


2020 ANNUAL LAND USE REPORT

MEADOWBANK PRECIOUS METAL PROPERTY NUNAVUT, CANADA

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1 Project Location and Description

The Meadowbank Precious Metal Project (the “Project”) is located in the eastern part of the District of Kivalliq, Nunavut Territory, within 1:50,000 scale National Topographic System (“NTS”) map sheets 56D12 (Whitehills Lake) and 13 (Tehek Lake), 66A09 (Halfway Hills), 10 (Ayaktuukvik Lake) and 16 (Amarulik Lake) and 66H01 (unnamed) and 08 (unnamed). The Project consists of three non-contiguous claim blocks (Black A, B and C) located on Crown Lands, approximately 50 km north of the community of Baker Lake (Qamani'tuaq) and 280 km northwest of the community of Rankin Inlet (Kangiqliniq; Figure 1.1). The mineral claims are all 100% owned by 5530 Nunavut Inc, a wholly owned subsidiary of Western Atlas Resources Inc.

All claim blocks comprising the Project are accessible by the Agnico Eagle Mines Limited (“Agnico”) All Weather Access Road (“AWAR”) linking Baker Lake to Agnico’s Eagle’s Meadowbank and Amaruq mines. On request of Agnico, the AWAR was used by Agnico Eagle’s Energy and Infrastructure team to refuel the Orbit Garant fuel storage container located at Kilometer 58 in order to assist in reduction in the amount of helicopter flights required to refuel.

2 Land and Water Use Authorizations

All land and water use authorizations are in the name of 5530 Nunavut Inc., a wholly owned subsidiary of Western Atlas Resources.

Table 2.1 details the land and water use authorizations associated with the Meadowbank Precious Metal Project.

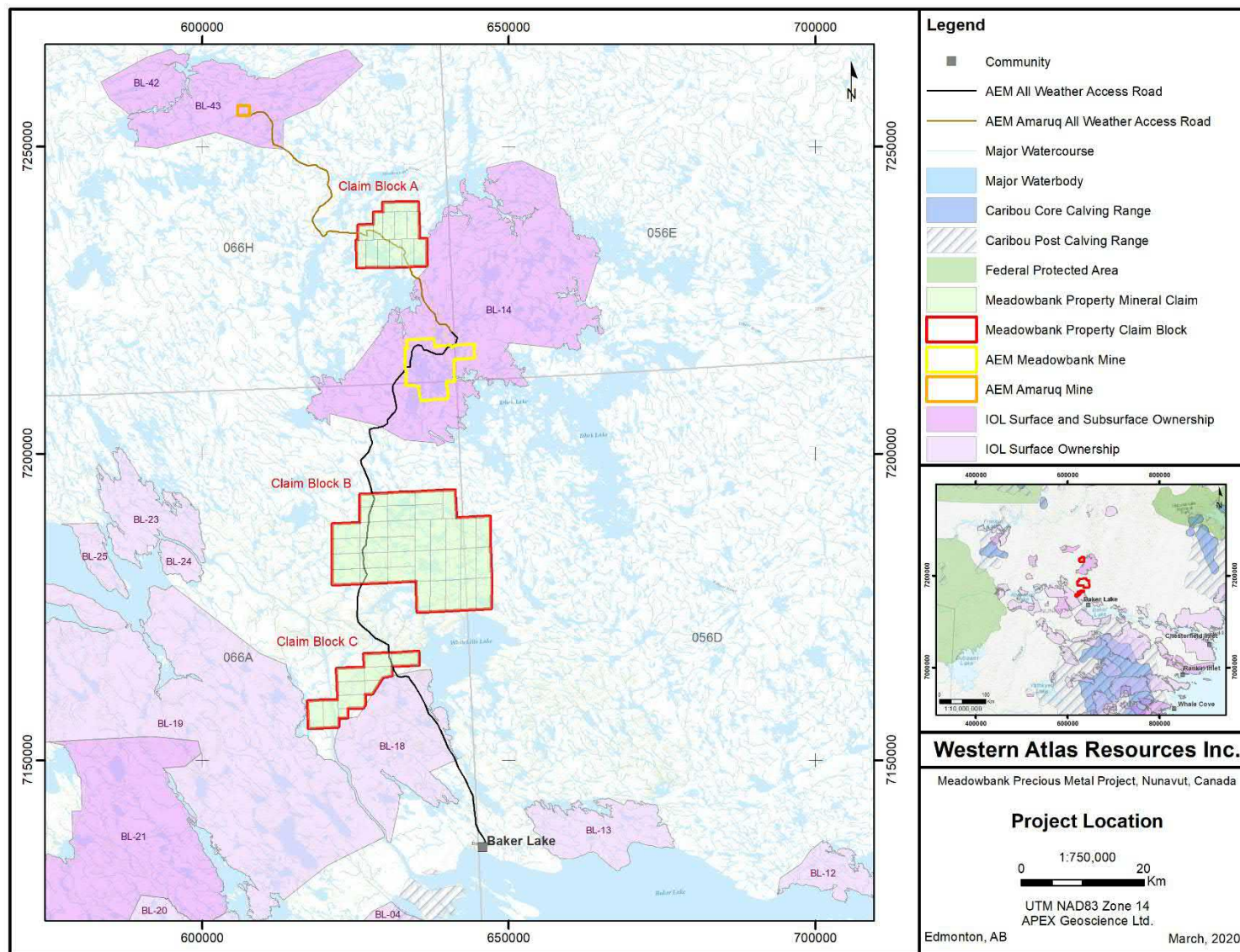
Table 2.1 Meadowbank Precious Metal Project Land and Water Use Authorizations

<u>Organization</u>	<u>Authorization</u>	<u>Authorization Number</u>	<u>Expiration Date</u>
Nunavut Planning Commission (“NPC”)	Conformity Determination	148482	N/A
Nunavut Impact Review Board (NIRB)	Screening Decision	17EN020	N/A
Indigenous and Northern Affairs Canada (“INAC”)	Land Use Permit	N2017C0005	March 7, 2022
Nunavut Water Board (“NWB”)	Water Licence	2BE-MPM1722	July 27, 2022

3 2020 Exploration Program

The 2020 field exploration program on the Meadowbank Precious Metal Project comprised a helicopter and AWAR supported drilling program. The 2020 program comprised diamond drilling of 13 holes from 7 platforms, for a total of 3,545 meters, within claim Block B (Target B1). The drilling aimed at testing geological settings such as banded iron formation (“BIF”) and shear zones (Figures 3.1, 3.2, 3.3 and 3.4). The drill operations started on July 13, 2020 and ended on August 27, 2020.

Figure 1.1 Meadowbank Project Location



3.1 Infrastructure

No camp was constructed in 2020 as the program was based out of Baker Lake.

All transport of personnel and equipment was via helicopter and therefore the Agnico Eagle all-weather road was not directly utilized by Western Atlas but by Agnico Eagle. Agnico Eagle will use the road in favor of Western Atlas for the purpose of refilling the drill company (Orbit Garant)'s fuel tanks on a 3 days basis (please see attached letter with which Agnico Eagle informed Western Atlas about the use of road).

3.2 Fuel Caches

An Orbit Garant fuel tank was located at Kilometre 58 on the AWAR (625807.7 Easting, 7182273.3 Northing) in order to support the drilling activities. The helicopter refueled in Baker Lake and therefore no aviation fuel caches were required.

3.3 Water Use

As no camp was constructed for the 2020 program, water use was strictly related to drilling activities. Water was used for drilling between July 13 to August 25, 2020. During the 2020 drilling program 1871.7 m³ of water was used. The average water use per day for the 2020 drilling program was 39.8 m³. As the daily water amount was very close to the maximum allowance of 40m³/day, as per NWB water licence 2BE-MPM1722, an application to increase the daily water use is currently in preparation for submission.

3.4 Aircraft Landing Sites

Table 3.1 details, and Figure 3.1 illustrates, the helicopter landing sites for the 2020 Meadowbank Precious Metal drilling program.

3.5 Wildlife Sightings

During the course of the 2020 drill program Western Atlas became aware that there was a Caribou herd moving South South-East of the Property and as such on Monday August 10, 2020 the Company working together with the Hunters and Trapper Association ("HTO") of Baker Lake suspended all helicopter flights related to the company operations and also suspended the drilling program. The Company together with a representative of the HTO continued monitoring the Caribou movement on a daily basis with a morning reconnaissance flight. During the morning reconnaissance flight on August 13, 2020, the representative of the HTO reported that the Caribou were travelling South, South East and had left Western Atlas area of operation. Consequently, Western Atlas was provided with an approval from the HTO to reinstate drilling operations at platform number WA4. The Baker Lake HTO representative continued to work with Western Atlas on a daily basis to make sure that the remaining two drill platforms that need to be completed posed no interference with the Caribou movement. No Caribou movement was spotted after the restart of the operations.

Appendix 1 contains photos, brief descriptions and coordinates of the 2020 Meadowbank Project wildlife sightings.

Table 3.1 Meadowbank Precious Metal Project 2020 Helicopter Landing Sites (C-FLYG)

Landing Site	Easting (NAD83, Z14)	Northing (NAD83, Z14)	Latitude (NAD83)	Longitude (NAD83)	Latitude-North (XX° XX' XX")			Longitude-West (XX° XX' XX")			Elevation [m]	Remarks
L1	641240.0363	7133726.8444	64.30	-96.08	64	17	60	96	4	48	18	Baker Lake
L2	642047.6635	7178401.5688	64.70	-96.02	64	42	0	96	1	12	98	Near Drill Platform WA1
L3	641571.2032	7178379.1850	64.70	-96.03	64	42	0	96	1	48	100	Near Drill Platform WA1A
L4	642471.4547	7179537.5522	64.71	-96.01	64	42	36	96	0	36	110	Near Drill Platform WA2
L5	642947.7337	7179560.0803	64.71	-96.00	64	42	36	96	0	0	100	Near Drill Platform WA2A/2B
L6	636279.5795	7179251.5333	64.71	-96.14	64	42	36	96	8	24	110	Near Drill Platform WA3
L7	637810.3279	7177089.2392	64.69	-96.11	64	41	24	96	6	36	100	Near Drill Platform WA4
L8	639665.3348	7178290.4022	64.70	-96.07	64	42	0	96	4	12	105	Near Drill Platform WA5
L9	625660.4262	7182137.6176	64.74	-96.36	64	44	24	96	21	36	130	Near Km. 58 of the Baker Lake-Amaruq road

Figure 3.1 Meadowbank 2020 Helicopter Landing Sites

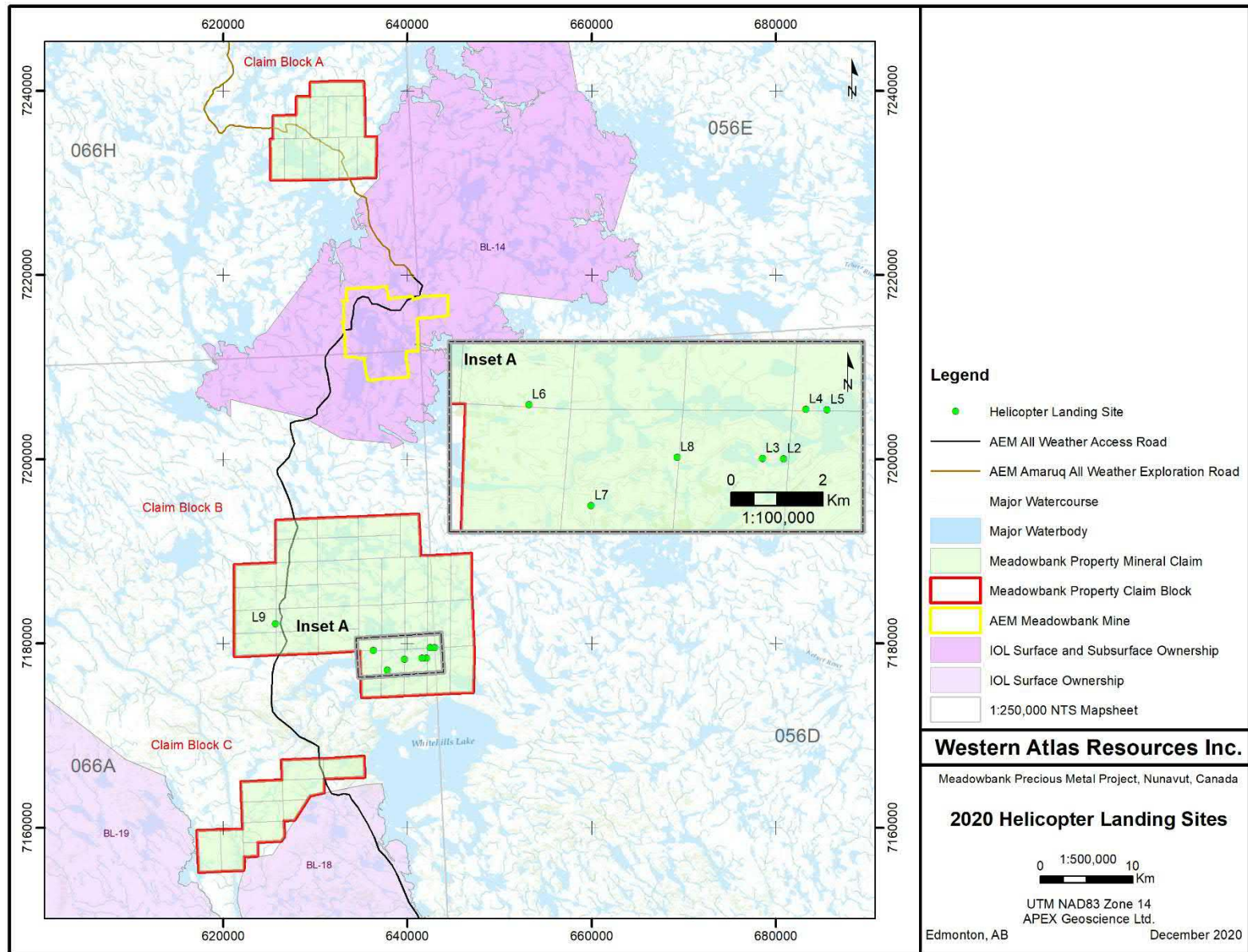
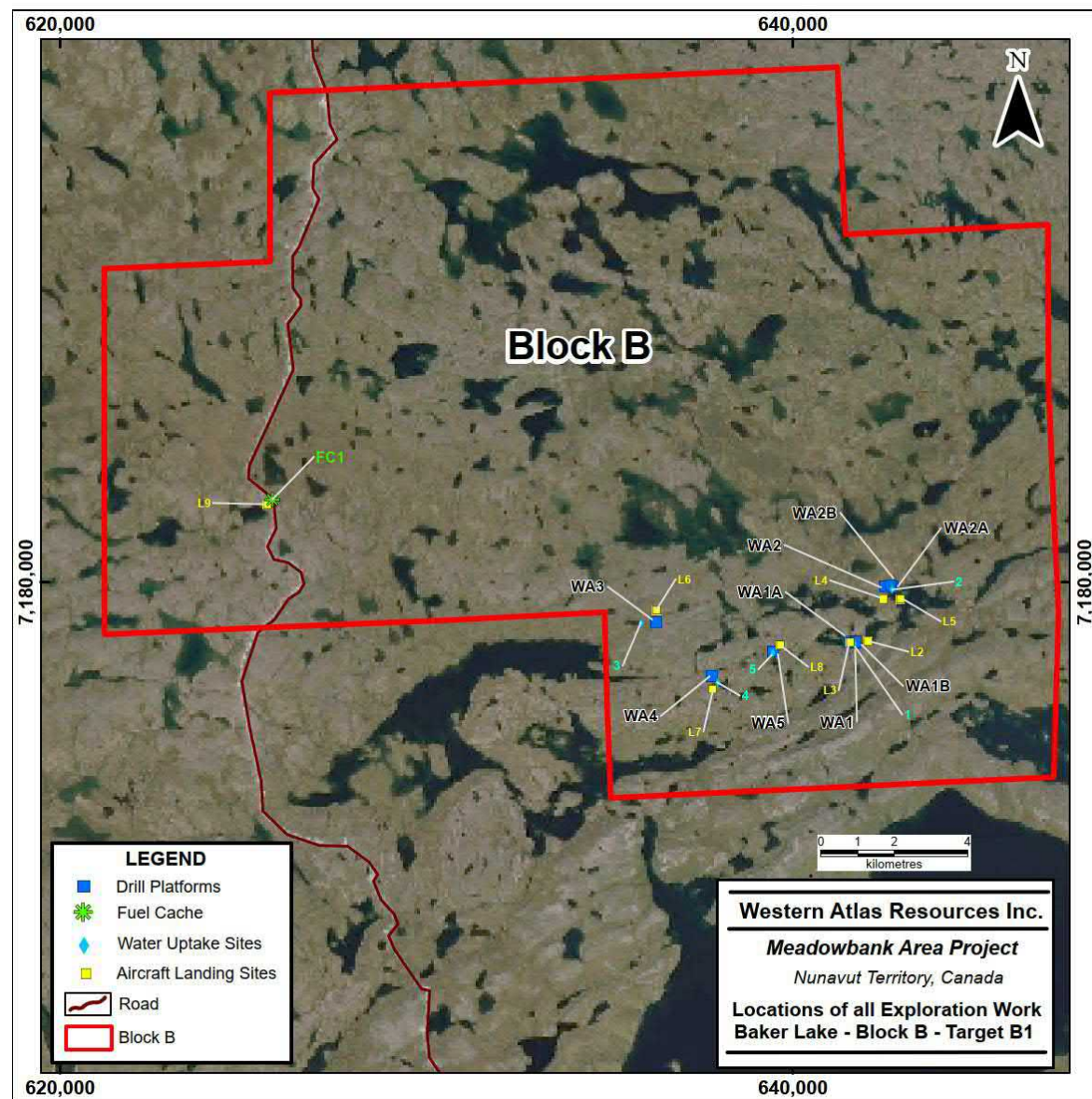


Figure 3.2 Meadowbank 2020 Drilling Project Activities



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Figure 3.3 Meadowbank Block B Drill Target Areas

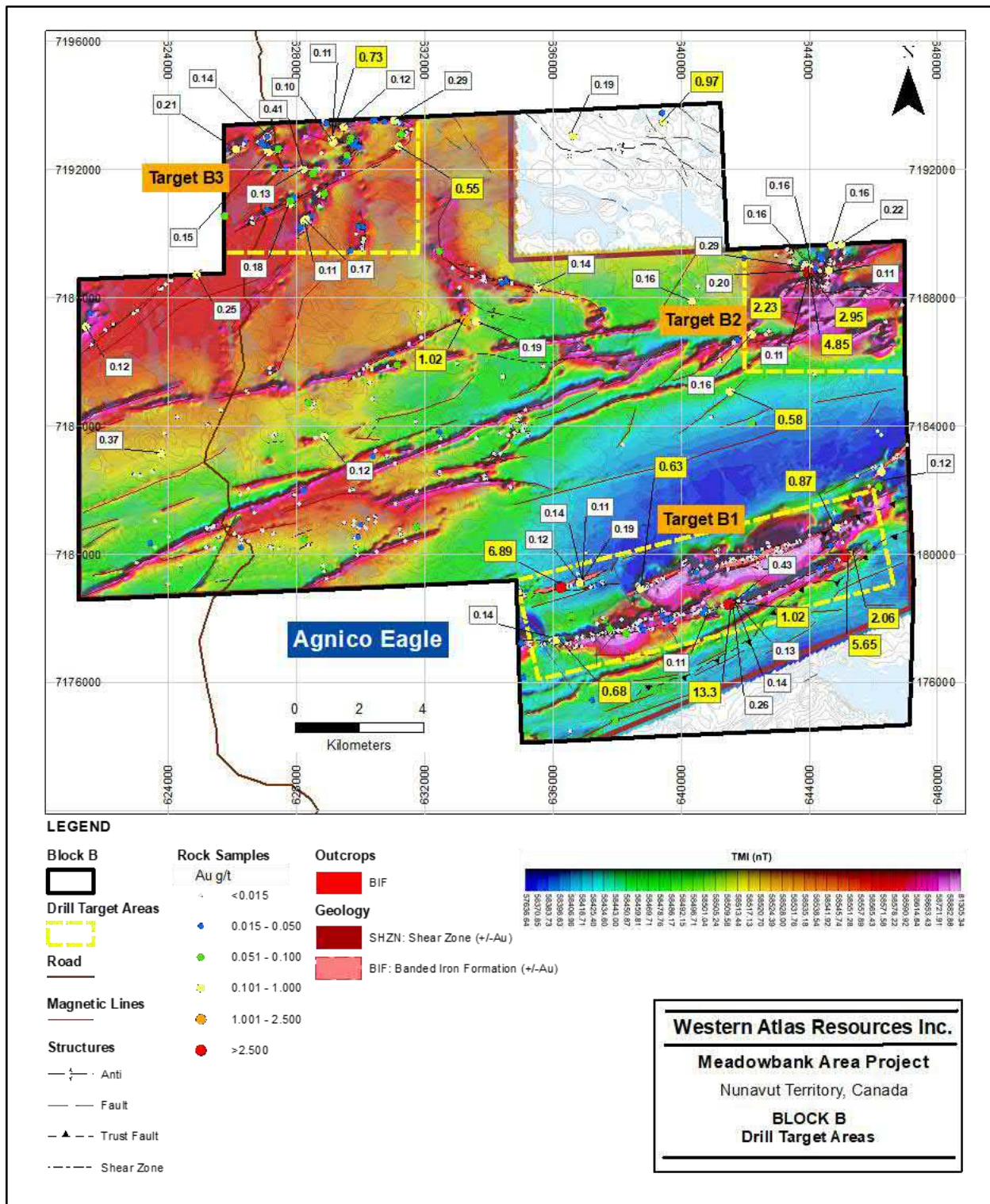


Figure 3.4 Meadowbank Target B1 Drill Target Area and Local Geology

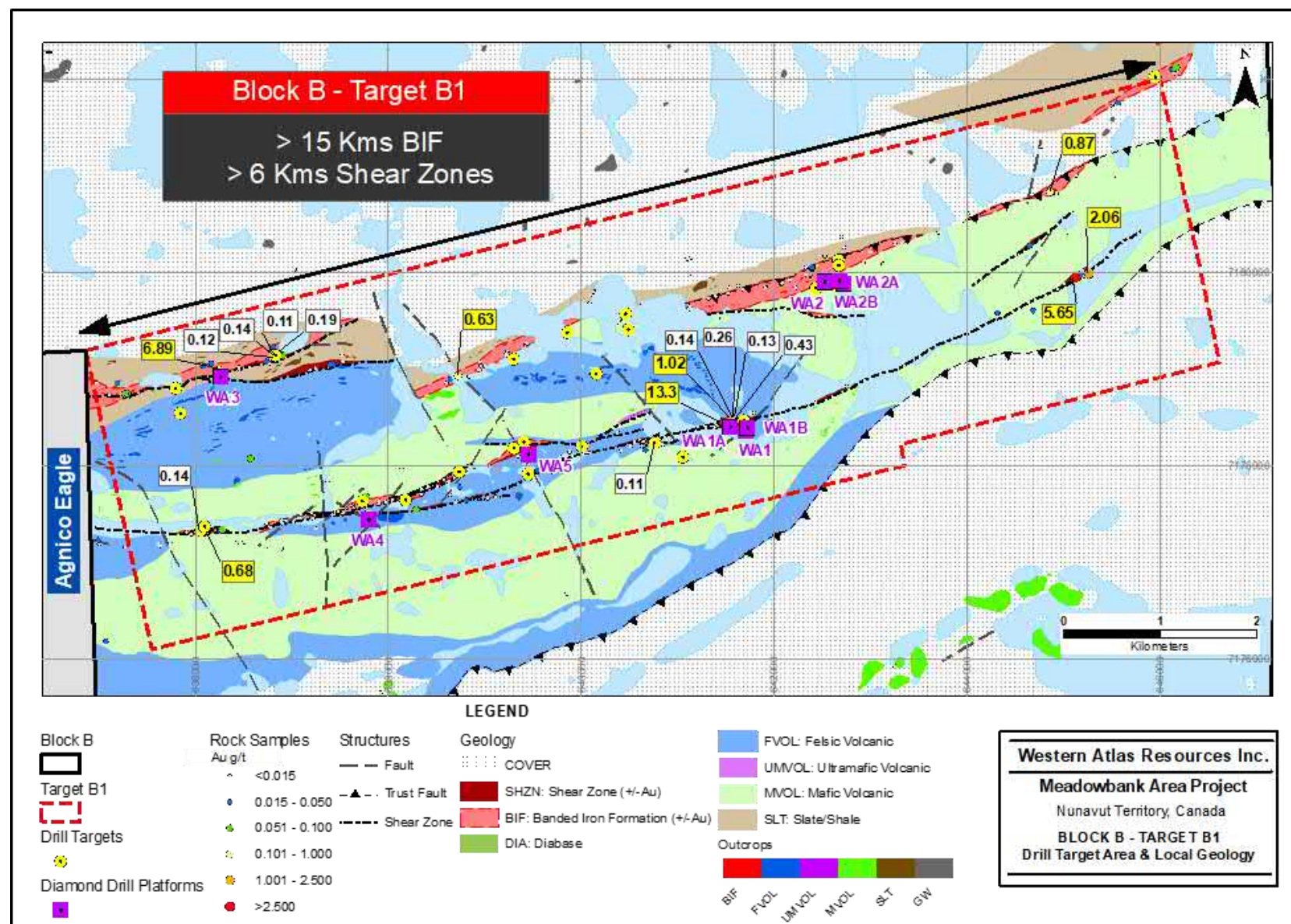
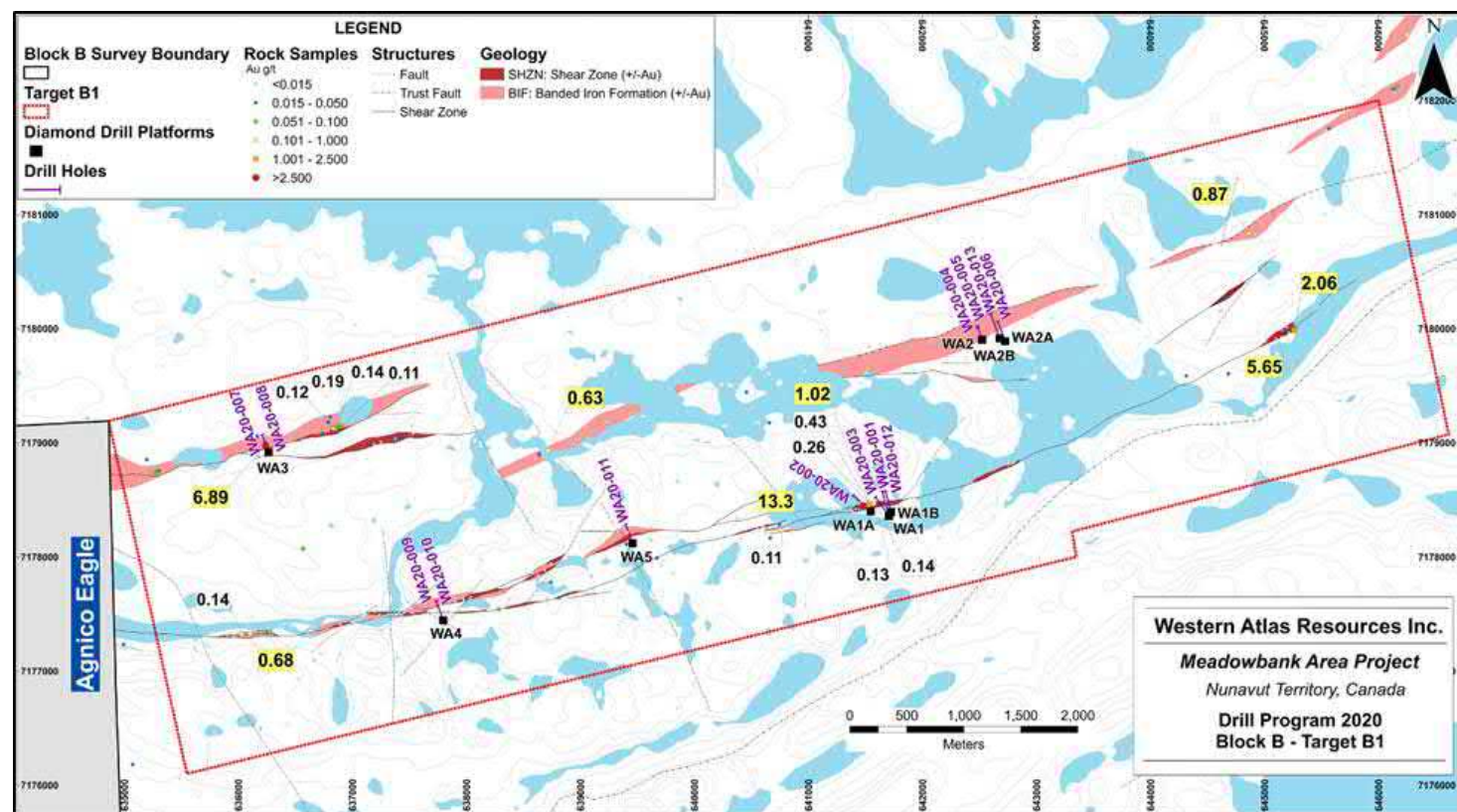


Figure 3.5 Meadowbank Block B Target B1 Drillholes



3.6 Reclamation

After completion of drilling at each hole, the casing was removed, the drill holes were plugged and marked using a wooden stake (60 cm in length) showing the orientation and dip of the drill hole, all pad material was removed and the garbage was backhauled.

The following photographs show each area of the platforms and the location of the drillholes.

Photo 1: Drillpad WA1, hosting holes 1 and 3



Photo 2: Drillpad WA1A, hosting hole 2



Photo 3: Drillpad WA1B, hosting hole 12



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Photo 4: Drillpad WA2, hosting holes 4 and 5

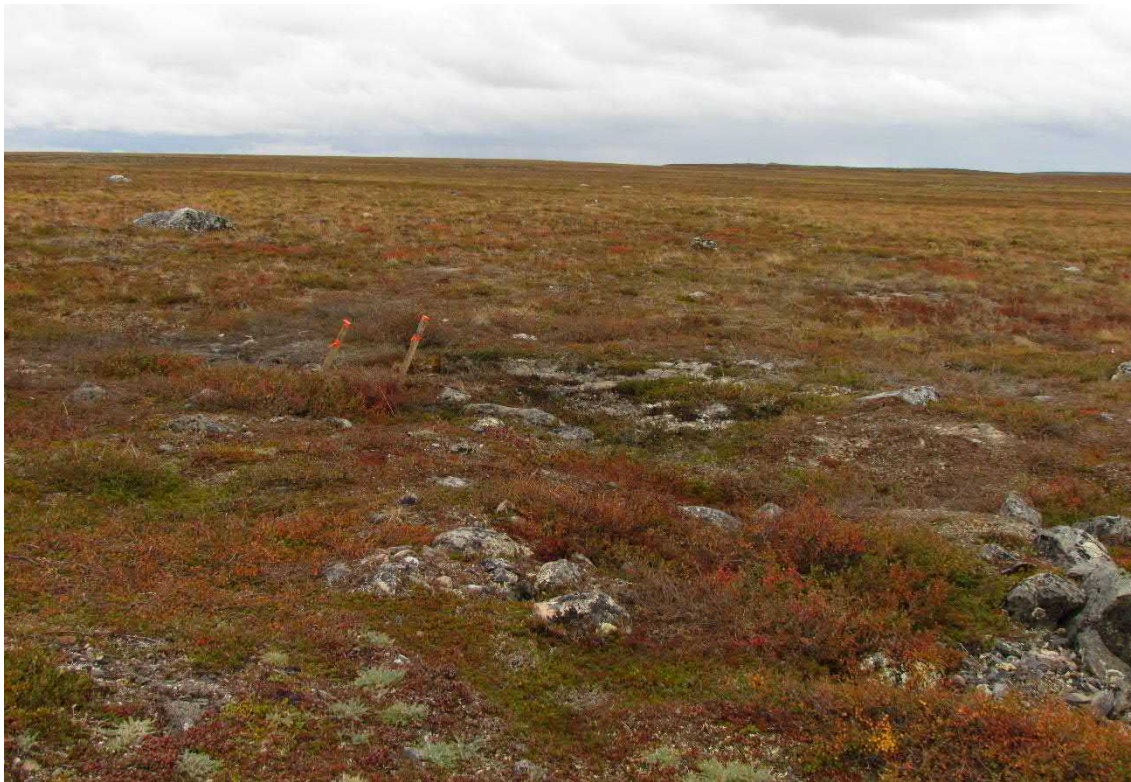


Photo 5: Drillpad WA2A, hosting hole 6



Photo 6: Drillpad WA2B, hosting hole 13



Photo 7: Drillpad WA3, hosting holes 7 and 8



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Photo 8: Drillpad WA4, hosting holes 9 and 10



Photo 9: Drillpad WA5, hosting hole 11



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3.7 Spills

No hydrocarbon spills occurred during the 2020 drilling program, although during helicopter flights Western Atlas personnel spotted three locations near the drillpads which had what appeared to be hydrocarbon sheen on small waterbodies. The assumed hydrocarbon spills are thought to have occurred by the use of third parties' vehicles not related to the company and its contractors. Descriptions of the above mentioned hydrocarbon spills, including coordinates, and photos are located in Appendix 2.

3.8 Archaeological and Palaeontological Resources

In June of 2017, 5530 Nunavut Inc. commissioned Golder Associates to complete an Archaeological Overview Assessment for the Meadowbank Precious Metal Project.

The Archaeological Overview Assessment provided 5530 Nunavut Inc. with information of known sites in the Project area and where there is a high potential for the discovery of undocumented sites. The report was used to assist in the Project planning for the 2018, 2019 and 2020 programs and will be used for planning all future programs.

No new or known archaeological sites were encountered during the 2020 drilling program.

3.9 Environmental Studies

No environmental studies were conducted during 2020.

3.10 Northern Hires/Contracts

Western Atlas Resources Inc. aims to employ employee or contract Inuit and/or northern personnel or businesses whenever possible.

3.10.1 Food and Accommodations

Baker Lake

- Baker Lake Lodge – Food and accommodation, shuttles to airport
- Northern Store – Food and supplies
- Baker Lake Contracting & Supplies Ltd (BLCS) – Food, accommodation, shuttles to airport, car rentals
- Sanavik CO-OP – Food and supplies
- Quickstop – Food

Rankin Inlet

- Katimavik Suites – Food and accommodation
- Turaarvik Inns North – Food

Yellowknife

- Black Knight Pub – Food
- The Explorer Hotel – Food and accommodation

3.10.2 Aircraft, Flights and Cargo

- Canadian North Airlines (formerly Canadian North and First Air): Yellowknife and Rankin Inlet
- Calm Air: Winnipeg, Rankin Inlet, Baker Lake
- Calm Air Cargo: Winnipeg, Rankin Inlet, Baker Lake
- Helicopter Transport Services (Canada) Inc.

3.10.3 Mining and Logistics

Baker Lake

- SK Construction – Storage facilities, building rental and services
- Aviation Fuel Enterprises – Fuel for helicopter
- Arctic Fuel Services – Car rentals, gas for rentals cars
- R&R Corner Store – Supplies
- Caribou Taxi Service - From Hotel to Airport

Rankin Inlet

- Northern General Store – Supplies
- Taxi Service – From Hotel to airport
- Sarliaq Orbit Garant Inc.- Drilling, transport of supplies, and consumables

Northwest Territories

- Hay River Home Hardware NWT – Supplies

3.10.4 Other Services

- Denroche & Associates – Legal
- Municipality of Baker Lake – Support with finding and hiring helpers
- A&B Suluk Translation Services – Nunavut Office
- Wildlife Monitoring – John Etegoyok

3.10.5 Community Hires

Baker Lake

- Matthew Paungrat (Helper for logging and core storage)
- Simon Tuluqtuq (Helper for logging and core storage)

4 Health and Safety

On April 29, 2020 Western Atlas communicated the 2020 exploration plan, which incorporated a COVID-19 Health and Safety Plan, to the Senior Administrative Officer at the Municipality of Baker Lake.

On June 10, 2020, the Head administrator of Baker Lake acknowledged the information Western Atlas provided was submitted to the Council and on June 4, 2020 the Council approved a motion indicating that they are open to Contractors/ Exploration Companies coming to the Municipality of Baker Lake, as long as the visiting business adhere to the

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appropriate procedures outlined by the Chief Public Health Officer (“CPHO”) through the application process.

On June 16, 2020 Western Atlas has provided the Office of the Chief Public Health Officer all the required documentation regarding the exploration program and related health and safety measures.

On June 22 and 23 2020, Western Atlas was informed by the Nunavut Reservation team that the Western Atlas team has been admitted to quarantine in a facility designated by the CPHO in Winnipeg and then be permitted to enter Nunavut.

Upon successful completion of the quarantine period, the team was allowed to travel to Baker Lake on July 8, 2020.

During the 2020 Meadowbank drilling program Western Atlas implemented preventive measures, strict operational procedures and protocols for all its employees and contractors aimed at eliminating the potential risk of COVID-19 transmission. Such measures and requirements included, but not limited to:

- Obligatory initial quarantine
- Screening questionnaires
- Temperature taking
- Use of masks, gloves, sanitizers
- Social distancing
- Strict hygiene measures

The 2020 Meadowbank COVID-19 Plan was designed to protect the Community of Baker Lake by eliminating any interaction of the community with program personnel, unless authorized to do so in the form and way suggested by the relevant authorities. There were no cases of COVID-19 among the Company’s team and contractors.

5 Proposed 2021 Exploration Program

Although planning of the 2021 exploration program is currently in progress, the 2017 and 2018 geological mapping, geochemical sampling, helicopter-born VTEM geophysical survey and ground IP surveys, in conjunction with the interpretation of the 2017 high-resolution aeromagnetic survey data resulted in the identification of a number of targets which have yet to be drill tested.

A number of the remaining identified drill targets within Block B (Figure 4.1) are anticipated to be drill tested in 2021. In addition to drilling the already defined targets, the 2021 field program is anticipated to include additional helicopter-born VTEM and ground IP surveys to be conducted over prospective areas within Blocks A, B and C to aid in the definition of additional drill targets.

When definitive programs and dates have been finalized all the regulatory agencies will be supplied with updated schedules.

Appendix 1 - WILDLIFE MONITORING

(if possible should include: species, number of animals, description of animal activity, gender and age of animals, denning sites, calving areas, caribou crossing sites, raptor nests, timing of critical life history events (i.e., calving, mating, denning and nesting)

(Mitigation measures taken and any stop-work occurrences)

Wildlife Monitor- Drilling Program 2020:

The wildlife monitoring was developed by John Etegyok (Baker Lake).

Record Log

August 10 (day shift):

In the afternoon was reported the Caribou presence to the south of the platforms 4 and 5 (approx. 300 m of distance), during the drilling of hole 10. Due to this, measurements were taken to mitigate the situation:

1. Shut down the drilling for Caribou migration.
2. Wildlife monitoring until the completion of the drilling program to ensure the protection of wildlife in accordance with the Nunavut protection and monitoring standards.

August 10 (night shift), August 11, and August 12:

Drilling program stopped during the Caribou migration. The Caribou group was composed by 10 animals approximately showing, an activity of moving and eating. Due to the distance is not very clear to distinguish additional description as define the gender and age and others. In the afternoon of August 12, no caribou were observed in the vicinity of the drilling platform.

August 13:

Drilling work restarted until the completion of the drilling works (August 26). Daily monitoring with the presence of John Etegyok in coordination with Geologist of the Project.

Western Atlas Resources

Aug 12 - Aug 31, 2020

JOHN ETEGOYOK

PERO DESPOTOVIC

[illegible]

Aug 26, 2020
Date

Figure 1: Caribou migration surroundings of Platform 4 and 5 (south)



Figure 2: Close up of Caribou presence



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Appendix 2 - SPILLS

Picture 1: HS1 - Hydrocarbon Sheen in Swamp near Platform WA3.



Picture 2: Close up Hydrocarbon Sheen in Swamp near Platform WA3.



Picture 3: HS2 - Hydrocarbon Sheen from air spotted by Pilot.



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Picture 4: HS3 - Hydrocarbon Sheen on Puddle in Swamp near Platform WA5.



Picture 5: Close up Hydrocarbon Sheen on Puddle in Swamp near Platform WA5.

