0.62**	**0.11**	**99.6%**	**163.26**	**53.06**	**15.16**	**95.04**	**88.13**
Pit 42	86%	6.10	5.47	0.77	0.64	0.12	99.7%	163.98	53.49	15.34	95.14	88.22
Pit 43	88%	6.17	5.51	0.77	0.65	0.12	99.8%	164.71	53.96	15.52	95.24	88.29
Pit 44	90%	6.22	5.55	0.77	0.67	0.12	99.8%	165.36	54.36	15.68	95.31	88.34
Pit 45	92%	6.33	5.62	0.76	0.71	0.13	99.9%	166.39	54.99	16.00	95.40	88.42
Pit 46	94%	6.42	5.67	0.76	0.75	0.13	99.9%	167.25	55.52	16.27	95.46	88.46
Pit 47	96%	6.49	5.72	0.76	0.77	0.14	100.0%	167.93	55.95	16.48	95.50	88.49
Pit 48	98%	6.56	5.76	0.76	0.79	0.14	100.0%	168.60	56.41	16.68	95.51	88.50
Pit 49	100%	6.63	5.80	0.75	0.82	0.14	100.0%	169.18	56.78	16.87	95.52	88.51

The tonnes of leach feed and waste, in addition to the relative NPV of the nested pit shells described in Table 16.6, are presented graphically in Figure 16.2.

Figure 16.2
Graph of Resource and Waste Tonnes and NPV in Optimized LG Pits

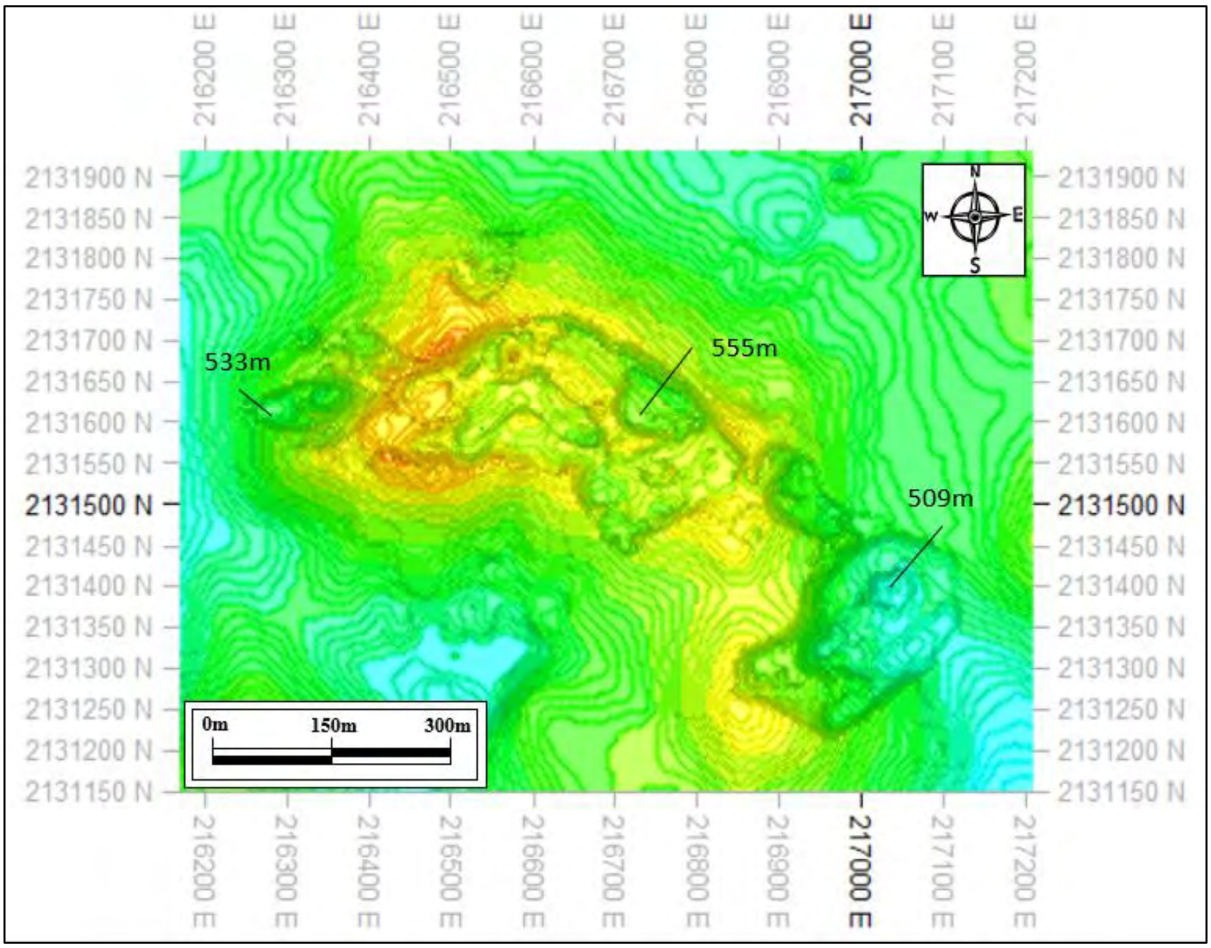


16.2.4 Optimized Pit Selection

The selected pit number 41 is illustrated in Figure 16.3. Pit 41 contains 5.42 Mt of mineralized leach feed with an in-situ grade of 0.77 g/t Au and 0.62 Mt of waste, for a stripping ration of 0.11 t of waste per tonne of leach feed. The optimized pit shell contains 5.42 million tonnes of mineralized leach feed, the pit design itself contains 5.24 million tonnes of mineralized leach feed due to design constraints and efforts to minimize waste. The final schedule contains 5.28 million tonnes of mineralized leach feed due to the introduction of pushback constraints, including minimum mining widths.

Mining of this pit shell, when assuming the economic parameters in Table 16.5, would generate revenue of 163.26 US$M and incur costs of 53.06 US$M for processing and 16.16 US$M for mining, to produce a net cash flow of 95.04 US$M, which becomes an NPV of 88.13 US$M when time adjusted for the discounted rate.

Figure 16.3
Selected Optimized Pit Number Forty-One (41): Price Factor 84%



16.3 OPEN PIT DESIGN PARAMETERS

The parameters used for the pit design are presented in Table 16.7.

Table 16.7
Open Pit Design Parameters

Parameter	Unit	Value
Maximum bench height	m	4
Flitch height	m	2
Face angle	°	60
Berm width	m	6.14
Ramp width	m	10
Ramp gradient	%	8
Final slope angle	°	40
Minimum mining width	m	24

16.3.1 Pit Design

The final pit design is presented in Figure 16.4, while the surface of the pit design integrated into the topographical surface is illustrated in Figure 16.5. The overall pit slope angles are all below the 40° maximum. The pit covers an area of 15.7 ha, has a perimeter of 3.3 km in length, measures 0.88 km from east to west and 0.60 km from north to south. The elevation along the pit's perimeter varies from 516 m to 607 m.

Figure 16.4
Final Pit Design (P3PEA6DES210420a.dm)

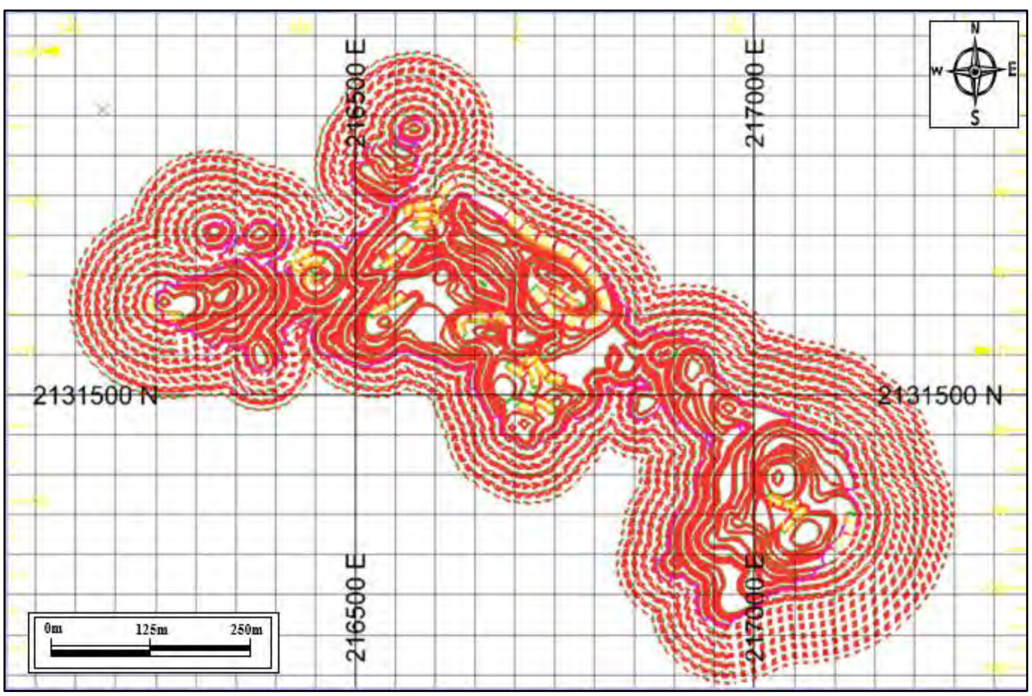
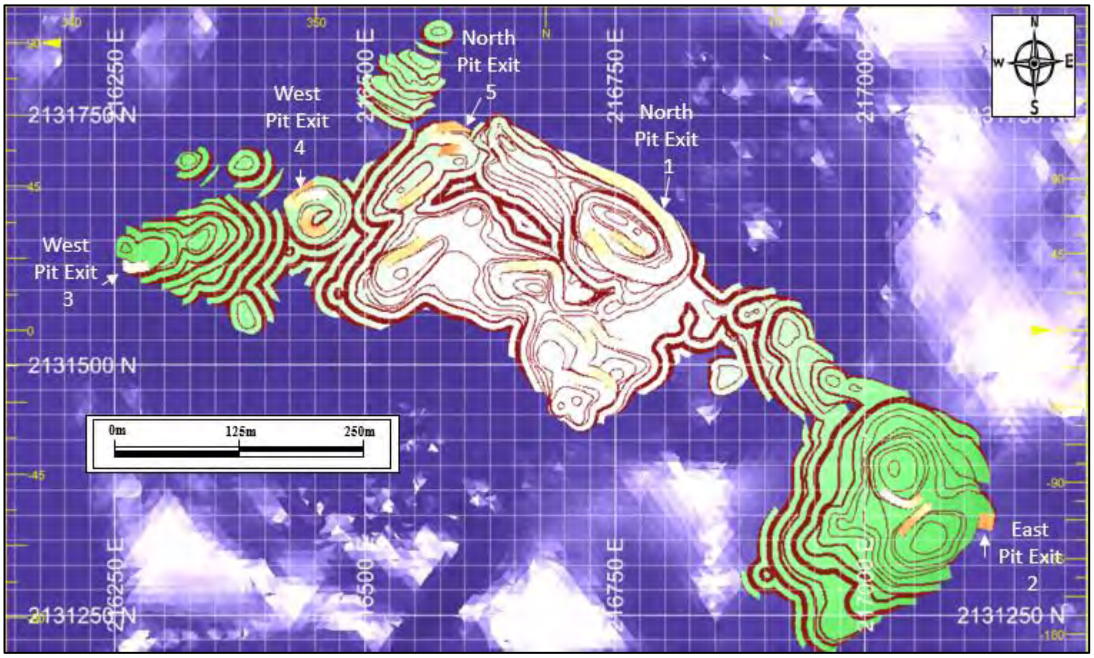
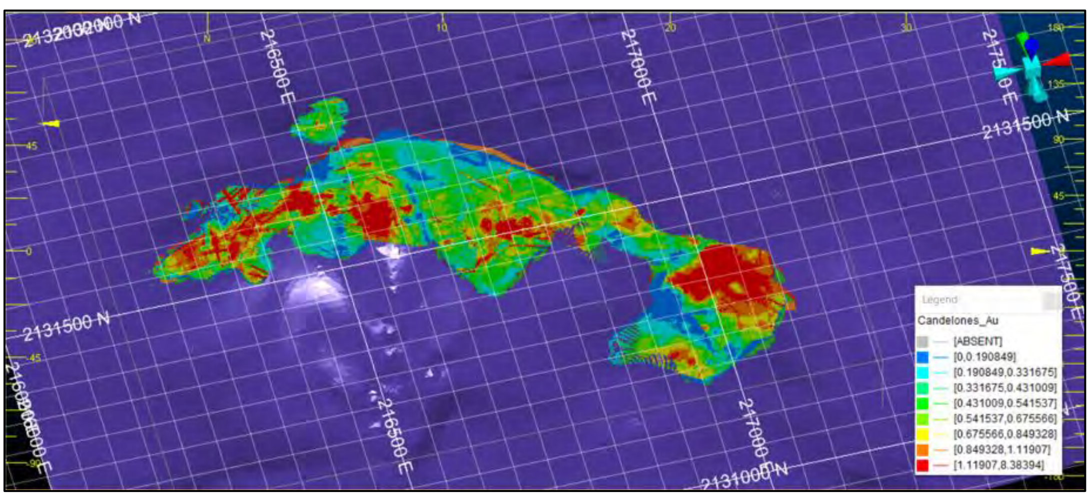


Figure 16.5
Final Pit Design Surface with Surrounding Topography



The block model within the pit design is presented in Figure 16.6, in order to illustrate the distribution of higher and lower grade mineralization within the pit.

Figure 16.6
Perspective View of Grade of Gold in Blocks within the Pit Design



Note: not to scale.

The summary of contents of the design pit are presented in Table 16.8.

Table 16.8
Summary of Block Model Contents Inside Pit Design

	Block Count	Mass
Leach Feed	38,303	5,243,204
Waste	3,872	938,996
Total	42,175	6,182,200
Strip Ratio	0.18	

Details of the mineralized leach feed inside the design pit are presented in Table 16.9.

Table 16.9
Details of Mineralized Leach Feed inside the Design Pit

Rock Code	Rock Description	Mass (t)	Au In-Situ (g)	Au (g/t)	Au In-Situ (oz)	Au Min (g/t)	Au Max (g/t)
Rock 11	Measured Mineralized "Overburden"	414,441	350,591	0.85	11,272	0.24	6.64
Rock 12	Indicated Mineralized "Overburden"	453,389	372,415	0.82	11,973	0.24	6.07
Rock 13	Inferred Mineralized "Overburden"	445,034	266,986	0.60	8,584	0.24	7.37
Rock 21	Measured Oxidized Rock	1,449,204	1,165,867	0.80	37,483	0.24	5.34
Rock 22	Indicated Oxidized Rock	1,151,966	919,292	0.80	29,556	0.24	4.35
Rock 23	Inferred Oxidized Rock	579,164	338,758	0.58	10,891	0.24	3.29
Rock 33	Inferred Transition	750,005	627,362	0.84	20,170	0.38	4.58
Total		**5,243,204**	**4,041,270**	**0.77**	**129,930**		

The details of the sterile waste and mineralized waste rock below cut-off grade inside the design pit is presented in Table 16.10.

Table 16.10
Details of Waste Inside the Design Pit

Rock Code	Rock Description	Mass (t)
Rock 11 (waste)	Measured Mineralized "Overburden"	22,016
Rock 12 (waste)	Indicated Mineralized "Overburden"	52,841
Rock 13 (waste)	Inferred Mineralized "Overburden"	72,580
Rock 21 (waste)	Measured Oxidized Rock	58,121
Rock 22 (waste)	Indicated Oxidized Rock	114,290
Rock 23 (waste)	Inferred Oxidized Rock	62,522
Rock 33 (waste)	Inferred Transition	82,769
Rock 77	Overburden Sterile Waste	134,229
Rock 88	Oxidized Rock Waste	213,597
Rock 99	Transition Sterile Waste	126,030
Total		**938,996**

16.3.2 Pushbacks

Mining of the pit will be divided into four pushbacks, as illustrated in Figure 16.7 to Figure 16.10.

Figure 16.7
Pushback 1

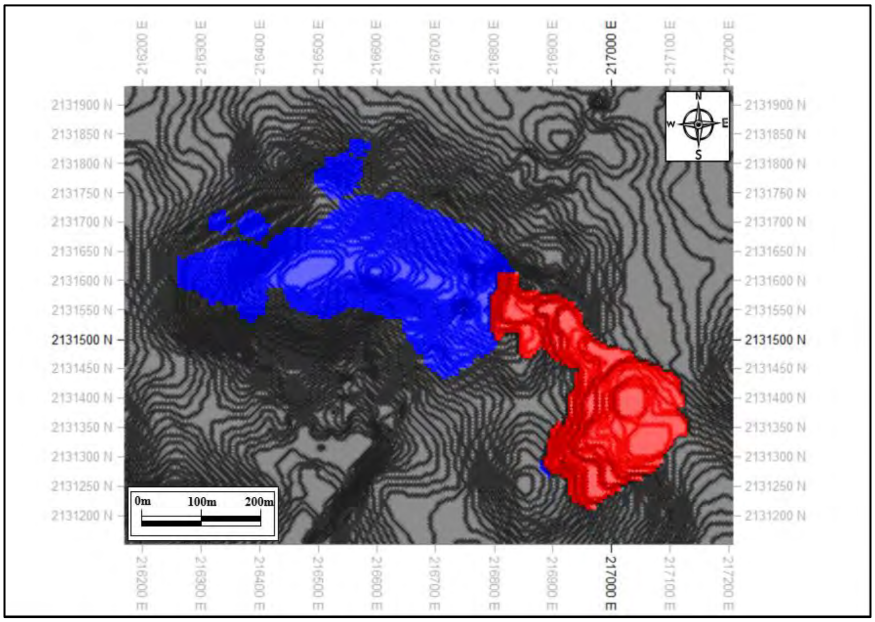


Figure 16.8
Pushback 2

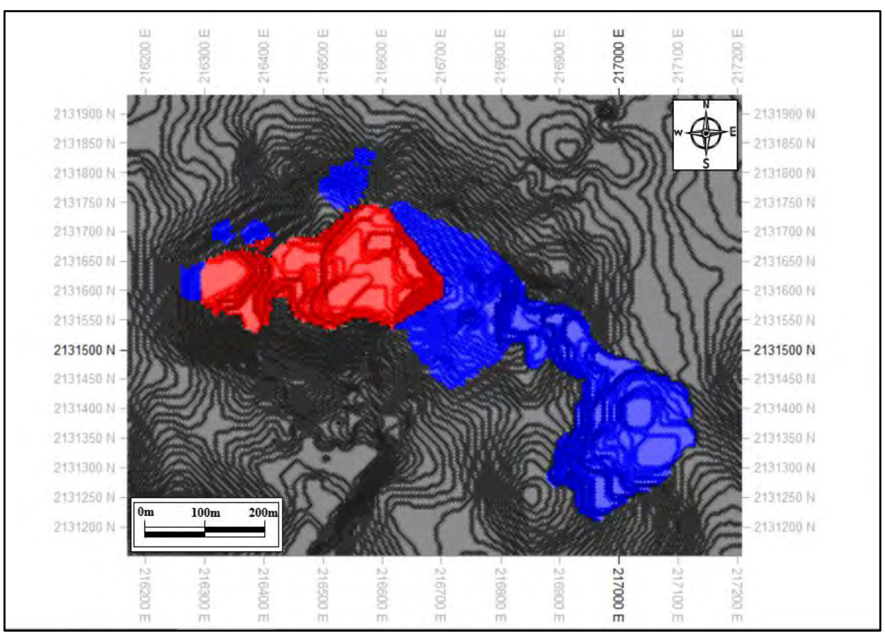


Figure 16.9
Pushback 3

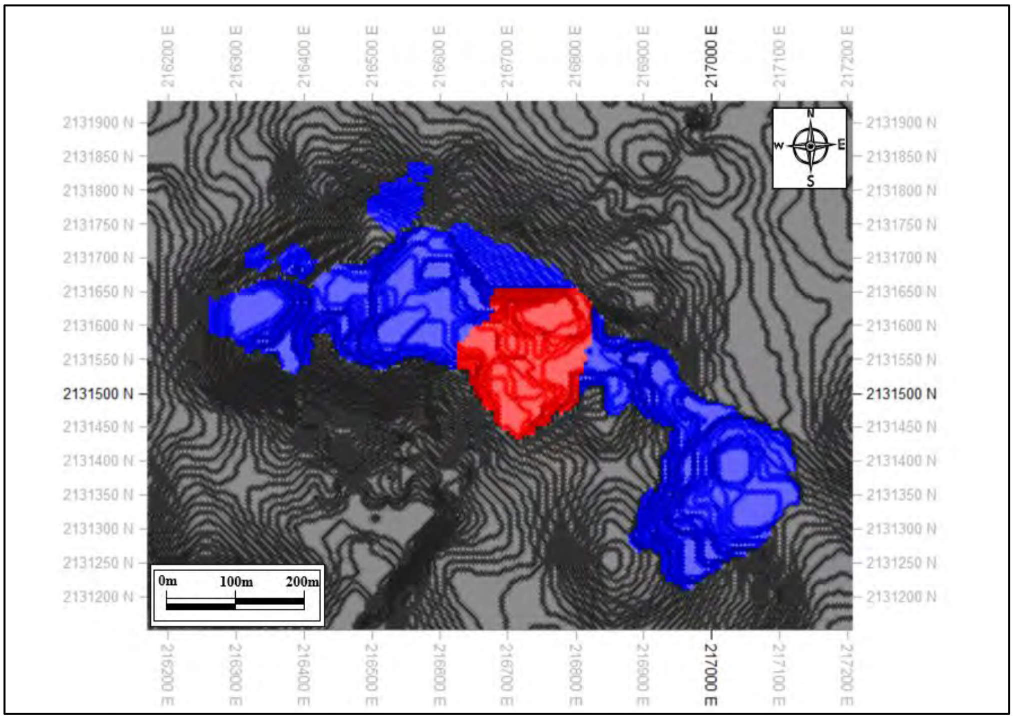
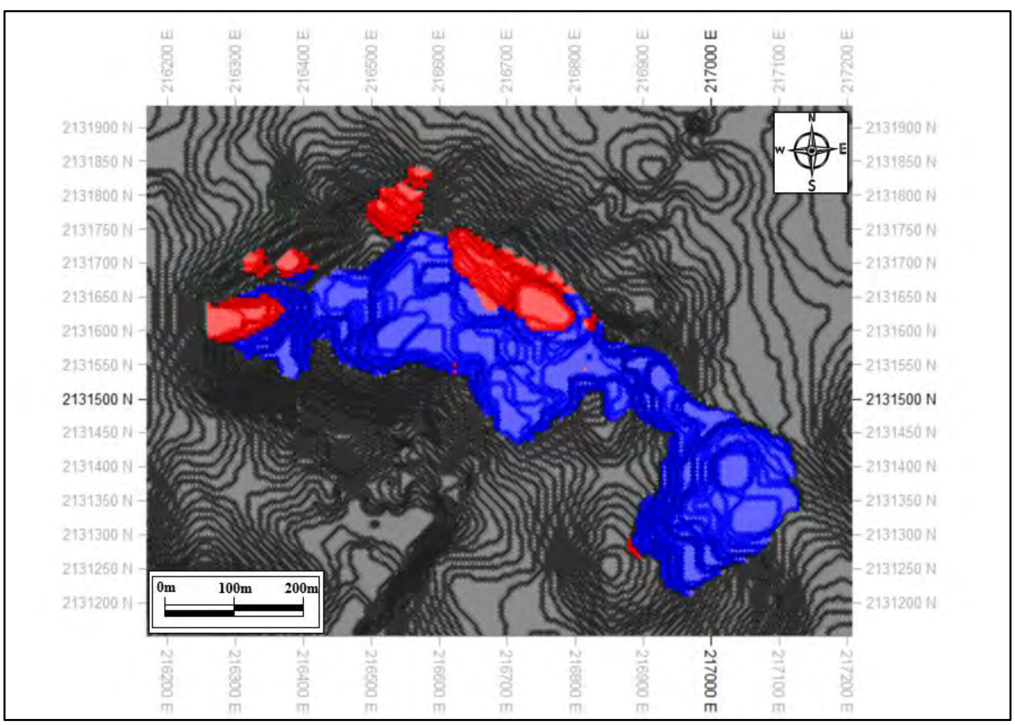


Figure 16.10
Pushback 4



16.4 MINING PRODUCTION SCHEDULE

The mine production scheduling was carried out using Datamine's NPVS software.

The mining rate follows the 5,000 t/d throughput capacity of the crushing circuit by which the leach feed is reduced in size prior to being loaded onto the leach pad. This amounts to 1.8 Mt of leach feed planned to be mined, crushed and leached per year.

The mine plan is based on 2.5% dilution and 2.5% leach feed loss. The in-situ grade of 0.77 g/t is adjusted down to 0.75 g/t, in order to account for the estimated 2.5% of sterile rock dilution.

It is anticipated that all material (100%) will be mined by free digging during the first six months of the plan. During months seven to twelve, 95% of the material mined will be free digging with 5% requiring ripping or blasting.

During the second year, 83% of the material is anticipated to be free digging while 17% will require ripping or blasting. During the third year, 77% of the material is expected to be free digging.

The production schedule mines the entirety of the designed pit and uses the pushback shells as guidelines for maintaining the steady monthly tonnage while maximizing NPV. Production scheduling was performed on a monthly basis but is reported quarterly after month 12. The production schedule is provided in Table 16.11.

16.4.1 Mine Plan Sequence

The mine plan presented in Table 16.11 is illustrated for selected end-of-period surfaces in Figure 16.11 to Figure 16.19.

The status of the Candelones Starter Pit at the end of month one is illustrated in Figure 16.11. The pit status for the ends of months three, six, nine and twelve are illustrated in Figure 16.12 to Figure 16.15, while pit status surfaces for the ends of Q2 and Q4 of years two and three respectively, are illustrated in Figure 16.16 to Figure 16.19.

There are generally several active faces being mined at any time, thus minimizing the impact of congestion of equipment in the pit and on haul roads, and also increasing the flexibility of the mine plan during rainy seasons.

Table 16.11
Candelones Starter Pit – LOM Production Schedule

Period	Units	Year 1 M1	Year 1 M2	Year 1 M3	Year 1 M4	Year 1 M5	Year 1 M6	Year 1 M7	Year 1 M8	Year 1 M9	Year 1 M10	Year 1 M11	Year 1 M12	Year 2 Q1	Year 2 Q2	Year 2 Q3	Year 2 Q4	Year 3 Q1	Year 3 Q2	Year 3 Q3	Year 3 Q4	Total
Total Rock	Kt	165.9	172.6	170.8	170.9	175.6	174.7	173.5	173.6	177.5	165.8	171.1	175.8	544.1	539.9	535.0	505.6	504.8	563.6	561.0	415.9	6,237.9
Total Leach Feed	Kt	150.1	150.0	150.0	150.0	150.0	149.9	150.0	150.1	149.9	150.2	149.9	150.1	450.0	449.9	450.1	450.0	450.1	449.9	450.0	327.8	5,277.8
In Situ Grade	g/t	0.66	0.88	0.80	0.80	0.85	0.69	0.73	0.66	0.65	0.70	0.78	0.74	0.72	0.83	0.87	0.67	0.67	0.71	0.88	0.90	0.77
Total Waste	t	15.8	22.6	20.8	20.9	25.6	24.8	23.5	23.6	27.6	15.7	21.2	25.8	94.1	90.0	84.9	55.6	54.7	113.8	111.0	88.2	960.1
Strip Ratio	t:t	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.1	0.1	0.3	0.2	0.3	0.2
Total Leach Feed Adjusted for Dilution and Loss	Kt	150.0	149.9	149.9	149.9	149.9	149.8	149.9	150.0	149.8	150.1	149.8	150.0	449.8	449.6	449.8	449.7	449.8	449.6	449.8	327.6	5,274.5
Adjusted Grade	g/t	0.64	0.85	0.78	0.78	0.83	0.68	0.71	0.65	0.64	0.68	0.77	0.73	0.71	0.81	0.85	0.67	0.66	0.70	0.86	0.88	0.75
Total Waste Adjusted	Kt	15.9	22.7	20.9	21.0	25.7	24.9	23.5	23.7	27.7	15.8	21.3	25.9	94.4	90.3	85.2	55.9	55.0	114.0	111.3	88.4	963.4
Leach Feed Type																						
Measured Overburden	Kt	42.5	50.9	39.0	30.9	20.0	22.8	8.7	15.8	12.9	6.5	3.9	3.6	49.1	23.7	27.9	55.7	1.8	0.0	0.0	0.0	415.9
Measured Overburden	g/t	0.78	1.23	0.90	0.64	0.63	0.67	0.52	0.60	0.63	0.69	0.79	0.90	0.99	1.03	0.67	0.83	0.96	5.03	3.40	0.00	0.85
Indicated Overburden	Kt	33.1	42.4	30.4	20.0	15.0	9.5	10.2	6.2	9.8	10.0	5.1	6.9	28.7	16.7	65.9	61.6	14.1	28.4	34.2	9.8	457.9
Indicated Overburden	g/t	0.55	0.57	0.73	0.79	0.92	0.80	0.93	0.61	0.47	0.55	0.51	0.53	0.58	0.97	1.09	0.67	0.59	1.33	1.21	0.96	0.82
Inferred Overburden	Kt	16.4	12.8	13.5	11.5	10.8	8.4	9.6	6.5	7.9	12.3	11.5	10.8	46.9	14.2	21.2	32.1	39.6	75.7	43.8	34.9	440.6
Inferred Overburden	g/t	0.49	0.49	0.40	0.48	0.57	0.52	0.69	0.74	0.72	0.76	0.54	0.68	0.62	0.58	0.48	0.53	0.51	0.48	0.82	0.89	0.60
Measured Oxide	Kt	31.4	19.3	40.0	56.4	64.1	77.8	75.8	90.5	83.3	73.4	78.7	55.1	94.4	105.7	109.1	172.7	155.0	30.6	55.8	6.3	1,475.6
Measured Oxide	g/t	0.75	1.12	1.03	1.06	1.01	0.72	0.73	0.64	0.64	0.71	0.82	0.78	0.85	0.94	0.94	0.70	0.73	0.85	0.77	0.95	0.80
Indicated Oxide	Kt	14.9	18.7	22.5	25.4	30.6	18.6	34.8	18.1	25.5	32.8	20.4	39.7	120.5	70.2	92.4	91.3	111.4	98.7	142.1	133.9	1,162.5
Indicated Oxide	g/t	0.57	0.64	0.56	0.63	0.82	0.81	0.78	0.92	0.75	0.71	0.90	0.75	0.60	0.79	0.81	0.55	0.72	0.84	1.10	0.94	0.79
Inferred Oxide	Kt	11.9	5.8	4.6	5.7	9.4	12.8	10.4	12.9	8.8	12.3	18.9	16.9	71.3	61.7	26.5	23.6	56.8	98.0	78.1	25.7	572.2
Inferred Oxide	g/t	0.58	0.77	0.56	0.52	0.50	0.44	0.60	0.52	0.67	0.68	0.68	0.64	0.64	0.68	0.61	0.58	0.57	0.45	0.51	0.85	0.58
Inferred Transition	Kt	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.1	1.7	2.9	11.3	17.1	39.2	157.7	107.1	12.9	71.3	118.4	95.9	117.1	753.2
Inferred Transition	g/t	0.00	0.00	0.00	0.00	0.43	0.00	0.47	0.68	0.95	0.63	0.87	0.83	0.85	0.82	0.91	0.76	0.67	0.80	0.83	0.87	0.82
Au Total Recovered	K Oz	2.5	3.3	3.0	3.0	3.2	2.6	2.7	2.5	2.4	2.6	2.9	2.7	7.9	8.2	8.9	7.4	7.2	7.2	9.2	6.5	95.7

Figure 16.11
Pit Status at the End of Month 1

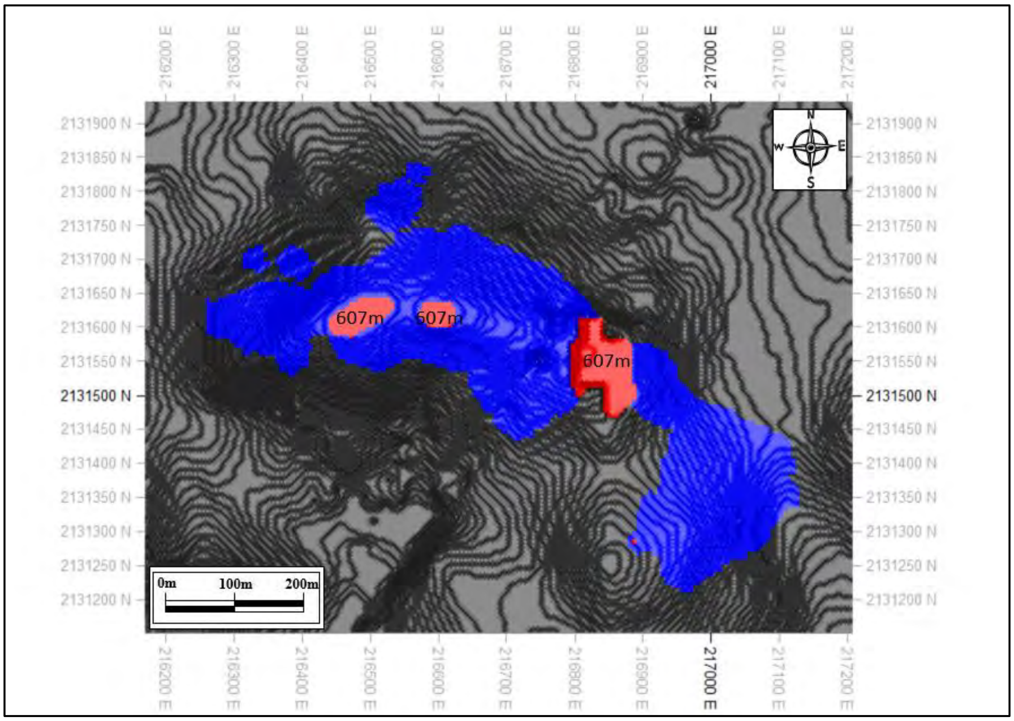


Figure 16.12
Pit Status at the End of Month 3

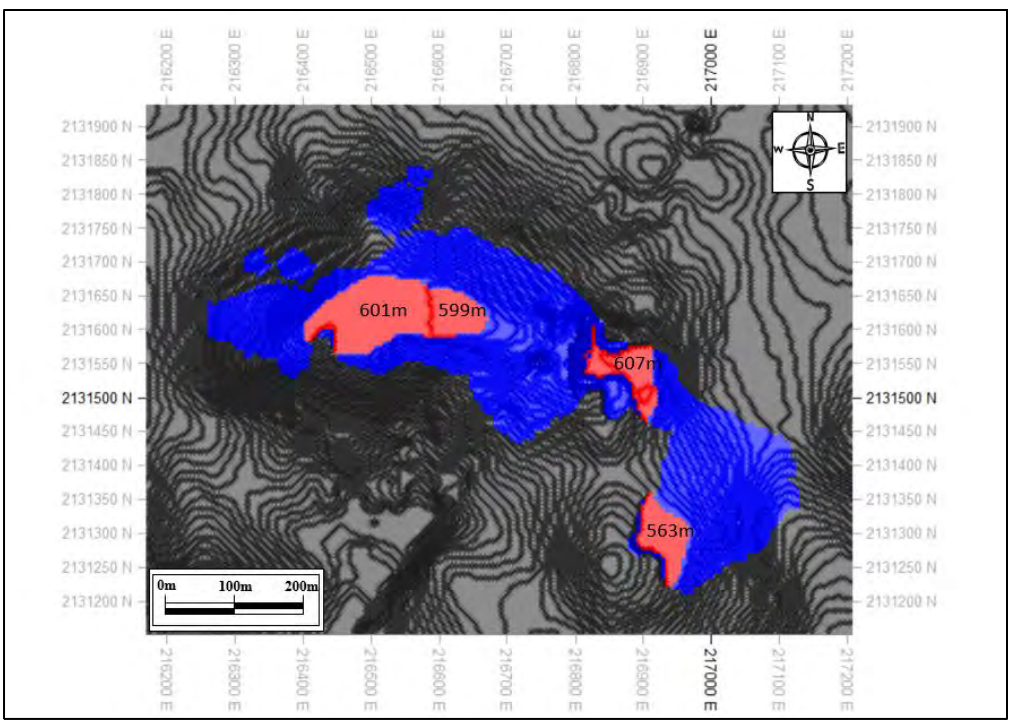


Figure 16.13
Pit Status at the End of Month 6

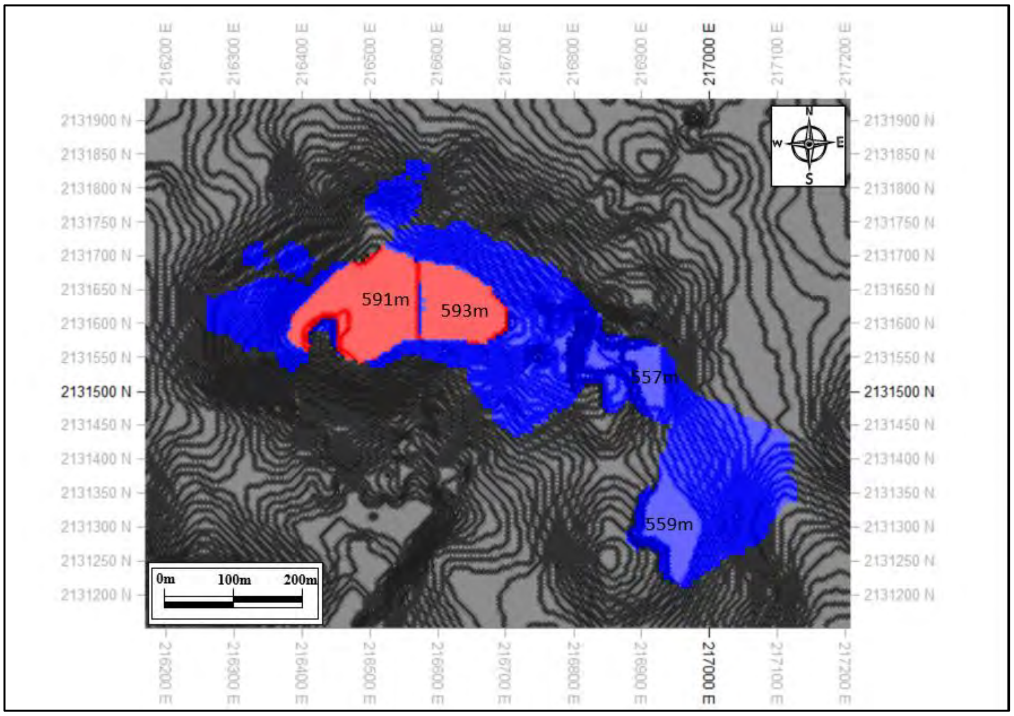


Figure 16.14
Pit Status at the End of Month 9

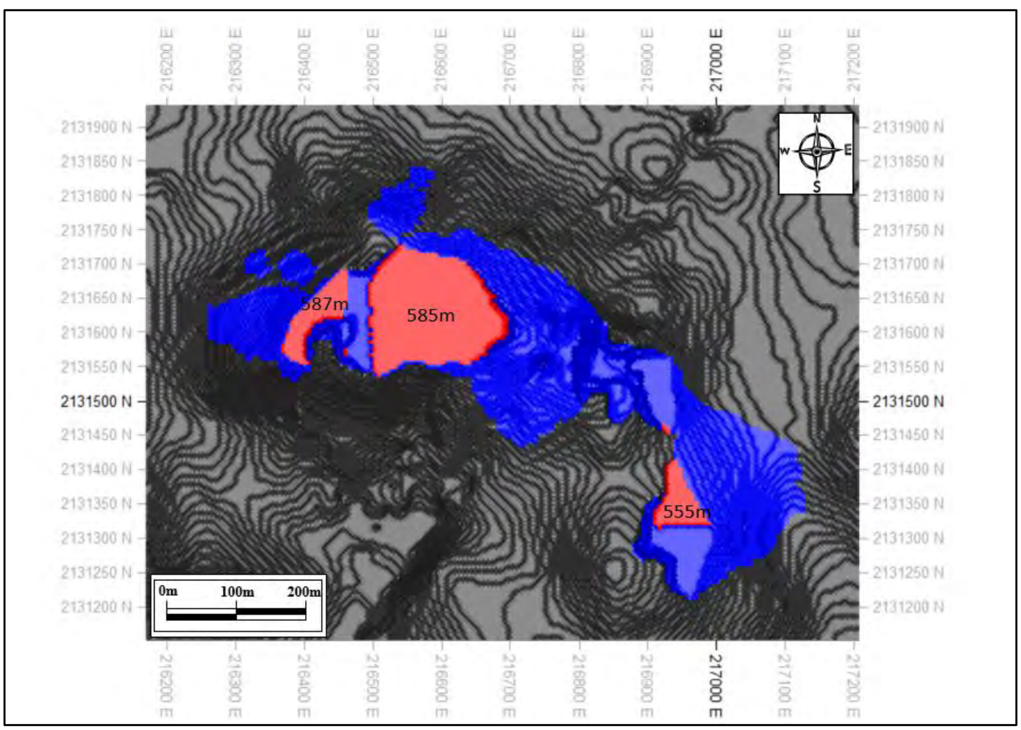


Figure 16.15
Pit Status at the End of Month 12

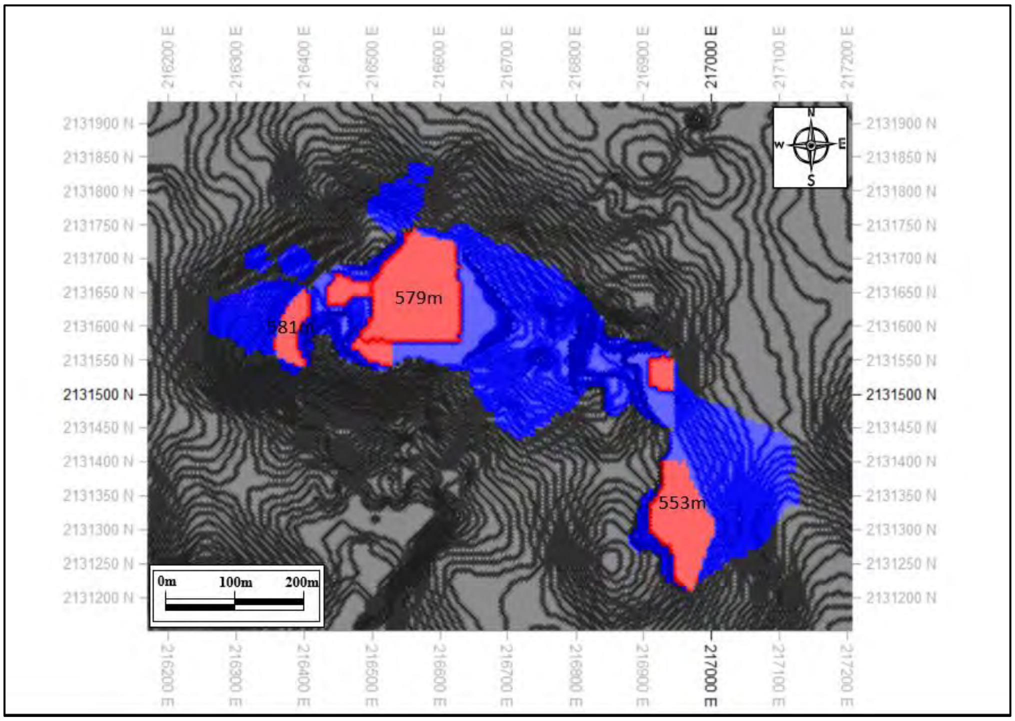


Figure 16.16
Pit Status at the End of Q2 of the Second Year

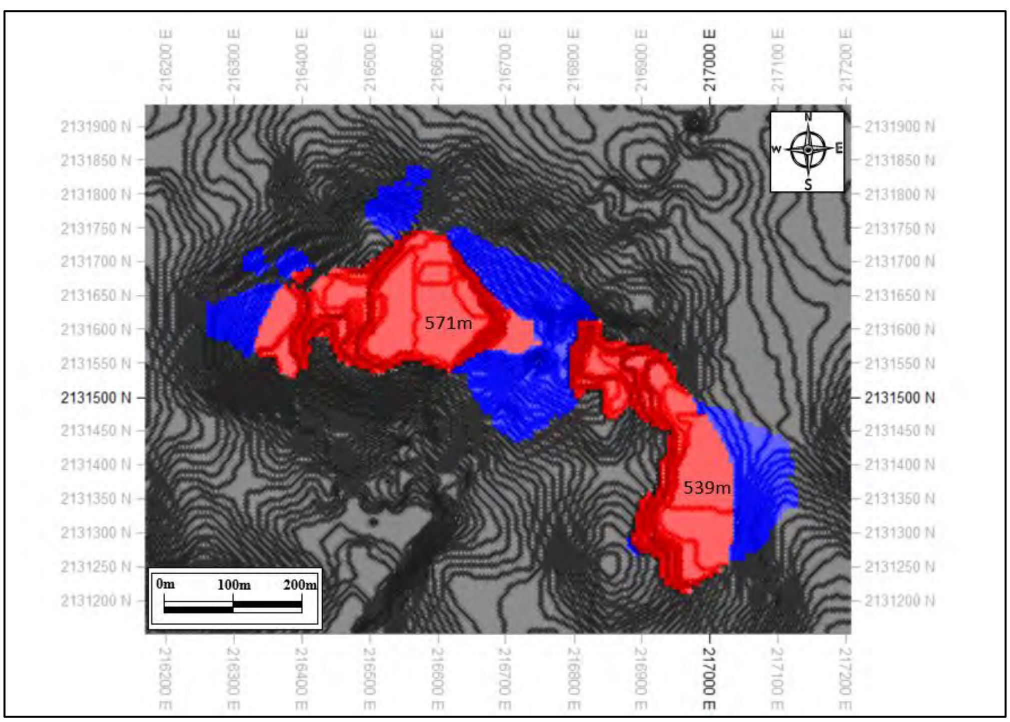


Figure 16.17
Pit Status at the End of Q4 of the Second Year

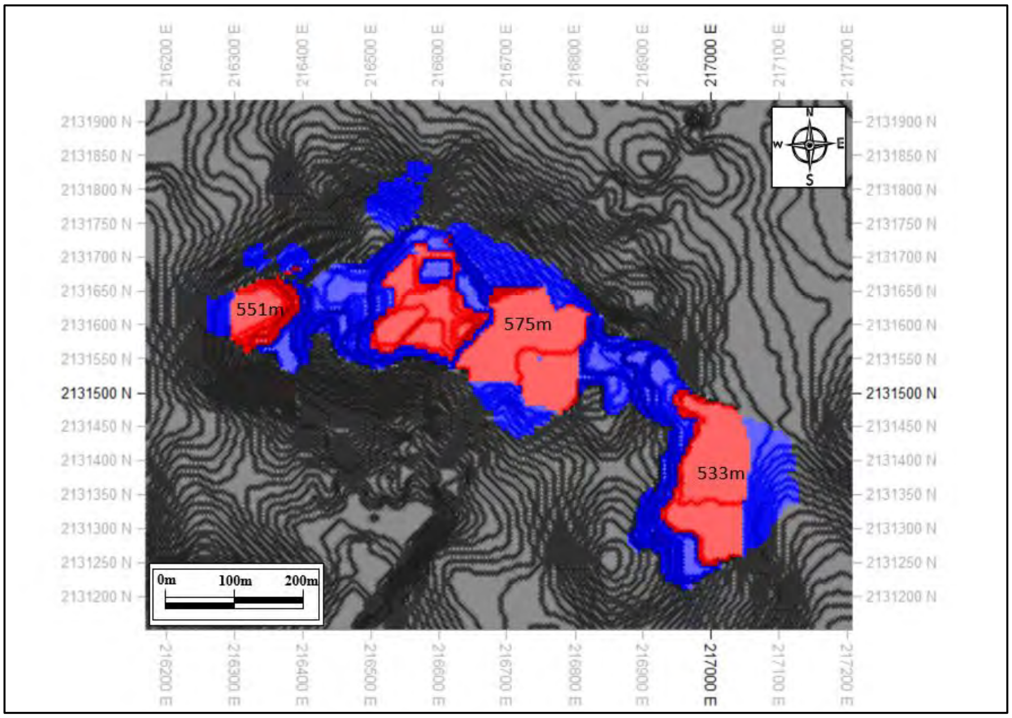


Figure 16.18
Pit Status at the End of Q2 of the Third Year

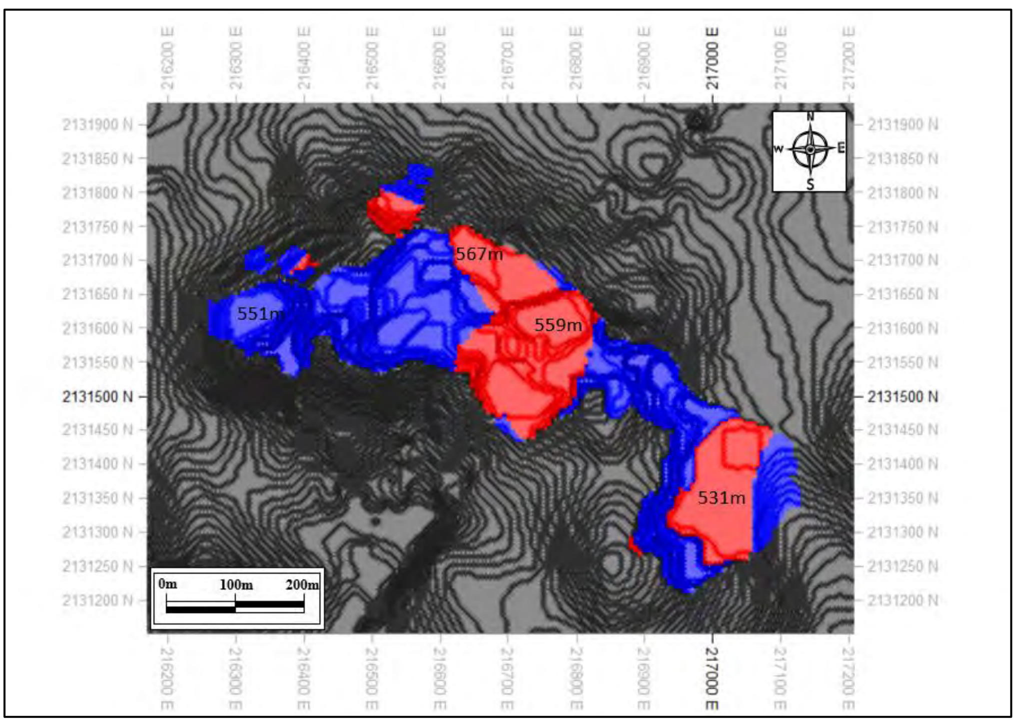
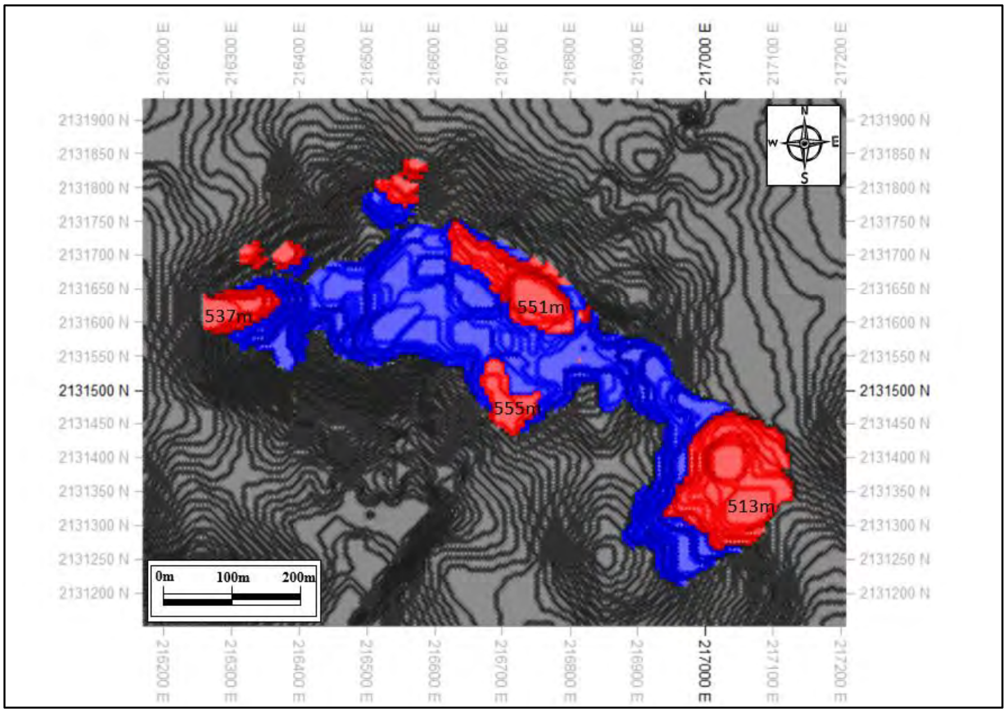


Figure 16.19
Pit Status at the End of Q4 of the Third Year (End of LoM)



16.5 MINING EQUIPMENT FLEET

The primary activities on a mining site consist of loading the materials from one or multiple sources and hauling the materials using transportation systems. The size of the mining mobile equipment is important to consider when analyzing haulage systems.

This report describes the haulage system of the Candelones mine which, for this PEA, assumed a fleet of loading equipment, with haul trucks to transport the material.

When and where possible, wheel loaders will be the preferred loading tool but due to the lack of blasting, the free digging strategy may require the use of hydraulic excavators to perform the majority of truck loading, particularly during the pioneering phase of the pits, where there may be insufficient space or flat surfaces for wheel loaders to operate.

16.5.1 Truck and Loader Cycle Time Calculations

The estimated loading time cycle for the hydraulic excavators is shown in Table 16.12, for a five-pass match loader to hauler ratio.

16.5.2 Haulage Distance

The summary of haulage distances from the centroid of each pushback to the crusher and the waste dump is presented in Table 16.13.

Table 16.12
Loading Cycle Time

Action	Time (Seconds)
1st bucket	
Spotting	45
Dumping	10
Time Per Bucket	
Loading	10
Swing Loaded	10
Dump	10
Swing back Empty	10
Total Time for 5 Buckets	215
Total Time in Minutes	3.58

Table 16.13
Haulage Distance Summaries

Pushback #	One Way Distance to Dump (m)	One Way Distance to Crusher (m)
PB1	946	1,205
PB2	1,025	740
PB3	901	1,160
PB4	805	1,064

The weighted average one way haul distance for leach feed and waste are presented for each time period of the production schedule in Table 16.14.

Table 16.14
Weighted Average One-Way Haul Distances by Time Period

Period	Leach Feed Haul (km)	Waste Haul (km)
Month 1	1.15	0.95
Month 2	0.97	0.95
Month 3	0.86	0.96
Month 4	0.86	0.99
Month 5	0.84	0.99
Month 6	0.74	1.03
Month 7	0.86	0.98
Month 8	0.74	1.03
Month 9	0.75	0.99
Month 10	0.84	1.00
Month 11	0.75	1.02
Month 12	0.86	0.98
Y2 Q1	1.02	0.96
Y2 Q2	0.86	1.01
Y2 Q3	1.01	1.01
Y2 Q4	1.12	0.96
Y3 Q1	1.16	0.90
Y3 Q2	1.13	0.85
Y3 Q3	1.16	0.86
Y3 Q4	1.17	0.88

16.5.3 Mining Equipment List

Three local contractors provided lists of mobile equipment suitable for mining of the Candelones starter pit. Each contractor had more than enough equipment available on its roster to perform the required duty.

Mining equipment fleet options available for the Project, based on listed equipment in the contractor fleets, are presented in Table 16.15, which identifies that the wheel loader fleets are currently well matched to the truck sizes, although the addition of excavators in the 3-5 pass match range could help to improve fleet productivity and efficiency.

The cycle time calculations carried out for this study are based on a fleet of CAT 730 ADTs and CAT 966 wheel loaders, although there are likely to be instances when excavators will be applied rather than wheel loaders.

Table 16.16 summarizes the estimated fleet requirements for each of the operational years.

16.5.4 Equipment Hours

The mining equipment scheduling, and equipment requirements, are estimated based upon two eight hour shifts per day, 350 days per year.

The effective equipment working time calculations are based upon the reasonable assumptions of 85% mechanical availability, 85% utilisation of available hours and 85% operational efficiency during utilized work hours. The result is 3,449 productive hours per machine, out of the 8,760 calendar hours per year.

Table 16.17 summarizes the equipment utilization.

16.5.5 Equipment Requirements

The trucks required for years one, two and three, as presented in Table 16.18, were estimated based upon the average daily tonnage required and weighted average cycle times based upon measured haulage distances from the four pushbacks in the pit to the crusher and dump destinations.

The cycle time for loading a single truck with an excavator or a wheel loader is presented conceptually in Table 16.19, assuming a 5-pass match scenario.

The hydraulic excavator/loader requirements for years one, two and three are summarized in Table 16.20.

Table 16.15
Mining Equipment Fleet Options based on Contractor Fleets (with Pass Match)

TRUCK - SHOVEL Pass Match Combinations					DUMP TRUCK					ARTICULATED TRUCK		
					SCANIA P460	SCANIA P460	SHACMAN SX3255DV384C	SCANIA P460	SHACMAN SX3315DV366C	CAT 730	CAT 745	JOHN DEERE JD310E
				tons	28.8	32.4	34.2	43.2	45.0	31.0	45.2	31.0
				m³	16.0	18.0	19.0	24.0	25.0	17.5	25.0	17.5
TYPE	**MAKE**	**MODEL**	**YEAR**	m³	**Buckets/ Truck**	**Buckets/ Truck**	**Buckets/ Truck**	**Buckets/ Truck**	**Buckets/ Truck**	**Buckets/ Truck**	**Buckets/ Truck**	**Buckets/ Truck**
EXCAVATOR	CATERPILLAR	336GC	2019	1.88	8.5	9.6	10.1	12.8	13.3	9.3	13.3	9.3
EXCAVATOR	CATERPILLAR	336	2020	2.27	7.0	7.9	8.4	10.6	11.0	7.7	11.0	7.7
EXCAVATOR	CATERPILLAR	330	2020	1.76	9.1	10.2	10.8	13.6	14.2	9.9	14.2	9.9
EXCAVATOR	CATERPILLAR	330D2L	2017	2.35	6.8	7.7	8.1	10.2	10.6	7.4	10.6	7.4
EXCAVATOR	CATERPILLAR	329D2L	2015	1.75	9.1	10.3	10.9	13.7	14.3	10.0	14.3	10.0
EXCAVATOR	CATERPILLAR	336D2L	2016	2.2	7.3	8.2	8.6	10.9	11.4	8.0	11.4	8.0
EXCAVATOR	CASE	CX350B	2016	2.3	7.0	7.8	8.3	10.4	10.9	7.6	10.9	7.6
EXCAVATOR	KOMATSU	PC300	2018	16.44	1.0	1.1	1.2	1.5	1.5	1.1	1.5	1.1
EXCAVATOR	KOMATSU	PC200LC-8M0	2019	13.7	1.2	1.3	1.4	1.8	1.8	1.3	1.8	1.3
FRONT LOADER	CATERPILLAR	950L	2019	3.1	5.2	5.8	6.1	7.7	8.1	5.6	8.1	5.6
FRONT LOADER	CATERPILLAR	966L	2018	3.8	4.2	4.7	5.0	6.3	6.6	4.6	6.6	4.6
FRONT LOADER	CATERPILLAR	950L	2017	3.1	5.2	5.8	6.1	7.7	8.1	5.6	8.1	5.6
FRONT LOADER	JOHN DEERE	844k	2014	6.1	2.6	3.0	3.5	4.4	4.1	3.2	4.6	3.2

Table 16.16
Fleet Requirement Estimates

Equipment	Model	Units		
		Year 1	Year 2	Year 3
Articulated truck	CAT 730	5	5	5
Front loader	CAT 966L	1	1	1
Hydraulic excavator	CAT 390D L	1	1	1
Drill	tbd	0*	<1*	<1*
Explosive truck	tbd	0*	<1*	<1*
Dozer	D9	1	1	1
Motor grader	MG12	1	1	1
Water truck	CAT 730	1	1	1

*due to very low drilling requirements; the contractors equipment requirements will be irregular and from time to time as needed.

Table 16.17
Equipment Utilization

Description	Unit	Value
Shifts / day	Shift/d	2
Shift length	hrs	8
Operational Efficiency	%	85%
Utility	%	85%
Availability	%	85%
Effective equipment working time / day	hrs	9.83
Effective equipment working time / year	hrs	3,449

Table 16.18
Truck Requirement Estimate

Truck Requirements	Unit	Year 1		Year 2		Year 3	
		Leach Feed	Waste	Leach Feed	Waste	Leach Feed	Waste
Daily Tonnage required	t/d	5,000	744	5,000	902	4,660	1,021
Annual Tonnage required	t/y	1,800,092	267,789	1,800,008	324,645	1,677,725	367,678
Truck Capacity	t	28.2	28.2	28.2	28.2	28.2	28.2
Total Cycles / day	cycles/d	177.4	26.4	177.4	32.0	165.4	36.2
Total Cycles / year	cycles/y	63,874	9,502	63,871	11,520	59,532	13,047
Average Cycle time	minutes	11.35	12.17	12.25	12.15	13.18	11.48
Yearly Total time	hours	12,088	1,928	13,037	2,333	13,077	2,497
Trucks required	#	4	1	4	1	4	1

Table 16.19
Excavator / Loader Cycle Time Estimation

1st bucket	Time (Seconds)	#	Total time	
Spot time	45	1	0.75	min
Dump time	10	1	0.17	min
1st bucket total	55		0.92	min
Additional bucket times	**Time (Seconds)**	**#**	**Total time**	**min**
Loading	10	1	0.17	min
Swing loaded	10	1	0.17	min
Dump	10	1	0.17	min
Swing back empty	10	1	0.17	min
Additional bucket total	40	1	0.67	min
Pass Match	**Total Loading Time**		**Total Loading Time**	
2 buckets	95	Seconds	1.58	min
3 buckets	135	Seconds	2.25	min
4 buckets	175	Seconds	2.92	min
5 buckets	215	**Seconds**	**3.58**	**min**
6 buckets	255	Seconds	4.25	min
7 buckets	295	Seconds	4.92	min
8 buckets	335	Seconds	5.58	min

Table 16.20
Hydraulic Excavator/Loader Requirement Estimate

HEX/Loader Requirements	Unit	Year 1		Year 2		Year 3	
		Leach Feed	Waste	Leach Feed	Waste	Leach Feed	Waste
Daily Tonnage required	t/d	5,128	763	5,128	925	4,780	1,048
Annual Tonnage required	t/y	1,800,092	267,789	1,800,008	324,645	1,677,725	367,678
Capacity	m^3	3.8	3.8	3.8	3.8	3.8	3.8
Total Buckets / year	Cycles/y	233,266	42,809	233,255	51,898	217,409	58,778
Cycle time / truck	Minutes	3.58	3.58	3.58	3.58	3.58	3.58
Cycle time / bucket	Minutes	0.72	0.72	0.72	0.72	0.72	0.72
Yearly Total time	Hours	2,786	511	2,786	620	2,597	702
Loaders required	#	1	1	1	1	1	1

16.5.6 Drilling and Blasting

Drilling and blasting requirements will be minimal at the Candelones starter pit.

It is anticipated that all material (100%) will be mined by free digging during the first six months of the plan. During months seven to twelve, 95% of the material mined will be free digging with 5% requiring ripping or blasting.

During the second year, 83% of the material is anticipated to be free digging, while 17% will require ripping or blasting.

During the third year, 77% of the material is anticipated to be free digging, while 23% will require ripping or blasting.

These calculations are based on the digability of overburden and oxide rock that was excavated for the bulk sampling and trench/pit samples.

The transition rock that will be encountered deeper in the pit will be drilled and blasted in order to permit loading onto trucks.

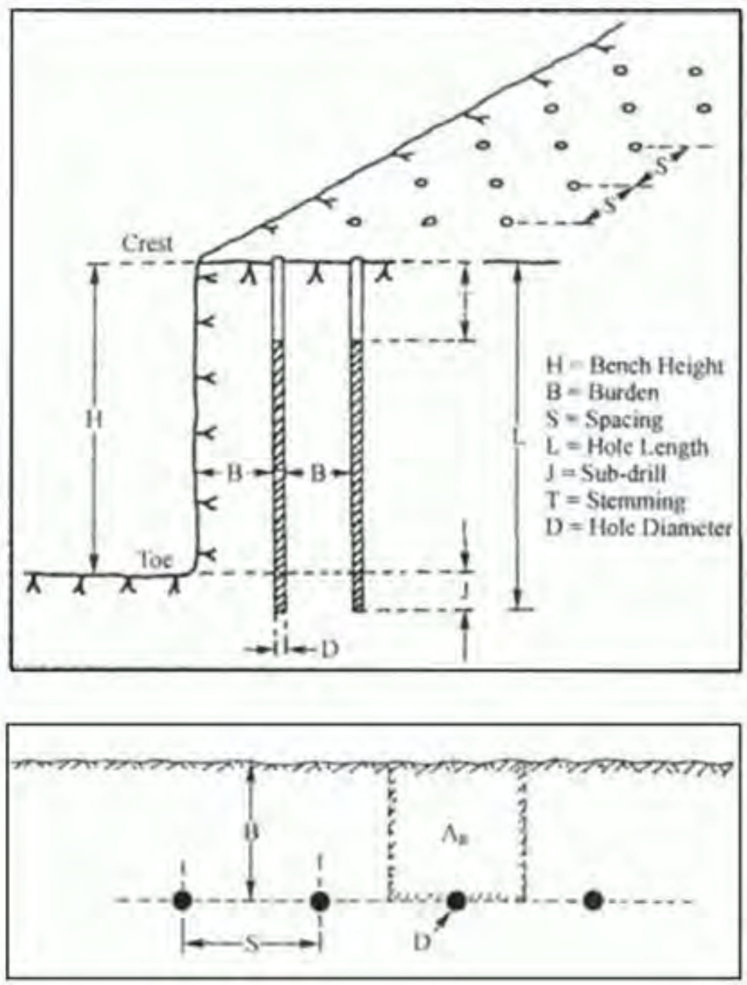
Where drilling and blasting is needed to fragment the transition material leach feed and waste for loading and hauling, the parameters are estimated as those presented in Table 16.21.

Table 16.21
Conceptual Drilling and Blasting Parameters

Parameter	Units	Value
Burden	m	3.5
Spacing	m	3.5
Depth	m	4
sub level	m	0.75
Volume/hole	m^3	49
Density	t/m^3	2.53
t/hole	t	124
Diameter	mm	90
BH area	m^2	0.006
BH volume	m^3	0.03
Exp. SG	kg/m^3	1150
capacity	kg	34.8
PF if Full	kg/t	0.28
desired PF	kg/t	0.22
load/hole	kg	27.3
Fill depth	m	3.73
Stemming	m	1.02

Drilling and blast parameter definitions are illustrated in Figure 16.20.

Figure 16.20
Drilling Parameter Dimensions



Source: P.D Sharma (https://miningandblasting.wordpress.com/2012/10/)
Note: Not to Scale

The tonnes of transition leach feed and transition waste that could potentially require blasting is presented in Table 16.22.

Table 16.22
Drilling and Blasting Requirements

Year	Blasted Leach Feed (t)	Blasted Waste (t)	Total Blasted Rock (t)	Total Holes Required (#)	Drill Days Needed (#)*	Amount of Explosives (t)
Year 1	33,502	189	33,691	270	8	7.4
Year 2	316,905	45,573	362,478	2,924	81	79.7
Year 3	402,765	68,749	471,514	3,803	106	103.7
Total	753,172	114,512	867,684	6,998	194	190.9

*Based on the estimated amount of blast holes which are needed per year, drilling equipment will not be acquired for the entire operational year.

In total, up to 6,998 blast holes will require drilling and a total of 191 t of ANFO will be required.

16.6 MINING PERSONNEL REQUIREMENTS

The personnel requirement directly involved with the mining operations consists of the owner's team and the contractor's team.

The owner's team enumerated in Table 16.23 are generally a part of the technical team, which is comprised of engineers, geologists, technicians, surveyors, the mine superintendent, and the mine manager.

Table 16.23
Personnel Requirements: Owners Team Years 1 to 3

Owner's Geology and Mining Team	Number of Positions	Day Shift	Afternoon Shift	Off
Mine manager	1	1		
Mine superintendent	1	1		
Mine planning engineer	1	1		
Mine planning technician	2	2		
Surveyor	1	1		
Surveyor technician	1	1		
Despatch system operator	0			
Senior geologist	1	1		
Production geologist	3	1	1	1
Geological technician	3	1	1	1
Total	**14**	**10**	**2**	**2**

Each piece of equipment requires its distinct selection of operators on the payroll. Table 16.24 estimates of the number of operators per piece of equipment to meet the development and production targets in the LOM production schedule.

Table 16.24
Contractor Personnel Required per Unit Equipment

Equipment	Personnel /Equipment
Articulated Truck	3
Front loader	3
Hydraulic Excavator	3
Drill	2
Explosive Truck	2
Dozer	3
Motor Grader	2
Water Truck	2

The contractor's team estimated in Table 16.25 are primarily equipment operators, maintenance personnel, shift supervisors and a project manager.

Table 16.25
Estimated Manpower Requirements for Contractor Team Years 1, 2 and 3

Contractor Personnel	Year 1	Year 2	Year 3
Operations Manager	1	1	1
Shift Supervisors	3	3	3
Articulated Truck operator	15	15	15
Front loader operator	3	3	3
Hydraulic Excavator operator	3	3	3
Drill operator	0	2*	2*
Explosive Truck operator	0	1*	1*
Dozer operator	3	3	3
Motor Grader operator	2	2	2
Water Truck operator	2	2	2
Maintenance Supervisor	1	1	1
Maintenance Planner	1	1	1
Mechanics	6	6	6
Maintenance Support	3	3	3
Total	**44**	**47**	**47**

*intermittently.

16.7 WASTE ROCK AND TAILINGS

The Candelones Starter Pit will produce 0.96 Mt of waste which will occupy a volume of less than 500 km^3, assuming an average loose density of approximately 2.03 t/m^3 or less.

Since all processing is performed on the heap leach pad, there is no tailings pond. Both the waste dump and the leach pad will be sloped and revegetated at the end of the mine life, as part of the reclamation and closure plan.

16.7.1 Waste Rock Storage and Management Facility

The waste dump has been designed to hold up to 1.37 Mt of waste, which is 42% more that the planned 0.90 Mt.

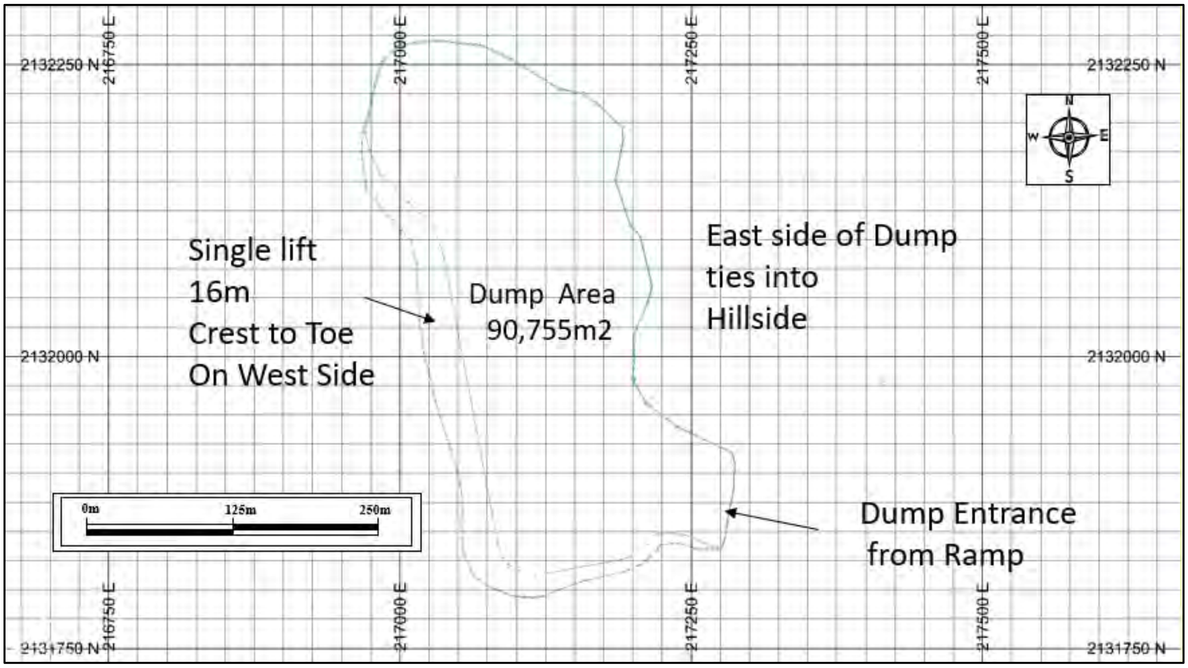
The waste dump is located at the local coordinates presented in Table 16.26.

Table 16.26
Waste Dump Location

Range	Minimum	Maximum
X Coordinate	216,967	217,288
Y Coordinate	2,131,793	2,132,270

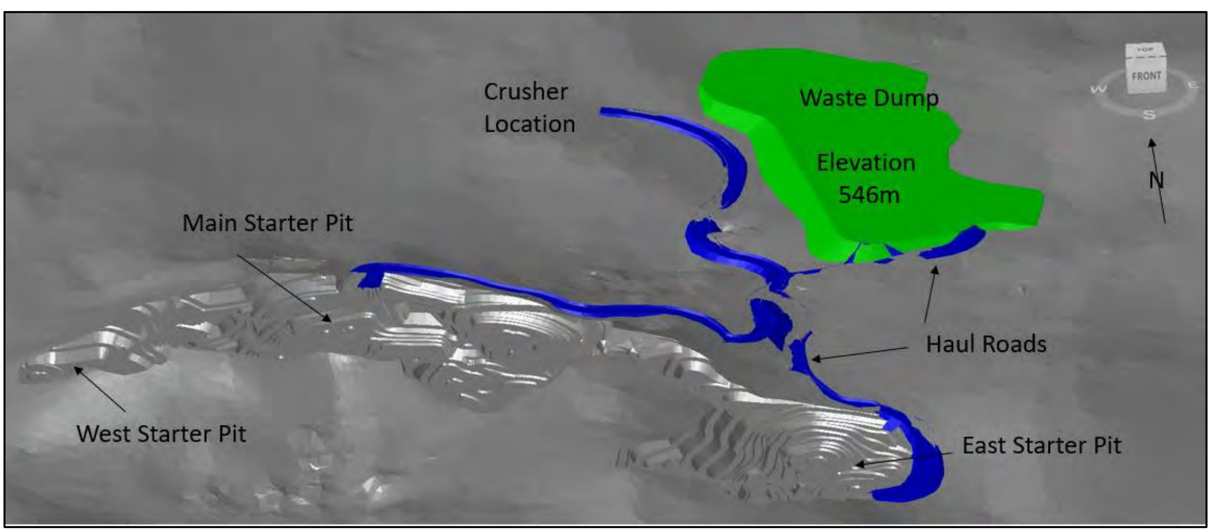
A plan view of the waste dump, which has a footprint of 9.08 ha and a maximum height of 16 m is illustrated in Figure 16.21.

Figure 16.21
Waste Dump Design



A perspective view of the waste dump from the south looking approximately north is presented in Figure 16.22.

Figure 16.22
Perspective View of Waste Dump



Note: Not to scale, orientation approximated.

16.7.2 Acid Rock Drainage

Micon's QP understands that there is a possibility for potentially acid generating (PAG) waste being produced from the Candelones Starter Pit.

In situations involving PAG waste, encapsulation may be employed to decrease acid mine drainage. This involves completely encasing the acid generating material within waste rock having a neutralizing capacity, thus insulating the harmful material from the surrounding environment.

The objective of encapsulation is to reduce the potential to produce acid by essentially decreasing water inflow and excluding oxygen. This technique is effective, manageable, and economical in the case of available neutralizing materials.

A set of steps are implemented in order to execute the encapsulation of the waste rock. Initially, a layer of compactable waste rock is placed on the native soil in order to create a barrier layer that will limit water infiltration. Following this, the encapsulation material is placed both horizontally and against the PAG waste, acting as a barrier. Encapsulation material is later placed on and in front of the PAG waste and the material is then compacted in order to reduce permeability. The encapsulation is completed when encapsulating material is placed over top.

Micon's QP recommends that this mitigation strategy is executed in the dump from the start of the mine life.

16.8 MINING COSTS

Mining costs comprise operating costs which are chiefly those associated with the contract miner, and capital costs, which are dominated by the costs for earthmoving civil works. For PEA level study, cost estimates are typically considered to have a level of accuracy of plus or minus 30% to 40%.

16.8.1 Contract Mining Rates (Mining Operating Costs)

The operational cost of mining was estimated based upon budgetary quotes from local contractors. The variable unit costs of stockpiling earth, and mining with and without drill and blast, are presented in Table 16.27, while the fixed costs for the mobilization, demobilization and overhead of the contractor are presented in Table 16.28.

Table 16.27
Contract Mining Costs: Variable Costs

Description	Unit	Unit Rate US$
Strip & Stockpile Earth (topsoil excavation) and Hauling ≤ 2km	t	2.06
Rock excavation, Loading, Hauling ≤ 2km, Road Maintenance and Dust Control	t	2.35
Drill & Blast, Load, Hauling ≤ 2km, Road Maintenance and Dust Control	t	3.61

Table 16.28
Contract Mining Costs: Fixed Costs

Description	Unit	Rate	Total Amount
Mobilization			
Mobilization of equipment	Lot	19,834	19,834
Demobilization of equipment	Lot	19,834	19,834
Overhead			
Project management, supervision	US$/month	11,400	410,400
Company and head office overhead costs, lodging and food	US$/month	6317	227,412
Facilities on the site			
Office	US$/month	3,302	118,872
Personnel transportation			
Bus transport of personnel	US$/month	6,850	246,600

16.8.2 Mining Capital Costs

Mining capital costs have been estimated on the basis of contract mining for development and operation of the open pit, so that there is minimal cost associated with mobile equipment and maintenance facilities.

Capital costs associated directly with the mining operations are weighted heavily upon haul road construction, waste dump pad preparation and sedimentation pond construction.

Additional capital costs for the mining operations will be related to pit dewatering, technical team equipment, equipment maintenance related facilities such as the wash bay and warehousing facilities, and other auxiliary equipment such as light stands, pumps and generators. An explosives magazine will be added after the first year.

The mining related capital cost estimates are summarized in Table 16.29.

Table 16.29
Mining Related Capital Costs (FEL 1 Estimates) to PEA Level Accuracy

Description	Unit	Quantity	Unit Cost 000 US$	Initial Capex 000 US$	Sustaining Capex 000 US$
Open Pit Costs				**155.71**	**203.41**
Generator	#	1	20.00	20.00	4.00
Dewatering Pumps - dry prime	#	1	50.00	0.00	50.00
Dewatering Pumps - submersible	#	1	25.00	50.00	10.00
Pipes 6"	m	500	0.06	32.18	128.70
Valves	#	2	2.00	4.00	0.80
Fittings	#	20	0.15	3.00	0.60
Couplings	#	40	0.20	8.00	1.60
Lighting Stands	#	1	38.54	38.54	7.71
Maintenance Costs				**355.00**	**35.50**
Maintenance Shop	#	1	50.00	50.00	10.00
Trailers for Offices	#	1	15.00	15.00	3.00
Computers	#	2	3.50	7.00	1.40
Building - Roof + Steel	#	1	50.00	50.00	10.00

Description	Unit	Quantity	Unit Cost 000 US$	Initial Capex 000 US$	Sustaining Capex 000 US$
Sea Containers (20')	#	12	6.50	78.00	15.60
Wash bay (concrete, pipe & Pump)	#	1	30.00	30.00	6.00
Warehouse	#	1	50.00	50.00	10.00
Fuel Storage & Refuel Area	#	1	50.00	50.00	10.00
Laydown & Tire Change Area	#	1	25.00	25.00	5.00
Civil Works				**1,204.47**	**120.45**
Access Road	m^3	5,000	0.01	61.50	12.30
Western Haul Road	m^3	17,800	0.01	121.93	24.39
Eastern Haul Road	m^3	44,642	0.01	305.80	61.16
Northern ROM Road	m^3	9,203	0.01	63.04	12.61
Earthworks for Water Management	m^3	20,000	0.01	120.00	24.00
Dump base	m^2	57,800	0.00	231.20	46.24
Stockpile Base	m^2	5,000	0.00	20.00	4.00
Sedimentation Pond	m^3	6,000	0.01	66.00	13.20
Pump for Sed Pond	#	1	50.00	50.00	10.00
Ditching	m	3,000	0.06	165.00	33.00
Technical Equipment				**125.00**	**12.50**
Trailers for Offices	#	2	15.00	30.00	6.00
Computers	#	4	5.00	20.00	4.00
Survey Gear	#	2	10.00	20.00	4.00
Air conditioning	#	1	5.00	5.00	1.00
Light Vehicles - Pickup Trucks	#	2	25.00	50.00	10.00
Powder Magazine				**0.00**	**60.00**
Special Containers	#	2	25.00	0.00	50.00
Earthworks	m^3	2000	0.01	0.00	10.00
TOTAL				**1,840.18**	**431.85**

17.0 RECOVERY METHODS

The process selected for the Candelones Oxide PEA comprises a 5,000 t/d heap leach operation. The conceptual design, by Halyard, is based on the metallurgical testwork described in Section 13.0 and process design criteria prepared by Micon's QP.

17.1 SUMMARY

A total of 5,000 t/d of mineralization from the Candelones open pit will be mined and hauled approximately 3 km onto a "run-of-mine" heap leach pad. The feed to the leaching process will then be crushed using a mineral sizer, in order to break-up agglomerates and oversized material. The leach feed will be mixed with hydrated lime prior to being delivered to the heap leach pad. The pad will be irrigated with a leach solution obtaining, an average 75% leach gold recovery following a 10-week leach cycle.

Gold and silver will be recovered from the pregnant leach solution (PLS) by contacting the solution with granular activated carbon-in-columns (CIC), followed by a Zadra adsorption, desorption and regeneration (ADR) plant, comprising acid wash, elution, carbon handling, carbon regeneration, electrowinning cells and refinery to produce doré bars. No tailings facility will be required.

Gold recovery estimates for oxide and transition mineralization are based on metallurgical testwork undertaken by Bureau Veritas Commodities Canada Ltd., Vancouver. The process design criteria re based on a series of bottle roll leach tests, phase 1 column leach testwork completed in 2020 and phase 2 column leach testwork that is currently ongoing. The metallurgical testwork is described in Section 13.0.

The proposed heap leach process plant was designed in accordance with the process design criteria summarized in Table 17.1.

Table 17.1
Process Design Criteria

Item	Units	Design	Source
Mineralized Material Characteristics			
Average density (oxide/transition mineralization)	t/m³	2.17 / 2.34	2020 mineral resource estimate
Average crushed ore bulk density	t/m³	1.30	Estimate from phase 1 2020 column test
Moisture in Mineralized Material	wt.%	4.0%	Estimate
Abrasion index (Ai) (oxide/transition)	g	0.1258 / 0.1334	Oxide & Transition composite, February, 2021
Crusher work index (oxide/transition)	kWh/t	5.88 / 9.04	Oxide & Transition composite, February, 2021
Bond ball mill work index (Wi)	kWh/t	11.90	Phase 1 testing, 2020
Crushing			
Annual throughput	t/y	1,825,000	From Client
Average operating daily throughput	t/d	5,000	Derived
Average hourly throughput	t/h	417	Derived
Shifts per day	#	2.0	From client
Hours per shift	h	8.0	From client
Days per week	days	7.0	From client
Operating days per year	days	365	From client

Item	Units	Design	Source
Total crushing circuit utilization	%	75.0%	Assumed
Feed size (maximum) (F100)	mm	500	Static Grizzly Opening 500 mm
Final product size - passing (P80)	mm	100 - 150	Estimate
Heap Leaching			
Heap leach pad total project life tonnage	kt	5,157	PEA mine design (includes inferred resources)
Number of pads	#	1	Assumed
Actual pregnant pond operating volume	m^3	100,000	Derived
Actual barren pond operating volume	m^3	60,000	Derived
Operating days per year	days	365	Assumed
Average daily throughput	t/d	5,000	From client
Operating days per week	days	7	Assumed
Operating hours per day	h	24	Assumed
Average solution flux per leach cycle	t/t	2.0	Based on phase 1column tests
Average leach cycle (total)	days	61	Derived
Average pregnant solution flow	m^3/h	433	Derived
Average gold recovery	%	75	Estimate from testwork
Gold in pregnant solution (average/design)	g/t	0.29 / 0.38	Derived
Cyanide consumption	g/t	720	Estimate from testwork
Cyanide solution strength	%	0.05	Estimate from testwork
Hydrated lime consumption	g/t	4,000	Estimate from testwork
Adsorption-Desorption- Regeneration			
Type of columns	-	CIC Gravity	Assumed
Number of columns	#	4	Assumed
Column carbon capacity	t	6	Derived
Elution circuit type	-	Zadra	Assumed
Elution circuit capacity	t	3	Derived
Number of electrowinning cells	#	2	From vendor
Concentrated acid type	-	36% HCL	From vendor
Caustic type	-	25% NaOH	From vendor
Cyanide type	-	30% NaCN	From vendor

The heap leach process flowsheet is presented in Figure 17.1, with the ground floor of the process plant presented in Figure 17.2 and the second floor presented in Figure 17.3.

17.2 PROCESS DESCRIPTION

17.2.1 Crushing

ROM material will be hauled from the mine and dumped onto a coarse leach feed stockpile. The coarse material will be fed into a hopper equipped with a 500 mm opening static grizzly and crushed in a mineral sizer to less than 150 mm. The crusher design nominal throughput is 417 t/h based on operating seven days per week, 16 hours per day and a 75% equipment availability.

The crushed mineralization will be conveyed to a stockpile where loaders will transfer it into a hopper and a belt feeder will discharge it into haul trucks for transport to the heap leach pad. Prior to discharge of the leach feed into the trucks, it will be dosed with hydrated lime at a rate of 4.0 kg $Ca(OH)_2$/t.

Figure 17.1
Candelones Project Heap Leach Process Flowsheet

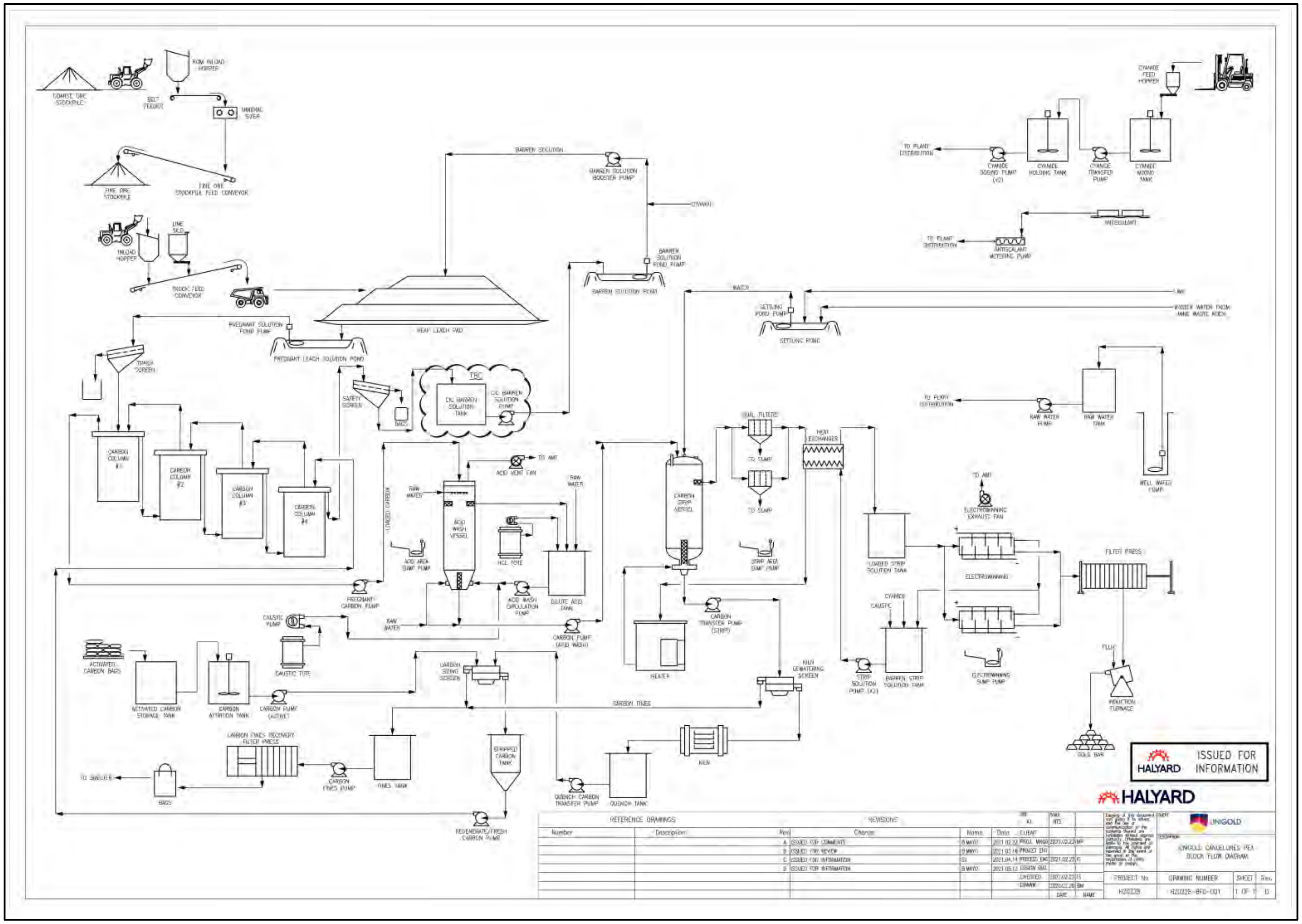
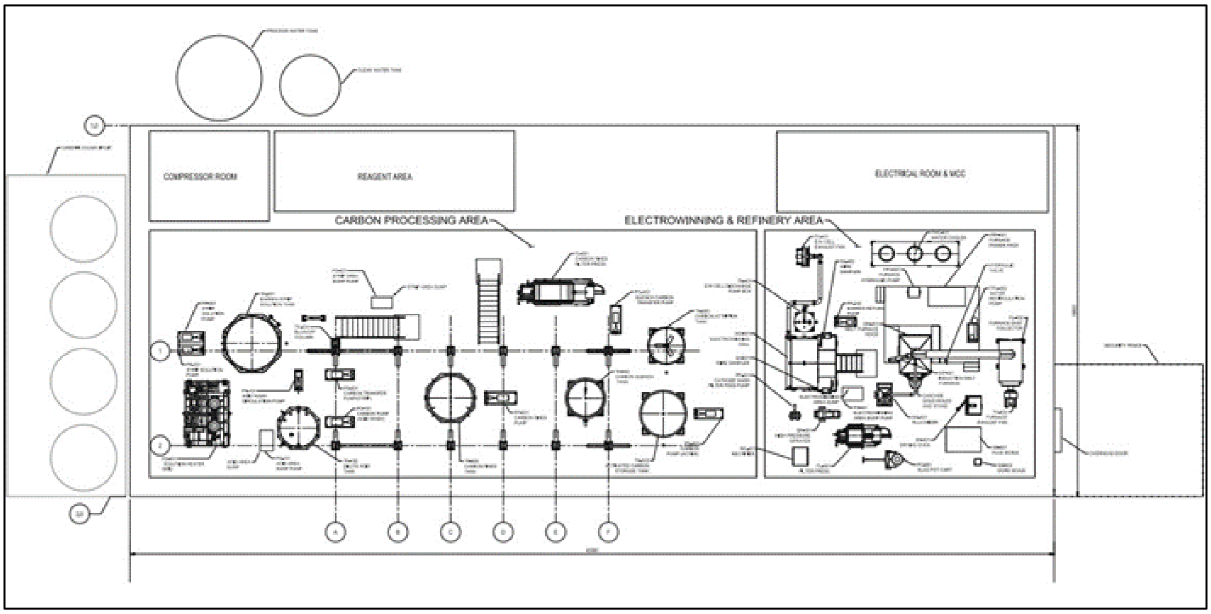
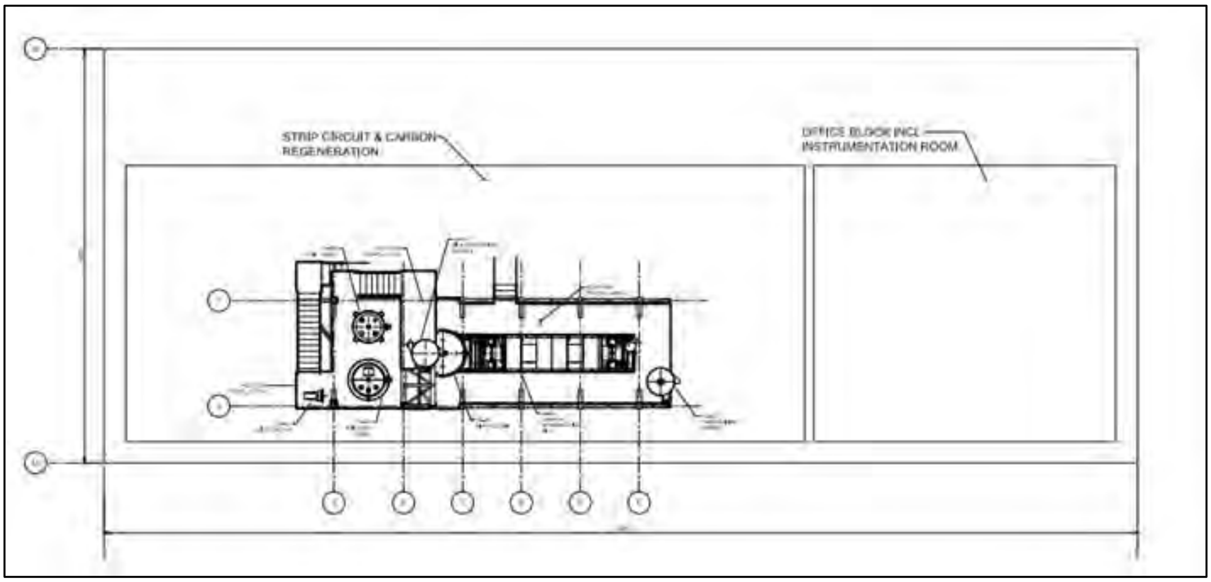


Figure 17.2
Candelones Project Heap Leach Process Plant Ground Floor



Not to scale.

Figure 17.3
Candelones Project Heap Leach Process Plant Second Floor



Not to scale.

17.2.2 Heap Leach Facility Design

The design of the leach pad facility is described in Section 18.0.

17.2.3 Heap Leaching

Once the mineralized material is stacked and mixed with hydrated lime, it will be irrigated with a 0.05% NaCN solution. The design is based on a single-stage leach; therefore, no intermediate ponds were considered for the process design. The irrigation system will consist of a drip-tube system for solution application at a rate of 8 L/h/m^2.

One vertical centrifugal pump located at the barren solution pond and a second horizontal centrifugal booster pump will be used in series for the barren solution distribution onto the heap leach pad. Antiscalant and a sodium cyanide solution will be injected into the barren solution pipe feeding the pads. The estimated barren solution flow is 433 m^3/h.

The pregnant solution will be collected by an underdrain pipe system and directed to the pregnant solution pond. One vertical centrifugal pump located at the pregnant solution pond will be used to feed the Carbon-in-Column (CIC) adsorption circuit. Antiscalant will be added to the pregnant solution pipe to mitigate scaling.

17.2.4 Adsorption

The solution obtained from the heap leach process will be pumped from the pregnant solution pond to the CIC circuit, consisting of a single train of 4 carbon absorption tank columns, a static trash screen and a carbon safety screen. Each column will have a capacity of 6 t of activated carbon, will work at atmospheric pressure, and will be arranged in a cascade counter-current configuration. Pregnant solution will be directed through beds of carbon in an up-flow manner to allow soluble gold and silver species to adsorb onto the surface of the activated carbon. The highest metal concentration solution will be contacted with the highest metal bearing carbon and the least concentrated metal solution will be contacted with the least loaded carbon.

Barren solution obtained at the last CIC circuit column will be sent to a screen to capture any possible carbon present in the solution and then directed by gravity to the barren solution pond.

Loaded carbon within the columns of the CIC circuit will be pumped to the elution circuit to start the stripping batch cycle. A maximum of 3 t of carbon per day and an average of 2 to 3 cycles per week are expected to be loaded and treated.

Carbon in the remaining columns will then be advanced, one column at a time, and a batch of new or stripped/regenerated carbon will be transferred into the final empty column from the unloaded carbon storage tank.

17.2.5 Desorption

A 3-t modular Zadra ADR plant operating on a batch basis was selected for this process.

The plant includes a first step of acid washing to dissolve and remove scale from the carbon and maintain carbon adsorption properties. An acid dilution tank and pump will be used to prepare and circulate a diluted HCl solution during the acid wash cycle.

Once the acid wash cycle is finished, the loaded carbon will be transferred into the pressurized Zadra strip vessel for gold desorption. A caustic and sodium cyanide diluted solution will be circulated at a temperature 140 ºC, until 10-12 bed volumes have been achieved. During the stripping cycle, gold and silver will be desorbed from the carbon surface into a loaded strip solution and sent to electrowinning.

After a batch of carbon has been transferred to the elution vessel, barren strip solution containing sodium hydroxide and sodium cyanide will be pumped through the heat recovery and primary heat exchangers and introduced to the elution vessel.

The barren strip solution from the barren strip solution tank will pass through a heat exchanger to be preheated by hot pregnant strip solution leaving the stripping vessel. The barren strip solution will then pass through the propane fired heater to raise the temperature to approximately 140°C.

The elution column is designed in an up-flow manner to improve the distribution of the stripping solution inside the column. Loaded strip solution leaving the stripping vessel will pass through external dual filters before passing the cooling heat exchanger to reduce the loaded strip solution temperature and to prevent boiling. The cooled loaded strip solution will be fed to the electrowinning cells.

After desorption is complete, the stripped carbon will be pumped to the kiln dewatering screen to remove water and carbon fines, and then transferred to the kiln for carbon regeneration.

17.2.6 Electrowinning and Refining

During the stripping cycle, the loaded strip solution will be continuously pumped to the two electrowinning cells where the gold and silver will be recovered from solution as soft-precious metal sludge. The gold sludge will then be washed from the cell cathodes and filtered to remove water. Any fumes generated will be removed via the electrowinning dust collector.

Following filtration, the precious metal sludge will be dried in an oven to remove additional moisture before smelting. The dried sludge will be mixed with the appropriate fluxes and added to the propane fired crucible furnace. Finally, the gold and silver will be separated from the slag material and recovered as a doré bar product.

17.2.7 Carbon Regeneration & Handling

The carbon surface and internal pore structure will become contaminated with organic species after being used at the adsorption and recovery circuits, and this can decrease the gold and silver adsorption rate and the metal loading capacity of the carbon. Therefore, the organic contaminants will be removed by thermal regeneration at approximately 750ºC. A horizontal rotary propane fired carbon regeneration kiln was selected for this application.

The carbon batch to be thermically activated will be pumped from the stripping vessel to the kiln dewatering screen, then transferred to the kiln feed hopper and fed to the regeneration kiln by a screw feeder. Hot, regenerated carbon will fall into the water-filled quench tank for cooling and storage.

Carbon attrition occurs during the adsorption and recovery process. Removal and capture of carbon fines in the system limits the amount of precious metal that is lost. New carbon will be first added to the carbon attrition tank equipped with an agitator to break off any loose pieces before being added to the system. Both new carbon from the carbon attrition tank and regenerated carbon from the quench tank will be pumped to the carbon sizing screen to ensure that properly sized carbon will be directed to the adsorption circuit. The screen oversize will be sent to the stripped carbon tank and the screen undersize will be collected in the carbon fines tank, where the carbon fines will be dewatered using a filter press and stored in bulk bags.

17.2.8 Reagents

17.2.8.1 Cyanide

Cyanide will be delivered as briquettes in 1,000 kg bulk bags and stored in a covered storage area. Briquettes will be mixed with water at the cyanide mixing tank to produce a 20% w/w concentration cyanide solution. This solution will be transferred to the cyanide holding tank and added to the barren solution pipe using two cyanide dosing pumps which operate in a duty/standby configuration. The 20% w/w cyanide solution will be injected into the barren solution pipe feeding the heap leach pad irrigation system to achieve a final dosing concentration of 0.05%.

17.2.8.2 Hydrated Lime

Hydrated lime will be delivered in trucks and stored in a 70-t capacity lime silo, with approximately 3.5 days of storage. The lime will be screw-conveyed from the silo to the hauled truck feed conveyor at a consumption rate of 4,000 g/t.

17.2.8.3 Sodium Hydroxide (Caustic)

Sodium hydroxide will arrive as 25% solution in 1,000-litre totes. Caustic will be transferred to the ADR plant via a metering pump.

17.2.8.4 Hydrochloric Acid

Hydrochloric acid will arrive as 35% solution in 1,000-litre totes. The acid will be transferred to the diluted acid tank at the ADR plant via a metering pump.

17.2.8.5 Antiscalant

Antiscalant will be received in 420-litre drums.

It will be added by dosing pumps at the barren solution and pregnant solution lines to prevent carbonate scaling in pumps, piping and on the carbon.

17.2.8.6 Activated Carbon

Hard-granular activated carbon sized from 6 to 20 mesh will be required for the adsorption circuit. A make-up rate of 15 g/t was assumed for design.

18.0 PROJECT INFRASTRUCTURE

Figure 18.1 shows the overall site layout with the locations of the relevant infrastructure.

18.1 HEAP LEACH FACILITY

The infrastructure included in the PEA includes the following:

- Access road.
- Site roads.
- On-site power generation and site electrical distribution system.
- Bore holes, pumps and piping for site fresh water supply.
- Heap leach facility.
- Process solution ponds.
- Waste dump.
- Process facility buildings, including control room and secure gold room.
- Modular units for administration, offices, dry, lunchroom, first aid building and security gate.

18.1.1 Design Requirements

Regulations and permitting requirements for a heap leach facility (HLF) in the Dominican Republic are not expressly stated. Projects from similar jurisdictions have relied on regulations from other regions and on precedence established from other successful projects. The Nevada State guidelines and associated permitting limitations are widely considered the industry-standard for HLF engineering and design best practices.

Nevada State Guidelines provide minimum standards for heap leach facilities and have been adopted for the Project. Table 18.1 summarizes the main technical requirements and key elements of the HLF design.

18.1.2 Design Criteria

The parameters and criteria presented in Table 18.2 form the basis of design for the HLF.

Figure 18.1
Overall Site Layout with Infrastructure Locations

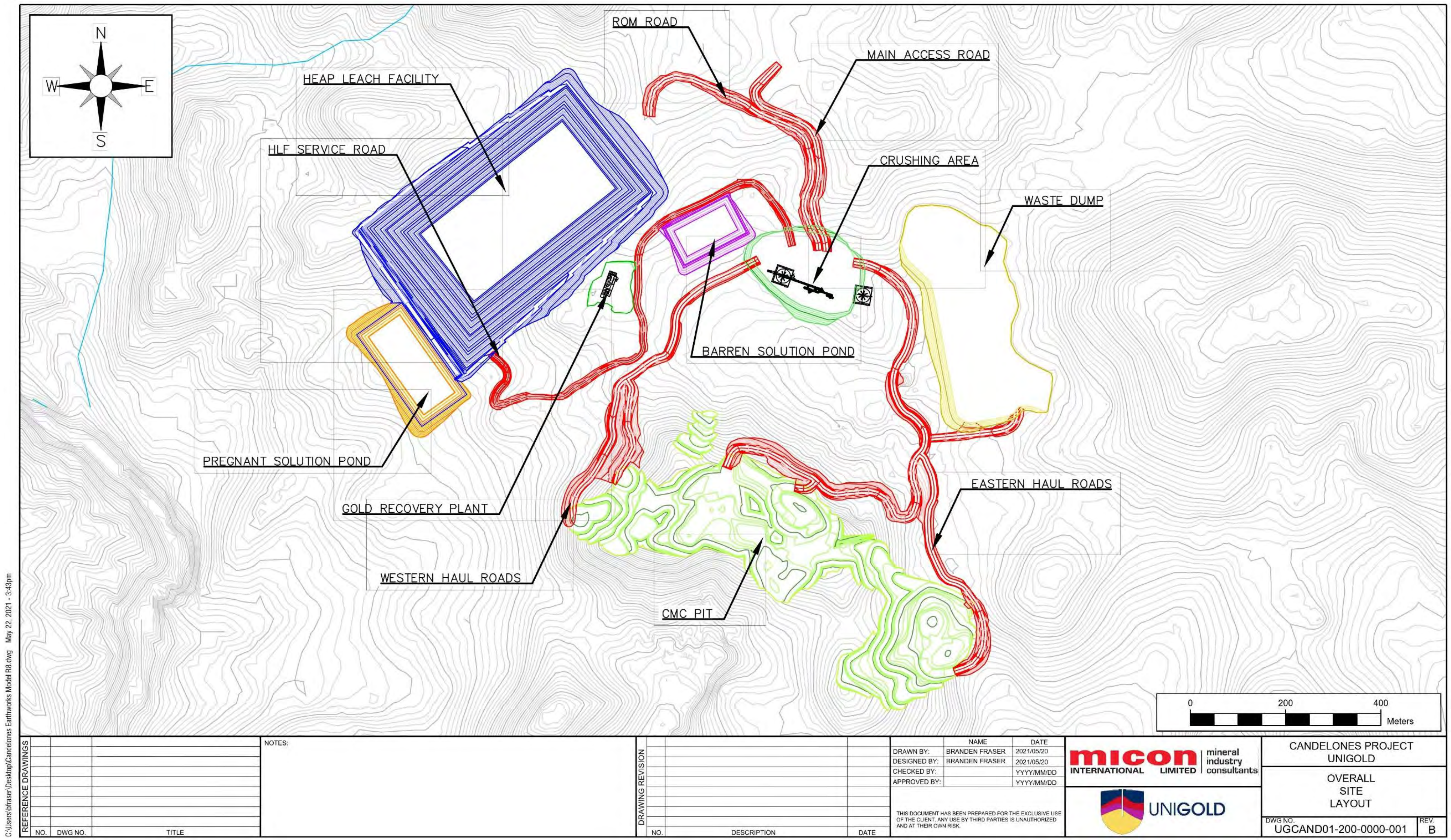


Table 18.1
Summary of HLF Design Requirements for State of Nevada

Heap Leach Feature	Description
Leach Pad	System must have containment capability equal to, or greater than, that of a composite liner consisting of a synthetic liner over one foot of compacted soil at a permeability of 1 x 10-5 cm/s, with a leak detection system used beneath portions of the liner with the greatest potential for leakage.
	Synthetic liners must be rated as having resistance to fluid passage equal to a permeability of less than or equal to 1 x 10-11 cm/s.
Solution Ponds	System must have a primary synthetic liner and a secondary liner that meet the above-described liner specifications. The synthetic liners must be separated by a fluid transmission layer which is capable of transmitting leaked fluids at a rate that will ensure that excessive head will not develop on the secondary liner.
Solution Management and Containment	Process facilities must be demonstrated to have the capacity to control the runoff from a 100-year, 24-hour precipitation event. Additional containment capacity may be required if surface water bodies or human populations are in close proximity to the facility, or if groundwater is shallow.
Foundations	The natural ground surface will be cleared, grubbed and stripped of all organic and unsuitable materials. The first excavation pass will then be undertaken to the lines and grades as specified by the Engineer. The final foundation preparation may include proof-rolling with a loaded dump truck or similar pneumatic-tired equipment to ensure that the surface is firm and smooth.
Construction QA/QC	Regulations require that each applicant develop and carry out a quality assurance and quality control program for liner construction. A summary of the QA/QC program results must be submitted with as-built drawings after construction has been completed.
Neutralization/Detoxification of Spent Mineralization	Spent mineralization must be rinsed until it does not contain level of contaminants that are likely to degrade the waters of the site.

Table 18.2
Engineering Design Criteria

Parameter	Design Value
Climate	
Average 24-hour annual rainfall	4.1 mm
Maximum (100 y – 24-hour rainfall)	250.0 mm
Maximum pond evaporation	0.35 kg/h/m^2
Seismic activity	High
Heap Construction	
Total project life tonnage	4,169,000 t
Total project life volume	3,207,000 m^3
Foundation grade	2-5%
Height of lift	4.0 m
Maximum number of lifts	11
Maximum final height of pad	44.0m
Material angle of repose	35.0 degrees
Overall HLF side slope	21.8 degrees (2.5H:1V)
Leach Solution Ponds	
Maximum storm event	44,618 m^3
Maximum drain down volume	43,864 m^3
Minimum fluid storage capacity	95,561 m^3

Parameter	Design Value
Leaching	
Application rate	9 l/h/m^2
Maximum Area under leach	89,214 m^2
Maximum Daily Application Flows	19,270 m^3/d

18.1.3 Civil Design

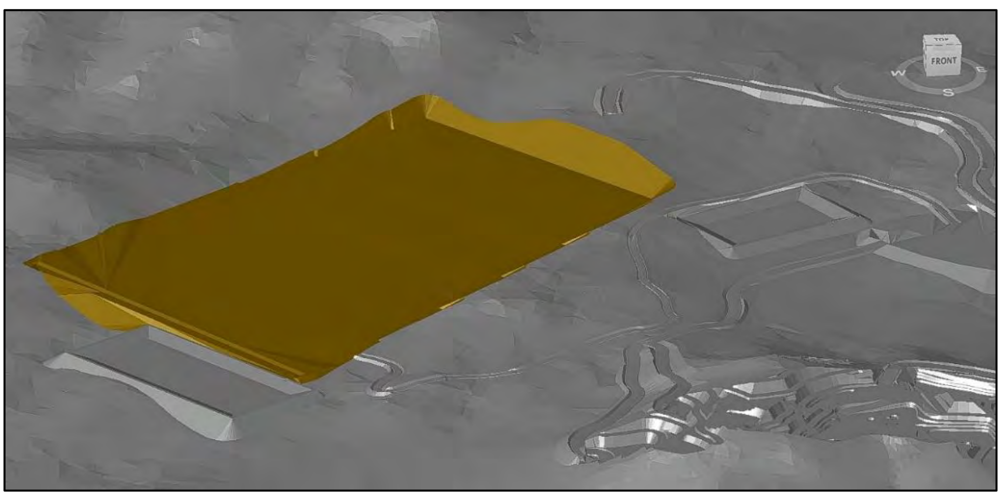
The location of the HLF was chosen to optimize the following factors:

- Minimize distance from crusher to HLF.
- A consistent 1-4% down sloping grade for the HLF foundation.
- Maintain adequate distance from the pit, existing structures, and water features.

Following the placement of the HLF footprint, the civil design of the HLF can be categorized into three sections: the foundation, the leach feed stack, and the perimeter berm with service access.

The foundation design surface was generated with a 4% slope towards the HLF collection ditch. The 4% slope ensures adequate flow rates for solution above the liner and prevents hydraulic head build-up against the liner. The total area of disturbance of the HLF foundation is 230,034 m^2 and will require 517,420 m^3 of bulk excavation in the footprint to fill and create a uniform, sloped surface. The foundation is visible in brown beside the pit outline in Figure 18.2 below.

Figure 18.2
HLF Foundation

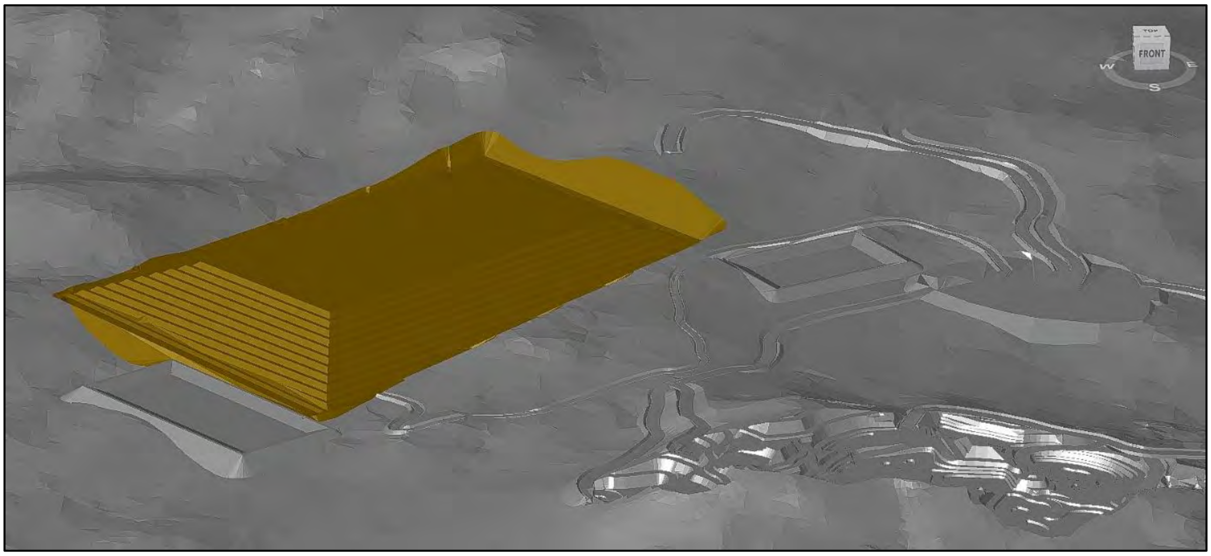


The foundation layer will contain an underdrain system. The underdrain system is explained in Section 18.1.5, Piping Design.

The mineralized material will be stacked in 11, 4 m lifts, giving an ultimate pit height of 44 m. The overall slope of the HLF will be 2.5H:1V. These criteria dictate a service bench of

4.3 m per lift for stability and single lane service access. The overall capacity of the heap leach is 3,206,682 m^3. The final HLF design is shown in Figure 18.3.

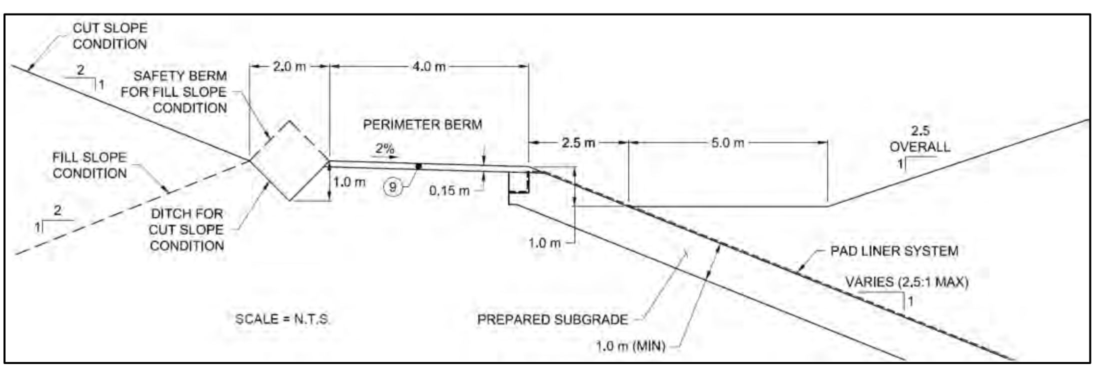
Figure 18.3
Final HLF Design



The HLF will be stacked using trucks. To prevent damage to liner, a minimum lift of 1 m of material must be placed before equipment may operate on the surface. Each lift will be cross-ripped by a dozer to prevent surface compaction, promote maximum heap saturation, and prevent channelling.

The entire HLF will be contained within a perimeter berm. The perimeter will be a minimum of 4 m in width and 1 m above the subsequent HLF toe. A minimum spacing of 5 m will be maintained between the HLF toe and the perimeter berm. Liner will remain visible on the heap-facing slope and will be tied to the perimeter berm with an anchor trench. Figure 18.4 shows the perimeter berm design details.

Figure 18.4
HLF Perimeter Berm Details



18.1.4 Liner Design

The liner systems used will consist of a composite geomembrane and underlying low-permeability bedding material, which is the state-of-practice system for heap leach facilities. The geomembrane is 2.0 mm thick Linear Low-Density Polyethylene (LLDPE), which is textured on both sides to provide increased friction values and aid in installation safety. A geosynthetic clay liner (GCL) will be used in lieu of a 300 mm thick layer of compacted low-permeability material. The GCL consists of a layer of granular sodium bentonite between two nonwoven geotextiles which are needle-punched together for reinforcement. Both the geomembrane and GCL impede the flow of fluid through the liner systems.

The liner will be sloped at a minimum of 1% to ensure that hydraulic pressure does not build above the liner and to facilitate fluid flow. Two main collection trenches will exit the HLF into the main pregnant leach solution collection ditch at the bottom of the facility.

The total area that will be lined within the HLF is 205,203 m^2.

18.1.5 Piping Design

The HLF underdrain system collects and drains subsurface water beneath the liner to limit upward pressure. The underdrain will be constructed with geofabric wrapped around granular drain rock backfill materials and 100 mm perforated pipes will be placed at regular intervals (approximately 75 m spacing). The drains will convey subsurface water to collector pipes that will discharge to an outlet monitoring vault. The vault is configured to allow for sampling of seepage flows for water quantity and quality. The vault will be equipped with a pump system to return flows to the HLF for use as make-up water, or discharge flows if criteria are met.

In addition to providing control for groundwater seepage, the underdrain system also provides some leak monitoring capability for the HLF. The transverse primary underdrains will provide interception of potential leakage through the liner. The underdrain header pipes will be placed below the main pregnant leach solution collection corridors, where flows will be concentrated during leaching. The underdrain header pipes will thereby provide leak monitoring of critical areas that contain the highest flows of pregnant leach solution.

A 1 m protection lift will be placed upon the liner for safe stacking by truck. A network of perforated piping will be embedded in the layer to help convey the solution within the layer. Pregnant leach solution and meteoric drainage will be collected in the over-liner collection system and will report to the main pregnant solution collection ditch.

The network will consist of 18” SDR 11 collection pipes along the main in-heap collection ditches. Corrugated 8” collection pipes will feed the main 18” lines every 70 m. The 8” pipes will then be fed by 4” corrugated collection pipes every 7 m to complete the pregnant leach solution collection system.

On the top of the pad, 8” DR 11 HDPE distribution pipe will be fed from the barren solution pond. The 8” leach solution distribution pipes will be spaced every 45 m. The solution will flow through the 8” pipes and into 48 mm leach lines attached by spinlocks. The leach lines will be spaced every metre and apply solution to the fresh ore.

The total piping requirements are below in Table 18.3.

Table 18.3
HLF Piping Requirements

Item	Base Quantity	Unit
x 2 Underdrain header pipe, 150 mm SDR 11 HDPE	1,800	m
x 32 Underdrain lateral pipe, 100 mm ADS N-12 PE perforated, corrugated	2,640	m
x 2 Header drainpipe, 450 mm SDR 11 HDPE	1,600	m
x 20 PLS collector drainpipe, 250 mm ADS N-12 PE perforated, corrugated	1,650	m
x 100 Primary drainpipe (12 m spacing), 100 mm ADS N-12 PE perforated, corrugated	17,500	m
x 4 8” On-Pad leach distribution pipe, DR 11 IPA HDPE	2,400	m
Netafim leach line A, .69” – 48 mill. (first lift)	205,200	m
Netafim 1GP drip emitters (first lift)	4,560	EA

18.2 PREGNANT SOLUTION POND

18.2.1 Design Requirements

Regulations and permitting requirements for pregnant solution ponds in the Dominican Republic are not expressly stated. The Nevada State guidelines are widely considered the industry-standard for heap leach operations.

The Nevada State regulations require that the combined solution capacity have the ability to withstand the run-off from a 100-year, 24-hour rain event, plus the solution from a 24-hour drain down of the HLF with a minimum overflow safety of 5%. The process circuit must also demonstrate the capability to remain “fully functional” while containing all process fluids during a 25-year, 24-hour rain event.

Using historic meteorological data for the area of disturbance for the HLF, the estimated rainfall for the Probable Maximum Flood (PMF) event is 44,618 m^3. Using a residual moisture content of 8.6% and an active leaching ore moisture content of 14.35%, the operational drain down volume for the current Candelones HLF is 43,864 m^3. The total maximum available capacity must then be at least 92,906 m^3, plus any additional operating volume. The maximum capacity must be fulfilled by the combined capacity of the pregnant solution pond, the barren solution pond, and the gold recovery plant.

18.2.2 Civil Design

The pregnant solution pond is fed by the main pregnant leach solution collection ditch at the southwest corner of the HLF. The pregnant solution ditch is lined and contains the two main 18" SDR 11 collection pipes along a 1 m ditch base. The solution collection ditch is graded to report directly to the pregnant solution pond spillway.

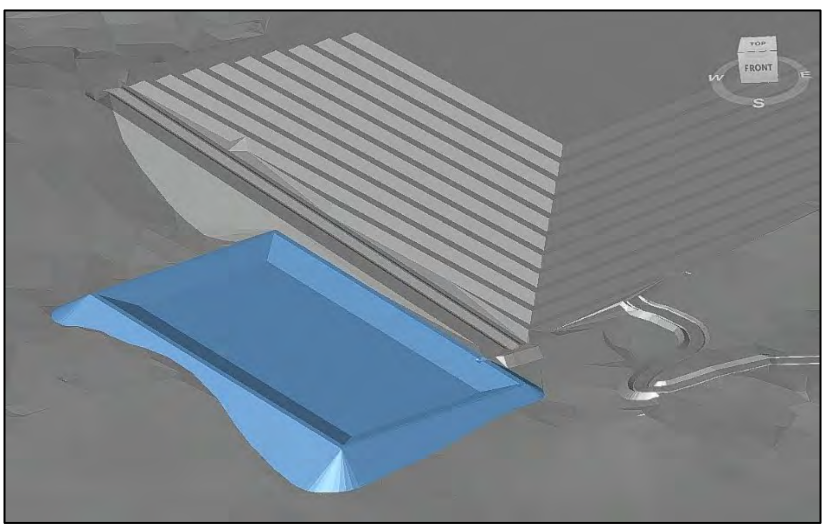
The pregnant pond is 230 m long, 110 m wide, and has a depth of 6 m. With 0.5 m of freeboard below the pregnant pond spillway and 1.5 m freeboard from the top of the pond embankment, the total operating capacity is 86,946 m^3. The pond is sloped internally and externally at 2.5H:1V.

The total area of disturbance for the pond is 38,117 m^2. The earthworks construction will require a cut of 29,580 m^3 of material and a fill of 101,140 m^3. Figure 18.5 shows the 3D design for the pregnant solution pond in blue.

18.2.3 Liner Design

The liner for the pregnant solution pond will consist of a top 2 mm double-sided HDPE geomembrane with a geo-composite (drainage net) installed between a second 2 mm LLDPE bottom membrane that all sit upon a geosynthetic clay liner.

Figure 18.5
Pregnant Solution Pond Design



HDPE geomembranes have better chemical and UV resistance, while LLDPE liners have significantly better elongation performance, puncture resistance, interface friction strength, and stress cracking resistance compared to HDPE geomembrane. Therefore, HDPE has been chosen for all exposed pond liners while LLDPE is used for the buried and load-bearing liners.

The geo-composite is comprised of a geonet heat-laminated on both sides with nonwoven geotextile. The netlike polymeric material facilitates drainage between the geomembranes and reports any solution that has penetrated the liner system to the leak detection sump.

A leak detection and recovery system (LDRS) will be constructed within the pregnant solution pond and will consist of a monitoring sump equipped with an automatic, fluid-level activated pump located between the top and bottom liners. The pump will be sized to sufficiently remove fluids to minimize head on the bottom liner. The ponds will contain a sump for collection of any potential leaks in the top liner via the geonet material located between the two geomembranes to allow fluid to the sump.

The total lined area for the pregnant solution pond is 25,510 m^2.

18.3 BARREN SOLUTION POND

18.3.1 Design Requirements

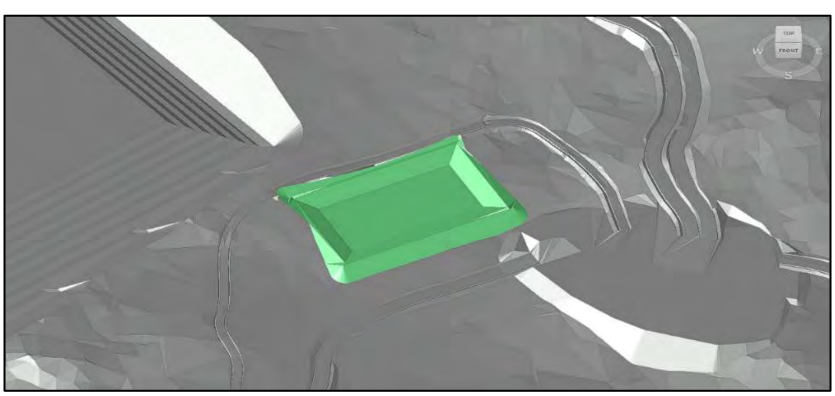
Nevada State guidelines, taken as the industry-standard, were also used for the design of the barren solution pond. The barren solution pond, pregnant solution pond, and gold recovery plant must maintain capacities of at least 92,906 m^3. An additional 44,819 m^3 of capacity was added between the barren solution and pregnant solution ponds to allow for operational volume and flexibility.

18.3.2 Civil Design

The barren solution pond is pump-fed by the gold recovery plant and make-up water systems. The pond is 150 m long, 90 m wide, and has a depth of 6 m. With a freeboard of 1 m, the pond has a capacity of 50,780 m^3. The pond is sloped internally and externally at 2.5H:1V.

The total area of disturbance for the pond is 20,514 m^2. The earthworks construction will require a cut of 36,000 m^3 of material and a fill of 20,000 m^3. Figure 18.6 shows the 3D design for the barren solution pond in green.

Figure 18.6
Barren Solution Pond Design



18.3.3 Liner Design

The liner for the barren solution pond will consist of a top 2 mm double-sided HDPE geomembrane with a geo-composite (drainage net) installed between a second 2 mm LLDPE bottom membrane that all sit upon a geosynthetic clay liner.

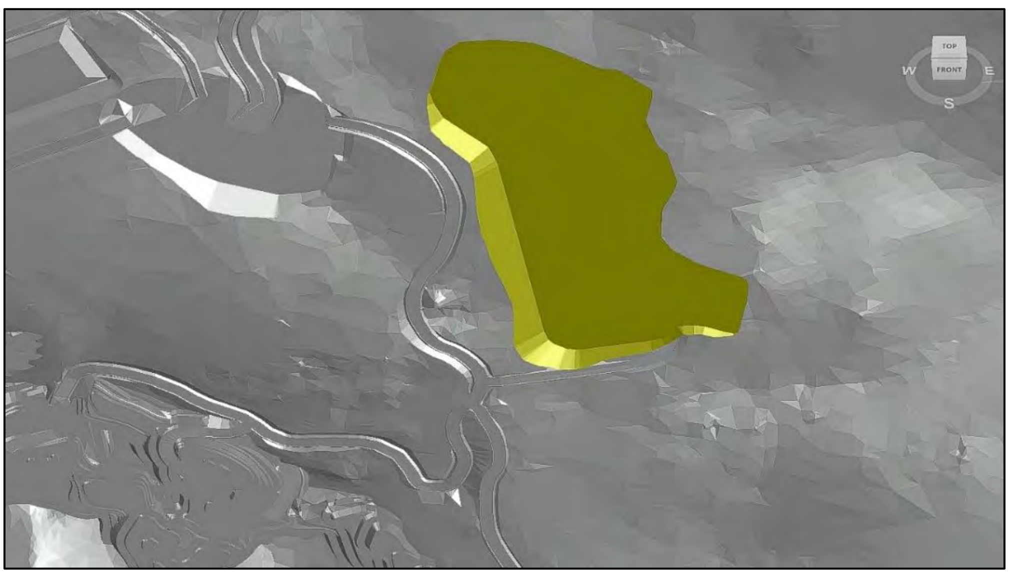
The total lined area for the pregnant solution pond is 14,075 m^2.

18.4 WASTE DUMP

18.4.1 Civil Design

The waste dump was designed to have a capacity of 1,400,000 t and to have an average haul distance of 500 m, with a maximum haul distance of 1 km. The area of disturbance for the waste dump is 92,290 m^2. The waste dump is seen in green in Figure 18.7 below.

Figure 18.7
Waste Dump Design



18.5 SITE ROADS

18.5.1 Civil Design

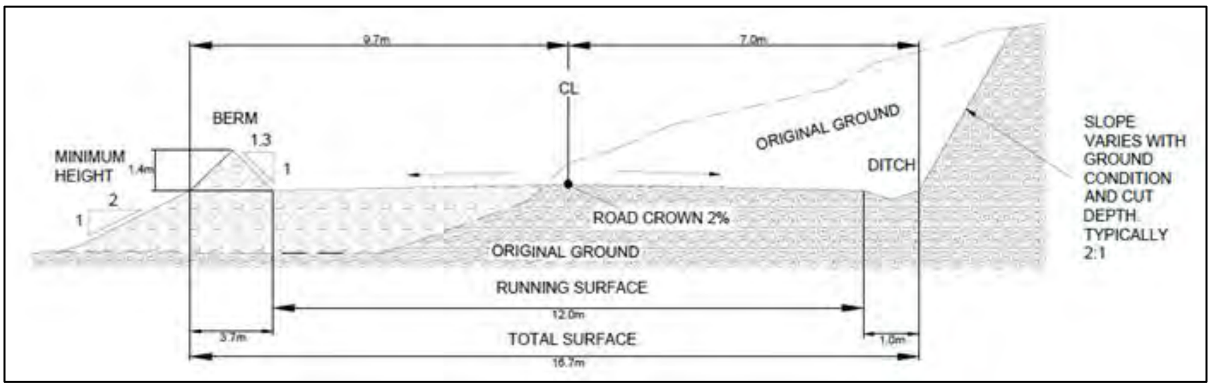
Site roads will be broken into three classifications: double lane haul road, single lane haul road, and service road. Haul roads will be designed and built to a maximum grade of 10%. All intersections are designed to occur perpendicularly and with adequate, unobscured viewing distances to ensure safe merging. Designs for the haul roads are currently based on 40 t haul trucks, however the haul roads will follow industry-standard haul road design guidelines for the largest trucks that will traverse the roads.

Service roads will be used by light and service traffic. Haul trucks will not be permitted on the service roads.

Figure 18.8 to Figure 18.10 show the designs for the double lane haul road, single lane haul road and service road, respectively.

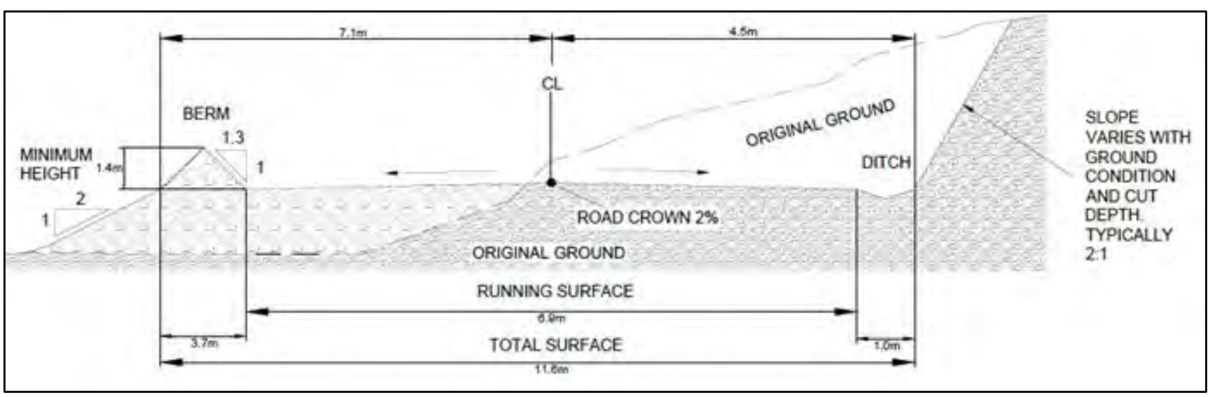
The site will contain a total of 4.1 km of haul roads and 1.1 km of service roads. The construction of the haul roads will require surface preparation of 95,685 m^2 of material and a total cut to fill volume of 69,500 m^3. The service roads will require 16,630 m^2 of surface prepared and a total cut to fill volume of 3,300 m^3. Figure 18.11 shows the haul road design.

Figure 18.8
Double Lane Haul Road Design



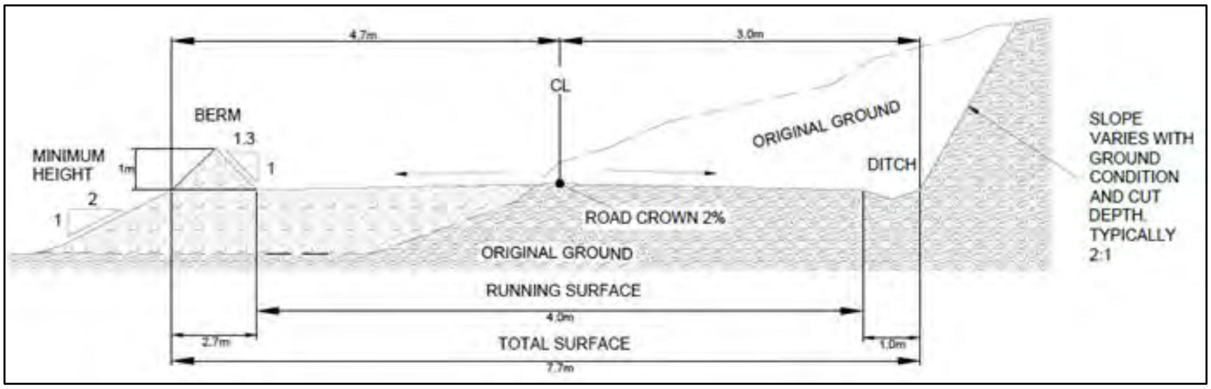
Not to scale.

Figure 18.9
Single Lane Haul Road Design



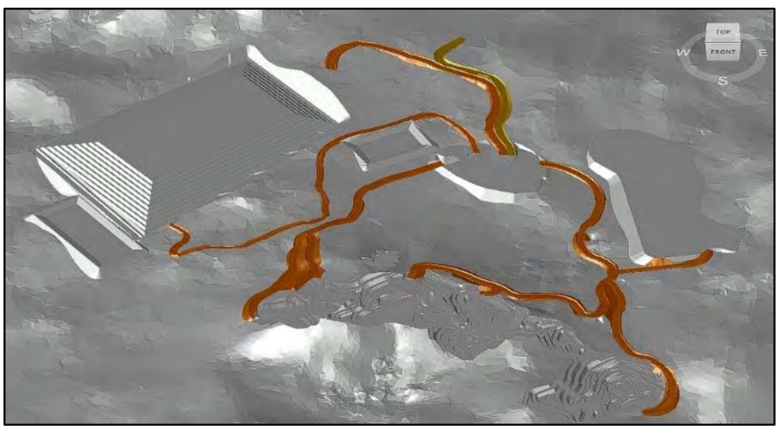
Not to scale.

Figure 18.10
Service Road Design



Not to scale.

Figure 18.11
Haul Road Design



18.6 POWER SUPPLY

Power for the process plant and infrastructure will be generated on site via diesel powered generators. Due to the remoteness of the mine site and the life of mine being three years, it was determined that rental of power generation equipment is a viable option for supplying power to the site.

A 1.8 MW power plant, complete with two generators, transfer switches and fuel tanks, will be supplied by a rental company. The all-in rate per kW-hr includes equipment mobilization, demobilization, maintenance, and fuel supply. A similar strategy will be used to power the administration offices, dry and lunchroom.

A substation will be built on site complete with transformers and switchgear and will distribute power to the consumers around site.

18.7 Process Water Balance

An approximation of the monthly site water balance was prepared using high level assumptions with regard to climatic data for the site, areas of site facilities and infrastructure, and estimates of hydrological factors for the site. The monthly temperatures and precipitation data used was based on average data from the Restauración NOAA Station. Evaporation rates were estimated using typical algorithms using temperatures, assumed average humidity and wind speeds. The life-of-mine average monthly site water balance showing the estimated average low and highs is summarized in Table 18.4.

The conceptual water balance calculations suggest that on average about 35 m^3/h will be required by the Project. For the PEA, it is assumed that this water will be provided by a series of local boreholes.

18.8 Buildings

The site will accommodate a process facility which occupies a total area of 810 m^2. In addition to the processing equipment, the facility will contain offices for control room operators, instrumentation technicians and operations management. The process facility will include a secure area around the gold room, complete with security fencing around this section of the building.

Facilities such as the administration offices, dry and lunchroom will be modular trailer units which can be easily transported to site and assembled relatively quickly. Another benefit of utilizing modular trailer units is that they may potentially be repurposed upon the closure of the mine.

Smaller, containerized units will be utilized for facilities such as the first aid building and security gate house.

Table 18.4
Summary of the Life-of-Mine Average Monthly Site Water Balance

Parameter	Units	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total/Ave
Max. Avg. Temp.	°C	29.6	30.0	31.2	31.4	31.7	31.8	32.4	32.3	31.9	31.7	30.4	29.1	31.1
Min. Avg. Temp.	°C	16.0	16.0	16.5	17.4	18.3	18.9	18.7	18.8	18.8	18.8	18.2	16.8	17.8
Precip.Low	mm	23	23	32	51	89	90	65	80	110	107	47	28	745
Precip. Avg.	mm	46	45	65	103	177	180	129	160	220	214	95	56	1,490
Precip. High	mm	69	68	97	154	266	270	194	240	330	320	142	84	2,235
Evap. High	mm	252	252	252	252	252	252	252	252	252	252	252	252	3,024
Evap. Low	mm	84	101	118	134	151	168	168	151	134	118	101	84	1,512
Dry case	m^3	-670,170	-67,600	-62,094	-65,016	-57,895	-49,435	-47,217	-56,065	-51,783	-43,509	-44,421	-58,959	-66,177
Wet case	m^3	57,833	-27,035	-24,094	-20,262	-3,749	25,507	27,309	5,128	18,462	43,773	41,526	-5,964	-22,767
Average	m^3	-306,169	-47,317	-43,094	-42,639	-30,822	-11,964	-9,954	-25,469	-16,660	132	-1,448	-32,461	-44,472

19.0 MARKET STUDIES AND CONTRACTS

At the present time there is no commercial mineral production taking place on the Candelones Property.

The primary minerals (gold, silver copper and zinc) identified on the Candelones property so far are readily traded on the world market, with benchmark prices generally based on the London market (London fix). Due to the size of the commodities market for gold, silver and copper, any production activity from Unigold's Candelones Project will not influence the commodity prices. Zinc is not deemed to be economically recoverable at this time.

Unigold will need to negotiate contracts, in the future, to sell any product which it produces.

20.0 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

20.1 ENVIRONMENTAL AND SOCIAL CONTEXT

20.1.1 Land Tenure and Use, Access and Security

Unigold holds exploration rights for the Neita Concession block located in the municipality of Restauración. The area is mostly characterized by agricultural and grazing lands within a forested area. The majority of the users of the area hold customary rights to the land with some holding titles. Micon's QP understands that Unigold is nearing completion of a full land tenure and land use survey which will also include ownership patterns up to Restauración.

For its early exploration program (drill pads and small access roads), Unigold acquired access rights from landowners for temporary use of farmlands and grazing areas for a period of approximately three months. Based on a contemporary report by IFC (2013), information obtained from Unigold indicated that the majority of the landowners held customary rights to the land. Temporary access has been negotiated on a willing buyer-willing seller basis and Unigold signed a written agreement with each landowner. Unigold established fixed rates for different project activities – drill holes, trenches and access roads. For standing crops, rates were negotiated based on current market prices.

The western edge of the Concession is adjacent to the Haitian border. To date, there are no reported security concerns and/or any influx of people to the Concession area. However, Micon's QP understands that there is a military presence in the area, with a military observation outpost on the international border in the southwest of the Concession.

The Dominican Republic places a high value on environmental protection and biodiversity, with approximately 16% of its total land area covered by protected areas, its commitments to reduce greenhouse gas emissions, and the stated objectives of its Environmental Law, which aims to further the nation's commitment to protect the environment and biodiversity and to ensure sustainable development that benefits future generations. However, the country faces many environmental challenges, particularly extreme weather events, which disproportionately affect the poor. The main environmental concerns at the national level also include deforestation, land degradation and freshwater availability, all of which have negative impacts on low income and other vulnerable groups.

20.1.2 Climate, Meteorology and Climate Change

The climate is semitropical. Daytime temperatures average 25°C, with humidity ranging between 60 and 80%. Nighttime temperatures average 18°C. Average monthly precipitation ranges from 40 to 220 mm. There is a distinct rainy season that commences in May and extends through October.

The climate is sufficiently moderate that Unigold can operate year-round with little difficulty.

The Atlantic hurricane season extends annually from June through November, with the largest number of tropical cyclones occurring in August and September. There have been no recorded data of hurricanes affecting activities in the town of Restauración. However, the impacts of recent extreme weather-related events, such as heat waves, droughts, floods and forest fires, reveal the vulnerability and exposure of some ecosystems and human systems to current climate variability. There is some evidence that rainfall could decrease by up to 17 %, with more intense dry seasons and sudden increases in rainfall during the rainy season. Likewise, climate scenarios predict a generalized increase in temperatures of between 2° C and 3° C in the annual average values of minimum temperature, and of 1° C to 3° C in the maximum temperature. In terms of changes in total annual precipitation by 2050, it may decrease by 15% throughout the national territory, accentuating this adverse condition to values of 17% by 2070, with respect to the average of the baseline 1961-1990.

20.1.3 Water Resources and Aquatic Ecology

Under Law 64-00, Unigold has the unlimited right to use surface water to support exploration activity. All other uses will be subject to approval as part of the environmental licensing procedures for construction and operation.

The Western limit of the Concession is defined by the Libon river, itself the border between the Republic of Haiti and the Dominican Republic.

Further hydrology and hydrogeology surveys are required to establish, inter alia, the seasonal variations in surface water availability and flows, groundwater resources, and urban and rural community water use.

20.1.4 Topography, Soils, Vegetation and Terrestrial Ecology

The Project is located in the Cordillera Central, with associated craggy highland topography interspersed with rich workable valleys. The steep slopes, deep valleys and sharp crests are characteristics typical of volcanic mountain ranges. Elevation varies from 460 m above sea level in the valley of Rio Libon to 1,009 m at the peak of Cerro del Guano.

The general habitat is tropical dry rainforest which has been disturbed in many areas by clear-cutting, agriculture and farming with several areas also under reforestation efforts by the government. The habitat can initially be defined as both modified and natural with some forested areas also present mostly in the hills. Timber is harvested in several areas for fuel.

The vegetation is comprised of a mix of montane pine forest and mixed pine broadleaved forest, with an undergrowth and floor layers comprising younger saplings, ferns, grasses, orchids, mosses and fungi. These pine forests are generally the result of clearance of the native dry subtropical habitat and subsequent non-native reforestation. Low lying areas and those with gentle slopes are occupied by predominantly subsistence agricultural activities.

The Project area has a variable soil cover, with soils considered suitable for crops occupying 19% of the total area of the Province. Soils considered non-arable, except for rice and grass crops, due to drainage problems occupy 29%. Other non-arable soils occupy 52%. In general, the soils are formed on alluvium, susceptible to deterioration due to the accumulation of salts and sodium and, as a result, are strongly alkaline, subject to flooding. In the valley floor areas the soils are loamy - sandy, poorly drained, strongly alkaline, with high base saturation, subject to waterlogging and slow permeability. Their use is limited by the high salt content, poor drainage and moisture deficiency for much of the year.

While it is reported that 7% of the total area of the Province is in a protected area, based on a desktop review reported by IFC in 2013[1], the Neita Concession does not lie in any legally protected areas or internationally recognized Key Biodiversity Areas. The Concession does, however, lie within the Hispaniola Endemic Bird Area (EBA) which stretches across the Dominican Republic and Haiti. Also, on a regional scale, the Concession lies within the wider Caribbean Islands Biodiversity Hotspot which runs from Cuba and the Bahamas to Barbados and Grenada. It was also noted that the area of the Neita Concession overlaps with habitat of an amphibian (*Eleutherodactylus schmidti*) considered as Critically Endangered (CR) by IUCN. However, extensive surveys conducted between 1998 and 2000 found no individuals of this species in the area and, therefore, it is considered as possibly extinct.

Historic artisanal mining activity in the Project area may have resulted in local contamination of soils, surface and groundwater. Further studies will be required as part of the ESIA process.

Further surveys for biodiversity (fauna & flora) and ecosystem services are required as part of the ESIA process.

20.1.5 Air Quality, Noise and Vibration

Air quality, noise and vibration baselines are required on the mine site and for local communities. Impacts of exploration activities on air quality and noise are not considered significant at this stage.

Monitoring at local villages and along the main transport links will be required to ensure that atmospheric pollution levels, including dusts, noise and vibration, do no exceed acceptable national and international limits. While the distances to local communities combined with the local topography may provide natural barriers between sources of noise and the vulnerable receptors, the hilltop location of the pit(s) has the potential to exacerbate noise and dust transmission during excavation and ore transport activities.

[1] see https://disclosures.ifc.org/project-detail/ESRS/32487/unigold

20.1.6 Socioeconomic and Social Context

The Dominican Republic is located in the Caribbean and covers an area of approximately 48,448 square kilometres, with a population of around 10.5 million inhabitants. The Dominican Republic shares the island of Hispaniola with the Republic of Haiti, occupying two-thirds of its territory. The country is considered by the World Bank to be the biggest economy of Central American and the Caribbean, experiencing a 6.6% economic growth rate between 2014 and 2018 and a gross domestic product (GDP) of US$81.2 billion in 2018. In 2018, the gross national income per capita was US$7,370, the GINI index was 45.7, and the general level of monetary poverty was 30.5%. Between 2010 and 2018, mining activity became one of the most dynamic sectors of the economy and one of the pillars of economic growth, accounting for an average of 1.7% of GDP. In 2018, there were around 125 mining concessions in the country, 123 were non-metallic and 2 were metallic, including the largest gold mine in the Americas and the second largest in the world, Pueblo Viejo, operated by Barrick Gold. In 2018, mining was the second largest export sector in volume after free zone companies, generating US$1,770.9 million and over 5,000 direct jobs in 2016.

The mining sector is increasingly important to the Dominican Republic's economy, contributing almost 50% to the growth of the country's GDP per capita from 2000 to 2011 (the figure for Latin America and the Caribbean region as a whole was 26%). The driver of growth in the sector has been rising production of gold and, to a lesser extent, silver. While the Dominican Republic is one the fastest growing economies in Latin America, it is a nation of great inequality: over one third of the population lives in poverty and over 12% live in extreme poverty. Social expenditures rank among the lowest in Latin America.

The Dominican Republic does not recognize any current indigenous populations, although there is an important indigenous history that includes the Taino peoples, the original inhabitants of the island of Hispaniola.

The Neita/Candelones property is located in the northwestern part of the Dominican Republic near the border with Haiti, approximately 200 km northwest of the capital city of Santo Domingo. Santiago de los Caballeros, the second largest city in the Dominican Republic, is about 100 km northeast of the Project. The western limit of the Neita property is defined by the Haitian border. The border area is an economically and socially underdeveloped region with a medium-low human development index. 56.2% of the homes in the Province of Dajabón are considered 'Poor Homes'. 56.09% of the homes in the Dajabón Province are affected by some type of contamination (stagnant water, noise, garbage, pigsty). Latrines are present in 68.74% of the homes, and more than 7% declare that they do not have any type of sanitary service.

To date, there has been no commercial mining production at either the Candelones Project or on the larger Neita Concession. However, there is evidence of artisanal gold mining in the northwestern portion of the Concession near Corozo. This activity is reported to Micon's QP to be sporadic and generally ceases when Unigold is active in the area.

The nearest population centre is the small town of Restauración (pop 7,000), while several smaller communities (population < 500) are found within the Concession. The remainder of the population is rural, living in scattered farms. Restauración is served by the national electricity grid and offers a number of small local businesses that support the community and the local farming and forestry industries. Santiago, the second largest city in the Dominican Republic, is the closest major centre at approximately 150 km by paved road.

Micon's QP understands that the border with Haiti in the Concession areas is relatively porous, with habitual daily and seasonal worker and market migration/access. This should be quantified as part of the ESIA process in due course and associated management plans for security, access and transport should be developed. In accordance with Unigold policy, an appropriate Security Policy and a Code of Conduct for security personnel and public security forces should be consistent with GIIP, including the Voluntary Principles on Security and Human Rights. The Code of Conduct should set clear objectives for the work of security personnel and permissible actions and be based on applicable law and professional standards.

Further baseline community composition and infrastructure studies are required. In particular, detailed social and socioeconomic studies are expected to be undertaken as part of the environmental and social impact assessment (ESIA) process during the feasibility study phase of the Project.

20.2 REGULATORY FRAMEWORK AND PERMITTING

20.2.1 Dominican Republic Environmental, Health and Safety and Sustainability Policy, Legislation and Regulations

The Dominican Republic is committed to achieving the United Nations Sustainable Development Goals, as well as the conservation and sustainable development obligations defined in the country's political Constitution of 2010 and the law of the National Development Strategy of 2012. The 2010 Constitution of the Dominican Republic provides a general framework for mining legislation by declaring that "the mineral and hydrocarbon deposits and, in general, the non-renewable natural resources can only be explored or exploited by individuals, under sustainable development criteria, by virtue of concessions, contracts, licenses, permits or quotas, in accordance with the conditions that the law determines".

The primary legislative framework applicable to the Project is the following:

- Mining Law No. 146 (1971) and Resolution No. 207-98 (1998) apply to all mining activities in the country with the exception of sand, gravel and other materials covered in Law No. 123. Law 123 (1971) governs the extraction of materials from the earth's crust and provides for a separate permitting system through the Ministry of Environment. Micon QP understands that an update of Mining Law No. 146-71 is in progress, although no timeframes have been made available.

- Regulation 207-98 allows mining authorities to take into consideration socioeconomic benefits. Although socioeconomic planning is not a compulsory part of the documentation required for obtaining a mining concession, regulation 207-98 Art. 44 stipulates that the mining authorities can take into account socioeconomic benefits such as direct and indirect local employment.
- Mining Law No. 146-71, together with Regulation No. 207-98, legalize the extraction of alluvial gold with rudimentary techniques, and clarify that key environmental norms can be applied to such activities.
- Environmental Law No. 64-00 was enacted in 2000 and plays an important role in the Dominican Republic mining sector. It is a comprehensive law for the protection, conservation and improvement of the Dominican environment, and to ensure the sustainable use of natural resources. It requires that mining companies prevent, control and mitigate environmental risks. Law 64-00 sets out the general rules of conservation, protection, improvement, and restoration of the environment and natural resources by unifying segregated rules concerning environmental protection and creating a governmental body – the Ministry of Environment and Natural Resources – with broad authority to oversee and to regulate its application. The Ministry of Environment and Natural Resources enforces Law 64-00 and establishes the process of obtaining environmental permits. In accordance with Environment Law No.64-00, the development, exploitation and processing of metallic and non-metallic minerals requires an environmental licence.

Other relevant legislation includes the following:

- Labour Code No. 16-92 is the general law passed in 1992 for regulating all private labour relations in the Dominican Republic, including the mining sector.
- Regulation No. 22 (2013) is the Compendium of Environmental Authorisations, Regulations and Procedures governing the environmental impact assessment process.
- Labour Security and Health Regulation No. 522-06 governs labour security and health applicable to private sector activities.
- Law No. 487 (1969) on the Control of Exploitation and Conservation of Groundwater.
- Law No. 5852 (1962) on Subsurface Water and Distribution of Public Water regulates the distribution of surface waters and the process for obtaining water titles.
- Law 200-04 on Free Access to Public Information: Government agencies and departments explicitly implement the provisions of this Law, providing citizens and other stakeholders with access to a wide variety of information regarding the mining sector.

In addition, the following international laws and conventions have been adopted by the Dominican Republic:

- Kyoto Protocol and UN Framework Convention on Climate Change.

- Extractive Industries Transparency Initiative.
- Universal Declaration of Human Rights.
- International Covenant on Economic Social and Cultural Rights.
- International Convention on the Elimination of All Forms of Discrimination against Women.
- International Labour Organisation (ILO) Conventions (not including ILO 169).
- Convention on the Rights of the Child.
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.
- Stockholm Convention on Persistent Organic Pollutants.
- Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade.

The following administrative agencies are responsible for the governance of mining projects in the Dominican Republic and, as such, are key stakeholders in the Project:

- Ministerio de Energia y Minas (Ministry of Energy and Mines).
- Ministerio de Medio Ambiente y Recursos Naturales MIMARENA (Ministry of Environment).
- Instituto Nacional de Recursos Hidraulicos INDRHI (Water Resources).
- Ministerio de Industria Comercio y MiPymes MICM (Ministry of Industry and Commerce and MSMEs).
- Ministry of Economy, Planning and Development (MEPyD).
- Viceministerio de Recursos Forestales CFR (Subsecretary of Forestry Resources).
- Ministerio de Salud Publica MSP (Ministry of Public Health).
- Instituto Nacional de Aguas Potables y Alcantarillados INAPA (National Drinking Water Institute).
- Ministerio de Estado de la Fuerzas Armadas MIFA (Ministry of Armed Forces).
- Ministerio de Obras Publicas y Comunicaciones MOPC (Ministry of Public Works).
- Ministerio de Trabajo MT (Ministry of Labour - Occupational Health & Safety).
- Direccion General de Mineria DGM (General Directorate of Mines).
- Ministerio de Cultura (Ministry of Culture).

20.2.2 Permitting

The Neita Concession is held under an exploration licence granted on May 10, 2018, valid for a 3-year term and subject to a two-consecutive-one-year extensions to May 10, 2023. Unigold's application for the first one-year license extension was approved by the Direccion General de Mineria on March 24, 2021. Unigold has not yet acquired all the permits necessary for progressing to the exploitation phase of development. A Prefeasibility Study will be required to support an application for a Mining Licence, which will have a 75-year tenure under current legislation. This licence grants subsurface rights for metallic and/or non-metallic minerals. Surface rights must be negotiated with landowners. Current legislation allows for expropriation if the government considers that the negotiations were completed in good faith and that the project is in the national interest.

The permitting process for mining is governed by Mining Law No. 146. The authority is the executive branch of the government, through the Mining General Directorate and the Ministry of Environment. Mining Law No. 146 recognizes two types of concessions to perform activities in the mining sites: concessions for exploration of mining materials and concessions for the exploitation of those materials. Article 143 to 176 and resolution 207-98 involve the process of granting a mining exploitation concession. If Unigold fulfills the conditions, the Mining Directorate reviews the presentation and publishes the request to call for objections. The Directorate refers its decision to the Ministry of Industry and Commerce, together with any objections. The latter evaluates the decision, corrects or cancels the application in case of objections and, when satisfied, refers it to the Executive Power. If it is not satisfied, it can require more studies from the applicant. When authorized by the Ministry of Industry and Commerce, it instructs the Mining General Directorate to verify the land, and the concessionaire must pay the fee. With the fulfillment of all of these requirements, the Ministry enacts the resolution to grant the concession for mining exploitation.

Permits subsequent to the Mining Licence should include an Environmental Permit (containing specific conditions relating, for example, to water use and discharges), construction permits for ancillary buildings, individual infrastructure permits (road, water, waste, sewage etc.), hazardous material transportation and storage, blasting and explosives storage.

20.2.3 Environmental Licence

Article 40 of Law No. 64-00 requires that mining activities, among others, be subject to an environmental authorization from the Ministry of Environment before activity begins. The procurement of a license follows a separate process. Article 38 of Law No. 64-00 lists the documentation to be presented to the Ministry of Environment for evaluation. This includes the requirement to submit an environmental impact assessment and program for environmental management and adaptation to the Ministry of Environment. The Ministry of Environment also requires that companies present a program of proposed impact mitigation measures, in addition to semi-annual and annual reports on conformance to environmental plans.

Obtaining the Environmental Permit (Licence) follows from the submission and approval of an Environmental and Social Impact Assessment (ESIA) Report, together with the associated Environmental and Social Management Plan (ESMP), by the Ministry of Environment and Natural Resources. Specific conditions may be applied governing, for example, designs for the heap leach and ponds, installation of environmental monitoring stations, and review and update of the various environmental and social management plans.

20.2.4 International Standards Considerations

Where a mine development requires funding from international institutions, those institutions may require project conformance with a number of international standards. The following are of particular relevance to the Candelones Project:

- Equator Principles (EP) – these form a risk management framework, adopted by international financial institutions for determining, assessing and managing environmental and social risk in projects. The Principles are primarily intended to provide a minimum standard for due diligence to support a responsible approach to risk in decision-making. The EP framework is based on the International Finance Corporation (IFC) Performance Standards and on the World Bank Group (WBG) Environmental, Health and Safety Guidelines on environmental and social sustainability (2012).
- International Finance Corporation Environmental and Social Performance Standards (IFC PS) are part of the IFC's Sustainability Framework. The IFC PS provide a baseline of environmental and social good practice and form an important assessment reference particularly in countries where standards and regulation may be less developed. They are relevant to the Candelones Project as the standards applicable by Equator Principles lenders to non-Designated Countries, including the Dominican Republic.
- World Bank Environmental, Health and Safety Guidelines (WB EHS) provide a source of technical information during project appraisal. They are widely accepted as technical reference documents presenting general and industry specific examples of Good International Industry Practice (GIIP). For the mining industry, sector specific guidelines for open-pit mining are also relevant.
- International Cyanide Management Code (ICMC) is a voluntary initiative for the gold mining industry and the producers and transporters of the cyanide used in gold production; conformance with the Code is a requirement of the IFC EHS guidelines. Intended to complement an operation's existing regulatory requirements, the Code focuses exclusively on the safe management of cyanide that is produced, transported and used for the recovery of gold, and on cyanidation mill tailings and leach solutions. The Code was originally developed for gold mining operations and addresses the production, transport, storage, and use of cyanide and the decommissioning of cyanide facilities. It also requires financial assurance, accident prevention, emergency response, training, public reporting, stakeholder consultation and verification procedures to be addressed.

The Dominican Republic is not a Designated Country under the Equator Principles. Unigold will likely require debt and/or credit facilities with international lenders who are party to the Equator Principles. Therefore, compliance with the IFC Performance Standards on Environmental and Social Sustainability (Performance Standards) will be required for this Project.

Any future mining development would be assessed as a new project and its categorization would be determined after the necessary due diligence. Even without an additional investment, IFC would require any future mine development with major impacts to follow PS1 in its requirements for a full ESIA as well as independent monitoring of project social and environmental performance and stakeholder engagement. Unigold will ensure that social and environmental assessment documents associated with such a development will be consistent with IFC's Performance Standards and EHS Guidelines and be publicly available and consulted upon in accordance with IFC's Access to Information Policy prior to the start of construction.

Unigold has expressed its objective to follow good international industry practice (GIIP) in environmental, safety, health and community issues. In this sense, Unigold has a Health, Safety, Environment & Community (HSEC) Policy which contains elements of a continuous improvement process and management plans and procedures to address risks and impacts for the exploration stage with commitments to any future mine development.

No information on environmental studies or their level of acceptability to the Dominican environmental authorities has been provided to Micon.

20.3 KEY PROJECT CHARACTERISTICS, IMPACTS AND RISKS

The development of the Candelones Project will result in changes to a number of environmentally and socially significant characteristics as well as having direct and indirect impacts on the communities in the Project Affected Area.

The Project was accorded an Environmental Category B classification by IFC in 2013 because the Environmental, Social and Health & Safety (ESHS) impacts related to the investment in exploration were limited, site specific and therefore adequately managed through implementation of appropriate mitigation measures. IFC's review did not identify any significant adverse impacts or high-risk exposures. However, Micon's QP notes that this classification was made on the basis of the Project status in 2012, i.e., based on the impacts of exploration activities, which consist primarily of construction of drill pads and access road for exploration drilling, limited emissions of dust and waste streams from camp activities and machinery maintenance, end use of limited amounts of water for exploration activities.

The key social and environmental risks associated with construction and operation are outlined below.

20.3.1 Impacts on Land and Ecosystems

Unigold has established a semi-permanent camp approximately 2 km from Restauración.

Construction and operation activities will impact on current land uses, such as agriculture and forest land, soil quality and both natural and anthropogenic ecosystems and potentially protected species and areas. There will be landscape and visual impact, although the remote nature of the operations will limit the number of receptors.

Mitigation measures will be designed as part of the ESIA and implemented through the Environmental and Social Management System for the project.

20.3.2 Water Use and Discharges

Water for current drilling activities is readily available from rivers and streams on the property and Unigold's Resolution No. I-12 allows use of surface water for exploration purposes. Approvals for water use during construction and operation will be sought as part of the Environmental Licensing process.

The proposed heap leach process, including ponds storage and recovery plant, will require significant earthworks, with associated footprints and water management issues, including planning for seepage controls to prevent contamination of local water bodies and extreme precipitation events. The design and management measures, including for closure and post-closure, will be further refined and evaluated as part of the environmental impact assessment process prior to permitting.

Mine development is designed to treat the majority of potential surface water discharges and to control water quality during mine operation and post closure, so that any water released to the environment will meet applicable water quality standards. Final pit designs will incorporate capture and treatment of water, taking a closed loop approach to maximize water recycling and minimize effluent flows. Heap leach design includes consideration of stability and seepage controls (including pad liner systems), both during operation and post-closure. Application and collection of heap leach solutions, rinsing and pad closure will require careful environmental management to eliminate discharges to surface and groundwater.

While the Project will operate as far as practical on a zero-discharge basis, ancillary activities may have physical and environmental impacts during both the construction and operational phases. Both the construction and operational phases will require careful water management and monitoring,

Water treatment will be required for potable supply and may also be required for any seasonal and unplanned increases in discharges at times of storms and flood events.

Potential project impacts to local surface and groundwater resource flows and quality will be assessed as part of the ESIA. Water management and mitigation of associated risks will be addressed as part of the ESIA and Environmental management planning process. Hydrology studies to be undertaken as part of the ESIA process and should include considerations of mine water balance and discharges during normal and extreme conditions to take account of climate variability including drought events.[2]

20.3.3 Emissions to Air

Current exploration activity does not have a significant impact on air quality in the area. During construction and operation, air quality management measures will be implemented to ensure that adequate mitigation, control and monitoring measures are in place.

20.3.4 Noise and Vibration Sources

The existing exploration activities do not have significant impacts on noise levels in the area. Construction and operation will require careful monitoring and mitigation to ensure there is no adverse impact on vulnerable receptors in the project affected area.

20.3.5 Waste Arisings and Hazardous Materials

Mining of the oxide mineralization is expected to generate around 1.5 m t[3] of non-acid generating waste. Subsequent potential exploration of the sulphide ores, in contrast, is likely to be acid-generating and will require careful study and long-term management.

The proposed heap leach process will use cyanide and associated reagents for which an environmental impact assessment will be carried out as part of the planning and permitting process. Design considerations are being implemented to reduce the potential impacts associated with this process option throughout the leach cycle.

A waste management plan will be required as part of the project Environmental and Social Management Plan to ensure that waste rock disposal is undertaken in an appropriate manner and that heap leach management is sufficiently robust to all conditions, including extreme weather and seismic events, to prevent environmental pollution impacts in both the short and long term.

Transport and storage of all construction materials and process reagents, as well as fuel for haul trucks and power generation, will be subject to the ESIA process with associated impact mitigation and management measures to be designed and implemented as part of the project ESMS. Transportation and storage of cyanide will be subject to particular health and safety management measures implemented in accordance with the Cyanide Code (ICMC).

Stability assessments for the leach pad, leach feed stockpiles, and waste rock will be required, including geotechnical and material tests.

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[2] There is a risk of past severe drought events being repeated in the catchment between the rivers Libon and the river Neita that may impact local community water availability as well as project water resources.

[3] Waste rock 757,000 t LOM reserves; 707,000 t LOM resources.

20.3.6 Power Supply

The Project will generate its own power using diesel generators. Resource efficiency and greenhouse gas emissions baseline calculations and management measures will be required as part of the ESIA process.

20.3.7 Transport Infrastructure

The Project site is accessible by paved road and the product may be transported by truck to a port on the north coast and ultimately sold to a smelter for recovery. There is access to a national power grid with 24-hour electricity that reaches the nearby town of Restauración.

During construction it can be anticipated that there will be an increase in vehicles for the delivery of labour and materials. Construction traffic on public roads may impact on sensitive receptors (e.g., housing, hospital and schools) along the proposed routes. Increased operational traffic flows can be expected to result from the importation of process reagents; risks and impacts will be dependent on the route and schedules.

Access to the camp and the drilling sites is via graded and tarmac roads and, although the current level of traffic to the site is relatively small, (currently around eight light trucks between Unigold and its contractors), there are potential risks of road incidents or accidents related to workers and to the local communities. The HSEC Policy will address road safety and the management of risks from transportation of any materials and personnel.

The presence of vehicular traffic and drilling activities associated with the Project poses a potential safety risk to the livestock browsing and grazing the land and to road users. To date, there are no reported accidents. Unigold will provide defensive driving training to its employees and ensure that its contractors do the same. The construction and operation sites will be properly barricaded to ensure that livestock and people do not wander into the sites.

Traffic impacts will be required to be assessed as part of the ESIA process; mitigation and management measures should be developed and implemented as part of the ESMS.

20.3.8 Labour and Occupational Health & Safety

Unigold has established a semi-permanent camp approximately 2 km from Restauración. The camp can currently accommodate around 25 people and includes bunkhouse and washroom facilities, a full dining room/kitchen, office facilities, fuel and consumable storage, warehousing and a core processing and storage facility. Most of the buildings are converted shipping containers. The camp is fenced with 24/7 onsite security. There is no additional infrastructure and Unigold generates its own power at camp using diesel generators.

Additional labour will be required during the construction and operation phases. During the construction phase this will primarily be provided by contractors, but will require careful management of transport, behaviour and accommodation to minimize impacts on infrastructure and on the integrity and public health of local communities.

The Labour Code (16-92) in the Dominican Republic is advanced and Occupational Health and Safety Standards are established. Unigold will apply Canadian or DR standards in its operations, whichever are more stringent.

The Labour Code requires that Dominican nationals make up 80 per cent of employees and 80 per cent of the total salary mass of any company active in the country. This ensures a high level of participation of Dominicans, not only in overall employment but also in jobs that require a higher level of skills and higher wages.

Health and safety standards are compulsory. Mining companies are required to have health and safety standards. Additionally, a set of detailed norms for the mining industry has been developed and awaits ministerial approval. While the public health law (42-01) has no specific requirements regarding mining, and community health is not considered in mining permit requirements, community health assessment is required as part of the ESIA process in accordance with IFC standards (PS4).

Micon's QP understands that the local workforce is largely unskilled, with no mining history. Unigold's existing workforce consists almost entirely of local labour, many of whom were trained as diamond drillers, heavy equipment operators, technical support staff and supervisors. Should Unigold advance the Project to an operational stage, it would need to bring in outside personnel for management and staff positions until a suitable workforce could be trained locally.

Unigold is expected to implement a workplace health and safety policy and to establish and maintain standards, procedures and management controls based on the Occupational Health and Safety Assessment Series (OHSAS 18000) to minimize occupational risks and ensure that appropriate health and safety considerations are integrated into all aspects of the Project[4].

Unigold has an open-door policy and employees can raise workplace concerns with the Camp Manager, the senior geologist on-site (who is essentially the site manager when the COO is not on-site) and/or the COO when on-site.

20.3.9 Socioeconomic and Social Impacts

The drilling operations are located in the Municipality of Restauración. There are a number of villages that are located within the Concession area, but none has been identified in proximity to the Project site – Villa Anacona on the western border of the Concession, Carrisal and Cruz de Cabreme on the northern edge of the Concession. The camp is located 3 km from the municipal centre of Restauración.

[4] Unigold HSEC Policy Guidelines August 2013

Restauración has a population of around 7,000 and is the third largest city in the Province of Dajabon, located in the border area in the northwest part of the island in the Cibao Region. It has an area of 1,009.13 km², five municipalities make it up: Dajabón, which is the main municipality, Loma de Cabrera, Partido, Restauración and El Pino.

Unigold policy is to ensure that, wherever possible and necessary, it will assist in the development of sustainable local policies and procedures that will minimize the impact of exploration and mining on the natural landscape and local communities, and which will ensure a safe and healthy environment for the communities, including wildlife, that may reside in the areas where exploration and possible subsequent mining may occur.

Law No. 64-00 requires mining companies to pay 5 per cent of their net benefits to the municipal government of the area where the mine is located. This allows for concrete investments in key services such as education and health in the areas that are directly affected by the mine. Community development projects are in the planning stage as part of the Sustainability Strategy being prepared by Unigold and based on an initial stakeholder review.

In relation to artisanal and small-scale mining (ASM) in the area, the national Mining Policy Framework aims to enhance the quality of life of miners working outside the legal framework and to enhance the contribution of ASM to sustainable development. Given that artisanal mining activity has been reported in the vicinity of the Candelones Project, policy recommendations under this theme should also be taken into consideration as part of the Project social development program.

20.3.10 Communities and Stakeholder Engagement & Consultation

As part of the comprehensive environmental management framework, Law No. 64-00 requires a consultation process that involves communities in the evaluation of environmental impacts and in consideration of alternatives. The Law requires initial consultations as part of the environmental impact assessment. This consultation is comprehensive, including environmental plans and mine closure plans, and must take place and be documented before mining activity begins. Detailed requirements for ongoing consultations with mine-affected communities are lacking in the Dominican regulations but are required as part of GIIP.

Unigold has held a number of community meetings with affected landowners to discuss temporary access and use of the land for the drilling operations. Unigold is in the process of formalizing its engagement program to ensure that the local communities are kept up to date with the exploration program, manage community expectations with respect to employment opportunities and issues associated with land access and compensation. This is key to maintaining a positive relationship with the communities and to minimize grievances associated with project activities.

Unigold will develop a Stakeholder Engagement Plan (SEP) that describes Unigold's policies and procedures for consultation with all the relevant stakeholders and affected communities and disclosure of Project information and documentation. The Plan will include Dominican regulatory requirements and be consistent with the IFC Performance Standards.

There is no formal community complaints and grievance mechanism currently in place. The local Unigold representative is understood to be well known to the local communities and is their first point of contact. Any grievances from the community relating to security incidents will be captured through a formalized community grievance mechanism and will be investigated to identify any necessary corrected or preventative actions.

20.4 MINE DECOMMISSIONING, CLOSURE AND REHABILITATION

20.4.1 Requirements

The National Mining Policy Framework specifies the requirements in relation to mine closure, predicated on the fact that, to be consistent with sustainable development, a mining operation must take closure planning into consideration throughout the life of the mine.

Key laws on this topic include:

- General Law on Environmental and Natural Resources (No. 64-00).
- Regulation No. 207-98 for the Implementation of Mining Law No. 146.
- Regulation No. 22.

Mine closure is also covered in specific contracts with mining companies.

Law No. 64-00 requires progressive rehabilitation, as well as ongoing reporting and revision of mine closure plans. The Law envisions that mine closure is an ongoing process that is conducted throughout the life of the mine, as provided in Unigold's environmental management plans. Law No. 64-00 requires community consultation regarding the mine closure plan to be undertaken during the ESIA process.

GIIP, derived from the Equator Principles and IFC standards, requires a commitment to decommission a project in accordance with a decommissioning, closure or reclamation plan which appropriately mitigates the project's environmental and social impact, and which continues to monitor those impacts post-closure.

20.4.2 Closure Planning

The closure plan should be prepared in conceptual form at the outset of the project. A conceptual closure plan is required as part of the project ESMS that is subsequently developed with increasing levels of detail throughout the operational phase of the mine.

To maximize closure efficiencies, design for closure includes early considerations of decommissioning and disposal of plant (e.g., pipework, ponds, leach pad) and post-closure environmental management.

Closure and rehabilitation phases provide an opportunity to establish positive environmental and social developments such as recreation of natural habitats in degraded zones, public access areas and agricultural training projects.

The closure plan will be updated over the life of the Project.

20.4.3 Post Closure Land Use

Good practice closure planning is based on post-closure land uses agreed with local stakeholders. This will reflect the rural context and focus on the restoration of agricultural land in accordance with the project sustainability strategy.

20.4.4 Monitoring

Monitoring will be carried out throughout the decommissioning and closure phases and the post-mining aftercare period. This will ensure ongoing compliance with regulatory obligations and international commitments, as well as allow any maintenance requirements for restored areas to be identified and implemented prior to the end of the defined aftercare period. Over time, the monitoring data will provide evidence that the agreed completion criteria are being approached and/or will have been achieved.

20.4.5 Financial Implications and Financial Planning for Closure

Companies are required to provide financial assurance for closure and post-closure expenses. Mine closure is required by Law No. 64-00 and also in special contracts, which require financial assurance for closure and post-closure expenses. Law No. 64-00 Art. 47 requires a performance bond equal to 10% of the total cost of "physical works and investments" needed to carry out the environmental management plan.

Regulation No. 207-98 Art. 39 outlines company responsibilities for damage to the environment, which remain up to three years after mine closure. The three primary responsibilities are measures that ensure ground stability, measures to prevent water pollution, and "reforestation of mined areas, considering the biodiversity of the environment."

The Project closure bond is included in the capital expenditure considerations. This provision is required to include ongoing environmental monitoring and adaptive management measures during closure and post-closure, in particular in relation to key project impacts on water, wildlife, and local communities.

20.5 ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEMS

20.5.1 System Outline

As required by the Equator Principles and the IFC Performance Standards, an ESMS will be developed focussed on addressing the key issues identified by the ESIA process and associated conditions attached to the Environmental Licence. The ESMS should be structured on a framework that represents GIIP (e.g., ISO 14001).

Unigold is expected to implement an ESMS based on the international management system standards on environment (ISO 14000) and quality (ISO 9000) management and IFC Environmental and Social Performance Standards.

20.6 RESOURCES

A number of elements in Project development will impose an increased demand on the time and capabilities of environmental and social technical personnel. In particular, these will include development and implementation of the ESMS to GIIP standards, development and implementation of the suite of environmental and social monitoring and management plans that will be proposed as part of the ESIA, progressive rehabilitation and closure, management of social development projects, and stakeholder engagement.

The additional management and monitoring activities will require an increase in the environmental and social technical staff based on site, as well as additional environmental monitoring infrastructure, such as surface and groundwater monitoring stations and air quality monitors. This increased environmental monitoring will also require an evaluation of the role of on- and off-site laboratory resources for results analysis to inform project-based adaptive management.

21.0 CAPITAL AND OPERATING COSTS

Micon's QP estimates of the capital and operating costs to be used in its Preliminary Economic Assessment of the Project are described below. These estimates are expressed in first quarter 2021 United States dollars, without provision for escalation. Where appropriate, an exchange rate of DOP 58/US$ has been applied. The expected accuracy of the estimates is ±30%.

21.1 CAPITAL COSTS

Total capital costs for the base case are estimated at the levels shown in Table 21.1.

Table 21.1
LOM Capital Cost Summary

Area	Initial Capital ($'000)	Sustaining Capital ($'000)	LOM Total Capital ($'000)
Mining	1,840	432	2,272
Processing Plant	11,835	-	11,835
Site Infrastructure	12,856	-	12,856
Indirects	2,803	-	2,803
Owner's Costs	2,374		2,374
Contingency	4,756	-	4,756
Total Construction Cost	**36,465**	**432**	**36,897**
Mine Closure Provision	3,409	-	3,409
Grand Total	**39,874**	**432**	**40,306**

21.1.1 Basis of the Estimate

21.1.1.1 Process Capital Cost Estimate

The estimated construction cost of the processing facility is based on a 5,000 t/d heap leach operation as described in Section 17.0. The pre-production capital estimate is presented in US$, and prices obtained in other currencies were converted to US$.

The direct process facility costs are summarized per discipline, as indicated subsequently in Table 21.3 and Table 21.4. These costs include supply, spares, transportation and installation. Pricing of major equipment was obtained by budgetary quotations from vendors where viable, and factored from similar equipment where quotes were not obtained.

Unit supply rates for materials such as steel and plate were obtained from historical project cost databases. Quantities for structural steel, piping and bulk electrical were estimated with the assistance of layout drawings and engineering sketches.

Rates from a recent project were used for civil and earthworks activities. Unit construction rates are based on a 10-hour shift and are inclusive of burdens, travel, construction equipment including cranes, small tools and personal protective equipment.

21.1.2 Mining Capital

Mining capital costs have been estimated on the basis of contract mining for development and operation of the open pit, with owner's equipment for survey and grade control, pit dewatering and surface water control, establishment of access roads, waste dump, basic maintenance facilities and (once transition material in encountered) an explosives magazine.

The mining capital cost estimate is set out in Table 21.2 for the base case scenario.

Table 21.2
LOM Capital Cost Summary – Mining

Area	Initial Capital ($'000)	Sustaining Capital ($'000)	LOM Total Capital ($'000)
Open Pit	156	203	359
Maintenance	355	36	391
Civil	1,204	120	1,324
Technical	125	13	138
Magazine	-	60	60
Total Mining Capital	**1,840**	**432**	**2,272**

21.1.3 Processing Capital

The capital cost estimate for the 5,000 t/d heap leach facility has been assembled by estimating costs for major equipment, inclusive of the mineral sizing circuit, heap leach pad, pipe distribution, solution ponds, adsorption, desorption and recovery (ADR) plant, reagent handling and ancillary services.

The capital estimate for the processing plant has been grouped into the disciplines shown in Table 21.3. Ongoing maintenance costs were included in the operating cost estimate.

Estimated costs for major equipment and packages are based on budgetary quotations from vendors. Prices for minor equipment were obtained from recent historical project cost data, otherwise, allowances were included in the estimate.

Material take-offs for structural steel were generated based on the layout drawings of similar process circuits. Steel estimating guidelines were used to estimate the quantities of steel and ancillary equipment (stairs, grating, handrailing, etc.).

Overland piping costs were determined from estimated quantities and supplier rates. In-plant piping and valves were factored based on mechanical equipment costs.

Major electrical equipment costs were based on historical database pricing, while bulk electricals were factored. Power generation equipment will be rental units and no capital costs were allocated. Rental costs are included in the operating cost section.

The supply portion of the processing capital cost estimate is set out in Table 21.3.

Table 21.3
LOM Capital Cost Summary – Processing Supply

Area	Initial Capital ($'000)	Sustaining Capital ($'000)	LOM Total Capital ($'000)
Mechanical Equipment	7,999	-	7,999
Buildings	510	-	510
Structural Steel	220	-	220
Piping and Valves	551	-	551
Electrical and Instrumentation	1,778	-	1,778
Freight and Transport	777	-	777
Total Processing Capital	**11,835**	**-**	**11,835**

21.1.4 Processing Capital – Installation

Direct field labour is the skilled and unskilled labour required to install the permanent plant, equipment, and bulk materials at the Project site. Direct field installation hours were developed using the estimated unit man-hours for each item to be installed multiplied by the quantity. The man-hours required for the installation were estimated from first principles and benchmarked against historic project durations. The installation cost was then estimated per item by multiplying the estimated manhours with the labour rate for each item.

The bulk earthworks estimate includes the material, where required, and quantities were based on the estimated footprint of the processing facilities, as well as the area of the leach feed stockpiles. Preliminary rates for excavation, backfill and reinforced concrete were used to estimate the civil works costs.

The construction portion of the processing capital cost estimate is set out in Table 21.4.

Table 21.4
LOM Capital Cost Summary – Processing Construction

Area	Initial Capital ($'000)	Sustaining Capital ($'000)	LOM Total Capital ($'000)
Civil Construction	10,041	-	10,041
Mechanical Installation	1,286	-	1,286
Buildings & Tunnels Construction	382	-	382
Structural Steel Installation	176	-	176
Electrical Installation	770	-	770
Piping & Valves Installation	201	-	201
Total Infrastructural Capital	**12,856**	**-**	**12,856**

21.1.5 Indirect and Owner's Capital Cost

Indirect costs include items that are necessary for the completion of the Project but are not directly related to installation costs. The indirect costs include costs associated with mobilization and demobilization of crews, as well as the supervision of contractors, Engineering, Procurement and Construction Management (EPCM) and owner's costs.

The indirect and owner's capital cost estimate is set out in Table 21.5.

Table 21.5
LOM Capital Cost – Infrastructure (Base Case)

Area	Life-of-Mine Cost ($ 000)	Sustaining Capital ($'000)	LOM Total Capital ($'000)
Engineering & Management	2,499	-	2,499
Construction Indirects	304	-	304
Owners Cost – Labour	1,519	-	1,519
Owners Cost – Other	855	-	855
Total Cash Costs	**5,177**	**-**	**5,177**

21.1.6 Contingency

Taking into consideration the preliminary nature of the capital cost estimates given above, Micon's QP has included a contingency of $4.76 million, calculated as 15% of the initial direct and indirect capital costs, including owner's costs.

21.2 OPERATING COSTS

Estimated LOM total cash operating costs for the base case are summarized in Table 21.6.

Table 21.6
LOM Total Cash Costs – Base Case

Area	Life-of-Mine Cost ($ 000)	Unit Cost $/t Treated	Unit Cost US$/oz Gold
Mining	17,003	3.22	177.9
Processing	31,467	5.97	329.2
General & Administrative	10,184	1.93	106.5
Selling costs	8,663	1.64	90.6
Total Cash Costs	**67,317**	**12.76**	**704.3**

21.2.1 Mine Operating Costs

Mine operating costs are estimated on the basis of contractor mining at a unit rate of $2.35/t of ore and waste moved. In addition, a fixed annual cost of approximately $800,000 is allowed as a provision for survey and grade control, pit dewatering. Note: labour costs of $424,000/y in respect of technical supervision are included under G&A costs.

Table 21.7 summarizes the mine operating cost estimate.

Table 21.7
Mine Operating Costs (Base Case)

Area	Life-of-Mine Cost ($ 000)	Unit Cost $/t treated	Unit Cost US$/oz Gold*
Mining material to Heap Leach	12,395	2.35	129.7
Mining waste to dump	2,264	0.42	23.7
Technical Services	2,344	0.44	24.5
Total Mining Costs	**17,003**	**3.22**	**177.9**

21.2.2 Processing Operating Costs

Operational costs have been estimated for a heap leach process with a 5,000 t/d throughput over an anticipated three-year LOM. The operational expenditure estimate is in US$, with a base date of March 1, 2021.

Operating costs for the process have been estimated based on relevant recent project costs for electricity, labour, reagents, fuel, steel/liner consumption, maintenance, and contract transport of the leach feed. Prices, rates, or costs obtained in other currencies were converted to US$.

Processing costs including crushing ROM material, transportation of crushed material to the leach pad, leaching operations, carbon adsorption, stripping, electrowinning and smelting of gold doré. Reagents and process consumables, power, operating and maintenance labour and spare parts have all been considered.

To facilitate a reduction of capital costs, the electrical power generation was based on a rental power plant. This rate includes the supply, maintenance, and fuel cost for a 1.8 MW power plant.

The labour contingent is based on 3 rotating daily crews working two-eight hour shifts per day, seven days per week, consisting of a total of 103 people for all areas of operation.

Annual reagent consumption and costs were estimated based on the process requirements as per the process design criteria and, where available, local supply rates were used.

Annual propane costs were estimated based on the heating and consumption requirements in the ADR plant and making use of local rates.

Steel and liner consumption includes an allowance for the wear parts for the mineral sizer.

Maintenance cost is inclusive of spares, wear parts and consumables to maintain the equipment in the process plant and leach pad.

Consumables and lubrication are allowed for based on the annual consumption rates per process area. The consumables include replacement drip emitters and accessories.

An allowance of $0.20/t for transporting leach feed from the fine material stockpile to the heap leach pad was included in the operating costs.

Table 21.8 summarizes the process operating cost estimate for the base case.

Table 21.8
Process Operating Costs

Area	Life-of-Mine Cost ($ 000)	Unit Cost $/t treated	Unit Cost US$/oz Gold*
Labour	4,376	0.83	45.8
Power	3,565	0.68	37.3
Reagents	20,611	3.91	215.6
Steel and Liner Consumption	116	0.02	1.2
Fuel - Propane	35	0.01	0.4
Maintenance	984	0.19	10.3
Lubrication	72	0.01	0.8
Consumables	630	0.12	6.6
Ore Loading to Pad	1,077	0.20	11.3
Process Operating Costs	**31,467**	**5.97**	**329.2**

21.2.3 General and Administrative Costs

Table 21.9 summarizes the G&A operating cost estimate for the base case.

Table 21.9
G&A Operating Costs

Area	Life-of-Mine Cost ($ 000)	Unit Cost $/t treated	Unit Cost US$/oz Gold
Mining Technical Supervision	1,379	0.29	14.4
G&A – Management/Administration	3,161	0.60	33.1
Environmental Health and Safety	747	0.14	7.8
G&A – Other	4,898	0.93	51.2
G&A Operating Costs	**10,184**	**1.93**	**106.5**

21.2.4 Selling Cost

Selling costs for doré bars comprise bullion transport and refining charges. Transport charges assume a flat cost per shipment, plus a percentage of value for insurance, which together amount to an average cost of $5.13/oz. Refining is estimated at a flat rate of $3.00 per ounce of payable gold.

In addition, the Dominican Republic imposes an excise duty, or royalty, at the rate of 5% on sales of gold. At the base case gold price of $1,650/oz, the royalty is equivalent to a cost of $82.50 per ounce of gold sold.

The overall average selling costs provided for in the base case evaluation average US$90.63/oz payable gold.

Table 21.10 summarizes the average selling costs for the base case.

Table 21.10
LOM Average Selling Costs

Area	Life-of-Mine Cost ($ 000)	Unit Cost $/t treated	Unit Cost US$/oz Gold
Refining Charges	287	0.05	3.0
Bullion delivery	490	0.09	5.1
Excise Duty/Royalty	7,886	1.50	82.5
Total Selling Costs	**8,663**	**1.64**	**90.6**

22.0 ECONOMIC ANALYSIS

22.1 CAUTIONARY STATEMENT

This Preliminary Economic Assessment is preliminary in nature; it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized.

The results of the economic analyses discussed in this section represent forward-looking information as defined under Canadian securities law. The results depend on inputs that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those presented here.

Information that is forward-looking includes:

- Mineral Resource and Mineral Reserve estimates.
- Assumed commodity prices and exchange rates.
- The proposed mine production plan.
- Projected mining and process recovery rates.
- Assumptions as to mining dilution.
- Capital and operating cost estimates and working capital requirements.
- Assumptions as to closure costs and closure requirements.
- Assumptions as to environmental, permitting and social considerations and risks.

Additional risks to the forward-looking information include:

- Changes to costs of production from what is assumed.
- Unrecognized environmental risks.
- Unanticipated reclamation expenses.
- Unexpected variations in quantity of mineralized material, grade or recovery rates.
- Geotechnical or hydrogeological considerations differing from what was assumed.
- Failure of mining methods to operate as anticipated.
- Failure of plant, equipment or processes to operate as anticipated.
- Changes to assumptions as to the availability and cost of electrical power and process reagents.
- Ability to maintain the social licence to operate.
- Accidents, labour disputes and other risks of the mining industry.

- Changes to interest rates.
- Changes to tax rates and availability of allowances for depreciation and amortization.

22.2 Basis of Evaluation

Micon's QP has prepared its assessment of the Project on the basis of a discounted cash flow model, from which Net Present Value (NPV) can be determined. Assessments of NPV are generally accepted within the mining industry as representing the economic value of a project after allowing for the cost of capital invested.

The objective of the study was to determine the potential viability of an open pit mine, a heap-leach pad and gold recovery plant on site. In order to do this, the cash flow arising from the base case has been forecast, enabling a computation of NPV to be made. The sensitivity of the NPV to changes in base case assumptions is then examined.

22.3 Macro-Economic Assumptions

22.3.1 Exchange Rate and Inflation

All results are expressed in United States dollars, except where otherwise stated. Cost estimates and other inputs to the cash flow model for the Project have been prepared using constant, first quarter 2021 money terms, without provision for escalation or inflation.

22.3.2 Weighted Average Cost of Capital

In order to find the NPV of the cash flows forecast for the Project, an appropriate discount factor must be applied which represents the weighted average cost of capital (WACC) imposed on the Project by the capital markets. The cash flow projections used for the evaluation have been prepared on an all-equity basis. This being the case, WACC is equal to the market cost of equity.

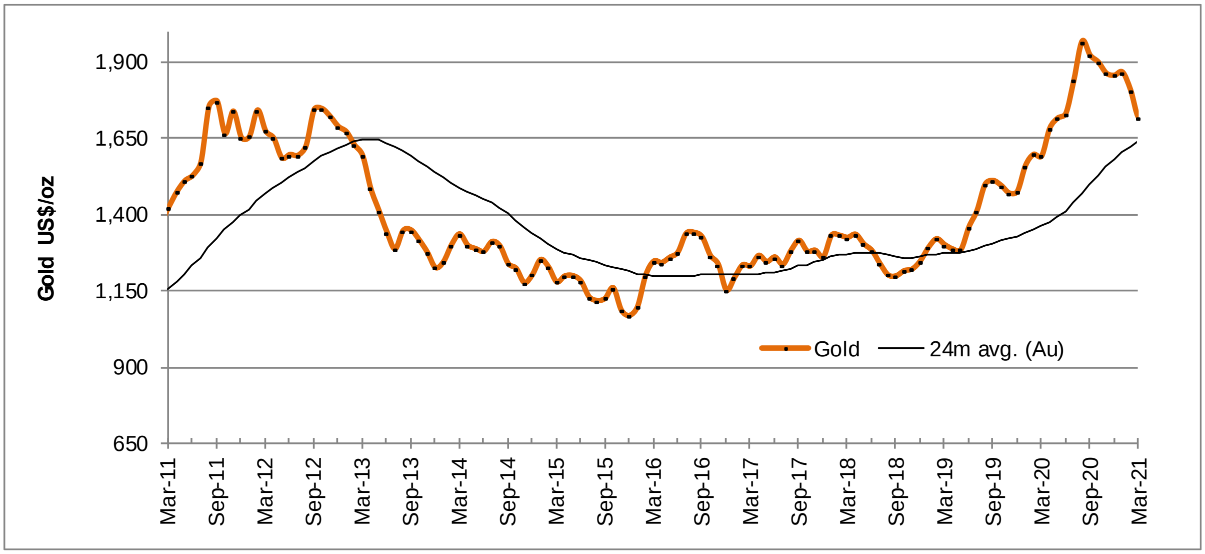
In line with the cost of capital estimated for other gold producers, Micon's QP has selected an annual discount rate of 5% for its base case and has tested the sensitivity of the Project to changes in this rate.

22.3.3 Expected Metal Prices

Project revenues will be generated from the sale of gold doré bars. The Project has been evaluated using constant metal prices of US$1,650/oz Au. While below current market levels, the forecast gold price approximates the average achieved over the 24 months ending 23 April, 2021.

Figure 22.1 presents monthly average prices for gold over the past ten years, along with the 24-month trailing average price over that period.

Figure 22.1
Ten Year Price History



22.3.4 Taxation and Royalty Regime

Dominican Republic provincial income and mining taxes have been provided for in the economic evaluation, comprising a 5% royalty on gold sales, which is credited in full against income taxes levied at the rate of 27%. Depreciation of capital costs is allowed on a modified declining balance basis.

22.4 Technical Assumptions

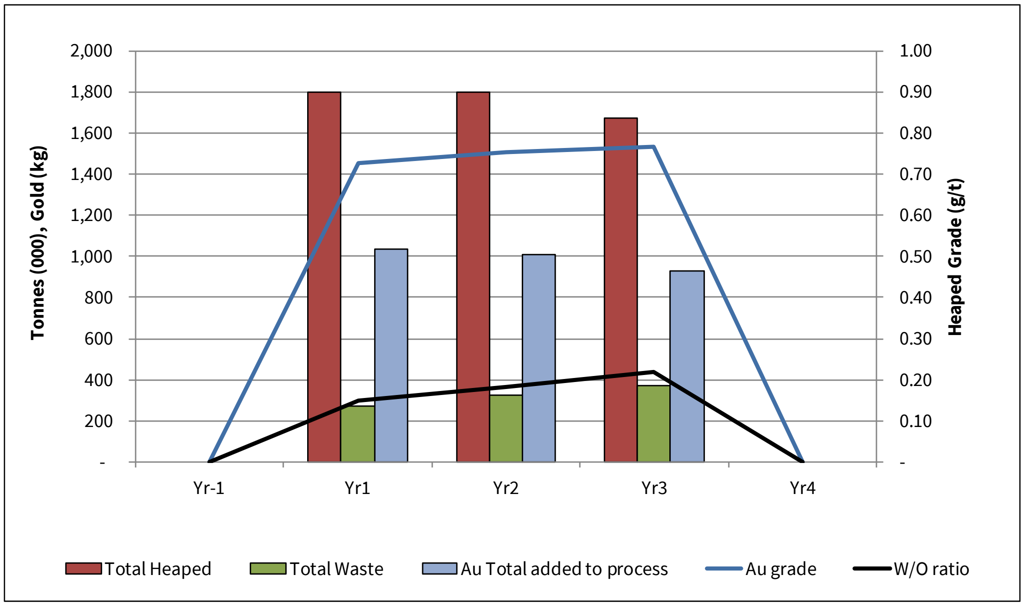
The technical parameters, production forecasts and estimates described earlier in this report are reflected in the base case cash flow model. These inputs to the model are summarized below.

22.4.1 Production Schedule

Figure 22.2 shows the annual tonnages of waste rock, and the material heaped on the leach pad, the average ore grade, stripping ratio and the gold content of the material to be leached. Heap leach extraction of gold has been modelled assuming 80% recovery from oxide material and 50% from the transition zone. Notwithstanding column testwork showing more rapid leaching, the cash flow model assumes that full recovery of the leachable gold will require 3 months from placement of material on the heap.

A further 7 days of sales is provided in working capital for accounts receivable. Stores and accounts payable are provided for with 45 and 30 days, respectively.

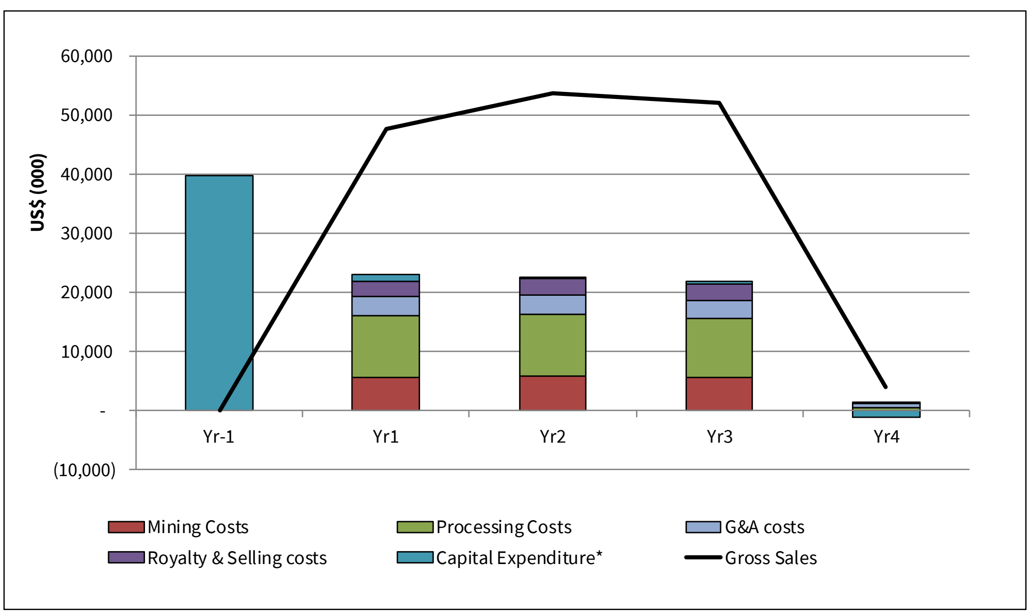
Figure 22.2
LOM Production Schedule



22.4.2 Operating Margin

Figure 22.3 shows the annual sales revenues compared to cash operating costs and capital expenditures. The chart demonstrates that the Project maintains a significant operating margin in each period over the LOM, with the operating margin forecast to average 57%.

Figure 22.3
LOM Net Revenue, Capital and Operating Costs



22.4.3 Project Cash Flow

The estimated LOM base case Project cash flow is presented in Table 22.1 and summarized in Figure 22.4. Annual cash flows are set out in Table 22.2.

Table 22.1
Life-of-Mine Cash Flow Summary

	LOM Total $'000	$/t Treated	US$/oz Au
Gross Revenue	**157,718**	**29.90**	**1,650**
Mining costs	17,003	3.22	178
Processing costs	31,467	5.97	329
General & Administrative costs	10,184	1.93	107
Subtotal Cash Operating Costs	58,655	11.12	614
Selling expenses incl. Royalty	8,663	1.64	91
Total Cash Cost	**67,317**	**12.76**	**704**
Net cash operating margin	90,401	17.14	946
Initial capital	36,465	6.91	381
Sustaining capital	432	0.08	5
Closure provision	3,409	0.65	36
Net Cash flow before tax	**50,095**	**9.50**	**524**
Taxation	16,522	3.13	173
Net Cash flow after tax	**33,572**	**6.37**	**351**
All-in Sustaining Cost per ounce (AISC)			744
All-in Cost per ounce (AIC)			1,126

Figure 22.4
Life-of-Mine Cash Flows

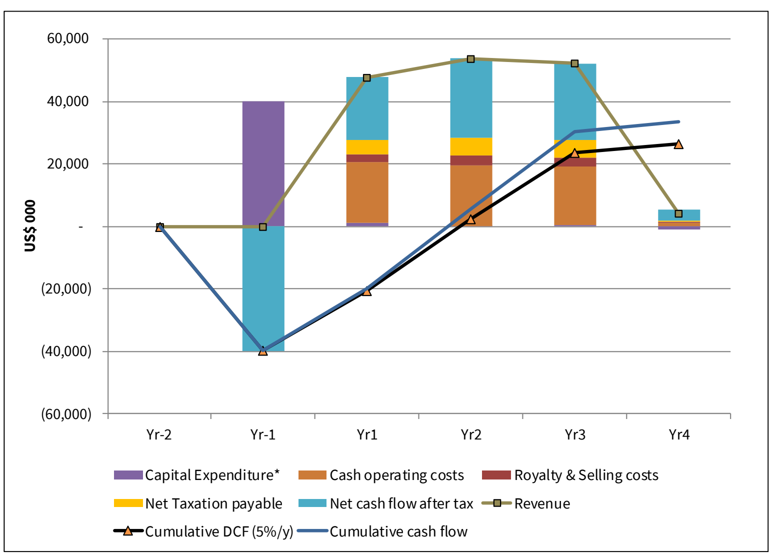


Table 22.2
Life of Mine Annual Cash Flow

Period	Units	LOM Total	Yr-1	Yr1	Yr2	Yr3	Yr4
Tonnes treated (t'000)	t'000	5,275	-	1,799	1,799	1,677	-
Heaped Grade	g/t Au	2.25	-	0.73	0.75	0.77	-
Gold Content	koz Au	126.99	-	42.05	43.65	41.28	-
Gold Sales (payable oz)	koz Au	95.59	-	28.89	32.58	31.64	2.48
Gross revenue	$'000	157,718	-	47,663	53,761	52,207	4,087
Mining	$'000	17,003	-	5,659	5,792	5,552	-
Processing	$'000	31,467	-	10,536	10,535	9,968	428
G&A	$'000	10,184	-	3,134	3,134	3,134	783
Cash operating costs	$'000	58,655	-	19,329	19,462	18,654	1,211
Selling costs	$'000	8,663	-	2,620	2,956	2,865	222
Total Cash Costs	$'000	67,317	-	21,948	22,417	21,519	1,433
Net cash operating margin	$'000	90,401	-	25,715	31,343	30,688	2,655
Initial capital	$'000	36,465	36,465	-	-	-	-
Sustaining capital	$'000	432	-	-	-	432	-
Closure provision	$'000	3,409	3,409	-	-	-	-
Change in working capital	$'000	-	-	1,102	112	(38)	(1,176)
Net Cash flow before tax	$'000	50,095	(39,874)	24,613	31,231	30,294	3,831
Taxation	$'000	16,522	-	4,560	5,775	5,675	512
Net Cash flow after tax	$'000	33,572	(39,874)	20,053	25,456	24,619	3,319
Disc. cash flow (5%)	$'000	26,310	(39,874)	19,098	23,090	21,267	2,730
Cumulative disc. cash flow	$'000		(39,874)	(20,776)	2,313	23,580	26,310
		Before Tax	After Tax				
Internal Rate of Return	$'000	50.3%	34.9%				
Undiscounted cash flow	$'000	50,095	33,572				
Net Present Value (5%)	$'000	41,215	26,310				
Net Present Value (7.5%)	$'000	37,301	23,110				
Net Present Value (10%)	$'000	33,689	20,157				
Total Cash Cost	US$/oz	704					
All-in Sustaining Cost	US$/oz	744					
All-in Cost	US$/oz	1,126					

Pre-tax cash flows provide an internal rate of return (IRR) of 50%; when discounted at the rate of 5% per year, the pre-tax net present value (NPV_5) is $41.2 million. Undiscounted, the pre-tax payback period is 1.5 years. When discounted at 5% per year, it extends 1.6 years.

After-tax cash flows provide an IRR of 34.9%; after-tax NPV_5 is $26.3 million. Profitability index (i.e., the ratio of NPV_5/Initial Capital) is 0.7. Undiscounted, the after-tax payback period is 1.8 years. When discounted at 5% per year, it extends to 1.9 years.

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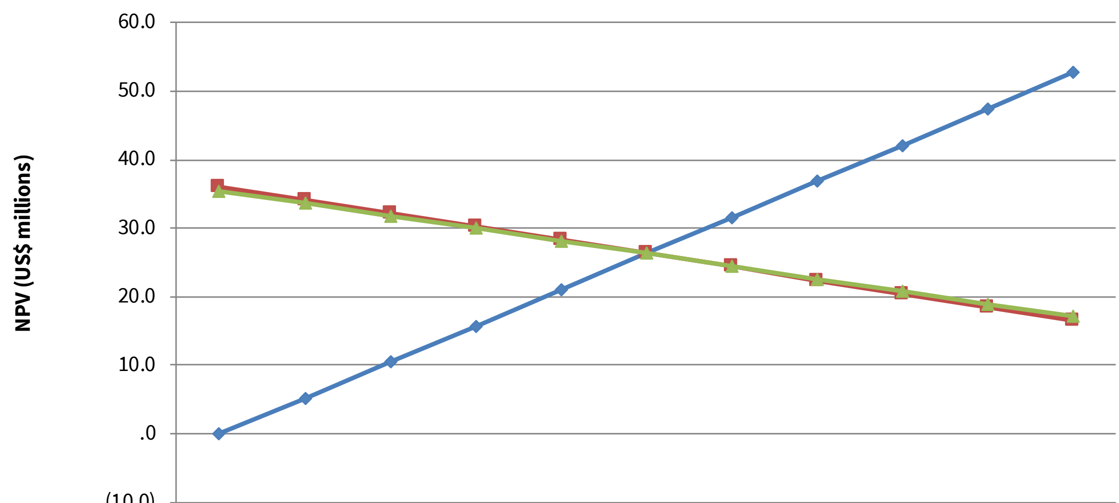
22.5 SENSITIVITY STUDY AND RISK ANALYSIS

Micon's QP tested the sensitivity of the base case after-tax NPV_5 to changes in metal price, operating costs and capital investment for a range of 25% above and below base case values. The impact on NPV_5 to changes in other revenue drivers such as gold grade of material treated and the percentage recovery of gold from processing is equivalent to gold price changes of the same magnitude, so these factors can be considered as equivalent to the price sensitivity.

Figure 22.5 shows the results of changes in each factor separately. The chart demonstrates that the Project remains viable across the range of sensitivity tested, with a negative NPV_5 recorded only with a 25% reduction in gold price to $1,238/oz. The Project is less sensitive to both operating and capital costs, with an increase of 25% reducing NPV_5 to $16.6 million and $17.1 million, respectively.

Figure 22.5
Sensitivity of Base Case to Capital, Operating Costs and Gold Price



	75%	80%	85%	90%	95%	100%	105%	110%	115%	120%	125%
Revenue drivers	(.1)	5.2	10.5	15.7	21.0	26.3	31.6	36.9	42.2	47.4	52.7
Operating costs	36.0	34.1	32.1	30.2	28.3	26.3	24.4	22.4	20.5	18.5	16.6
Capital costs	35.5	33.7	31.8	30.0	28.2	26.3	24.5	22.6	20.8	18.9	17.1

Separately, Micon's QP also tested the sensitivity of the Project NPV_5 for specific gold prices above and below the base case price of $1,650/oz. Table 22.3 shows the results of this exercise, and demonstrates that each $100/oz change in the gold price results in a change of around $6.4 million in NPV_5.

Table 22.3
Base Case: Sensitivity of NPV_5 and IRR to Gold Price

Gold Price (US$/oz)	NPV_5 (US$M)	IRR (%)
1,400	10.3	17.2%
1,450	13.5	20.9%
1,500	16.7	24.5%
1,550	19.9	28.0%
1,600	23.1	31.5%
1,650	**26.3**	**34.9%**
1,700	29.5	38.3%
1,750	32.7	41.7%
1,800	35.9	45.0%
1,850	39.1	48.3%
1,900	42.3	51.6%

22.6 CONCLUSIONS

Micon's QP concludes that, based on the forecast production, capital expenditures and operating cost estimates presented in this study, the Project base case demonstrates an all-in sustaining cost (AISC) of US$744/oz, and that the base case presents a potentially viable Project at gold prices above $1,400/oz, at the Preliminary Economic Assessment level of assurance.

23.0 ADJACENT PROPERTIES

The mining industry of the Dominican Republic continues to evolve over time as various projects are explored or slowly brought into production. There are few operating mines, most of which are located within the Cordillera Central tectonic terrane, approximately 200 km to the southeast of Neita Concession. These include:

1. Barrick Pueblo Viejo Gold.
2. Xstrata Falconda Nickel.
3. Cormidom Cerro de Maimon Gold and Copper.

These mining projects are all located within the same tectonic terrane as the Neita Concession.

In addition, there is a number of exploration concessions granted along the Cordillera Central tectonic terrane.

The Direccion General de Minera Mapa Actualizado Diario indicates that, in Q4 2020, Barrick International Ltd. Applied for two exploration concessions, east and adjacent to the Neita Concession. At the time of this report, the applications have not been approved.

The advanced stage nearest property to Neita Concession is the Romero Project, owned by GoldQuest Mining Corporation (GoldQuest), which is located approximately 40 km southeast of the Neita Concession, within the Tireo Formation.

GoldQuest contracted JDS Energy and Mining to complete a Preliminary Feasibility Study on the Romero Project. The results of the study were released in November, 2016 and are summarized in a Technical Report titled "NI 43-101 Pre-Feasibility Study Technical Report for the Romero Gold Project, Dominican Republic", with an effective date of October 27, 2016.

On January 22, 2018, GoldQuest announced that Minister Isa Conde, the Minister of Energy and Mines (MEM) of the Dominican Republic, had completed his review of GoldQuest's Exploitation Permit Application for GoldQuests's 100% owned Romero Project, approved the Application, and sent it to the President of the Republic for ratification. At the date of this report, the President has yet to ratify the Exploitation Permit.

Published information indicates that the Romero Project is hosted within rocks of the Upper Tireo Formation and contains polymetallic (gold, silver, copper and zinc) deposits, similar to the Candelones discoveries within the Neita Concession.

The mineralization and deposits described in this Technical Report for the Candelones Project are entirely contained on the property and there are no adjacent mineral properties which directly affect the Candelones Project.

Micon's QP has not verified the information regarding the mineral deposits and showings described above that are outside the immediate area of the Candelones Project. The information contained in this section of the report, which was provided by Unigold, is not necessarily indicative of the mineralization at the Candelones Project.

24.0 OTHER RELEVANT DATA AND INFORMATION

All relevant data and information regarding Unigold's Candelones Project are included in other sections of this Technical Report.

Micon' QPs are not aware of any other data that would make a material difference to the quality of this Technical Report or make it more understandable, or without which the report would be incomplete or misleading.

25.0 INTERPRETATION AND CONCLUSIONS

25.1 General Information

Unigold has been exploring the Neita Concession which hosts the Candelones Project since 2002.

Exploration has continued to further define the extent of the mineralization, as well as refining the model for the mineralization and lithology of the deposits, and it is expected that further exploration will continue to do so.

The CMC and CE deposits (zones) define an east-northeast trend that has been traced through field mapping and diamond drilling for over a 3.0 km distance. This trend is believed to be related to a series of east-northeast trending fault zones that extend from the Candelones Project, through the Montazo target, and continue to the Guano, Naranjo, Juan de Bosques and Rancho Pedro targets which are located approximately 8 km to the east-northeast of the Candelones Project.

Observations from drill core at the CE indicate that polymetallic mineralization is localized within brecciated and reworked dacite volcanoclastics that stratigraphically underlie a series of andesite volcanics and volcanoclastic rocks. The contact strikes east-west and the dip of the contact varies from horizontal at the current western boundary to approximately 70º to the south at the currently defined eastern limit. The variability in dip is currently interpreted to be the product of faulting but could be manifesting the limb of a fold. Consistent stratigraphic marker horizons have yet to be identified, although the closer spaced drilling from 2016 to the present is providing some clarity to the litho-structural interpretation which is evolving as Unigold completes additional drill holes.

25.2 Mineral Resource Estimation

25.2.1 Supporting Data

The Candelones Project is currently composed of two distinct mineralization zones: CMC and CE. As previously predicted by Micon's QPs, the new drilling has allowed joining the CM and CMC zones into a single continuous zone. The present Candelones resource update is focused on updating the economic parameters for the oxidized portion of the CMC zone, which was used as the basis for the oxide PEA described in this Technical Report. The sulphide portions of the CMC and the CE models have not only been updated to reflect the new economic parameters but, in the case of the CE zone, have been updated to reflect the new drilling information obtained during the 2019, 2020 and 2021 drilling.

The Candelones Project database provided to Micon is comprised of 425 drill holes, 31 test pits, with a total of 107,839 m of drill core and containing 67,814 samples. This database was the starting point from which the two mineralized envelopes, CMC and CE, were modelled.

For the mineral resource update of the oxidized zone at the CMC, Micon's QPs used only the data contained within the wireframes, so that the effective number of drill holes and samples used to produce the resource estimate are 147 drill holes, including 14 new drill holes from 2016 and 2019, and 21 test pits, totalling 6,611 samples of mineralized intercepts.

In addition to the drill holes, Micon's QPs included trench sample data for the CMC zone, as it assisted in defining the shape of the outcropping mineralization. A total of 70 trenches containing 2,778 samples were used in the resource estimate.

For the CE resource update, Micon's QPs used 153 drill holes with a total of 13,700 samples inside the wireframes. This represented a substantial increase of drilling information compared to the 4,579 samples used in 2013.

Unigold provided Micon with initial 3-D wireframes representing the mineralized envelopes for the CMC and CE zones. Micon's QPs reviewed and modified the wireframes to correct some irregular shapes that caused losses of volume, and to ensure that the drill hole intercepts were snapped to the wireframe. Once these changes were completed, the resulting envelopes were discussed with Unigold prior to finalizing the wireframes.

Outlier gold values were reviewed carefully. The capping grade selection was based on log-normal probability plots for the oxidized and sulphide zones.

According to the variographic studies, the CMC and CE zones show acceptable grade continuity, although these zones have different and very clear orientations and dips. The mineralization trends are clear for both CMC and CE.

Two block models were constructed:

- The first contains the CMC oxide and sulphides zones. The proximity of these zones allowed for the interpolation of the zones to be completed using the same model.
- The second block model contains the CE zone.

A set of parameters were derived to interpolate the block grades, based on the results of a variographic analysis.

25.2.2 Economic Assumptions

The mineral resource estimates have been constrained using economic assumptions that consider both open pit (shallow mineralization) and underground (mineralization below the conceptual pit) mining scenarios. The optimized pit shells are conceptual in nature and are based on the economic assumptions stated herein, applied using the Lerchs-Grossman algorithm contained in the Datamine NPV Scheduler software. The potential underground blocks are also conceptual in nature and are based on identifying a reasonable spatially continuous tonnage sufficient to justify an eventual underground development. No specific underground mining method nor economic model was evaluated, but scattered and isolated blocks were excluded from the resource.

The mineral resource estimate and open pit optimization have been prepared without reference to surface rights or the presence of overlying private property or public infrastructure or geographical constraints.

The Candelones Project has been evaluated using gold assays only for the oxide resources, while the updated sulphide resources were evaluated using silver and copper assays as well.

Operating costs were estimated based on similar operations. It is Micon's QPs opinion that the costs are reasonable, but they were not developed from first principles and are considered conceptual in nature.

Table 25.1 summarizes the open pit and underground economic assumptions upon which the resource estimate for the Candelones Project is based. All monetary values are expressed in US dollars.

Table 25.1
Summary of the Candelones Project Economic Assumptions for the Conceptual Open Pit and Underground Mining Methods

Candelones Parameters	Oxides (PEA)		Sulphides
	Oxides	Transition	
Au price $/oz	$1,700	$1,700	$1,700
Ag price $/oz	$20.00	$20.00	$20.00
Cu price $/lb	$4.00	$4.00	$4.00
Au recovery	80%	50%	84%
Ag recovery			55%
Cu recovery			87%
Open Pit Mining Cost $/t	$2.35	$3.61	$2.85
Processing Cost (Heap Leach) $/t	$7.40	$7.40	
Processing Cost (Flotation) $/t			$25.00
G&A Cost $/t	$2.39	$2.39	$2.39
Open Pit Overall Cost $/t	$12.14	$13.40	$30.24
Underground Mining Cost $/t			$60.00
Underground Overall Cost $/t			$87.39
Open Pit Au Cut-off g/t	0.28	0.49	0.66
Au Eq. Cut-off g/t			0.65
Open Pit NSR Cut-off ($)/t			$20.24
Underground Au Cut-off (g/t)			1.9
Underground Au-Eq Cut-off (g/t)			1.89
Underground NSR Cut-off ($/t)			$77.39
Open pit slope	45	45	45

The open pit parameters noted above were input into the pit optimization software and a series of nested pit shells representing varying revenue factors (gold prices) were generated.

The pit shell maximizing revenue (optimum pit) indicated that the cut-off grade for open pit mining is:

- Oxide mineralization (starter pit) 0.28 g/t.
- Transition mineralization (starter pit) 0.49 g/t.
- Sulphide mineralization (ultimate pit) $20/t NSR.
- Sulphide mineralization (underground) $77/t NSR.

The stripping ratios for the optimized pit shells at a gold price of US $1,700/oz are 7.46 for the CE, 0.91 for the CMC ultimate pit and 0.13 for the CMC starter pit.

For the underground mining scenario, the model indicated that the mining cut-off value is $77/t NSR for the sulphide mineralization. There is no oxide mineralization in the underground scenario.

25.2.3 Mineral Resource Classification

Micon's QPs have classified the mineral resource estimate of the Candelones Project as being in the Measured, Indicated and Inferred categories. The criteria for each category are as follows:

- Measured Resources:
    - All oxide blocks in the CMC deposit within 20 m of an informing sample, with a significant density of informing samples from drill holes, test pits and trenches.
    - All sulphide blocks in the CE deposit within 25 m of an informing sample.
- Indicated Resources:
    - All oxide blocks in the CMC deposit within 20 m of an informing sample, but with a lesser density of informing samples from drill holes, test pits and trenches.
    - All sulphide blocks in the CE deposit within 40 m of an informing sample.
- Inferred Resources:
    - All remaining blocks in the CMC oxide zone.
    - All transition and sulphide blocks in the CMC zone.
    - All remaining sulphide blocks in the CE zone.

All Measured and Indicated resources were subjected to a final, manual grooming check for reasonableness.

25.2.4 Mineral Resource Estimate

The mineral resource estimates for the Candelones Project are summarized in Table 25.2 (PEA oxide resources) and Table 25.3 (sulphide resources).

Table 25.2
Oxide Mineral Resource Estimate for Candelones Project PEA, Effective Date May 10, 2021

Deposit	Mining Method	Mineralization Type	Category	Tonnes (x1,000)	Au g/t	Au oz (x1,000)	Strip Ratio
CMC	Open Pit (Starter) PEA	Oxide (Heap Leach)	Measured	1,851	0.82	49	0.13
			Indicated	1,616	0.82	42	
		Total Measured + Indicated		**3,467**	**0.82**	**91**	
		Oxide (Heap Leach)	Inferred	1,154	0.6	22	
		Transition (Heap Leach)		478	0.87	13	
		Total Inferred		**1,632**	**0.68**	**36**	

Table 25.3
Sulphide Mineral Resource Estimate for the Candelones Project, Effective Date May 10, 2021

Deposit	Mining Method	Category	NSR$ Cut-off	Tonnes (x1,000)	AuEq g/t	Au g/t	Ag g/t	Cu %	AuEq oz (x1,000)	Au oz (x1,000)	Ag oz (x1,000)	Cu lb (x1,000)	Strip Ratio
CE	Open Pit (Ultimate)	Measured	20	6,280	2.22	1.90	3.28	0.18	449	383	662	25,042	7.46
		Indicated	20	13,098	1.63	1.40	4.18	0.12	688	591	1,762	34,201	
		M+I	**20**	**19,378**	**1.82**	**1.56**	**3.89**	**0.14**	**1,137**	**974**	**2,425**	**59,243**	
		Inferred	20	18,594	1.55	1.38	2.93	0.09	928	826	1,749	36,022	
CMC			20	4,448	1.38	1.25	1.17	0.07	197	178	167	7,207	0.91
CMC + CE		**Inferred Subtotal**	**20**	**23,042**	**1.52**	**1.36**	**2.59**	**0.09**	**1,125**	**1,005**	**1,916**	**43,229**	N/A
CE	Underground	Measured	77	759	3.15	2.65	1.88	0.29	77	65	46	4,836	N/A
		Indicated	77	348	2.73	2.35	2.32	0.22	31	26	26	1,652	
		M+I	**77**	**1,107**	**3.02**	**2.56**	**2.02**	**0.27**	**107**	**91**	**72**	**6,488**	
		Inferred	77	417	2.63	2.32	3.53	0.17	35	31	47	1,535	
CMC			77	338	2.72	2.46	0.81	0.15	30	27	9	1,114	
CMC + CE		**Inferred Subtotal**	**77**	**755**	**2.67**	**2.38**	**2.31**	**0.16**	**65**	**58**	**56**	**2,649**	
Sulphides Total Measured + Indicated				**20,484**	**1.89**	**1.62**	**3.79**	**0.15**	**1,244**	**1,065**	**2,497**	**65,731**	
Sulphides Total Inferred				**23,797**	**1.55**	**1.39**	**2.58**	**0.09**	**1,190**	**1,063**	**1,972**	**45,878**	

Mineral resources which are not mineral reserves do not have demonstrated economic viability. At the present time, Micon and the QPs do not believe that the mineral resource estimate is materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

Micon and the QPs consider that the resource estimate for the Candelones Project has been reasonably prepared and conforms to the current 2014 CIM standards and definitions for estimating resources. The mineral resource estimate can be used as Unigold's basis for the ongoing exploration at the Candelones Project.

The process of mineral resource estimation includes technical information that requires subsequent calculations or estimates to derive sub-totals, totals and weighted averages. Such calculations or estimations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, Micon and the QPs do not consider them to be material.

Micon's QPs validated the block model using two methods: visual inspection and trend analysis.

For the visual inspection, the model blocks and the drill hole intercepts were viewed in section to ensure that the grade distribution in the blocks was honouring the drill hole data. The degree of agreement between the block grades and the drill intercepts is satisfactory.

The block model grades, and the grades of the informing composites, were compared by swath plots. Overall, the swath plots show a good spatial correlation between the composite grades and the block model grades.

25.3 PEA MINING, PROCESSING AND INFRASTRUCTURE

25.3.1 Mining

The oxide resources that are the subject of the PEA described herein are close to the surface and would be mined by open pit methods.

The Candelones Starter Pit will primarily be mined using hydraulic excavators which are able to free dig the mineralized overburden and oxidized rock and waste down to the transition rock. Only the transition leach feed and transition waste will require blasting. The total amount of rock that will require blasting is only 14% of the total and will be encountered during the later half of the mine life.

The production requirement for Candelones was to establish a mining rate that would achieve an optimal balance between capital cost minimization and operating cost minimization. This was achieved through the adoption of a three-year mine life, with all mineralized rock above the cut-off grade going directly to the primary crusher and then onto the leach pad.

The mine will operate 360 days per year, with five days annually scheduled for non-operation. Mining will be carried out on two eight-hour shifts per day.

Additional mine operations time scheduled for loss will occur overnight as the mine will operate on two eight hour shifts to follow ILO guidelines.

The mining of the Candelones Starter Pit will generally be executed in 4 m benches, using 2 m flitches where preferred. Whereas the block model has dimensions of 6 m x 6 m x 2 m (height), the mine planning has the ability to evaluate strategic selectivity using of 2 m flitches as needed. In general, however, for improved productivity, 4 m benches will be preferred. Where drilling is required in the transition material, 4 m will be drilled with 0.75 m subgrade.

The overall pit slope angles are all less than the 40-degree maximum of the inter-ramp angle defined by the face angle and the berm widths. The mining of the pit will be divided into four pushbacks during the 3 years of operation.

The mining rate follows the 5,000 t/d throughput capacity of the crushing circuit by which the leach feed is reduced in size prior to being loaded onto the leach pad. This amounts to 1.8 Mt of leach feed planned to be mined, crushed and leached per year.

The mine plan is based on 2.5% dilution and 2.5% mineralized material loss. The in-situ grade of 0.77 g/t is adjusted down to 0.75 g/t, in order to account for the estimated 2.5% of sterile rock dilution of the leach feed.

There are generally several active faces being mined at any time, thus minimizing the impact of congestion of equipment in the pit and on haul roads, and also increasing the flexibility of the mine plan during rainy seasons.

25.3.2 Processing

A total of 5,000 t/d of mineralization from the Candelones open pit will be mined and hauled approximately 3 km onto a "run-of-mine" heap leach pad. The feed to the leaching process will be crushed using a mineral sizer, in order to break-up agglomerates and oversized material. The leach feed will be mixed with hydrated lime prior to being delivered to the heap leach pad. The pad will be irrigated with a leach solution, obtaining an average 75% leach gold recovery following a 10-week leach cycle.

Gold and silver will be recovered from the pregnant leach solution (PLS) by contacting the solution with granular activated carbon-in-columns (CIC), followed by a Zadra adsorption, desorption and regeneration (ADR) plant, comprising acid wash, elution, carbon handling, carbon regeneration, electrowinning cells and refinery, to produce doré bars. No tailings facility will be required.

Gold recovery estimates for oxide and transition mineralization are based on metallurgical testwork undertaken by Bureau Veritas Commodities Canada Ltd., Vancouver. The process design criteria are based on a series of bottle roll leach tests, phase 1 column leach testwork completed in 2020, and phase 2 column leach testwork that is currently ongoing.

25.3.3 Infrastructure

The infrastructure included in the PEA includes the following:

- Access road.
- Site roads.
- On-site power generation and site electrical distribution system.
- Bore holes, pumps and piping for site fresh water supply.
- Heap leach facility.
- Process solution ponds.
- Waste dump.
- Process facility buildings, including control room and secure gold room.
- Modular units for administration, offices, dry, lunchroom, first aid building and security gate.

25.3.4 Capital and Operating Costs

Micon's QP estimates of the capital and operating costs are expressed in first quarter 2021 United States dollars, without provision for escalation. Where appropriate, an exchange rate of DOP 58/US$ has been applied. The expected accuracy of the estimates is ±30%.

Total capital costs for the base case are forecast as shown in Table 25.4.

Table 25.4
LOM Capital Cost Summary

Area	Initial Capital ($'000)	Sustaining Capital ($'000)	LOM Total Capital ($'000)
Mining	1,840	432	2,272
Processing Plant	11,835	-	11,835
Site Infrastructure	12,856	-	12,856
Indirects	2,803	-	2,803
Owner's Costs	2,374		2,374
Contingency	4,756	-	4,756
Total construction cost	**36,465**	**432**	**36,897**
Mine Closure Provision	3,409	-	3,409
Grand Total	**39,874**	**432**	**40,306**

The operating costs have been estimated from first principles. A summary of these estimates is presented in Table 25.5.

Table 25.5
LOM Total Cash Operating Costs – Base Case

Area	Life-of-Mine Cost ($ 000)	Unit Cost $/t milled	Unit Cost US$/oz Gold
Mining	17,003	3.22	177.9
Processing	31,467	5.97	329.2
General & Administrative	10,184	1.93	106.5
Selling costs	8,663	1.64	90.6
Total Cash Costs	**67,317**	**12.76**	**704.3**

25.4 PEA ECONOMIC ANALYSIS

25.4.1 Basis of Evaluation

Micon's QP has prepared its assessment of the Project on the basis of a discounted cash flow model, from which Net Present Value (NPV) can be determined. Assessments of NPV are generally accepted within the mining industry as representing the economic value of a project after allowing for the cost of capital invested.

The objective of the study was to determine the potential viability of an open pit mine, a heap-leach pad and gold recovery plant on site. In order to do this, the cash flow arising from the base case has been forecast, enabling a computation of NPV to be made. The sensitivity of the NPV to changes in base case assumptions is then examined.

25.4.2 Macro-Economic Assumptions

25.4.2.1 Exchange Rate and Inflation

All results are expressed in United States dollars, except where otherwise stated. Cost estimates and other inputs to the cash flow model for the Project have been prepared using constant, first quarter 2021 money terms, without provision for escalation or inflation.

25.4.2.2 Weighted Average Cost of Capital

In order to find the NPV of the cash flows forecast for the Project, an appropriate discount factor must be applied which represents the weighted average cost of capital (WACC) imposed on the Project by the capital markets. The cash flow projections used for the evaluation have been prepared on an all-equity basis. This being the case, WACC is equal to the market cost of equity.

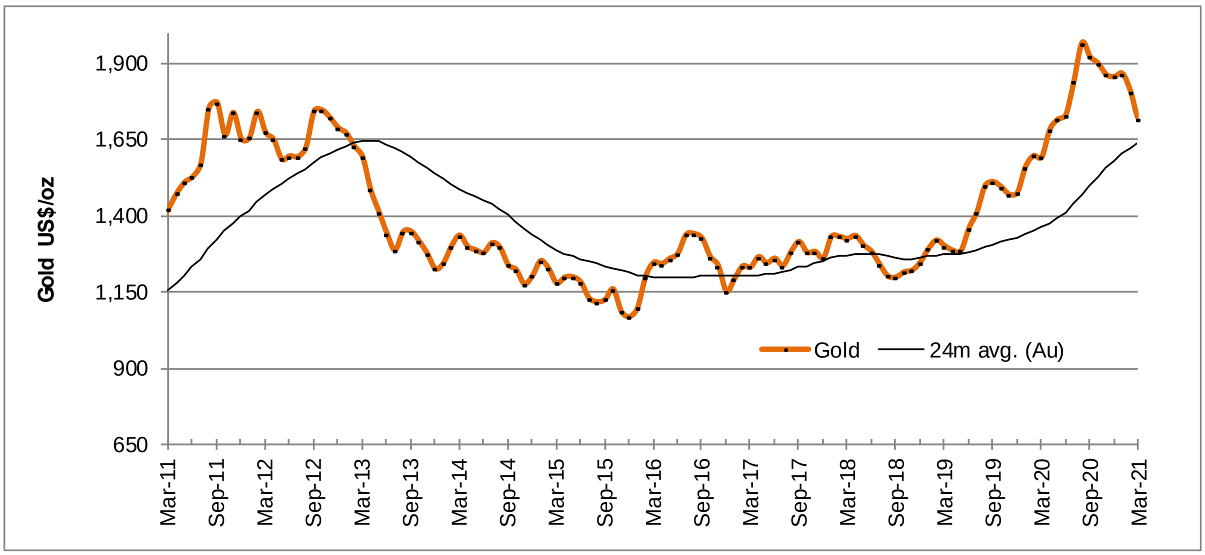
In line with the cost of capital estimated for other gold producers, Micon's QP selected an annual discount rate of 5% for its base case and has tested the sensitivity of the Project to changes in this rate.

25.4.2.3 Expected Metal Prices

Project revenues will be generated from the sale of gold doré bars. The Project has been evaluated using constant metal prices of US$1,650/oz Au. While below current market levels, the forecast gold price approximates the average achieved over the 24 months ending 23 April, 2021.

Figure 25.1 presents monthly average prices for gold over the past ten years, along with the 24-month trailing average price over that period.

Figure 25.1
Ten Year Price History



25.4.2.4 Taxation and Royalty Regime

Dominican Republic provincial income and mining taxes have been provided for in the economic evaluation, comprising a 5% royalty on gold sales, which is credited in full against income taxes levied at the rate of 27%. Depreciation of capital costs is allowed on a modified declining balance basis.

25.4.3 Technical Assumptions

The technical parameters, production forecasts and estimates described earlier in this report are reflected in the base case cash flow model. These inputs to the model are summarized below.

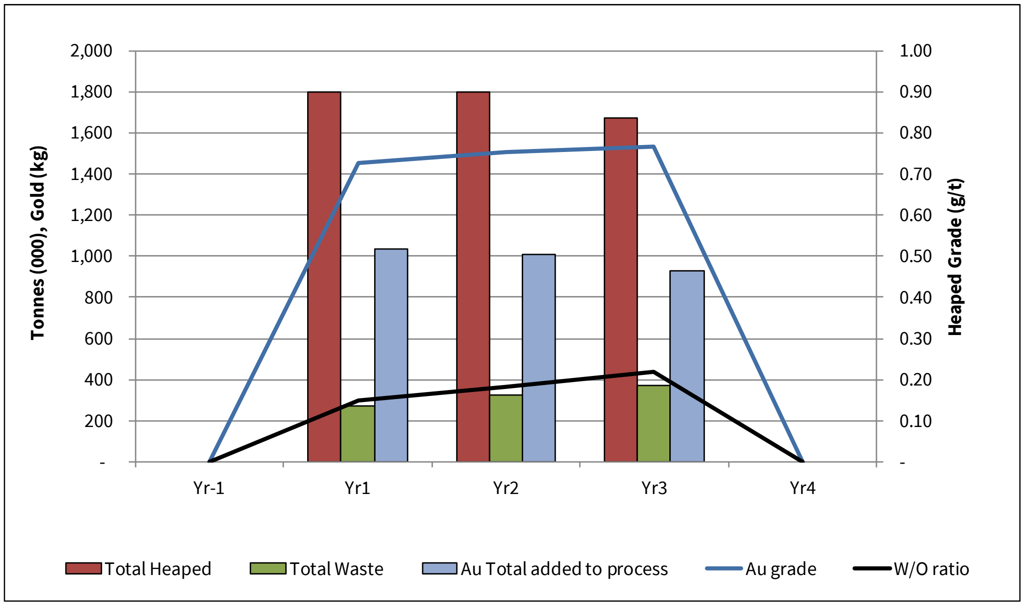
25.4.3.1 Production Schedule

Figure 25.2 shows the annual tonnages of waste rock, and the material heaped on the leach pad, the average ore grade, stripping ratio and the gold content of the material to be leached.

Heap leach extraction of gold has been modelled assuming 80% recovery from oxide material and 50% from the transition zone. Notwithstanding column testwork showing more rapid leaching, the cash flow model assumes the full recovery of the leachable gold will require 3 months from placement of material on the heap.

A further 7 days of sales is provided in working capital for accounts receivable. Stores and accounts payable are provided for with 45 and 30 days, respectively.

Figure 25.2
LOM Production Schedule



25.4.4 Operating Margin

Figure 25.3 shows the annual sales revenues compared to cash operating costs and capital expenditures. The chart demonstrates that the Project maintains a significant operating margin in each period over the LOM, with the operating margin forecast to average 57%.

25.4.5 Project Cash Flow

This preliminary economic assessment is preliminary in nature; it includes inferred mineral resources which are considered too speculative to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized.

The estimated LOM base case Project cash flow is presented in Table 25.6 and summarized in Figure 25.4. Annual cash flows are set out in Table 25.7.

Figure 25.3
LOM Net Revenue, Capital and Operating Costs

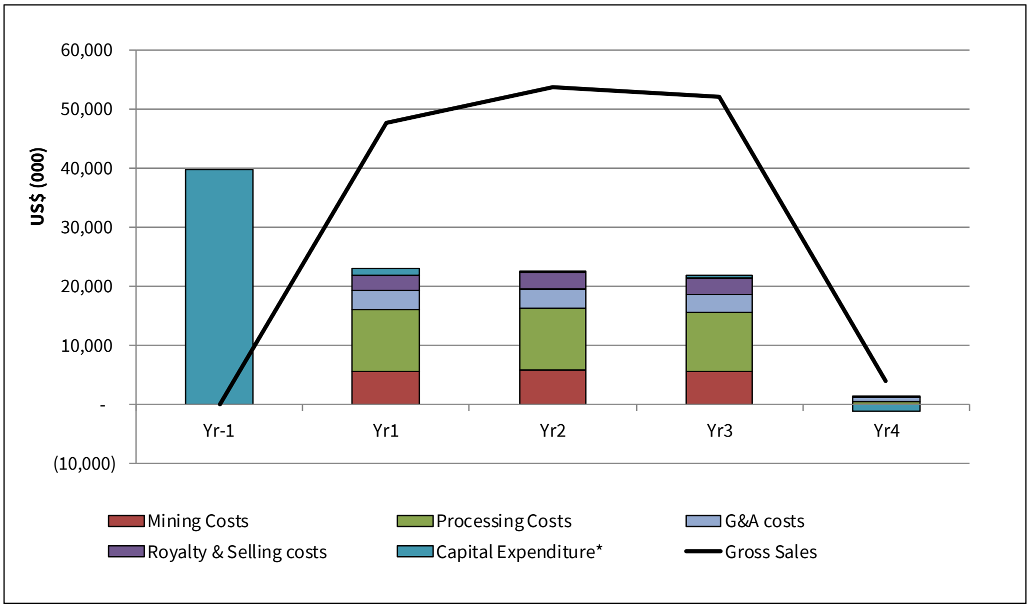


Table 25.6
Life-of-Mine Cash Flow Summary

	LOM Total $'000	$/t Treated	US$/oz Au
Gross Revenue	**157,718**	**29.90**	**1,650**
Mining costs	17,003	3.22	178
Processing costs	31,467	5.97	329
General & Administrative costs	10,184	1.93	107
Subtotal Cash Operating Costs	58,655	11.12	614
Selling expenses incl. Royalty	8,663	1.64	91
Total Cash Cost	**67,317**	**12.76**	**704**
Net cash operating margin	90,401	17.14	946
Initial capital	36,465	6.91	381
Sustaining capital	432	0.08	5
Closure provision	3,409	0.65	36
Net Cash flow before tax	**50,095**	**9.50**	**524**
Taxation	16,522	3.13	173
Net Cash flow after tax	**33,572**	**6.37**	**351**
All-in Sustaining Cost per ounce (AISC)			744
All-in Cost per ounce (AIC)			1,126

Figure 25.4
Life-of-Mine Cash Flows

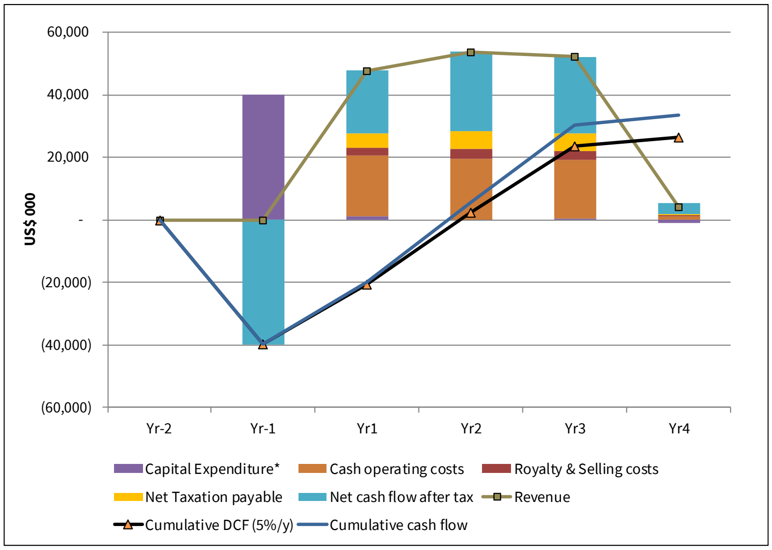


Table 25.7
Life of Mine Annual Cash Flow

Period	Units	LOM Total	Yr-1	Yr1	Yr2	Yr3	Yr4
Tonnes treated (t'000)	t'000	5,275	-	1,799	1,799	1,677	-
Heaped Grade	g/t Au	0.75	-	0.73	0.75	0.77	-
Gold Content	koz Au	126.99	-	42.05	43.65	41.28	-
Gold Sales (payable oz)	koz Au	95.59	-	28.89	32.58	31.64	2.48
Gross revenue	$'000	157,718	-	47,663	53,761	52,207	4,087
Mining	$'000	17,003	-	5,659	5,792	5,552	-
Processing	$'000	31,467	-	10,536	10,535	9,968	428
G&A	$'000	10,184	-	3,134	3,134	3,134	783
Cash operating costs	$'000	58,655	-	19,329	19,462	18,654	1,211
Selling costs	$'000	8,663	-	2,620	2,956	2,865	222
Total Cash Costs	$'000	67,317	-	21,948	22,417	21,519	1,433
Net cash operating margin	$'000	90,401	-	25,715	31,343	30,688	2,655
Initial capital	$'000	36,465	36,465	-	-	-	-
Sustaining capital	$'000	432	-	-	-	432	-
Closure provision	$'000	3,409	3,409	-	-	-	-
Change in working capital	$'000	-	-	1,102	112	(38)	(1,176)
Net Cash flow before tax	$'000	50,095	(39,874)	24,613	31,231	30,294	3,831
Taxation	$'000	16,522	-	4,560	5,775	5,675	512
Net Cash flow after tax	$'000	33,572	(39,874)	20,053	25,456	24,619	3,319
Disc. cash flow (5%)	$'000	26,310	(39,874)	19,098	23,090	21,267	2,730
Cumulative disc. cash flow	$'000		(39,874)	(20,776)	2,313	23,580	26,310

Period	Units	LOM Total	Yr-1	Yr1	Yr2	Yr3	Yr4
		Before Tax	After Tax				
Internal Rate of Return	$'000	50.3%	34.9%				
Undiscounted cash flow	$'000	50,095	33,572				
Net Present Value (5%)	$'000	41,215	26,310				
Net Present Value (7.5%)	$'000	37,301	23,110				
Net Present Value (10%)	$'000	33,689	20,157				
Total Cash Cost	US$/oz	704					
All-in Sustaining Cost	US$/oz	744					
All-in Cost	US$/oz	1,126					

Pre-tax cash flows provide an internal rate of return (IRR) of 50%; when discounted at the rate of 5% per year, the pre-tax net present value (NPV_5) is $41.2 million. Undiscounted, the pre-tax payback period is 1.5 years. When discounted at 5% per year, it extends 1.6 years.

After-tax cash flows provide an IRR of 34.9%; after-tax NPV_5 is $26.3 million. Profitability index (i.e., the ratio of NPV_5/Initial Capital) is 0.7. Undiscounted, the after-tax payback period is 1.8 years. When discounted at 5% per year, it extends to 1.9 years.

25.4.6 Sensitivity Study and Risk Analysis

Micon's QP tested the sensitivity of the base case after-tax NPV_5 to changes in metal price, operating costs and capital investment for a range of 25% above and below base case values. The impact on NPV_5 to changes in other revenue drivers such as gold grade of material treated and the percentage recovery of gold from processing is equivalent to gold price changes of the same magnitude, so these factors can be considered as equivalent to the price sensitivity.

Figure 25.5 shows the results of changes in each factor separately. The chart demonstrates that the Project remains viable across the range of sensitivity tested, with a negative NPV_5 recorded only with a 25% reduction in gold price to $1,238/oz. The project is less sensitive to both operating and capital costs, with an increase of 25% reducing NPV_5 to $16.6 million and $17.1 million, respectively.

Separately, Micon's QP also tested the sensitivity of the Project NPV_5 for specific gold prices above and below the base case price of $1,650/oz. Table 25.8 shows the results of this exercise, which demonstrates that each $100/oz change in the gold price results in a change of around $6.4 million in NPV_5.

Figure 25.5
Sensitivity of Base Case to Capital, Operating Costs and Gold Price

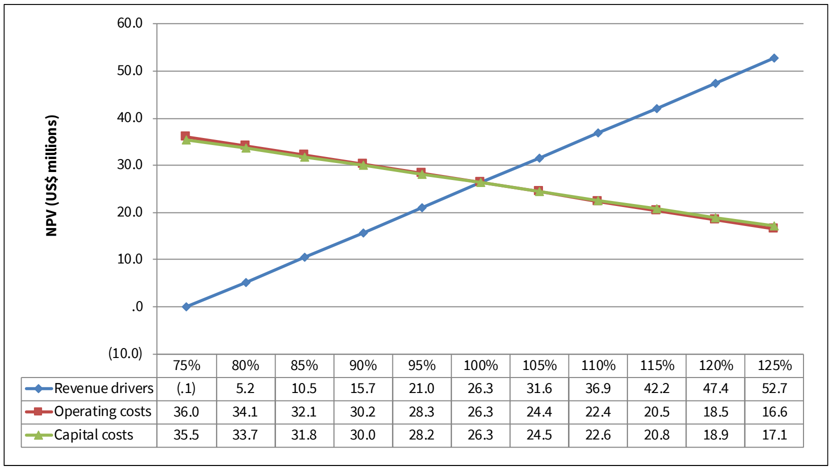


Table 25.8
Base Case: Sensitivity of NPV_5 and IRR to Gold Price

Gold Price (US$/oz)	NPV_5 (US$M)	IRR (%)
1,400	10.3	17.2%
1,450	13.5	20.9%
1,500	16.7	24.5%
1,550	19.9	28.0%
1,600	23.1	31.5%
1,650	**26.3**	**34.9%**
1,700	29.5	38.3%
1,750	32.7	41.7%
1,800	35.9	45.0%
1,850	39.1	48.3%
1,900	42.3	51.6%

25.5 CONCLUSIONS

25.5.1 Resource Estimate Conclusions

Micon's QPs believe that the oxide mineral resource estimate is robust enough that it can be used as the basis of further economic studies while Unigold continues to further define the nature and extent of the underlying sulphide mineralization through its exploration programs.

25.5.2 PEA Economic Conclusions

Micon's QPs conclude that, based on the forecast production, capital and operating cost estimates presented in this study and at the PEA level of analysis, the Project base case demonstrates an all-in sustaining cost (AISC) of US$744/oz, and that the base case presents a potentially viable project at gold prices above $1,400/oz. There is, however, no assurance that the economic results of the PEA would be realized in practice.

26.0 RECOMMENDATIONS

26.1 PLANNED EXPENDITURES AND BUDGET PREPARATION

An overview of the proposed budget for 2021 is presented in Table 26.1.

Unigold's primary objective is completion of a pre-feasibility study on the Candelones Oxide Project. This will allow Unigold to apply for an Exploitation Concession in 2022. Exploitation Concessions are granted for a 75-year term. Unigold believes that the at surface oxide resource may be a low capital cost Project that can be permitted, developed and brought into commercial production rapidly. Potential cash flow generated from the oxide resource can be re-invested into advancing the sulphide resource potential.

The 2021 Project budget includes 10,000 m of exploration diamond drilling. Exploration diamond drilling will focus on testing select target areas to identify other potential sources of oxide mineralization which could enhance the economics of the currently defined oxide Project.

Drilling will also test prioritized exploration targets identified outside the Candelones Project footprint. Potentially, this will include Rancho Pedro, Montazo, Guanao, Corozo and other targets within the Concession limits.

Unigold plans to continue a public relations campaign to educate the local communities on the benefits of mining and the proposed oxide Project development.

Table 26.1
Budget Summary for the Neita Concession – 2021

Description	Amount CDN$
Metallurgy (sulphide + oxide)	250,000
PFS CM & CC Oxide	250,000
Geophysics	250,000
Exploration Drilling	1,500,000
Public Relations	750,000
Total	**3,000,000**

Table provided by Unigold Inc.

Given the known extent of mineralization on the property, as demonstrated by the other exploration targets, the Neita Concession has the potential to host further deposits or lenses of gold and multi-element mineralization, similar to those identified so far at the Candelones Project.

Micon's QPs have reviewed the exploration programs for the property and, in light of the observations made in this report, along with the prospective nature of the property, believes that Unigold should continue to conduct targeted exploration programs on the Neita Concession and at the Candelones Project.

26.2 FURTHER RECOMMENDATIONS

Micon's QPs agree with the general direction of Unigold's exploration programs and economic studies for both the Neita Concession and Candelones Project and makes the following additional recommendations:

1. Micon's QPs recommend that Unigold continues to work out the structural relationships of not only the lithological units themselves but also of the various faults and shear zones that are located on the property and how they may have affected the mineral deposit.
2. Micon's QPs recommend that more holes should be drilled in the opposite direction from that of the primary exploration drilling (scissor holes). This will assist in further identifying and verifying geological structures in the deposit areas.
3. Micon's QPs recommend that further step out exploration drilling is conducted to expand on the mineral resources already known. This will most likely initially increase the potential inferred mineral resources, but infill drilling can be conducted as necessary to increase the confidence of the mineral resources.
4. Micon's QPs recommend that Unigold continue to conduct the technical studies necessary in order to initiate a pre-feasibility study for the Candelones Project.
5. Micon's QPs recommend that, for the transition zone in the CMC deposit, accurate information regarding the upper and lowers contacts is obtained in order for it to be able to be categorized higher than inferred resources and that more metallurgical work is conducted for a better idea of the actual recovery.
6. Micon's QP recommend that the dyke models need to be completed for both the east and west portions of the CE deposit.

26.3 RECOMMENDATIONS FOR FURTHER METALLURGICAL WORK

26.3.1 Oxide Mineralization

A bulk oxide sample excavated from surface pits on site has been collected by Unigold and shipped to BVM to be used as feed for two large diameter column tests. The results from these tests can be used as a basis to update the PEA design criteria for a more advanced technical study.

26.3.2 Sulphide Mineralization

More detailed mineralogical studies are recommended to confirm the liberation characteristics of the sulphide mineralization and the gold deportment of the different zones within the Candelones deposit.

Additional flotation tests are recommended to optimize the production of potentially salable concentrates.

Preliminary refractory gold testwork on flotation products from Main Zone disseminated and massive sulphide mineralization is recommended. This work should include pressure oxidation and bacterial oxidation pre-leach treatment processes.

Further gravity, flotation and leaching tests are recommended for Target B mineralization.

A complete suite of metallurgical tests should be completed for the mineralization at Target C, a third high-grade target within the CE zone, that is a focal point of Unigold's current exploration program.

27.0 DATE AND SIGNITURE PAGE

MICON INTERNATIONAL LIMITED

"William J. Lewis" {signed and sealed as of the report date}

William J. Lewis, P.Geo.	Report Date: May 31, 2021
Senior Geologist	Effective Date: May 10, 2021

"Richard Gowans" {signed and sealed as of the report date}

Richard M. Gowans, P.Eng.	Report Date: May 31, 2021
President and Principal Metallurgist	Effective Date: May 10, 2021

"Alan San Martin" {signed and sealed as of the report date}

Ing. Alan San Martin, MAusIMM(CP)	Report Date: May 31, 2021
Mineral Resource Specialist	Effective Date: May 10, 2021

"Christopher Jacobs" {signed and sealed as of the report date}

Christopher Jacobs, MBA, CEng, MIMMM	Report Date: May 31, 2021
Vice President and Senior Consultant, Mineral Economics	Effective Date: May 10, 2021

"Nigel Fung" {signed and sealed as of the report date}

Nigel Fung, B.Sc.H., B.Eng., P.Eng.	Report Date: May 31, 2021
Vice President of Mining	Effective Date: May 10, 2021

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28.1 PUBLICATIONS

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28.2 WEB BASED SOURCES

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Mine Environment Neutral Drainage (MEND). Website http://mend-nedem.org/mend-report/acid-rock-drainage-prediction-manual/

Unigold Inc. website www.unigoldinc.com

29.0 CERTIFICATES

micon INTERNATIONAL LIMITED | mineral industry consultants

CERTIFICATE OF AUTHOR
William J. Lewis

As the co-author of this report for Unigold Inc. entitled "NI 43-101 F1 Technical Report Updated Mineral Resource Estimate and Preliminary Economic Assessment for the Oxide Portion of the Candelones Project, Neita Concession, Dominican Republic" dated May 31, 2021, with an effective date of May 10, 2021, I, William J. Lewis do hereby certify that:

1. I am employed by, and carried out this assignment for, Micon International Limited, Suite 900, 390 Bay Street, Toronto, Ontario M5H 2Y2, tel. (416) 362-5135, fax (416) 362-5763, e-mail wlewis@micon-international.com;
2. This certificate applies to the Technical Report titled "NI 43-101 F1 Technical Report Updated Mineral Resource Estimate and Preliminary Economic Assessment for the Oxide Portion of the Candelones Project, Neita Concession, Dominican Republic" dated May 31, 2021 with an effective date of May 10, 2021;
3. I hold the following academic qualifications:

B.Sc. (Geology)	University of British Columbia	1985

4. I am a registered Professional Geoscientist with the Association of Professional Engineers and Geoscientists of Manitoba (membership # 20480); as well, I am a member in good standing of several other technical associations and societies, including:
    - Association of Professional Engineers and Geoscientists of British Columbia (Membership # 20333)
    - Association of Professional Engineers, Geologists and Geophysicists of the Northwest Territories (Membership # 1450)
    - Professional Association of Geoscientists of Ontario (Membership # 1522)
    - The Canadian Institute of Mining, Metallurgy and Petroleum (Member # 94758)
5. I have worked as a geologist in the minerals industry for over 35 years;
6. I am familiar with NI 43-101 and, by reason of education, experience and professional registration, I fulfill the requirements of a Qualified Person as defined in NI 43-101. My work experience includes 4 years as an exploration geologist looking for gold and base metal deposits, more than 11 years as a mine geologist in underground mines estimating mineral resources and reserves and over 20 years as a surficial geologist and consulting geologist on precious and base metals and industrial minerals;
7. I have read NI 43-101 and this Technical Report has been prepared in compliance with the instrument;
8. I visited the Candelones Project in 2013, 2017 and most recently between October 22 and 26, 2019 to review the drilling programs on the property, discuss the ongoing QA/QC program and emerging geological model for the Project as well as discuss various other aspects of the Project.
9. I have written or co-authored previous Technical Reports for the mineral property that is the subject of this Technical Report;
10. I am independent Unigold Inc. and its subsidiaries according to the definition described in NI 43-101 and the Companion Policy 43-101 CP;
11. I am responsible for all Sections of this Technical Report, except for the following sections 1.1 to 1.6, 1.8, 2 to 12.1.1, 12.2, 14..1 to 14.3, 14.5.3, 14.5.5, 14.6, 19, 23, 24, 25.1, 25.2, 25.5.1, 26.1 and 26.2.
12. As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make this technical report not misleading;

Report Dated this 31st day of May, 2021 with an effective date of May 10, 2021.

"William J. Lewis" {signed and sealed as of the report date}

William J. Lewis, B.Sc., P.Geo.
Director and Senior Geologist

micon INTERNATIONAL LIMITED | mineral industry consultants

CERTIFICATE OF AUTHOR
Richard M. Gowans

As the co-author of this report for Unigold Inc. entitled "NI 43-101 F1 Technical Report Updated Mineral Resource Estimate and Preliminary Economic Assessment for the Oxide Portion of the Candelones Project, Neita Concession, Dominican Republic" dated May 31, 2021, with an effective date of May 10, 2021, I, Richard Gowans do hereby certify that:

1. I am employed by, and carried out this assignment for, Micon International Limited, Suite 900, 390 Bay Street, Toronto, Ontario M5H 2Y2, tel. (416) 362-5135, fax (416) 362-5763, e-mail rgowans@micon-international.com.
2. I hold the following academic qualifications:

   B.Sc. (Hons) Minerals Engineering, The University of Birmingham, U.K. 1980.
3. I am a registered Professional Engineer of Ontario (membership number 90529389); as well, I am a member in good standing of the Canadian Institute of Mining, Metallurgy and Petroleum.
4. I am familiar with NI 43-101 and by reason of education, experience and professional registration, fulfill the requirements of a Qualified Person as defined in NI 43-101. My work experience includes over 30 years of the management of technical studies and design of numerous metallurgical testwork programs and metallurgical processing plants.
5. I have read NI 43-101 and this Technical Report has been prepared in compliance with the instrument.
6. I have not visited the Candelones Project which is the subject of this Technical Report.
7. I have participated in the preparation of a number of prior Technical Reports on the Candelones property.
8. I am independent of Unigold Inc. and its related entities, as defined in Section 1.5 of NI 43-101.
9. I am responsible for Sections 1.7, 1.9.2, 1.11, 13, 17, 18, 20, 25.3.2 and 26.3 of this Technical Report.
10. As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make this technical report not misleading.

Report Dated this 31st day of May, 2021 with an effective date of May 10, 2021.

"Richard Gowans" {signed and sealed as of the report date}

Richard Gowans P.Eng.
President and Principal Metallurgist

CERTIFICATE OF QUALIFIED PERSON
Ing. Alan J. San Martin, MAusIMM(CP)

As the co-author of this report for Unigold Inc. entitled "NI 43-101 F1 Technical Report Updated Mineral Resource Estimate and Preliminary Economic Assessment for the Oxide Portion of the Candelones Project, Neita Concession, Dominican Republic" dated May 31, 2021, with an effective date of May 10, 2021, I, Alan J. San Martin, do hereby certify that:

1. I am employed by, and carried out this assignment for, Micon International Limited, whose address is 900 – 390 Bay Street, Toronto, Ontario M5H 2Y2. tel: (416) 362-5135, e-mail asanmartin@micon-international.com.

2. I hold a Bachelor Degree in Mining Engineering (equivalent to B.Sc.) from the National University of Piura, Peru, 1999;

3. I am a member in good standing of the following professional entities:
   - The Australasian Institute of Mining and Metallurgy (AusIMM), Membership #301778
   - Canadian Institute of Mining, Metallurgy and Petroleum, Member ID 151724
   - Colegio de Ingenieros del Perú (CIP), Membership # 79184

4. I have been working as a mining engineer and geoscientist in the mineral industry for over 20 years;

5. I am familiar with the current NI 43-101 and, by reason of education, experience and professional registration as Chartered Professional, MAusIMM(CP), I fulfill the requirements of a Qualified Person as defined in NI 43-101. My work experience includes 5 years as Mining Engineer in exploration (Peru), 4 years as Resource Modeller in exploration (Ecuador) and 12 years as Mineral Resource Specialist and mining consultant in Canada;

6. I have read NI 43-101 and Form 43-101F1 and the portions of this Technical Report for which I am responsible have been prepared in compliance with that instrument and form.

7. I have visited the property that is the subject of the Technical Report in 2013.

8. I have co-authored previous Micon reports for the property that is the subject of the Technical Report.

9. I am independent of Unigold Inc. and its related entities, as defined in Section 1.5 of NI 43-101.

10. I am responsible for Sections 12.1.2, 14.4, 14.5.1, 14.5.2, 14.7 and 14.8 of this Technical Report.

11. As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make this technical report not misleading.

Report Dated this 31st day of May, 2021 with an effective date of May 10, 2021.

"Alan J. San Martin" {signed and sealed}

Ing. Alan J. San Martin, MAusIMM(CP)
Mineral Resource Specialist

CERTIFICATE OF QUALIFIED PERSON
Christopher Jacobs, CEng, MIMMM

As the co-author of this report for Unigold Inc. entitled "NI 43-101 F1 Technical Report Updated Mineral Resource Estimate and Preliminary Economic Assessment for the Oxide Portion of the Candelones Project, Neita Concession, Dominican Republic" dated May 31, 2021, with an effective date of May 10, 2021, I, Christopher Jacobs, do hereby certify that:

1. I am employed as a Vice President and Mining Economist by, and carried out this assignment for, Micon International Limited, 900 – 390 Bay Street, Toronto, Ontario M5H 2Y2. tel. (416) 362-5135, email: cjacobs@micon-international.com.
2. I hold the following academic qualifications:

   B.Sc. (Hons) Geochemistry, University of Reading, 1980;

   M.B.A., Gordon Institute of Business Science, University of Pretoria, 2004.
3. I am a Chartered Engineer registered with the Engineering Council of the U.K.

   (registration number 369178).
4. Also, I am a professional member in good standing of: The Institute of Materials, Minerals and Mining; and The Canadian Institute of Mining, Metallurgy and Petroleum (Member).
5. I am familiar with NI 43-101 and by reason of education, experience and professional registration, fulfill the requirements of a Qualified Person as defined in NI 43-101. I have worked in the minerals industry for more than 35 years; my work experience includes 10 years as an exploration and mining geologist on gold, platinum, copper/nickel and chromite deposits; 10 years as a technical/operations manager in both open-pit and underground mines; 3 years as strategic (mine) planning manager and the remainder as an independent consultant when I have worked on a variety of deposits including gold and base metals.
6. I have not visited the Property that is the subject of this report.
7. I am responsible for Sections 1.10, 21, 22, 25.4 and 25.5.2 of this Technical Report.
8. I am independent of Unigold Inc. and its related entities, as defined in Section 1.5 of NI 43-101.
9. I have read NI 43-101 and the Sections of this report for which I am responsible have been prepared in compliance with the instrument.
10. As of the date of this certificate to the best of my knowledge, information and belief, the sections of this Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make this report not misleading.

Report Dated this 31st day of May, 2021 with an effective date of May 10, 2021.

"Christopher Jacobs" {signed and sealed}

Christopher Jacobs, CEng, MIMMM

CERTIFICATE OF QUALIFIED PERSON
Nigel Fung, B.Sc.H., B.Eng., P.Eng.

As the co-author of this report for Unigold Inc. entitled "NI 43-101 F1 Technical Report Updated Mineral Resource Estimate and Preliminary Economic Assessment for the Oxide Portion of the Candelones Project, Neita Concession, Dominican Republic" dated May 31, 2021, with an effective date of May 10, 2021, I, Nigel Fung, do hereby certify that:

1. I am employed as a Geostatistician by, and carried out this assignment for, Micon International Limited, 900 – 390 Bay Street, Toronto, Ontario M5H 2Y2. tel. (416) 362-5135, email: nfung@micon-international.com.
2. I hold the following academic qualifications:

   Bachelor of Mining Engineering, McGill University, Montreal, Quebec, Canada, 2001.

   Bachelor of Science, Honours in Biology, University of Toronto, Toronto, Ontario, Canada, 1993.
3. I am a registered Professional Engineer of Ontario (License #100173276); as well, I am a member in good standing of the Canadian Institute of Mining, Metallurgy and Petroleum (member #107148).
4. Also, I am a professional member in good standing of:

   Ontario Society of Professional Engineers, ID# 12226235

   Society of Mining Engineers, #4185435
5. I am familiar with NI 43-101 and by reason of education, experience and professional registration, fulfill the requirements of a Qualified Person as defined in NI 43-101. My work experience includes over 20 years directing long-term mine planning, permitting and implementation of innovation projects and coordinated mine feasibility studies in Canada and Mexico.as well as having an excellent understanding of the mining fleet requirements for efficient and cost-effective open pit operation with a major manufacturer of open pit mining equipment.
6. I have not visited the Property that is the subject of this report.
7. I am responsible for Sections 1.9.1, 15, 16 and 25.3.1 of this Technical Report.
8. I am independent of Unigold Inc. and its related entities, as defined in Section 1.5 of NI 43-101.
9. I have read NI 43-101 and the Sections of this report for which I am responsible have been prepared in compliance with the instrument.
10. As of the date of this certificate to the best of my knowledge, information and belief, the sections of this Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make this report not misleading.

Report Dated this 31st day of May, 2021 with an effective date of May 10, 2021.

"Nigel Fung" {signed and sealed}

Nigel Fung, B.Sc.H., B.Eng., P.Eng.

APPENDIX I

GLOSSARY OF MINING AND OTHER RELATED TERMS

GLOSSARY AND DEFINED TERMS

The following is a glossary of certain mining terms that may be used in this Technical Report.

A

Ag	Symbol for the element silver.
Assay	A chemical test performed on a sample of ores or minerals to determine the amount of valuable metals contained.
Au	Symbol for the element gold.

B

Base metal	Any non-precious metal (e.g. copper, lead, zinc, nickel, etc.).
Bulk mining	Any large-scale, mechanized method of mining involving many thousands of tonnes of ore being brought to surface per day.
Bulk sample	A large sample of mineralized rock, frequently hundreds of tonnes, selected in such a manner as to be representative of the potential orebody being sampled. The sample is usually used to determine metallurgical characteristics.
Bullion	Precious metal formed into bars or ingots.
By-product	A secondary metal or mineral product recovered in the milling process.

C

Channel sample	A sample composed of pieces of vein or mineral deposit that have been cut out of a small trench or channel, usually about 10 cm wide and 2 cm deep.
Chip sample	A method of sampling a rock exposure whereby a regular series of small chips of rock is broken off along a line across the face.
CIM Standards	The CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council from time to time. The most recent update adopted by the CIM Council is effective as of May 10, 2014.
CIM	The Canadian Institute of Mining, Metallurgy and Petroleum.
Concentrate	A fine, powdery product of the milling process containing a high percentage of valuable metal.
Contact	A geological term used to describe the line or plane along which two different rock formations meet.

Core	The long cylindrical piece of rock, about an inch in diameter, brought to surface by diamond drilling.
Core sample	One or several pieces of whole or split parts of core selected as a sample for analysis or assay.
Cross-cut	A horizontal opening driven from a shaft and (or near) right angles to the strike of a vein or other orebody. The term is also used to signify that a drill hole is crossing the mineralization at or near right angles to it.
Cut-off grade	The lowest grade of mineralized rock that qualifies as ore grade in a given deposit, and is also used as the lowest grade below which the mineralized rock currently cannot be profitably exploited. Cut-off grades vary between deposits depending upon the amenability of ore to gold extraction and upon costs of production.

D

Dacite	Extrusive (volcanic) equivalent of quartz diorite.
Deposit	An informal term for an accumulation of mineralization or other valuable earth material of any origin.
Development/In-fill drilling	Drilling to establish accurate estimates of mineral resources or reserves usually in an operating mine or advanced project.
Dilution	Rock that is, by necessity, removed along with the ore in the mining process, subsequently lowering the grade of the ore.
Diorite	An intrusive igneous rock composed chiefly of sodic plagioclase, hornblende, biotite or pyroxene.
Dip	The angle at which a vein, structure or rock bed is inclined from the horizontal as measured at right angles to the strike.
Doré	A semi refined alloy containing sufficient precious metal to make recovery profitable. Crude precious metal bars, ingots or comparable masses produced at a mine which are then sold or shipped to a refinery for further processing.

E

Epithermal	Hydrothermal mineral deposit formed within one kilometre of the earth's surface, in the temperature range of 50 to 200°C.
Epithermal deposit	A mineral deposit consisting of veins and replacement bodies, usually in volcanic or sedimentary rocks, containing precious metals or, more rarely, base metals.

Exploration	Prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore.

F

Face	The end of a drift, cross-cut or stope in which work is taking place.
Fault	A break in the Earth's crust caused by tectonic forces which have moved the rock on one side with respect to the other.
Flotation	A milling process in which valuable mineral particles are induced to become attached to bubbles and float as others sink.
Fold	Any bending or wrinkling of rock strata.
Footwall	The rock on the underside of a vein or mineralized structure or deposit.
Fracture	A break in the rock, the opening of which allows mineral-bearing solutions to enter. A "cross-fracture" is a minor break extending at more-or-less right angles to the direction of the principal fractures.

G

g/t	Abbreviation for gram(s) per metric tonne.
g/t	Abbreviation for gram(s) per tonne.
Grade	Term used to indicate the concentration of an economically desirable mineral or element in its host rock as a function of its relative mass. With gold, this term may be expressed as grams per tonne (g/t) or ounces per tonne (opt).
Gram	One gram is equal to 0.0321507 troy ounces.

H

Hanging wall	The rock on the upper side of a vein or mineral deposit.
Heap Leaching	A process used for the recovery of copper, uranium, and precious metals from weathered low-grade ore. The crushed material is laid on a slightly sloping, impervious pad and uniformly leached by the percolation of the leach liquor trickling through the beds by gravity to ponds. The metals are recovered by conventional methods from the solution.
High-grade	Rich mineralization or ore. As a verb, it refers to selective mining of the best ore in a deposit.
Host rock	The rock surrounding an ore deposit.
Hydrothermal	Processes associated with heated or superheated water, especially mineralization or alteration.

I

Indicated Mineral Resource

An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.

Inferred Mineral Resource

An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

Intrusive — A body of igneous rock formed by the consolidation of magma intruded into other

K

km — Abbreviation for kilometre(s). One kilometre is equal to 0.62 miles.

L

Leaching — The separation, selective removal or dissolving-out of soluble constituents from a rock or ore body by the natural actions of percolating solutions.

Level — The horizontal openings on a working horizon in a mine; it is customary to work underground mines from a shaft or decline, establishing levels at regular intervals, generally about 50 m or more apart.

Limestone — A bedded, sedimentary deposit consisting chiefly of calcium carbonate.

M

m — Abbreviation for metre(s). One metre is equal to 3.28 feet.

Marble	A metamorphic rock derived from the recrystallization of limestone under intense heat and pressure.
Measured Mineral Resource	A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.
Metallurgy	The science and art of separating metals and metallic minerals from their ores by mechanical and chemical processes.
Metamorphic	Affected by physical, chemical, and structural processes imposed by depth in the earth's crust.
Mill	A plant in which ore is treated and metals are recovered or prepared for smelting; also a revolving drum used for the grinding of ores in preparation for treatment.
Mine	An excavation beneath the surface of the ground from which mineral matter of value is extracted.
Mineral	A naturally occurring homogeneous substance having definite physical properties and chemical composition and, if formed under favourable conditions, a definite crystal form.
Mineral Claim/Concession	That portion of public mineral lands which a party has staked or marked out in accordance with federal or state mining laws to acquire the right to explore for and exploit the minerals under the surface.
Mineralization	The process or processes by which mineral or minerals are introduced into a rock, resulting in a valuable or potentially valuable deposit.
Mineral Resource	A Mineral Resource is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Material of economic interest refers to diamonds, natural solid

inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals. The term mineral resource used in this report is a Canadian mining term as defined in accordance with NI 43-101 – Standards of Disclosure for Mineral Projects under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the CIM), Standards on Mineral Resource and Mineral Reserves Definitions and guidelines adopted by the CIM Council on December 11, 2005 and recently updated as of May 10, 2014 (the CIM Standards).

Mineral Reserve

A Mineral Reserve is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a Pre-Feasibility Study or Feasibility Study.

N

Net Smelter Return

A payment made by a producer of metals based on the value of the gross metal production from the property, less deduction of certain limited costs including smelting, refining, transportation and insurance costs.

NI 43-101

National Instrument 43-101 is a national instrument for the Standards of Disclosure for Mineral Projects within Canada. The Instrument is a codified set of rules and guidelines for reporting and displaying information related to mineral properties owned by, or explored by, companies which report these results on stock exchanges within Canada. This includes foreign-owned mining entities who trade on stock exchanges overseen by the Canadian Securities Administrators (CSA), even if they only trade on Over The Counter (OTC) derivatives or other instrumented securities. The NI 43-101 rules and guidelines were updated as of June 30, 2011.

O

Open Pit/Cut	A form of mining operation designed to extract minerals that lie near the surface. Waste or overburden is first removed, and the mineral is broken and loaded for processing. The mining of metalliferous ores by surface-mining methods is commonly designated as open-pit mining as distinguished from strip mining of coal and the quarrying of other non-metallic materials, such as limestone and building stone.
Outcrop	An exposure of rock or mineral deposit that can be seen on surface, that is, not covered by soil or water.
Oxidation	A chemical reaction caused by exposure to oxygen that results in a change in the chemical composition of a mineral.
Ounce	A measure of weight in gold and other precious metals, correctly troy ounces, which weigh 31.2 grams as distinct from an imperial ounce which weigh 28.4 grams.
oz	Abbreviation for ounce.

P

Plant	A building or group of buildings in which a process or function is carried out; at a mine site it will include warehouses, hoisting equipment, compressors, maintenance shops, offices and the mill or concentrator.
Probable Reserve	A Probable Mineral Reserve is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.
Proven Reserve	A Proven Mineral Reserve is the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.
Pyrite	A common, pale-bronze or brass-yellow, mineral composed of iron and sulphur. Pyrite has a brilliant metallic luster and has been mistaken for gold. Pyrite is the most wide-spread and abundant of the sulphide minerals and occurs in all kinds of rocks.

Q

Qualified Person	Conforms to that definition under NI 43-101 for an individual: (a) to be an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, related to mineral exploration or mining; (b) has at least five years' experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice; (c) to have experience relevant to the subject matter of the mineral project and the technical report; (d) is in good standing with a professional association; and (e) in the case of a professional association in a foreign jurisdiction, has a membership designation that (i) requires attainment of a position of responsibility in their profession that requires the exercise of independent judgement; and (ii) requires (A.) a favourable confidential peer evaluation of nthe individual's character, professional judgement, experience, and ethical fitness; or (B.) a recommendation for membership by at least two peers, and demonstrated prominence or expertise in the field of mineral exploration or mining.

R

Reclamation	The restoration of a site after mining or exploration activity is completed.

S

Shoot	A concentration of mineral values; that part of a vein or zone carrying values of ore grade.
Stockpile	Broken ore heaped on surface, pending treatment or shipment.
Strike	The direction, or bearing from true north, of a vein or rock formation measure on a horizontal surface.
Stringer	A narrow vein or irregular filament of a mineral or minerals traversing a rock mass.
Sulphides	A group of minerals which contains sulphur and other metallic elements such as copper and zinc. Gold and silver are usually associated with sulphide enrichment in mineral deposits.

T

Tonne	A metric ton of 1,000 kilograms (2,205 pounds).

U

Unigold	Unigold Inc., including, unless the context otherwise requires, the Company's subsidiaries.

V

Vein	A fissure, fault or crack in a rock filled by minerals that have travelled upwards from some deep source.

W

Wall rocks	Rock units on either side of an orebody. The hanging wall and footwall rocks of a mineral deposit or orebody.
Waste	Unmineralized, or sometimes mineralized, rock that is not minable at a profit.
Working(s)	May be a shaft, quarry, level, open-cut, open pit, or stope etc. Usually noted in the plural.

Z

Zone	An area of distinct mineralization.