

POCML 5 Inc.

FILING STATEMENT

**IN RESPECT OF THE QUALIFYING TRANSACTION INVOLVING THE ACQUISITION BY POCML 5 INC.
OF ALL OF THE ISSUED AND OUTSTANDING COMMON SHARES OF
COLLECTIVE MINING INC.**

Dated as of May 12, 2021

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this Filing Statement

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GLOSSARY

“Affiliate” means a Company that is affiliated with another Company as described below. A Company is an “Affiliate” of another Company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person. A Company is “controlled” by a Person if:
 - (i) voting securities of the Company are held, other than by way of security only, by or for the benefit of that Person, and
 - (ii) the voting securities, if voted, entitle the Person to elect a majority of the directors of the Company. A Person beneficially owns securities that are beneficially owned by:
 - (1) a Company controlled by that Person, or
 - (2) an Affiliate of that Person or an Affiliate of any Company controlled by that Person;

“Amalgamation” means the three-cornered amalgamation among Collective, POCML5 and Subco pursuant to which Collective will amalgamate with Subco under Section 174 of the OBCA and Collective Shareholders will receive POCML5 Shares on the basis of one POCML5 Share for each one Collective Share held, all as contemplated by the Business Combination Agreement.

“Arm’s Length Transaction” means a transaction which is not a Non-Arm’s Length Transaction;

“Associate” when used to indicate a relationship with a person or company, means

- (a) an issuer of which the person or Company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer,
- (b) any partner of the person or Company,
- (c) any trust or estate in which the person or Company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity,
- (d) in the case of a person, a relative of that person, including
 - (i) that person’s spouse or child, or
 - (ii) any relative of the person or of his spouse who has the same residence as that person;

but

where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm (as defined by the Exchange’s policies), Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company;

“Business Combination” means the business combination contemplated by the Business Combination Agreement.

“Business Combination Agreement” means the business combination agreement dated as of February 26, 2021 among Collective, POCML5 and Subco, a copy of which is available under POCML5’s issuer profile on SEDAR at www.sedar.com.

“Closing” means the Completion of the Proposed Qualifying Transaction;

“Company” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

“Completion of the Proposed Qualifying Transaction” means the issuance of the Final Exchange Bulletin by the Exchange;

“Consolidation” means the consolidation of the Existing POCML5 Shares on the basis of one POCML5 Share for every four (4) Existing POCML5 Shares prior to the Completion of the Proposed Qualifying Transaction;

“Control Person” means any person or company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer;

“CPC” means a corporation:

- (a) that has been incorporated or organized in a jurisdiction in Canada;
- (b) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the Exchange Policy 2.4; and
- (c) in regard to which the Completion of the Qualifying Transaction has not yet occurred;

“CPC Escrow Agreement” means the escrow agreement dated October 26, 2018 among POCML5, the Escrow Agent and certain shareholders of POCML5 with respect to 8,000,000 Existing POCML5 Shares;

“CPC IPO” means POCML5’s initial public offering of 2,000,000 Existing POCML5 Shares at \$0.10 per Existing POCML5 Share which was completed on December 10, 2018;

“Collective” means Collective Mining Inc., a company incorporated under the OBCA and the company which is to be acquired by POCML5 pursuant to the Proposed Qualifying Transaction;

“Collective Board” means the board of directors of Collective;

“Collective Options” means outstanding options entitling their holders to purchase Collective Shares;

“Collective Private Placement” means the non-brokered private placement of 13,775,000 Collective Subscription Receipts at a price of \$1.00 per Collective Subscription Receipt for aggregate gross proceeds of \$13,775,000, completed on February 26, 2021 and March 29, 2021;

“Collective Shareholders” means the shareholders of Collective;

“Collective Shares” means the common shares in the capital stock of Collective;

“Collective Subscription Receipts” means the subscription receipts issued by Collective pursuant to the Collective Private Placement, each of which shall entitle its holder to acquire, for no additional consideration, upon the satisfaction of certain escrow release conditions, one Underlying Share and one-half of one Underlying Warrant;

“Collective Warrants” means warrants to purchase Collective Shares;

“**Effective Date**” means the date of Closing, expected to be on or about May 20, 2021;

“**Effective Time**” means the time on the Effective Date that the Proposed Qualifying Transaction becomes effective;

“**Escrow Agent**” means TSX Trust Company;

“**Exchange**” or “**TSXV**” means the TSX Venture Exchange;

“**Exchange Policy 2.2**” means Exchange Policy 2.2 – *Sponsorship and Sponsorship Requirements* of the TSXV Corporate Finance Manual;

“**Exchange Policy 2.4**” means Exchange Policy 2.4 – *Capital Pool Companies* of the TSXV Corporate Finance Manual;

“**Exchange Ratio**” means the exchange of Collective Shares in exchange for Resulting Issuer Shares on the basis of one Resulting Issuer Share for each Collective Share;

“**Existing POCML5 Finder Warrants**” means common share purchase warrants exercisable on the same terms as the Existing POCML5 Warrants;

“**Existing POCML5 Shares**” means common shares in the capital of POCML5 as they exist as at the date of this Filing Statement and prior to giving effect to the Consolidation;

“**Existing POCML5 Warrants**” means common share purchase warrants of POCML5 to be issued upon the conversion of the POCML5 Subscription Receipts, in accordance with their terms, with each whole warrant entitling the holder to acquire one Resulting Issuer Share at a price of \$2.00 for a period of 36 months following the completion of the Business Combination, subject to the right of the Resulting Issuer to accelerate the expiry of the warrants in the event that the closing price of the Resulting Issuer Shares on the TSXV remains equal to or higher than \$2.60 for 20 consecutive trading days;

“**Filing Statement**” means this filing statement of POCML5, including the Schedules attached hereto;

“**Final Exchange Bulletin**” means the Exchange Bulletin evidencing final Exchange acceptance of the Proposed Qualifying Transaction that is to be issued following the Closing and the submission of all required documentation;

“**First Seed Financing**” means the financing of Collective completed on November 13, 2020 consisting of the sale of 2,500,000 Collective Shares at a price of \$0.40 per Collective Share for aggregate gross proceeds to Collective of \$1,000,000;

“**Guayabales Project**” means Collective’s exploration project consisting of the Guayabales mineral exploration properties located in the Department of Caldas, Colombia;

“**IFRS**” means the International Financial Reporting Standards as adopted by the International Accounting Standards Board;

“**Insider**” if used in relation to POCML5, means:

- (a) director or senior officer of POCML5;
- (b) a director or senior officer of the Company that is an Insider or subsidiary of POCML5;
- (c) a Person that beneficially owns or controls, directly or indirectly, Voting Shares carrying more than 10% of the voting rights attached to all outstanding Voting Shares of POCML5; or
- (d) POCML5 itself if it holds any of its own securities;

“Letter Agreement” means the binding letter agreement entered into between POCML5 and Collective dated November 30, 2020 outlining the general terms and conditions pursuant to which POCML5 and Collective agreed to complete the Qualifying Transaction, which letter agreement was subsequently superseded and replaced by the Business Combination Agreement;

“Name Change” means the change of POCML5’s name to “Collective Mining Ltd.”, or such other name as is acceptable to Collective and the Director under the OBCA;

“NEO” has the definition ascribed to it in Form 51-102F6V – *Statement of Executive Compensation* under NI 51-102;

“NI 43-101” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

“NI 51-102” means National Instrument 51-102 – *Continuous Disclosure Obligations*;

“NI 52-110” means National Instrument 52-110 – *Audit Committees*;

“NI 58-101” means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*;

“Non-Arm’s Length Party” means in relation to a Company, a promoter, officer, director, other Insider or Control Person of that Company (including an Issuer) and any Associates or Affiliates of any of such Persons. In relation to an individual, means any Associate of the individual or any Company of which the individual is a promoter, officer, director, Insider or Control Person;

“Non-Arm’s Length Qualifying Transaction” means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction;

“OBCA” means the *Business Corporations Act* (Ontario), including the regulations promulgated thereunder, as amended;

“POCML5” means POCML 5 Inc., a corporation incorporated pursuant to the OBCA;

“POCML5 Circular” means the management information circular prepared in connection with the POCML5 Meeting;

“POCML5 Meeting” means the annual and special meeting of shareholders of POCML5 held on April 9, 2021 to approve, among other matters, the Consolidation, the Name Change and a new slate of four directors to replace the current directors of POCML5 effective immediately following the completion of the Proposed Qualifying Transaction;

“POCML5 Options” means stock options to acquire Existing POCML5 Shares pursuant to the Stock Option Plan;

“POCML5 Private Placement” means the non-brokered private placement of 4,900,000 POCML5 Subscription Receipts at a price of \$0.25 per POCML5 Subscription Receipt for aggregate gross proceeds of \$1,225,000 completed on February 26, 2021;

“POCML5 Seed Private Placement” means the private placement offering of 8,000,000 Existing POCML5 Shares at a price of \$0.05 per Existing POCML5 Share for aggregate gross proceeds of \$400,000, completed on August 30, 2018;

“POCML5 Shareholders” means the holders from time to time of Existing POCML5 Shares;

“POCML5 Shares” means common shares in the capital of POCML5, after giving effect to the Consolidation;

“POCML5 Special Shares” means the special shares of POCML5;

“POCML5 Subscription Receipts” means the subscription receipts issued by POCML5 pursuant to the POCML5 Private Placement, each of which shall entitle its holder to acquire, for no additional consideration, upon the satisfaction of certain escrow release conditions, four (4) Existing POCML5 Shares and two (2) Existing POCML5 Warrants;

“POCML5 Warrants” means common share purchase warrants of POCML5, after giving effect to the Consolidation;

“Person” means a Company or individual;

“Post-Consolidation Common Shares” means the common shares in the capital of POCML5 as they exist after giving effect to the Consolidation;

“Principal” has the meaning ascribed thereto in Exchange Policy 1.1 – *Interpretation* of the TSXV Corporate Finance Manual;

“Promoter” has the meaning ascribed thereto in the *Securities Act* (Ontario);

“Proposed Qualifying Transaction” means the Qualifying Transaction pursuant to which Subco and Collective will be amalgamated and POCML5 will acquire all of the issued and outstanding Collective Shares in accordance with the terms and conditions of the Business Combination Agreement and as more particularly described in this Filing Statement;

“Qualifying Transaction” or **“QT”** means a transaction where a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means. POCML5 intends that the Proposed Qualifying Transaction constitute its Qualifying Transaction;

“Related Party Transaction” means a transaction involving Non-Arm’s Length Parties, or other circumstances exist which, in the opinion of the Exchange, may compromise the independence of POCML5 with respect to the Proposed Qualifying Transaction;

“Resulting Issuer” means POCML5 as it exists upon Completion of the Proposed Qualifying Transaction, to be renamed “Collective Mining Ltd.”;

“Resulting Issuer Finder Securities” means Resulting Issuer Units to be issued on the Effective Date;

“Resulting Issuer Options” means options entitling their holders to purchase Resulting Issuer Shares under the incentive stock option plan of the Resulting Issuer;

“Resulting Issuer Shares” means the common shares in the capital of the Resulting Issuer (being the Post-Consolidation Common Shares”);

“Resulting Issuer Special Shares” means the post-Consolidation special shares in the capital of the Resulting Issuer;

“Resulting Issuer Units” means a unit of the Resulting Issuer, each consisting of one Resulting Issuer Share and one-half of one Resulting Issuer Warrant;

“Resulting Issuer Warrants” means: (i) warrants of the Resulting Issuer to be issued in exchange for the Underlying Warrants in connection with the Amalgamation and which are exercisable into Resulting Issuer Shares; (ii) the POCML5 Warrants following the Completion of the Proposed Qualifying Transaction; and (iii) the warrants of the Resulting Issuer underlying the Resulting Issuer Finder Securities that are exercisable on the same terms as the Underlying Warrants;

“San Antonio Project” means Collective’s exploration project consisting of the San Antonio mineral exploration properties located in the Department of Caldas, Colombia, and as further described in the Technical Report;

“Second Seed Financing” means the financing of Collective completed in four separate tranches on December 11, 12, 14 and 15, 2020 consisting of the sale of 3,517,465 Collective Shares at a price of \$0.60 per Collective Share for aggregate gross proceeds to Collective of \$2,110,479;

“Significant Assets” means one or more assets or businesses which, when purchased, optioned or otherwise acquired by POCML5, together with any other concurrent transactions, would result in POCML5 meeting the initial listing requirements of the Exchange;

“Stock Option Plan” means the stock option plan as adopted by POCML5 and which will be assumed by the Resulting Issuer upon Completion of the Proposed Qualifying Transaction;

“Subco” means 2810651 Ontario Inc., a wholly-owned subsidiary of POCML5, incorporated pursuant to the OBCA;

“Subco Shares” means common shares in the capital of Subco;

“Tax Act” means the *Income Tax Act* (Canada) and the regulations thereunder;

“Technical Report” means the NI 43-101 compliant technical report with respect to the San Antonio Project dated effective December 31, 2020 and entitled “*NI 43-101 Technical Report for the San Antonio Gold Project, Department of Caldas, Colombia*”, prepared for Collective by Stewart D. Redwood, FIMMM, FGS;

“TSXV Corporate Finance Manual” means the Corporate Finance Manual of the TSXV;

“Underlying Share” means the Collective Shares to be issued upon the conversion of the Collective Subscription Receipts, in accordance with their terms, and which are to be exchanged for POCML5 Shares pursuant to the Amalgamation on the basis of the Exchange Ratio;

“Underlying Warrant” means the Collective Warrants to be issued upon the conversion of the Collective Subscription Receipts, in accordance with their terms, and which are to be exchanged for POCML5 Warrants pursuant to the Amalgamation on the basis of the Exchange Ratio, with each whole warrant entitling the holder to acquire one Resulting Issuer Share at a price of \$2.00 for a period of 36 months following the completion of the Business Combination, subject to the right of the Resulting Issuer to accelerate the expiry of the warrants in the event that the closing price of the Resulting Issuer Shares on the TSXV remains equal to or higher than \$2.60 for 20 consecutive trading days; and

“Voting Shares” means a security of POCML5 that:

- (a) is not a debt security; and
- (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

GLOSSARY OF GEOLOGICAL, TECHNICAL AND MINERAL TERMS

“**Ag**” means the chemical symbol for silver;

“**Alteration**” means changes in the mineral composition of a rock brought about by physical or chemical means, especially the local action of hydrothermal solutions that can be related to mineralization;

“**Assay**” means to analyze the proportions of metal in a rock or overburden sample and to test an ore or mineral for composition, purity, weight or other properties of commercial interest;

“**Au**” means the chemical symbol for gold;

“**Base Metal**” means industrial non-ferrous metals excluding precious metals;

“**Chalcopyrite**” means a copper sulphide mineral, the most common ore mineral of copper;

“**Claim**” means the area that confers mineral exploration/exploitation rights to the registered (mineral/mining) holder under the laws of the governing jurisdiction;

“**Cu**” means the chemical symbol for copper;

“**Deposit**” means a mineralized body which has been physically delineated by sufficient drilling, trenching and/or underground work, and found to contain a sufficient average grade of metal or metals to warrant further exploration and/or development expenditures; however, a deposit does not qualify as a commercially mineable or body or as containing reserves of ore, until final legal, technical and economic factors have been resolved;

“**Diamond Drilling**” means drilling with a hollow bit with a diamond cutting rim to produce a cylindrical core that is used for geological study and assays as used in mine exploration;

“**Dip**” means the maximum angle that a structural surface makes with the horizontal, measured perpendicular to the strike of the structure and in the vertical plane;

“**Disseminated**” means the distribution of mineralization usually as small grains randomly distributed throughout a rock mass;

“**Exploration**” means prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore;

“**Fault**” means a fracture in a rock across which there has been displacement;

“**Fe**” means the chemical symbol for iron;

“**Grade**” means the concentration of an ore metal in a rock sample, given either as weight percent for base metals (e.g. Cu, Zn, Pb) or in grams per tonne (g/t) or ounces per short ton (oz/t) for gold, silver, and platinum group metals;

“**ICP**” means induced coupled plasma;

“**Indicated Mineral Resource**” means that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed;

“Lithology” means the physical character of a rock;

“Measured Mineral Resource” means that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity;

“Mineral” means a naturally occurring chemical compound or limited mixture of chemical compounds. Minerals generally form crystals and have specific physical and chemical properties which can be used to identify them;

“Mineral Project” means any exploration, development or production activity, including a royalty interest or similar interest in these activities, in respect of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals;

“Mineralization” means the process or processes by which a mineral or minerals are introduced into a rock resulting in concentration of metals and their chemical compounds within a body of rock;

“Mineral Reserve” means the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined;

“Mineral Resource” means a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the earth’s crust in such form and quantity and of such grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge;

“Mt” means one megatonne, being the equivalent of one thousand tonnes;

“Ore” means a mixture of ore minerals and gangue (worthless minerals) from which there are reasonable and realistic prospects for the economic extraction of at least one ore mineral;

“Pb” means the chemical symbol for lead;

“Preliminary Feasibility Study” means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on mining, processing, metallurgical, economic, marketing, legal, environmental, social and governmental considerations and the evaluation of any other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine if all or part of the Mineral Resource may be classified as a Mineral Reserve;

“Qualified Person” means an individual who: (i) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment; (ii) has experience relevant to the subject matter of the mineral project and the technical report; and (ii) is in good standing with a professional association or foreign association and has the corresponding designation;

“Sample” means a small portion of rock or a mineral deposit taken so that the metal content can be determined by assaying;

“Sampling” means selecting a fractional by representative part of a mineral deposit for analysis;

“**Strike**” means the course or bearing of the outcrop of an inclined bed, vein, or fault plane on a level surface; the direction of a horizontal line perpendicular to the direction of the Dip; and

“**Zn**” means the chemical symbol for zinc.

METRIC EQUIVALENTS

For ease of reference, the following conversion factors are provided:

Imperial Measure	Metric Unit	Metric Unit	Imperial Measure
2.47 acres	1 hectare (ha)	0.4047 hectares (ha)	1 acre
3.28 feet (ft)	1 metre (m)	0.3048 metres (m)	1 foot (ft)
0.62 miles	1 kilometer (Km)	1.609 kilometers (Km)	1 mile
0.032 troy ounces	1 gram (g)	31.1 grams (g)	1 troy ounce
2.205 pounds (lb)	1 kilogram (kg)	0.454 kilograms (kg)	1 pound (lb)
1.102 short tons	1 tonne (t)	0.907 tonnes (t)	1 short ton
0.029 troy ounces/ton	1 gram/tonne (g/t)	34.28 grams/tonne (g/t)	1 troy ounce/ton

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

This Filing Statement contains references to the Canadian dollar, the US dollar and the Colombian peso. All dollar amounts referenced, unless otherwise indicated, are expressed in Canadian dollars. US dollars are referred to as “US dollars” or “US\$” and Colombian pesos are referred to as “Colombian pesos” or “COP\$”. As at May 11, 2021, the daily exchange rate as reported by the Bank of Canada was US\$1.00 = CDN\$1.2096 or CDN\$1.00 = US\$0.8267 and COP\$1.00 = CDN\$0.000325954 or CDN\$1.00 = COP\$3,067.92.

SPECIAL NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements in this Filing Statement and the schedules attached hereto are forward looking statements which may include, but are not limited to, statements with respect to: the future financial or operating performance of the Resulting Issuer and its projects; the estimation of mineral resources; the market conditions, business strategy, corporate plans, objectives and goals; the estimates of the timing, cost, nature and results of exploration activities; the projected exploration and development of the San Antonio Project and other properties of the Resulting Issuer; exploration expenditures and other expenses for specific exploration and development; the use of capital, the availability of additional capital, the requirements for additional capital and the timing of such requirements; government regulation of mining operations; exploration, mining, developmental and environmental risks; the completion, timing and expected effects of the Proposed Qualifying Transaction and the benefits anticipated to be received by POCML5, Collective and/or the Resulting Issuer from such transactions; title disputes or claims; the value of the currencies in which the Resulting Issuer incurs or will or plan to incur expenditures, including the Canadian dollar, the United States dollar and the Colombian peso; the impact of competition for mineral projects; limitations of insurance coverage; the timing and possible outcome of regulatory matters; and the impact of the novel coronavirus and the COVID19 disease (“**COVID-19**”) on each of the foregoing.

Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “projects”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of Collective or the Resulting Issuer, as applicable, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, but are not limited to, the factors discussed in the section entitled “Risk Factors” in this Filing Statement. Although POCML5 and Collective have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Although POCML5 and Collective believe that the expectations represented in such forward-looking statements are reasonably, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements contained in this Filing Statement are expressly qualified by this cautionary statement and by the risk factors described in the Filing Statement under the heading “Risk Factors”. The forward-looking statements contained herein are made as of the date of this Filing Statement and POCML5, Collective and the Resulting Issuer disclaim any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except where required by applicable securities laws.

SUMMARY OF FILING STATEMENT

The following is a summary of information relating to POCML5, Collective and the Resulting Issuer (assuming Completion of the Proposed Qualifying Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement.

Capitalized terms used in this summary, and not defined in this summary, will have the meaning provided in the Glossary or elsewhere in this Filing Statement. No person is authorized to give any information or to make any representation not contained in this Filing Statement and, if given or made, such information or representation should not be relied upon as having been authorized. This Filing Statement does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation. **Neither delivery of this Filing Statement nor any distribution of the securities referred to in this Filing Statement shall, under any circumstances, create an implication that there has been no change in the information set forth herein since the date of this Filing Statement.**

Summary of the Proposed Qualifying Transaction

On November 30, 2020, POCML5 and Collective entered into the Letter Agreement in respect of the Proposed Qualifying Transaction, as described in news releases dated November 30, 2020 and January 21, 2021. On February 26, 2021, POCML5, Subco and Collective entered into the Business Combination Agreement, which superseded and replaced the Letter Agreement, to carry out the Proposed Qualifying Transaction.

Pursuant to the terms of the Business Combination Agreement, POCML5 will acquire all the issued and outstanding Collective Shares (including the Underlying Shares) through the three-cornered amalgamation of Collective with Subco, a wholly-owned subsidiary of POCML5. Holders of Collective Shares will receive one (1) Resulting Issuer Share in exchange for each Collective Share held.

In addition, all of the outstanding Collective Options and Underlying Warrants will be exchanged for comparable securities of the Resulting Issuer (i.e. Resulting Issuer Options and Resulting Issuer Warrants) on economically equivalent terms on the basis of the Exchange Ratio. Based on the issued and outstanding securities of Collective on May 12, 2021, it is expected that the Resulting Issuer will issue 35,892,465 Resulting Issuer Shares, 1,620,000 Resulting Issuer Options (excluding 590,000 Resulting Issuer Options expected to be issued upon Completion of the Proposed Qualifying Transaction) and 6,887,500 Resulting Issuer Warrants in the aggregate to the holders of Collective Shares (including holders of Underlying Shares), Collective Options and Underlying Warrants, respectively, pursuant to the Proposed Qualifying Transaction. In addition, at the Effective Time, the Resulting Issuer will issue 534,500 Securities (comprised of 534,500 Resulting Issuer Shares and 267,250 Resulting Issuer Warrants) to eligible finders in connection with the completion of the Collective Private Placement. 700,000 Resulting Issuer Options will entitle its holders to purchase one Resulting Issuer Share at a price of \$0.20 per Resulting Issuer Share at any time until either August 19, 2022 or August 27, 2022, and 920,000 Resulting Issuer Options will entitle its holders to purchase one Resulting Issuer Share at a price of \$0.60 per Resulting Issuer Share at any time until December 16, 2023. Each Resulting Issuer Warrant (including the warrants underlying the Resulting Issuer Finder Securities) will entitle its holder to purchase one Resulting Issuer Share at a price of \$2.00 per Resulting Issuer Share for a period of 36 months following the completion of the Proposed Qualifying Transaction, subject to the right of the Resulting Issuer to accelerate the expiry date of the Resulting Issuer Warrants in the event that the closing price of the Resulting Issuer Shares on the TSXV remains equal to or higher than \$2.60 for 20 consecutive trading days, to a date that is 30 trading days after the trigger of the acceleration right. The aggregate consideration in connection with the Proposed Qualifying Transaction is \$36,426,965 with a deemed price per Resulting Issuer Share of \$1.00.

The Proposed Qualifying Transaction will constitute POCML5's Qualifying Transaction pursuant to Exchange Policy 2.4, and will constitute a reverse take-over of the Resulting Issuer inasmuch as the former POCML5 Shareholders will own (on a non-diluted basis) approximately 7% of the equity of the Resulting Issuer immediately after the Closing. See "Part IV – Information Concerning the Resulting Issuer".

An annual and special meeting of the POCML5 Shareholders was held on April 9, 2021 where the Consolidation and Name Change were approved, among other matters. The POCML5 Shareholders also elected four proposed directors of the Resulting Issuer, with such appointment to take effect only upon the Completion of the Proposed Transaction. In accordance with the Business Combination Agreement and subject to regulatory approval, POCML5 proposes to change its name to “Collective Mining Ltd.” The Name Change will take effect by the filing of articles of amendment on or prior to the date of Closing, pending completion of all of the conditions set forth in the Business Combination Agreement. The completion of the Consolidation and the approval of the Name Change by the Exchange are conditions to the Closing. The current directors of POCML5 have no intention of acting upon the authority granted them under the resolutions passed at the POCML5 Meeting if the Proposed Qualifying Transaction is not completed.

As at the date of this Filing Statement, POCML5 has 10,140,000 Existing POCML Shares issued and outstanding, and an unlimited number of POCML Special Shares, issuable in series, of which no POCML5 Special Shares have been issued, as well as 1,000,000 POCML5 Options exercisable at a price of \$0.10 per Existing POCML5 Share until five (5) years from the date of grant, and 4,900,000 POCML5 Subscription Receipts.

In accordance with the terms of the Business Combination Agreement, all outstanding unexercised POCML5 Options shall expire immediately after the completion of the Proposed Qualifying Transaction. After giving effect to the Consolidation and conversion of the POCML5 Subscription Receipts, and assuming all issued and outstanding POCML5 Options are exercised at the time of the Completion of the Proposed Qualifying Transaction, POCML5 will have, on a post-Consolidation basis, 4,010,000 POCML5 Shares (which shall be Resulting Issuer Shares) issued and outstanding at the time of the Closing.

Based on the issued and outstanding securities of each of Collective and POCML5 as at the date of this Filing Statement, it is expected that the Resulting Issuer will have 40,436,965 Resulting Issuer Shares (including 534,500 Resulting Issuer Shares comprising the Resulting Issuer Finder Securities to be issued at the Effective Time), 1,620,000 Resulting Issuer Options (excluding 590,000 Resulting Issuer Options expected to be issued upon Completion of the Proposed Qualifying Transaction) and 7,767,250 Resulting Issuer Warrants (including 267,250 Resulting Issuer Warrants comprising the Resulting Issuer Finder Securities to be issued at the Effective Time) outstanding immediately upon the Completion of the Proposed Qualifying Transaction. Assuming completion of the Proposed Qualifying Transaction, an aggregate of 590,000 Resulting Issuer Options will be issued to certain employees and consultants of the Resulting Issuer on the Effective Date, with an exercise price of \$1.00 per Resulting Issuer Share and expiring three (3) years from the date of grant. See “Part IV – Information Concerning the Resulting Issuer – Fully Diluted Share Capital”.

The Completion of the Proposed Qualifying Transaction is subject to the approval of the Exchange. The Completion of the Proposed Qualifying Transaction is also subject to certain other additional conditions precedent, including, but not limited to: (i) the absence of any material change or change in a material fact which might reasonably be expected to have a material adverse effect on the financial and operational conditions or the assets of each of the parties to the Business Combination Agreement; and (ii) certain other conditions typical in a transaction of this nature.

Arm’s Length Qualifying Transaction

The proposed Transaction is not a Non-Arm’s Length Qualifying Transaction.

Collective and POCML5 Private Placements

In connection with the Proposed Qualifying Transaction, on February 26, 2021 and March 29, 2021, Collective completed the Collective Private Placement pursuant to which Collective issued an aggregate of 13,775,000 Collective Subscription Receipts at a price of \$1.00 per Collective Subscription Receipt for aggregate gross proceeds of \$13,775,000, and on February 26, 2021 POCML5 completed the POCML5 Private Placement pursuant to which POCML5 issued 4,900,000 POCML5 Subscription Receipts at a price of \$0.25 per POCML5 Subscription Receipt for aggregate gross proceeds of \$1,225,000. In addition, assuming the Completion of the Proposed Qualifying Transaction, the Resulting Issuer will issue an aggregate of 534,500 Resulting Issuer Finder Securities as compensation to eligible finders in connection with the completion of the Collective Private Placement.

Each Collective Subscription Receipt entitles the holder to receive, without payment of additional consideration, or further action, one unit of Collective upon: (a) the receipt of all required shareholder, regulatory, and other approvals, including without limitation, the conditional approval of the TSXV for the listing of the Resulting Issuer Shares and the Proposed Qualifying Transaction; and (b) Collective and POCML5 having delivered a direction to the escrow agent for the Collective Subscription Receipts confirming that the conditions set forth above have been met or waived. Each unit shall consist of one Collective Share and one-half of one Collective Warrant. Each unit shall be exchanged, without further consideration or action on the part of the holder, for one Resulting Issuer Unit upon the completion of the Proposed Qualifying Transaction. Each Resulting Issuer Unit will consist of one Resulting Issuer Share and one-half (½) of one Resulting Issuer Warrant, with each whole Resulting Issuer Warrant entitling the holder to acquire one Resulting Issuer Share at a price of \$2.00 for a period of 36 months following the completion of the Business Combination, subject to the right of the Resulting Issuer to accelerate the expiry of the warrants in the event that the closing price of the Resulting Issuer Shares on the TSXV remains equal to or higher than \$2.60 for 20 consecutive trading days.

The Collective Subscription Receipts and the POCML5 Subscription Receipts have similar economic terms, except that on conversion of a POCML5 Subscription Receipt, a holder will receive Resulting Issuer Units in connection with the Proposed Qualifying Transaction.

In connection with the sale of the Collective Subscription Receipts, an aggregate of 534,500 Resulting Issuer Finder Securities will be issued to eligible finders at the Effective Time. Each Resulting Issuer Finder Security will be comprised of one Resulting Issuer Unit.

Effect of the Transaction

Following completion of the Proposed Qualifying Transaction, it is expected that:

- (a) the Existing POCML5 Shares will have been consolidated on the basis of one (1) POCML5 Share for every four (4) Existing POCML5 Shares, with each whole POCML5 Share being designated a Resulting Issuer Share upon completion of the Proposed Qualifying Transaction;
- (b) Collective will have amalgamated with Subco and the amalgamated company will become a wholly-owned subsidiary of POCML5 resulting in POCML5 having acquired all of the issued and outstanding Collective Shares in exchange for Resulting Issuer Shares on the basis of the Exchange Ratio;
- (c) the Collective Options will have been exchanged for Resulting Issuer Options on the basis of the Exchange Ratio, with each such Resulting Issuer Option being exercisable into Resulting Issuer Shares on the same terms and conditions as the original outstanding Collective Options;
- (d) the Underlying Warrants will have been exchanged for Resulting Issuer Warrants on the basis of the Exchange Ratio, with each such Resulting Issuer Warrant being exercisable into Resulting Issuer Shares on the same terms and conditions as the original outstanding Underlying Warrants;
- (e) the Resulting Issuer will carry on the business theretofore carried on by Collective (see “Part III – Information Concerning Collective – Narrative Description of the Business”);
- (f) the current directors and officers of POCML5 will resign and the board of directors of the Resulting Issuer will be comprised of: Ari Sussman (Chairman), Paul Murphy, Kenneth Thomas and María Constanza García Botero. In addition, it is expected that Ari Susman will serve as Executive Chairman, Omar Ossma will serve as President and Chief Executive Officer, and Paul Begin will serve as Chief Financial Officer and Corporate Secretary of the Resulting Issuer;
- (g) based on the number of issued and outstanding Collective Shares, Existing POCML5 Shares, Collective Subscription Receipts and POCML5 Subscription Receipts as of the date of this Filing Statement, there will be an aggregate of 39,652,465 Resulting Issuer Shares issued and

outstanding (or 40,436,965 Resulting Issuer Shares which includes 534,500 Resulting Issuer Shares comprising part of the Resulting Issuer Finder Securities to be issued at the Effective Time, and assuming all POCML5 Options are exercised immediately following the Completion of the Proposed Qualifying Transaction);

- (h) based on the issued and outstanding securities of each of Collective and POCML5 as of the date of this Filing Statement, the following convertible securities of the Resulting Issuer will be issued and outstanding:
 - (i) 700,000 Resulting Issuer Options, each exercisable to acquire one Resulting Issuer Share at a price of \$0.20 per Resulting Issuer Share, in respect of the Resulting Issuer Options issued in exchange for Collective Options pursuant to the Business Combination, and 920,000 Resulting Issuer Options, each exercisable to acquire one Resulting Issuer Share at a price of \$0.60 per Resulting Issuer Share in respect of the Resulting Issuer Options issued in exchange for Collective Options pursuant to the Business Combination;
 - (ii) 7,500,000 Resulting Issuer Warrants, each exercisable to acquire one Resulting Issuer Share at a price of \$2.00 per Resulting Issuer Share, in respect of the issued and outstanding POCML5 Warrants and the Resulting Issuer Warrants issued in exchange for Underlying Warrants pursuant to the Amalgamation; and
 - (iii) 534,500 Resulting Issuer Finder Securities, with each Resulting Issuer Finder Security comprised of one Resulting Issuer Unit;
- (i) based on the number of issued and outstanding Collective Shares and Collective Subscription Receipts as at the date of this Filing Statement (and assuming all POCML5 Options are exercised immediately following the Completion of the Proposed Qualifying Transaction), current Collective Shareholders (including holders of Collective Subscription Receipts and POCML5 Subscription Receipts) will hold an aggregate of 37,117,46 Resulting Issuer Shares, representing approximately 93% of the outstanding Resulting Issuer Shares (on a non-diluted basis); and
- (j) based on the number of issued and outstanding Existing POCML5 Shares and POCML5 Subscription Receipts as at the date of this Filing Statement (and assuming all POCML5 Options are exercised immediately following the Completion of the Proposed Qualifying Transaction), current shareholders of POCML5 will hold an aggregate of 2,785,000 Resulting Issuer Shares, representing approximately 7% of the outstanding Resulting Issuer Shares (on a non-diluted basis).

Parties to the Qualifying Transaction

POCML 5 Inc.

POCML5 is a “capital pool company” formed in accordance with Exchange Policy 2.4, and, at present, POCML5 does not own any material assets other than cash. To date, POCML5 has not conducted any active business operations. Since its incorporation, the principal activities of POCML5 have consisted of the financing of POCML5 through the CPC IPO, the initial listing of the Existing POCML5 Shares on the Exchange, the identification of potential acquisitions, the negotiation of the Business Combination Agreement, the POCML5 Private Placement, and efforts to implement the Proposed Qualifying Transaction. See “Part II – Information Concerning POCML5 – General Development of the Business”.

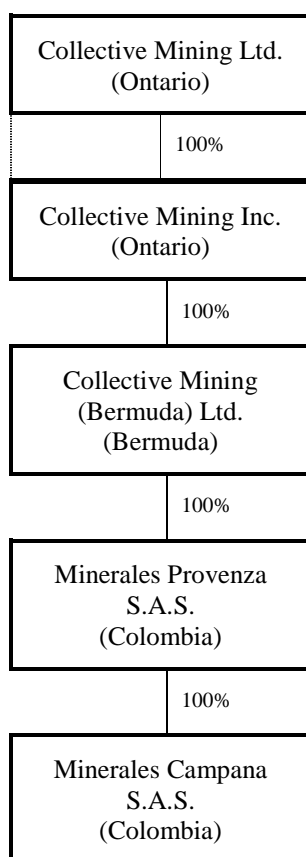
Collective Inc.

Collective is a corporation incorporated under the OBCA on February 11, 2020. Its registered and head office is located at Scotia Plaza, Suite 2100, 40 King Street West, Toronto, Ontario M5H 3C2.

Collective is a privately-held exploration and development company focused on identifying and exploring prospective gold projects in South America. Collective currently holds a 100% interest in two projects located in Colombia: (i) the San Antonio Project; and (ii) the Guayabales Project. The San Antonio Project is comprised of a 1,664-ha contiguous mining title located in a historical gold district in the Caldas department of Colombia. With recently completed geophysical and LIDAR surveys completed, the San Antonio Project has been advanced to the point where there are multiple drill-ready targets, which are expected to be tested in 2021. The Guayabales Project is a contiguous land package comprised of two mining titles totalling 413 ha and a 2,012-ha mining application also located in the Caldas department of Colombia. The Guayabales Project is currently in the early stages of prospecting. Upon Completion of the Proposed Qualifying Transaction, it is the intention of Collective and POCML5 that the Resulting Issuer will continue to primarily focus on the exploration and development of the San Antonio Project. See “Part III – Information Concerning Collective – General Development of the Business”.

Collective is a private company and none of its securities have been traded or are listed for trading on any stock exchange. See “Part III – Information Concerning Collective – Prior Sales”.

After the closing of the Proposed Qualifying Transaction, the corporate structure of the Resulting Issuer will be as follows:



Reasons for the Transaction

POCML5 was formed as a CPC and has been engaged in the business of identifying and evaluating properties or businesses with a view to completing a Qualifying Transaction. The Proposed Qualifying Transaction will constitute a Qualifying Transaction for POCML5 for the purposes of Exchange Policy 2.4.

Collective is a privately-held exploration and development company focused on the business of mining, mineral and resource exploration and development in Colombia. The Proposed Qualifying Transaction will allow Collective to provide the potential for liquidity to its existing shareholders and gain access to the capital markets.

The terms of the Proposed Qualifying Transaction were established through arm's length negotiations between the board of directors and management of each of POCML5 and Collective. The Proposed Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction.

Business Combination Agreement

The Proposed Qualifying Transaction will become effective on the Effective Date, subject to the satisfaction or waiver of the applicable conditions.

The principal features of the Business Combination Agreement may be summarized as follows:

- the Existing POCML5 Shares will have been consolidated on the basis of one (1) POCML5 Share for every four (4) Existing POCML5 Shares, with each whole Post-Consolidation Common Share being designated a Resulting Issuer Share upon Completion of the Proposed Qualifying Transaction;
- all Collective Shares held by shareholders who have exercised a right of dissent pursuant to section 185(1) of the OBCA will be deemed to have been cancelled and the holders of such Collective Shares will cease to have any rights as Collective Shareholders other than the right to be paid the fair value of their Collective Shares;
- Collective and Subco will amalgamate and continue as one corporation under the provisions of the OBCA and, as a result, the property and liabilities of Subco and Collective will become the property and liabilities of the amalgamated company ("**Amalco**");
- each Collective Share shall be cancelled, and the holder thereof shall receive that number of Resulting Issuer Shares as is equal to the number of Collective Shares held by such Collective Shareholder immediately prior to the Effective Time multiplied by the Exchange Ratio;
- each Collective Option and Underlying Warrant shall be cancelled and the holder thereof shall receive that number of Resulting Issuer Options and Resulting Issuer Warrants, as applicable, as is equal to the number of Collective Options or Underlying Warrants held by such person immediately prior to the Effective Time multiplied by the Exchange Ratio, on the same terms and conditions as the cancelled Collective Options or Underlying Warrant;
- each Subco Share outstanding immediately prior to the Effective Time shall be converted into common share of Amalco; and
- as consideration for the issuance of Resulting Issuer Shares in connection with the Business Combination, Amalco shall issue to the Resulting Issuer one common share of Amalco for each Resulting Issuer so issued.

Representations, Warranties and Covenants

The Business Combination Agreement contains certain customary representations and warranties of each of POCML5, Subco and Collective relating to, among other things, their respective organization, capitalization, qualification, operations, compliance with laws and regulations and other matters, including their authority to enter into the Business Combination Agreement and to consummate the Proposed Qualifying Transaction. Pursuant to the Business Combination Agreement, the parties have agreed to advise each other of material changes. Further, the parties have agreed to use their commercially reasonable efforts to obtain all regulatory and other consents, waivers and approvals required for the consummation of the Proposed Qualifying Transaction.

In addition, pursuant to the Business Combination Agreement, each of the parties has covenanted, among other things, until the completion of the Proposed Qualifying Transaction, to maintain their respective businesses and not take certain actions outside the ordinary course.

Conditions of the Transaction

The Business Combination Agreement contains a number of conditions precedent to the obligations of POCML5 and Collective thereunder. Unless all such conditions are satisfied or waived by the party or parties for whose benefit such conditions exist, to the extent they may be capable of waiver, the Proposed Qualifying Transaction will not proceed. There is no assurance that the conditions will be satisfied or waived on a timely basis, or at all. The conditions to the Proposed Qualifying Transaction becoming effective are set out in the Business Combination Agreement, and certain conditions are summarized below.

Conditions to Obligations of POCML5

The obligations of POCML5 to complete the Proposed Qualifying Transaction are subject to the fulfillment or waiver of the following conditions at or prior to the Effective Date:

- POCML5 shall be able to satisfy the minimum listing requirements of the Exchange for a Tier 1 or Tier 2 Issuer as of the completion of the Business Combination, assuming the completion of the Business Combination and the Amalgamation and all related transactions contemplated thereby, as evidenced before the Effective Date by a conditional listing letter issued by the TSXV;
- Collective shall have obtained the approval of its board of directors and shareholders (which have been obtained), in accordance with the OBCA, for the Amalgamation Agreement and the transactions contemplated thereby;
- the representations and warranties made in the Business Combination Agreement by Collective will be true and correct as of the Effective Time as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, in which event they will be true as of such earlier date, or except as affected by transactions specifically permitted or contemplated by the Business Combination Agreement, or except for any failures or breaches of representations and warranties which, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on Collective or prevent or delay the completion of the Business Combination or other transactions contemplated in the Business Combination Agreement), and Collective will have provided to POCML5 a certificate of the Chief Financial Officer of Collective, certifying such accuracy on the Effective Date;
- Collective will have complied with its covenants in the Business Combination Agreement (except to the extent that the failure to comply with such covenants has not had or would not have, individually or in the aggregate, a material adverse effect on Collective or prevent or delay the completion of the Business Combination or the other transactions contemplated in the Business Combination Agreement), and Collective will have provided to POCML5 a certificate of the Chief Financial Officer of Collective, certifying that Collective has complied with its covenants in the Business Combination Agreement;
- all required regulatory consents, including the approval of the Exchange for the Business Combination and the listing of the POCML5 Shares, and any third-party consents required to be obtained by Collective pursuant to any agreement or other instrument, shall have been obtained;
- from the date of the Business Combination Agreement up to and including the Effective Time, there will have been no material adverse change in relation to Collective;
- no bona fide legal or regulatory action or proceeding will be pending or threatened by any person to enjoin, restrict or prohibit the Business Combination or any other of the transactions contemplated thereby, or the right of POCML5, Subco, Collective, or any subsidiary of Collective to conduct, expand, and develop their business; and

- dissent rights will not have been exercised in respect of a total number of Collective Shares which would, if such shares were converted into POCML5 Shares pursuant to the Business Combination, exceed 5% of the POCML5 Shares outstanding upon completion of the Amalgamation.

The conditions precedent listed above are for the exclusive benefit of POCML5 and may be waived, in whole or in part, by POCML5.

Conditions to Obligations of Collective

The obligations of Collective to complete the Proposed Qualifying Transaction are subject to the fulfillment or waiver of the following conditions at or prior to the Effective Date:

- POCML shall be able to satisfy the minimum listing requirements of the Exchange for a Tier 1 or Tier 2 Issuer as of the completion of the Business Combination, assuming the completion of the Business Combination and all related transactions contemplated thereby, as evidenced before the Effective Date by a conditional listing letter issued by the TSXV;
- POCML shall have obtained the approval of its board of directors and shareholders (which have been obtained), as applicable, in accordance with the OBCA, for the Consolidation and the Name Change;
- the representations and warranties made in the Business Combination Agreement by POCML will be true and correct as of the Effective Time as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, in which event they will be true as of such earlier date, or except as affected by transactions specifically permitted or contemplated by the Business Combination Agreement, or except for any failures or breaches of representations and warranties which, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on POCML or prevent or delay the completion of the Business Combination), and POCML will have provided to Collective a certificate of the Chief Executive Officer and Chief Financial Officer of POCML, certifying such accuracy on the Effective Date;
- POCML will have complied with its covenants in the Business Combination Agreement (except to the extent that the failure to comply with such covenants has not had or would not have, individually or in the aggregate, a material adverse effect on POCML or prevent or delay the completion of the Business Combination or the other transactions contemplated in the Business Combination Agreement), and POCML will have provided to Collective a certificate of the Chief Executive Officer and Chief Financial Officer of POCML, certifying that POCML has complied with its covenants in the Business Combination Agreement;
- all required regulatory consents, including the approval of the TSXV for the Business Combination and the listing of the POCML5 Shares, and any third-party consents required to be obtained by POCML5 pursuant to any agreement or other instrument, shall have been obtained;
- from the date of the Business Combination Agreement up to and including the Effective Time, there will have been no material adverse change in relation to POCML5;
- no bona fide legal or regulatory action or proceeding will be pending or threatened by any person to enjoin, restrict or prohibit the Business Combination or any other of the transactions contemplated thereby, or the right of POCML5, Subco, Collective, or any subsidiary of Collective to conduct, expand, and develop their business; and
- dissent rights will not have been exercised in respect of a total number of Collective Shares which would, if such shares were converted into POCML5 Shares pursuant to the Business Combination, exceed 5% of the POCML5 Shares outstanding upon completion of the Amalgamation.

The conditions precedent listed above are for the exclusive benefit of Collective and may be waived, in whole or in part, by Collective.

Termination of Agreement

The Business Combination Agreement may be terminated at any time prior to the Effective Date:

- by mutual written consent of POCML5 and Collective;
- by either POCML5 and Collective if there has been a misrepresentation, breach or non-performance by the breaching party of any representation, warranty, covenant or obligation contained in the Business Combination Agreement, which could reasonably be expected to have a material adverse effect on the terminating party or the ability of either party to complete the Business Combination in accordance with the terms of the Business Combination Agreement, provided the breaching party has been given notice of and 10 days to cure any such misrepresentation, breach or non-performance; and
- by either party if the Effective Date shall not have occurred by May 31, 2021 (or such later date as the parties may agree) except that the right to terminate the Business Combination Agreement shall not be available to any party in circumstances where the failure of the Effective Date to have occurred by May 31, 2021 is the result, directly or indirectly, of such party's breach of the Business Combination Agreement.

Procedure for the Proposed Qualifying Transaction to Become Effective

POCML5 Shareholder Approval

The Proposed Qualifying Transaction does not constitute a Non-Arm's Length Qualifying Transaction since: (a) the Proposed Qualifying Transaction was negotiated by the parties dealing at arm's length with each other, and (b) no party (together with its respective Associates or Affiliates) holds a sufficient number of securities of both POCML5 and Collective so as to affect materially the control of both POCML5 and Collective. As a result, approval of the Proposed Qualifying Transaction by the POCML5 Shareholders is not required under the Exchange policies as a condition to the completion of the Proposed Qualifying Transaction.

In connection with the Proposed Qualifying Transaction, the POCML5 Shareholders approved the Consolidation and Name Change, among other matters, at the POCML5 Meeting held on April 9, 2021.

Collective Shareholder Approval

As a condition of the Proposed Qualifying Transaction, the Collective Shareholders were required to approve the Amalgamation. Such approval was obtained on May 10, 2021 by unanimous written consent of all of the Collective Shareholders.

Exchange Approval

The Completion of the Proposed Qualifying Transaction is subject to the approval of the Exchange. Listing of the Resulting Issuer Shares to be issued in connection with the Proposed Qualifying Transaction is subject to the Resulting Issuer fulfilling all requirements of the Exchange on Completion of the Proposed Qualifying Transaction.

The Resulting Issuer will be considered to have completed the Proposed Qualifying Transaction on the date that the Exchange issues the Final Exchange Bulletin, which is expected to be on or about the fifth Business Day after the Closing, provided that all required documentation is filed with the Exchange. Exchange Policy 2.4 regarding CPCs shall cease to apply after the Completion of the Proposed Qualifying Transaction, with the exception of any escrow or resale restrictions, which will continue in full force and effect.

Interests of Insiders

The following is a summary of the interests of any Insider, promoter or Control Person of POCML5, Collective and the Resulting Issuer and their respective Associates and Affiliates (before and after giving effect to the Proposed

Qualifying Transaction, the POCML5 Private Placement and the Collective Private Placement), including any consideration that such individual may receive if the Proposed Qualifying Transaction proceeds.

Insiders, Promoter, Control Person	Position	Number Existing POCML5 Shares, POCML5 Options, Collective Shares, POCML5 Subscription Receipts and/or Collective Subscription Receipts as at the Date of the Filing Statement ⁽¹⁾⁽¹¹⁾	Approximate Number of Resulting Issuer Shares upon Completion of the Proposed Qualifying Transaction ⁽²⁾
David D'Onofrio <i>Toronto, Ontario</i>	Chief Executive Officer, Chief Financial Officer, Secretary and a Director of POCML5	700,000 Existing POCML5 Shares ⁽³⁾ 100,000 Collective Shares ⁽³⁾ 450,000 POCML5 Options 100,000 Collective Subscription Receipts 800,000 POCML5 Subscription Receipts	687,500 Resulting Issuer Shares ⁽⁶⁾
Pat DiCapo <i>Toronto, Ontario</i>	Director of POCML5	7,000,000 Existing POCML5 Shares ⁽⁴⁾ 1,824,166 Collective Shares ⁽⁴⁾ 500,000 POCML5 Options ⁽⁴⁾ 2,950,000 Collective Subscription Receipts	7,024,166 Resulting Issuer Shares ⁽⁷⁾
Adam Parsons <i>Toronto, Ontario</i>	Director of POCML5	150,000 Existing POCML5 Shares ⁽⁵⁾ 50,000 POCML5 Options ⁽⁵⁾ 80,000 POCML5 Subscription Receipts	70,000 Resulting Issuer Shares ⁽⁸⁾
Ari Sussman <i>Miami, Florida</i>	Executive Chairman and a Director of Collective and proposed Executive Chairman and a Director of the Resulting Issuer	10,340,000 Collective Shares ⁽⁹⁾ 100,000 Collective Subscription Receipts	10,440,000 Resulting Issuer Shares ⁽⁹⁾
Paul Begin <i>Oakville, Ontario</i>	Chief Financial Officer and a Director of Collective and proposed Chief Financial Officer and Corporate Secretary of the Resulting Issuer	3,783,333 Collective Shares ⁽¹⁰⁾ 50,000 Collective Subscription Receipts	3,833,333 Resulting Issuer Shares ⁽¹⁰⁾
Omar Ossma <i>Medellín, Colombia</i>	Proposed President and Chief Executive Officer of the Resulting Issuer	Nil	Nil
Paul Murphy <i>Toronto, Ontario</i>	Proposed Director of the Resulting Issuer	316,667 Collective Shares	316,667 Resulting Issuer Shares
Kenneth Thomas <i>Oakville, Ontario</i>	Proposed Director of the Resulting Issuer	292,000 Collective Shares 30,000 Collective Subscription Receipts	322,000 Resulting Issuer Shares
María Constanza García Botero <i>Medellín, Colombia</i>	Proposed Director of the Resulting Issuer	Nil	Nil

Insiders, Promoter, Control Person	Position	Number Existing POCML5 Shares, POCML5 Options, Collective Shares, POCML5 Subscription Receipts and/or Collective Subscription Receipts as at the Date of the Filing Statement ⁽¹⁾⁽¹¹⁾	Approximate Number of Resulting Issuer Shares upon Completion of the Proposed Qualifying Transaction ⁽²⁾
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Notes:

1. As of the date hereof, there are 10,140,000 Existing POCML5 Shares outstanding and 22,117,465 Collective Shares outstanding.
2. Upon completion of the Proposed Qualifying Transaction, it is expected there will be approximately 40,436,965 Resulting Issuer Shares issued and outstanding.
3. These Existing POCML5 Shares and/or Collective Shares are held through 2180447 Ontario Inc., an entity beneficially owned and controlled by Mr. D'Onofrio. Mr. D'Onofrio also holds POCML5 Options to purchase 450,000 Existing POCML5 Shares. Such options were granted on December 10, 2018 and have an exercise price of \$0.10 per Existing POCML5 Share. In accordance with the terms of the Business Combination Agreement, all outstanding unexercised POCML5 Options shall expire immediately following the Completion of the Proposed Qualifying Transaction.
4. These Existing POCML5 Shares and/or Collective Shares are held through PowerOne Capital Corp., an entity beneficially owned and controlled by Mr. DiCapo. Mr. DiCapo also holds POCML5 Options to purchase 500,000 Existing POCML5 Shares. Such options were granted on December 10, 2018 and have an exercise price of \$0.10 per Existing POCML5 Share. In accordance with the terms of the Business Combination Agreement, all outstanding unexercised POCML5 Options shall expire immediately following the Completion of the Proposed Qualifying Transaction.
5. These Existing POCML5 Shares are held through 1999609 Ontario Inc., an entity beneficially owned and controlled by Mr. Parsons. Mr. Parsons also holds POCML5 Options to purchase 50,000 Existing POCML5 Shares. Such options were granted on December 10, 2018 and have an exercise price of \$0.10 per Existing POCML5 Share. In accordance with the terms of the Business Combination Agreement, all outstanding unexercised POCML5 Options shall expire immediately following to the Completion of the Proposed Qualifying Transaction.
6. Assuming the exercise of 450,000 POCML5 Options immediately following the Completion of the Proposed Qualifying Transaction.
7. Assuming the exercise of 500,000 POCML5 Options immediately following the Completion of the Proposed Qualifying Transaction and including 375,000 Resulting Issuer Shares to be issued to PowerOne Capital Markets Limited, an entity beneficially owned and controlled by Mr. DiCapo, comprising 375,000 Resulting Issuer Finder Securities.
8. Assuming the exercise of 50,000 POCML5 Options immediately following the Completion of the Proposed Qualifying Transaction.
9. Includes 600,000 Collective Shares held directly by Mr. Sussman's spouse.
10. Includes 83,333 Collective Shares held directly by Mr. Begin's spouse.
11. Securities of POCML5 included in this column are represented on a pre-Consolidation basis.

Available Funds and Principal Purposes

Funds Available

POCML5 and Collective anticipate that immediately following Closing of the Proposed Qualifying Transaction, the Resulting Issuer will have available funds of approximately US\$11,581,500, based on estimated working capital of each company as at April 30, 2021. The US\$11,581,500 includes the net proceeds of the POCML5 Private Placement and the Collective Private Placement, after deducting an aggregate of approximately US\$319,000 in costs associated with the POCML5 Private Placement, the Collective Private Placement and the Proposed Qualifying Transaction, and the balance is cash.

Principal Purposes of Funds

The principal purposes of the available funds are expected to be as follows:

Principal Use of Funds	Amount
Technical Report Recommended Phase I exploration program on the San Antonio Project	US\$1,911,000
Technical Report Recommended Phase II exploration program on the San Antonio Project (expected to commence within the first 12 months following the Completion of the Proposed Qualifying Transaction)	US\$3,822,000
Projected option payment expenditures on the San Antonio Project (over the next 24-month period)	US\$150,000
Projected option payment and exploration expenditures on the Guayabales Project over the next 12 months	US\$910,000
General working capital and administrative costs	US\$2,842,099
Unallocated	US\$1,946,401
TOTAL	US\$11,581,500

The Resulting Issuer intends to spend the available funds on completion of the principal purposes as indicated above. Notwithstanding the foregoing, there may also be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve these objectives. The Resulting Issuer will require additional funds in order to fulfill all of the Resulting Issuer's expenditure requirements to meet its objectives, in which case the Resulting Issuer Expects to either issue additional equity securities or incur indebtedness. There is no assurance that additional funds required by the Resulting Issuer will be available if needed. However, it is anticipated that the available funds will be sufficient to satisfy the Resulting Issuer's objectives over the next 12 months.

See "Part IV – Information Concerning the Resulting Issuer – Available Funds and Principal Purposes".

Selected Pro Forma Consolidated Financial Information

The following table summarizes selected pro forma financial information for the Resulting Issuer (as at December 31, 2020), after giving effect to the Proposed Qualifying Transaction, and should be read in conjunction with the pro forma financial statements of the Resulting Issuer attached hereto as Schedule "D".

Pro Forma Balance Sheet (C\$)	POMCL5 as at December 31, 2020	Collective as at December 31, 2020	Pro Forma Adjustments	Resulting Issuer Pro Forma
Current Assets	\$496,881	US\$2,164,191	US\$11,938,422	US\$14,492,875
Total Assets	\$496,881	US\$2,337,576	US\$11,938,422	US\$14,666,260
Current Liabilities	\$8,317	US\$346,214	US\$3,045,168	US\$3,397,914
Total Liabilities	\$8,317	US\$444,535	US\$3,045,168	US\$3,496,235
Total Shareholders' Equity	\$488,564	US\$1,893,041	US\$8,893,254	US\$11,170,025

See "Part IV – Information Concerning the Resulting Issuer – Pro Forma Consolidated Capital".

Listing and Share Price on the Exchange

The Existing POCML5 Shares have been listed on the Exchange since December 10, 2018 under the symbol “PCML.P”. Trading in Existing POCML5 Shares is currently halted pending Completion of the Proposed Qualifying Transaction. The closing price of the Existing POCML5 Shares on November 29, 2020, being the last day on which the Existing POCML5 Shares traded prior to the announcement of the Proposed Qualifying Transaction on November 27, 2020, was \$0.24 per Existing POCML5 Share.

The Collective Shares are not traded publicly and there is no public market for the securities of Collective.

Sponsorship

Sponsorship of a Qualifying Transaction of a CPC is required by the Exchange unless exempt in accordance with Exchange Policy 2.4. POCML5 applied for, and was granted, a waiver from sponsorship requirements in accordance with Exchange policies.

Details of Any Conflict of Interest

Other than as disclosed herein, neither the management of POCML5 nor Collective is aware of any material conflicts of interest arising out of the Proposed Qualifying Transaction.

The directors and officers of POCML5 are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and the laws requiring disclosure by directors and officers of conflicts of interest. POCML5 will rely upon such laws in respect of any such conflict of interest or in respect of any breach of duty by any of its directors or officers. All such conflicts are required to be disclosed by such directors or officers in accordance with the OBCA and the directors of POCML5 are required to govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Interests of Experts

No person or company, whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Filing Statement or as having prepared or certified a report or valuation described or included in this Filing Statement, holds, or is expected to hold, any beneficial interest, directly or indirectly, in any property of POCML5, Collective or the Resulting Issuer or of an Associate or Affiliate of POCML5, Collective or the Resulting Issuer and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of POCML5, Collective or the Resulting Issuer or of an Associate or Affiliate of POCML5, Collective or the Resulting Issuer and no such person is a Promoter of POCML5, Collective or the Resulting Issuer or an Associate or Affiliate of POCML5, Collective or the Resulting Issuer.

MNP LLP has informed POCML5 that they are independent with respect to POCML5 within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

Summary of Risk Factors

An investment in Existing POCML5 Shares or Resulting Issuer Shares (both before and after Completion of the Proposed Qualifying Transaction) should be considered highly speculative and involves a high degree of risk. Material risk factors affecting the Resulting Issuer include the following: The impact of the COVID-19 public health crisis on the Resulting Issuer; the limited operating history of the Resulting Issuer; the general nature of the mineral exploration business; the Resulting Issuer’s current dependence on only one material mineral project; the inability of the Resulting Issuer to discover any mineral resources or mineral reserves on its mineral properties; operational risks associated with the exploration and development of mineral properties; risks related to the ability to determine title on the Resulting Issuer’s properties; potential social, political, economic, legal and fiscal instability in Colombia; future capital needs of the Resulting Issuer and uncertainty of additional financing when required; the general state of the global economic markets; changes in national and local government legislation, taxation, controls, regulations

and political or economic developments in Colombia, Canada, or other countries in which the Resulting Issuer may, upon completion of the Proposed Qualifying Transaction, carry on business; ability to obtain all requisite permits and licenses for the Resulting Issuer to conduct its operations now and in the future; labour and employment matters; outside contractor risks; difficulty obtaining necessary permits to conduct mining activities in environmentally protected areas; health and safety risks; compliance with applicable environmental laws and regulations; compliance with anti-corruption laws; dependence on reliable infrastructure to conduct exploration and development activities; ability of the Resulting Issuer to manage the growth and scope of its operations; fluctuation in metal prices; risks associated with the Government of Colombia exercising its eminent domain powers in respect of the Resulting Issuer's assets; ability to retain and recruit employees and consultants with the necessary skills and knowledge required to conduct the business of the Resulting Issuer; expense associated with insuring certain risks and inability to obtain insurance for protection against other risks; litigation risks; ability to maintain reliant and continuous information technology systems; the Resulting Issuer's directors and officers may serve on the boards and act as officers of other companies whose interests may conflict with the Resulting Issuer; acquisition and integration risks; non-governmental organization intervention; risk of reliance on key employees, suppliers, risks associated with recruiting and retaining qualified personnel; fluctuations of the market price of the Resulting Issuer Shares; other usual risks associated with an investment in the business of the Resulting Issuer; potential obligation to consult and work with indigenous peoples that are native to the properties where the Resulting Issuer will explore and develop its projects; control of the Resulting Issuer by one shareholder; future sales of Resulting Issuer Shares by existing shareholders which could depress the value of the Resulting Issuer Shares; currency risks; no intention of paying dividends in the near or medium term; and the likelihood of enforcement of civil liabilities. For a more detailed description of these and other risk factors affecting the Resulting Issuer, see "Risk Factors" below.

Conditional Listing Approval

The Exchange has conditionally accepted the Proposed Qualifying Transaction subject to POCML5 fulfilling all of the requirements of the Exchange on or before August 4, 2021. Such conditional listing approval is subject to a number of standard conditions as well as receipt of final approval from the Exchange.

PART II - INFORMATION CONCERNING POCML5

Corporate Structure

Name, Address and Incorporation

The full corporate name of the POCML5 is POCML 5 Inc. POCML5 was incorporated under the laws of the Province of Ontario pursuant to the OBCA on February 21, 2018. The registered and head office address of the Corporation is located at 130 King Street West, Suite 2210, Toronto, Ontario M5X 1E4. POCML5 is a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

POCML5 does not have any subsidiaries other than Subco.

General Development of the Business

History

POCML5 was formed as a CPC under Exchange Policy 2.4. Since becoming a CPC, the principal business of POCML5 has been to identify and evaluate opportunities for the acquisition of an interest in assets or businesses for the completion of a Qualifying Transaction and, once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder approval, where required, and acceptance for filing by the Exchange.

On August 30, 2018, POCML5 completed the POCML5 Seed Private Placement by issuing, on a prospectus exempt basis, an aggregate of 8,000,000 Existing POCML5 Shares at a price of \$0.05 per Existing POCML5 Share for aggregate gross proceeds of \$400,000. The proceeds of the POCML5 Seed Private Placement were added to the funds available to POCML5 for identifying and evaluating assets or businesses and for general administrative purposes until the completion of a Qualifying Transaction.

On December 10, 2018, POCML5 completed the CPC IPO and began trading under the symbol “PCML.P” as a CPC on December 10, 2018. Pursuant to the CPC IPO, POCML5 issued an aggregate of 2,000,000 Existing POCML5 Shares at a price of \$0.10 per Existing POCML5 Share, as qualified by a final prospectus dated October 26, 2018.

In November, 2020, POCML5 began discussions with the directors and management of Collective about a possible business combination among the parties. On November 30, 2020, POCML5 and Collective entered into the Letter Agreement. On February 26, 2021, POCML5, Subco and Collective entered into the Business Combination Agreement which supersedes the Letter Agreement. Pursuant to the terms of the Business Combination Agreement and subject to the receipt of all requisite approvals, POCML5 will acquire all of the issued and outstanding Collective Shares in exchange for the issuance of Resulting Issuer Shares in accordance with the Exchange Ratio, and Collective will be amalgamated with Subco and continue as a wholly-owned subsidiary of POCML5. Collective is at arm’s-length to POCML5 and the Business Combination Agreement was negotiated at arm’s-length between Collective and POCML5.

On April 9, 2021, the POCML5 Shareholders approved, among other things, the Consolidation and the Name Change at the POCML5 Meeting.

The POCML5 Circular and accompanying letter of transmittal are available under POCML5’s issuer profile on SEDAR at www.sedar.com.

Description of the Qualifying Transaction

On November 30, 2020, POCML5 entered into the Letter Agreement setting out the general terms of a business combination with Collective, a privately held arm’s length OBCA incorporated company. On February 26, 2021, POCML5, Subco and Collective entered into the Business Combination Agreement which superseded the Letter Agreement. Collective is a privately-held exploration and development company focused on identifying and

exploring prospective gold projects in South America. Collective currently holds a 100% interest in two projects located in Colombia: (i) the San Antonio Project; and (ii) the Guayabales Project. The San Antonio Project is comprised of a 1,664-ha contiguous mining title located in a historical gold district in the Caldas department of Colombia. With recently completed geophysical and LIDAR surveys completed, the San Antonio Project has been advanced to the point where there are multiple drill-ready targets, which are expected to be tested in 2021. The Guayabales Project is a contiguous land package comprised of two mining titles totalling 413 ha and a 2,012-ha mining application also located in the Caldas department of Colombia. The Guayabales Project is currently in the early stages of prospecting. Upon completion of the Proposed Qualifying Transaction, it is the intention of the parties that the Resulting Issuer will continue to primarily focus on the exploration and development of the San Antonio Project.

Following the Completion of the Proposed Qualifying Transaction, POCML5 Shareholders will hold approximately 7% of the Resulting Issuer Shares, the current Collective Shareholders will hold approximately 55.2% of the Resulting Issuer Shares, and purchases in the Collective Private Placement and the POCML5 Private Placement will hold approximately 37.8% of the Resulting Issuer Shares. In connection with the Proposed Qualifying Transaction, POCML5 will issue an aggregate of 35,892,465 Resulting Issuer Shares (together with an additional 534,500 Resulting Issuer Shares comprising part of the Resulting Issuer Finder Securities to be issued at the Effective Time) in consideration for the acquisition of all of the issued and outstanding Collective Shares. The aggregate consideration in connection with the Proposed Qualifying Transaction is \$36,426,965 with a deemed price per Resulting Issuer Share of \$1.00.

Pat DiCapo, a Control Person (as such term is defined under the policies of the Exchange) of POCML5 will also be an insider of the Resulting Issuer following the Completion of the Proposed Qualifying Transaction by virtue of his direct and indirect ownership of securities of the Resulting Issuer. See “*Summary of Filing Statement - Interests of Insiders*” for further details

Other than the approval of the Exchange, there are no significant conditions required to be satisfied in connection with the Completion of the Proposed Qualifying Transaction.

Financing

In connection with the Proposed Qualifying Transaction, on February 26, 2021, POCML5 completed the POCML5 Private Placement pursuant to which POCML5 issued 4,900,000 POCML5 Subscription Receipts at a price of \$0.25 per POCML5 Subscription Receipt for aggregate gross proceeds of \$1,225,000. Each POCML5 Subscription Receipt shall entitle its holder to acquire, for no additional consideration, upon the satisfaction of certain escrow release conditions, four (4) Existing POCML5 Shares and two (2) Existing POCML5 Warrants, which following the completion of the Consolidation and the Proposed Qualifying Transaction, shall be one (1) Resulting Issuer Share and one-half (½) of one Resulting Issuer Warrant. Each whole Resulting Issuer Warrant shall entitle the holder to acquire one Resulting Issuer Share at a price of \$2.00 for a period of 36 months following the completion of the Business Combination, subject to the right of the Resulting Issuer to accelerate the expiry of the warrants in the event that the closing price of the Resulting Issuer Shares on the TSXV remains equal to or higher than \$2.60 for 20 consecutive trading days. No fees were paid, and no securities were issued, to any finders in connection with the POCML5 Private Placement.

Management’s Discussion and Analysis

POCML5’s management’s discussion and analysis (the “**POCML5 MD&A**”) for the fiscal years ended December 31, 2020 and 2019 are attached hereto as Schedule “B”.

Certain information included in the POCML5 MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See “*Forward-Looking Statements*” for further details.

Description of the Securities

POCML5 is authorized to issue an unlimited number of POCML5 Shares without nominal or par value and an unlimited number of POCML5 Special Shares issuable in series, of which, as at the date hereof, 10,140,000 Existing POCML5 Shares are issued and outstanding as fully paid and non-assessable. Each Existing POCML5 Share carries one vote at all meetings of shareholders, carries the right to receive a proportionate share, on a per share basis, of the assets of POCML5 available for distribution in the event of a liquidation, dissolution, or winding-up of POCML5 and the right to receive any dividend if declared by POCML5. The POCML5 Special Shares may be issued from time to time in one or more series, each series consisting of the number of shares and having the designation, rights, privileges, restrictions and conditions which the board of directors of POCML5 determines in accordance with the articles of POCML5 prior to the issue thereof.

POCML5 Subscription Receipts

As at the date of this Filing Statement, an aggregate of 4,900,000 POCML5 Subscription Receipts are issued and outstanding. Each POCML5 Subscription Receipt shall entitle its holder to acquire, for no additional consideration, upon the satisfaction of the Escrow Release Conditions (as defined below), four (4) Existing POCML5 Shares and two (2) Existing POCML5 Warrants, which following the completion of the Consolidation and the Proposed Qualifying Transaction, shall be one (1) Resulting Issuer Share and one-half (½) of one Resulting Issuer Warrant.

The gross proceeds from the sale of the POCML5 Subscription Receipts are held in escrow by an escrow agent. The escrowed funds will be released from escrow to POCML5 upon the satisfaction of the following conditions (the “**Escrow Release Conditions**”) on or prior to May 31, 2021 (the “**Escrow Deadline**”): (a) the receipt of all required shareholder, regulatory, and other approvals, including without limitation, the conditional approval of the TSXV for the listing of the Resulting Issuer Shares and the Proposed Qualifying Transaction; and (b) Collective and POCML5 having delivered a direction to escrow agent confirming that the conditions set forth above have been met or waived. If (i) the Escrow Release Conditions are not satisfied on or before the Escrow Deadline, or (ii) prior to the Escrow Deadline POCML5 announces to the public that it does not intend to satisfy the Escrow Release Conditions, the escrowed funds shall be returned to the holders of the POCML5 Subscription Receipts on a *pro rata* basis and the POCML5 Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the escrowed funds are not sufficient to refund the aggregate issue price paid by the holders of the POCML5 Subscription Receipts, POCML5 will be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall.

Stock Option Plan

The Stock Option Plan provides that the board of directors of POCML5 may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to POCML5, non-transferable options to purchase Existing POCML5 Shares, provided that the number of Existing POCML5 Shares reserved for issuance will not exceed 10% of the issued and outstanding Existing POCML5 Shares. However, other than in connection with a Qualifying Transaction, during the time that POCML5 is a CPC, the aggregate number of POCML5 Shares issuable upon exercise of all options granted under the Stock Option Plan shall not exceed 10% of the Existing POCML5 Shares issued and outstanding at the closing of the CPC IPO. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of Existing POCML5 Shares reserved for issuance to all consultants will not exceed 2% of the issued and outstanding Existing POCML5 Shares. In addition, the Stock Option Plan provides that no more than 5% of the issued Existing POCML5 Shares will be granted to any individual in any 12-month period; no more than 2% of the issued shares of POCML5 will be granted to any one consultant in any 12-month period; and no more than an aggregate of 2% of the issued shares of POCML5 will be granted to an employee conducting investor relations activities in any 12-month period. POCML5, as long as it is a CPC, will not grant options to any person providing investor relations activities, promotional or market-making services. Options may be exercised the greater of 12 months after the Completion of the Proposed Qualifying Transaction and 90 days following cessation of the optionee’s position with POCML5, provided that if the cessation of office, employment, directorship, or consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any Existing POCML5 Shares acquired pursuant to the exercise of options under the Stock Option Plan prior to Completion of the Proposed Qualifying Transaction must be deposited

in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. The exercise price of options issuable pursuant to the Stock Option Plan is determined by the board of directors of POCML5 but shall not be less than the greater of \$0.10 and the Discounted Market Price (as such term is defined pursuant to the policies of the Exchange) as long as POCML5 remains a CPC.

Prior Sales

The following table provides details regarding all Existing POCML5 Shares and all securities convertible into POCML5 Shares that were issued by POCML5 during the 12-month period prior to the date of this Filing Statement:

Date	Number of Securities	Issue Price Per Security
November 30, 2020	140,000 Existing POCML5 Shares ⁽¹⁾	\$0.10
February 26, 2021	4,900,000 POCML5 Subscription Receipts ⁽²⁾	\$0.25

Notes:

1. Issued on exercise of certain agent's options originally issued on completion of the CPC IPO, at a price of \$0.10 per Existing POCML5 Share.
2. David D'Onofrio, Chief Executive Officer, Chief Financial Officer, Secretary and a director of POCML5, acquired 800,000 POCML5 Subscription Receipts, and Adam Parsons, a director of POCML5, acquired 80,000 POCML5 Subscription Receipts, in connection with the POCML5 Private Placement.

Stock Exchange Price

The Existing POCML5 Shares are listed for trading on the Exchange under the symbol "PCML.P". Trading of the Existing POCML5 Shares was halted on November 30, 2020 in connection with the announcement by POCML5 of the proposed Qualifying Transaction with Collective. On November 27, 2020, the last trading day prior to the trading halt, the closing price of the Existing POCML5 Shares was \$0.24.

The following table sets forth the high and low daily closing prices and the volumes of trading of the Existing POCML5 Shares for the periods indicated:

Period	Price Range		
	High (\$)	Low (\$)	Volume
November 2, 2020 to November 27, 2020	0.24	0.23	12,000
October 2020	0.26	0.24	35,000
September 2020	N/A	N/A	Nil
August 2020	N/A	N/A	Nil
July 2020	N/A	N/A	Nil
June 2020	0.23	0.20	8,000
May 2020	N/A	N/A	Nil
April 2020	N/A	N/A	Nil
March 2020	N/A	N/A	Nil
February 2020	0.21	0.20	12,000
January 2020	0.25	0.25	7,000
December 2019	0.25	0.16	45,000

Period	Price Range		
	High (\$)	Low (\$)	Volume
November 2019	N/A	N/A	Nil

Non-Arm's-Length Transactions

As described elsewhere in this Filing Statement, David D'Onofrio, Chief Executive Officer, Chief Financial Officer, Secretary and a director of POCML5, acquired 800,000 POCML5 Subscription Receipts, and Adam Parsons, a director of POCML5, acquired 80,000 POCML5 Subscription Receipts, in connection with the POCML5 Private Placement. Mr. DiCapo, a director and Control Person of POCML5, together with his spouse, acquired, directly and indirectly, an aggregate of 3,150,000 Collective Subscription Receipts in connection with the Collective Private Placement. In addition, on the Effective Date, the Resulting Issuer will issue 375,000 Resulting Issuer Finder Securities as compensation to PowerOne Capital Markets Limited, an entity beneficially owned and controlled by Mr. DiCapo, in connection with the Collective Private Placement. Each Resulting Issuer Finder Security will be comprised of one Resulting Issuer Unit.

Arm's-Length Qualifying Transaction

The acquisition by POCML5 of all of the issued and outstanding Collective Shares is not a Related Party Transaction for the purposes of Exchange policies and Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions and is not a Non-Arm's Length Qualifying Transaction pursuant to the policies of the Exchange. As a result, approval of the Amalgamation or the Business Combination by POCML5's shareholders are not required under the Exchange policies as a condition to the completion of the Proposed Qualifying Transaction.

Legal Proceedings

POCML5 is not aware of any material legal proceedings to which POCML5 is a party or to which any of its property is subject, nor is POCML5 aware that any such proceedings are contemplated.

Auditor, Transfer Agent and Registrar

The auditor of POCML5 is MNP LLP, whose principal office is located at 111 Richmond Street West, Suite 300, Toronto, Ontario M5H 2G4.

The transfer agent and registrar for the Existing POCML5 Shares is TSX Trust Company, at its principal office at 100 Adelaide St. W., Suite 301, Toronto, Ontario M5H 1S3.

Material Contracts

Since incorporation, the only material contracts entered into by POCML5, other than contracts entered into in the ordinary course of business, are as follows:

- (a) the Business Combination Agreement;
- (b) the agency agreement dated as of October 26, 2018 between POCML5 and Industrial Alliance Securities Inc.;
- (c) the CPC Escrow Agreement; and
- (d) the transfer agent, registrar and distributing agent agreement dated as of September 18, 2018 between POCML5 and TSX Trust Company.

Copies of the material contracts are available under POCML5's issuer profile on SEDAR at www.sedar.com.

PART III - INFORMATION CONCERNING COLLECTIVE

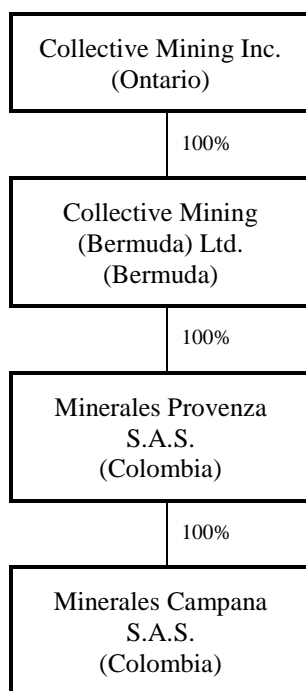
Corporate Structure

Name, Address and Incorporation

Collective Mining Inc. (referred to as Collective in this Filing Statement) is a corporation incorporated under the OBCA on February 11, 2021. Its registered and head office is located at Scotia Plaza, Suite 2100, 40 King Street W., Toronto, Ontario M5H 3C2.

Intercorporate Relationships

As of the date of this Filing Statement, Collective has the following subsidiaries: Collective Mining (Bermuda) Ltd., Minerales Provenza S.A.S., and Minerales Campana S.A.S. The following diagram sets forth the relationship between Collective and its subsidiaries, including the jurisdiction of incorporation of each such entity:



Description of the Business

Collective is a private company incorporated pursuant to the OBCA on February 11, 2020 focused on the business of mining, mineral and resource exploration and development in Colombia. Currently, Collective has only one material project, the San Antonio Project, which is comprised of a 1,664-ha contiguous mining title located in a historical gold district in the Caldas department of Colombia. Collective holds its interest in the San Antonio Project through its subsidiary, Minera Campana S.A.S. Collective's other project, the Guayabales Project, is a contiguous land package comprised of two mining titles totalling 413 ha and a 2,012-ha mining application also located in the Caldas department of Colombia. The Guayabales Project is currently in the early stages of prospecting. Following the Completion of the Proposed Qualifying Transaction, it is the intention that the Resulting Issuer will continue to primarily focus on the exploration and development of the San Antonio Project. See "Special Note Regarding Forward-Looking Statements".

As of the Effective Date, the Resulting Issuer will be in the business of a mineral exploration company and will hold indirectly all of the rights to the property interests of the San Antonio Project which are described below. The Resulting Issuer intends to complete the Stage I exploration program on the San Antonio Project as recommended in the Technical Report, consisting primarily of additional geological mapping, rock-chip and soil sampling, and 5,000 m of diamond drilling, and estimated to cost approximately US\$1,911,000. It is intended that this work program will take one year including four months of drilling with two drill rigs. For further details on the San Antonio Project, please see “Information Concerning Collective – Description of the Business – Description of the San Antonio Project”.

On November 13, 2020, Collective completed the First Seed Financing. Between December 11 and 15, 2020, Collective completed the Second Seed Financing. On February 26, 2021 and March 29, 2021, Collective completed the Collective Private Placement. See “Information Concerning Collective – Description of the Securities” and “Information Concerning Collective – Prior Sales” for more information regarding the First Seed Financing, the Second Seed Financing and the Collective Private Placement.

On November 30, 2020, POCML5 and Collective entered into the Letter Agreement in respect of the Proposed Qualifying Transaction, as described in news releases dated November 30, 2020 and January 21, 2021. On February 26, 2021, POCML5, Subco and Collective entered into the Business Combination Agreement, which superseded and replaced the Letter Agreement, to carry out the Proposed Qualifying Transaction. See “Summary of the Filing Statement – Summary of the Proposed Qualifying Transaction”.

Description of the San Antonio Project

Collective is engaged in the business of mineral exploration and development. Collective’s sole material mineral project is the San Antonio Project.

Unless stated otherwise, the information in this section is summarized, compiled or extracted from the Technical Report. The Technical Report was prepared in accordance with NI 43-101 and has been filed with the securities regulatory authorities in the provinces of British Columbia, Alberta and Ontario. The disclosure in this Filing Statement derived from the Technical Report has been prepared with the consent of Stewart D. Redwood, FIMMM, FGS, who is a qualified person within the meaning of NI 43-101 and independent of Collective.

The Technical Report is subject to certain assumptions, qualifications and procedures described therein. Reference should be made to the full text of the Technical Report, which has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under POCML5’s issuer profile on SEDAR at www.sedar.com. The Technical Report is not and shall not be deemed to be incorporated by reference in this Filing Statement.

Project Description, Location and Access

The San Antonio Project is located 80 km south of Medellin and 50 km north of Manizales in the Municipalities of Aguadas and Pácora, Department of Caldas, Republic of Colombia, at approximately 5°30’N, 75°33’W and an altitude of 650 to 1375 m above mean sea level (masl) (See Figure 1 below).

Figure 1 – Location Map, San Antonio Project



All mineral resources in Colombia belong to the state and can be explored and exploited by means of concession contracts granted by the state. The mining authority is the National Mining Agency (Agencia Nacional Minería or ANM) except in the Department of Antioquia, where it has been delegated to the Government of Antioquia through its Secretary of Mines. The Ministry of Mines and Energy is in charge of setting and overseeing the Government's national mining policies. Mining is governed by the Mining Law 685 of 2001 and subsequent decrees and resolutions, except for mining titles granted before said law, which are grandfathered by the law in place at the time of their granting (most commonly Decree 2655, 1988). Certain minor amendments to the law have been enacted by means of Laws 1450 of 2011, 1753 of 2015, and 1955 of 2019. Under the Mining Law 685 of 2001, there is a single type of concession contract covering exploration, construction and mining that is valid for 30 years and can be extended for another 30 years.

The mining rights relating to the San Antonio Project consist of concession contract number IIS-10401 of 1664.2 ha that is owned by Minera Campana S.A.S., a subsidiary of Collective, and shown in a map in Figure 2 below. The title was registered on April 1, 2008 and is valid until March 31, 2038. The contract is valid for 30 years of which five years are for exploration (extended progressively to 11 years), three years are for construction and 22 years are for exploitation (modified to the balance of 16 years). The contract can be extended for 30 years. The 11-year exploration period expired in 2019 and in January 2021 Minera Campana S.A.S filed a request to extend the date to file the corresponding Mining Plan (*Programa de Trabajos y Obras de Explotación* or PTO) and Environmental Impact Study (*Estudio de Impacto Ambiental* or EIA). Even though the mining titles are structured in phases, under Colombian mining law, exploration activities are authorized during the entire duration of the concession. Therefore, Collective expects to continue on with the planned exploration programme.

The granting of a concession contract in Colombia does not include a legal right of surface access, for which permission has to be obtained from the land owners or the community. Collective does not own the surface rights over the San Antonio Project but has a verbal access agreement with the principal land owner.

Figure 2 – Property Map for the San Antonio Project



Property Agreements

Collective's subsidiary Minerales Provenza signed an option contract to acquire the San Antonio property by means of the purchase of 100% of the shares of Minera Campana, the owner of concession contract number IIS-10401, dated July 9, 2020. The consideration is staged payments to the shareholders of Minera Campana over seven years from the date of signing of the contract totalling US\$2.5 million. The first payment was made on August 14, 2020, with subsequent payments due every 12 months following the acquisition of the property (July 9, 2020) until July 9, 2027. In addition, a 1.5% net smelter royalty (NSR) is payable to the original shareholders from the start of commercial production. The NSR may be purchased at any time for US\$2.5 million. The shares of Minera Campana were transferred to Minerales Provenza following the signing of the contract in order to give Collective ownership of the concession contract. If Minerales Provenza withdraws from the option, the shares of Minera Campana will be reacquired by the original shareholders of Minera Campana at no cost.

Royalties

Royalties payable to the state are 4% of gross value at the mine mouth for gold and silver and 5% for copper (Law 141 of 1994, modified by Law 756 of 2002). For the purposes of royalties, the gold and silver price are set by the government and is typically 80% of the average of the London afternoon fix price for the previous month.

As noted above, A 1.5% net smelter royalty (NSR) is payable to the original shareholders of Minera Campana from the start of commercial production on the San Antonio Project. The NSR may be purchased by Collective at any time for US\$2.5 million.

Environmental and Permitting

The regional environmental authority has not registered any environmental liabilities at the San Antonio Project. The author of the Technical Report is not aware of any other significant factors and risks that may affect access, title or the right or ability to perform work on the property.

Concession agreement IIS-10401 partially overlaps with an area covered by an environmental license granted by ANLA (Colombian National Authority of Environmental Licences) to Grupo de Energía de Bogotá S.A. E.S.P., to develop a power transmission line. Pursuant to the Mining Code, it is possible to undertake mining activities in areas overlapping with facilities to provide public services, provided that the titleholder previously obtains an authorization from the public services project owner. It is important to highlight that such authorization shall be obtained if mining activities are going to interfere with the activities carried out on the licensed project. The exploration activities that Minera Campana is planning to undertake do not overlap nor interfere with the proposed transmission line project, and accordingly no authorizations are required by Grupo de Energía de Bogotá S.A. E.S.P. at this time.

Concession agreement IIS-10401 also partially overlaps with the buffer zone of the Coffee Cultural Landscape of Colombia. Pursuant to provisions of article 35, letter c of the Mining Code and of Resolution 2079 of 2011, the Ministry of Culture (Colombia) has interpreted that prior authorization is required to be obtained to undertake any mining activities in such areas. It is important to note that such authorization shall be obtained if mining activities are going to interfere with the buffer zone of the Coffee Cultural Landscape. The exploration activities contemplated by Minera Campana do not overlap nor interfere with the buffer zone of the Coffee Cultural Landscape, and no authorizations from the Ministry of Culture are required at this time by Minera Campana to complete the proposed exploration program of the Resulting Issuer.

It should be noted that as at the date of the Filing Statement Minera Campana has not yet obtained an environmental license, however, Minera Campana does not require an approved environmental license to undertake exploration activities on the San Antonio Project that are currently contemplated to be undertaken in the area of concession agreement IIS-10401. The environmental license is only required to be obtained in order to carry out the build and construction of a mine and to start exploiting the area in a timely manner. Minera Campana does not anticipate any issues or delays in obtaining any required environmental license if and when such license may be required.

History

The history of the San Antonio Project, previously named La Campana and Pácora, is summarised in Table 1 below.

Table 1 – Historical Exploration at San Antonio

Years	Company	Exploration
2004-2005	AngloGold Ashanti Ltd. (Sociedad Minera Kedahda S.A.)	Concession application no. 615-17. Reconnaissance exploration.
2006-2008	Colombia Goldfields Ltd. (Minera de Caldas S.A., Gavilan Minerals S.A. and Minerales Andinos de Occidente S.A.)	Concession application no. IFM-08231X. Stream sediment, soil and rock sampling of the Campana and Pacora targets.
2008	Minera Campana S.A.S.	Concession contract IIS-10401 awarded.
2009-2015	Mineros S.A.	Optioned project from Minera Campana. Stream sediment sampling, soil sampling, rock sampling, topographic survey, geological mapping, IP, ground magnetic survey, 24 DDH.
2015	Anglo American plc	Project evaluation under agreement with Minera Campana. Rock sampling, geological mapping.
2016-2018	Rugby Mining Ltd. (Volador Holdings Inc.)	Optioned project from Minera Campana. Stream sediment sampling, rock sampling, soil sampling, geological mapping, magnetic inversion, 1 DDH.
2020	Collective Mining Inc.	Bought Minera Campana. Data compilation, channel sampling, geological mapping, re-log core, re-process geophysical data, Lidar survey.

There has been no significant historical mining on the San Antonio Project. Placer gold is panned on a small scale in some streams on and near the concession but there is no significant artisanal mining.

Regional reconnaissance exploration of the San Antonio area, then called Pácora, was first carried out in 2004-2008 prior to the award of the Minera Campana concession. The first reconnaissance exploration was carried out by Sociedad Minera Kedahda S.A., a subsidiary of AngloGold Ashanti Ltd., in 2004-2005. Colombia Goldfields Ltd. of Toronto (now Gran Colombia Gold Corp.) then carried out surface geochemistry in 2006-2008 of the Campana and Pacora targets over a concession application in the San Antonio area as part of its Caramanta regional exploration project.

Minera Campana, a company formed by a group of local landowners, was awarded the concession contract no. IIS-0401 in 2008. The company has not carried out any exploration of the concession itself and instead has optioned the concession to third party companies to explore. The project was explored under an option contract by Mineros S.A., a Colombian gold mining company, from 2009 to 2015, which carried out surface geochemistry and geophysics, and drilled 24 diamond drill holes in two phases. Anglo American plc then evaluated the project in 2015. Rugby Mining Ltd., an Australian junior company, explored the project under an option agreement with Minera Campana from 2016 to 2018, and drilled one diamond drill hole. Collective acquired Minera Campana under an option agreement in July 2020. The historical exploration activities carried out at the San Antonio Project are summarised in Table 2 below. The numbers of stream sediment, soil and rock samples listed in the table, where known, are based on company reports; however, the reconstructed database contains less samples due to loss of information.

Table 2 – Summary of historical exploration carried out at the San Antonio Project

Year	Company	Survey	Contractor	Units	Number
2004-2005	Soc. Kedhada	Stream sediment and soil geochemistry	None	Samples	unknown
2006-2008	Colombia Goldfields	Stream sediment, soil and rock geochemistry	None	Samples	unknown
2009-2012	Mineros	Stream sediment geochemistry	None	Samples	45
2009-2012		Soil geochemistry	None	Samples	880
2009-2012		Lithochemochemistry	None	Samples	850
2009-2012		Geological mapping	None	km ²	16.60
2010		Phase 1 diamond drilling Piñones target (9 x DDH).	Not known	meters	1,583.65
2011		Grid for geophysics (48 x E-W lines).	Itag Topografia	line km	69.45
2011		Induced polarisation survey	Arce Geophysics	line km	59.15
2011		Ground magnetic survey	Arce Geophysics	line km	59.15
2012		Topographic survey	None	line km	11.56
2012		Phase 2 diamond drilling Compañía (Campana) target (15 x DDH).	Geominas S.A.	meters	5,373.40
2015	Anglo American	Lithochemochemistry rock chip	None	Samples	39
2015		Geological mapping	None	km ²	16.60
2016	Rugby	Geological mapping	None	km ²	16.60
2016		Stream sediment geochemistry	None	Samples	17

Year	Company	Survey	Contractor	Units	Number
2016		Soil geochemistry	None	Samples	unknown
2016		Channel sampling	None	Samples	unknown
2016		3D inversion of magnetic data	Not known	line km	59.15
2017		DEM made from satellite image	Not known	km ²	>30
2018		Phase 3 diamond drilling Piñones target (1 x DDH).	Logan Drilling	meters	760.10

Collective acquired Minera Campana under an option agreement in July 2020 and as of the effective date of the Technical Report, Collective has carried out database compilation, channel sampling, geological mapping, core re-logging, re-processing of the geophysical data and a Lidar survey. Drilling on the San Antonio Project is expected to commence in the first quarter of 2021. See “Special Note Regarding Forward-Looking Statements”.

Geological Setting, Mineralization, and Deposit Types

Regional Geology

The San Antonio Project is located on the western side of the Central Cordillera of the Colombian Andes, as shown in Figure 3 below. The project lies within the Romeral terrane, an oceanic terrane comprising a melange of metabasalts, amphibolites, serpentinites, graphitic schist, biotite schist, sericite schist and chlorite schist that are called the Arquía Complex of probable Late Jurassic to Early Cretaceous age. This terrane was accreted to the continental margin along the Romeral Fault in the Aptian. Movement on the Romeral Fault was dextral indicating that terrane accretion was highly oblique from the southwest. The terrane is bounded by the Cauca-Patia Fault on the west side. Further west, additional oceanic and island arc terranes were subsequently accreted to the Western Cordillera in the Paleogene and Neogene periods, culminating in the on-going collision of the Panamá-Choco arc since the late Miocene. This reactivated the Cauca-Patia and Romeral faults with left lateral and reverse movements. The Central Cordillera is formed of continental crust of Proterozoic and Paleozoic-age comprising metasediments, amphibolites and gneisses. The Romeral terrane is partially covered by continental sediments of the middle Oligocene to late Miocene age Amagá Formation, comprising gray to green colored conglomerates, sandstones, shales and coal seams, and by thick subaerial basaltic to andesitic volcanic rocks of the late Miocene Combia Formation. Neither of these formations crop out within the project area.

Figure 3 – Regional tectonic and terrane map of Colombia showing the location of the San Antonio Project

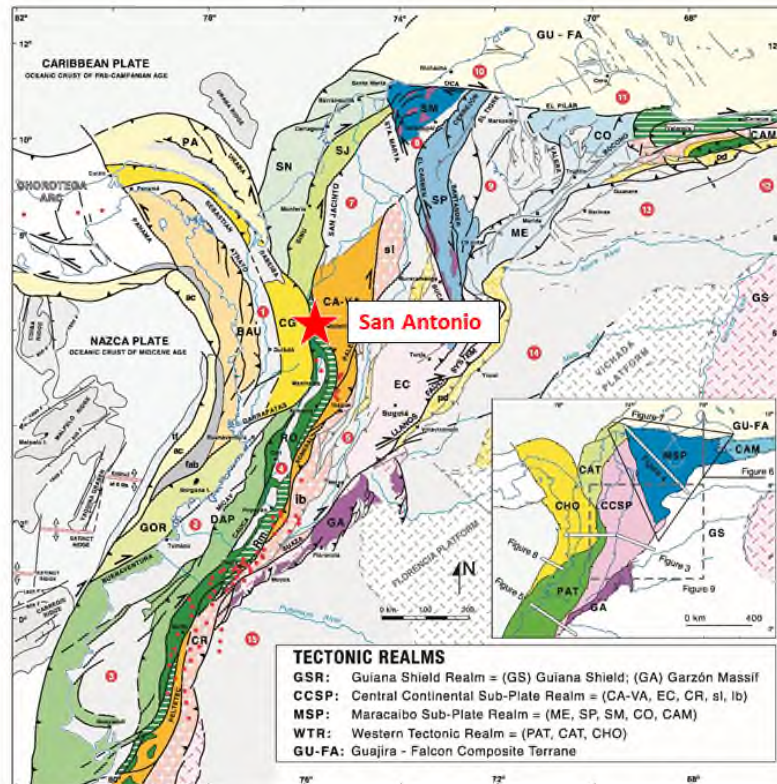


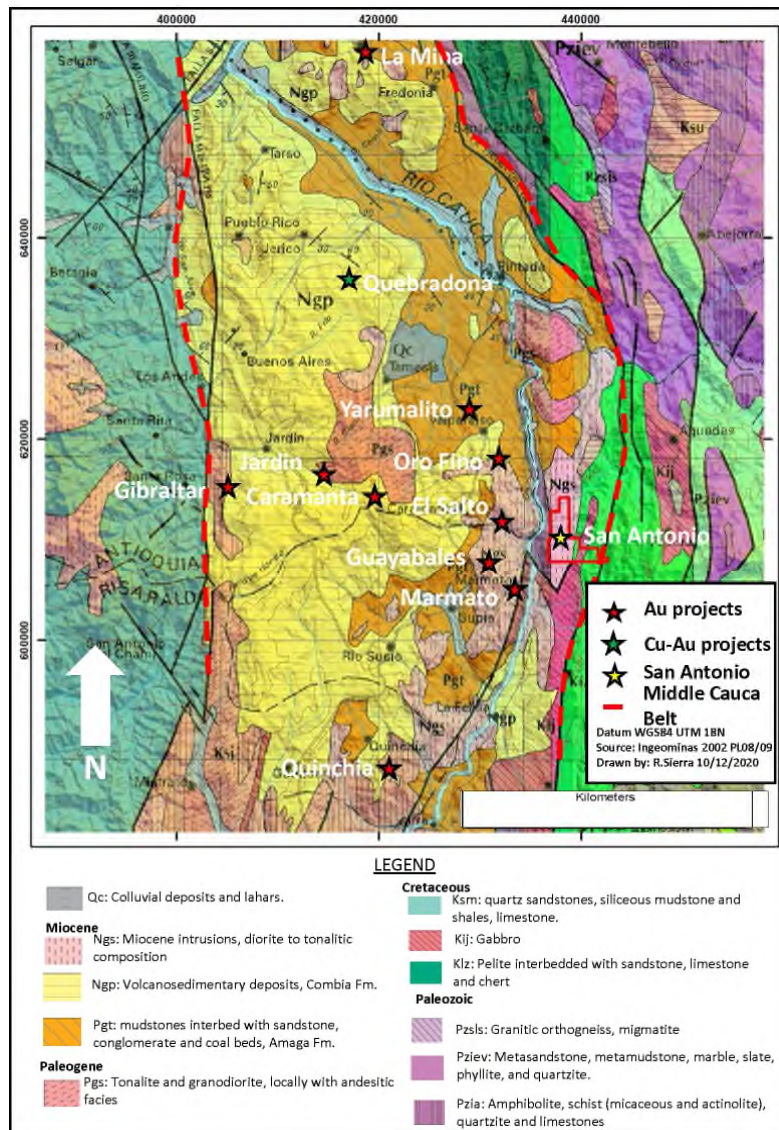
Figure 2. Lithotectonic and morphostructural map of northwestern South America. GS = Guiana Shield; GA = Garzón Massif; SP = Santander massif - Serranía de Perijá; ME = Sierra de Mérida; SM = Sierra Nevada de Santa Marta; EC = Eastern Cordillera; CO = Carora basin; CR = Cordillera Real; CA-VA = Cajamarca-Valdivia terrane; sl = San Lucas block; lb = Ibagué block; RO = Romeral terrane; DAP = Dagua-Piñón terrane; GOR = Gorgona terrane; CG = Cañas Gordas terrane; BAU = Baudó terrane; PA = Panamá terrane; SJ = San Jacinto terrane; SN = Sinú terrane; GU-FA = Guajira-Falcon terrane; CAM = Caribbean Mountain terrane; Rm = Romeral mélange; fab = fore arc basin; ac = accretionary prism; tf = trench fill; pd = piedmont; 1 = Atrato (Chocó) basin; 2 = Tumaco basin; 3 = Manabí basin; 4 = Cauca-Patía basin; 5 = Upper Magdalena basin; 6 = Middle Magdalena basin; 7 = Lower Magdalena basin; 8 = Cesar-Ranchería basin; 9 = Maracaibo basin; 10 = Guajira basin; 11 = Falcon basin; 12 = Guarico basin; 13 = Barinas basin; 14 = Llanos basin; 15 = Putumayo-Napo basin; Additional Symbols: PALESTINA = fault/suture system; red dot = Pliocene-Pleistocene volcano; Bogotá = town or city.

The San Antonio Project lies in the central part of the Middle Cauca Gold Belt that extends for about 250 km in a north-south direction from the Buritica gold deposit to La Colosa gold deposit. The belt is described in regional studies of magmatism by Leal-Mejía et al. (2019) and of mineral deposits by Shaw et al. (2019). Mineralisation is related to clusters of porphyry stocks of late Miocene age (9-4 Ma, Leal-Mejía et al., 2019). Magmatism and mineralisation are related to subduction of the Nazca Plate beneath the South American Plate, and occurred after terrain accretion; the belt cross cuts the Romeral Terrane as well as the Cañas Gordas oceanic terrane and the continental margin of the Central Cordillera.

Local Geology

The geological map for the district is shown in Figure 4. The country rocks are metabasites with lower to upper greenschist facies metamorphism (biotite schist, chlorite schist and amphibolite), sericite schist, serpentinite and black, graphitic schist of the Late Jurassic to Early Cretaceous Arquía Complex. The schistosity strikes north-south to northwest and dips steeply to the west. To the west, sedimentary rocks of the Oligocene to lower Miocene Amagá Formation are unconformable on the schists; these have a basal conglomerate followed by sandstone with carbonaceous beds, carbonaceous mudstone and claystone with lenses of sandstone. This is overlain by volcano-sedimentary rocks of the late Miocene Combia Formation (age about 9 to 4 Ma) of basaltic to andesitic composition that locally exceeds 1,000 m in stratigraphic thickness. The Amagá and Combia Formations were deposited in a pull-apart basin in the Cauca-Patía intermontane basin. The central part of the Middle Cauca Gold Belt coincides with the depocentre of the Combia Formation, which are the contemporaneous volcanic rocks related to and cut by the late Miocene porphyry intrusions and related gold-copper mineralisation.

Figure 4 – The geology and major gold deposits of the Middle Cauca Gold Belt showing the central eastern location of the San Antonio Project.



Property Geology

The geology of the San Antonio concession is shown in Figure 5 below and the lithologies are summarized in Table 3 below. This is based on mapping by Collective and previous operators, and petrographic descriptions from a thesis by Loaiza (2020). The country rocks are graphite schist and chlorite schist of the Arquia Complex. They are cross cut by an undated intrusive center of probable late Miocene age composed of a diorite stock elongated N-S with dimensions of about 5.0 km by up to 1.5 km wide. This is cross cut by quartz diorite porphyries, tonalite, intrusion breccias and hydrothermally-cemented breccias.

Figure 5 – The geology of the San Antonio Project

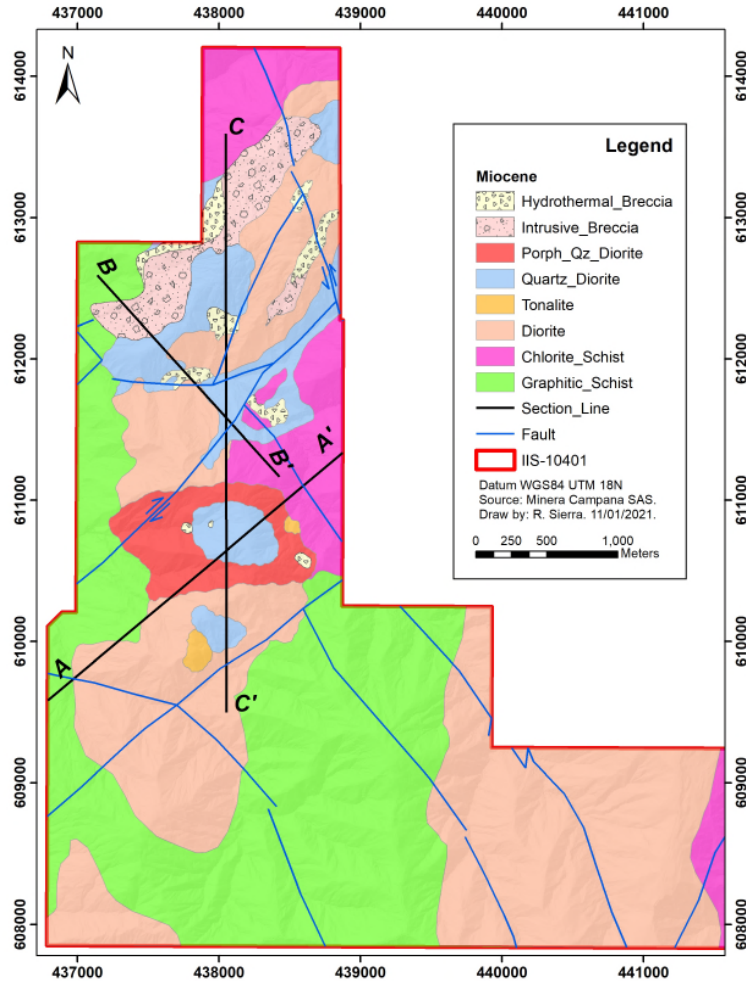


Table 3 – Summary of the main lithologies in the San Antonio Project

Lithology	Description
Rock flour breccia	Dykelets. Clasts angular to subangular with quartz veinlets. Matrix milled rock flour. Cuts hydrothermal breccia.
Hydrothermal Breccia	Small bodies cm to m. Clasts schist, diorite, quartz diorite. Cement pyrite, sericite; pyrite; sericite-chlorite.
Intrusion Breccia	Matrix diorite. Polymict, matrix to clast supported, subangular clasts of schist, diorite, igneous breccia.
Tonalite	White, porphyry, coarse grained, with plagioclase 30%, quartz 20% phenocrysts. Cross cuts schist, hornblende quartz diorite porphyry.
Quartz Diorite, hornblende	Light green, porphyry, coarse grained with plagioclase 30%, quartz 10%, hornblende 10%. Cuts schist, quartz diorite porphyry.
Quartz Diorite Porphyry	Phenocrysts plagioclase 30%, quartz 5-10%, biotite, hornblende. Medium grain size.
Diorite	Light to dark grey, porphyritic, crowded texture, medium to fine grained. Phenocrysts plagioclase, hornblende, biotite, minor quartz, disseminated magnetite.
Chlorite Schist	Chlorite schist.
Graphite Schist	Graphite schist.

Structure, Alteration and Mineralization

The structure of the San Antonio Project was mapped on surface and interpreted from satellite imagery, digital elevation models and geophysical surveys. The dominant structures are NW and NE trending. In addition, an EW-trending fault separates the uplifted northern block from the downthrown southern block. The emplacement of the igneous and hydrothermal breccias and several porphyry intrusions appear to be controlled by the NE trending faults whereas the NW and late EW structures are spatially associated with precious and base metal mineralisation.

The alteration types at San Antonio defined by mapping, core logging and petrography are advanced argillic, sericite-illite-smectite, sericite-chlorite, potassic alteration with quartz stockwork and sheeted veining, and propylitic. The distribution of alteration and mineralization on surface is shown in Figures 6 and 7 below.

Figure 6 – Map of the distribution of hydrothermal alteration at surface in the San Antonio Project

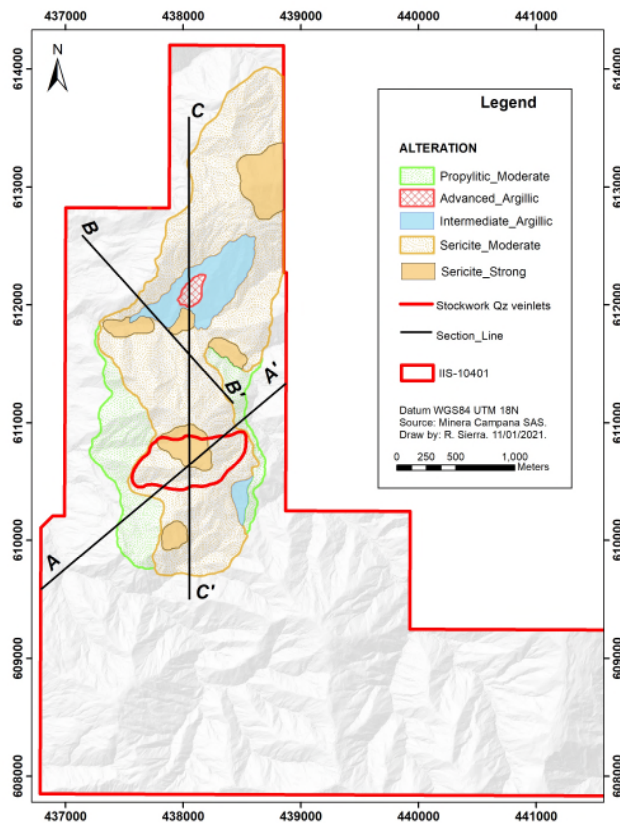
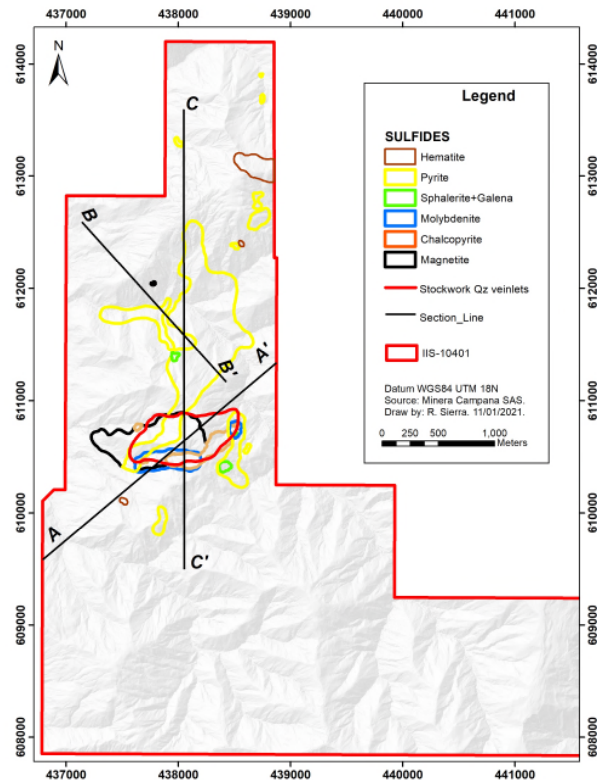


Figure 7 – Map of the distribution of sulphide mineralisation in the San Antonio Project



At least two mineralized porphyry systems have been identified to date on the property: (i) the Dollar Target stockwork zone in the centre of the license area; and (ii) the Pound Target advanced argillic lithocap zone in the northern block.

A porphyry system is exposed in the Dollar Target at El Muerto and El Hospital creeks and Piñoles hill. A quartz veinlet stockwork zone with pyrite and magnetite occurs. This is associated with sericite alteration that must overprint the former potassic alteration that was associated with the formation of the veinlets, and relics of potassic alteration are described. The zone is defined by a 5-10% pyrite envelope. Mineralisation is associated with diorite, quartz diorite porphyry and hydrothermal breccias. Zones of mineralization of quartz veinlets with pyrite, chalcopyrite, molybdenite, bornite and covellite, the latter probably supergene, occur within this.

The Pound Target in the north block is interpreted to be the root of the advanced argillic alteration lithocap of the porphyry with hydrothermal breccias and epithermal veins, down-faulted along an EW fault. A high temperature, deep pyrophyllite-dickite-corundum assemblage changes laterally to peripheral sericite-illite alteration. The south block is an uplifted block exposing the upper part of the porphyry system with the stockwork of quartz veinlets with pyrite, chalcopyrite and magnetite, and secondary biotite overprinted by phyllic alteration. It has anomalous surface geochemistry of Au, Cu and Mo.

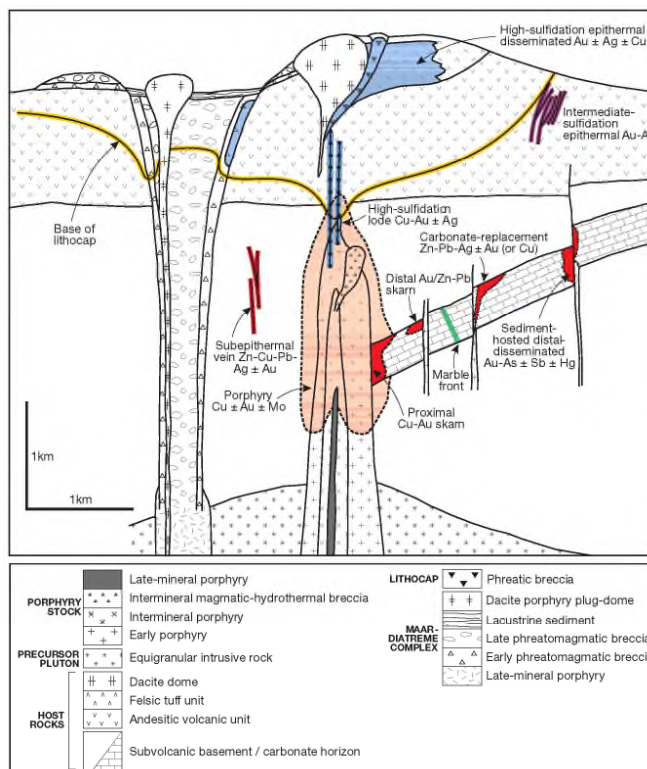
Deposit Types

Alteration and mineralisation at the San Antonio Project are porphyry Au-Cu-Mo and epithermal Au-Ag-polymetallic style. The target is expected to be primary sulfides with no significant oxidation or enrichment.

Porphyry copper systems were reviewed by Sillitoe (2010) and a schematic deposit model is shown in Figure 8 below. Porphyry copper systems may contain porphyry Cu \pm Mo \pm Au deposits of various sizes from less than 10 million tonnes to 10 billion tonnes. Typical primary porphyry Cu deposits have average grades of 0.5 to 1.5% Cu, <0.01 to 0.04% Mo, and 0.01 to 1.5 g/t Au, although a few gold-only deposits have grades of 0.9 to 1.5 g/t gold but little Cu (<0.1 %). The alteration and mineralization in porphyry Cu systems can have a volume of many cubic kilometers of rock and are zoned outward from stocks or dike swarms, which typically comprise several generations

of intermediate to felsic porphyry intrusions. Porphyry Cu \pm Au \pm Mo deposits are centered on the intrusions. High-sulphidation epithermal deposits may occur in lithocaps above porphyry Cu deposits, where massive sulphide lodes tend to develop in deeper feeder structures and Au \pm Ag-rich, disseminated deposits within the uppermost 500 m or so. Less commonly, intermediate sulphidation epithermal mineralization, chiefly veins, may develop on the peripheries of the lithocaps. The alteration and mineralisation in the porphyry Cu deposits is zoned upward from barren, early sodic-calcic through potentially ore-grade potassic, chlorite-sericite, and sericitic, to advanced argillic, the last of these constituting the lithocaps, which may attain >1 km in thickness if unaffected by significant erosion. Low sulphidation-state chalcopyrite \pm bornite assemblages are characteristic of potassic zones, whereas higher sulphidation-state sulfides are generated progressively upwards as a result of temperature decline and the accompanying greater degrees of hydrolytic alteration, culminating in pyrite \pm enargite \pm covellite in the shallow parts of the lithocaps. The porphyry Cu mineralization occurs in a distinctive sequence of quartz-bearing veinlets as well as in disseminated form in the altered rock between them. Magmatic-hydrothermal breccias may form during porphyry intrusion, with some of them containing high-grade mineralization because of their intrinsic permeability. In contrast, most phreatomagmatic breccias, constituting maar-diatreme systems, are poorly mineralized at both the porphyry Cu and lithocap levels, mainly because many of them formed late in the evolution of systems.

Figure 8 – Porphyry system model



Exploration

Collective has carried out exploration of the San Antonio Project since July 2020 as summarized in Table 4 below. The work consisted of geological mapping, rock sampling, relogging of 16 drill holes, reprocessing of the magnetic survey, and a LIDAR survey. The significant results and interpretation of this information, combined with compilation and re-interpretation of the legacy data, led to the definition of three porphyry/breccia targets that are described in further detail below.

Table 4 – Summary of exploration carried out by Collective Mining at the San Antonio Project

Year	Company	Survey	Contractor	Units	Number
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2020	Collective Mining Inc.	Rock sampling	None	samples	226
		Core relogging 16 holes	None	meters	5,523.00
		Geological mapping	None	km ²	16.60
		Magnetic 3D MVI (Magnetisation Vector Inversion) modelling	Arce Geophysics	line km	59.15
		LIDAR survey (DEM, 1 m contours)		km ²	30.22

Collective Mining carried out: (i) a LIDAR survey of the concession in 2020 to create a digital terrain model (DTM), a digital surface model (DSM) and a topographic map with 1 m contours; and (ii) geological mapping of the concession and targets in 2020, as well as reviewing and compiling previous mapping, as reported in weekly reports, summary reports and other reports. Collective has not carried out any soil sampling of the project yet.

Rock Geochemistry

Collective took 226 rock samples in 2020, all of which have laboratory certificates. The types of samples taken were chip channel samples in areas of good exposure and rock chip samples in areas with non-continuous exposure. The company has a written protocol for taking rock samples. The chip channel samples were marked with paint in lengths of 2.00 m and a continuous sample was taken using a hammer and chisel. The broken rock was collected on a plastic sheet and then placed in a sample bag that was numbered and sealed. Rock chip samples were taken in a similar manner but by taking a rock chip every approximately 10 cm, rather than a continuous channel. A sample card with the location and description was completed in the field for each sample with the location and description.

Significant Results and Interpretation to Generate Drill Targets

Collective has identified three drill targets that are shown in the Figures 9-11 below and based on the significant results and interpretation of both the legacy exploration information and the Collective exploration information.

The Dollar Target

The Dollar Target is a porphyry Au-Cu target located on El Muerto-El Hospital creeks and Piñones hill in the south-central area. Intrusion of diorite, quartz diorite and tonalite porphyries cover an area of 1.2 km x 0.75 km. The host rock is a quartz diorite porphyry. An area of 570 m by 430 m hosts a high density stockwork of quartz B type veinlets that are overprinted by phyllic alteration with D veinlets of quartz-hematite within a sericitic halo. The iron oxides are derived from the oxidation of chalcopyrite, pyrite and magnetite. In the western part in El Muerto and El Hospital creeks, 300 m vertically below this exposure, there are high densities of B and M type veinlets of quartz – magnetite – chalcopyrite – molybdenite that trend NW and dip 75-85° NE and SW, and NE trending veins dipping 60-70° SE and NW. Disseminated chalcopyrite – pyrite and minor hydrothermal breccias with sulphide cement are also found in the creeks.

The Mineros Phase 1 drill programme of 9 holes was located on the southwest side of this target area and tested epithermal veins but not the porphyry target. The Rugby drill hole SA-18-01 tested a magnetic high anomaly, but it was drilled north of the stockwork vein zone and did not intersect it. The magnetic inversion carried out by Collective Mining puts the magnetic high in a different position further to the west of the modelling undertaken by Rugby. The hole intersected 100.0 m from 605.0 m grading 0.44 g/t Au and 4.76 g/t Ag (0.50 g/t AuEq) with 0.034% Cu. This is related to an inter-mineral diorite and schists with potassic alteration (biotite, K-feldspar, magnetite) and sodic-calcic alteration (albite-epidote) with sparse AB veinlets of quartz-K feldspar-magnetite halo, B veinlets of quartz-K feldspar-magnetite with chalcopyrite and pyrite, and later D pyrite veinlets and crackle breccias with a sericite halo.

The COP Target

The COP Target is located in the southern block and is defined by strong sericite altered diorite bodies in contact with chloritic schists in association with soil anomalies for gold and molybdenum over an area of 650 m by 350 m at

surface. This anomalous zone is coincident with geophysical anomalies at 200 m depth of a magnetic high and IP chargeability and resistivity high signatures. The coincident soil anomalies include molybdenum values ranging from 1 ppm to 107.5 ppm (average 12.4 ppm, 38 samples) and gold values ranging from 0.0027 g/t to 2.74 g/t. The surface soil and alteration observations are postulated to be fluid leakage from a concealed, mineralised intrusive. This target was not tested by historical drill programmes.

Pound Target

The Pound Target in the Northern block is defined by a NE trending area of 620 m by 375 m hosting intermediate argillic and advanced argillic alteration of intrusion breccias, hydrothermal breccias and diorite intrusive bodies and a molybdenum soil anomaly (range 0.09 ppm to 11 ppm, average 3.3 ppm, 36 samples). The hydrothermal cemented breccia has a sericite and pyrite matrix with intrusive clasts and cross cuts the diorite bodies. The hydrothermal cemented breccias are overprinted by pyrophyllite - dickite - kaolinite – corundum assemblages which grade transitionally downwards and horizontally to sericite - illite – chlorite - smectite alteration. Late-stage epithermal veins and crackle breccias, generally with a W-E strike, are composed of quartz, sphalerite, galena, tennantite, pyrite, chalcocopyrite, stibnite, gypsum, ankerite and calcite. Historical drilling on the southern periphery of this target area returned drill intercepts of 276.0 m grading 0.41 g/t Au and 6.74 g/t Ag (0.50 g/t AuEq; PADDH-023), 54.0 m grading 0.86 g/t Au and 9.67 g/t Ag (0.99 g/t AuEq; PADDH-023), and 50.4 m grading 0.67 g/t Au and 11.7 g/t Ag (0.82 g/t AuEq; PADDH-024) from hydrothermal breccia bodies associated with quartz diorite porphyry and polymetallic veins. Alteration assemblages at surface demonstrate a locus within the lower portion of the advanced argillic lithocap which grades laterally and downwards into intermediate argillic alteration assemblages. The target is a porphyry postulated to occur below the lithocap.

Figure 9 – Target map showing geology and legacy drill holes

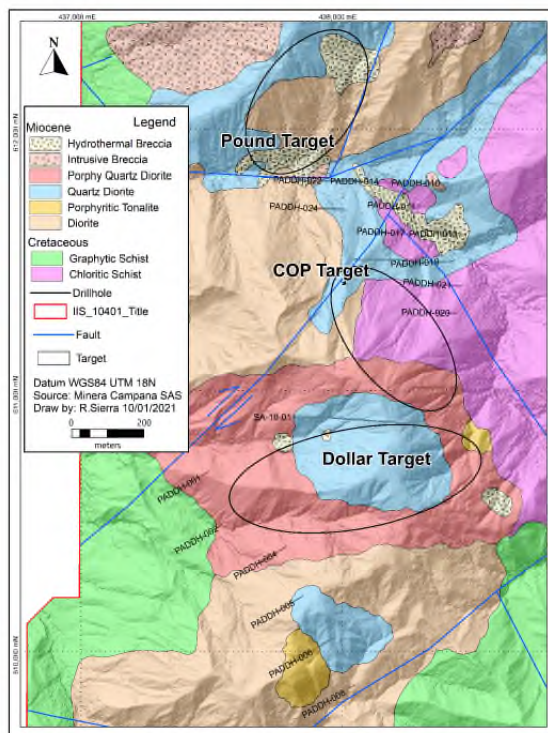


Figure 10 – Alteration target map with legacy drill holes

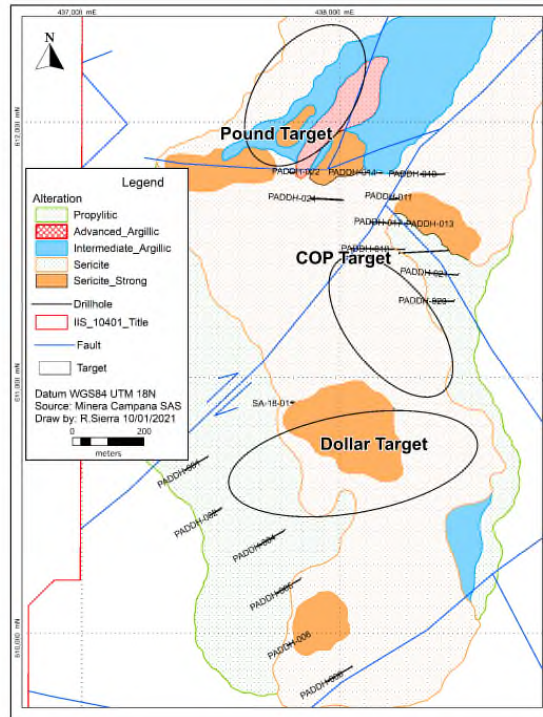
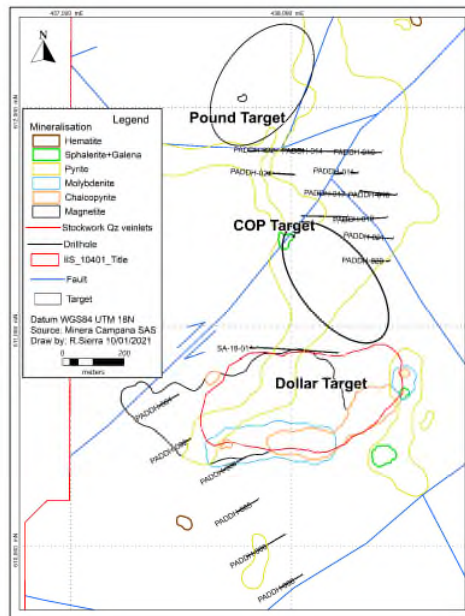


Figure 11 – Mineralisation map with legacy drill holes



Collective reconstructed the database of legacy sampling based on laboratory certificates and inherited databases. The sampling protocols are not known but the sampling was carried out by known companies and is believed to have been done using standard industry procedures. Some of the laboratory certificates have been lost, in particular for soil samples. Despite these shortcomings, the samples are considered to be adequate for the purpose of planning future exploration, particularly as new rock sampling is carried out in areas of interest by Collective in order to confirm the legacy results. The Collective sampling was carried out using standard industry procedures and the

samples are considered to be representative for the purpose of planning future exploration. There are no factors in legacy samples, so far as can be determined, or the Collective sampling that could have resulted in sample bias.

Drilling

Collective has not conducted any drilling at the San Antonio Project. All of the drilling was completed by historical operators from 2010 through to 2018.

Three drill programmes were carried out at the San Antonio Project by previous companies with a total of 25 diamond drill holes drilled using the wireline recovery method for a total of 7,717.15 m, as summarized in Table 5 and shown in Figures 12 and 13 below.

Table 5 – Drill collar table for historical drilling at the San Antonio Project¹

No.	Hole No.	Company	Year	Easting WGS84	Northing WGS84	Altitude (m)	Azimuth	Inclination	Depth (m)
1	PADDH-001	Mineros	2010	437487	610690	953	240	-60	206.00
2	PADDH-002	Mineros	2010	437537	610487	879	240	-70	90.05
3	PADDH-003	Mineros	2010	437540	610487	880	240	-60	100.65
4	PADDH-004	Mineros	2010	437784	610402	1051	240	-60	248.00
5	PADDH-005	Mineros	2010	437847	610211	1166	240	-60	218.25
6	PADDH-006	Mineros	2010	437925	610026	1135	240	-60	298.30
7	PADDH-007	Mineros	2010	437926	610027	1135	60	-60	100.00
8	PADDH-008	Mineros	2010	438042	609866	1073	240	-60	222.40
9	PADDH-009	Mineros	2010	438043	609867	1075	60	-90	100.00
10	PADDH-010	Mineros	2012	438407	611795	902	270.3	-75	360.30
11	PADDH-011	Mineros	2012	438300	611702	790	273.0	-70	94.70
12	PADDH-012	Mineros	2012	438300	611702	790	273.0	-85	259.00
13	PADDH-013	Mineros	2012	438476	611601	862	270.0	-65	233.35
14	PADDH-014	Mineros	2012	438301	611799	855	270.6	-60	402.00
15	PADDH-015	Mineros	2012	438472	611600	862	276.8	-65	391.15
16	PADDH-016	Mineros	2012	438231	611699	791	269.0	-85	460.00
17	PADDH-017	Mineros	2012	438295	611600	817	272.8	-65	422.00
18	PADDH-018	Mineros	2012	438252	611501	896	271.0	-60	416.00
19	PADDH-019	Mineros	2012	438431	611497	824	267.1	-60	402.30
20	PADDH-020	Mineros	2012	438443	611298	965	271.1	-70	239.00
21	PADDH-021	Mineros	2012	438460	611401	894	274.5	-60	246.00
22	PADDH-022	Mineros	2012	438105	611800	771	271.1	-60	461.60
23	PADDH-023	Mineros	2012	437801	611800	759	88.9	-60	503.60
24	PADDH-024	Mineros	2012	437886	611699	829	93.1	-75	482.40
25	SA-18-01	Rugby	2018	437810	610900	1076	89.9	-60.87	760.10

Figure 12 – Location map of historical drill collar locations and drill hole traces with geology in the San Antonio Project (The northern area is shown in more detail in Figure 13)

¹ Core was not recovered or sampled from PADDH-015 from 0.00-225.00 m.

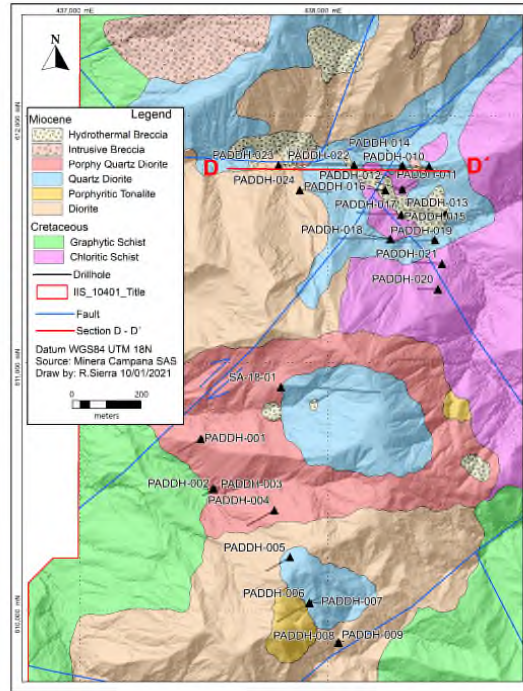
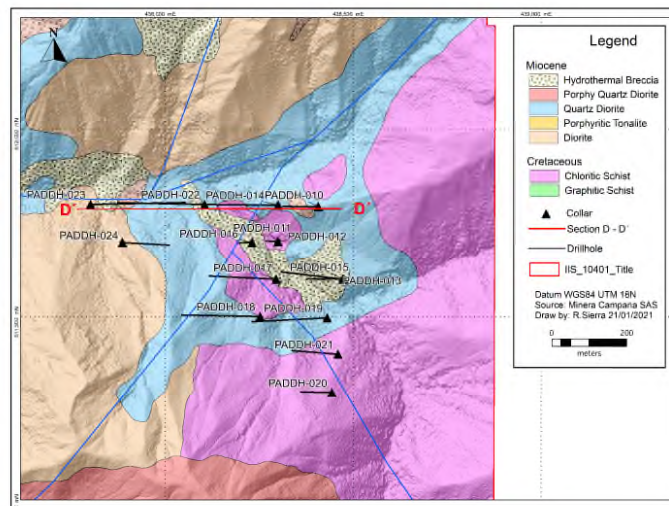


Figure 13 – Detailed location map of historical Phase 2 drill holes in the northern area



A table of significant intersections greater than 0.15 g/t Au is given in Table 6 below. This shows long intervals that vary from 13.4 to 276.0 m length with average grades of 0.20 to 0.86 g/t Au and 1.06 to 22.15 g/t Ag (capped at 50.0 g/t Ag). The table also lists short higher-grade intervals due to veins and veinlets that occur within some of the long, lower grade intersections and have lengths of 2.0 to 7.3 m with grades of 0.91 to 4.31 g/t Au and 1.0 to 1566.05 g/t Ag. Note that most samples were taken in fixed lengths of 2.00 m or 3.00 m rather than the actual length of the vein. Gold and Ag are commonly, but not always, associated with anomalous Cu greater than 100 ppm (6-1,826 ppm in intervals >10 m, 9-8,751 ppm in intervals <10 m), and Mo greater than 5 ppm (0.6-103.7 ppm in intervals >10 m, 0.4-29.0 ppm in intervals <10 m).

Table 6 – Significant drill intersections in the San Antonio legacy drill holes²

Hole No.	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	AuEq (g/t)	Cu (ppm)	Mo (ppm)
PADDH-001	16.00	97.00	83.00	0.26	2.43	0.30	129	2.9
PADDH-005	148.05	218.25	70.20	0.36	5.52	0.43	366	103.7
PADDH-006	271.00	290.00	19.00	0.23	1.06	0.25	6	1.2
PADDH-010	2.00	22.00	20.00	0.45	11.18	0.60	10	5.7
incl.	16.00	18.00	2.00	2.55	120.00	4.15	13	7.1
and	72.00	86.00	14.00	0.42	13.85	0.61	51	1.0
PADDH-012	54.30	259.00	204.70	0.11	7.86	0.22	378	2.9
incl.	227.55	232.30	4.75	0.30	119.46	1.89	810	2.5
PADDH-014	226.40	330.20	103.80	0.25	6.16	0.34	617	1.7
incl.	228.95	231.00	2.05	1.57	5.19	1.64	499	0.4
and	346.20	402.00	55.80	0.24	4.16	0.30	226	6.8
incl.	383.50	386.10	2.60	1.03	9.76	1.16	25	16.8
PADDH-016	17.00	41.00	24.00	0.32	16.24	0.54	494	5.2
and	30.00	32.00	2.00	1.59	136.00	3.40	428	9.5
and	120.00	137.00	17.00	0.30	4.85	0.36	544	3.2
incl.	133.00	135.00	2.00	0.91	5.31	0.98	1070	10.0
and	261.00	287.00	26.00	0.39	9.47	0.51	612	3.6
incl.	285.20	287.00	1.80	1.18	51.90	1.87	1500	14.1
PADDH-017	87.90	243.20	153.45	0.20	6.60	0.29	231	0.8
incl.	112.40	115.25	2.85	1.51	21.61	1.80	136	1.4
and	256.00	422.00	251.00	0.28	4.68	0.34	238	2.2
incl.	268.10	276.00	7.90	1.80	107.06	3.22	814	1.7
incl.	382.50	383.50	1.00	1.34	10.70	1.48	754	7.0
incl.	397.65	400.40	2.75	1.21	29.58	1.60	276	5.1
PADDH-018	59.00	149.00	90.00	0.35	10.54	0.49	219	4.1
incl.	67.00	71.00	4.00	1.20	21.75	1.49	159	3.5
incl.	103.00	105.60	3.60	1.21	61.38	2.03	755	5.1
incl.	126.00	128.00	2.00	1.01	20.60	1.28	151	9.0
incl.	145.00	147.00	2.00	1.64	3.80	1.69	252	2.0
and	388.00	416.00	31.45	0.58	12.56	0.75	808	8.2
incl.	392.00	396.00	4.00	1.59	41.15	2.14	1778	4.5
incl.	410.00	412.00	2.00	1.53	19.30	1.79	4129	19.0
PADDH-021	222.60	236.00	13.40	0.35	22.15	0.65	1826	1.0

² Intervals above a cut-off of 0.15 g/t Au are listed. Maximum dilution 6.0-14.0 m depending on length of interval. Au equivalent (AuEq) calculated using a ratio of Au:Ag of 1:75 and assuming 100% recovery as the project is exploration stage and lacks metallurgical data. Ag is capped at 50 g/t in samples >10.0 m length to avoid grade smearing, but not in samples <10.0 m long which are veins and veinlets. Au does not have high grades and was not capped.

Hole No.	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	AuEq (g/t)	Cu (ppm)	Mo (ppm)
PADDH-022	22.00	169.00	147.00	0.28	0.24	0.28	58	2.2
incl.	155.00	157.00	2.00	2.45	1.84	2.47	31	0.7
incl.	161.00	163.00	2.00	2.05	1.92	2.08	18	0.8
and	221.00	330.00	109.00	0.22	9.79	0.36	169	16.7
and	412.00	438.00	26.00	0.42	3.08	0.46	29	0.9
incl.	426.00	428.00	2.00	1.44	1.36	1.46	9	0.8
PADDH-023	5.00	281.00	276.00	0.41	6.74	0.50	175	1.7
incl.	32.00	34.00	2.00	1.76	200.00	4.43	506	4.0
incl.	54.00	60.00	6.00	0.93	35.54	1.40	18	2.5
incl.	126.00	132.00	6.00	1.44	16.33	1.65	77	3.5
incl.	215.75	219.40	3.65	2.17	1566.05	23.05	8751	3.3
incl.	225.00	231.00	6.00	1.64	4.82	1.70	43	1.0
and	378.00	432.00	54.00	0.86	9.67	0.99	96	15.7
incl.	410.00	414.00	4.00	4.31	6.11	4.39	54	1.0
incl.	426.00	430.00	4.00	3.11	7.38	3.21	71	0.7
and	448.00	503.60	55.60	0.33	5.58	0.40	92	0.6
PADDH-024	41.00	43.00	2.00	1.07	63.70	1.92	148	1.1
and	53.00	55.00	2.00	10.60	13.05	10.77	36	1.3
and	102.00	104.00	2.00	1.61	25.80	1.96	119	3.0
and	262.00	264.00	2.00	2.07	4.84	2.13	30	0.3
and	432.00	482.40	50.40	0.67	11.70	0.82	263	7.7
incl.	436.00	438.00	2.00	1.00	41.80	1.56	494	11.1
incl.	469.00	471.00	2.00	3.01	158.00	5.12	2090	6.3
SA-18-01	122.00	124.00	2.00	2.69	1.00	2.70	19	6.0
and	306.00	309.00	3.00	1.70	5.10	1.77	15	9.0
and	511.00	556.00	45.00	0.40	2.35	0.43	113	9.7
and	605.00	705.00	100.00	0.44	4.76	0.50	344	23.1
incl.	680.30	683.10	2.80	1.68	54.30	2.40	2900	29.0

The protocols for the drilling, logging, sampling and QA-QC of the legacy drilling are not known but appear to have been carried out to current industry standards. The author of the Technical Report considers that there are no drilling, sampling or recovery factors that could materially affect the accuracy and reliability of the results.

Sampling, Analysis, and Data Verification

Sample Preparation, Analysis and Security

The methods used for preparation and analyses of the legacy samples are summarized in Table 7 below. All samples were analysed for Au by fire assay, and for Ag and multi-elements by two or four acid digestion and ICP. In some cases, Ag was analysed by aqua regia digestion and ICP.

Table 7 – Summary of the sample preparation and analyses methods of the legacy samples³

Company	Laboratory	Method	Code	Procedure
Colombia Goldfields soils, rocks	Inspectorate, Medellin and Callao	Preparation		
		Au	FA/AA	Fire assay 30 g, AAS
		Au overlimit	FA/GRAV	Fire assay 30 g, gravimetry
		Ag	AQR/AA	Aqua regia digestion, AAS
		Multi-elements	ICP/AQR	Aqua regia digestion, ICP-AES
Colombia Goldfields soils, rocks	SGS, Medellin and Callao	Preparation		
		Au	FAA313	Fire assay 30 g, AAS
		Multi-elements	ICM40B	ICP-AES
Mineros rocks	ALS Chemex, Medellin and Callao	Preparation		Dry, crush to >70% passing 2 mm, riffle split 1000 g, pulverise to >85% passing 75 microns.
		Au	Au-AA25	Fire assay 30 g, AAS
		Multi-elements	ME-MS41	51 elements by aqua regia digestion, ICP-MS
		Multi-elements	ME-ICP41	35 elements by aqua regia digestion, ICP-AES
		Ag overlimit	Ag-AA46	Aqua regia digestion, AAS
		Zn overlimit	AA46	Aqua regia digestion, AAS
Mineros soils	ALS Chemex, Medellin and Callao	Preparation		Dry, screen to -180 microns, pulverise fines to 85% passing -75 microns.
		Au	Au-ICP22	
		Multi-elements	ME-MS41	51 elements by aqua regia digestion, ICP-MS
Mineros core phase 1	ALS Chemex, Bogota	Preparation		Dry, crush to >70% passing 2 mm, riffle split 1000 g, pulverise to >85% passing 75 microns.
		Au	Au-AA25	Fire assay 30 g, AAS
		Ag	Ag-AA45	Aqua regia digestion, AAS

³ Abbreviations: AAS - atomic absorption spectrophotometer; ICP-AES/ICP-OES - inductively coupled plasma atomic/optical emission spectrometer; ICP-MS - inductively coupled plasma mass spectrometer.

Company	Laboratory	Method	Code	Procedure
		Multi-elements	ME-ICP41	35 elements by aqua regia digestion, ICP-AES
Mineros core phase 2	ALS Chemex, Medellin and Callao	Preparation		Dry, crush to >70% passing 2 mm, riffle split 1000 g, pulverise to >85% passing 75 microns.
		Au	Au-AA25	Fire assay 30 g, AAS
		Multi-elements	ME-MS41	51 elements by aqua regia digestion, ICP-MS
		Ag overlimit	Ag-AA46	Aqua regia digestion, AAS
		Ag overlimit	Ag-GRA21	Fire assay 30, gravimetry
		Cu, Pb, Zn overlimit	AA46	Aqua regia digestion, AAS
Mineros pulps	ALS Chemex, Medellin and Val d'Or, Quebec	Preparation		Pulp samples
		Au	Au-AA25	Fire assay 30 g, AAS
		Multi-elements	ME-ICP41	36 elements by aqua regia digestion, AAS
		Ag overlimit	Ag-OG46	Aqua regia digestion, AAS
		Pb, Zn overlimit	ME-OG46	Aqua regia digestion, AAS
Anglo American rocks	ALS Minerals, Medellin and Callao	Preparation		Dry, crush to >80% passing 2 mm, riffle split 1000 g, pulverise to >90% passing 106 microns.
		Au	Au-AA23	Fire assay 30 g, AAS
		Multi-elements	ME-MS41L	Aqua regia dissolution, ICP-MS
Rugby core	ALS Minerals, Medellin and Callao	Preparation		Dry, crush to >70% passing 2 mm, riffle split 1000 g, pulverise to >85% passing 75 microns.
		Au	Au-AA24	Fire assay 50 g, AAS
		Multi-elements	ME-ICP61	33 elements by 4 acid digestion, ICP-AES
		Multi-elements	ME-MS61	48 elements by 4 acid digestion, ICP-MS
Rugby soils	ALS Minerals, Medellin and Callao	Preparation		Dry, screen to -180 microns, crush fines to >70% passing 2 mm, riffle split 1000 g, pulverise to >85% passing 75 microns.
		Au	Au-AA23	Fire assay 30 g, AAS
		Multi-elements	ME-MS61	48 elements by 4 acid digestion, ICP-MS
		Cu overlimits	AA62	4 acid digestion, AAS
Rugby rocks	ALS Minerals, Medellin and Callao	Preparation		Dry, crush to >70% passing 2 mm, riffle split 250 g, pulverise to >85% passing 75 microns.
		Au	Au-AA23	Fire assay 30 g, AAS
		Multi-elements	ME-MS61	48 elements by 4 acid digestion, ICP-MS
		Ag, Cu, Pb, Zn overlimits	AA62	4 acid digestion, AAS
Rugby	ALS	Preparation		Dry, crush to -180 microns.

Company	Laboratory	Method	Code	Procedure
stream sediments	Minerals, Medellin and Callao	Au	Au-AA23	Fire assay 30 g, AAS
		Multi-elements	ME-MS41L	Aqua regia digestion, ICP-MS
Rugby rocks, soils	Actlabs, Medellin and Ancaster, Ontario	Preparation	RX1	Dry, crush to >80% passing 2 mm, riffle split 250 g, and pulverise to >95% passing 105 µm.
		Au	1A2-30	Fire assay 30 g, AAS
		Au overlimit	AQ1	Aqua regia digestion, AAS
		Multi-elements	ME-MS61	4 acid digestion, ICP-AES, ICP-MS

The Collective samples were prepared and analysed by Actlabs Colombia S.A.S. at a laboratory in Rionegro, Medellin, certified to ISO 9001-2008, and by the parent company Activation Laboratories Ltd., Ancaster, Ontario, certified to ISO/IEC 17025 (Actlabs), using the methods shown in Table 8 below. Actlabs is independent of Collective.

Table 8 – Summary of the sample preparation and analyses methods of the Collective samples.

Company	Laboratory	Method	Code	Procedure
Collective Mining	Actlabs, Medellin and Ancaster, Ontario	Preparation rocks	RX1	Dry, crush to >80% passing 2 mm, riffle split 250 g, and pulverise to >95% passing 105 µm.
		Preparation soils	S1	Dry, sieve to -177 microns.
		Au	1A2-30	Fire assay 30 g, AAS
		Au overlimit	AQ1	Aqua regia digestion, AAS
		Multi-elements	UT-4M	42 elements by multiacid digestion, ICP-MS

Collective has a written protocol for sample security and chain of custody, which is summarised as follows:

- Collective takes custody of the core at the drill platform as soon as it is extracted under the supervision of the technical assistant.
- The core is taken from the platform to the road by Collective helpers and guarded by the chief helper with a signed list of boxes.
- The core boxes and list are handed over to a Collective driver and pick-up truck and transported to the core logging and core store facility, where they are handed over to the geologist in charge.
- The Collective core store supervisor is responsible for the core and samples in the core store.
- The Collective core store supervisor prepares the sample shipment forms and laboratory work orders.
- The samples are sent to the Actlabs laboratory in Medellin by company vehicle and driver with a security guard.
- Sample custody is handed over to Actlabs with a work order.
- After the free storage period expires, the sample pulps and rejects are returned to Collective with a list, verified against the list, and transported by company driver and vehicle to the core store.

Quality Assurance and Quality Control (QA-QC)

Collective has written protocols for sampling and QA-QC with the insertion of certified standard reference materials (CSRM), coarse blanks, fine blanks, field duplicates, coarse duplicates and fine duplicates, as shown in Table 9 below. A total of 24% QA-QC samples are inserted, which exceeds industry standards. The CSRM are monitored by scatter plots with performance gates with rejection if a sample is greater or lesser than the recommended value \pm

3SD, and a warning if two or more samples are between the recommended value ± 2 to ± 3 SD. Duplicates are monitored on scatter plots of original versus duplicate. Laboratory investigation and, if necessary reruns are pending for six CSRM samples that were out of limits for Ag, Cu and/or Au, and one coarse blank that failed for Cu. The field duplicates show a good correlation with only two outlier samples.

Table 9 – QA-QC protocol of Collective Mining

Type	Code	Material	Position	Rock, core %	Soils, seds %	Acceptance
CSRM	STD	HDTR01, PLSUL04, PLSUL09, PLSUL35, PLSUL38, M3A20 certified for Au, Ag, Cu, Pb, Zn, (Fe, S) by Target Rocks, Peru.	Random	4	4	Rec value +/- 2SD, 3SD
Coarse Blank	BKG	Coarse quartz	After BKF	4	0	3x and 5x LLD
Fine Blank	BKF	Fine quartz	After mineralised zones	4	4	3x and 5x LLD
Field Duplicate	DU	Second sample at same location.	Random	4	4	30% relative error
Coarse Duplicate	DUG	Take second split of coarse reject	Random	4	0	20% relative error
Fine Duplicate	DUP	Second split of the pulp	Random	4	0	10% relative error
Total				24	12	

The sample preparation and analysis of the legacy samples were carried out by independent, certified laboratories and, although not all of the data is available now, it is the author of the Technical Report's opinion that sample preparation, analysis and security meet with current standard industry practise. The companies had protocols for sample and analytical QA-QC that follow standard industry practise, with protocols for monitoring QA-QC in real time and for checking any sample batches that fail. In practise, the legacy surface geochemical data are used as an exploration guide by Collective and new rock sampling is carried out in areas of interest. Collective's sample preparation, analysis and chain of custody and QA-QC meet with current standard industry practise. The author of the Technical Report considers that the data are adequate for the purposes of the Technical Report.

Mineral Processing and Metallurgical Testing

No mineral processing or metallurgical testing has been carried out on the San Antonio Project.

Mineral Resources and Mineral Reserves

There are no current mineral resources or mineral reserves estimated for the San Antonio Project at this time.

Exploration and Development

The San Antonio Project warrants further exploration of the three porphyry targets defined by Collective: (i) the Dollar; (ii) COP; and (iii) Pound targets. A two-phase exploration programme is recommended.

Phase I of the recommended exploration programme comprises additional geological mapping, rock chip and soil sampling, and 5,000 m of diamond drilling in 8 deep holes of 400 to 800 m length at the three targets. The estimated cost of the Phase 1 programme is US\$1,911,000. The estimated time is approximately one year including four months of drilling with two drill rigs.

Phase II of the recommended exploration programme is conditional on positive results of the Phase 1 programme. The programme comprises additional rock chip and soil sampling, and 10,000 m of exploration diamond drilling, with the location and length of the holes to be determined based on the Phase 1 results. The estimated cost of the

Phase II programme is US\$3,822,000. The estimated time is approximately one year including eight months drilling with two or three drill rigs.

The budgets for Phases I and II are shown in Table 10 below. The total estimated cost is US\$5,733,000 and the time frame is approximately two years. See “Special Note Regarding Forward-Looking Statements”.

Table 10 – Estimated budget for the recommended two-stage exploration programme on the San Antonio Project

Item	Unit	Quantity	Unit Price (US\$)	Total (US\$)
Phase 1				
Drilling Phase 1	m	5,000	200	1,000,000
Assays	samples	5,000	50	250,000
Rock chip and soil sampling	samples	1,000	50	50,000
General and Administration (Geology department only)				351,000
Contingency				260,000
Sub-total Phase 1				1,911,000
Phase 2				
Drilling Phase 2	m	10,000	200	2,000,000
Assays	samples	10,000	50	500,000
Rock chip and soil sampling	samples	2,000	50	100,000
General and Administration (Geology department only)				702,000
Contingency				520,000
Sub-total Phase 2				3,822,000
Grand Total				5,733,000

Significant Acquisitions and Dispositions

Collective has not completed any significant acquisitions or dispositions for which financial statements would be required under the policies of the TSXV.

Management’s Discussion and Analysis

Management’s Discussion and Analysis of the financial condition and results of operations of Collective from the period of incorporation (February 11, 2020) to December 31, 2020 is included in Schedule C to this Filing Statement.

Description of the Securities of Collective

Collective Shares

The authorized share capital of Collective consists of an unlimited number of Collective Shares. As of the date hereof, 22,117,465 Collective Shares are issued and outstanding as fully paid and non-assessable shares.

Subject to the provisions of the OBCA, holders of Collective Shares are entitled to receive notice of and to attend all meetings of the Collective Shareholders and shall have one vote, in person or by proxy, for each Collective Share

held at all meetings of the Collective Shareholders. Collective Shareholders are entitled to (a) receive any dividends as and when declared by the Collective Board out of the assets of Collective properly applicable to the payment of dividends, in such amount and in such form as the board of directors may from time to time determine, and (b) receive the remaining property of Collective (after payment of all outstanding debts) in the event of any liquidation, dissolution or winding-up of Collective. Holders of Collective Shares have no pre-emptive, redemption or conversion rights.

Other Securities

Collective Subscription Receipts

Collective completed the Collective Private Placement on February 26, 2021 and March 29, 2021, consisting of the sale of an aggregate of 13,775,000 Collective Subscription Receipts at a price of \$1.00 per Collective Subscription Receipt for aggregate proceeds of \$13,775,000 (the “**Escrowed Funds**”). Each Subscription Receipt will entitle the holder thereof to receive, without payment of any additional consideration or further action, and subject to adjustment, one (1) Underlying Share and one-half (½) of one Underlying Warrant upon: (a) the receipt of all required shareholder, regulatory, and other approvals, including without limitation, the conditional approval of the TSXV for the listing of the Resulting Issuer Shares and the Proposed Qualifying Transaction; and (b) Collective and POCML5 having delivered a direction to the escrow agent for the Collective Subscription Receipts confirming that the conditions set forth above have been met or waived (“**Escrow Release Conditions**”). The Escrowed Funds were deposited into escrow with an escrow agent and invested in an interest-bearing account. If the Escrow Release Conditions are not satisfied on or before May 31, 2021, the Escrowed Funds shall be returned to the holders of the Subscription Receipts on a *pro rata* basis and the Collective Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate offering price of the Collective Subscription Receipts paid by the holders of the Subscription Receipts, Collective will be liable to contribute such amounts as are necessary to satisfy any shortfall. Following the completion of the Consolidation and the Name Change, holders of POCML5 Shares (which shall include all of the former holders of Collective Shares, including Underlying Shares issued to former holders of Subscription Receipts upon satisfaction of the Escrow Release Conditions) shall become holders of Resulting Issuer Shares.

Collective Warrants

Each Collective Warrant to be issued upon the conversion of the Collective Subscription Receipts, in accordance with their terms, will be exchanged for POCML5 Warrants pursuant to the Amalgamation on the basis of the Exchange Ratio, which are also referred to as “Underlying Warrants” in this Filing Statement. Each whole Underlying Warrant shall entitle the holder to acquire one Resulting Issuer Share at a price of \$2.00 for a period of 36 months following the completion of the Business Combination, subject to the right of the Resulting Issuer to accelerate the expiry of the Underlying Warrants in the event that the closing price of the Resulting Issuer Shares on the TSXV remains equal to or higher than \$2.60 for 20 consecutive trading days.

Consolidated Capitalization

The following table sets forth the capitalization of Collective as at the dates indicated.

Designation of Security	Amount authorized or to be authorized	Amount outstanding as at December 31, 2020	Amount outstanding as of the Effective Date and Immediately prior to the Completion of the Proposed Qualifying Transaction ⁽²⁾
Collective Shares	Unlimited	21,617,465	22,117,465
Collective Subscription Receipts	N/A	Nil	13,775,000 ⁽¹⁾
Collective Options	N/A	2,120,000	1,620,000 ⁽³⁾

Notes:

1. 13,775,000 Collective Subscription Receipts sold pursuant to the Collective Private Placement at a price of \$1.00 per Collective Subscription Receipt for proceeds of \$13,775,000.
2. On the Effective Date, the Resulting Issuer will issue 534,500 Resulting Issuer Finder Securities as compensation to eligible finders in connection with the Collective Private Placement. Each Resulting Issuer Finder Security will be comprised of one Resulting Issuer Unit.
3. Excludes 590,000 Resulting Issuer Options expected to be issued by the Resulting Issuer on Completion of the Proposed Qualifying Transaction.

Prior Sales

The table below sets forth for the 12-month period prior to the date of this Filing Statement details of the price at which securities have been issued or are to be issued by Collective, the number of securities issued at that price and the date on which the securities were issued.

Date	Number and Type of Security ⁽¹⁾	Issue Price per Security ⁽¹⁾	Nature of Issuance
March 16, 2020	10,000,000 Collective Shares ⁽²⁾⁽³⁾	\$0.04 ⁽²⁾	Private Placement
May 25, 2020	2,400,000 units of Collective ⁽²⁾⁽⁴⁾	\$0.10 ⁽²⁾	Private Placement
June 7, 2020	400,000 Collective Shares ⁽²⁾	\$0.20 ⁽²⁾	Exercise of Warrants
June 21, 2020	600,000 Collective Shares ⁽²⁾⁽⁵⁾	\$0.20 ⁽²⁾	Exercise of Warrants
June 24, 2020	1,000,000 Collective Shares ⁽²⁾⁽⁶⁾	\$0.20 ⁽²⁾	Exercise of Warrants
June 25, 2020	400,000 Collective Shares ⁽²⁾	\$0.20 ⁽²⁾	Exercise of Warrants
August 12, 2020	400,000 units of Collective ⁽⁷⁾	\$0.10	Private Placement
August 19, 2020	1,050,000 Collective Options ⁽⁸⁾	-	Incentive options for directors, officers, employees and consultants
August 27, 2020	75,000 Collective Options ⁽⁸⁾	-	Incentive options for directors, officers, employees and consultants
September 7, 2020	400,000 Collective Shares	\$0.20	Exercise of Warrants
November 13, 2020	2,500,000 Collective Shares ⁽⁹⁾	\$0.40	Private Placement
December 11, 2020	1,641,599 Collective Shares	\$0.60	Private Placement
December 12, 2020	142,000 Collective Shares	\$0.60	Private Placement
December 14, 2020	1,566,666 Collective Shares	\$0.60	Private Placement
December 15, 2020	167,200 Collective Shares	\$0.60	Private Placement

Date	Number and Type of Security⁽¹⁾	Issue Price per Security⁽¹⁾	Nature of Issuance
December 16, 2020	920,000 Collective Options ⁽¹⁰⁾	-	Incentive options for directors, officers and consultants
January 5, 2020	500,000 Collective Shares	\$0.20	Exercise of Stock Options
February 26, 2021	12,775,000 Collective Subscription Receipts ⁽¹¹⁾	\$1.00	Private Placement
March 29, 2021	1,000,000 Collective Subscription Receipts	\$1.00	Private Placement

Notes:

1. On August 5, 2020, Collective implemented a 2:1 share consolidation (the “**Collective Consolidation**”).
2. On a post-Collective Consolidation basis and following a capital contribution by certain Collective Shareholders.
3. 7,500,000 of such Collective Shares were acquired by Ari Sussman and 2,500,000 of such Collective Shares were acquired by Paul Begin.
4. Each unit was comprised of one Collective Share and one Collective Share purchase warrant, with each warrant entitling the holder thereof to acquire one Collective Share at a price of \$0.20 (on a post-Collective Consolidation basis). 1,000,000 of such units were acquired by Ari Sussman and 600,000 of such units were acquired by Paul Begin.
5. All 600,000 Collective Shares were acquired by Paul Begin.
6. All 1,000,000 Collective Shares were acquired by Ari Sussman.
7. Each unit was comprised of one Collective Share and one Collective Share purchase warrant, with each warrant entitling the holder thereof to acquire one Collective Share at a price of \$0.20.
8. Each Collective Option entitles the holder to purchase one Collective Share at a price of \$0.20 until the date that is two years from the date of grant.
9. 790,000 of such Collective Shares were acquired by Ari Sussman, 250,000 of such Collective Shares were acquired by Mr. Paul Begin, and 807,500 of such Collective Shares were acquired by PowerOne Capital Corp., an entity beneficially owned by Mr. Pat DiCapo.
10. Each Collective Option entitles the holder to purchase one Collective Share at a price of \$0.60 until the date that is three years from the date of grant. Each of Messrs. Ari Sussman and Paul Begin were granted 100,000 Collective Options.
11. 100,000 of such Collective Subscription Receipts were acquired by Ari Sussman, 50,000 of such Collective Subscription Receipts were acquired by Paul Begin, and an aggregate of 3,150,000 of such Collective Subscription Receipts were acquired by Pat DiCapo, an entity beneficially owned and controlled by Pat DiCapo, and Mr. DiCapo’s spouse.

Trading Price and Volume

None of the securities of Collective are, or have ever been, listed for trading on any stock exchange or other securities market.

Executive Compensation

For the period from the date of incorporation (February 11, 2020) to December 31, 2020, the remuneration of members of key management personnel of Collective consisted of US\$63,458 in salaries and benefits, and \$39,429 share-based payments.

Non-Arm’s Length Transactions

Other than described below under the subheading “*Related Party Transactions*”, within five years prior to the date hereof, Collective has not acquired any assets or been provided any services from any director, officer, Insider or Promoter of Collective, except in their capacities as directors, officers, employees or consultants of Collective.

Related Party Transactions

During the period ended December 31, 2020, an officer and employee of Collective incurred expenditures totaling \$165,816 on behalf of Collective. The amounts advanced were considered as a loan to Collective with interest payable at an annualized rate of 13.48% and payable on demand. For the period ended December 31, 2020, Collective incurred interest of \$6,884 in respect of the loan from the employee. As at December 31, 2020, \$6,973 was payable to the employee in respect of the loan.

Legal Proceedings

Collective is not aware of any material legal proceedings to which Collective is a party or to which any of its property is subject, nor is Collective aware that any such proceedings are contemplated.

Material Contracts

The only material contracts entered into by Collective in the last two years (other than contracts entered into in the ordinary course of business) was the Business Combination Agreement, an option agreement to acquire the claim comprising the San Antonio Project (acquired through the acquisition of Minerales Campana S.A.S. by Collective), a purchase and sale agreement to acquire exploration mining titles comprising the Guayabales Project dated June 24, 2020 between Minerales Provenza S.A.S. and the Guayabales Mining Association (the “**Guayabales Option Agreement #1**”) and a purchase and sale agreement to acquire exploration title comprising the Guayabales Project dated December 23, 2020 to acquire Mining Concession Contract LH0071-17 comprising the Guayabales Project (the “**Guayabales Option Agreement #2**”). Pursuant to the terms of the Guayabales Option Agreement #1, Collective will have the exclusive option until June 2030 to acquire an undivided 100% interest in a certain claim comprising the Guayabales Project by making payments of an aggregate of US\$4,000,000, and minimum expenditures of US\$3,000,000 as part of the phase I work program until June 2024, and minimum expenditures of US\$10,000,000 on a phase II work program between June 2024 and June 2030 to acquire 90% ownership interest in the concessions. In order to obtain the final 10% ownership interest, Collective will have the option to elect to make: (i) one lump sum payment in the amount US\$8,000,000; (ii) 32 US\$250,000 monthly installments; or (iii) pay a 1% net smelter return (NSR) royalty to the vendors of the concessions. Pursuant to the terms of the Guayabales Option Agreement #2, Collective will have the exclusive option until January 2030 to acquire a 100% interest in certain concessions comprising the Guayabales Project by making payments in the aggregate amount of US\$7,050,000.

Copies of these agreements will be available for inspection at the offices of Collective’s legal counsel, Cassels Brock & Blackwell LLP, located at Suite 2100, Scotia Plaza, 40 King Street W., Toronto, Ontario M5H 3C2 until the date of closing of the Proposed Qualifying Transaction and for a period of 30 days thereafter.

PART IV - INFORMATION CONCERNING THE RESULTING ISSUER

Corporate Structure

Name and Incorporation

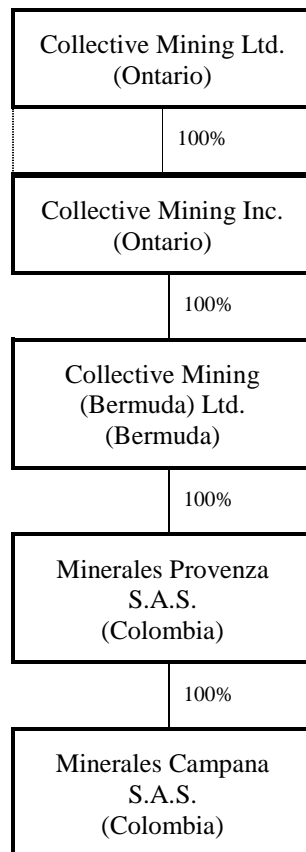
Following the Completion of the Proposed Qualifying Transaction, the Resulting Issuer will operate under the name “Collective Mining Ltd.” and will continue to be governed by the provisions of the OBCA.

The registered and head office of the Resulting Issuer will be Suite 2100, Scotia Plaza, 40 King St. W., Toronto, Ontario M5H 3C2.

Intercorporate Relationships

Following the completion of the Proposed Qualifying Transaction, the Resulting Issuer will own, directly or indirectly, all of the issued and outstanding common shares of Collective. As a result of the Proposed Qualifying Transaction, the previous shareholders of Collective will become shareholders of the Resulting Issuer.

The following organizational chart demonstrates the intended corporate structure of the Resulting Issuer:



Description of the Business

The Resulting Issuer’s business objectives after the Completion of the Proposed Qualifying Transaction will be the business objectives of Collective, namely the continued exploration and development of the San Antonio Project and other properties in which the Resulting Issuer may currently or hereafter acquire an interest. For the narrative description of the business of the Resulting Issuer, see “Part III – Information Concerning Collective – Description of the Business”. For a discussion of the proposed exploration and development activities with respect to the San

Antonio Project, see “Part III – Information Concerning Collective –Description of Business – Description of the San Antonio Project”.

Description of the Securities

Upon Completion of the Proposed Qualifying Transaction, the POCML5 Shares will be the Resulting Issuer Shares and the POCML5 Special Shares will be the Resulting Issuer Special Shares. For a description of the attributes of the POCML5 Shares and the POCML5 Special Shares, please refer to “Part II – Information Concerning POCML5 – Description of Securities” in this Filing Statement.

Pro Forma Consolidated Capitalization

The following table sets forth the pro forma share and loan capital of the Resulting Issuer as at December 31, 2020 on a consolidated basis, based on the pro forma consolidated financial statements contained in this Filing Statement after giving effect to the Proposed Qualifying Transaction. This table should be read in conjunction with the pro forma consolidated financial statements and notes thereto included in this Filing Statement.

Designation of Security	Amount authorized or to be authorized	Amount outstanding after giving effect to the Proposed Qualifying Transaction (without giving effect to the Collective Private Placement or the POCML5 Private Placement)	Amount outstanding after giving effect to the Proposed Qualifying Transaction and the Collective Private Placement and POCML5 Private Placement ⁽¹⁾
Resulting Issuer Shares	Unlimited	24,152,465	40,436,965 ⁽³⁾
Resulting Issuer Special Shares	Unlimited	Nil	Nil
Resulting Issuer Warrants	N/A	Nil	7,767,250 ⁽⁴⁾
Resulting Issuer Options ⁽²⁾	N/A	2,620,000	1,620,000 ⁽³⁾
Long Term Debt	Nil	Nil	Nil

Notes:

1. After giving effect to the Proposed Qualifying Transaction, the accumulated deficit of the Resulting Issuer will be \$(3,298,691).
2. See “Part IV – Information Concerning the Resulting issuer – Security Based Compensation”.
3. Assuming the exercise of 1,000,000 POCML5 Options immediately after the Completion of the Proposed Qualifying Transaction and prior to the issuance of any options by the Resulting Issuer, and the issuance of 534,500 Resulting Issuer Shares comprising part of the Resulting Issuer Finder Securities to be issued at the Effective Time.
4. Includes 7,500,000 Resulting Issuer Warrants to be issued on conversion of the Collective Subscription Receipts and the POCML5 Subscription Receipts, and 267,500 Resulting Issuer Warrants comprising part of the Resulting Issuer Finder Securities at the Effective Time.

Fully Diluted Share Capital

The following tables outline the expected number and percentage of securities of the Resulting Issuer to be outstanding on a non-diluted and fully-diluted basis after giving effect to the Proposed Qualifying Transaction and the Financing:

Designation of Security	After Giving Effect to the Proposed Qualifying Transaction		
	Number ⁽¹⁾⁽²⁾	Percentage (undiluted)	Percentage (fully-diluted)
Resulting Issuer Shares			
Shares Issued			
POCML5 Shares	4,544,500 ⁽³⁾	11.3%	9.0%
Collective Shares	35,892,465	88.7%	71.2%
Resulting Issuer Special Shares	Nil	0%	0%
Subtotals	40,436,965	100%	80.2%
Reserved for issuance:			
Collective Options	2,210,000 ⁽⁴⁾	n/a	4.4%
Collective Warrants	6,887,500	n/a	13.7%
Exiting POCML5 Warrants	612,500	n/a	1.2%
Resulting Issuer Warrants	267,250 ⁽⁵⁾	n/a	0.5%
Total (fully-diluted)	50,414,215		100%

Notes:

1. After giving effect to the Consolidation.
2. All outstanding options, warrants or other convertible securities of Collective will be exchanged for equivalent securities of POCML5 (after giving effect to the Consolidation) based upon the Exchange Ratio.
3. Assumes the exercise of 1,000,000 POCML5 Options immediately following the Completion of the Proposed Qualifying Transaction and includes 534,500 Resulting Issuer Shares to be issued in connection with the issuance of the Resulting Issuer Finder Securities at the Effective Time.
4. Includes: (i) the 1,620,000 Collective Options issued and outstanding as at the date of this Filing Statement; and (ii) assuming completion of the Proposed Qualifying Transaction, an aggregate of 590,000 Resulting Issuer Options will be issued to certain employees and consultants of the Resulting Issuer on the Effective Date, with an exercise price of \$1.00 per Resulting Issuer Share and expiring three (3) years from the date of grant.
5. Comprising part of 534,500 Resulting Issuer Finder Securities to be issued at the Effective Time.

Available Funds and Principal Purposes

Funds Available

As at April 30, 2021, Collective had estimated working capital of approximately (US\$880,000). As at April 30, 2021, POCML5 had estimated working capital of approximately \$380,000. The estimated pro forma consolidated working capital of the Resulting Issuer as at April 30, 2021 was approximately (US\$500,000) prior to giving effect to the Collective Private Placement and the POCML5 Private Placement.

The following table sets forth the estimated available funds of the Resulting Issuer after giving effect to the Collective Private Placement and the POCML5 Private Placement, as at April 30, 2021.

Source of Funds	Amount
Consolidated working capital of the Resulting Issuer as at December 31, 2020	(US\$500,000)
Proceeds from Collective Private Placement	\$1,225,000
Proceeds from POCML5 Private Placement	\$13,775,000
Estimated Costs of the Proposed Qualifying Transaction	(US\$319,000)
TOTAL	US\$11,581,500

Dividends or Distributions

The proposed directors of the Resulting Issuer anticipate that the Resulting Issuer will retain all future earnings and other cash resources for the future operation and development of its business, and accordingly, do not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the board of the directors of the Resulting Issuer after taking into account many factors including the Resulting Issuer's operating results, financial condition and current and anticipated cash assets.

Principal Purposes of Funds

POCML5 and Collective anticipate that immediately following Closing of the Proposed Qualifying Transaction, the Resulting Issuer will have available funds of approximately US\$11,581,500, based on estimated working capital of each company as at April 30, 2021. See "*Part IV – Information Concerning the Resulting issuer – Available Funds and Principal Purposes – Available Funds*". The Resulting Issuer intends to use the funds as set out below:

Principal Use of Funds	Amount
Technical Report Recommended Phase I exploration program on the San Antonio Project	US\$1,911,000
Technical Report Recommended Phase II exploration program on the San Antonio Project (expected to commence within the first 12 months following the Completion of the Proposed Qualifying Transaction)	US\$3,822,000
Projected option payment expenditures on the San Antonio Project (over the next 24-month period)	US\$150,000
Projected option payment and exploration expenditures on the Guayabales Project over the next 12 months	US\$910,000
General working capital and administrative costs	US\$2,842,099
Unallocated	US\$1,946,401
TOTAL	US\$11,581,500

The Resulting Issuer intends to spend the available funds on completion of the principal purposes as indicated above. Notwithstanding the foregoing, there may also be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve these objectives. The Resulting Issuer will require additional funds in order to fulfill all of the Resulting Issuer's expenditure requirements to meet its objectives, in which case the Resulting Issuer Expects to either issue additional equity securities or incur indebtedness. There is no assurance that additional funds required by the Resulting Issuer will be available if needed. However, it is anticipated that the available funds will be sufficient to satisfy the Resulting Issuer's objectives over the next 12 months. The Resulting Issuer will not be making any payments to Non-Arm's Length Parties pursuant to the projected expenditures described in the table above other than with respect to salaries and consulting fees to senior officers of the Resulting Issuer. See "*Part IV – Information Concerning the Resulting Issuer – Executive Compensation*".

Principal Securityholders

To the knowledge of POCML5 or Collective, upon completion of the Proposed Qualifying Transaction, no person will beneficially own, directly or indirectly, or exercise control or direction over more than 10% of the equity of the Resulting Issuer except as follows:

Name and Municipality of Residence	Number of Resulting Issuer Securities Owned	Percentage Resulting Issuer Shares After Giving Effect to the Proposed Qualifying Transaction	Type of Ownership
Ari Sussman <i>Miami, Florida</i>	10,440,000 Resulting Issuer Shares ⁽¹⁾	25.8% (non-diluted) 20.7% (fully-diluted)	Direct
	100,000 Resulting Issuer Options	4.5% (non-diluted)	
	50,000 Resulting Issuer Warrants	<1% (non-diluted)	
Pat DiCapo <i>Toronto, Ontario</i>	8,024,166 Resulting Issuer Shares ⁽²⁾	19.8% (non-diluted) 15.9% (fully-diluted)	Indirect
	187,500 Resulting Issuer Warrants	2.4% (non-diluted)	

Notes:

1. Includes 600,000 Resulting Issuer Shares held by Mr. Sussman's spouse.
2. Includes 1,000,000 Resulting Issuer Shares held by Mr. DiCapo's spouse, and assumes the exercise of 500,000 POCML5 Options into 125,000 Resulting Issuer Shares immediately following the Completion of the Proposed Qualifying Transaction.

Directors, Officers and Promoters

Name, Address, Occupation and Security Holdings

The following are the names and municipalities of residence of each proposed director and officer of the Resulting Issuer, the positions and offices to be held with the Resulting Issuer, their respective principal occupations within the five preceding years and the number and percentage of Resulting Issuer Shares which will be held by each of them on completion of the Business Combination, after giving effect to the Collective Private Placement and the POCML5 Private Placement. Each director will hold office until the next annual meeting of the Resulting Issuer unless his office is earlier vacated in accordance with the OBCA.

Name and Municipality of Residence	Position to be Held with the Resulting Issuer	Principal Occupation for the last five years	Number and Percentage of Resulting Issuer Shares After Giving Effect to the Proposed Qualifying Transaction
Ari Sussman ⁽²⁾ <i>Miami, Florida</i>	Executive Chairman and a Director	Chief Executive Officer of Collective Mining Inc. (2020 to Present); Chief Executive Officer of Continental Gold Inc. (2010 to 2020)	10,440,000 Resulting Issuer Shares (25.8%)
Omar Ossma <i>Medellin, Colombia</i>	President and Chief Executive Officer	Vice President, Legal of Continental Gold Inc. (2015 to 2020)	Nil
Paul Begin <i>Oakville, Ontario</i>	Chief Financial Officer and Corporate Secretary	Chief Financial Officer of Collective Mining Inc. (2020 to Present); Chief Financial Officer of Continental Gold Inc. (2011 to 2020)	3,833,333 Resulting Issuer Shares (9.4%)
Paul Murphy ⁽¹⁾⁽²⁾ <i>Toronto, Ontario</i>	Director	Chief Financial Officer of G2 Goldfields Inc. (2020 to Present); Executive Vice	316,667 Resulting Issuer Shares (<1%)

Name and Municipality of Residence	Position to be Held with the Resulting Issuer	Principal Occupation for the last five years	Number and Percentage of Resulting Issuer Shares After Giving Effect to the Proposed Qualifying Transaction
		President of Finance and Chief Financial Officer of Guyana Goldfields Inc. (2010 to 2019)	
Kenneth Thomas ⁽¹⁾⁽²⁾ <i>Oakville, Ontario</i>	Director	President of Ken Thomas & Associates Inc. (2012 to Present)	322,000 Resulting Issuer Shares (<1%)
María Constanza García Botero ⁽¹⁾ <i>Medellín, Colombia</i>	Director	Senior Manager at Deloitte (Bogota, Colombia) (2018 to 2019); Under-Secretary of Access and Permanence with the Colombian Education Secretary (2019 to 2020); Director of Education at Semana (2020).	Nil

Notes:

1. Proposed member of the Audit Committee.
2. Proposed member of the Compensation, Nominating and Corporate Governance Committee.

At the POCML5 Meeting, the POCML5 Shareholders conditionally elected a slate of four individuals to serve as directors of the Resulting Issuer. The election of such persons was contingent on the closing of the Proposed Qualifying Transaction.

The term of office of the directors expires annually at the time of the Resulting Issuer's annual general meeting or when or until their successor is duly appointed or elected. The term of office of the Resulting Issuer's executive officers expires at the discretion of the Resulting Issuer's directors.

Directors of the Resulting Issuer will be appointed to the Audit Committee and the Compensation, Nominating and Corporate Governance Committee following Completion of the Proposed Qualifying Transaction in accordance with regulatory guidelines. See "Part IV – Information Concerning the Resulting issuer – Audit Committee and Corporate Governance" below.

Shareholdings of Directors and Executive Officers

As at the date of this Filing Statement, after giving effect to the Proposed Qualifying Transaction (including the Collective Private Placement and the POCML5 Private Placement), the proposed directors and executive officers of the Resulting Issuer, as a group, will own, directly or indirectly, approximately 14,912,000 Resulting Issuer Shares, representing approximately 36.9% of the issued and outstanding Resulting Issuer Shares (on a non-diluted basis), and assuming no convertible securities are exercised.

Biographies of Directors and Executive Officers

The following is a brief description of each of the proposed directors and executive officers of the Resulting Issuer.

Ari Sussman, Executive Chairman and a Director, Age 48

Mr. Sussman was Chief Executive Officer and a director of Continental Gold Inc. ("**Continental Gold**"), which was the largest gold mining company in Colombia and the first to successfully permit and construct a modern large-scale underground gold mine in the country. Continental Gold was a former TSX-listed issuer, from March 2010 until it was acquired by Zijin Mining Group Co., Ltd. in March 2020 for over \$1.4 billion. Having dedicated the majority of

his 25-year career to the resources industry, Mr. Sussman has been instrumental in sourcing and developing high-quality mineral assets and has raised more than \$1 billion for various resource companies. Mr. Sussman is expected to devote 100% of his time to the business of the Resulting Issuer. Mr. Sussman has entered into employment agreement with Collective containing customary non-disclosure and non-competition provisions.

Omar Ossma, President and Chief Executive Officer, Age 43

Mr. Ossma, the former Vice President, Legal of Continental Gold, has over 15 years of legal experience in Colombian corporate, environmental, mining and energy law. As Vice President, Legal of Continental Gold, he oversaw the Colombian legal team and was responsible for all legal support efforts in the country. Prior to his tenure at Continental Gold, he served as Vice-President, Legal of Minas Paz Del Rio, S.A. and Legal Manager of Eco Oro Minerals Corp. Mr. Ossma has held senior positions as a lawyer in a number of mining and energy sector companies, including Empresa de Energía de Bogotá S.A. ESP and Grupo Endesa (Emgesa S.A. Esp. – Codensa S.A. Esp). He holds a law degree from Universidad Externado de Colombia. Mr. Ossma is expected to devote 100% of his time to the business of the Resulting Issuer. Mr. Ossma has entered into an employment agreement with the Collective containing customary non-disclosure and non-competition provisions.

Paul Begin, Chief Financial Officer and Corporate Secretary, Age 49

Mr. Begin was Chief Financial Officer of Continental Gold from May 2011 to March 2020, prior to which he served as Chief Financial Officer and Corporate Secretary for Hanfeng Evergreen Inc., a developer and producer of value-added fertilizers in China and Southeast Asia (from 2009 until 2011), and Vice President and Chief Financial Officer of Trilliant Incorporated (formerly OZZ Corporation), a network solutions provider from 2004 until 2009. Prior to that, Mr. Begin served as Corporate Controller at MDC Partners Inc., a Canadian-based marketing communications and secure transactions company. Mr. Begin obtained his Chartered Accountant designation with BDO Dunwoody, LLP. Mr. Begin holds a Bachelor of Arts (Honours) degree in Political Science from the University of Western Ontario and a master's degree in Business Administration from the University of Toronto. Mr. Begin is expected to devote 100% of his time to the business of the Resulting Issuer. Mr. Begin has entered into an employment agreement with Collective containing customary non-disclosure and non-competition provisions.

Paul Murphy, Director, Age 70

Mr. Murphy is currently the Chief Financial Officer of G2 Goldfields Inc. (TSXV:GTWO), and was formerly the Executive Vice President of Finance and Chief Financial Officer of Guyana Goldfields Inc. from 2010 to 2019, and also served as Chief Financial Officer of GPM Metals Inc. He is a retired partner of PricewaterhouseCoopers LLP (1981-2010), where he served as National Mining Leader and West Cluster Leader in Canada. Throughout his career, Mr. Murphy has worked primarily in the resource sector and his clients have included major international oil and gas, and mining companies. Mr. Murphy's professional experience includes financial reporting controls, operational effectiveness, IFRS and SEC reporting issues, financing, valuation, and taxation as they pertain to the mining sector. Mr. Murphy has a Bachelor of Commerce degree from Queen's University and has been qualified as a Chartered Accountant since 1975. He is also Chairman of the board of directors of Alamos Gold, Inc., a director of Generation Mining Limited and a former director of Continental Gold. Mr. Murphy will devote such time and expertise as is reasonably required by the Resulting Issuer.

Kenneth Thomas, Director, Age 76

Dr. Thomas is President of Ken Thomas & Assoc. Inc. (since 2012), and was formerly Senior Vice-President, Projects at Kinross Gold Corporation ("Kinross") from 2009 to 2012. Prior to Kinross, Dr. Thomas was Global Managing Director and a Board Director at Hatch Ltd., for six years, a multinational engineering company that provides process design, business strategies, technologies, and project and construction management to the metals, infrastructure and energy market sectors. From 2003 to 2005, he was Chief Operating Officer at Crystallex International and, earlier in his career, spent 14 years at Barrick Gold Corporation, including as Senior Vice-President, Technical Services. Dr. Thomas earned his Ph.D. from Delft University of Technology in The Netherlands, with a focus on technical services and project execution. He is member of the Professional Engineers of Ontario, and is a Past President and a Fellow of The Canadian Institute of Mining, Metallurgy & Petroleum (the "Institute"). In 1999 & 2001, the Institute awarded Dr. Thomas the Airey Award and Selwyn G. Blaylock Medal,

respectively, for advancement in international mine design. Dr. Thomas is also a former director of Cardinal Resources Limited, a former director of DRA Global and former lead director of Continental Gold. Mr. Thomas will devote such time and expertise as is reasonably required by the Resulting Issuer.

María Constanza García Botero, Director, Age 55

Ms. García Botero has worked in public finance, urban development, infrastructure, mining, energy, and public-private partnerships (PPPs) as an advisor or in various management positions at the National Planning Department, the Ministry of Finance, and the National Hydrocarbons Agency. From 2010 to 2012 she served as the Deputy Minister of Infrastructure at the Ministry of Transport (Colombia), and from 2012 to 2014 served as President of the National Mining Agency, Ministry of Mining and Energy (Colombia). More recently, Ms. García Botero was a senior manager with Deloitte in Bogota, Colombia (2018-2019), Under-Secretary of Access and Permanence with the Education Secretary in Bogota, Colombia (June 2019 – January 2020), and Director of Education at *Semana*, a weekly periodical magazine of opinion and analysis in Colombia (January 2020 – December 2020). Ms. García Botero graduated from the Technological University of Pereira, Colombia obtaining a degree in industrial engineering, and later obtained a master's degree in Urban and Regional Development Administration and Public Policy from Ohio State University. Ms. Botero will devote such time and expertise as is reasonably required by the Resulting Issuer.

Corporate Cease Trade Orders or Bankruptcies

No proposed director, officer or promoter of the Resulting Issuer, or any shareholder anticipated to hold sufficient number of securities of the Resulting Issuer to materially affect the control of the Resulting Issuer, is, or, within 10 years before the date of this Filing Statement, has been, a director, officer or promoter of any person or company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order that denied the relevant company access to any exemptions under applicable securities legislation that was in effect for a period of more than 30 consecutive days; or
- (a) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties or Sanctions

No proposed director, officer or promoter of the Resulting Issuer, or any shareholder anticipated to hold a sufficient number of securities of the Resulting Issuer to materially affect control of the Resulting Issuer; is, or, within the last 10 years, has been:

- (a) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No proposed director, officer or promoter of the Resulting Issuer, or any shareholder anticipated to hold sufficient securities of the Resulting Issuer to materially affect the control of the Resulting Issuer, or a personal holding company of any such persons, has, within the last 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

Interests of Management and Others in Material Transactions

Except as disclosed in this Filing Statement, to the knowledge of Collective and POCML5, no proposed director or executive officer of the Resulting Issuer, or person or company that will beneficially own, or control or direct, directly or indirectly, more than 10% of the Resulting Issuer Shares on Completion of the Proposed Qualifying Transaction, or any associate or affiliate of the foregoing, has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year prior to the date of this Filing Statement that has materially affected or is reasonably expected to materially affect the Resulting Issuer.

Conflicts of Interest

Directors and officers of the Resulting Issuer may also serve as directors and/or officers of other companies engaged in mineral exploration, development and mining and may be presented from time to time with situations or opportunities which give rise to apparent conflicts of interest which cannot be resolved by arm's-length negotiations but only through exercise by the officers and directors of such judgment as is consistent with their fiduciary duties to the Resulting Issuer which arise under applicable corporate law, especially insofar as taking advantage, directly or indirectly, of information or opportunities acquired in their capacities as directors or officers of the Resulting Issuer. It is expected that all conflicts of interest will be resolved in accordance with the OBCA, the policies of the Exchange and all other applicable securities laws, regulations and policies. It is expected that any transactions with officers and directors will be on terms consistent with industry standards and sound business practice in accordance with the fiduciary duties of those persons to the Resulting Issuer, and, depending upon the magnitude of the transactions and the absence of any disinterested board members, may be submitted to the shareholders for their approval.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and promoters of the Resulting Issuer that are, or have been directors, officers or promoters of other reporting issuers:

<u>Name</u>	<u>Name of Reporting Issuer</u>	<u>Exchange or Market</u>	<u>Position</u>	<u>From</u>	<u>To</u>
Ari Sussman	Colossus Minerals Inc.	TSX	Chairman, President, & CEO	2008	2012
	Continental Gold Inc.	TSX	CEO	2010	2020
	Cordoba Minerals Inc.	TSXV	Director	2014	2015
	Dalradian Resources Inc.	TSX	Director	2009	2015
	Titanium Corporation Inc.	TSXV	Senior VP	2002	2004
Omar Ossma	Continental Gold Inc.	TSX	VP, Legal	2017	2020
Paul Begin	Continental Gold Inc.	TSX	CFO	2011	2020
	Hangfeng Evergreen Inc.	TSX	CFO	2009	2011
Paul Murphy	Alamos Gold Inc.	TSX	Director	2015	Present
	Continental Gold Inc.	TSX	Director	2010	2020
	Generation Mining Limited	TSX	Director	2019	Present
	Guyana Goldfields Inc.	TSX	EVP & CFO	2010	2019
	G2 Goldfields Inc.	TSXV	CFO	2020	Present
	GPM Metals Inc.	TSXV	CFO	2016	2018

<u>Name</u>	<u>Name of Reporting Issuer</u>	<u>Exchange or Market</u>	<u>Position</u>	<u>From</u>	<u>To</u>
Kenneth Thomas	Aquiline Resources Inc.	N/A	Director	2008	2009
	Avalon Advanced Materials Inc.	TSX	Director	2014	2019
	Cardinal Resources Limited	TSX	Director	2018	2021
	Continental Gold Inc.	TSX	Director	2012	2020
	Crystallex International Corporation	OTCBB	EVP & COO	2003	2005
	Kinross Gold Corporation	TSX	Senior VP	2009	2012
	Xali Gold Corp.	TSXV	Director	2012	2019

Audit Committee and Corporate Governance

Audit Committee

Upon Completion of the Proposed Qualifying Transaction, the audit committee of the Resulting Issuer (“**Audit Committee**”) is expected to be composed of Paul Murphy (Chair), Kenneth Thomas and María Constanza García Botero. Each Audit Committee member will be “independent” and “financially literate” within the meaning of NI 52-110, and possesses education or experience that is relevant for the performance of their responsibilities as an Audit Committee member. See “Information Concerning the Resulting Issuer – Resulting Issuer Officers, Director and Promoters – Biographies of Directors and Executive Officers” above.

It is expected that the mandate of the Audit Committee will be to assist the Resulting Issuer Board in fulfilling its oversight responsibilities relating to financial accounting, reporting and internal controls for the Resulting Issuer. The Audit Committee will be responsible for: (i) conducting reviews and discussions with management and the external auditors relating to the audit and financial reporting; (ii) assessing the integrity of internal controls and financial reporting procedures; (iii) ensuring implementation of internal controls and procedures; (iv) reviewing the quarterly and annual financial statements and management’s discussion and analysis of the Resulting Issuer; (v) selecting and monitoring the independence, performance and remuneration of the external auditors; and (vi) oversight of all disclosure relating to financial information. The Audit Committee will also be responsible for reviewing and following the procedures established in the Resulting Issuer’s codes, policies and guidelines as may be established from time to time.

Since the Resulting Issuer will be a “venture issuer” pursuant to NI 52-110 (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the U.S., or a market outside of Canada and the U.S.), it will be exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Corporate Governance

National Policy 58-201 – Corporate Governance Guidelines of the Canadian Securities Administrators sets out a series of guidelines for effective corporate governance (the “**Guidelines**”). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. NI 58-101 requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines as it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance. Set out below is a description of the proposed approach of the Resulting Issuer to corporate governance in relation to the Guidelines.

Board of Directors

NI 58-101 defines an “independent director” as a director who has no direct or indirect material relationship with the Corporation. A “material relationship” is in turn defined as a relationship which could, in the view of the board, be reasonably expected to interfere with such member’s independent judgment. It is expected that the Resulting Issuer

Board will be comprised of four members, three of whom will be “independent directors” within the meaning of NI 58-101. Paul Murphy, Kenneth Thomas and María Constanza García Botero will be considered independent directors within the meaning of NI 58-101 since they are each independent of management and free from any material relationship with the Resulting Issuer. The basis for this determination is that, since the date of incorporation of Collective and POCML5, and following the Completion of the Proposed Qualifying Transaction, none of the independent directors have worked for either Collective or POCML5, received remuneration from either company or had material contracts with or material interests in either company which could interfere with their ability to act with a view to the best interests of the Resulting Issuer. Ari Sussman will not be considered an independent director because he will also be an executive officer of the Resulting Issuer.

The Resulting Issuer Board is expected to function independently of management. To enhance its ability to act independent of management, the Resulting Issuer Board may in the future meet in the absence of members of management or may excuse such persons from all or a portion of any meeting where an actual or potential conflict of interest arises or where the Board otherwise determines is appropriate.

Directorships

Certain of the proposed directors of the Resulting Issuer are also current directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction. See “Information Concerning the Resulting Issuer – Resulting Issuer Officers, Director and Promoters – Other Reporting Issuer Experience” above.

Orientation and Continuing Education

On Completion of the Proposed Qualifying Transaction, the Resulting Issuer is not expected to have a formal orientation and education program for new board members, however, it is expected that sufficient information (such as recent financial statements, technical reports and various other operating, property and budget reports) will be provided to all new members of the Resulting Issuer Board to ensure that new directors are familiarized with the Resulting Issuer’s business and the procedures of the Resulting Issuer Board. In addition, new directors will be encouraged to visit and meet with management on a regular basis. The Resulting Issuer will also encourage continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the Resulting Issuer. It is expected that the Resulting Issuer Board’s continuing education will also consist of correspondence with the Resulting Issuer’s legal counsel to remain up to date with developments in relevant corporate and securities law matters.

Ethical Business Conduct

The fiduciary duties placed on individual directors by the Resulting Issuer’s governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director’s participation in decisions of the Resulting Board in which the director has an interest will ensure that the Resulting Issuer Board operates independently of management and in the best interests of the Resulting Issuer. Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Resulting Issuer and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as some of the proposed directors of the Resulting Issuer also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the OBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director will be required to declare the nature and extent of his or her interest and will not be entitled to vote at meetings of directors at which matters that give rise to such a conflict of interest are considered.

Board Committees

Following the Completion of the Qualifying Transaction, it is expected that the Resulting Issuer Board will have two standing committees: the Audit Committee, and a compensation, nominating and corporate governance committee (the “**Compensation, Nominating and Corporate Governance Committee**”). The proposed members of these

committees are in this Filing Statement under the heading “Audit Committee” above, and under the headings “— Compensation, Nominating and Corporate Governance Committee” below.

Nomination of Directors and Compensation of Senior Management

Responsibility for identifying new candidates to join the Resulting Issuer Board will belong to the Resulting Issuer Board as a whole. The Resulting Issuer Board will encourage all directors to participate in the process of identifying and recruiting new candidates. It is expected that the Compensation, Nominating and Corporate Governance Committee will have the responsibility of making recommendations to the Resulting Issuer Board with respect to the new nominees and for assessing directors on an on-going basis. While there are no specific criteria for Resulting Issuer Board membership, it is expected that the Resulting Issuer will seek to attract and retain directors with business knowledge and a particular expertise in mineral exploration and development or other areas of specialized knowledge (such as finance) which will assist in guiding the officers of the Resulting Issuer.

Compensation, Nominating and Corporate Governance Committee will also be responsible for assisting the Resulting Issuer in determining compensation of senior management of the Resulting Issuer as well as reviewing the adequacy and form of the directors’ compensation. The Compensation, Nominating and Corporate Governance Committee is expected to annually review the goals and objectives of the Chief Executive Officer for the upcoming year and to perform an appraisal of the Chief Executive Officer’s performance for the past year, and will also administer and make recommendations regarding the operation of the Resulting Issuer’s incentive plans.

In addition, the Compensation, Nominating and Corporate Governance Committee will also review, on an annual basis, the adequacy and form of compensation of directors and officers and will ensure that the levels of compensation of the Resulting Issuer Board reflect the responsibilities, time commitment and risks involved in being an effective director. Because at the time of the Completion of the Proposed Qualifying Transaction the Resulting Issuer’s status as a mineral company that is still in the exploration stage, the Resulting Issuer will have a relatively small number of employees and will rely extensively on the input and expertise of its non-employee directors. In its efforts to attract and retain experienced directors, the Resulting Issuer may compensate directors in part with grants of incentive stock options, thereby conserving its cash resources and aligning the directors’ incentives with the interests of shareholders of the Resulting Issuer by providing them with the opportunity to participate in any increase in shareholder value that results from their contribution.

It is expected that the members of the Compensation, Nominating and Corporate Governance Committee will be Kenneth Thomas (Chair), Paul Murphy and Ari Sussman.

Assessments

The Resulting Issuer Board will consider the Resulting Issuer Board and committee performance from time to time, as required.

Executive Compensation

Overview

It is expected that following the Completion of the Proposed Qualifying Transaction, the Resulting Issuer Board will appoint the Compensation, Nominating and Corporate Governance Committee which will be responsible for ensuring that the Resulting Issuer has in place an appropriate plan for executive compensation and for making recommendations to the Resulting Issuer Board with respect to the compensation of the Resulting Issuer’s executive officers. It is expected that the Compensation Committee will ensure that total compensation paid to all NEOs is fair and reasonable and is consistent with the Resulting Issuer’s compensation philosophy.

It is expected that the Resulting Issuer’s compensation philosophy will be to foster entrepreneurship at all levels of the organization through, among other things, the granting of stock options, which will be a significant component of executive compensation. This approach is based on the assumption that the performance of the Resulting Issuer Share price over the long term is an important indicator of long-term performance.

It is expected that the Resulting Issuer's compensation philosophy will be based on the following fundamental principles: (i) compensation programs align with shareholder interests – the Resulting Issuer aligns the goals of executives with maximizing long term shareholder value; (ii) performance sensitive – compensation for executive officers should be linked to operating and market performance of the Resulting Issuer and fluctuate with the performance; and (iii) offer market competitive compensation to attract and retain talent – the compensation program should provide market competitive pay in terms of value and structure in order to retain existing employees who are performing according to their objectives and to attract new individuals of the highest caliber.

It is expected that the objectives of the compensation program in compensating all NEOs will be developed based on the above-mentioned compensation philosophy and are expected to be as follows:

- to attract and retain highly qualified executive officers;
- to align the interests of executive officers with shareholders' interests and with the execution of the Resulting Issuer's business strategy;
- to evaluate executive performance on the basis of key measurements that correlate to long-term shareholder value; and
- to tie compensation directly to those measurements and rewards based on achieving and exceeding predetermined objectives.

Aggregate compensation for each NEO is expected to be designed to be competitive. It is expected that the Compensation, Nominating and Corporate Governance Committee will review from time to time the compensation practices of similarly situated companies when considering the Resulting Issuer's executive compensation policy. Although it is expected that the Compensation, Nominating and Corporate Governance Committee will review each element of compensation for market competitiveness, and it may weigh a particular element more heavily based on the NEO's role within the Resulting Issuer, it will be primarily focused on remaining competitive in the market with respect to total compensation.

From time to time, on an ad hoc basis, it is expected that the Compensation, Nominating and Corporate Governance Committee will review data related to compensation levels and programs of various companies that are similar in size to the Resulting Issuer and operate within the mining exploration and development industry. It is expected that the Compensation Committee will also rely on the experience of its members as officers and/or directors at other companies in similar lines of business as the Resulting Issuer in assessing compensation levels.

Aligning the Interests of the NEOs with the Interests of the shareholders of the Resulting Issuer

Transparent, objective and easily verified corporate goals, combined with individual performance goals, is expected to play an important role in creating and maintaining an effective compensation strategy for the NEOs. It is expected that the planned objectives of the Resulting Issuer will be to establish benchmarks and targets for its NEOs which, if achieved, will enhance shareholder value. It is expected that a combination of fixed and variable compensation will be used to motivate executives to achieve overall corporate goals. It is expected that the three basic components of the Resulting Issuer's executive officer compensation program are expected to be: (i) fixed salary; (ii) annual incentives (cash bonus); and (iii) stock and option-based compensation.

It is expected that the fixed salary will comprise a portion of the total cash-based compensation; however, annual incentives and option based compensation represent compensation that is "at risk" and thus may or may not be paid to the respective executive officer depending on: (i) whether the executive officer is able to meet or exceed his or her applicable performance targets; and (ii) market performance of the Resulting Issuer Shares. To date, no specific formulae have been developed to assign a specific weighting to each of these components. Instead, the Resulting Issuer Board is expected to consider each performance target and the Resulting Issuer's performance and assigns compensation based on this assessment and the recommendations of the Compensation Committee.

Base Salary

It is expected that the Compensation, Nominating and Corporate Governance Committee and the Resulting Issuer Board will approve the salary ranges for the NEOs. The base salary review for each NEO will be based on assessment of factors such as current competitive market conditions, compensation levels within compensation practices of similarly situated companies and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. It is expected that the Resulting Issuer may consider comparative data for the Resulting Issuer's peer group which would be accumulated from a number of external sources including independent consultants. The Resulting Issuer's policy for determining salary for executive officers is expected to be consistent with the administration of salaries for all other employees.

Annual Incentives

It is expected that the Resulting Issuer, in its discretion, may award annual incentives in order to motivate executives to achieve short-term corporate goals. However, it is expected that the Resulting Issuer, in its discretion, may award such incentives in order to motivate executives to achieve short term corporate goals. It is expected that the Compensation Committee and the Resulting Issuer Board will approve annual incentives. The success of NEOs in achieving their individual objectives and their contribution to the Resulting Issuer in reaching its overall goals are to be factors in the determination of their annual bonus. It is expected that the Compensation, Nominating and Corporate Governance Committee will assess each NEO's performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Resulting Issuer that arise on a day to day basis. This assessment is expected to be used by the Compensation Committee in developing its recommendations to the Resulting Issuer Board with respect to the determination of annual bonuses for the NEOs. Where the Compensation, Nominating and Corporate Governance Committee cannot unanimously agree, the matter is expected to be referred to the full Resulting Issuer Board for decision. It is expected that the Resulting Issuer Board will rely heavily on the recommendations of the Compensation, Nominating and Corporate Governance Committee in granting annual incentives.

Option-Based Awards

The Resulting Issuer intends to grant Resulting Issuer Options to its directors, officers, employees and consultants; however, the details of such grants have not yet been determined and will be subject to the prior approval of the Resulting Issuer's board of directors. Such stock options are expected to be granted under the Stock Option Plan which will be assumed by the Resulting Issuer. Assuming completion of the Proposed Qualifying Transaction, an aggregate of 590,000 Resulting Issuer Options will be issued to certain directors, employees and consultants of the Resulting Issuer on the Effective Date, with an exercise price of \$1.00 per Resulting Issuer Share and expiring three (3) years from the date of grant. For an overview of the Stock Option Plan, please see the discussion under the heading "Part II – Information Concerning POCML5 – Stock Option Plan".

Compensation of Executives

It is expected that the Resulting Issuer Board will approve targeted amounts of annual incentives for each NEO at the beginning of each financial year. The targeted amounts are expected to be determined by the Compensation, Nominating and Corporate Governance Committee based on a number of factors, including comparable compensation of similar companies. Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities, is expected to trigger the award of a bonus payment to the NEOs. The NEOs are expected to receive a partial or full incentive payment depending on the number of the predetermined targets met and the Compensation, Nominating and Corporate Governance Committee's and the Resulting Issuer Board's assessment of overall performance. It is expected that the determination as to whether a target has been met will ultimately be made by the Resulting Issuer Board and the Resulting Issuer Board will reserve the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate. At or prior to the Effective Time, the Resulting Issuer expects to enter into employment and/or consulting agreements with each of its NEOs, pursuant to which the NEOs will provide management and administrative services to, and be compensated for those services by, the Resulting Issuer, as more particularly described below under the heading "Employment Agreements" below.

Employment Agreements

At the Effective Time, the Resulting Issuer is expected to enter into an employment agreement with Ari Sussman pursuant to which Mr. Sussman will provide his services as Executive Chairman of the Resulting Issuer in consideration of an annual base salary of US\$250,000. It is expected that the agreement will include a severance clause which provides for payment of 12 months of salary, bonus and benefits if Mr. Sussman is terminated without cause or if the Resulting Issuer undergoes a change in control, and 36 months of salary, bonus and benefits as will be defined in Mr. Sussman's employment agreement.

At the Effective Time, the Resulting Issuer is expected to enter into an employment agreement with Omar Ossma pursuant to which Mr. Ossma will provide his services as President and Chief Executive Officer of the Resulting Issuer in consideration of an annual base salary of COP100,000,000 (or approximately US\$175,000). The agreement is expected to include a severance clause which provides for payment of 12 months of salary, bonus and benefits if Mr. Ossma is terminated without cause or if the Resulting Issuer undergoes a change in control, and 18 months of salary, bonus and benefits as will be defined in Mr. Ossma's agreement.

At the Effective Time, the Resulting Issuer is expected to enter into an employment agreement with Paul Begin pursuant to which Mr. Begin will provide his services as Chief Financial Officer and Corporate Secretary of the Resulting Issuer in consideration of an annual base salary of US\$200,000. The agreement is expected to include a severance clause which provides for payment of 12 months of salary, bonus and benefits if Mr. Begin is terminated without cause or if the Resulting Issuer undergoes a change in control, and 24 months of salary, bonus and benefits as will be defined in Mr. Begin's employment agreement.

Other than as may be provided pursuant to the employment agreements with Messrs. Sussman, Ossma, and Begin, all as described herein, the Resulting Issuer is not now and will not be at the Effective Time party to any compensation plan or arrangement with NEOs resulting from the resignation, retirement or the termination of employment of any person.

Pension Plan Benefits

During the 12-month period following Completion of the Proposed Qualifying Transactions, it is not expected that the Resulting Issuer will provide for defined benefit plans or defined contribution plans, being plans that provide for payments or benefits at, following, or in connection with retirement, or provide for deferred compensation plans.

Compensation of Directors

It is anticipated that the directors of the Resulting Issuer will be paid fees for their services; however, the amounts of such fees will be determined in the discretion of the board of directors of the Resulting Issuer following Completion of the Proposed Qualifying Transaction. The Resulting Issuer may also grant stock options to directors in recognition of the time and effort that such directors devote to the Resulting Issuer. It is anticipated that directors who are not otherwise employed by or engaged to provide services to the Resulting Issuer will not be paid any director's fees.

Compensation Risk Considerations

It is expected that the Compensation Committee will be responsible for considering, establishing and reviewing executive compensation programs, and whether the programs encourage unnecessary or excessive risk taking. The Resulting Issuer anticipates the programs will be balanced and will not motivate unnecessary or excessive risk taking. The Resulting Issuer does not currently have a policy that restricts directors or NEOs from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity. However, to the knowledge of the Resulting Issuer, as of the date of hereof, no proposed director or NEO of the Resulting Issuer has participated in the purchase of such financial instruments.

Base salaries are expected to be fixed at an amount that will not encourage risk taking. While annual incentive awards will focus on the achievement of short-term or annual goals and short-term goals may encourage the taking of short-term risks at the expense of long-term results, it is expected that the Resulting Issuer's annual incentive

award program will represent a small percentage of employees' compensation opportunities. Annual incentive awards are expected to be based on various personal and company-wide achievements. Such performance goals are subjective and include achieving individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities which would trigger the award of a bonus payment to the NEO. The determination as to whether a target has been met will ultimately be made by the Resulting Issuer Board (after receiving recommendations of the Compensation Committee) and the Resulting Issuer Board will reserve the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate. Funding of the annual incentive awards will be capped at the company level and the distribution of funds to the executive officers will be at the discretion of the Compensation Committee.

It is expected that stock option awards will be important to further align employees' interests with those of the shareholders of the Resulting Issuer. It is expected that the ultimate value of the awards will be tied to the price of the Resulting Issuer Shares and since awards are expected to be staggered and subject to long-term vesting schedules, they will help ensure that NEOs have significant value tied in long-term stock price performance.

Indebtedness of Directors and Officers

No individual who is, or at any time since the beginning of the most recently completed financial year of POCML5 or Collective, was, a director or officer of POCML5 or Collective, no proposed director or officer of the Resulting Issuer, and no associate of any such director, officer or proposed nominee, is indebted to POCML5 or Collective or any of its subsidiaries (other than for "routine indebtedness" as defined by applicable securities legislation) or has any indebtedness that is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by POCML5, Collective or any of its subsidiaries.

Investor Relations Arrangements

There is no written or oral agreement or understanding that has been reached with any person to provide any promotional or investor relations services for the Resulting Issuer.

Security Based Compensation

Security Based Compensation Plans

Upon completion of the Proposed Qualifying Transaction, the Resulting Issuer will retain the Stock Option Plan adopted by POCML5. For an overview of the Stock Option Plan, please see the discussion under the heading "Part II – Information Concerning POCML5 – Stock Option Plan".

Options to Purchase Securities

Other than as set out in the table below, as at the date of this Filing Statement, there are no stock options to purchase securities of the Resulting Issuer that will be held upon Completion of the Proposed Qualifying Transaction by:

- proposed officers of the Resulting Issuer as a group and proposed directors of the Resulting Issuer who are not also officers as a group;
- officers of all subsidiaries of the Resulting Issuer as a group and directors of those subsidiaries who are not also officers of the subsidiary as a group;
- other employees of the Resulting Issuer as a group;
- consultants of the Resulting Issuer as a group; and
- any other person or company, including any agent or underwriter.

The following table sets out information, as of the date of this Filing Statement, of convertible securities to purchase Resulting Issuer Shares that will be held upon completion of the Proposed Qualifying Transaction to the extent presently known and subject to applicable regulatory approvals:

Class of Optionee	Name of Holder	Type of Security	Number of Resulting Issuer Shares Under Option⁽¹⁾	Exercise Price	Expiry Date
Proposed Directors and Officers	As a group	Resulting Issuer Options	250,000	\$0.20	August 19, 2022 December 16, 2023 Three Years from Grant Date 36 Months Following the Completion of the Proposed Qualifying Transaction ⁽²⁾
			450,000	\$0.60	
			450,000	\$1.00	
		Resulting Issuer Warrants	90,000	\$2.00	
Employees	As a group	Resulting Issuer Options	300,000	\$0.20	August 19, 2022 December 16, 2023 Three Years from Grant Date 36 Months Following the Completion of the Proposed Qualifying Transaction ⁽²⁾
			420,000	\$0.60	
			40,000	\$1.00	
		Resulting Issuer Warrants	12,500	\$2.00	
Consultants/Service Providers	As a group	Resulting Issuer Options	150,000	\$0.20	August 19, 2022 December 16, 2023 Three Years from Grant Date 36 Months Following the Completion of the Proposed Qualifying Transaction ⁽²⁾
			50,000	\$0.60	
			100,000	\$1.00	
		Resulting Issuer Warrants	25,000	\$2.00	
Former directors of POCML5	As a group	Resulting Issuer Warrants	1,635,000	\$2.00	36 Months Following the Completion of the Proposed Qualifying Transaction ⁽²⁾
Finders	As a group	Resulting Issuer Warrants	267,250	\$2.00	36 Months Following the Completion of the Proposed Qualifying Transaction ⁽²⁾

Notes:

1. Assuming completion of the Proposed Qualifying Transaction, an aggregate of 590,000 Resulting Issuer Options will be issued to certain directors, employees and consultants of the Resulting Issuer on the Effective Date, with an exercise price of \$1.00 per Resulting Issuer Share and expiring three (3) years from the date of grant.
2. The Resulting Issuer shall have the right to accelerate the expiry date of the Resulting Issuer Warrants in the event that the closing price of the Resulting Issuer Shares on the TSXV remains equal to or higher than \$2.60 for 20 consecutive trading days.

Escrowed Securities

CPC Escrowed Shares

The following table sets out, as of the date of this Filing Statement and to the knowledge of POCML5 and Collective, the name and municipality of residence of the holders of the aggregate of 2,000,000 Resulting Issuer Shares (the “**CPC Escrowed Shares**”), which were originally issued prior to or in connection with the CPC IPO and will continue to be subject to an Exchange Form 5D – Escrow Agreement (on an undiluted basis):

Name and Municipality of Residence of Shareholder	Escrowed Securities⁽¹⁾	Number and Percentage of Securities After Giving Effect to the Proposed Qualifying Transaction
PowerOne Capital Corp. ⁽²⁾ <i>Toronto, Ontario</i>	Resulting Issuer Shares	1,750,000 (4.3%)
2180447 Ontario Inc. ⁽³⁾ <i>Toronto, Ontario</i>	Resulting Issuer Shares	175,000 (<1%)
1999611 Ontario Inc. ⁽⁴⁾ <i>Toronto, Ontario</i>	Resulting Issuer Shares	37,500 (<1%)
1999609 Ontario Inc. ⁽⁵⁾ <i>Toronto, Ontario</i>	Resulting Issuer Shares	37,500 (<1%)
Total	Resulting Issuer Shares	2,000,000 (4.9%)

Notes:

1. The escrow agent of these Resulting Issuer Shares will be TSX Trust Company (or such other escrow agent as the Resulting Issuer may appoint).
2. This entity is beneficially owned and controlled by Pat DiCapo
3. This entity is beneficially owned and controlled by David D’Onofrio.
4. This entity is beneficially owned and controlled by Alfonso DiCapo.
5. This entity is beneficially owned and controlled by Adam Parsons.

QT Escrowed Shares

The following table sets out, as of the date of this Filing Statement and to the knowledge of POCML5 and Collective, the name and municipality of residence of the holders whose Resulting Issuer Shares (the “**QT Escrowed Shares**”), Resulting Issuer Warrants (the “**QT Escrowed Warrants**”) and Resulting Issuer Options (the “**QT Escrowed Options**”) will be subject to an Exchange Form 5D – Escrow Agreement (on an undiluted basis):

Name and Municipality of Residence of Shareholder	Escrowed Securities⁽¹⁾	Number and Percentage of Securities After Giving Effect to the Proposed Qualifying Transaction
Ari Sussman <i>Miami, Florida</i>	Resulting Issuer Shares Resulting Issuer Options	9,740,000 (24%) 100,000 (4.5%)
Paul Begin <i>Toronto, Ontario</i>	Resulting Issuer Shares Resulting Issuer Options	3,700,000 (9%) 100,000 (4.5%)

Name and Municipality of Residence of Shareholder	Escrowed Securities⁽¹⁾	Number and Percentage of Securities After Giving Effect to the Proposed Qualifying Transaction
Ken Thomas <i>Toronto, Ontario</i>	Resulting Issuer Shares	292,000 (<1%)
Paul Murphy <i>Toronto, Ontario</i>	Resulting Issuer Shares	316,667 (<1%)
Laurel Sussman <i>Miami, Florida</i>	Resulting Issuer Shares	600,000 (1.4%)
Madeline Bevilacqua Begin <i>Oakville, Ontario</i>	Resulting Issuer Shares	83,333 (<1%)
Chris Grainger <i>Medellin, Colombia</i>	Resulting Issuer Shares	400,000 (<1%)
David Reading <i>London, England</i>	Resulting Issuer Shares	400,000 (<1%)
PowerOne Capital Corp. ⁽²⁾ <i>Toronto, Ontario</i>	Resulting Issuer Shares	1,824,166 (4.5%)
PowerOne Capital Markets Limited ⁽²⁾ <i>Toronto, Ontario</i>	Resulting Issuer Shares Resulting Issuer Warrants	375,000 (<1%) 187,500 (2.4%)
Jennifer Ciupa <i>Toronto, Ontario</i>	Resulting Issuer Shares	800,000 (2%)
Omar Ossma <i>Medellin, Colombia</i>	Resulting Issuer Options	500,000 (22.6%)
Total	Resulting Issuer Shares Resulting Issuer Warrants Resulting Issuer Options	18,531,166 (45.8%) 187,500 (2.4%) 700,000 (31.7%)

Notes:

1. It is anticipated that the escrow agent of these Resulting Issuer Shares will be TSX Trust Company (or such other escrow agent as the Resulting Issuer may appoint).
2. This entity is beneficially owned and controlled by Pat DiCapo.

Release Terms of the Escrow for the CPC Escrowed Shares

Pursuant to the CPC Escrow Agreement, the CPC Escrowed Shares are held in escrow by Computershare Investor Services Inc. as the escrow agent. The CPC Escrow Agreement provides that the CPC Escrowed Shares shall not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the written consent of the Exchange. Under the CPC Escrow Agreement, 10% of the CPC Escrowed Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the “**Initial Release**”) and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. If the Resulting Issuer meets the Exchange’s Tier 1 minimum listing requirements, the release of the CPC Escrow Shares will be accelerated. An accelerated escrow release will not commence until the Resulting Issuer has made application to the Exchange for listing as a Tier 1 issuer and the Exchange has issued a bulletin that announces the acceptance for listing of the Resulting Issuer on Tier 1 of the Exchange.

Release Terms of the Escrow for the QT Escrowed Shares

The QT Escrowed Shares, QT Escrowed Warrants and QT Escrowed Options listed above are expected to be subject to the QT Escrow Agreement. The QT Escrow Agreement will provide for a 36-month escrow release mechanism with 10% of the QT Escrowed Shares, QT Escrowed Warrants and QT Escrowed Options being releasable at the time of the Final Exchange Bulletin, and 15% of the QT Escrowed Shares, QT Escrowed Warrants and QT

Escrowed Options being released every six months thereafter until the date which is 36 months after the Final Exchange Bulletin, respectively.

Where the QT Escrowed Shares, QT Escrowed Warrants or QT Escrowed Options are held by a non-individual (a “**holding company**”), each holding company pursuant to the applicable escrow agreement has agreed, or will agree, not to carry out any transactions during the currency of the escrow agreement which would result in a change of control of the holding company, without the consent of the Exchange. Any holding company must sign an undertaking to the Exchange that, to the extent reasonably possible, it will not permit or authorize any issuance of securities or transfer of securities that could reasonably result in a change of control of the holding company. In addition, the Exchange may require an undertaking from any control person of the holding company not to transfer the shares of that company.

The QT Escrowed Shares, QT Escrowed Warrants and QT Escrowed Options may not be transferred within escrow without the approval of the Exchange for release or transfer other than in specified circumstances set out in the applicable escrow agreement.

Seed Share Resale Restrictions

Pursuant to Exchange Policy 5.4, certain non-principal Collective Shareholders, upon exchange of the Collective Shares into Resulting Issuer Shares, will be subject to seed share resale restrictions (“**SSRR**”). SSRRs are Exchange hold periods of various lengths which apply where seed shares are issued to non-principals by private companies prior to the completion of a Qualifying Transaction that are based on the length of time such Collective Shares have been held and the price at which such shares were originally issued. The following table sets out, as of the date of this Filing Statement and to the knowledge of POCML5 and Collective, the terms of such Resulting Issuer Shares that are subject to SSRRs:

Designation of Class	Aggregate Number of Securities Subject to Resale Restrictions	Percentage of Class	Expiry Date of the Resale Restrictions
			Four (4) month hold with 20% released each month with first release on closing of Proposed Qualifying Transaction
	652,000	1.6%	
	800,000	1.9%	One (1) year hold with 20% released every three (3) months, with first release on closing of Proposed Qualifying Transaction
Resulting Issuer Shares	800,000	1.9%	Two (2) year hold with 20% released every six (6) months with first release on closing of Proposed Qualifying Transaction
	800,000	1.9%	Tier 2 Value Escrow with 10% of the Resulting Issuer Shares being released every six (6) months, with the first release occurring at the time of the Final Exchange Bulletin
Resulting Issuer Options	450,000	20.3%	One (1) year hold with 20% released every three (3) months, with first release on closing of Proposed Qualifying Transaction

Auditor, Transfer Agent and Registrar

Following the completion of the Proposed Qualifying Transaction, it is expected that the auditors of the Resulting Issuer will be PricewaterhouseCoopers LLP, Chartered Professional Accountants, at its offices located at PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario M5J 0B2.

The registrar and transfer agent of the Resulting Issuer will be TSX Trust Company (the current registrar and transfer agent of POCML5) at its offices located at 100 Adelaide St. W., Suite 301, Toronto, Ontario M5H 1S3.

Risk Factors

AN INVESTMENT IN SECURITIES OF THE RESULTING ISSUER IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK AND SHOULD ONLY BE MADE BY INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT.

Prior to making an investment decision, investors should consider the investment risks set forth below and those described elsewhere in this document, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of POCML5 and Collective consider the risks set forth below to be the most significant, but do not consider them to be all of the risks associated with an investment in securities of POCML5, Collective or the Resulting Issuer. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware or which they consider not to be material in connection with the Resulting Issuer's business, actually occur, the Resulting Issuer's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Resulting Issuer's securities could decline and investors may lose all or part of their investment.

Risk Factors Relating to POCML5

The Proposed Qualifying Transaction may not be Completed

The completion of the transactions contemplated by the Business Combination Agreement is subject to certain conditions, including (a) obtaining all necessary regulatory approvals, including Exchange approval of the Proposed Qualifying Transaction, the Consolidation and the Name Change and other transactions comprising part of the Proposed Qualifying Transaction, (b) the approval by the Collective Shareholders of the Amalgamation and the transactions contemplated therein, and (c) other customary conditions. There can be no assurance that all of the necessary regulatory and shareholder approvals will be obtained. If the transactions contemplated by the Business Combination Agreement are not completed for these reasons or for any other reasons, POCML5 will have incurred significant costs associated with the failed implementation of the Proposed Qualifying Transaction.

Furthermore, POCML5 has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that POCML5 will be able to identify a suitable Qualifying Transaction in future. Even if a proposed Qualifying Transaction is identified in the future, the completion of such other Qualifying Transaction will be subject to a number of conditions including acceptance by the Exchange and, in the case of a Non-Arm's Length Qualifying Transaction, approval of the majority of the minority shareholders.

Limited Operating History and History of Losses

POCML5 has not commenced commercial operations and has no assets other than cash. POCML5 has no history of earnings and will not generate earnings or pay dividends until at least after the completion of a Qualifying Transaction. Until completion of a Qualifying Transaction, POCML5 is not permitted to carry on any business other than the identification and evaluation of potential transactions.

Dilution

The Proposed Qualifying Transaction will be financed all or in part by the issuance of additional securities of POCML5 and this will result in further dilution to the current POCML5 Shareholders, which dilution will be significant and will result in a change of control of POCML5.

Management and Conflicts of Interest

The ability of POCML5 to successfully complete a Qualifying Transaction is dependent on the performance of its current directors and officers, who only devote a portion of their time to the business and affairs of POCML5 and are, or will be, engaged in other projects or businesses. The current directors, officers and Promoters of POCML5 also serve as directors and/or officers of other companies which may compete with POCML5 in its search for the

businesses or assets targeted in order to complete a Qualifying Transaction. Accordingly, situations may arise where the directors, officers and promoters of POCML5 are in a position of conflict with POCML5.

Risk Factors Relating to the Resulting Issuer

COVID-19 Public Health Crisis

On March 11, 2020, the World Health Organization declared the rapidly spreading COVID-19 outbreak a global pandemic. This pandemic has had a significant impact on the global economy including that of Colombia, where the Resulting Issuer operates, through restrictions put in place by the various levels of governments regarding travel, business operations and isolation orders to reduce the rate of spread of new infections. Collective has been closely monitoring developments in the COVID-19 outbreak since its incorporation and has implemented preventative measures to ensure the safety of our workforce and local communities. To date, there have been no outbreaks of COVID-19 at our properties and there have been no significant disruptions to current operations. Collective continues to manage and respond to COVID-19 within an internally constructed framework, along with recommendations of health authorities and local and national regulatory requirements.

Limited Operating History

Collective has only a limited operating history upon which an evaluation of Collective and its prospects can be based. Collective has no history of generating profits. The Resulting Issuer expects to continue to incur losses unless and until such time as it develops its properties and commences operations on its properties. The development of the properties will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, some of which are beyond the Resulting Issuer's control, including the progress of ongoing exploration, studies and development, the results of consultant analysis and recommendations, the rate at which operating losses are incurred and the execution of any joint venture agreements with strategic parties, if any. There can be no assurance that the Resulting Issuer will generate operating revenues or profits in the future.

Nature of Mineral Exploration

Resource exploration and development is a speculative business and involves a high degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The properties in which the Resulting Issuer holds an interest are without a known mineral resource or reserve. Each of the proposed programs on the properties is an exploratory search for resources or additional resources. There is no assurance that commercial quantities of resources will be discovered. There is also no assurance that even if commercial quantities of resources are discovered, a mineral property will be brought into commercial production. The discovery of mineral deposits is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit, once discovered, is also dependent upon a number of factors, some of which are the particular attributes of the deposit, such as size, grade, ground conditions and proximity to infrastructure, community relations, metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Resulting Issuer not receiving an adequate return on invested capital. There is no certainty that the expenditures made by the Resulting Issuer towards the search and evaluation of mineral deposits will result in discoveries of economic commercial quantities of ore.

Dependence on One Material Mineral Projects

The San Antonio Project is the only material property in which Collective currently holds an interest. As such, the operations of the Resulting Issuer will be dependent on the San Antonio Project, which may never develop into commercially viable ore bodies. Any adverse development affecting the San Antonio Project will have a material adverse effect on the Resulting Issuer's business, prospects, financial performance and results of operations.

No Mineral Reserves/Mineral Resources

The Resulting Issuer's projects are currently considered to be in the exploration stage only. Collective has not found any mineral resources or mineral reserves on its mineral properties and there can be no assurance that any of the mineral claims under exploration contain commercial quantities of any minerals. Collective has identified prospects based on available geological information that indicates the potential presence of minerals. However, the areas that the Resulting Issuer decides to mine may not yield minerals in commercial quantities or qualities, or at all. Most of Collective's current prospects are in various stages of evaluation that will require substantial drill-hole data interpretation. Even when properly used and interpreted, drill hole data analysis techniques are only tools used to assist geoscientists in identifying subsurface structures and mineral indicators and do not enable the interpreter to know whether minerals, are, in fact, present in those structures. Collective does not know if any of its prospects will contain minerals in sufficient quantities or quality to recover exploration costs or to be economically viable. Even if commercial quantities of minerals are identified, there can be no assurance that the Resulting Issuer will be able to exploit the reserves or, if the Resulting Issuer is able to exploit them, that it will do so on a profitable basis.

Operational Risks

Mineral exploration and mining involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These hazards include unusual or unexpected formations, formation pressures, inclement weather conditions, seismic activity, fires, power outages, industrial accidents, flooding, explosions, rock bursts, cave-ins or pit wall failures and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, catastrophic damage to property or loss of life, labour disruptions, technological failure of mining methods, equipment failure or the inability to obtain suitable or adequate machinery, equipment or labour. Operations in which the Resulting Issuer will have a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage. Although the Resulting Issuer intends to maintain liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities could exceed policy limits, in which event the Resulting Issuer could incur significant costs that could have a materially adverse effect upon its financial condition.

No Assurance of Titles or Boundaries

Collective is not the registered holder of all of the licences or concessions that comprise its projects in Colombia. Some of the licences and concessions that comprise the projects are registered in the names of certain third-party entities. Collective's interest in its projects are partially derived from option agreements relating to such projects. Under these option agreements, third parties have agreed to transfer the licences and concessions that comprise such properties to Collective upon satisfaction of certain conditions including but not limited to the receipt of all of the option payments. There can be no assurance, however, that such transfers will be effected. Events may occur that would prevent the third-party entities from being able to transfer such licences and concessions to the Resulting Issuer. In addition, in the event of a dispute between the parties, the Resulting Issuer's only recourse would be to commence legal action in Colombia. If the Resulting Issuer is required to commence legal proceedings, there is no assurance that the Resulting Issuer will succeed in such proceedings, and, therefore, may never obtain title to such properties.

Other parties may dispute title to any of the Resulting Issuer's mineral properties or land titles, any of the Resulting Issuer's properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected encumbrances or defects or governmental actions or errors. A successful challenge to the precise area and location of the Resulting Issuer's projects could result in the Resulting Issuer being unable to operate on its properties as permitted or being unable to enforce its rights with respect to its properties. Collective does not have any surface rights at its projects and there is no assurance that these surface rights will be available on reasonable terms or at all.

The regional environmental authority has not registered any environmental liabilities at the San Antonio Project. The author of the Technical Report is not aware of any other significant factors and risks that may affect access, title or the right or ability to perform work on the property.

Certain concessions of the Resulting Issuer partially overlap with areas where public works projects may be conducted in the future, buffer zones that form part of the Coffee Cultural Landscape of Colombia, and those that will require an environmental license prior to such lands being permitted for exploitation. As at the date of this Filing Statement, and pursuant to the proposed exploration program of the Resulting Issuer, the exploration activities planned to be undertaken by the Resulting Issuer do not currently interfere with any proposed public work projects, buffer zones that form part of the Coffee Cultural Landscape of Colombia or where additional environmental licenses are required to be obtained. While there are no assurances that the Resulting Issuer will be able to obtain permits or licenses in the future to explore or exploit other areas of the concession it holds, the Resulting Issuer does not anticipate any issues or delays in obtaining any required license or permit if and when such license or permit may be required.

Foreign Country Risk

Collective's principal mineral properties are located in rural Colombia. Over the past 15 years the Government of Colombia has made strides in improving the social, political, economic, legal and fiscal regimes. However, operations in Colombia are still subject to risk due to the potential for social, political, economic, legal and fiscal instability. The government in Colombia faces ongoing problems including, but not limited to, unemployment and inequitable income distribution and unstable neighboring countries. The instability in neighboring countries could result in, but not limited to, an influx of immigrants which could result in a humanitarian crisis and/or increased illegal activities. Colombia is also home to a number of insurgency groups and large swaths of the countryside are under guerrilla influence. In addition, Colombia experiences narcotics-related violence, a prevalence of kidnapping, extortion and thefts and civil unrest in certain areas of the country. Such instability may require the Resulting Issuer to suspend operations on its properties. It is common practice in Colombia to have business arrangements with the police and/or army in exchange for protective services. There is a risk that agreements with the police and/or army cannot be reached on time or on terms that are acceptable to the Resulting Issuer which could result in an increase in security threats or loss of control at the project site which could have a material adverse effect on the Resulting Issuer.

Although Collective is not presently aware of any circumstances or facts which may cause the following to occur, other risks may involve matters arising out of the evolving laws and policies in Colombia, any future imposition of special taxes or similar charges, as well as foreign exchange fluctuations and currency convertibility and controls, the unenforceability of contractual rights or the taking or nationalization of property without fair compensation, restrictions on the use of expatriates in the Resulting Issuer's operations, renegotiation or nullification of existing concessions, licenses, permits and contracts, illegal mining, changes in taxation policies, or other matters.

The Government of Colombia reached a peace accord in 2016 with the Revolutionary Armed Forces of Colombia (FARC-EP), the country's largest guerrilla group. The Government of Colombia also entered into and dissolved formal discussions with the country's second largest guerrilla group due to their unwillingness to cease criminal and violent crimes. There is no certainty that the agreements will be adhered to by all of the members of the guerrilla groups or that a peace agreement will be ultimately reached with the country's second largest guerrilla group. There is a risk that any peace agreement might contain new laws or change existing laws that could have a material adverse effect on the Resulting Issuer and its business and operations. Furthermore, the achievement of peace with the country's guerrilla groups could create additional social or political instability in the immediate aftermath, which could have a material adverse effect on the Resulting Issuer.

Foreign Operations

Collective's mineral properties and operations are located in Colombia. Colombia's legal and regulatory requirements in connection with companies conducting mineral exploration and mining activities, banking system and controls as well as local business culture and practices are different from those in Canada. The officers and directors of the Resulting Issuer rely, to a great extent, on the Resulting Issuer's Colombian legal counsel and local consultants retained by the Resulting Issuer in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Resulting Issuer's business operations, and to assist the Resulting Issuer with its governmental relations. The Resulting Issuer must rely, to some extent, on the members of management and the Board who have previous experience working and conducting business in Colombia to enhance its understanding of and appreciation for the local business culture and practices in Colombia. The Resulting Issuer

also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing and tax matters in Colombia. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices in Colombia are beyond the control of the Resulting Issuer and may adversely affect its business.

The Resulting Issuer also bears the risk that changes can occur to the Government of Colombia and a new government may void or change the laws and regulations that the Resulting Issuer is relying upon. Currently, there are no restrictions on the repatriation from Colombia of earnings to foreign entities and Colombia has never imposed such restrictions. However, there can be no assurance that restrictions on repatriation of earnings from Colombia will not be imposed in the future. Exchange control regulations require that any proceeds in foreign currency originated on exports of goods from Colombia (including minerals) be repatriated to Colombia. However, purchase of foreign currency is allowed through any Colombian authorized financial entities for purposes of payments to foreign suppliers, repayment of foreign debt, payment of dividends to foreign stockholders and other foreign expenses.

Due to its location in Colombia, the Resulting Issuer's projects depends in part upon the performance of the Colombian economy. As a result, the Resulting Issuer's business, financial position and results of operations may be affected by the general conditions of the Colombian economy, price instabilities, currency fluctuations, inflation, interest rates, regulatory changes, taxation changes, social instabilities, political unrest and other developments in or affecting Colombia over which the Resulting Issuer does not have control. Because international investors' reactions to the events occurring in one emerging market country sometimes appear to demonstrate a "contagion" effect in which an entire region or class of investment is disfavoured by international investors, Colombia could also be adversely affected by negative economic or financial developments in other emerging market countries.

Future Capital Needs and Uncertainty of Additional Financing

The Resulting Issuer will have limited financial resources and limited sources of operating cash flow. The Resulting Issuer will require additional funds to finance exploration and future acquisitions. The exploration and development of the various mineral properties in which the Resulting Issuer will hold an interest and the acquisition of additional properties depend upon the Resulting Issuer's ability to obtain financing through equity financings, joint ventures of projects, stream financing, debt financing or other means. The perception that security conditions in Colombia have not improved and the decline in the capital markets for the extractive industry could hinder the Resulting Issuer's ability to access capital in a timely or cost-effective manner. Although the Resulting Issuer has been successful in raising funds to date, there can be no assurance that the Resulting Issuer will be able to raise additional financing required or that such financing will be available on terms acceptable to the Resulting Issuer. Failure to obtain additional financing on a timely basis may result in delays or an indefinite postponement of exploration, development, or production on any or all of the Resulting Issuer's properties, could cause the Resulting Issuer to reduce or terminate its operations or lose its interest in its properties and cease to continue as a going concern.

In addition, there can be no assurance that future financing can be obtained without substantial dilution to existing shareholders. The issuance of additional securities and the exercise of common share purchase warrants, stock options and other convertible securities will result in dilution of the equity interests of any persons who are or may become holders of Resulting Issuer Shares.

Government Regulation

The mineral exploration, mining, processing, and development activities of the Resulting Issuer are subject to various laws and regulations governing prospecting, exploration, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, waste disposal, land claims of local people, mine development, and other matters. Although the Resulting Issuer's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration. Amendments to current laws and regulations governing operations and activities of exploration, or more stringent implementation thereof could have an adverse impact on the Resulting Issuer.

The Resulting Issuer's mineral exploration activities in Colombia may be adversely affected in varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase royalties or the costs related to the Resulting Issuer's activities or maintaining its properties. Operations may also be affected in varying degrees by government regulations with respect to restrictions on production, price controls, government-imposed royalties, claim fees, export controls, income taxes, and expropriation of property, environmental legislation and project safety. The effect of these factors cannot be accurately predicted. Although the Resulting Issuer's exploration is currently carried out in material compliance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration.

Furthermore, any shift in political attitudes, or amendments to current laws and regulations governing operations and activities of exploration or more stringent implementation thereof are beyond the control of the Resulting Issuer and could have a substantial adverse impact on the Resulting Issuer.

Permits and Licenses

The mining and exploration activities of the Resulting Issuer will require permits from various governmental authorities and such operations are, and will be, governed by laws and regulations governing exploration, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety, mine permitting and other matters. Companies engaged in mining and exploration activities generally experience increased costs and delays as a result of the need to comply with applicable laws, regulations and permits. While Collective believes that it currently has all permits and licences necessary to carry on the current exploration activities on its properties, a substantial number of additional permits and licenses may be required should the Resulting Issuer elect to proceed beyond exploration. The Resulting Issuer anticipates that it will be able to obtain in the future all necessary licenses and permits to carry on the activities which it intends to conduct, and that it intends to comply in all material respects with the terms of such licenses and permits; however, there can be no assurance that all permits that the Resulting Issuer may require for mining and exploration will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any project that the Resulting Issuer may undertake. Collective believes it is in substantial compliance with all material laws and regulations which currently apply to its activities. However, there may be unforeseen environmental liabilities of the Resulting Issuer resulting from exploration and/or mining activities and these may be costly to remedy.

Community Relations

Maintaining a positive relationship with the communities in which the Resulting Issuer operates is critical to continuing successful construction, exploration, development and operations. There can be no assurances that the Resulting Issuer will be successful at managing these impacts. Community support for operations is a key component of a successful operating, exploration or development project. Various international and national laws, codes, resolutions, conventions, guidelines and other materials relating to corporate social responsibility (including rights with respect to health and safety and the environment) may also require government consultation with communities on a variety of issues affecting local stakeholders, including the approval of mining rights or permits. The Resulting Issuer may come under pressure in the jurisdictions in which it explores or develops to demonstrate that other stakeholders benefit and will continue to benefit from its commercial activities. Local stakeholders and other groups may oppose the Resulting Issuer's current and future exploration, development and operational activities through legal or administrative proceedings, protests, roadblocks or other forms of public expression against the Resulting Issuer's activities. Opposition by such groups may have a negative impact on the Resulting Issuer's reputation and its ability to receive necessary mining rights or permits. Opposition may also require the Resulting Issuer to modify its exploration, development or operational plans or enter into agreements with local stakeholders or governments with respect to its projects, in some cases causing considerable project delays. Any of these outcomes could have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations and Resulting Issuer Share price.

Labour and Employment Matters

While Collective has good relations with its employees, these relations may be impacted by changes in labour laws which may be introduced by the relevant governmental authorities in jurisdictions in which the Resulting Issuer

carries on business. Adverse changes in such legislation may have a material adverse effect on the Resulting Issuer's business, results of operations and financial condition.

Outside Contractor Risks

It is common for certain aspects of mining and development operations, such as construction management, engineering and procurement, drilling, blasting and underground development, to be conducted by outside contractors. As a result, the Resulting Issuer is subject to a number of risks, including: reduced control over the aspects of the tasks that are the responsibility of the contractors; failure of the contractors to perform under its agreement with the Resulting Issuer; inability to replace the contractors if their contracts are terminated; interruption of services in the event that the contractors cease operations due to insolvency or other unforeseen events; failure of the contractors to comply with applicable legal and regulatory requirements; and failure of the contractors to properly manage its workforce resulting in labour unrest or other employment issues.

Health and Safety Risk

Mining and exploration, like many other extractive natural resource industries, is subject to potential risks and liabilities due to accidents that could result in serious injury or death. The impact of such accidents could affect the profitability of the operations, cause an interruption to operations and development, lead to a loss of licenses, affect the reputation of the Resulting Issuer and its ability to obtain further licenses, damage community relations and reduce the perceived appeal of the Resulting Issuer as an employer. The Resulting Issuer has limited procedures in place to manage health and safety protocols to reduce the risk of occurrence and the severity of any accident and plans to invest time and resources in the future to enhance health and safety at all operations.

The Resulting Issuer has limited insurance policies in place to cover some accidents and regularly monitors the adequacy of such policies; however, not all risks are covered by insurance policies due to either coverage not being available or not being available at commercially reasonable prices.

Special Skill and Knowledge

Various aspects of the Resulting Issuer's business require specialized skills and knowledge. Such skills and knowledge include the areas of permitting, geology, drilling, metallurgy, logistical planning and implementation of exploration and development programs as well as finance and accounting. The Resulting Issuer has been able to recruit and retain employees and consultants with the necessary skills and knowledge. The Resulting Issuer believes it will continue to be able to do so; however, no assurance can be made in that regard.

Environmental and other Regulatory Requirements

All phases of the Resulting Issuer's operations are subject to environmental regulation (including environmental impact assessments and permitting). Environmental legislation and international standards are continually evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There have been a number of recent regulatory changes in Colombia and the Resulting Issuer expects additional regulatory changes, new interpretations and possibly enhanced enforcement to occur in the future. There is no assurance that the Resulting Issuer can or will be able to meet all standards on time, which could adversely affect the Resulting Issuer's business, financial condition or operations.

Environmental hazards may exist on the properties in which the Resulting Issuer holds interests which are unknown to the Resulting Issuer at present and which have been caused by artisanal miners or previous or existing owners or operators of the properties.

Failure to comply with applicable laws, regulations, permitting and zoning requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration, development or production of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities

and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation of existing laws, could have a material adverse impact on the Resulting Issuer and cause an increase in exploration expenses or capital expenditures or require abandonment or delays in the development of new exploration properties.

It is not possible for the Resulting Issuer to accurately predict changes in laws or policy or the extent to which any such developments or changes may have a material adverse effect on the Resulting Issuer's operations. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. The occurrence of any of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the properties, business, operations or financial condition of the Resulting Issuer. In addition, in the event of a dispute arising from foreign operations, the Resulting Issuer may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada.

The Resulting Issuer cannot give any assurances that breaches of environmental laws (whether inadvertent or not) or environmental pollution will not materially or adversely affect its financial condition. There is no assurance that future changes to environmental regulation, if any, will not adversely affect the Resulting Issuer.

In the future, the Resulting Issuer may require, from time to time, various approvals including, but not limited to, the approval from ANLA (Colombian National Authority of Environmental Licences) or the regional environmental authority for environmental permits. There is no assurance that the Resulting Issuer will receive the various approvals or receive them within a reasonable time period.

Compliance with Anti-Corruption Laws and ESTMA

The Resulting Issuer will be subject to various anti-corruption laws and regulations including, but not limited to, the *Canadian Corruption of Foreign Public Officials Act* and *The Superintendence of Companies External Letter No. 100-000005 of Colombia*. In general, these laws prohibit a company and its employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. The Resulting Issuer's primary operations are located in Colombia and, according to Transparency International, Colombia is perceived as having fairly high levels of corruption relative to Canada. The Resulting Issuer cannot predict the nature, scope or effect of future regulatory requirements to which its operations might be subject or the manner in which existing laws might be administered or interpreted.

Failure to comply with the applicable legislation and other similar foreign laws could expose the Resulting Issuer and its senior management to civil and/or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations. Likewise, any investigation of any potential violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the Resulting Issuer's business, financial condition and results of operations, as well as on the market price of the Resulting Issuer Shares. As a consequence of these legal and regulatory requirements, the Resulting Issuer expects to institute policies with regards to its anti-corruption policies. There can be no assurance or guarantee that such efforts have been and will be completely effective in ensuring the Resulting Issuer's compliance, and the compliance of its employees, consultants, contractors and other agents, with all applicable anticorruption laws.

In addition, the Canadian Extractive Sector Transparency Measures Act ("ESTMA"), which became effective June 1, 2015, requires public disclosure of payments to governments by mining and oil and gas companies engaged in the commercial development of oil, gas and minerals who are either publicly listed in Canada or with business or assets in Canada. Commencing in 2017, mandatory annual reporting is required for extractive companies with respect to payments made to foreign and domestic governments at all levels, including entities established by two or more governments. ESTMA requires reporting on the payments of any taxes, royalties, fees, production entitlements, bonuses, dividends, infrastructure improvement payments, and any other prescribed payment over C\$100,000. Failure to report, false reporting or structuring payments to avoid reporting may result in fines of up to C\$250,000 (which may be concurrent). If the Resulting Issuer becomes subject to an enforcement action or is in violation of

ESTMA, this may result in significant penalties, fines and/or sanctions, which may have a material adverse effect on the Resulting Issuer's reputation.

Management of Growth

The Resulting Issuer has recently experienced, and may continue to experience, rapid growth in the scope of its operations. This growth has resulted in increased responsibilities for the Resulting Issuer's existing personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Resulting Issuer will need to continue to implement and improve its operational, financial and management information systems, as well as hire, manage and retain its employees and maintain its corporate culture including technical and customer service standards. There can be no assurance that the Resulting Issuer will be able to manage such growth effectively or that its management, personnel or systems will be adequate to support the Resulting Issuer's operations.

Seizure or Expropriation of Assets

Pursuant to Article 58 of the Colombian constitution, the Government of Colombia can exercise its eminent domain powers in respect of the Resulting Issuer's assets in the event such action is required to protect public interests. According to Law 388 of 1997, eminent domain powers may be exercised through: (i) an ordinary expropriation proceeding (expropiación ordinaria), (ii) an administrative expropriation (expropiación administrativa) or (iii) an expropriation for war reasons (expropiación en caso de guerra). In all cases, the Resulting Issuer would be entitled to a fair indemnification for expropriated assets. However, indemnification may be paid in some cases years after the asset is effectively expropriated. Furthermore, the indemnification may be lower than the price for which the expropriated asset could be sold in a free market sale or the value of the asset as part of an ongoing business.

Dependence on Key Management Employees

The Resulting Issuer's exploration programs will depend on the business and technical expertise of key executives, including the directors of the Resulting Issuer and a small number of highly-skilled and experienced executives and personnel. Due to the relatively small size of the Resulting Issuer, the loss of any of these individuals or the Resulting Issuer's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations. Collective does not currently have key man insurance in place with respect to any of these individuals.

Insurance and Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks including, but not limited to, unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the storage and shipment of precious metal concentrates or doré bars, and political and social instability. Such occurrences could result in damage to mineral properties, damage to underground development, damage to facilities, personal injury or death, environmental damage to the Resulting Issuer's properties or the properties of others, delays in the ability to undertake exploration and development, monetary losses and possible legal liability. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of the Resulting Issuer.

The Resulting Issuer may be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration, development and production is not always available to the Resulting Issuer or to other companies in the mining industry on acceptable terms. The Resulting Issuer might also become subject to liability for pollution or other hazards which it may not be insured against or which the Resulting Issuer may elect not to insure against because of premium costs or other reasons. Losses from any of the above events may cause the Resulting Issuer to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Litigation Risk

All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, the litigation process could take away from management time and efforts and the resolution of any particular legal proceeding to which the Resulting Issuer may become subject could have a material adverse effect on the Resulting Issuer's financial position, results of operations or the Resulting Issuer's property development.

Cybersecurity Risks

Cyber threats have evolved in severity, frequency and sophistication in recent years, and target entities are no longer primarily from the financial or retail sectors. The Resulting Issuer is reliant on the continuous and uninterrupted operations of its information technology ("IT") systems. User access and security of all IT systems are critical elements to the operations of the Resulting Issuer. Protection against cyber security incidents and cloud security, and security of all of the Resulting Issuer's IT systems, are critical to the operations of the Resulting Issuer. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks, as well as disruptions resulting from incidents such as cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, vandalism and theft or other compromising of confidential or otherwise protected information. The Resulting Issuer's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in IT system failures, delays and/or increase in capital expenses. The failure of IT systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Resulting Issuer's reputation and results of operations. The Resulting Issuer stores all of its proprietary data on cloud servers including, but not limited to, financial records, drilling databases, technical information, legal information, licences and human resource records. There is no assurance that third parties will not illegally access these records which could have a material adverse effect on the Resulting Issuer.

Social Media

As a result of the increased usage and the speed and global reach of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users, companies today are at much greater risk of losing control over how they are perceived in the marketplace. Damage to reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity (for example, with respect to handling of environmental matters or the Resulting Issuer's dealings with community groups), whether true or not. The Resulting Issuer places a great emphasis on protecting its image and reputation, but the Resulting Issuer does not ultimately have direct control over how it is perceived by others. Reputation loss may lead to increased challenges in developing and maintaining community relations, decreased investor confidence and an impediment to overall ability to advance its projects, thereby having a material adverse impact on financial performance, cash flows and growth prospects.

Conflicts of Interest

Certain of the directors and officers of the Resulting Issuer will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Resulting Issuer may become subject to conflicts of interest. In accordance with the OBCA, directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Resulting Issuer are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Resulting Issuer. However, in conflict of interest situations, the Resulting Issuer's directors and officers may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions. Circumstances (including with respect to future corporate opportunities) may arise which are resolved in a manner that is unfavourable to the Resulting Issuer.

Competition

The Resulting Issuer may compete with other exploration, development and production companies which may have greater financial resources and technical abilities for the acquisition of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees. The Resulting Issuer's ability to increase the number of properties that it holds in the future will depend not only on its ability to explore and develop its present properties, but also on its ability to select, acquire and develop suitable properties or prospects.

Acquisitions and Integration

From time to time, it can be expected that the Resulting Issuer will examine opportunities to acquire additional exploration and/or mining assets and businesses. Any acquisition that the Resulting Issuer may choose to complete may be of a significant size, may change the scale of the Resulting Issuer's business and operations, and may expose the Resulting Issuer to new geographic, political, social, operating, financial and geological risks. The Resulting Issuer's success in its acquisition activities depends upon its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of the Resulting Issuer. Any acquisition would typically be accompanied by risks. If the Resulting Issuer chooses to raise debt capital to finance any such acquisitions, the Resulting Issuer's leverage will be increased, along with potential additional performance and covenant requirements which may increase the risk of default or reduced capital. If the Resulting Issuer chooses to use equity as consideration for such acquisitions, existing shareholders may suffer dilution. Alternatively, the Resulting Issuer may choose to finance any such acquisitions with its existing resources. There can be no assurance that the Resulting Issuer would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Non-Governmental Organization Intervention

The Resulting Issuer's relationship with the communities in which it operates will be critical to ensure the future success of its existing operations and the construction and development of its projects. A number of Non-Governmental Organizations (NGOs) are becoming increasingly active in Colombia as the security and safety in Colombia increases. These organizations may create or encourage public unrest and anti-mining sentiment among the inhabitants in areas of mineral development. Such organizations have been involved, with financial assistance from other groups, in mobilizing sufficient local anti-mining sentiment to prevent the issuance of required permits for the development of other mineral projects. While the Resulting Issuer is committed to operating in a socially responsible manner, there is no guarantee that the Resulting Issuer's efforts in this respect will mitigate this potential risk.

Indigenous Peoples

Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of indigenous peoples. Collective holds exploration rights located in some areas presently or previously inhabited or used by indigenous peoples. Many of these materials impose obligations on government to respect the rights of indigenous people. Some mandate that government consult with indigenous people regarding government actions which may affect indigenous people, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to indigenous people continue to evolve and be defined. The Resulting Issuer's current or future operations are subject to a risk that one or more groups of indigenous people may oppose continued operation, further development, or new development on those projects or operations on which the Resulting Issuer holds an exploration right. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the Resulting Issuer or the owner/operator's activities. Opposition by indigenous people to such activities may require modification of or preclude operation or development of projects or may require the entering into of agreements with indigenous people. Claims and protests of indigenous people may disrupt or delay activities of the owners/operators of the Resulting Issuer's exploration assets.

Control of the Resulting Issuer

Mr. Sussman, the proposed Executive Chairman and a Director of the Resulting Issuer will be the principal shareholder of the Resulting Issuer.

Following the completion of the Proposed Qualifying Transaction, Mr. Sussman will own, directly or indirectly, 10,440,000 Resulting Issuer Shares representing, in the aggregate, approximately 25.8% of the issued and outstanding Resulting Issuer Shares on Completion of the Proposed Qualifying Transaction. See “Information Concerning the Resulting Issuer – Principal Securityholders”. By virtue of his status as principal shareholder of the Resulting Issuer, and by being an executive officer and a director of the Resulting Issuer, Mr. Sussman will have the power to exercise significant influence over all matters requiring shareholder approval, including the election of directors, amendments to the Resulting Issuer’s articles and by-laws, mergers, business combinations and the sale of substantially all of the Resulting Issuer’s assets. As a result, the Resulting Issuer could be prevented from entering into transactions that could be beneficial to the Resulting Issuer or its other shareholders. Also, third parties could be discouraged from making a take-over bid. As well, sales by Mr. Sussman of a substantial number of Resulting Issuer Shares could cause the market price of the Resulting Issuer Shares to decline.

Future Sales of Resulting Issuer Shares by Existing Shareholders

Sales of a large number of Resulting Issuer Shares in the public markets, or the potential for such sales, could decrease the trading price of the Resulting Issuer Shares and could impair the Resulting Issuer’s ability to raise capital through future sales of Resulting Issuer Shares. In addition, shareholders of the Resulting Issuer who have an investment profit in the Resulting Issuer Shares that they own may seek to liquidate their holdings, which could decrease the trading price of the Resulting Issuer Shares and could also impair the Resulting Issuer’s ability to raise capital through future sales of Resulting Issuer Shares.

Foreign Currency Fluctuations

The Resulting Issuer’s current and proposed exploration in Colombia render it subject to foreign currency fluctuations, which may materially affect its financial position and results. The Resulting Issuer’s reporting currency is the U.S. dollar, which is exposed to fluctuations against other currencies. In addition, the Resulting Issuer maintains cash accounts in Canadian dollars, U.S. dollars and Colombian pesos and has monetary assets and liabilities in U.S. and Canadian dollars and Colombian pesos. The important exchange rates for the Resulting Issuer’s are currently the rate between the U.S. dollar and the Colombian peso and the Canadian dollar and the U.S. dollar. While the Resulting Issuer is funding work in Colombia, the Resulting Issuer’s results of operations are subject to foreign currency fluctuation risks and such fluctuations may adversely affect the financial position and operating results of the Resulting Issuer. The Resulting Issuer Shares are anticipated to trade on the TSXV, a Canadian stock exchange. Prior and future equity financings result in the generation of Canadian dollar proceeds to fund the Resulting Issuer’s activities which are principally incurred in U.S. dollars or Colombian pesos. To the extent funds from such financings are maintained in Canadian dollars, the Resulting Issuer’s results can be significantly impacted by adverse changes in exchange rates between the Canadian dollar and the U.S. dollar and Colombian peso. From time to time, to partially mitigate transactional volatility in the U.S. dollar and Colombian peso, the Resulting Issuer may enter into foreign currency instruments in order to partially offset existing currency exposures.

Market Price and Volatile Securities Markets

Securities of mineral exploration, development and production companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the Resulting Issuer Shares is also likely to be significantly affected by short-term changes in precious and base metal mineral prices or the Resulting Issuer’s financial condition or results of operations as reflected in its quarterly and annual earnings reports. Other risks unrelated to the Resulting Issuer’s performance that may have an effect on the price of the Resulting Issuer Shares include the following: regulatory or economic changes affecting the Resulting Issuer’s operations; variations in the Resulting Issuer’s operating results; developments in the Resulting Issuer’s business or its competitors; the extent of analytical

coverage available to investors concerning the Resulting Issuer's business may be limited if investment banks with research capabilities do not follow the Resulting Issuer's securities; lessening in trading volume and general market interest in the Resulting Issuer's securities may affect an investor's ability to trade significant numbers of Common Shares; changes in market sentiment towards the Resulting Issuer Shares; the size of the Resulting Issuer's public float may limit the ability of some institutions to invest in the Resulting Issuer's securities; and a substantial decline in the price of the Resulting Issuer Shares that persists for a significant period of time could cause the Resulting Issuer's securities to be delisted from the exchange on which they trade, further reducing market liquidity.

There can be no assurance that an active market for the Resulting Issuer Shares will be sustained. Investors should be aware that the value of the Common Shares may be volatile, and investors may, on disposing of the Resulting Issuer Shares, realize less than their original investment or may lose their entire investment.

The Resulting Issuer's operating results and prospects from time to time may be below the expectations of market analysts and investors. In addition, stock markets from time to time suffer significant price and volume fluctuations that affect the market prices of the securities listed thereon and which may be unrelated to the Resulting Issuer's operating performance. Any of these events could result in a decline in the market price of the Resulting Issuer Shares. The Resulting Issuer Shares may, therefore, not be suitable as a short-term investment. In addition, the market price of the Resulting Issuer Shares may not reflect the underlying value of the Resulting Issuer's net assets. The price at which the Resulting Issuer Shares will be traded and the price at which investors may realize their shares are influenced by a large number of factors, some specific to the Resulting Issuer and its proposed operations, and some which may affect the business and geographic sectors in which the Resulting Issuer operates. Such factors could also include the performance of the Resulting Issuer's operations, large purchases or sales of the Resulting Issuer Shares, liquidity or the absence of liquidity in the Resulting Issuer Shares, legislative or regulatory changes relating to the business of the Resulting Issuer and general economic conditions.

As a result of any of these factors, the market price of the Resulting Issuer Shares at any given point in time may not accurately reflect the Resulting Issuer's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Resulting Issuer may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Dividend Policy

No dividends on the Collective Shares have been paid by Collective to date. Payment of any future dividends by the Resulting Issuer will be at the discretion of the Resulting Issuer Board after taking into account many factors, including the Resulting Issuer's operating results, financial condition and current and anticipated cash needs. At this time, the Resulting Issuer has no source of cash flow and anticipates using all available cash resources towards its stated business objectives and retaining all earnings, if any, to finance its business operations.

Accounting Policies and Internal Controls

The Resulting Issuer will prepare its financial reports in accordance with IFRS applicable to publicly-accountable enterprises. In preparing financial reports, management may need to rely upon assumptions, make estimates or use their best judgment in determining the financial condition of the Resulting Issuer. Significant accounting policies are described in more detail in the Resulting Issuer's annual consolidated financial statements. The Resulting Issuer has implemented and continues to assess its internal control systems for financial reporting in order to have a reasonable level of assurance that financial transactions are properly authorized, assets are safeguarded against unauthorized or improper use and transactions are properly recorded and reported. Although the Resulting Issuer believes its financial reporting and annual consolidated financial statements are prepared with reasonable safeguards to ensure reliability, the Resulting Issuer cannot provide absolute assurance.

Differing Interpretations in Tax Regimes in Foreign Jurisdictions

Tax regimes in foreign jurisdictions may be subject to sudden changes. The Resulting Issuer's interpretation of taxation law where it operates and as applied to its transactions and activities may be different than that of applicable

tax authorities. As a result, tax treatment of certain operations, actions or transactions may be challenged and reassessed by applicable tax authorities, which could result in adverse tax consequences for the Resulting Issuer, including additional taxes, penalties or interest. See also “Risk Factors – Bermuda Legal Matters – The Resulting Issuer May Become Subject to Taxes in Bermuda” below.

Tax Matters

The Resulting Issuer will be subject to income taxes and other taxes in a variety of jurisdictions and the Resulting Issuer’s tax structure is subject to review by both Canadian and foreign taxation authorities. The Resulting Issuer’s taxes are affected by a number of factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws and treaties. If the Resulting Issuer’s filing position were to be challenged for whatever reason, this could have a material adverse effect on the Resulting Issuer’s business, results of operations and financial condition.

Land Surface Rights

Collective does not own any surface rights. There is a risk that the Resulting Issuer will not be able to purchase surface rights from third parties or on terms that are acceptable to the Resulting Issuer. Additionally, Colombia Law 1448/2011 compensates, with land restitution, communities that have been displaced as a result of political violence. In the event that the Resulting Issuer is impacted by application of Law 1448/2011, it has the right to begin an expropriation process available under Colombian law, although the process could take longer than expected. Although the Resulting Issuer the effects of Law 1448/2011 to impact the Resulting Issuer, there is a risk that land near or on the Resulting Issuer’s projects could be impacted, which could have a material adverse effect on the Resulting Issuer.

Foreign Subsidiaries

The Resulting Issuer will conduct certain of its operations through foreign subsidiaries and some of its assets are held in such entities. Any limitation on the transfer of cash or other assets between the Resulting Issuer and such entities, or among such entities, could restrict the Resulting Issuer’s ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Resulting Issuer’s valuation and stock price.

Minority Ethnic Groups

Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of minority ethnic groups (“**Minority Ethnic Groups**”). Many of these materials impose obligations on government to respect the rights of Minority Ethnic Groups. Some mandate that government consult with Minority Ethnic Groups regarding government actions which may affect Minority Ethnic Groups, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to Minority Ethnic Groups continue to evolve and be defined. The Resulting Issuer’s current or future operations are subject to a risk that one or more groups of Minority Ethnic Groups may oppose continued operation, further development, or new development on those projects or operations on which the Resulting Issuer holds an exploration right. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the Resulting Issuer or the owner/operator’s activities. Opposition by Minority Ethnic Groups to such activities may require modification of or preclude operation or development of projects or may require the entering into of agreements with Minority Ethnic Groups. Claims and protests of Minority Ethnic Groups may disrupt or delay activities of the owners/operators of the Resulting Issuer’s exploration assets.

Impairment of Mineral Properties

The Resulting Issuer will assess at the end of each reporting period whether there are any indicators, from external and internal sources of information, that an asset may be impaired and requiring an adjustment to the carrying value in order not to exceed its recoverable amount. External sources of information considered could include changes in

market conditions, the economic and legal environment in which the Resulting Issuer operates that are not within its control and the impact these changes may have on the recoverable amount. Internal sources of information include the manner in which the mineral properties are being used or are expected to be used, results and/or interpretations of exploration activities and indications of the economic performance of the assets. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs and reductions in the amount of recoverable reserves and resources are each examples of factors and estimates that could each result in a write-down of the carrying amount of the Resulting Issuer's mineral properties. Although management makes its best estimates, it is possible that material changes could occur which may adversely affect management's estimate of the net cash flows expected to be generated from its properties. Any impairment estimates, which are based on applicable key assumptions and sensitivity analysis, are based on management's best knowledge of the amounts, events or actions at such time, and the actual future outcomes may differ from any estimates that are provided by the Resulting Issuer. Any impairment charges on the Resulting Issuer's mineral projects could adversely affect its results of operations.

Enforcement of Legal Rights

The Resulting Issuer's material subsidiaries are organized under the laws of foreign jurisdictions and certain of the Resulting Issuer's directors, management personnel and experts are located in foreign jurisdictions. Given that the Resulting Issuer's material assets and certain of its directors, management personnel and experts are located outside of Canada, investors may have difficulty in effecting service of process within Canada and collecting from or enforcing against the Resulting Issuer or its directors, officers and experts, any judgments obtained by the Canadian courts or Canadian securities regulatory authorities and predicated on the civil liability provisions of Canadian securities legislation or otherwise. Similarly, in the event a dispute arises from the Resulting Issuer's foreign operations, the Resulting Issuer may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of courts in Canada.

Forward-looking Information May Prove Inaccurate

Certain valuations and measurements required consideration of forecast estimates and the use of various assumptions reliant upon factors which are beyond the control of the Resulting Issuer. Readers of this Filing Statement should refer to the notice provided in this Filing Statement regarding the use and risks associated with such forward-looking information.

Reliability of Mineral Resource and Reserve Estimates

Collective currently does not have any mineral resources or mineral reserves. Furthermore, there is no certainty that any of the mineral resources or mineral reserves on any project with mineral resources or mineral reserves will be realized. Until a deposit is actually mined and processed, the quantity of metal and grades must be considered as estimates only. Any material change in quantity of metal, grade or dilution may affect the economic viability of any project undertaken by the Resulting Issuer.

Environmentally-Protected Areas/Forest Reserves

Colombia has a number of environmentally-protected areas or forest reserves ("**Protected Areas**") that can, in certain circumstances, restrict mining activities. There are varying levels of Protected Areas within the country with different levels of restrictions. The Resulting Issuer's exploration properties may be subject to Protected Areas and while the Resulting Issuer does not expect any difficulties in obtaining the necessary permits to conduct mining activities in these areas, there can be no assurances that the laws or boundaries will not change or that permits will be granted which could have a material impact on the Resulting Issuer's operations. In addition, there can be no assurances that the government of Colombia will not declare new environmentally-protected areas or forest reserves that could potentially impact the Resulting Issuer's projects in Colombia which could have a material negative impact on the Resulting Issuer.

Fluctuation in Mineral Prices

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for the sale of same or mineral prices will be such that the Resulting Issuer's properties can be mined at a profit. Factors beyond the control of the Resulting Issuer may affect the ability of the Resulting Issuer to attract investors and receive further funds for exploration and development. Metal prices have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the control of the Resulting Issuer, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the Canadian and U.S. dollars and the Colombian peso relative to other currencies), interest rates, global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. In particular, the supply of and demand for gold are affected by, among other factors, political events, economic conditions and production costs in major gold-producing regions and governmental or central bank policies with respect to gold holdings. Declines in the price of gold may adversely affect the Resulting Issuer's development and mining projects. Although the Resulting Issuer believes that the fundamentals of supply and demand will remain stable in the future and participants in various sectors will continue to support the gold price despite uncertainties in the global economy, there is no guarantee that the gold price will not materially decrease.

Credit Risk

Credit risk arises from cash and cash equivalents, held with banks and financial institutions, and amounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

Global Economic Conditions

There are significant uncertainties regarding the price of gold, other precious and base metals and other minerals and the availability of equity financing for the purposes of mineral exploration and development. Currently, prices of certain commodities such as gold have reflected volatility, which has had an impact on the Resulting Issuer and the mining industry in general. The Resulting Issuer's future performance is largely tied to the exploration and development of its projects in Colombia and the commodity and financial markets. There can be no certainty that commodity prices will increase or maintain the same levels. Current financial markets are likely to continue to be volatile in Canada potentially through 2021 and beyond, reflecting ongoing concerns about the stability of the global economy and weakening global growth prospects. Unprecedented uncertainty in the credit markets has also led to increased difficulties in financing activities. As a result, the Resulting Issuer may have difficulty raising financing for the purposes of mineral exploration and development and, if obtained, on terms favourable to the Resulting Issuer and/or without excessively diluting existing shareholders of the Resulting Issuer. These economic trends may limit the Resulting Issuer's ability to develop and/or further explore its mineral property interests.

Additionally, global economic conditions may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such volatility and market turmoil continue, the Resulting Issuer's business and financial conditions could be adversely impacted.

Unreliable Historical Data

Collective has compiled technical data in respect of San Antonio Project (and the Guayabales Project), some of which was not prepared by Collective. While the data represents a useful resource for the Resulting Issuer, much of it must be verified by the Resulting issuer before being relied upon in formulating exploration and development programs.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, road blockades, sabotage, government or

other interference in the maintenance or provision of such infrastructure could adversely affect the Resulting Issuer's operations, development, financial condition and results of operations.

Passive Foreign Investment Corporation

If the Resulting Issuer is or becomes a passive foreign investment company ("**PFIC**") for any year during a U.S. shareholder's holding period of the Resulting Issuer Shares, then such U.S. shareholder generally will be required to treat any gain realized upon a disposition of Resulting Issuer Shares, or any "excess distribution" received on its Resulting Issuer Shares, as ordinary income, and to pay an interest charge on a portion of such gain or distribution, unless the shareholder makes a timely and effective "qualified electing fund" election ("**QEF Election**") or a "mark-to-market" election with respect to the Resulting Issuer Shares. A U.S. shareholder who makes a QEF Election generally must report on a current basis its share of the Resulting Issuer's net capital gain and ordinary earnings for any year in which the Resulting Issuer is a PFIC, whether or not the Resulting Issuer distributes any amounts to its shareholders. However, U.S. shareholders should be aware that there can be no assurance that the Resulting Issuer will satisfy the record-keeping requirements that apply to a qualified electing fund, or that the Resulting Issuer will supply U.S. shareholders with information that such U.S. shareholders require to report under the QEF Election rules, in the event that the Resulting Issuer is a PFIC and a U.S. shareholder wishes to make a QEF Election. Thus, U.S. shareholders may not be able to make a QEF Election with respect to their Resulting Issuer Shares. A U.S. shareholder who makes a mark-to-market election generally must include as ordinary income each year the excess of the fair market value of the Resulting Issuer Shares over the taxpayer's adjusted tax basis therein. U.S. shareholders should consult with their own tax advisors concerning the U.S. federal income tax consequences of holding Resulting Issuer Shares if the Resulting Issuer is classified as a PFIC for any tax year.

Bermuda Legal Matters

The Resulting Issuer's main subsidiary (the "**Bermuda Subsidiary**") is subject to the laws of Bermuda. The following is a non-exhaustive summary of certain laws of Bermuda which are relevant to the operations of the Bermuda Subsidiary.

Enforcement of Judgments in Bermuda May be Difficult

The current position with regard to enforcement of judgments in Bermuda is set out below but this may be subject to change. A final and conclusive judgment of a foreign court against the Bermuda Subsidiary, under which a sum of money is payable (not being a sum of money payable in respect of multiple damages, or a fine, penalty tax or other charge of a like nature) may be the subject of enforcement proceedings in the Supreme Court of Bermuda under the common law doctrine of "obligation by action" on the debt evidenced by the foreign court's judgment. On general principles, such proceedings would be expected to be successful provided that:

- the court which gave the judgment was competent to hear the action in accordance with private international law principles as applied in Bermuda; and
- the judgment is not contrary to public policy in Bermuda, has not been obtained by fraud or in proceedings contrary to natural justice, and is not based on an error in Bermuda law.

Enforcement of such a judgment against assets in Bermuda may involve the conversion of the judgment debt into Bermuda dollars, but the Bermuda Monetary Authority (the "**BMA**") has indicated that its present policy is to give the consents necessary to enable recovery in the currency of the obligation.

No stamp duty or similar or other tax or duty is payable in Bermuda on the enforcement of a foreign judgment. Court fees will be payable in connection with proceedings for enforcement.

Exemption from Exchange Controls

The Bermuda Subsidiary is designated as “non-resident” for exchange control purposes by the BMA. Where a company is so designated, it is free to deal in currencies of any other country outside the Bermuda exchange control area which are freely convertible into currencies of any other country.

Limitations on Carrying on Business

Under Bermuda law, exempted companies are companies formed for the purpose of conducting business outside Bermuda from a principal place of business in Bermuda. As a result, they are exempt from Bermuda laws restricting the percentage of share capital that may be held by non-Bermudians, but they may not participate in certain business transactions, including:

- the acquisition or holding of land in Bermuda (except that required for their business and held by way of lease or tenancy for terms of not more than 50 years) without the express authorization of the Bermuda legislature;
- the taking of mortgages on land in Bermuda to secure an amount in excess of \$50,000 Bermuda dollars without the consent of the Minister of Finance of Bermuda or such other Minister as may be appointed to administer the Bermuda Companies Act 1981 (the “**Minister**”);
- the acquisition of any bonds or debentures secured by any land in Bermuda, other than certain types of Bermuda government securities; or
- the carrying on of business of any kind in Bermuda, except in furtherance of their business carried on outside Bermuda or under license granted by the Minister.

Economic Substance

Bermuda enacted legislation to introduce economic substance requirements in accordance with the requirements from the European Union and in furtherance of its commitment to comply with international standards concerning the OECD’s Base Erosion and Profit Shifting report. The legislation was enacted to demonstrate the jurisdictions commitment to comply with international standards with respect to cooperation for tax purposes and to ensure that Bermuda does not facilitate the use of structures which attract profits but which do not reflect real economic activity within the jurisdiction. The current legislation is set out in the Economic Substance Act 2018 (the “**ES Act**”), as amended, and the Economic Substance Regulations 2018, as amended, (the “**ES Regulations**”) (together the ES Act and the ES Regulation, the “**ES Law**”).

The ES Law applies to any 'relevant entity' that conducts any 'relevant activity' in a 'relevant financial period'. A relevant entity that conducts a relevant activity must satisfy the economic substance requirements under the ES Law in relation to that activity. A relevant entity conducting a relevant activity must demonstrate it has satisfied the requirements under the ES Law by filing a Declaration Form with the Bermuda Registrar of Companies (the “**Registrar**”) in respect of that financial year. Each relevant entity is required to file the Declaration Form no later than six months after the last day of each relevant financial period, with the first financial year commencing on or after 1 January 2019.

If the Registrar determines that a 'relevant entity' has not met the applicable economic substance requirements in accordance with the ES Laws, the Registrar is required by law to provide to the Bermuda Minister of Finance the information filed by the relevant entity pursuant to the ES Laws, and the Minister is required to provide that information to his counterpart in the relevant EU member state or other relevant jurisdiction. Additionally, the Registrar also has the power to impose financial penalties, restrictions or regulate the business activities of the relevant entity or be authorised by the court for such proceedings under the relevant legislation to be taken, including strike off.

Evolving data privacy legislation

In Bermuda, the Personal Information Protection Act 2016 (“**PIPA**”) was introduced to regulate the use of personal information in a manner that both protects its privacy and recognizes the need for organizations to use personal information for legitimate purposes. On 27 July 2016, PIPA received Royal Assent and thereafter, on 2 December 2016, limited administrative provisions of PIPA, relating to the appointment of a Privacy Commissioner and the creation of an independent office of the Privacy Commissioner came into force. PIPA sets out a number of requirements that must be complied with when organisations are handling personal information, including, the obligation to adopt suitable measures and policies, to appoint a privacy officer, to use personal information in a lawful and fair manner and maintain accurate records, the obligation to provide individuals with a clear and easily accessible privacy notice and to ensure adequate and proportionate security safeguards are in place and the obligation to report any breaches to the Privacy Commissioner. Bermuda’s first Privacy Commissioner was appointed on 20 January 2020 and subsequently, it is anticipated that the obligations under PIPA will become operative in the near future.

PART V – GENERAL MATTERS

Sponsorship

The Exchange has advised POCML5 that it qualifies for a waiver from the sponsorship requirements of the Exchange in connection with the Proposed Qualifying Transaction.

Experts

Reports and Opinions

The following professional persons have prepared reports or provided opinions that are either included in or referred to in this Filing Statement:

- MNP LLP have provided an auditors' report on the financial statements of POCML5 for the years ended December 31, 2020 and 2019, a copy of which is attached hereto as part of Schedule "A".
- PricewaterhouseCoopers LLP have provided an auditors' report on the financial statements of Collective for the financial period from the date of incorporation (February 11, 2020) to December 31, 2020, a copy of which is attached hereto as part of Schedule "C".
- Dr. Stewart D. Redwood, FIMMM, FGS., is the author and "independent qualified person" (within the meaning of NI 43-101) responsible for the preparation of the Technical Report.

Interest of Experts

Except as disclosed herein, no person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this Filing Statement or as having prepared or certified a report or valuation described or included in this Filing Statement holds more than 1% beneficial interest, direct or indirect, in any property of the Resulting Issuer or of an associate or affiliate of the Resulting Issuer and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Resulting Issuer or of an associate or affiliate of the Resulting Issuer and no such person is a promoter of the Resulting Issuer or an associate or affiliate of POCML5 or the Resulting Issuer.

MNP LLP has informed POCML5 that it is independent with respect to the Resulting Issuer within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

PricewaterhouseCoopers LLP has informed Collective that it is independent with respect to the Resulting Issuer within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

Other Material Facts

There are no material facts about POCML5, Collective, the Resulting Issuer or the Proposed Qualifying Transaction that are not disclosed under the preceding items and are necessary in order for the Filing Statement to contain full, true and plain disclosure of all material facts relating to POCML5, Collective and the Resulting Issuer, assuming Completion of the Proposed Qualifying Transaction.

Board Approval

This Filing Statement has been approved by the board of directors of each of POCML5 and Collective. Where information contained in this Filing Statement rests particularly with the knowledge of a Person other than POCML5 and Collective, each has relied upon information furnished by such Person.

Financial Statement Requirements

Financial statements for each of POCML5, Collective and the Resulting Issuer may be found attached hereto at Schedules “A” through “D”, respectively.

CERTIFICATE OF POCML 5 INC.

Dated: 12th day of May, 2021

The foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities of POCML 5 Inc. assuming Completion of the Proposed Qualifying Transaction.

(signed)

Name: David D’Onofrio
Title: Chief Executive Officer, Chief
Financial Officer and Secretary

On behalf of the board of directors of POCML 5 Inc.

(signed)

Name: Pat DiCapo
Title: Director

(signed)

Name: Adam Parsons
Title: Director

CERTIFICATE OF COLLECTIVE MINING INC.

Dated: 12th day of May, 2021

The foregoing, as it relates to Collective Mining Inc., constitutes full, true and plain disclosure of all material facts relating to the securities of Collective Mining Inc.

(signed)

Name: Ari Sussman
Title: Executive Chairman

(signed)

Name: Paul Begin
Title: Chief Financial Officer

On behalf of the board of directors of Collective Mining Inc.

(signed)

Name: Ari Sussman
Title: Director

(signed)

Name: Paul Begin
Title: Director

PERSONAL INFORMATION

“Personal Information” means any information about an identifiable individual, and includes information contained in any Items in the attached filing statement that are analogous to Items 4.2, 11, 12.1, 15, 17.3, 18, 22, 23, 25, 30.3, 31, 32, 33, 34, 35, 36, 37, 40 and 41 of Form 3B2 – Information Required in a Filing Statement For A Qualifying Transaction, as applicable.

POCML 5 Inc. hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (a) the disclosure of Personal Information by POCML 5 Inc. to the Exchange pursuant to the Exchange pursuant to Form 3B2 – Information Required in a Filing Statement For A Qualifying Transaction; and
- (b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in the Exchange’s Appendix 6B or as otherwise identified by the Exchange, from time to time.

DATED this 12th day of May, 2021

(signed)

Name: David D’Onofrio
Title: Chief Executive Officer, Chief
Financial Officer and Secretary

(signed)

Name: Adam Parsons
Title: Director

SCHEDULE “A”

**AUDITED FINANCIAL STATEMENTS OF POCML5
FOR THE YEARS ENDED DECEMBER 31, 2019 & 2020**

Financial Statements of:

POCML 5 INC.

(a Capital Pool Corporation)

Financial Statements

(in Canadian Dollars)

For the Years Ended December 31, 2020 and 2019



Independent Auditor's Report

To the Shareholders of POCML 5 Inc.:

Opinion

We have audited the financial statements of POCML 5 Inc. (the "Corporation") which comprise the statements of financial position as at December 31, 2020 and December 31, 2019, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2020 and December 31, 2019 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Brock Stroud.

MNP LLP

Toronto, Ontario
February 12, 2021

Chartered Professional Accountants
Licensed Public Accountants

MNP

POCML 5 INC.

(a Capital Pool Corporation)

Statements of Financial Position

(in Canadian Dollars)

As at	December 31, 2020	December 31, 2019
Assets		
Current		
Cash and cash equivalents	\$ 496,881	\$ 495,485
Total assets	496,881	495,485
Liabilities		
Current		
Accounts payable & accrued liabilities	8,317	5,889
Shareholders' equity		
Share capital (note 3)	566,819	545,404
Contributed surplus	74,875	82,290
Accumulated deficit	(153,130)	(138,098)
Total shareholders' equity	488,564	489,596
Total Liabilities and shareholders' equity	\$ 496,881	\$ 495,485

The accompanying notes are an integral part of these financial statements.

Subsequent events – Note 7

Approved on Behalf of the Board:

“David D’Onofrio” (signed)

David D’Onofrio
Director

“Adam Parsons” (signed)

Adam Parsons
Director

POCML 5 INC.

(a Capital Pool Corporation)

Statements of Loss and Comprehensive Loss

(in Canadian Dollars)

	Year Ended December 31, 2020	Year Ended December 31, 2019
<hr/>		
Expenses		
Operating, general and administrative	\$ 11,673	\$ 11,853
Professional fees	5,885	7,401
Loss for the year	17,558	19,254
Interest Income	(2,526)	(8,045)
Total comprehensive loss	\$ 15,032	\$ 11,209
<hr/>		
Net loss per common share		
Basic and diluted	\$ 0.01	\$ 0.01
<hr/>		
Weighted average number of common shares outstanding		
Basic and diluted	2,003,068	2,000,000

The accompanying notes are an integral part of these financial statements.

POCML 5 INC.

(a Capital Pool Corporation)

Statements of Changes in Shareholders' Equity

(in Canadian Dollars)

For the Years Ended December 31, 2020 and 2019

	Number of Shares	Share Capital	Contributed Surplus	Accumulated Deficit	Total Equity
Balance at January 1, 2019	10,000,000	545,404	82,290	(126,889)	500,805
Net loss for year	-	-	-	(11,209)	(11,209)
Balance at December 31, 2019	10,000,000	545,404	82,290	(138,098)	489,596
Shares issued – Options exercised	140,000	21,415	(7,415)	-	14,000
Net loss for year	-	-	-	(15,032)	(15,032)
Balance at December 31, 2020	10,140,000	\$ 566,819	\$ 74,875	\$ (153,130)	\$ 488,564

The accompanying notes are an integral part of these financial statements

POCML 5 INC.

(a Capital Pool Corporation)

Statements of Cash Flows

(in Canadian Dollars)

For the Years Ended December 31, 2020 and 2019

	Year ended December 31, 2020	Year ended December 31, 2019
Cash flows used in operating activities:		
Loss for the year	\$ (15,032)	\$ (11,209)
Changes in non-cash working capital:		
Interest Receivable	-	294
Accrued Liabilities	2,428	(24,063)
Financing Activities:		
Net proceeds from exercise of options	14,000	-
Net change in cash and cash equivalents	1,396	(34,978)
Cash and cash equivalents, beginning of year	495,485	530,463
Cash and cash equivalents, end of year	\$ 496,881	495,485

The accompanying notes are an integral part of these financial statements.

POCML 5 INC.

Notes to Financial Statements

(a Capital Pool Corporation)

For Years Ended December 31, 2020 and 2019

1. INCORPORATION AND NATURE OF BUSINESS

POCML 5 Inc. (the "Corporation") was incorporated under the Ontario Business Corporation Act on February 21, 2018 and is classified as a Capital Pool Corporation as defined in the Policy 2.4 of the TSX Venture Exchange (the "Exchange").

The Corporation's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non-arm's-length transaction, of the majority of the minority shareholders.

The head office and the registered head office of the Corporation is located at 130 King Street West, Suite 2210, Toronto, Ontario M5X 1E4.

On February 12, 2021, the Board of Directors approved the financial statements for the years ended December 31, 2020 and 2019.

The global outbreak of COVID-19 (coronavirus) has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Corporation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of Presentation

The financial statements are presented in Canadian dollars ("CAD"), which is the Corporation's functional and presentation currency. The financial statements are prepared on a historical cost basis except for certain financial instruments classified as fair value through profit or loss ("FVPTL"), which are stated at their fair value. The accounting policies have been applied consistently throughout the entire period presented in these financial statements.

POCML 5 INC.

Notes to Financial Statements

(a Capital Pool Corporation)

For Years Ended December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Loss Per Share

Basic loss per common share is determined by dividing loss attributable to common shareholders by the weighted average number of common shares outstanding during the period, excluding shares in escrow. Diluted loss per common share is calculated in accordance with the treasury stock method and is based on the weighted average number of common shares and dilutive common share equivalents outstanding. 8,000,000 common shares were excluded from the calculation as they were contingently issuable and all conditions necessary for their issuance have not been satisfied (note 3).

Financial Instruments

Recognition

The Company recognizes financial assets and financial liabilities on the date the Company becomes a party to the contractual provisions of the instruments.

Classification

The Company classifies its financial assets and financial liabilities in the following measurement categories: i) those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss, and ii) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at fair value through profit or loss (irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are either recorded in profit or loss or other comprehensive income.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Company has implemented the following classifications:

Cash and cash equivalents are classified as assets at fair value and any period change in fair value is recorded in profit or loss.

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss.

POCML 5 INC.

Notes to Financial Statements

(a Capital Pool Corporation)

For Years Ended December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Measurement (continued)

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (irrevocable election at the time of recognition).

Additional fair value measurement disclosure includes classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements which are as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Cash and cash equivalents are a level 1 financial instrument measured at fair value on the statements of financial position.

Stock-based Compensation

The Corporation accounts for all stock-based compensation awarded to directors and officers and non-employees using the fair value method. Under this method, cost is measured at the grant date at fair value using the Black-Scholes options pricing model that takes into account the exercise price, the expected life of the option, the current price of the underlying stock, the expected volatility, the expected dividends and the risk-free interest rate for the expected term of the option. The compensation cost will be expensed in the statement of operations over the service period, that is the vesting period for directors and officers and over the performance period for awards provided to non-employees in exchange for goods and services.

Share Issuance Costs

Share issuance costs relate to expenditures incurred in connection with the Corporation's share issuance (note 3) and are charged against share capital.

POCML 5 INC.

Notes to Financial Statements

(a Capital Pool Corporation)

For Years Ended December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in net earnings and comprehensive income or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

Estimates

The preparation of financial statements in conformity with IFRS accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates used in the financial statements.

Cash and cash equivalents

Cash and cash equivalents include cash held in financial institutions and funds held in a money market fund.

POCML 5 INC.

Notes to Financial Statements
(a Capital Pool Corporation)
For Years Ended December 31, 2020 and 2019

3. SHARE CAPITAL

Authorized

Unlimited number of common shares
Unlimited number of special shares

Issued

	Number of Shares		Amount
Balance at December 31, 2018	10,000,000	\$	545,404
Issuance of common shares	-		-
Balance at December 31, 2019	10,000,000	\$	545,404
Options exercised	140,000	\$	21,415
Balance at December 31, 2020	10,140,000	\$	566,819

Escrowed Shares

On August 30, 2018, the Corporation issued 8,000,000 common shares at \$0.05 per share for total proceeds of \$400,000.

The issued and outstanding common shares will be held in escrow pursuant to the requirements of the Exchange. 10% of the escrowed Common Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "Initial Release") and an additional 15% will be released on each of the dates which are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a Qualifying Transaction, must also be deposited in escrow until the final exchange bulletin is issued.

All common shares of the Corporation acquired in the secondary market prior to the completion of a Qualifying Transaction by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the resulting issuer will also be escrowed.

POCML 5 INC.

Notes to Financial Statements

(a Capital Pool Corporation)

For Years Ended December 31, 2020 and 2019

3. SHARE CAPITAL (continued)

Initial Public Offering

On December 10, 2018, the Corporation completed its initial public offering (the "Offering") of 2,000,000 common shares at a purchase price of \$0.10 per common share for aggregate gross proceeds of \$200,000. The Corporation paid cash share issuance costs of \$47,181 and granted the 140,000 compensation options to purchase common shares for \$0.10 for a period ending twenty-four months from the date the Corporation's common shares are listed on the TSX Venture Exchange.

Contributed Surplus

The Corporation has established a stock option plan for its directors, officers and consultants under which the Corporation may grant options from time to time to acquire a maximum of 10% of the issued and outstanding common shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors.

Options may be granted for a maximum term of ten years from the date of the grant. They are nontransferable and expire within 90 days of termination of employment or holding office as director or officer of the Corporation and, in the case of death, expire one year thereafter.

The following table reflects the continuity of stock options:

	Number of stock options and compensation options	Weighted average exercise price (\$)
Balance, December 31, 2018	1,140,000	\$0.10
Options exercised	-	-
Balance, December 31, 2019	1,140,000	\$0.10
Option exercised	(140,000)	\$0.10
Balance, December 31, 2020	1,000,000	\$0.10

- i. On December 10, 2018, the Corporation granted 140,000 compensation options to the Agent, which are exercisable at an exercise price of \$0.10 per share for a period of 24 months following the date that the common shares are listed on the Exchange. These options were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: share price \$0.10, dividend yield 0%, risk-free interest rate of 1.860%, expected volatility of 100% and an expected life of two years. The value attributed to these options was \$7,415.

POCML 5 INC.

Notes to Financial Statements

(a Capital Pool Corporation)

For Years Ended December 31, 2020 and 2019

3. SHARE CAPITAL (continued)

- ii. On December 10, 2018, the Corporation granted 1,000,000 options to directors and officers, which are exercisable within five years from the date of grant at an exercise price of \$0.10 per share. These options were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: share price \$0.10, dividend yield 0%, risk-free interest rate of 1.880%, expected volatility of 100% and an expected life of five years. The value attributed to these options was \$74,875. The options vested immediately.
- iii. During the twelve months ended December 31, 2020, 140,000 common shares were issued from agent compensation options exercised at an average of \$0.10 per common share, with fair value of \$7,415 being reallocated from contributed surplus to share capital respectively.

The following table reflects the actual options issued and outstanding as of December 31, 2020:

Expiry Date	Exercise Price	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
December 10, 2023	\$0.10	2.94	1,000,000	1,000,000

4. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

Capital management

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Corporation includes equity, comprised of issued common shares, in the definition of capital.

The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Corporation. These restrictions apply until completion of a Qualifying Transaction by the Corporation as defined under the Exchange policy 2.4.

Risk disclosures and fair values

The Corporation's financial instruments, consisting of cash and cash equivalents, and accounts payable and accrued liabilities which approximate fair value due to the relatively short term maturities of these instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

POCML 5 INC.

Notes to Financial Statements

(a Capital Pool Corporation)

For Years Ended December 31, 2020 and 2019

5. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

There were no related party transactions during the twelve months ended December 31, 2020, (2019 - \$nil).

6. INCOME TAXES

A reconciliation of combined federal and provincial corporate income taxes of statutory rates of 26.5% and the Corporation's effective income tax expense is as follows:

	2020	2019
Net loss for the year	\$ 15,032	\$ 11,209
Expected income tax recovery	(3,983)	(2,970)
Non-deductible	-	-
Share issuance costs	-	-
Deferred tax assets not recognized	3,983	2,970
Income taxes recovery	\$ -	\$ -

At December 31, 2020, the Corporation has non – capital losses for income tax purposes of approximately \$101,845 which can be carried forward to be applied against future taxable income. These losses expire to the extent unutilized against future taxable income between 2038 and 2040.

The Corporation has not recorded deferred tax assets related to these unused carry forward losses as it is not probable that future taxable profits will be available against which these can be deducted.

POCML 5 INC.

Notes to Financial Statements

(a Capital Pool Corporation)

For Years Ended December 31, 2020 and 2019

7. SUBSEQUENT EVENTS

Qualifying Transaction:

The Company entered into a binding agreement dated November 30, 2020 (the "Letter Agreement") with an arm's length Ontario based mineral exploration company that holds exploration stage assets in South America (the "Target") to effect a business combination of the two companies (the "Proposed Transaction"). The Proposed Transaction will be a reverse takeover of the Company by the Target and its shareholders.

The Company is a Capital Pool Company ("CPC") and intends the Proposed Transaction to constitute its Qualifying Transaction (the "Qualifying Transaction") under the policies of the TSX Venture Exchange (the "Exchange").

It is currently anticipated that the Proposed Transaction will be effected by way of a three-cornered amalgamation, share exchange, merger, amalgamation, arrangement or other similar form of transaction as is acceptable to the parties.

On or immediately prior to the completion of the Proposed Transaction, it is anticipated that: (i) the Company will effect a name change to such name as may be determined by Target; and (ii) the Company will consolidate the issued and outstanding common shares in the capital of the Company (the "POCML5 Shares") on the basis of one "new" POCML5 Share for every four "old" POCML5 Shares issued and outstanding (the "Consolidation").

Pursuant to the Proposed Transaction, holders of the issued and outstanding common shares of the Target (the "Target Shares") will receive one POCML5 Share (as they exist on a post-Consolidation basis) for each Target Share held (the "Exchange Ratio"). Pursuant to the Proposed Transaction, all existing securities convertible into Target Shares shall be exchanged, based on the Exchange Ratio, for similar securities to purchase POCML5 Shares on substantially similar terms and conditions.

There are currently an aggregate of 10,140,000 POCML5 Shares issued and outstanding, as well as 1,000,000 stock options, each exercisable to acquire one POCML 5 Share at an exercise price of \$0.10. In connection with the Proposed Transaction, all outstanding unexercised stock options of POCML5 shall expire immediately prior to the completion of the Proposed Transaction.

If the Proposed Transaction is completed, it is anticipated that the board of directors of the Company shall be reconstituted to consist of such directors as the Target shall determine, subject to the minimum residency requirements of the *Business Corporations Act* (Ontario), and all existing officers of the Company shall resign and be replaced with officers appointed by the new slate of board of directors.

The Proposed Transaction is conditional upon the completion of a financing.

Further details about the proposed Transaction can be found in the POCML 5 press release dated November 30, 2020 available on SEDAR at www.sedar.com.

SCHEDULE “B”

MD&A OF POCML5 FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2020

POCML 5 INC.

(a Capital Pool Corporation)

Management's Discussion and Analysis

For the Period Ended: **December 31, 2020**

Date of Report: **February 12, 2021**

This management's discussion and analysis of the financial condition and results of operation ("MD&A") of POCML 5 Inc. ("POCML" or the "Company") should be read in conjunction with POCML's audited financial statements and notes thereto for the year ended December 31, 2020 and December 31, 2019.

Results are reported in Canadian dollars, unless otherwise noted. All financial data in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Caution Regarding Forward-Looking Information:

Certain information contained in this MD&A constitutes forward-looking information, which is information regarding possible events, conditions or results of operations of the Company that is based upon assumptions about future economic conditions and courses of action and which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information contained in this MD&A includes, without limitation, our expectations regarding anticipated investment activities and results and financing activities, the impact of changes in accounting policies and other factors on our operating results, and the performance of global capital markets and interest rates.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A. The forward-looking information contained in this MD&A is provided as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All of the forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

Selected forward-looking statements, assumptions, and risk factors are as follows:

Forward-looking statements	Assumptions	Risk factors
The Company proposes to work towards completing a Qualifying transaction.	The Company expects to identify an asset or business to acquire and close a Qualifying Transaction, on terms favourable to the Company.	The Company's inability to find a target, the inability to satisfy all of the conditions precedent (due diligence, shareholder and regulatory approval, financing) to complete a

		Qualifying Transaction, resulting in the Company remaining as a public shell.
The Company's ability to meet its working capital needs at the current level for the twelve-month period ending December 31, 2021.	The operating activities of the Company for the twelve-month period ending December 31, 2021, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; regulatory compliance and changes in regulatory compliance and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions; ongoing uncertainties relating to the COVID-19 virus.

Nature of the Business and Incorporation:

POCML was incorporated under the *Business Corporation Act* (Ontario) on February 21, 2018 and is classified as a Capital Pool Company, as defined in the Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The Company's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non-arm's-length transaction, of the majority of the minority shareholders.

The Company is domiciled in the province of Ontario, Canada and the head office and the registered head office of the Company is located at 130 King Street West, Suite 2210, Toronto, Ontario M5X 1E4.

The Company currently has one employee, David D'Onofrio, who is the Chief Executive Officer, Chief Financial Officer, Secretary and a Director of the Company.

Operational Highlights

The Company has no revenues, so its ability to ensure continuing operations is dependent on it completing a Qualifying Transaction. At December 31, 2020, the Company had a net working capital of \$488,564 (December 31, 2019 – \$489,596). The Company has cash of \$496,881 (December 31, 2019 – \$495,485). Working capital and cash and cash equivalents increased during the twelve months ended December 31, 2020 due to cash received on options exercised during the twelve months ending December 31, 2020.

The Company has sufficient capital to meet its ongoing operating expenses and continue to meet its obligations on its current projects for the twelve-month period ending December 31, 2021. Management may increase or decrease budgeted expenditures depending on ongoing volatility in the economic environment. See "Liquidity and Capital Resources" below.

On November 30, 2020 the Company announced that it has entered into a binding agreement dated November 30, 2020 (the "Letter Agreement") with an arm's length, Ontario based mineral exploration company that holds exploration stage assets in South America (the "Target") to effect a business

combination of the two companies (the “Proposed Transaction”). The Proposed Transaction will be a reverse takeover of the Company by the Target and its shareholders.

The Company is a Capital Pool Company (“CPC”) and intends the Proposed Transaction to constitute its Qualifying Transaction (the “Qualifying Transaction”) under the policies of the Exchange.

It is currently anticipated that the Proposed Transaction will be effected by way of a three-cornered amalgamation, share exchange, merger, amalgamation, arrangement or other similar form of transaction as is acceptable by the parties.

On or immediately prior to the completion of the Proposed Transaction, it is anticipated that: (i) the Company will effect a name change to such name as may be determined by Target; and (ii) the Company will consolidate the issued and outstanding common shares in the capital of the Company (the “POCML5 Shares”) on the basis of one “new” POCML5 Share for every four “old” POCML5 Shares issued and outstanding (the “Consolidation”).

Pursuant to the Proposed Transaction, holders of the issued and outstanding common shares of the Target (the “Target Shares”) will receive one POCML5 Share (as they exist on a post-Consolidation basis) for each Target Share held (the “Exchange Ratio”). Pursuant to the Proposed Transaction, all existing securities convertible into Target Shares shall be exchanged, based on the Exchange Ratio, for similar securities to purchase POCML5 Shares on substantially similar terms and conditions.

There are currently an aggregate of 10,140,000 POCML5 Shares issued and outstanding, as well as 1,000,000 stock options, each exercisable to acquire one POCML 5 Share at an exercise price of \$0.10. In connection with the Proposed Transaction, all outstanding unexercised stock options of POCML5 shall expire immediately prior to the completion of the Proposed Transaction.

If the Proposed Transaction is completed, it is anticipated that the board of directors of the Company shall be reconstituted to consist of such directors as the Target shall determine, subject to the minimum residency requirements of the *Business Corporations Act* (Ontario), and all existing officers of the Company shall resign and be replaced with officers appointed by the new slate of board of directors.

The Proposed Transaction is conditional upon the completion of a financing and receipt of shareholder and regulatory approval.

Further details about the Proposed Transaction can be found in the POCML 5 press release dated November 30, 2020 available on SEDAR at www.sedar.com.

Trends

The Company plans to continue to search for suitable assets or businesses to acquire or merge with in order to maximize value for shareholders. Management regularly monitors economic conditions and estimates their impact on the Company’s operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Strong equity markets are favourable conditions for completing a public merger or acquisition transaction.

Due to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management’s going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability and supply lines;
- Availability of government supplies, such as water and electricity;

- The ability to complete a RTO;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of this MD&A, the Canadian federal government and the provincial government of Ontario have not introduced measures that have directly impeded the operational activities of the Company. Management believes the business will continue and accordingly, the current situation has not impacted management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Results of Operations – Three months ended December 31, 2020

The Company recorded a net loss and comprehensive loss of \$7,155 during the three months ended December 31, 2020 compared to a net loss of \$5,058 for the three months ended December 31, 2019. The increase was mainly due to a increase in public reporting and listing costs.

The net loss for the three months ended December 31, 2020 is represented by the following expenses incurred in the period:

Operating, general and administrative	\$ 2,467
Professional fees	\$ 5,000
Interest income	\$ (312)
	<hr/>
	\$ 7,155

The Company, during the three month period ended December 31, 2020, incurred expenses related to ongoing administration.

Results of Operations – Year ended December 31, 2020

The Company recorded a net loss and comprehensive loss of \$15,032 during the year ended December 31, 2020 compared to a net loss of \$11,209 for the year ended December 31, 2019. The increase was mainly due to a decrease in interest income.

The net loss for the year ended December 31, 2020 is represented by the following expenses incurred in the period:

Operating, general and administrative	\$ 11,673
Professional fees	\$ 5,885
Interest income	\$ (2,526)
	<hr/>
	\$ 15,032

The Company, during the year ended December 31, 2020, incurred expenses related to ongoing administration, as well as listing and filing fees all relating to the Company's listing on the Exchange and included in Office and general (see information elsewhere in this MD&A).

Liquidity and capital resources

As at December 31, 2019, the Company had cash of \$495,485, and as of December 31, 2020, the Company had cash of \$496,881. The increase in cash from the previous period was primarily due to cash received on options exercised during the twelve months ending December 31, 2020.

As of December 31, 2019 the Company had total liabilities of \$5,889, and as at December 31, 2020 had total liabilities of \$8,317. The increase in liabilities was primary due to a increase in accounts payable & accrued liabilities.

Shareholder equity decreased to \$488,564 as at December 31, 2020 (December 31, 2019 - \$489,596).

Quarterly Financial Results

Quarter Ended	Revenue	Income / (Loss)	Income/ (Loss) per share
December 31, 2020	-	(7,155)	(0.01)
September 30, 2020	-	3,299	0.01
June 30, 2020	-	(5,939)	(0.01)
March 31, 2020	-	(5,237)	(0.01)
December 31, 2019	-	(5,058)	(0.01)
September 30, 2019	-	(593)	(0.01)
June 30, 2019	-	(2,802)	(0.01)
March 31, 2019	-	(2,756)	(0.01)

Segmented Information

The Company has a single reportable geographic segment – Canada – and all of the Company's assets are located in Canada.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Investor Relations

During the year ended December 31, 2020, the Company's management handled the Company's investor relations activities.

Outstanding Share Capital as at December 31, 2020

(a) Authorized	
Unlimited number of common shares	
Unlimited number of special shares	
(b) Issued	
10,140,000 common shares	\$621,415

On December 10, 2018, the Company completed an initial public offering of 2,000,000 common shares at \$0.10 per share for gross proceeds of \$200,000 pursuant to a prospectus dated October 26, 2018. The Company paid cash commission and other expenses of \$16,576 and also issued 140,000 agent options to the registered agent. Each agent option entitles the holders to purchase the common shares at a price of \$0.10 per common share until December 10, 2020.

Under the agency agreement, the Company granted to the agent the option to purchase 140,000 common shares at a price of \$0.10 per common share until December 10, 2020. In addition, the Company paid a commission of \$14,000, representing 7% of the aggregate gross proceeds of the offering to the agent as compensation for acting as agent, and a corporate finance fee of \$10,000.

The cash raised from its initial public offering will be primarily used to pursue a qualifying transaction.

During the twelve months ended December 31, 2020, 140,000 common shares were issued from options exercised at an average of \$0.10 per common share, with fair value of \$7,415 being reallocated from contributed surplus to share capital respectively.

(c) Escrowed shares:

On August 30, 2018 the Company issued 8,000,000 common shares at \$0.05 per share for total proceeds of \$400,000.

The issued and outstanding common shares will be held in escrow pursuant to the requirements of the Exchange to be released as to 10% thereof on the completion of the Company's Qualifying Transaction, as defined in the policies of the Exchange, and as to 15% thereof on each of the 6th, 12th, 18th, 24th, 30th and 36th months following the initial release.

All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a Qualifying Transaction, must also be deposited in escrow until the final exchange bulletin is issued.

All common shares of the Company acquired in the secondary market prior to the completion of a Qualifying Transaction by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Company held by principals of the resulting issuer will also be escrowed.

Transactions with Related Parties

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions.

There was no related party transactions for the year ended December 31, 2020.

Financial Instruments

The carrying values of cash, amounts receivable, and accounts payable and accrued liabilities approximate fair value due to the relatively short term maturities of these instruments.

Management of Capital

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued common shares and deficit, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the Exchange policy 2.4.

Contingency

There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Company's shares from trading.

Risk Disclosures and Fair Value

The Company's financial instruments, consisting of cash, amounts receivable and accounts payable and accrued liabilities approximates fair value due to the relatively short term maturities of the instrument. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Outlook

Management believes the Company is well positioned to complete a qualifying transaction. The Company believes that it has sufficient cash and capital resources.

Emerging Risk

The global outbreak of COVID-19 (coronavirus) has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Corporation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

POCML 5 INC.

(a Capital Pool Corporation)

Management's Discussion and Analysis

For the Period Ended: **December 31, 2019**

Date of Report: **April 28, 2020**

This management's discussion and analysis of the financial condition and results of operation ("MD&A") of POCML 5 Inc. ("POCML" or the "Company") should be read in conjunction with POCML's audited financial statements and notes thereto for the year ended December 31, 2019.

All financial data in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All dollar amounts in this MD&A are reported in Canadian dollars.

Caution Regarding Forward-Looking Information:

Certain information contained in this MD&A constitutes forward-looking information, which is information regarding possible events, conditions or results of operations of the Company that is based upon assumptions about future economic conditions and courses of action and which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information contained in this MD&A includes, without limitation, our expectations regarding anticipated investment activities and results and financing activities, the impact of changes in accounting policies and other factors on our operating results, and the performance of global capital markets and interest rates.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A. The forward-looking information contained in this MD&A is provided as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All of the forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

Nature of the Business and Incorporation:

POCML was incorporated under the *Business Corporation Act* (Ontario) on February 21, 2018 and is classified as a Capital Pool Company, as defined in the Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The Company's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non-arm's-length transaction, of the majority of the minority shareholders.

The Company is domiciled in the province of Ontario, Canada and the head office and the registered head office of the Company is located at 130 King Street West, Suite 2210, Toronto, Ontario M5X 1E4.

The Company currently has one employee, David D'Onofrio, who is the Chief Executive Officer, Chief Financial Officer, Secretary and a Director of the Company.

Results of Operations – Three months ended December 31, 2019

The Company recorded a net loss and comprehensive loss of \$5,058 during the three months ended December 31, 2019 compared to a net loss of \$111,549 for the three months ended December 31, 2018. The decrease was mainly due to a decrease in public reporting and listing costs.

The net loss for the three months ended December 31, 2019 is represented by the following expenses incurred in the period:

Operating, general and administrative	\$ 1,305
Professional fees	\$ 5,710
Interest income	\$ (1,957)
	<hr/>
	\$ 5,058

The Company, during the three month period ended December 31, 2019, incurred expenses related to ongoing administration.

Results of Operations – Year ended December 31, 2019

The Company recorded a net loss and comprehensive loss of \$11,209 during the year ended December 31, 2019 compared to a net loss of \$126,889 for the year ended December 31, 2018. The decrease was mainly due to a decrease in public reporting and listing costs.

The net loss for the year ended December 31, 2019 is represented by the following expenses incurred in the period:

Operating, general and administrative	\$ 11,853
Professional fees	\$ 7,401
Interest income	\$ (8,045)
	<hr/>
	\$ 11,209

The Company, during the year ended December 31, 2019, incurred expenses related to ongoing administration, as well as listing and filing fees all relating to the Company's listing on the Exchange and included in Office and general (see information elsewhere in this MD&A).

Liquidity and capital resources

As at December 31, 2018, the Company had cash of \$530,463, and as of December 31, 2019, the Company had cash of \$495,485. The decrease in cash from the previous period was primarily due to cash used in operating activities.

As of December 31, 2018 the Company had total liabilities of \$29,952, and as at December 31, 2019 had total liabilities of \$5,889. The decrease in liabilities was primary due to a decrease in accounts payable & accrued liabilities.

Shareholder equity decreased to \$489,596 as at December 31, 2019 (December 31, 2018 - \$530,757).

Quarterly Financial Results

Quarter Ended	Revenue	Income / (Loss)	Income/ (Loss) per share
December 31, 2019		(5,058)	(0.01)
September 30, 2019	-	(593)	(0.01)
June 30, 2019	-	(2,802)	(0.01)
March 31, 2019	-	(2,756)	(0.01)
December 31, 2018	-	(111,549)	(0.83)
September 30, 2018	-	(15,340)	-
June 30, 2018	-	Nil	Nil

Segmented Information

The Company has a single reportable geographic segment – Canada – and all of the Company's assets are located in Canada.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Investor Relations

During the year ended December 31, 2019, the Company's management handled the Company's investor relations activities.

Outstanding Share Capital as at December 31, 2019

- (a) Authorized
 - Unlimited number of common shares
 - Unlimited number of special shares
- (b) Issued
 - 10,000,000 common shares
 - \$600,000

On December 10, 2018, the Company completed an initial public offering of 2,000,000 common shares at \$0.10 per share for gross proceeds of \$200,000 pursuant to a prospectus dated October 26, 2018. The Company paid cash commission and other expenses of \$16,576 and also issued 140,000 agent options to the registered agent. Each agent option entitles the holders to purchase the common shares at a price of \$0.10 per common share until December 10, 2020.

Under the agency agreement, the Company granted to the agent the option to purchase 140,000 common shares at a price of \$0.10 per common share until December 10, 2020. In addition, the Company paid a commission of \$14,000, representing 7% of the aggregate gross proceeds of the offering to the agent as compensation for acting as agent, and a corporate finance fee of \$10,000.

The cash raised from its initial public offering will be primarily used to pursue a qualifying transaction.

(c) Escrowed shares:

On August 30, 2018 the Company issued 8,000,000 common shares at \$0.05 per share for total proceeds of \$400,000.

The issued and outstanding common shares will be held in escrow pursuant to the requirements of the Exchange to be released as to 10% thereof on the completion of the Company's Qualifying Transaction, as defined in the policies of the Exchange, and as to 15% thereof on each of the 6th, 12th, 18th, 24th, 30th and 36th months following the initial release.

All common shares acquired on exercise of stock options granted to directors and officers prior to the completion of a Qualifying Transaction, must also be deposited in escrow until the final exchange bulletin is issued.

All common shares of the Company acquired in the secondary market prior to the completion of a Qualifying Transaction by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Company held by principals of the resulting issuer will also be escrowed.

Transactions with Related Parties

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions.

There was no related party transactions for the year ended December 31, 2019.

Financial Instruments

The carrying values of cash, amounts receivable, and accounts payable and accrued liabilities approximate fair value due to the relatively short term maturities of these instruments.

Management of Capital

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued common shares and deficit, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the Exchange policy 2.4.

Contingency

There is no assurance that the Company will identify a business or asset that warrants acquisition or participation within the time limitations permissible under the policies of the Exchange, at which time the Exchange may suspend or de-list the Company's shares from trading.

Risk Disclosures and Fair Value

The Company's financial instruments, consisting of cash, amounts receivable and accounts payable and accrued liabilities approximates fair value due to the relatively short term maturities of the instrument. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Outlook

Management believes the Company is well positioned to seek and complete a qualifying transaction. The Company believes that it has sufficient cash and capital resources.

Subsequent Events

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had significant impact on businesses through the restrictions put in place by the Canadian governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Corporation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, it is possible that this outbreak may cause difficulties in searching for a Qualifying Transaction, which could negatively impact the Company's business and financial condition.

SCHEDULE “C”

**AUDITED FINANCIAL STATEMENTS AND MD&A OF COLLECTIVE
FOR THE PERIOD FROM INCORPORATION (FEBRUARY 11, 2020) TO DECEMBER 31, 2020**



COLLECTIVE
— MINING —

CONSOLIDATED FINANCIAL STATEMENTS

For the period from February 11, 2020 to December 31, 2020



Independent auditor's report

To the Board of Directors of Collective Mining Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Collective Mining Inc. and its subsidiaries (together, the Company) as at December 31, 2020 and its financial performance and its cash flows for the period from February 11, 2020 to December 31, 2020 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Company's consolidated financial statements comprise:

- the consolidated statement of financial position as at December 31, 2020;
- the consolidated statement of operations and comprehensive loss for the period from February 11, 2020 to December 31, 2020;
- the consolidated statement of cash flows for the period from February 11, 2020 to December 31, 2020; and
- the consolidated statement of changes in equity for the period from February 11, 2020 to December 31, 2020; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, Canada M5J 0B2
T: +1 416 863 1133, F: +1 416 365 8215

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Material uncertainty related to going concern

We draw attention to Note 2 in the consolidated financial statements, which describes events or conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards



will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
May 12, 2021

COLLECTIVE MINING INC.**Consolidated Statement of Financial Position**

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

	Note	As at December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	16(a)	\$ 1,717,385
Receivables and prepaid expenses	7	446,806
		2,164,191
<i>Non-current assets:</i>		
Equipment and other fixed assets	8	165,849
Intangible assets		7,536
		173,385
Total assets		\$ 2,337,576
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payables and accrued liabilities	16(a)	\$ 218,244
Other current liabilities	10	127,970
		346,214
Non-current liabilities:		
Lease liability	11	98,321
		98,321
		444,535
Equity:		
Share capital	17	3,050,813
Contributed surplus		542,698
Deficit		(1,700,470)
		1,893,041
Total liabilities and equity		\$ 2,337,576
Going concern	1	
Subsequent events	7(a), 9(c), 19, 22	
Commitments and contingencies	21	

The accompanying notes are an integral part of these consolidated financial statements.

COLLECTIVE MINING INC.**Consolidated Statement of Operations and Comprehensive Loss**

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

	Note		For the period from February 11, 2020 to December 31, 2020
Expenses			
Exploration and evaluation	20(a)	\$	(1,129,234)
General and administration	20(b)		(344,186)
Foreign exchange loss			(15,733)
Loss before finance items and income tax			(1,489,153)
Finance income(expense)			
Revaluation of warrants liability	12		(192,353)
Finance costs			(18,964)
			(211,317)
Net loss before income tax			(1,700,470)
Income tax			—
Net loss and comprehensive loss			(1,700,470)
Basic and diluted loss per common share	18	\$	(0.13)
Weighted average common shares outstanding, basic and diluted	18		12,925,095

The accompanying notes are an integral part of these consolidated financial statements.

COLLECTIVE MINING INC.**Consolidated Statement of Cash Flows**

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

	Note	For the period from February 11, 2020 to December 31, 2020
Cash flows used in operating activities		
Net loss		\$ (1,700,470)
Items not involving cash and cash equivalents:		
Foreign exchange loss		15,733
Share-based compensation		88,546
Depreciation and amortization	20	14,514
Revaluation of warrants liability	12	192,353
Accretion expense on lease liability	11	4,951
Net changes in working capital items:		
Receivables and prepaid expenses		(444,810)
Trade payables and accrued liabilities		207,833
		(1,621,350)
Cash flows from financing activities		
Cash proceeds from subscription of shares, net of share issue costs	17	2,673,385
Cash proceeds from warrant exercises	12, 17	413,521
Cash received from capital contributions	17(b)i	225,706
Loan payable and related party payable	10, 14(a)	77,494
Lease payments	11	(13,838)
		3,376,268
Cash flows used in investing activities		
Acquisition of fixed assets	8	(43,880)
Acquisition of intangible assets		(9,043)
		(52,923)
Net change in cash and cash equivalents during the year		1,701,995
Cash and cash equivalents, beginning of year		—
Foreign exchange effect on cash balances		15,390
Cash and cash equivalents, end of period		\$ 1,717,385

The accompanying notes are an integral part of these consolidated financial statements

COLLECTIVE MINING INC.

Consolidated Statement of Changes in Equity

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

	Note	Number of shares issued and outstanding	Share capital	Contributed surplus	Deficit	Total
Balance February 11, 2020		-	\$ -	\$ -	\$ -	-
Subscription of shares	17	18,817,465	2,687,107	-	-	2,687,107
Fair value of warrants issued	12, 17	-	(36,093)	-	-	(36,093)
Exercise of warrants	12, 17	2,800,000	413,521	228,446	-	641,967
Capital contributions	17(b)i	-	-	225,706	-	225,706
Share-based compensation	19, 20(b)	-	-	88,546	-	88,546
Share issue costs		-	(13,722)	-	-	(13,722)
Net loss for the period		-	-	-	(1,700,470)	(1,700,470)
Balance December 31, 2020		21,617,465	\$ 3,050,813	\$ 542,698	\$ (1,700,470)	\$ 1,893,041

The accompanying notes are an integral part of these consolidated financial statements.

COLLECTIVE MINING INC.

Notes to the Consolidated Financial Statements

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

Tabular dollar amounts represent United States ("U.S.") dollars, unless otherwise shown. References to C\$/CAD and COP are to Canadian dollars and Colombian pesos, respectively.

1. NATURE OF OPERATIONS AND GOING CONCERN

Collective Mining Inc. ("CMI") was incorporated under the Business Corporations Act (Ontario) on February 11, 2020 and is the holding company of the wholly-owned subsidiary Collective Mining (Bermuda) Ltd., a Bermuda company incorporated under the Bermuda Companies Act 1981. In addition, wholly-owned subsidiaries, incorporated in Colombia, hold certain exploration properties. CMI is controlled by a founding shareholder and the Executive Chairman of the Board of Directors.

The registered office for CMI is located at 40 King St. W. Suite #2100, Toronto, Ontario, Canada.

CMI and its subsidiaries (collectively referred to as the "Company") are principally engaged in the acquisition, exploration and development of mineral properties located in South America. The Company principally carries on business through an Ontario corporation and a foreign company branch office in Colombia.

To date, the Company has not generated any revenue from mining or other operations as it is considered to be in the exploration stage.

These consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"), with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation for the foreseeable future. These financial statements were prepared using generally accepted accounting principles that are applicable to a going concern.

For the period from February 11, 2020 to December 31, 2020, the Company reported a net loss of \$1,700,470 and cash applied to operating activities of \$1,621,350. As at December 31, 2020, the Company had a net working capital balance (being current assets less current liabilities) of \$1,817,977 and an accumulated deficit of \$1,700,470.

Capital and operating requirements have been primarily funded through equity financing. During the year, the Company received a total of \$3,086,906 from the issuance of shares and exercise of warrants, net of issue costs. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from existing shareholders and/or new shareholders or through other arrangements, complete sufficient public equity financing, or generate profitable operations in the future. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business, such adjustments could be material.

The Company is in the business of exploring for minerals that by its nature involves a high degree of risk. There can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to obtain financing or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis. As the Company is in its first year of operation, the Company may need additional capital to operate and develop its exploration projects. On February 26, 2021, an additional C\$14,000,000 of subscription receipts was raised through a non-brokered private placement (the "Offering") with an additional C\$1,000,000 of subscription receipts issued in March 2021 (See Note 22). The receipt of proceeds from the Offering is dependent on the completion of a business combination before May 31, 2021 (See Notes 6 and 22). These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

2. BASIS OF PREPARATION**Statement of Compliance**

The consolidated financial statements of the Company have been prepared in accordance with IFRS, issued and effective for the period from February 11, 2020 to December 31, 2020, applicable to companies reporting under IFRS, and have been consistently applied unless otherwise indicated.

These consolidated financial statements were approved and authorized by the Board of Directors of the Company on May 12, 2021.

Basis of Measurement

These consolidated financial statements have been prepared under the historical cost convention except for certain financial assets and financial liabilities, which are measured at fair value.

Basis of Consolidation**Subsidiaries**

Subsidiaries are entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date the control ceases. Any remaining interest in the entity is re-measured to fair value on the date when control is lost, with the change in carrying amount recognized in profit or loss.

The principal subsidiaries of the Company, their activities, and their geographic locations as at December 31, 2020 were as follows:

Name	Country of incorporation	Nature of business
Collective Mining (Bermuda) Ltd.	Bermuda	Exploration
Minerales Provenza SAS	Colombia	Intermediate holding company
Minera Campana SAS	Colombia	Exploration

Intercompany transactions, balances and unrealized gains and losses on transactions between group entities are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Company.

Functional and Reporting Currency

The functional currency of the Company and its subsidiaries is the U.S. dollar. Functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates ("IAS 21"). All financial information in these consolidated financial statements has been presented in U.S. dollars, except when otherwise indicated.

3. CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and expenditures on the financial statements. These estimates and assumptions are based on management's best knowledge of the relevant facts and circumstances, taking into account previous experience. Actual results could differ from those estimates and such differences could be material. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. Information about estimates, assumptions and other sources of estimation uncertainty as at December 31, 2020 that

COLLECTIVE MINING INC.

Notes to the Consolidated Financial Statements

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year are as follows:

(a) *Going concern assumption:*

Management is required to determine whether or not the going concern assumption is appropriate for the preparation of the consolidated financial statements at the end of each reporting period. Considerations taken into account are based upon the startup nature of its operations and information about the future including the availability of financing, the liquidity of its assets, current working capital balance, and future commitments of the Company.

(b) *Functional currency:*

Management is required to assess the functional currency of each entity of the Company. In concluding the functional currencies of the parent and its subsidiary companies, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. The Company also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained.

(c) *Warrants valuation:*

The fair value of warrants are estimated on the date of issue, on the date of exercise and on each financial reporting period using the Black-Scholes option pricing model. The fair value of the underlying shares is based on the share price from the most recent share issuance on the date of valuation. Expected volatility is based on historical volatility of comparable companies. The risk-free rate for the expected term of the option is based on the Government of Canada yield curve in effect on the date of valuation.

(d) *Share-based compensation:*

The Company provides compensation benefits to employees, directors and officers through a stock option plan. The fair value of each option award is estimated on the date of the grant using the Black-Scholes option pricing model. Expected volatility is based on historical volatility of comparable companies. Management judgement is utilized to estimate option exercises and forfeiture behaviour with the valuation model. The risk-free rate for the expected term of the option is based on the Government of Canada yield curve in effect at the time of the grant.

Risks and uncertainties

i. *Title to mineral interests:*

Although the Company takes steps to verify title to an area of interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

ii. *The potential impact of COVID-19:*

On March 11, 2020, the World Health Organization declared the outbreak of the novel coronavirus ("COVID-19") as a pandemic. The significant potential social and economic disruptions that have emerged as a result of the COVID-19 pandemic include:

- restrictions that governments impose to address the COVID-19 outbreak;
- restrictions that the Company, its contractors and its subcontractors impose to ensure the safety of employees and others;
- shortages and/or unexpected sickness of employees;
- unavailability of contractors and/or subcontractors;
- interruption of supplies from third parties upon which the Company relies; and
- unusually high levels of volatility in capital markets.

These could have a potential impact on the Company and its operations.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(a) Foreign currency translation**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or valuation where items are re-measured. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the period-end exchange rate. Non-monetary items which are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the initial recognition of the transaction. Revenue, expense items and capitalized exploration expenditures are translated using the rate at the date of the transaction, except for depreciation and amortization, which are translated at historic rates.

(b) Financial instruments***Measurement – Initial Recognition***

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, all financial assets and liabilities are recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as fair value through profit or loss ("FVTPL"). Transaction costs of financial assets and liabilities classified as at FVTPL are expensed in the period in which they are incurred.

Subsequent measurement of financial assets and liabilities depends on the classifications of such assets and liabilities. Management determines the classification on initial recognition.

Financial Assets

Financial assets are classified and measured at FVTPL, fair value through other comprehensive income ("FVOCI"), or amortized cost, as appropriate. The classification depends on the purpose for which the financial assets were acquired.

Financial assets are classified as FVTPL when the financial asset is either held for trading or is designated as FVTPL. Realized and unrealized gains and losses arising from changes in fair value are recognized in profit or loss. The Company's cash and cash equivalents are classified as financial assets at amortized cost.

Financial assets classified as FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election on initial recognition to measure the assets at FVOCI. The Company currently has no financial assets classified as FVOCI.

Financial assets at amortized cost are non-derivative financial assets that are held for collection of contractual cash flows, where those cash flows represent repayments of principal and interest. The Company's receivables are classified as financial assets at amortized cost.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangements.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL or the Company has elected to measure the financial liability at FVTPL. The Company's accounts payable and accrued liabilities, loan payable and related party payable are classified as financial liabilities at amortized cost.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized as proceeds received, net of direct issue costs.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

Derivatives

Derivative assets and liabilities include derivative financial instruments that do not qualify as hedges or are not designated as hedges and are classified as FVTPL.

Warrants

The Company had common share purchase warrants ("Warrants") denominated in Canadian dollars, which were classified as derivative financial liabilities and measured at fair value until the instruments were exercised or extinguished. Proceeds from unit placements were allocated between shares and Warrants issued on a pro-rata basis of their fair value within the unit. Fair value for the Warrants was determined using the Black-Scholes option pricing model. Incremental costs directly attributable to unit placements are allocated on a pro-rata basis between shares and Warrants, with the portion allocated to Warrants recognized as an expense in the statement of operations and comprehensive loss. Any gain or loss arising from the revaluation of a Warrant is recognized in profit or loss.

Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire or are transferred or when the Company no longer retains substantially all the risks and rewards of ownership. On derecognition, the difference between the carrying amount measured at the date of derecognition and consideration received is recognized in profit or loss, except for financial assets at FVOCI, for which the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in profit or loss.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand or on deposit with banks, short-term investments which are readily convertible into cash or which have maturities of 90 days or less.

(d) Properties, plant and equipment

Properties, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an asset consists of its purchase price, any directly attributable costs of bringing the asset to its present working condition and location for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of each asset is calculated using the straight-line method or units of production, as appropriate, to allocate its cost less its residual value over its estimated useful life, as follows:

Computer equipment	3 years
Exploration equipment and structures	5 years

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

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(All amounts expressed in U.S. Dollars, unless otherwise indicated)

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of operations and comprehensive loss.

(e) Exploration and evaluation expenditures, mineral interests and mineral development costs

Exploration and evaluation expenditures relate to those activities involving the search for mineral deposits with economic potential, the process of obtaining more information about existing mineral deposits, the determination of technical feasibility and the assessment of commercial viability of a mineral interest.

The Company expenses all exploration and evaluation expenditures, including all expenditures incurred under option agreements, within an area of interest until management determines the mineral interest to be technically feasible and commercially viable.

Technical feasibility and commercial viability of a mineral interest generally coincide with the establishment of proven and probable reserves; however, this determination may be impacted by management's assessment of certain modifying factors, including, but not limited to the status of environmental permit applications and the status of mining leases or permits. Upon demonstrating technical feasibility and commercial viability, all subsequent costs directly relating to the development and advancement of the related mineral interest are capitalized as mineral development costs within properties, plant and equipment.

(f) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date.

Right-of-use assets

The right-of-use asset is initially measured based on the initial amount of the lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Right-of-use assets are classified as other fixed assets in the consolidated statement of financial position.

The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

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The lease liability is measured at amortized cost using the effective interest method. The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. A corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero upon remeasurement of the liability.

(g) Provisions

Provisions are recognized when a present legal or constructive obligation exists as a result of past events, and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect is material, the provision is discounted using an appropriate credit-adjusted risk-free rate.

(h) Share capital and contributed surplus

Amounts received for the issuance of shares are recognized as an increase in share capital, including amounts received upon exercise of options or Warrants. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from share capital.

Proceeds from unit placements are allocated between shares and Warrants issued on a pro-rata basis of their fair value within the unit using the Black-Scholes option pricing model to determine fair value for the Warrants. Incremental costs directly attributable to unit placements are allocated on a pro-rata basis between shares and Warrants, with the portion allocated to shares recognized as a deduction from share capital.

Additional capital contributions received with no corresponding issuance of shares are recognized as contributed surplus. Upon exercise of warrants, the fair value of the warrants on the date of exercise are recognized in contributed surplus.

(i) Share-based payments

The Company has a stock option and a bonus share plan for its employees, directors and other eligible participants ("Participants").

Stock options are granted to Participants to purchase common shares at a price determined at the time of grant. Fair value for stock options granted is determined on grant date using the Black-Scholes option-pricing model. Share-based compensation expense is recorded over the period the options vest, with a corresponding increase to contributed surplus. The Company issues new common shares to satisfy stock option exercises, with the proceeds received, net of any directly attributable transaction costs, credited to share capital.

The fair value of share issued under the bonus share plan are determined based on the market price of the shares on the date of issue and are recognized as share-based compensation expense, with a corresponding increase to contributed surplus.

(j) Loss per share

Basic loss per share is computed by dividing loss attributable to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of outstanding options and their equivalents are reflected in diluted earnings per share by application of the treasury stock method. The treasury stock method calculates the dilutive effect of share options assuming that the proceeds to be received on the exercise of share options are applied to repurchase common shares at the average market price of the period.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

(k) Income taxes

Current income taxes are recognized for the estimated income taxes payable or recoverable for the current year. Deferred income tax assets and liabilities are recognized for temporary differences between the tax and accounting bases of assets and liabilities. Deferred income tax assets and liabilities are measured using substantially enacted tax rates that apply for the years in which the temporary differences are expected to be recovered or settled. Deferred income tax assets are recognized to the extent that it is probable that the asset will be realized.

5. NEW ACCOUNTING STANDARDS

The following revised standards and amendments, unless otherwise stated, are effective on or after January 1, 2021, with early adoption permitted, and have not been applied in preparing these consolidated financial statements. The Company does not plan to adopt any of these standards before they become effective.

- (a) IAS 1, Presentation of Financial Statements ("IAS 1") was amended to clarify the classification of liabilities between current and noncurrent to be based on the rights that exist at the end of the reporting period and that such classification is unaffected by the expectations of the entity or events after the reporting date. The changes must be applied retrospectively in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") and are effective on or after January 1, 2023.

The Company does not expect an impact to its consolidated financial statements on adoption.

- (b) IAS 16, Property, Plant and Equipment ("IAS 16") was amended to prohibit the deduction of proceeds from the sale of items produced from an item of property, plant and equipment while the entity is preparing the asset for its intended use. IAS 16 further clarifies that the financial performance of the asset is not relevant in the assessment of the technical and physical performance of the asset. The changes are effective on or after January 1, 2022.

The Company does not expect an impact to its consolidated financial statements on adoption.

6. BUSINESS TRANSACTION

On November 30, 2020, the Company signed a letter of intent to complete a transaction with POCML 5 Inc. ("POCML"), a company listed on the Toronto Stock Venture Exchange (the "TSXV"), on or prior to May 31, 2021 and subject to certain customary conditions precedents including the requirement for a business combination agreement being entered into on or before February 26, 2021. (See also Note 22).

7. RECEIVABLES AND PREPAID EXPENSES

Receivables and prepaid expenses are made up of the following:

As at	December 31, 2020
	\$
Exploration deposit (a)	396,961
Other receivables (b)	8,784
Prepaid expenses	41,061
	446,806

(a) Exploration deposit

The exploration deposit was paid on December 23, 2020 to third parties. On January 4, 2021, upon completion of an option agreement with the Company in relation to property within the Guayabales Project (the "Second Guayabales Option") (see Note 9(c)), the deposit was applied to the option payments required within the agreement.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

(b) Other receivables

Included in other receivables is \$8,769 of Harmonized Sales Tax ("HST") refund receivable in Canada.

8. EQUIPMENT AND OTHER FIXED ASSETS

Equipment and other fixed assets consist of the following:

	Exploration Equipment and Structures	Computer Equipment	ROU Assets (a)	Total
	\$	\$	\$	\$
Net book value, February 11, 2020	—	—	—	—
Additions	22,067	21,813	135,887	179,767
Disposals	—	—	—	—
Depreciation (b)	(1,752)	(842)	(11,324)	(13,918)
Net book value, December 31, 2020	20,315	20,971	124,563	165,849
Balance, December 31, 2020				
Cost	22,067	21,813	135,887	179,767
Accumulated depreciation	(1,752)	(842)	(11,324)	(13,918)
Balance, December 31, 2020	20,315	20,971	124,563	165,849

(a) Right of use assets

Right of use assets are comprised of vehicle leases with terms of 3 years. The value of additions is determined as the present value of lease payments at the inception of the lease (see Note 11).

(b) Depreciation

Depreciation expense of \$13,833 and \$85, respectively, was recognized within exploration and evaluation expenses and general and administration expenses, respectively, in the consolidated statement of operations and comprehensive loss for the period from February 11, 2020 to December 31, 2020.

9. MINERAL INTERESTS**(a) Guayabales Project**

On June 24, 2020, the Company entered into an option agreement with a third party to explore, develop and acquire property within the Guayabales Project (the "First Guayabales Option"). The Guayabales Project is located in the Middle Cauca belt in the Department of Caldas, Colombia.

The Company has the option to terminate the agreement at any time, upon notification to the optionor. As a result, the Company has not recognized any option payments payable in the future under the agreement in the consolidated statement of financial position.

The terms of the agreement are as follows:

i. Phase 1:

The Company must incur a minimum of \$3,000,000 of exploration and evaluation expenditures in respect of property within the First Guayabales Option and total option payments of \$2,000,000 over a maximum four-year term ending on or before June 24, 2024, to proceed to Phase 2 of the agreement.

COLLECTIVE MINING INC.

Notes to the Consolidated Financial Statements

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

For the period from February 11, 2020 to December 31, 2020, the Company has recognized \$831,778, including option payments of \$350,000, as exploration and evaluation expense in the consolidated statement of operations in respect of Phase I of the First Guayabales Option.

ii. Phase 2:

To acquire a 90% interest in the property within the First Guayabales Option, the Company must incur a minimum of \$10,000,000 of exploration and evaluation expenditures in respect of such property and total option payments \$2,000,000, payable in equal instalments of \$166,666 semi-annually over a maximum six-year term, commencing at the end of Phase 1.

iii. Phase 3:

To acquire the remaining 10% interest in the property within the First Guayabales Option, the Company has the following options:

- acquire 0.625% each year to a total of 10% by paying \$250,000 semi-annually, commencing at the end of Phase 2, to a total of \$8,000,000 in lieu of the NSR;
- pay a one-time payment of \$8,000,000 in lieu of the NSR; or
- provide notice that the Company has elected to pay a 1% NSR commencing on the first calendar day of each month after 85% of the processing plant capacity has been achieved in exchange for the remaining 10% interest.

In addition, the Company is required to fund and complete all development and construction activities to bring the project to commercial production.

(b) San Antonio Project

On July 9, 2020, the Company entered into an option agreement with a third party to acquire the San Antonio Project. The San Antonio project is located approximately 80km south of Medellín. It is situated in the Middle Cauca belt in the Department of Caldas, Colombia.

The option agreement provides the Company the right to explore, develop and acquire the property over a seven-year term, expiring on July 9, 2027, for total payments over the term of the agreement of \$2,500,000. The Company has the option to pay an additional \$2,500,000 to the optionor upon reaching commercial production in exchange for the 1.5% NSR.

The exploration and development program, including the amount of expenditures, is at the sole discretion of the Company during the term of the agreement.

For the period from February 11, 2020 to December 31, 2020, the Company has paid \$30,000 of option payments under the option agreement for the San Antonio Project, which were recognized as exploration and evaluation expense in the consolidated statement of operations.

As the Company has the option to terminate the agreement at any time, upon notification to the optionor, the Company has not recognized any option payments payable in the future under the agreement in its consolidated statement of financial position.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

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(All amounts expressed in U.S. Dollars, unless otherwise indicated)

(c) Guayabales Project – Subsequent Event

On January 4, 2021, the Company entered into the Second Guayabales Option with another third party to explore, develop and acquire additional property within the Guayabales Project.

The terms of the agreement are as follows:

i. Phase 1:

The option agreement provides the Company the right to explore the property within the Second Guayabales Option over a four-year term, expiring on January 2, 2025, for total payments over the term of the agreement of \$1,750,000, with minimum payments of \$700,000 if the agreement is terminated on or before June 2, 2021 or \$1,000,000 if the agreement is terminated on or before January 3, 2022.

ii. Phase 2:

The option agreement provides the Company the right to explore the property within the Second Guayabales Option over a second four-year term between January 2, 2025 to January 2, 2029 for total payments over the term of \$1,000,000.

iii. Phase 3:

Upon completion of Phase 2, the Company is required to pay a total of \$4,300,000 over a two-year period ending on January 2, 2030 to acquire 100 percent of the property within the Second Guayabales Option.

The Company has the option to terminate the agreement at any time, upon notification to the optionor.

10. OTHER CURRENT LIABILITIES

Other current liabilities is made up of the following:

As at	Note	December 31, 2020
		\$
Loan payable (a)		76,477
Related party loan payable	14(a), 16(a)	6,973
Current portion of lease liabilities	11	44,520
		127,970

- (a) During the period from February 11, 2020 to December 31, 2020, the Company received a loan of \$154,504. The loan is subject to interest payable at an annualized rate of 10.03% and is payable on demand. For the period ended December 31, 2020, the Company incurred interest of \$2,606 in respect of the loan, which is recognized within finance costs on the consolidated statement of operations and comprehensive loss.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

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11. LEASE LIABILITIES

As at (in thousands of U.S. dollars)	December 31, 2020
	\$
Balance, February 11, 2020	–
New leases during the period	135,887
Lease payments	(13,838)
Interest accretion expense	4,951
Foreign exchange	15,841
Balance, December 31, 2020	142,841
Current portion	(44,520)
Long-term portion	98,321

The lease liabilities were measured on inception of the lease at the present value of the lease payments over the lease term, discounted using a discount rate of 15.28%, based on the Company's incremental borrowing rate.

Interest accretion expense or amortization of the discount on the lease liability is charged to the consolidated statement of operations and comprehensive loss using the effective interest method.

During the period from February 11, 2020 to December 31, 2020, the Company recognized \$10,179 as lease expense within exploration and evaluation expenses relating to lease contracts with terms of 12 months or less.

12. WARRANTS

The following is summary of Warrants issued and exercised during the period from February 11, 2020 to December 31, 2020:

Expiry date	Exercise price	Number of warrants	Fair value on issuance	Fair value on exercise	Loss
	C\$		\$	\$	\$
June 5, 2021 (a)	0.10	4,800,000	35,909	168,028	(132,119)
September 12, 2020 (b)	0.20	400,000	184	60,418	(60,234)
		5,200,000	36,093	228,446	(192,353)

Under IFRS, Warrants are classified as derivative financial liabilities as warrants are denominated in Canadian dollars. Fair values of Warrants were determined using the Black-Scholes option pricing model using observable inputs and are therefore classified as level 2 within the fair value hierarchy.

- (a) On May 25, 2020, the Company issued 4,800,000 Warrants (see Note 17(b)ii and Note 17(b)iii). Each Warrant had an exercise price of C\$0.10 per share and an expiry date of June 5, 2021. The issue date fair value of the Warrants was \$35,909. In June 2020, all such Warrants were exercised, resulting in the recognition of a derivative loss of \$132,119 in the consolidated statement of operations and comprehensive loss.
- (b) On August 12, 2020, the Company issued 400,000 Warrants (see Note 17(b)iv). Each Warrant had an exercise price of C\$0.20 per share and an expiry date of June 5, 2021. The issue date fair value of the Warrants was \$184. In September 2020, all such Warrants were exercised, resulting in the recognition of a derivative loss of \$60,234 in the consolidated statement of operations and comprehensive loss.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

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- (c) The following is the range of assumptions used to value the above-noted Warrants for the period from February 11, 2020 to December 31, 2020:

For the period from February 11, 2020 to	December 31, 2020
Weighted average risk-free interest rate	0.26%
Weighted average dividend yield	Nil
Weighted average stock price volatility	130%
Period to expiry on date of exercise (years)	0.88

13. INCOME TAXES

The Company is incorporated in Ontario, Canada and is subject to income taxes at a combined federal and provincial statutory rate as at December 31, 2020 of 26.5%. The Company's subsidiaries in Colombia are subject to income taxes at a rate of 32% in 2020, 31% in 2021 and 30% in 2022 and thereafter.

The Company and its subsidiaries have not generated any taxable profit in 2020. As the Company is in the exploration stage, it is not probable that any tax benefit from available tax losses and tax assets will be realized in the future and therefore, has not recognized their effect in the consolidated statements as at December 31, 2020.

Tax losses and tax assets available in Canada and Colombia to reduce income taxes payable in the future, for which the effect has not been recognized in the consolidated financial statements as at December 31, 2020 are as follows:

As at	December 31, 2020	Expiry Date
	\$	
Tax loss – Colombia	1,084,000	2032
Fixed and intangible assets – Colombia	53,000	2025
Tax loss – Canada	321,000	2040

Underlying tax losses and tax assets in Colombia and Canada are denominated in Colombian pesos and Canadian dollars, respectively.

The Company's entities in Colombia are subject to a minimum tax requirement based on the relevant entity's taxable equity for the prior year, (the "presumptive tax"). As the 2020 fiscal year for the Company's Colombian entities generated only tax losses and represents their first year of operation, no presumptive tax is payable as at December 31, 2020.

14. RELATED PARTY TRANSACTIONS

Related parties include management, the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

The following related party transactions were conducted in the normal course of operations:

- (a) During the period from February 11, 2020 to December 31, 2020, an officer and employee of the Company incurred expenditures totaling \$165,816, included within exploration and evaluation expenses (see Note 20(a)), on behalf of the Company at an interest rate of 27%, which was reimbursed. The amounts advanced were considered as a loan to the Company with interest payable at an annualized rate of 13.48% and is payable on demand. For the period ended December 31, 2020, the Company incurred interest of \$6,884 in respect of the loan from the employee. As at December 31, 2020, \$6,973 is payable to the employee in respect of the loan.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

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(b) Compensation of key management personnel

Key management includes directors, the president chief executive officer (“CEO”) and the chief financial officer (“CFO”). The remuneration of members of key management personnel were as follows:

	December 31, 2020
For the period from February 11, 2020 to	\$
Management salaries and benefits	63,458
Share-based payments	39,429
	102,887

15. FINANCIAL INSTRUMENTS**Financial Instrument Disclosures**

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement and the bases for recognition of income and expenses) for each class of financial asset and financial liability are disclosed in Note 4. The carrying values for financial assets and liabilities of cash and cash equivalents, receivables, accounts payable and accrued liabilities, loan payable and related party payable approximate their fair values as at December 31, 2020.

There were no transfers between the fair value hierarchy during the year ended December 31, 2020.

16. FINANCIAL AND CAPITAL RISK MANAGEMENT**(a) Financial Risk Management**

The Company’s activities expose it to a variety of financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

Risk management is carried out by the Company’s management with guidance from and policies approved by the Board of Directors.

Financial risk factors***Foreign currency risk***

Foreign currency risk arises from future commercial transactions and recognized assets and liabilities denominated in currency that is not the entity’s functional currency. The Company’s functional currency is the U.S. dollar. The Company conducts some of its operating, financing and investing activities in currencies other than the U.S. dollar. The Company is therefore subject to gains and losses due to fluctuations in these currencies relative to the U.S. dollar. The Company does not use derivative instruments to hedge exposure to foreign exchange risk.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

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The Company had the following foreign currency balances:

As at December 31, 2020	Foreign Currency	Foreign Balance	\$
Cash and cash equivalents	COP (000's)	852,871	248,469
Cash and cash equivalents	CAD	1,801,983	1,415,540
Receivables	COP (000's)	50,000	15
Receivables	CAD	9,302	7,307
Accounts payable and accrued liabilities	COP (000's)	(300,032)	(87,409)
Accounts payable and accrued liabilities	CAD	(17,543)	(13,766)
Loan payable	COP (000's)	(262,507)	(76,477)
Related party payable	COP (000's)	(23,934)	(6,973)

Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. The Company has no significant concentration of credit risk arising from its properties. The majority of the Company's cash and cash equivalents are held with banks in Canada. Funds held in banks in Colombia are limited to forecasted 90-day cash requirements. The Company limits material counterparty credit risk on these assets by dealing with financial institutions with credit ratings of at least "A" or equivalent, or those which have been otherwise approved. Receivables mainly consist of receivables for refundable commodity taxes in Canada. Management believes that the credit risk concentration with respect to remaining amounts receivable is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity. The Company manages its liquidity risk by proactively mitigating exposure through cash management, including forecasting its liquidity requirements with available funds and anticipated investing and financing activities.

As at December 31, 2020, the cash balance of \$1,717,385 will not be sufficient to meet its obligations in respect of its current liabilities of \$346,214 and anticipated exploration, evaluation and administrative expenditures over the next twelve months. Thus, continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from existing shareholders and/or new shareholders or through other arrangements, complete sufficient public equity financing, or generate profitable operations in the future.

Interest rate risk

Interest rate risk is the impact that changes in interest rates could have on the Company's earnings and liabilities. The Company's cash balances are not subject to significant interest rate risk as balances are current.

(b) Capital Management

The Company manages its capital to maintain its ability to continue as a going concern in order to pursue the exploration and evaluation of its mineral interests. The Company mainly relies on equity issuances to raise new capital. The capital structure of the Company includes the components of equity as well as cash and cash equivalents.

COLLECTIVE MINING INC.

Notes to the Consolidated Financial Statements

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

The Company prepares annual estimates of exploration and administrative expenditures and monitors actual expenditures compared to estimates to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company maintains its cash in highly liquid short-term deposits which can be liquidated immediately without interest or penalty.

The Company anticipates a need to raise additional financing to cover its exploration and administrative costs for the next twelve months.

The Company's overall strategy with respect to capital risk management has remained consistent for the period from February 11, 2020 to December 31, 2020.

17. SHARE CAPITAL

(a) Authorized

Authorized share capital consists of an unlimited number of common shares without par value. All issued shares are fully paid. No dividends have been paid or declared by the Company since inception.

(b) Issued

During the year ended December 31, 2020, the Company issued shares resulting from the following transactions:

- i. On March 16, 2020, the Company issued 20,000,000 common shares at a price of C\$0.005 per share for total proceeds of C\$100,000 (\$71,564). Subsequently, the Company received capital contributions totaling \$300,000 (\$225,706) from the shareholders, effectively increasing the price per share to C\$0.02 on a pre-consolidation basis. The additional capital contribution was recognized in contributed surplus in the consolidated statement of financial position.
- ii. On May 25, 2020, the Company issued 4,800,000 units at a price of C\$0.05 per unit for total proceeds of C\$240,000 (\$171,625). Each unit is comprised of one common share and one Warrant with an exercise price of C\$0.10. The increase in share capital was \$135,716, being the total proceeds less the fair value of the warrants on the date of issue (See Note 12(a)).

In June 2020, the Company issued 4,800,000 common shares and received total proceeds of C\$480,000 (\$353,105) as a result of the exercise of the related Warrants. (See Note 12(a)).

- iii. On August 5, 2020, the Company completed a share consolidation of the common shares on the basis of 2 pre-consolidation shares for 1 post-consolidated common share. All share amounts for 17(b)(i) and 17(b)(ii) are presented on the consolidated statement of changes in equity as post-consolidated shares.
- iv. On August 12, 2020, the Company issued 400,000 units at a price of C\$0.10 per unit for total proceeds of C\$40,000 (\$30,180). Each unit is comprised of one common share and one Warrant with an exercise price of C\$0.20. The increase in share capital was \$29,996, being the total proceeds less the fair value of the warrants on the date of issue (See Note 12(b)).

In September 2020, the Company issued 400,000 common shares and received total proceeds of C\$80,000 (\$60,416) as a result of the exercise of the related Warrants (See Note 12(b)).

- v. Effective November 13, 2020, the Company issued 2,500,000 common shares at a price of C\$0.40 per share for total proceeds of C\$1,000,000 (\$761,035).
- vi. In December 2020, the Company issued 3,517,465 common shares at a price of C\$0.60 per share for total proceeds of C\$2,110,479 (\$1,652,703).

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

18. EARNINGS PER SHARE**(a) Basic**

Basic earnings (loss) per share are calculated by dividing net income (loss) attributable to equity holders of the Company by the weighted average number of common shares outstanding during the period from February 11, 2020 to December 31, 2020.

	December 31, 2020
For the period from February 11, 2020 to	
Net loss	\$ (1,700,470)
Weighted average number of common shares outstanding	12,925,095
Basic net loss per common share	\$ (0.13)

(b) Diluted

The Company incurred a net loss for the period from February 11, 2020 to December 31, 2020. Therefore, all outstanding stock options and share warrants have been excluded from the calculation of diluted loss per share since the effect would be anti-dilutive.

19. SHARE BASED PAYMENTS

The Company adopted a stock option and bonus share plan (the "Plan") pursuant to the Securities Act of Ontario (the "Act"). The aggregate maximum number of shares reserved for issuance under the Plan and all other security-based compensation arrangements (together "Share Compensation Arrangements") at any given time is 10% of the Company's issued and outstanding shares as at the date of the grant of the Share Compensation Arrangement. Any shares subject to a stock option under the Plan which have been exercised, cancelled, repurchased, expired or terminated in accordance with the Plan will again be available under the Plan. Any issuance of shares pursuant to the grant of bonus shares shall automatically replenish the number of shares issuable under the Plan.

The aggregate number of Shares that may be issued to an insider, as defined in the Act (an "Insider"), within any 12-month period, or issuable to Insiders at any given time under all Share Compensation Arrangements, shall not exceed 10% of the total number of Shares then issued and outstanding. The aggregate number of Shares reserved for issuance pursuant to the Plan granted to any one person or entity within any 12-month period under all Share Compensation Arrangements shall not exceed 5% of the total number of Shares then outstanding.

The aggregate number of options granted to any one non-employee director within any one-year period under this Plan shall not exceed a maximum value of C\$150,000. The value of options granted under this Plan are calculated using the Black-Scholes option pricing model.

Under the Plan, the Company may grant to directors, officers, employees and consultants stock options to purchase Common Shares of the Company. Stock options granted under the Plan will be for a term not to exceed 10 years.

The continuity of stock options during the year ended December 31, 2020 is as follows:

	Number of stock options	Weighted average exercise price C\$
Outstanding, February 11, 2020	—	—
Granted	2,220,000	0.37
Exercised	—	—
Expired/cancelled	(100,000)	(0.20)
Outstanding, December 31, 2020	2,120,000	0.37

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

The following table summarizes information about stock options outstanding and exercisable as at December 31, 2020:

Exercise price (C\$)	Expiry Date	Number of options outstanding	Number of options exercisable
0.20	August 19, 2022	1,125,000	—
0.20	August 27, 2022	75,000	—
0.60	December 16, 2023	920,000	—
0.37		2,120,000	—

The options granted for the period from February 11, 2020 to December 31, 2020 were valued using the Black-Scholes option pricing model with the following weighted average grant date assumptions:

For the period from February 11, 2020 to	December 31, 2020
Number of stock options granted	2,220,000
Weighted average grant date fair value	\$0.18
Weighted average exercise price	C\$0.37
Weighted average market price	\$0.28
Weighted average risk-free interest rate	0.27%
Weighted average dividend yield	Nil
Weighted average stock price volatility	130%
Weighted average forfeiture rate	Nil
Weighted average expected life in years	1.70

Options granted for the period from February 11, 2020 to December 31, 2020 have vesting terms of 50% every six months from the date of grant and a two-year term.

On January 5, 2021, 500,000 options were modified whereby vesting of such options were accelerated to January 5, 2021 and immediately exercised.

20. EXPENSES BY NATURE**(a) Exploration and evaluation**

Exploration and evaluation expense for the period from February 11, 2020 to December 31, 2020 is made up of the following:

For the period from February 11, 2020 to	December 31, 2020
	\$
Option payments and fees	440,035
Field costs, surveys and other	266,073
Consulting and professional fees	161,969
Salaries and benefits	118,717
Assaying	89,857
Transportation and meals	28,680
Depreciation and amortization	14,429
Security	9,474
	1,129,234

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

(b) General and administration

General and administration expense for the period from February 11, 2020 to December 31, 2020 is made up of the following:

For the period from February 11, 2020 to	December 31, 2020
	\$
Consulting and professional fees	114,371
Salaries and benefits	96,375
Share-based compensation	88,546
Office administration	29,053
Travel and entertainment	11,339
Directors fees and expenses	3,000
Investor relations	1,417
Depreciation	85
	344,186

21. COMMITMENTS, OPTION AGREEMENTS AND CONTINGENCIES**Commitments**

As at December 31, 2020, the Company had the following contractual commitments and obligations:

	Total	Less than 1 Year	Years 2 – 5	After 5 Years
	\$	\$	\$	\$
Lease liability commitments (a)	173,799	62,089	111,710	–
Other lease commitments (b)	20,058	20,058	–	–
	193,857	82,147	111,710	–

(a) Lease liability commitments represent contractual lease payments payable over future periods in respect of lease liabilities recognized.

(b) Other lease commitments represent lease contracts for a warehouse and housing for exploration employees for terms of 12 months or less.

Option Agreements

The Company has the option to terminate its option agreements at any time. Future expenditures are therefore dependent on the success of exploration and development programs and a decision by management to continue or exercise its option(s) for the relevant project and agreement.

As at December 31, 2020, the expected timing of expenditures, including option payments, in respect of the Company's option agreements are as follows:

	Total	Less than 1 Year	Years 2 – 5	After 5 Years
	\$	\$	\$	\$
San Antonio Option (c)	2,470,000	50,000	920,000	1,500,000
First Guayabales Option (d)	4,168,222	900,000	3,268,222	–
	6,638,222	950,000	4,188,222	1,500,000

(c) Excludes payments additional option payment or NSR upon reaching commercial production.

(d) Amounts disclosed relate only to payments under Phase I of the agreement. Timing of remaining required exploration expenditures under Phase I of the agreement are estimated by management.

COLLECTIVE MINING INC.**Notes to the Consolidated Financial Statements**

For the period from February 11, 2020 to December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

Environmental Contingencies

The Company's exploration activities are subject to Colombian laws and regulations governing the protection of the environment. These laws are subject to change and may generally become more restrictive. The Company may be required to make future expenditures to comply with such laws and regulations, the amounts for which are not determinable and have not been recognized in the consolidated financial statements.

22. SUBSEQUENT EVENTS

On February 26, 2021, the Company and POCML entered into a business combination agreement whereby POCML will acquire all the issued and outstanding shares of the Company through a three-cornered amalgamation and resulting in a reverse take-over of POCML by the Company (the "Transaction"). Application has been made to have the resulting issuer company (the "Resulting Issuer") categorized as a Tier 2 mining issuer on the TSXV upon completion of the Transaction.

Upon closing of the Transaction, the issued and outstanding common shares of the Company prior to the Transaction will be exchanged on a one for one basis of the Resulting Issuer while every four issued and outstanding share of POCML prior to the Transaction will be exchanged for one common share of the Resulting Issuer. In addition, the proposed management and directors of the Resulting Issuer are to be appointed by the Company.

In conjunction with the Transaction, on February 26, 2021, the Company and POCML closed C\$14,000,000 of a total of a C\$15,000,000 non-brokered private placement in the form of subscription receipts ("Subscription Receipts") at a price of C\$1.00 per Subscription Receipt (the "Offering"). The remaining C\$1,000,000 closed in March 2021. However, proceeds from the Offering will remain in escrow until closing of the Transaction. If the Transaction is not completed before May 31, 2021, all proceeds will be refunded to the investors.



MANAGEMENT DISCUSSION AND ANALYSIS

Of Results of Operation and Financial Condition

For the period from February 11, 2020 to December 31, 2020

The following management discussion and analysis ("MD&A") of the consolidated operations and financial position of Collective Mining Inc. ("CMI" or the "Company") and its subsidiaries for the period from February 11, 2020 to December 31, 2020 should be read in conjunction with the Company's audited consolidated financial statements and related notes for the period from February 11, 2020 to December 31, 2020. The audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Management is responsible for the preparation of the consolidated financial statements and other financial information relating to the Company included in this report. The information included in this MD&A is as of May 12, 2021, the date when the Board of Directors approved the Company's audited consolidated financial statements for the period from February 11, 2020 to December 31, 2020. All monetary amounts included in this report are expressed in United States ("U.S.") dollars ("US\$"), the Company's reporting and functional currency, unless otherwise noted. References to C\$ and COP are to Canadian dollars and Colombian pesos, respectively. This MD&A contains forward-looking information and should be read in conjunction with the risk factors described in the "Caution Regarding Forward-Looking Information" section.

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DESCRIPTION OF BUSINESS

Collective Mining Inc. ("CMI") and its subsidiaries (collectively referred to as the "Company") is an early-stage exploration company and is principally engaged in the acquisition, exploration and development of mineral properties located in South America.

CMI was incorporated under the Business Corporations Act (Ontario) on February 11, 2020 and the registered office is located at 40 King St. W. Suite #2100, Toronto, Ontario, Canada.

The Company currently holds mining applications and option agreements to explore and acquire two exploration projects in Colombia, South America.

2020 SUMMARY AND HIGHLIGHTS

2020 Highlights

- On June 24, 2020, the Company entered into an option agreement to explore, develop and acquire up to 100 percent of property within the Guayabales Project (the "First Guayabales Option") for total option payments of \$4 million and required exploration and evaluation expenditures of \$13 million, payable over two phases expiring on June 24, 2030. The final 10% interest may be acquired for a 1% NSR, a lump sum payment of \$8 million or by acquiring 0.625% annually to a total of 10% for semi-annual payments of \$0.25 million to a total of \$8 million.
- On July 9, 2020, the Company entered into an option agreement to explore, develop and acquire 100 percent of the San Antonio Project for total payments of \$2.5 million on or before July 9, 2027 and an additional \$2.5 million upon reaching commercial production in exchange for the 1.5% NSR.
- On November 30, 2020, the Company signed a letter of intent to complete a reverse takeover transaction with POCML 5 Inc., on or prior to May 31, 2021, resulting in the Company's shares trading on the Toronto Stock Venture Exchange ("TSXV").

2020 Operating and Financial Results

- Net loss for the period from February 11, 2020 to December 31, 2020 was \$1.7 million (\$0.13 per share).
- Exploration expense from February 11, 2020 to December 31, 2020 was \$1.1 million including \$0.3 million and \$0.8 million, respectively, relating to the San Antonio and Guayabales projects.
- Operating cash outflow and net financing cash inflow for the period from February 11, 2020 to December 31, 2020 was \$1.6 million and \$3.4 million, respectively.
- A total of \$3.1 million was raised through private equity financing (including warrant exercises) for the period from February 11, 2020 to December 31, 2020.
- Cash and cash equivalents at December 31, 2020 was \$1.7 million.

Events subsequent to 2020

- On January 2, 2021, the Company entered into an additional option agreement to explore, develop and acquire additional property within the Guayabales Project (the "Second Guayabales Option") for total option payments of \$7.1 million and expiring on January 2, 2030 and including required minimum payments of \$0.7 million if the agreement is terminated on or before June 2, 2021 or \$1 million if the agreement is terminated on or before January 3, 2022.
- On January 21, 2021, the Company announced a non-brokered private placement for aggregate gross proceeds of a minimum of C\$10 million and a maximum of C\$15 million.
- On February 26, 2021, C\$14 million of a total C\$15 million non-brokered private placement closed at a price of C\$1.00 per subscription receipt. The remaining C\$1 million closed in March 2021. The receipt of proceeds from the Offering is dependent on the completion of a business combination before May 31, 2021.
- On February 26, 2021, the Company entered into a business combination agreement with POCML which will result in the reverse take-over of POCML by the Company.

BUSINESS TRANSACTION

On November 30, 2020, the Company signed a binding letter of intent to complete a transaction with POCML 5 Inc. ("POCML"), a company listed on the Toronto Stock Venture Exchange (the "TSXV"), on or prior to May 31, 2021 and subject to certain customary conditions precedents including the requirement for a business combination agreement being entered into on or before February 26, 2021.

On February 26, 2021, the Company and POCML entered into a business combination agreement whereby POCML will acquire all the issued and outstanding shares of the Company through a three-cornered amalgamation (the "Transaction"). The Transaction will result in a reverse take-over of POCML by the Company and will constitute POCML's Qualifying Transaction pursuant to TSXV Policy 2.4. Application has been made to have the resulting issuer company (the "Resulting Issuer") categorized as a Tier 2 mining issuer on the TSXV upon completion of the Transaction.

Upon closing of the Transaction, the issued and outstanding common shares of the Company ("Common Shares") prior to the Transaction will be exchanged on a one for one basis of the Resulting Issuer while every four issued and outstanding shares of POCML prior to the Transaction will be exchanged for one common share of the Resulting Issuer. In addition, the proposed management and directors of the Resulting Issuer are to be appointed by the Company.

The Company also announced on January 21, 2021 a non-brokered private placement for aggregate gross proceeds of a minimum of C\$10 million and up to C\$15 million in the form of subscription receipts ("Subscription Receipts") at a price of C\$1.00 per Subscription Receipt (the "Offering"). On February 26, 2021, the Company and POCML closed C\$14 million of the total C\$15 million non-brokered private placement with the remaining C\$1 million closed in March 2021.

Upon closing of the Transaction, the holder of each Subscription Receipt (on a post-consolidation basis) will hold one unit in the capital of the Resulting Issuer (a "Resulting Issuer Unit"). Each Resulting Issuer Unit shall consist of one common share of the Resulting Issuer (a "Resulting Issuer Share") and one-half share purchase warrant of the Resulting Issuer (each whole warrant, a "Resulting Issuer Warrant"). Each Resulting Issuer Warrant will have an exercise price of C\$2.00 per Resulting Issuer Share for a period of 36 months from the close of the Transaction, subject to an accelerated expiry option.

The Offering is subject to the satisfaction or waiver of all conditions precedent to the completion of the Transaction (the "Release Condition"). If the Release Condition has not been met prior to May 31, 2021, holders of the Subscription Receipts will be refunded the gross proceeds paid for the Subscription Receipts plus interest and the Subscription Receipts will immediately become null, void and of no further force or effect.

In connection with the Offering, eligible finders will be issued 535,500 Resulting Issuer Units representing 5% of the number of Subscription Receipts placed by such eligible finders (the "Finders' Units"). The Finders' Units are considered a cost of the issuance of the private placement.

It is expected that following the completion of the Transaction and the Offering, 37,117,465 Resulting Issuer Shares will be held by shareholders of the Company prior to the Transaction and purchasers in the Offering, representing approximately 55% and 38%, respectively, of the Resulting Issuer Shares. Shareholders of POCML prior to the Transaction will hold approximately 7% of the Resulting Issuer Shares.

EXPLORATION SUMMARY

The following is a summary of exploration expenditures incurred for the period from February 11, 2020 to December 31, 2020:

For the period from February 11, 2020 to December 31, 2020	San Antonio	Guayabales	Corporate ¹	Total Exploration
				\$
Option payments and fees	38,628	396,583	4,824	440,035
Field costs, surveys and other	117,338	273,164	1,521	266,073
Consulting and professional fees	5,833	30,186	–	161,969
Salaries and benefits	57,772	57,772	3,173	118,717
Assaying	36,466	53,391	–	89,857
Transportation and meals	8,730	8,730	11,220	28,680
Depreciation and amortization	7,214	7,215	–	14,429
Security	4,737	4,737	–	9,474
	276,718	831,778	20,738	1,129,234

¹ Corporate exploration relates to the evaluation of properties prior to the acquisition of the property or entering into an option agreement in respect of the property and general costs not directly attributable to a project.

San Antonio Project

On July 9, 2020, the Company entered into an option agreement with a third party to acquire the San Antonio Project. The San Antonio Project is located approximately 80km south of Medellín and is situated in the Middle Cauca belt in the Department of Caldas, Colombia.

The option agreement provides the Company the right to explore, develop and acquire 100 percent of the property over a seven-year term, expiring on July 9, 2027, for total payments over the term of the agreement of \$2.5 million. The Company has the option to pay an additional \$2.5 million to the optionor upon reaching commercial production in exchange for the 1.5% NSR.

Option payments under the agreement are as follows:

	\$
August 8, 2020	30,000
July 9, 2021	50,000
July 9, 2022	100,000
July 9, 2023	150,000
July 9, 2024	250,000
July 9, 2025	420,000
July 9, 2026	750,000
July 9, 2027	750,000
	2,500,000
Upon reaching commercial production	2,500,000
	5,000,000

The Company may terminate the agreement at any time, upon notification to the optionor. In addition, the Company may acquire 100 percent of the property at any time prior to the expiration of the agreement by paying all remaining amounts under the agreement.

The exploration and development program, including the amount of expenditures, is at the sole discretion of the Company during the term of the agreement.

For the period from February 11, 2020 to December 31, 2020, the Company recognized a total of \$0.3 million as exploration and evaluation expense in the consolidated statement of operations in respect of the San Antonio Project, including option payments of \$0.03 million.

Guayabales Project

On June 24, 2020, the Company entered into an option agreement with a third party to explore, develop and acquire 100 percent of the property within the Guayabales Project (the "First Guayabales Option"). The Guayabales Project is located in the Middle Cauca belt in the Department of Caldas, Colombia.

The terms of the agreement are as follows:

Phase 1:

The Company must incur a minimum of \$3 million of exploration and evaluation expenditures in respect of property within the First Guayabales Option and make total option payments of \$2 million over a maximum four-year term ending on or before June 24, 2024 in order to proceed to Phase 2 of the agreement.

Phase 2:

To acquire a 90% interest in the property within the First Guayabales Option, the Company must incur a minimum of \$10 million of exploration and evaluation expenditures in respect of such property and make total option payments of \$2 million payable in equal instalments of \$0.2 million semi-annually over a maximum six-year term, commencing after the end of Phase 1.

Phase 3:

To acquire the remaining 10% interest in the property within the First Guayabales Option, the Company has the following options:

- acquire 0.625% annually to a total of 10% by paying \$0.25 million semi-annually, commencing at the end of Phase 2, to a total of \$8 million;
- make a one-time payment of \$8 million; or
- continually pay a 1% NSR commencing on the first calendar day of the month after 85% of the processing plant capacity has been achieved.

In addition, the Company is required to fund and complete all development and construction activities to bring the project to commercial production.

Summary:

The following is a summary of the option payments and exploration expenditures required to acquire 100% of the property under the First Guayabales Option:

		Option Payments	Exploration Expenditures	Total
		\$	\$	\$
Total Phase 1	June 24, 2020 – June 24, 2024	2,000,000	3,000,000	5,000,000
Total Phase 2	June 24, 2024 – June 24, 2030	2,000,000	10,000,000	12,000,000
Total Phase 3	To commercial production	8,000,000 ¹	–	8,000,000
		12,000,000	13,000,000	25,000,000

¹ Based on the assumption that the Company does not elect to pay the NSR.

The Company may terminate the agreement at any time, upon notification to the optionor.

For the period from February 11, 2020 to December 31, 2020, the Company has recognized a total of \$0.8 million as exploration and evaluation expense in the consolidated statement of operations in respect of Phase I of the First Guayabales Option, including option payments of \$0.4 million.

Guayabales Project – Subsequent Event

On January 4, 2021, the Company entered into an agreement with another third party to explore, develop and acquire additional property within the Guayabales Project (the “Second Guayabales Option”).

The terms of the agreement are as follows:

Phase 1:

The option agreement provides the Company the right to explore the property within the Second Guayabales Option over a four-year term, expiring on January 2, 2025, for total payments over the term of the agreement of \$1.75 million, with minimum payments of \$0.7 million if the agreement is terminated on or before June 2, 2021 or \$1 million if the agreement is terminated on or before January 3, 2022.

Phase 2:

The option agreement provides the Company the right to explore the property within the Second Guayabales Option over a second four-year term between January 2, 2025 to January 2, 2029 for total payments over the term of \$1 million.

Phase 3:

Upon completion of Phase 2, the Company is required to pay a total of \$4.3 million over a two-year period ending on January 2, 2030 to acquire 100 percent of the property within the Second Guayabales Option.

The exploration and development program for the Second Guayabales Option, including the amount of expenditures, is at the sole discretion of the Company during the term of the agreement.

Summary:

The following is a summary of the option payments to acquire the property under the Second Guayabales Option:

	\$
Total Phase 1	1,750,000
Total Phase 2	1,000,000
Total Phase 3	4,300,000
	7,050,000

SELECTED ANNUAL CONSOLIDATED FINANCIAL INFORMATION

The Company’s presentation and functional currency are U.S. dollars.

As at	December 31, 2020
	\$
Consolidated Financial Position	
Cash and cash equivalents	1,717,385
Total assets	2,337,576
Working capital ¹	1,817,977
Equity	1,893,041

¹ Working capital is current assets less current liabilities.

For the period from February 11, 2020 to	December 31, 2020
	\$
Consolidated Operating Results	
Exploration and evaluation expense	1,129,234
Loss on revaluation of warrants liability	192,353
Net loss and comprehensive loss	1,700,470
Basic and diluted loss per common share	0.13
Consolidated Cash Flow	
Operating cash outflow	(1,621,350)
Cash proceeds from subscription of shares, net of share issue costs, and from warrant exercises	3,086,906
Net cash inflow, including foreign exchange effect on cash balances	1,717,385

OVERVIEW OF CONSOLIDATED FINANCIAL RESULTS

The Company's net loss for the period from February 11, 2020 to December 31, 2020 was \$1.7 million (\$0.13 per share) is mainly a result of the following:

- Exploration expenditures of \$1.1 million, including option payments totaling \$0.4 million.
- General and administration expense of \$0.3 million, including share-based compensation of \$0.1 million for 2,220,000 options granted during the period from February 11, 2020 to December 31, 2020.
- Loss on revaluation of Warrants of \$0.2 million.

LIQUIDITY AND MANAGEMENT OF CAPITAL RESOURCES

The consolidated financial statements of the Company for the period from February 11, 2020 to December 31, 2020 were prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company has no operating cash flow from a producing mine and therefore must utilize its current cash reserves and funds obtained from equity financing transactions, including the Offering (see "Business Transaction" in this MD&A) to fund its operating and exploration activities, including payments subject to exploration option agreements (see "Exploration Summary" in this MD&A).

However, as the Company is in its first year of operation, material uncertainties exist that may cast significant doubt upon the Company's ability to continue as a going concern and to realize its assets and discharge its liabilities in the normal course of business and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

The Company's objectives in managing capital are to ensure the entity continues as a going concern and to achieve optimal returns for its stakeholders. In addition, the Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient potential, if they fit within the Company's overall strategic plan and if the Company has sufficient financial resources to do so. Management considers future capital requirements to sustain the future operation of the business, including current and new exploration program requirements, and assesses market conditions to determine when adjustments to the capital structure is appropriate.

For the period from February 11, 2020 to December 31, 2020, the Company raised \$3.1 million through private equity financing, including the exercise of Warrants.

As at December 31, 2020, the Company's cash and working capital position (current assets less current liabilities ("Working Capital")) was \$1.7 million and \$1.8 million, respectively. On February 26, 2021, C\$14 million of the total C\$15 million of the Offering closed with the remaining C\$1 million expected to close in mid-March 2021. Additionally, the receipt of proceeds from the Offering is dependent on the completion of a business combination before May 31, 2021. See the "Business Transaction" section in this MD&A. The Company will utilize its Working Capital and the proceeds of the Offering towards general operating

activities and the advancement of its exploration programs.

Cash Flow Items

The following is a summary of the Company's cash flows for the period from February 11, 2020 to December 31, 2020:

For the period from February 11, 2020 to	December 31, 2020
	\$
Operating cash outflow	(1,621,350)
Financing cash inflow	3,376,268
Investing cash outflow	(52,923)
Net change in cash and cash equivalents during the year	1,701,995
Foreign exchange effect on cash balances	15,390
Cash and cash equivalents, December 31, 2020	1,717,385

Operating Activities

Operating cash outflow for the period from February 11, 2020 to December 31, 2020 was \$1.6 million, including \$0.2 million for Working Capital items. The majority of operating expenditures relates to exploration and evaluation expenses, including \$0.4 million of payments subject to option agreements.

Financing Activities

Net cash inflow from financing activities for the period from February 11, 2020 to December 31, 2020 was \$3.4 million is mainly from private equity financing raised from the issuance of shares and the exercise of Warrants, net of lease payments made.

Investing Activities

Cash outflow for investing activities for the period from February 11, 2020 to December 31, 2020 was \$0.1 million for the acquisition of fixed assets and intangibles.

EQUITY AND WARRANTS

Outstanding Share Data

As at May 11, 2021, the Company had 22,117,465 Common Shares and a total of 1,620,000 share options outstanding to purchase Common Shares.

Fully Diluted Shares

As at	December 31, 2020
Shares issued	21,617,465
Stock options outstanding	2,120,000
	23,737,465

Share Capital

As at December 31, 2020, the Company had a total of 21,617,465 Common Shares resulting from the issuance of Common Shares in the form of private equity financing, including unit placements whereby both Common Shares and common share purchase warrants ("Warrants") were issued, and the exercise of Warrants. Proceeds from unit placements were allocated between shares and Warrants issued on a pro-rata basis of their fair value within the unit using the Black-Scholes option pricing model to determine fair value for the Warrants. See also the "Warrants" section of this MD&A.

Total proceeds raised for the period from February 11, 2020 to December 31, 2020 from equity financing was C\$4.4 million, including C\$0.3 million of capital contributions received from shareholders which were recognized in contributed surplus in the consolidated statement of financial position.

Warrants

For the period from February 11, 2020 to December 31, 2020, the Company had Warrants denominated in Canadian dollars, which were classified as derivative financial liabilities and measured at fair value until the instruments were exercised or extinguished in the consolidated financial statements. Proceeds from unit placements were allocated between shares and Warrants issued on a pro-rata basis of their fair value within the unit. Fair value for the Warrants was determined using the Black-Scholes option pricing model. Any gain or loss arising from the revaluation of a Warrant was recognized in the consolidated statement of operations and comprehensive loss for 2020. As at December 31, 2020, all Warrants have been exercised and no Warrants are outstanding.

The following is summary of Warrants issued and exercised during the period from February 11, 2020 to December 31, 2020:

Issue date	Exercise price	Number of warrants	Fair value on issuance	Fair value on exercise	Loss
	C\$		\$	\$	\$
May 25, 2020	0.10	4,800,000	35,909	168,028	(132,119)
August 12, 2020	0.20	400,000	184	60,418	(60,234)
		5,200,000	36,093	228,446	(192,353)

Options

As at December 31, 2020, 2,120,000 stock options were outstanding at an average exercise price of C\$0.37, of which nil were exercisable. The exercise in full of the outstanding stock options would raise a total of approximately \$0.6 million. Management does not know when and how much will be collected from the exercise of such securities as this is dependent on the determination of the option holders, the closing of the Transaction and the market price of the Common Shares.

On January 5, 2021, vesting for 500,000 options were accelerated and exercised. Proceeds from the exercise was C\$0.1 million.

TRENDS AND RISKS THAT AFFECT THE COMPANY'S FINANCIAL CONDITION

Please see the "Market Trends" and "Risks and Uncertainties" sections of this MD&A for information regarding known trends, demands, commitments, events or uncertainties that are reasonably likely to have an effect on the Company's business and industry and economic factors affecting the Company's performance.

CONTRACTUAL OBLIGATIONS, COMMITMENTS AND OPTION AGREEMENTS

Contractual Obligations and Commitments

As at December 31, 2020, the Company had the following contractual commitments and obligations:

	Total	Less than 1 Year	2 – 3 Years	4 – 5 Years	Greater than 5 Years
	\$	\$	\$	\$	\$
Leases ¹	193,857	82,147	111,710	–	–
	193,857	82,147	111,710	–	–

¹ Represents lease contracts for vehicles, recognized as lease liabilities, and for contract for warehouse and housing with terms of 12 months or less, the payments for which are expensed in the consolidated statement of operations.

Option Agreements

The Company has the option to terminate its option agreements at any time. Future expenditures are

therefore dependent on the success of exploration and development programs and a decision by management to continue or exercise its option(s) for the relevant project and agreement.

As at December 31, 2020, the timing of expenditures, including option payments, under the Company's option agreements are as follows:

	Total	Less than 1 Year	2 – 3 Years	4 – 5 Years	Greater than 5 Years
	\$	\$	\$	\$	\$
San Antonio Option	4,970,000	50,000	250,000	670,000	4,000,000
First Guayabales Option ¹	24,168,222	900,000	2,518,222	3,750,000	17,000,000
	29,138,222	950,000	2,768,222	4,420,000	21,000,000

¹ Based on the assumption that the Company does not elect to pay the NSR. Timing of remaining required exploration expenditures are estimated by management.

RELATED PARTY TRANSACTIONS

Transactions with related parties are in the normal course of business and are recorded at the exchange amount, being the price agreed between the parties.

During the period from February 11, 2020 to December 31, 2020, an officer and employee of the Company incurred expenses totaling \$0.2 million on behalf of the Company at an interest rate of 27%, which was reimbursed. The amounts advanced were considered as a loan to the Company with interest payable at an annualized rate of 13.48% and is payable on demand. For the period ended December 31, 2020, the Company incurred interest of \$0.01 million in respect of the loan from the employee. As at December 31, 2020, \$0.01 million is payable to the employee in respect of the loan.

FINANCIAL INSTRUMENTS AND RELATED RISKS

All financial instruments are required to be measured at fair value on initial recognition. The fair value is based on quoted market prices, unless the financial instruments are not traded in an active market. In this case, the fair value is determined by using valuation techniques like discounted cash flows, the Black-Scholes option pricing model or other valuation techniques. Measurement in subsequent periods depends on the classification of the financial instrument. A description of financial instruments and their fair value is included in the audited consolidated financial statements for the period from February 11, 2020 to December 31, 2020,

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, without limitation, such considerations as liquidity and capital resources.

MARKET TRENDS

Global Financial Market Conditions

Events and conditions in the global financial markets, particularly over the last two years, continue to impact gold prices, commodity prices, interest rates and currency rates. These conditions, as well as market volatility, may have a positive or negative impact on the Company's operating costs, project exploration expenditures and planning of the Company's projects.

Gold Market

The Company's economic assessment of its gold projects is impacted by the market-driven gold price. The gold market is affected by negative real interest rates over the near-to-medium term, continued sovereign debt risks, elevated geo-political risks, mine production and substantial above-ground reserves that can affect the price should a portion of these reserves be brought to market.

While many factors impact the valuation of gold, traditionally the key factors are actual and expected U.S. dollar value, global inflation rates, oil prices and interest rates.

The gold price has displayed considerable volatility in the last few years. Continued uncertainties in major markets, specifically in the U.S. and European countries, and increased trade tensions between the U.S. and China were the main driving forces in the demand volatility for gold. The daily closing spot gold price during in 2020 was between \$1,474 and \$2,067 per ounce, for an average price in 2020 of \$1,770 per ounce.

Currency

The Company's functional and reporting currency is the U.S. dollar. The key currencies to which the Company is exposed are the Canadian dollar and the Colombian peso, which experienced volatility relative to the U.S. dollar in 2020. Fluctuation of the Canadian dollar against the U.S. dollar has a direct impact on the Company as proceeds from equity financing are in Canadian dollars. Fluctuation of the Colombian peso has a direct impact on the Company's exploration and operating activities.

During 2021, the Company will have significant U.S. dollar and Colombian peso requirements mainly in relation to exploration activities, salaries and option payments. As at December 31, 2020, the Company held \$0.1 million in U.S. dollars and the equivalent of \$0.2 million in Colombian pesos. Purchases of U.S. dollars and Colombian pesos will be required to meet the Company's obligations.

As at May 11, 2021, the Company held \$199,282 in cash and cash equivalents, of which \$7,923 was in U.S. dollars, the equivalent of \$82,922 in Canadian dollars and the equivalent of \$108,437 in Colombian pesos, representing approximately 4%, 42% and 54%, respectively of total cash balances.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

Critical accounting estimates and assumptions as well as critical judgements in applying the Company's accounting policies are detailed in Note 3 of the audited consolidated financial statements for the period from February 11, 2020 to December 31, 2020.

CHANGES IN ACCOUNTING POLICIES

Future Accounting Changes

The following revised standards and amendments, unless otherwise stated, are effective on or after January 1, 2021, with early adoption permitted, and have not been applied in preparing the consolidated financial statements. The Company does not plan to adopt any of these standards before they become effective.

IAS 1 – Presentation of Financial Statements

IAS 1, Presentation of Financial Statements ("IAS 1") was amended to clarify the classification of liabilities between current and noncurrent to be based on the rights that exist at the end of the reporting period and that such classification is unaffected by the expectations of the entity or events after the reporting date. The changes must be applied retrospectively in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") and are effective on or after January 1, 2023.

The Company does not expect an impact to its consolidated financial statements on adoption.

IAS 16 – Property, Plant and Equipment

IAS 16, Property, Plant and Equipment ("IAS 16") was amended to prohibit the deduction of proceeds from the sale of items produced from an item of property, plant and equipment while the entity is preparing the asset for its intended use. IAS 16 further clarifies that the financial performance of the asset is not relevant in the assessment of the technical and physical performance of the asset. The changes are effective on or after January 1, 2022.

The Company does not expect an impact to its consolidated financial statements on adoption.

RISKS AND UNCERTAINTIES

The business of the Company is subject to a variety of risks and uncertainties. Investment in CommonShares should be considered highly speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of development, production and exploration and the location of its properties in Colombia. Readers should carefully consider the risks disclosed in this MD&A, and the audited annual consolidated financial statements for the period from February 11, 2020 to December 31, 2020. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or relating to the Company's operations and any of these risk elements could have a material adverse effect on the business of the Company.

Nature of Mineral Exploration

Resource exploration and development is a speculative business and involves a high degree of risk which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The properties in which the Company holds an interest are without a known mineral resource or reserve. Each of the proposed programs on the properties is an exploratory search for resources or additional resources. There is no assurance that commercial quantities of resources will be discovered. There is also no assurance that even if commercial quantities of resources are discovered, a mineral property will be brought into commercial production. The discovery of mineral deposits is dependent upon a number of factors, not the least of which is the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit, once discovered, is also dependent upon a number of factors, some of which are the particular attributes of the deposit, such as size, grade, ground conditions and proximity to infrastructure, community relations, metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of economic commercial quantities of ore.

Coronavirus ("COVID-19")

On March 11, 2020, the World Health Organization declared the rapidly spreading COVID-19 outbreak a global pandemic. This pandemic has had a significant impact on the global economy including that of Colombia, where the Company operates, through restrictions put in place by the various levels of governments regarding travel, business operations and isolation orders to reduce the rate of spread of new infections. The Company has been closely monitoring developments in the COVID-19 outbreak since its incorporation and has implemented preventative measures to ensure the safety of our workforce and local communities. To date, there have been no outbreaks of COVID-19 at our properties and there have been no significant disruptions to current operations. The Company continues to manage and respond to COVID-19 within an internally constructed framework, along with recommendations of health authorities and local and national regulatory requirements.

Foreign Country Risk

The Company's principal mineral properties are located in rural Colombia. Over the past 10 to 15 years, the Government of Colombia has made strides in improving the social, political, economic, legal and fiscal regimes. However, operations in Colombia are still subject to risk due to the potential for social, political, economic, legal and fiscal instability. The government in Colombia faces ongoing problems including, but not limited to, unemployment and inequitable income distribution and unstable neighboring countries. The instability in neighboring countries could result in, but not limited to, an influx of immigrants which could result in a humanitarian crisis and/or increased illegal activities. Colombia is also home to a number of insurgency groups and large swaths of the countryside are under guerrilla influence. In addition, Colombia experiences narcotics-related violence, a prevalence of kidnapping, extortion and thefts and civil unrest in certain areas of the country. Such instability may require the Company to suspend operations on its properties. It is common practice in Colombia to have cooperation agreements with the police and/or army to increase the level of protection in the area of influence. There is a risk that agreements with the police and/or army cannot be reached on time or on terms that are acceptable to the Company, which

could result in an increase in security threats or loss of control at the project site that could have a material adverse effect on the Company.

Although the Company is not presently aware of any circumstances or facts which may cause the following to occur, other risks may involve matters arising out of the evolving laws and policies in Colombia, any future imposition of special taxes or similar charges, as well as foreign exchange fluctuations and currency convertibility and controls, the unenforceability of contractual rights or the taking or nationalization of property without fair compensation, restrictions on the use of expatriates in the Company's operations, renegotiation or nullification of existing concessions, licenses, permits and contracts, illegal mining, changes in taxation policies, or other matters.

The Government of Colombia reached a peace accord in 2016 with the country's largest guerrilla group. The Government of Colombia also entered into and dissolved formal discussions with the country's second largest guerrilla group due to their unwillingness to cease criminal and violent crimes. There is no certainty that the agreements will be adhered to by all of the members of the guerrilla groups or that a peace agreement will be ultimately reached with the country's second largest guerrilla group. There is a risk that any peace agreement might contain new laws or change existing laws that could have a material adverse effect on the Company's projects. Furthermore, the achievement of peace with the country's guerrilla groups could create additional social or political instability in the immediate aftermath, which could have a material adverse effect on the Company.

Foreign Operations

The Company's exploration operations are located in Colombia. Colombia's legal and regulatory requirements in connection with companies conducting mineral exploration and mining activities, banking system and controls as well as local business culture and practices are different from those in Canada. The officers and directors of the Company must rely, to a great extent, on the Company's Colombian legal counsel and local consultants retained by the Company in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Company's business operations, and to assist the Company with its governmental relations. The Company must rely, to some extent, on the members of management and the Board who have previous experience working and conducting business in Colombia to enhance its understanding of and appreciation for the local business culture and practices in Colombia. The Company also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing and tax matters in Colombia. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices in Colombia are beyond the control of the Company and may adversely affect its business.

The Company also bears the risk that changes can occur to the Government of Colombia and a new government may void or change the laws and regulations that the Company is relying upon. Currently, there are no restrictions on the repatriation from Colombia of earnings to foreign entities and Colombia has never imposed such restrictions. However, there can be no assurance that restrictions on repatriation of earnings from Colombia will not be imposed in the future. Exchange control regulations require that any proceeds in foreign currency originated on exports of goods from Colombia (including minerals) be repatriated to Colombia. However, purchase of foreign currency is allowed through any Colombian authorized financial entities for purposes of payments to foreign suppliers, repayment of foreign debt, payment of dividends to foreign stockholders and other foreign expenses.

Due to its locations in Colombia, the Company depends in part upon the performance of the Colombian economy. As a result, the Company's business, financial position and results of operations may be affected by the general conditions of the Colombian economy, price instabilities, currency fluctuations, inflation, interest rates, regulatory changes, taxation changes, social instabilities, political unrest and other developments in or affecting Colombia over which the Company does not have control. Because international investors' reactions to the events occurring in one emerging market country sometimes appear to demonstrate a "contagion" effect in which an entire region or class of investment is disfavoured by international investors, Colombia could also be adversely affected by negative economic or financial developments in other emerging market countries.

Requirement for Future Financing

The Company has limited financial resources and has limited sources of operating cash flow. The Company will require additional funds to finance exploration and future acquisitions. The exploration and development of the various mineral properties in which the Company holds interests and the acquisition of additional properties depend upon the Company's ability to obtain financing through equity financings, joint ventures of projects, stream financing, debt financing or other means. The perception that security conditions in Colombia have not improved and the decline in the capital markets for the extractive industry could hinder the Company's ability to access capital in a timely or cost-effective manner. Although the Company has been successful in raising funds to date, there can be no assurance that the Company will be able to raise additional financing required or that such financing will be available on terms acceptable to the Company. Failure to obtain additional financing on a timely basis may result in delays or an indefinite postponement of exploration, development, or production on any or all of the Company's properties, could cause the Company to reduce or terminate its operations or lose its interest in its properties and cease to continue as a going concern.

In addition, there can be no assurance that future financing can be obtained without substantial dilution to existing shareholders. The issuance of additional securities and the exercise of common share purchase warrants, stock options and other convertible securities will result in dilution of the equity interests of any persons who are or may become holders of Common Shares.

Property Interests

The ability of the Company to carry out successful mineral exploration, development and production activities will depend on a number of factors. The Company has a number of obligations with respect to acquiring and maintaining the Company's interest in certain of its current properties. No guarantee can be given that the Company will be in a position to comply with all such conditions and obligations, or to require third parties to comply with their obligations with respect to such properties. Furthermore, while it is common practice that permits and licenses may be renewed, extended or transferred into other forms of licenses appropriate for ongoing operations, no guarantee can be given that such renewal, extension or a transfer will be granted to the Company or, if they are granted, that the Company will be in a position to comply with all conditions that are imposed. Some of the Company's interests are the subject of pending applications to register assignments, extend the term, and increase the area or to convert licenses to concession contracts and there is no assurance that such applications will be approved as submitted.

There is no assurance that the Company's rights and foreign interests will not be revoked or significantly altered to the detriment of the Company.

No Assurance of Titles or Boundaries

The Company is not the registered holder of all of the licences or concessions that comprise its projects in Colombia. Some of the licences and concessions that comprise the Company's projects in Colombia are registered in the names of certain third-party entities. The Company's interest in the Colombia projects are partially derived from Option Agreements. Under the Option Agreements, third parties have agreed to transfer the licences and concessions that comprise such properties to the Company upon satisfaction of certain conditions including but not limited to the receipt of all of the option payments. There can be no assurance, however, that such transfers will be effected. Events may occur that would prevent the third-party entities from being able to transfer such licences and concessions to the Company. In addition, in the event of a dispute between the parties, the Company's only recourse would be to commence legal action in Colombia. If the Company is required to commence legal proceedings, there is no assurance that the Company will succeed in such proceedings, and, therefore, may never obtain title to such properties.

Other parties may dispute title to any of the Company's mineral properties or land titles, any of the Company's properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected encumbrances or defects or governmental actions or errors. A successful challenge to the precise area and location of the Company's projects could result in the Company being unable to operate on its properties as permitted or being unable to enforce its rights with respect to its properties. The Company does not have any surface rights and there is no assurance that the acquisition of surface rights will be available on reasonable terms or at all.

Dependence on Key Management Employees

The Company's exploration programs will depend on the business and technical expertise of key executives, including the directors of the Company and a small number of highly-skilled and experienced executives and personnel. Due to the relatively small size of the Company, the loss of any of these individuals or the Company's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations. The Company does not have key man insurance in place with respect to any of these individuals.

Community Relations

Maintaining a positive relationship with the communities in which the Company operates is critical to continuing successful exploration and development. There can be no assurances that the Company will be successful at managing these impacts. Community support for operations is a key component of a successful exploration or development project. Various international and national laws, codes, resolutions, conventions, guidelines and other materials relating to corporate social responsibility (including rights with respect to health and safety and the environment) may also require government consultation with communities on a variety of issues affecting local stakeholders, including the approval of mining rights or permits. The Company may come under pressure in the jurisdictions in which it explores or develops to demonstrate that other stakeholders benefit and will continue to benefit from its commercial activities. Local stakeholders and other groups may oppose the Company's current and future exploration, development and operational activities through legal or administrative proceedings, protests, roadblocks or other forms of public expression against the Company's activities. Opposition by such groups may have a negative impact on the Company's reputation and its ability to receive necessary mining rights or permits. Opposition may also require the Company to modify its exploration and development plans or enter into agreements with local stakeholders or governments with respect to its projects. Any of these outcomes could have a material adverse effect on the Company's business, financial condition, results of operations and Common Share price.

Labour and Employment Matters

While the Company has good relations with its employees, these relations may be impacted by changes in labour laws which may be introduced by the relevant governmental authorities in jurisdictions in which the Company carries on business. Adverse changes in such legislation may have a material adverse effect on the Company's business, results of operations and financial condition.

The Company's workforce is not governed by a minority union or a cooperative agreement. Although labour relations with its employees have been good, there is no assurance that this will continue in the future or that employees will not attempt to organize in the future. Any significant disruption in labour arrangements could have a material adverse effect on the Company's reputation and its ability to continue to operate.

Non-Governmental Organization Intervention

The Company's relationship with the communities in which it operates is critical to ensure the future success of its existing operations. A number of non-governmental organizations are becoming increasingly active in Colombia as the security and safety in Colombia increases and the Government implements the peace accords. These organizations may create or inflame public unrest and anti-mining sentiment among the inhabitants in areas of mineral development. Such organizations have been involved, with financial assistance from various groups, in mobilizing sufficient local anti-mining sentiment to protest and even prevent the issuance of required permits for the development of mineral projects of other companies. While the Company is committed to operating in a socially responsible manner, there is no guarantee that the Company's efforts in this respect will mitigate this potential risk.

Foreign Currency Fluctuations

The Company's current and proposed exploration in Colombia render it subject to foreign currency fluctuations, which may materially affect its financial position and results. The Company's reporting currency is the U.S. dollar, which is exposed to fluctuations against other currencies. In addition, the Company maintains cash accounts in Canadian dollars, U.S. dollars and Colombian pesos and has monetary assets and liabilities in U.S. and Canadian dollars and Colombian pesos. The important

exchange rates for the Company are currently the rate between the U.S. dollar and the Colombian peso and the Canadian dollar and the U.S. dollar. While the Company is funding work in Colombia, the Company's results of operations are subject to foreign currency fluctuation risks and such fluctuations may adversely affect the financial position and operating results of the Company. The Common Shares are anticipated to trade on the TSXV, a Canadian stock exchange. Prior and future equity financings result in the generation of Canadian dollar proceeds to fund the Company's activities which are principally incurred in U.S. dollars or Colombian pesos. To the extent funds from such financings are maintained in Canadian dollars, the Company's results can be significantly impacted by adverse changes in exchange rates between the Canadian dollar and the U.S. dollar and Colombian peso. From time to time, to partially mitigate transactional volatility in the U.S. dollar and Colombian peso, the Company may enter into foreign currency instruments in order to partially offset existing currency exposures.

Cybersecurity Risks

Cyber threats have evolved in severity, frequency and sophistication in recent years, and target entities are no longer primarily from the financial or retail sectors. The Company is reliant on the continuous and uninterrupted operations of its information technology ("IT") systems. User access and security of all IT systems are critical elements to the operations of the Company. Protection against cyber security incidents and cloud security, and security of all of the Company's IT systems, are critical to the operations of the Company. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks, as well as disruptions resulting from incidents such as cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, vandalism and theft or other compromising of confidential or otherwise protected information. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in IT system failures, delays and/or increase in capital expenses. The failure of IT systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations. The Company stores all of its proprietary data on cloud servers including, but not limited to, financial records, drilling databases, technical information, legal information, licences and human resource records. There is no assurance that third parties will not illegally access these records which could have a material adverse effect on the Company.

Social Media

As a result of the increased usage and the speed and global reach of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users, companies today are at much greater risk of losing control over how they are perceived in the marketplace. Damage to reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity (for example, with respect to handling of environmental matters or the Company's dealings with community groups), whether true or not. The Company places a great emphasis on protecting its image and reputation, but the Company does not ultimately have direct control over how it is perceived by others. Reputation loss may lead to increased challenges in developing and maintaining community relations, decreased investor confidence and an impediment to overall ability to advance its projects, thereby having a material adverse impact on financial performance, cash flows and growth prospects.

Health and Safety Risk

Mining and exploration, like many other extractive natural resource industries, is subject to potential risks and liabilities due to accidents that could result in serious injury or death. The impact of such accidents could affect the profitability of the operations, cause an interruption to operations and development, lead to a loss of licenses, affect the reputation of the Company and its ability to obtain further licenses, damage community relations and reduce the perceived appeal of the Company as an employer. The Company has limited procedures in place to manage health and safety protocols to reduce the risk of occurrence and the severity of any accident and plans to invest time and resources in the future to enhance health and safety at all operations.

The Company has limited insurance policies in place to cover some accidents and regularly monitors the adequacy of such policies; however, not all risks are covered by insurance policies due to either coverage not being available or not being available at commercially reasonable prices.

Limited Operating History

The Company has no history of generating profits. The Company expects to continue to incur losses unless and until such time as it develops its properties and commences operations on its properties. The development of the properties will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, some of which are beyond the Company's control, including the progress of ongoing exploration, studies and development, the results of consultant analysis and recommendations, the rate at which operating losses are incurred and the execution of any joint venture agreements with strategic parties, if any. There can be no assurance that the Company will generate operating revenues or profits in the future.

Special Skill and Knowledge

Various aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of permitting, geology, drilling, metallurgy, logistical planning and implementation of exploration and development programs as well as finance and accounting. The Company has been able to recruit and retain employees and consultants with the necessary skills and knowledge. The Company believes it will continue to be able to do so; however, no assurance can be made in that regard.

Environmental and Other Regulatory Requirements

All phases of the Company's operations are subject to environmental regulation (including environmental impact assessments and permitting). Environmental legislation and international standards are continually evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There have been a number of recent regulatory changes in Colombia and the Company expects additional regulatory changes, new interpretations and possibly enhanced enforcement to occur in the future. There is no assurance that the Company can or will be able to meet all standards on time, which could adversely affect the Company's business, financial condition or operations.

Environmental hazards may exist on the properties in which the Company holds interests which are unknown to the Company at present and which have been caused by artisanal miners or previous or existing owners or operators of the properties.

Failure to comply with applicable laws, regulations, permitting and zoning requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration, development or production of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation of existing laws, could have a material adverse impact on the Company and cause an increase in exploration expenses or capital expenditures or require abandonment or delays in the development of new exploration properties.

It is not possible for the Company to accurately predict changes in laws or policy or the extent to which any such developments or changes may have a material adverse effect on the Company's operations. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. The occurrence of any of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the properties, business, operations or financial condition of the Company. In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada.

The Company cannot give any assurances that breaches of environmental laws (whether inadvertent or not) or environmental pollution will not materially or adversely affect its financial condition. There is no assurance that future changes to environmental regulation, if any, will not adversely affect the Company.

In the future, the Company may require, from time to time, various approvals including, but not limited to, the approval from ANLA or the regional environmental authority for environmental permits. There is no assurance that the Company will receive the various approvals or receive them within a reasonable time period.

Compliance with Anti-Corruption Laws and ESTMA

The Company is subject to various anti-corruption laws and regulations including, but not limited to, the *Canadian Corruption of Foreign Public Officials Act*. In general, these laws prohibit a company and its employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. The Company's primary operations are located in Colombia and, according to Transparency International, Colombia is perceived as having fairly high levels of corruption relative to Canada. The Company cannot predict the nature, scope or effect of future regulatory requirements to which its operations might be subject or the manner in which existing laws might be administered or interpreted.

Failure to comply with the applicable legislation and other similar foreign laws could expose the Company and its senior management to civil and/or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could have a material adverse effect on the Company's business, financial condition and results of operations. Likewise, any investigation of any potential violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, financial condition and results of operations, as well as on the market price of the Common Shares. As a consequence of these legal and regulatory requirements, the Company instituted policies with regard to its anti-corruption policies. There can be no assurance or guarantee that such efforts have been and will be completely effective in ensuring the Company's compliance, and the compliance of its employees, consultants, contractors and other agents, with all applicable anti-corruption laws.

In addition, the *Canadian Extractive Sector Transparency Measures Act* ("ESTMA"), which became effective June 1, 2015, requires public disclosure of payments to governments by mining and oil and gas companies engaged in the commercial development of oil, gas and minerals who are either publicly listed in Canada or with business or assets in Canada. Commencing in 2017, mandatory annual reporting is required for extractive companies with respect to payments made to foreign and domestic governments at all levels, including entities established by two or more governments. ESTMA requires reporting on the payments of any taxes, royalties, fees, production entitlements, bonuses, dividends, infrastructure improvement payments, and any other prescribed payment over C\$100,000. Failure to report, false reporting or structuring payments to avoid reporting may result in fines of up to C\$250,000 (which may be concurrent). If the Company becomes subject to an enforcement action or is in violation of ESTMA, this may result in significant penalties, fines and/or sanctions, which may have a material adverse effect on the Company's reputation. Upon closing of the Transaction, the Company will be required to comply with ESTMA reporting requirements.

Insurance and Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks including, but not limited to, unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the storage and shipment of precious metal concentrates or doré bars, and political and social instability. Such occurrences could result in damage to mineral properties, damage to underground development, damage to facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in the ability to undertake exploration and development, monetary losses and possible legal liability. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of the Company.

The Company may be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as

a result of exploration, development and production is not always available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from any of the above events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Government Regulation

The mineral exploration, mining, processing, and development activities of the Company are subject to various laws and regulations governing prospecting, exploration, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, waste disposal, land claims of local people, mine development, and other matters. Although the Company's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration. Amendments to current laws and regulations governing operations and activities of exploration, or more stringent implementation thereof could have an adverse impact on the Company.

The Company's mineral exploration activities in Colombia may be adversely affected in varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase royalties or the costs related to the Company's activities or maintaining its properties. Operations may also be affected in varying degrees by government regulations with respect to restrictions on production, price controls, government-imposed royalties, claim fees, export controls, income taxes, and expropriation of property, environmental legislation and project safety. The effect of these factors cannot be accurately predicted. Although the Company's exploration are currently carried out in material compliance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration.

Furthermore, any shift in political attitudes, or amendments to current laws and regulations governing operations and activities of exploration or more stringent implementation thereof are beyond the control of the Company and could have a substantial adverse impact on the Company.

Market Price of Common Shares

Securities of mineral exploration, development and production companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in precious and base metal mineral prices or the Company's financial condition or results of operations as reflected in its quarterly and annual earnings reports. Other risks unrelated to the Company's performance that may have an effect on the price of the Common Shares include the following: regulatory or economic changes affecting the Company's operations; variations in the Company's operating results; developments in the Company's business or its competitors; the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not follow the Company's securities; lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of Common Shares; changes in market sentiment towards the Common Shares; the size of the Company's public float may limit the ability of some institutions to invest in the Company's securities; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Company's securities to be delisted from the exchange on which they trade, further reducing market liquidity.

Upon closing of the Transaction, there can be no assurance that an active market for the Common Shares will be sustained. Investors should be aware that the value of the Common Shares may be volatile, and investors may, on disposing of the Common Shares, realize less than their original investment or may lose their entire investment.

The Company's operating results and prospects from time to time may be below the expectations of market analysts and investors. In addition, stock markets from time to time suffer significant price and

volume fluctuations that affect the market prices of the securities listed thereon and which may be unrelated to the Company's operating performance. Any of these events could result in a decline in the market price of the Common Shares. The Common Shares may, therefore, not be suitable as a short-term investment. In addition, the market price of the Common Shares may not reflect the underlying value of the Company's net assets. The price at which the Common Shares will be traded and the price at which investors may realize their shares are influenced by a large number of factors, some specific to the Company and its proposed operations, and some which may affect the business and geographic sectors in which the Company operates. Such factors could also include the performance of the Company's operations, large purchases or sales of the Common Shares, liquidity or the absence of liquidity in the Common Shares, legislative or regulatory changes relating to the business of the Company and general economic conditions.

As a result of any of these factors, the market price of the Common Shares at any given point in time subsequent to closing of the Transaction may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Dividend Policy

No dividends on the shares of the Company have been paid by the Company to date. Payment of any future dividends will be at the discretion of the Board after taking into account many factors, including the Company's operating results, financial condition and current and anticipated cash needs. At this time, the Company has no source of cash flow and anticipates using all available cash resources towards its stated business objectives and retaining all earnings, if any, to finance its business operations.

Future Sales of Common Shares by Existing Shareholders

Upon closing of the Transaction, sales of a large number of Common Shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Company's ability to raise capital through future sales of Common Shares. In addition, shareholders of the Company who have an investment profit in the Common Shares that they own may seek to liquidate their holdings, which could decrease the trading price of the Common Shares and could also impair the Company's ability to raise capital through future sales of Common Shares.

Litigation Risk

All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, the litigation process could take away from management time and efforts and the resolution of any particular legal proceeding to which the Company may become subject could have a material adverse effect on the Company's financial position, results of operations or the Company's property development.

Seizure or Expropriation of Assets

Pursuant to Article 58 of the Colombian constitution, the Government of Colombia can exercise its eminent domain powers in respect of the Company's assets in the event such action is required to protect public interests. According to Law 388 of 1997, eminent domain powers may be exercised through: (i) an ordinary expropriation proceeding (expropiación ordinaria), (ii) an administrative expropriation (expropiación administrativa) or (iii) an expropriation for war reasons (expropiación en caso de guerra). In all cases, the Company would be entitled to a fair indemnification for expropriated assets. However, indemnification may be paid in some cases years after the asset is effectively expropriated. Furthermore, the indemnification may be lower than the price for which the expropriated asset could be sold in a free market sale or the value of the asset as part of an ongoing business.

Accounting Policies and Internal Controls

The Company prepares its financial reports in accordance with IFRS as issued by the IASB. In preparing financial reports, management may need to rely upon assumptions, make estimates or use their best

judgment in determining the financial condition of the Company. Significant accounting policies are described in more detail in the Company's annual consolidated financial statements. The Company has implemented and continues to assess its internal control systems for financial reporting in order to have a reasonable level of assurance that financial transactions are properly authorized, assets are safeguarded against unauthorized or improper use and transactions are properly recorded and reported. Although the Company believes its financial reporting and annual consolidated financial statements are prepared with reasonable safeguards and that all accounting policies are applied correctly to ensure reliability of the information, the Company continues to be in a start up phase and internal control processes are still maturing.

Conflicts of Interest

Certain directors and officers of the Company are also directors, officers and/or shareholders of other companies that are similarly engaged in the business of natural resource exploration, development and production. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict is required under the Business Corporations Act (Ontario) and the Company's by-laws to disclose his/her interest.

Competition

The Company may compete with other exploration companies which may have greater financial resources and technical abilities for the acquisition of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees. The Company's ability to increase the number of properties that it holds in the future will depend not only on its ability to explore and develop its present properties, but also on its ability to select, acquire and develop suitable properties or prospects.

Differing Interpretations in Tax Regimes in Foreign Jurisdictions

Tax regimes in foreign jurisdictions may be subject to sudden changes. The Company's interpretation of taxation law where it operates and as applied to its transactions and activities may be different than that of applicable tax authorities. As a result, tax treatment of certain operations, actions or transactions may be challenged and reassessed by applicable tax authorities, which could result in adverse tax consequences for the Company, including additional taxes, penalties or interest. See also "Risks of the Business – Bermuda Legal Matters - The Company May Become Subject to Taxes in Bermuda".

Tax Matters

The Company is subject to income taxes and other taxes in a variety of jurisdictions and the Company's tax structure is subject to review by both Canadian and foreign taxation authorities. The Company's taxes are affected by a number of factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws and treaties. If the Company's filing position were to be challenged for whatever reason, this could have a material adverse effect on the Company's business, results of operations and financial condition.

Land Surface Rights

The Company does not own any surface rights. There is a risk that the Company will not be able to purchase surface rights from third parties or on terms that are acceptable to the Company. Additionally, Colombia Law 1448/2011 compensates, with land restitution, communities that have been displaced as a result of political violence. In the event that the Company is impacted by application of Law 1448/2011, it has the right to begin an expropriation process available under Colombian law, although the process could take longer than expected. Although the Company does not expect the effects of Law 1448/2011 to impact the Company, there is a risk that land near or on the Company's projects could be impacted, which could have a material adverse effect on the Company.

Foreign Subsidiaries

The Company conducts certain of its operations through foreign subsidiaries and some of its assets are held in such entities. Any limitation on the transfer of cash or other assets between the Company and such entities, or among such entities, could restrict the Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price.

Unknown Liabilities in Connection with Acquisitions

As part of the Company's acquisitions, the Company has assumed certain liabilities and risks. While the Company conducted due diligence in connection with such acquisitions, there may be liabilities or risks that the Company failed, or was unable, to discover in the course of performing the due diligence investigations or for which the Company was not indemnified. Any such liabilities, individually or in the aggregate, could have a material adverse effect on the Company's financial position and results of operations.

Acquisitions and Integration

From time to time, it can be expected that the Company will examine opportunities to acquire additional exploration and/or mining assets and businesses. Any acquisition that the Company may choose to complete may be of a significant size, may change the scale of the Company's business and operations, and may expose the Company to new geographic, political, social, operating, financial and geological risks. The Company's success in its acquisition activities depends upon its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of the Company. Any acquisition would typically be accompanied by risks. If the Company chooses to raise debt capital to finance any such acquisitions, the Company's leverage will be increased, along with potential additional performance and covenant requirements which may increase the risk of default or reduced capital. If the Company chooses to use equity as consideration for such acquisitions, existing shareholders may suffer dilution. Alternatively, the Company may choose to finance any such acquisitions with its existing resources. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Minority Ethnic Groups

Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of Minority Ethnic Groups. Many of these materials impose obligations on government to respect the rights of Minority Ethnic Groups. Some mandate that government consult with Minority Ethnic Groups regarding government actions which may affect Minority Ethnic Groups, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to Minority Ethnic Groups continue to evolve and be defined. The Company's current or future operations are subject to a risk that one or more groups of Minority Ethnic Groups may oppose continued operation, further development, or new development on those projects or operations on which the Company holds an exploration right. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the Company or the owner/operator's activities. Opposition by Minority Ethnic Groups to such activities may require modification of or preclude operation or development of projects or may require entering into agreements with Minority Ethnic Groups. Claims and protests of Minority Ethnic Groups may disrupt or delay activities of the owners/operators of the Company's exploration assets.

Enforcement of Legal Rights

The Company's material subsidiaries are organized under the laws of foreign jurisdictions and certain of the Company's directors, management personnel and experts are located in foreign jurisdictions. Given that the Company's material assets and certain of its directors, management personnel and experts are located outside of Canada, investors may have difficulty in effecting service of process within Canada and collecting from or enforcing against the Company or its directors, officers and experts, any judgments obtained by the Canadian courts or Canadian securities regulatory authorities and predicated on the civil liability provisions of Canadian securities legislation or otherwise. Similarly, in the event a dispute arises from the Company's foreign operations, the Company may be subject to the exclusive jurisdiction of

foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of courts in Canada.

Forward - looking Information May Prove Inaccurate

Certain valuations and measurements required consideration of forecast estimates and the use of various assumptions reliant upon factors which are beyond the control of the Company. Readers of this MD&A should refer to the “Caution Regarding Forward-Looking Information” section.

Reliability of Mineral Resource and Reserve Estimates

The Company currently does not have any mineral resources or mineral reserves. Furthermore, there is no certainty that any of the mineral resources or mineral reserves on any project with mineral resources or mineral reserves will be realized. Until a deposit is actually mined and processed, the quantity of metal and grades must be considered as estimates only. Any material change in quantity of metal, grade or dilution may affect the economic viability of any project undertaken by the Company.

Environmentally-Protected Areas/Forest Reserves

Colombia has a number of environmentally-protected areas or forest reserves (“Protected Areas”) that can, in certain circumstances, restrict mining activities. There are varying levels of Protected Areas within the country with different levels of restrictions. The Company’s exploration properties may be subject to Protected Areas and while the Company does not expect any difficulties in obtaining the necessary permits to conduct mining activities in these areas, there can be no assurances that the laws or boundaries will not change or that permits will be granted which could have a material impact on the Company’s operations. In addition, there can be no assurances that the government of Colombia will not declare new environmentally-protected areas or forest reserves that could potentially impact the Company’s Colombian Projects which could have a material negative impact on the Company.

Cultural or Ethnic Restricted Areas

Colombia has a number of restricted areas that can, in certain circumstances, require companies to obtain special permits to advance into exploration and exploitation activities. Restricted areas include (i) urban areas, (ii) archeological interest areas, (iii) cultural and historical interest areas, and (iv) public utilities and infrastructure areas. A small portion of the Company’s exploration titles and/or exploration applications are subject to restricted areas and while the Company does not expect any difficulties in obtaining the necessary permits to conduct mining activities in these areas, there can be no assurances that the laws or boundaries will not change or that permits will be granted. In addition, there can be no assurances that the government of Colombia will not declare new restricted areas that could potentially impact the Company’s operations which could have a material negative impact on the Company.

Fluctuation in Mineral Prices

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for the sale of same or mineral prices will be such that the Company’s properties can be mined at a profit. Factors beyond the control of the Company may affect the ability of the Company to attract investors and receive further funds for exploration and development. Metal prices have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the Canadian and U.S. dollars and the Colombian peso relative to other currencies), interest rates, global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. In particular, the supply of and demand for gold are affected by, among other factors, political events, economic conditions and production costs in major gold-producing regions and governmental or central bank policies with respect to gold holdings. Declines in the price of gold may adversely affect the Company’s development and mining projects. Although the Company believes that the fundamentals of supply and demand will remain stable in the future and participants in various sectors will continue to support the gold price despite uncertainties in the global economy, there is no guarantee that the gold price will not materially decrease.

Credit Risk

Credit risk arises from cash and cash equivalents, held with banks and financial institutions, and amounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

Global Economic Conditions

There are significant uncertainties regarding the price of gold, other precious and base metals and other minerals and the availability of equity financing for the purposes of mineral exploration and development. Currently, prices of certain commodities such as gold have reflected volatility, which has had an impact on the Company and the mining industry in general. The Company's future performance is largely tied to the exploration and development of the Colombia Projects and the commodity and financial markets. There can be no certainty that commodity prices will increase or maintain the same levels. Current financial markets are likely to continue to be volatile in Canada potentially through 2021 and beyond, reflecting ongoing concerns about the stability of the global economy and weakening global growth prospects. Unprecedented uncertainty in the credit markets has also led to increased difficulties in financing activities. As a result, the Company may have difficulty raising financing for the purposes of mineral exploration and development and, if obtained, on terms favourable to the Company and/or without excessively diluting existing shareholders of the Company. These economic trends may limit the Company's ability to develop and/or further explore its mineral property interests.

Additionally, global economic conditions may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such volatility and market turmoil continue, the Company's business and financial conditions could be adversely impacted.

Unreliable Historical Data

The Company has compiled technical data in respect of the Colombia Projects, some of which was not prepared by the Company. While the data represents a useful resource for the Company, much of it must be verified by the Company before being relied upon in formulating exploration and development programs.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, road blockades, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, development, financial condition and results of operations.

Bermuda Legal Matters

The Company's main subsidiary (the "Bermuda Subsidiary") is subject to the laws of Bermuda. The following is a non-exhaustive summary of certain laws of Bermuda which are relevant to the operations of the Bermuda Subsidiary.

Enforcement of Judgments in Bermuda May be Difficult

The current position with regard to enforcement of judgments in Bermuda is set out below but this may be subject to change. A final and conclusive judgment of a foreign court against the Bermuda Subsidiary, under which a sum of money is payable (not being a sum of money payable in respect of multiple damages, or a fine, penalty tax or other charge of a like nature) may be the subject of enforcement proceedings in the Supreme Court of Bermuda under the common law doctrine of "obligation by action" on the debt evidenced by the foreign court's judgment. On general principles, such proceedings would be expected to be successful provided that:

- the court which gave the judgment was competent to hear the action in accordance with private international law principles as applied in Bermuda; and
- the judgment is not contrary to public policy in Bermuda, has not been obtained by fraud or in proceedings contrary to natural justice, and is not based on an error in Bermuda law.

Enforcement of such a judgment against assets in Bermuda may involve the conversion of the judgment debt into Bermuda dollars, but the Bermuda Monetary Authority (the "BMA") has indicated that its present policy is to give the consents necessary to enable recovery in the currency of the obligation. No stamp duty or similar or other tax or duty is payable in Bermuda on the enforcement of a foreign judgment. Court fees will be payable in connection with proceedings for enforcement.

Exemption from Exchange Controls

The Bermuda Subsidiary is designated as "non-resident" for exchange control purposes by the BMA. Where a company is so designated, it is free to deal in currencies of any other country outside the Bermuda exchange control area which are freely convertible into currencies of any other country.

Limitations on Carrying on Business

Under Bermuda law, exempted companies are companies formed for the purpose of conducting business outside Bermuda from a principal place of business in Bermuda. As a result, they are exempt from Bermuda laws restricting the percentage of share capital that may be held by non-Bermudians, but they may not participate in certain business transactions, including:

- (a) the acquisition or holding of land in Bermuda (except that required for their business and held by way of lease or tenancy for terms of not more than 50 years) without the express authorization of the Bermuda legislature;
- (b) the taking of mortgages on land in Bermuda to secure an amount in excess of \$50,000 Bermuda dollars without the consent of the Minister of Finance of Bermuda or such other Minister as may be appointed to administer the *Bermuda Companies Act 1981* (the "Minister");
- (c) the acquisition of any bonds or debentures secured by any land in Bermuda, other than certain types of Bermuda government securities; or
- (d) the carrying on of business of any kind in Bermuda, except in furtherance of their business carried on outside Bermuda or under license granted by the Minister.

Economic Substance

Bermuda enacted legislation to introduce economic substance requirements in accordance with the requirements from the European Union and in furtherance of its commitment to comply with international standards concerning the OECD's Base Erosion and Profit Shifting report. The legislation was enacted to demonstrate the jurisdictions commitment to comply with international standards with respect to cooperation for tax purposes and to ensure that Bermuda does not facilitate the use of structures which attract profits but which do not reflect real economic activity within the jurisdiction. The current legislation is set out in the *Economic Substance Act 2018* (the "ES Act"), as amended, and the Economic Substance Regulations 2018, as amended, (the "ES Regulations") (together the ES Act and the ES Regulation, the "ES Law").

The ES Law applies to any 'relevant entity' that conducts any 'relevant activity' in a 'relevant financial period.' A relevant entity that conducts a relevant activity must satisfy the economic substance requirements under the ES Law in relation to that activity. A relevant entity conducting a relevant activity must demonstrate it has satisfied the requirements under the ES Law by filing a Declaration Form with the Bermuda Registrar of Companies (the "Registrar") in respect of that financial year. Each relevant entity is required to file the Declaration Form no later than six months after the last day of each relevant financial period, with the first financial year commencing on or after 1 January 2019.

If the Registrar determines that a 'relevant entity' has not met the applicable economic substance requirements in accordance with the ES Laws, the Registrar is required by law to provide to the Bermuda Minister of Finance the information filed by the relevant entity pursuant to the ES Laws, and the Minister is required to provide that information to his counterpart in the relevant EU member state or other relevant jurisdiction. Additionally, the Registrar also has the power to impose financial penalties, restrictions or regulate the business activities of the relevant entity or be authorised by the court for such proceedings under the relevant legislation to be taken, including strike off.

Evolving data privacy legislation

In Bermuda, the *Personal Information Protection Act 2016* ("PIPA") was introduced to regulate the use of personal information in a manner that both protects its privacy and recognizes the need for organizations

to use personal information for legitimate purposes. On 27 July 2016, PIPA received Royal Assent and thereafter, on 2 December 2016, limited administrative provisions of PIPA, relating to the appointment of a Privacy Commissioner and the creation of an independent office of the Privacy Commissioner came into force. PIPA sets out a number of requirements that must be complied with when organisations are handling personal information, including, the obligation to adopt suitable measures and policies, to appoint a privacy officer, to use personal information in a lawful and fair manner and maintain accurate records, the obligation to provide individuals with a clear and easily accessible privacy notice and to ensure adequate and proportionate security safeguards are in place and the obligation to report any breaches to the Privacy Commissioner. Bermuda's first Privacy Commissioner was appointed on January 20, 2020 and subsequently, it is anticipated that the obligations under PIPA will become operative in the near future.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to the Company, certain information contained in this MD&A constitutes "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements within the meaning of applicable U.S. securities laws. Forward-looking information includes, but is not limited to: statements with respect to the potential of the Company's properties or projects; exploration results; potential mineralization; exploration plans; obtaining necessary permits; the estimation of mineral resources and mineral reserves; the acquisition of additional projects; the future price of gold and other mineral commodities; the realization of mineral resource and mineral reserve estimates; success of exploration activities; cost and timing of future exploration and development; the development and advancement of a Corporate Social Responsibility ("CSR") program; conclusion of economic evaluations; requirements for additional capital; statements regarding the Company's steps to address its liquidity risk; other statements relating to the financial and business prospects of the Company; and other future events and information as to the Company's strategy, plans or future financial or operating performance. In addition, statements (including data in tables) relating to mineral reserves and resources and gold equivalent ounces are forward-looking statements, as they involve implied assessment, based on certain estimates and assumptions, and no assurance can be given that the estimates will be realized.

Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by use of forward-looking terminology such as "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "targets", "potential", "scheduled", "budgeted", "forecasted" and similar expressions or variations (including negative variations), or that events or conditions "will", "would", "may", "might", "could", "should", "will be taken", "occur" or "be achieved".

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management considered reasonable at the date the statements are made in light of management's experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that it believes to be relevant and reasonable in the circumstances at the date that such statements are made. Forward-looking information is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to: uncertainties associated with negotiations, misjudgments in the course of preparing forward-looking information; the actual results of exploration activities; the inherent risks involved in the exploration and development of mineral properties; liquidity risk; the presence of artisanal miners and the effect of mineral extraction by third parties without title; unreliable historical data for projects; cybersecurity risks; risks regarding community relations; security risks; ability to maintain obligations; uncertainties inherent in conducting operations in a foreign country; uncertainties related to the availability and costs of financing needed in the future; reliance on outside contractors in certain exploration operations; risks arising from labour and employment matters; health and safety risks; risks related to use of explosives; reliance on adequate infrastructure for exploration activities; unexpected adverse changes that may result in failure to comply with environmental and other regulatory requirements; environmentally-protected areas/forest reserves risks; dependence on key management employees; title risks related to the ownership of the Company's projects; the Company's limited operating history; risks relating to retaining employees and consultants with special skills and knowledge; fluctuations in mineral prices; uninsurable risks related to exploration; risks relating to shareholder(s) exercising significant control over the Company; delays in obtaining government approvals; uncertainties inherent in conducting operations in a foreign country; title risks related to the ownership of the Company's projects and the related surface rights and to the boundaries of the

Company's projects; risks relating to the Company's pending concession applications; uncertainties related to the availability and costs of financing needed in the future; differing interpretations of tax regimes in foreign jurisdictions; the loss of Canadian tax resident status; recovery of value added taxes; compliance with government regulation, anti-corruption laws and ESTMA; uncertainties inherent in competition with other exploration companies; non-governmental organization intervention and the creation of adverse sentiment among the inhabitants of areas of mineral development; uncertainties related to conflicts of interest of directors and officers of the Company; social media influence and reputation; the ability to fund operations through foreign subsidiaries; the residency of directors, officers and others; uncertainties related to holding minority interests in other companies; foreign currency fluctuations; global economic conditions; the market price of shares of the Company; the payment of future dividends; future sales of shares of the Company by existing shareholders; seizure or expropriation of assets; accounting policies and internal controls; passive foreign investment corporation; litigation risks; indigenous peoples; impairment of mineral properties; and Bermuda legal matters. See "Risks and Uncertainties" in this MD&A for further discussion regarding risk factors.

Material Forward-Looking Information

The annual consolidated financial statements of the Company for the period from February 11, 2020 to December 31, 2020 were prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The assumption is based on the anticipation of obtaining additional sources of financing to fund its exploration and operating activities for the foreseeable future. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

CORPORATE INFORMATION

Corporate Office

40 King Street West, Suite 2100, Toronto, Ontario, M5H 3C2

Officers

Ari Sussman, Executive Chairman
Omar Ossma, President and CEO
Paul Begin, CFO

Directors

Ari Sussman, Executive Chairman
Paul Begin, CFO

SCHEDULE “D”

**PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS
OF THE RESULTING ISSUER**



COLLECTIVE

— MINING —

PRO FORMA CONSOLIDATED FINANCIAL STATEMENT OF FINANCIAL POSITION

December 31, 2020

COLLECTIVE MINING INC.
Pro Forma Consolidated Statement of Financial Position (unaudited)

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

As at December 31, 2020	POCML 5 INC. CAD	0.7854 POCML 5 INC. USD	COLLECTIVE MINING INC. USD	Note	Pro Forma Adjustments	Pro Forma Consolidated Balance
	\$	\$			\$	\$
ASSETS						
Current assets:						
Cash and cash equivalents	496,881	390,262	1,717,385	3(b) 3(c) 3(d)	78,542 78,542 11,781,338	14,046,069
Receivables and prepaid expenses	–	–	446,806		–	446,806
	496,881	390,262	2,164,191		11,938,422	14,492,875
Non-current assets:						
Equipment and other fixed assets	–	–	165,849		–	165,849
Intangible assets	–	–	7,536		–	7,536
	–	–	173,385		–	173,385
Total assets	496,881	390,262	2,337,576		11,938,422	14,666,260
LIABILITIES AND EQUITY						
Current liabilities:						
Accounts payables and accrued liabilities	8,317	6,532	218,244	3(e) 3(g)	48,000 271,000	543,776
Warrants liability	–	–	–	3(d)	2,726,168	2,726,168
Other current liabilities	–	–	127,970		–	127,970
	8,317	6,532	346,214		3,045,168	3,397,914
Non-current liabilities:						
Lease liability	–	–	98,321		–	98,321
	–	–	98,321		–	98,321
	8,317	6,532	444,535		3,045,168	3,496,235
Equity:						
Share capital	566,819	445,192	3,050,813	3(b) 3(c) 3(d) 3(e) 3(e) 3(f) 3(f)	78,542 78,542 9,055,170 322,666 (359,559) 1,681,243 (523,734)	13,828,875
Contributed surplus	74,875	58,809	542,698	3(c) 3(e) 3(f)	19,237 97,143 (58,809)	659,078
Deficit	(153,130)	(120,271)	(1,700,470)	3(c) 3(d) 3(f) 3(f) 3(g)	(19,237) (108,250) (1,218,971) 120,271 (271,000)	(3,317,928)
	488,564	383,730	1,893,041		8,893,254	11,170,025
Total liabilities and equity	496,881	390,262	2,337,576		11,938,422	14,666,260

COLLECTIVE MINING INC.

Notes to the Pro Forma Consolidated Statement of Financial Position (unaudited)

As at December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

Tabular dollar amounts represent United States ("U.S.") dollars, unless otherwise shown. References to C\$/CAD are to Canadian dollars.

1. BASIS OF PRESENTATION

The unaudited pro forma consolidated statement of financial position of POCML 5 Inc., a company listed on the Toronto Stock Venture Exchange (the "TSXV"), ("POCML") as at December 31, 2020 has been prepared by management to reflect the acquisition of Collective Mining Inc. ("Collective") and after giving effect to the proposed transaction (see Note 2) and pro forma adjustments and assumptions (see Note 3) as if they had occurred on December 31, 2020.

The unaudited pro forma consolidated statement of financial position has been prepared in accordance with policies consistent with International Financial Reporting Standards ("IFRS") and has been compiled from:

- The audited consolidated financial statements of Collective as at December 31, 2020 and for the period from February 11, 2020 to December 31, 2020.
- The audited financial statements of POCML as at and for the years ended December 31, 2020 and 2019.

The unaudited pro forma consolidated statement of financial position has been prepared for inclusion in the POCML filing statement to the TSXV dated May 12, 2021 and is for illustration purposes only. The unaudited pro forma consolidated statement of financial position may not be indicative of the combined results or financial position had the Transaction been in effect on the date indicated or the combined results or financial position which may be obtained in the future.

Proforma statements of profit or loss have not been prepared due to the fact that POCML has no operations other than the costs of pursuing the acquisition of a Qualifying Transaction.

2. PRO FORMA TRANSACTIONS

On February 26, 2021, Collective and POCML, entered into a business combination agreement whereby POCML will acquire all the issued and outstanding shares of Collective through a three-cornered amalgamation (the "Transaction"). The Transaction will result in a reverse take-over of POCML by Collective and will constitute POCML's Qualifying Transaction pursuant to TSXV Policy 2.4.

Upon closing of the Transaction, the issued and outstanding common shares of Collective prior to the Transaction will be exchanged on a one for one basis for the resulting issuer company (the "Resulting Issuer") while every four issued and outstanding share of POCML prior to the Transaction will be exchanged for one common share of the Resulting Issuer. In addition, the proposed management and directors of the Resulting Issuer are to be appointed by Collective.

Following the completion of the Transaction and a non-brokered private placement of C\$15,000,000 (the "Offering") (See Note 3(d)), shareholders of Collective prior to the Transaction and purchasers in the Offering are expected to hold approximately 55% and 38%, respectively, of the Resulting Issuer Shares. Shareholders of POCML prior to the Transaction are expected to hold approximately 7% of the Resulting Issuer Shares.

Collective has been identified as the acquirer for accounting purposes. The Transaction does not meet the definition of a business combination under IFRS 3, Business Combinations ("IFRS 3") and accordingly, has been accounted for as a capital transaction. The purchase price of the Transaction is based on the number of Collective shares that would have been issued to POCML shareholders to achieve the same ownership interest in the combined entity (See Note 3(f)).

Completion of the Transaction is subject to a number of conditions including, but not limited to, TSXV acceptance and, if applicable, pursuant to TSXV listing requirements. There can be no assurance that the Transaction will be completed.

COLLECTIVE MINING INC.**Notes to the Pro Forma Consolidated Statement of Financial Position (unaudited)**

As at December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

3. PRO FORMA ADJUSTMENTS AND ASSUMPTIONS

The unaudited pro forma statement of financial position has been prepared on the basis that the Transaction and the Offering occurred on December 31, 2020 using the following assumptions and adjustments:

a) Functional Currency

The functional currency of the Collective is U.S. dollars. As Collective is considered the acquirer for accounting purposes, the pro forma statement of financial position has been presented in U.S. dollars. All Canadian dollar balances, transactions and adjustments in this pro forma consolidated statement of financial position, including those of POCML, have been translated at the December 31, 2020 CAD:USD exchange rate of 0.7854.

b) POCML Options

As at December 31, 2020, POCML had a total of 1,000,000 options (on a pre-consolidation basis) exercisable at an exercise price of C\$0.10 per share. In accordance with the terms of the Transaction, any such options outstanding upon closing of the Transaction will be cancelled and not converted to options of the Resulting Issuer. As a result, such options are expected to be exercised prior to the closing of the Transaction with the resulting shares issued to be included in the share exchange with the Resulting Issuer in respect of the Transaction. The exercise of the POCML options has been accounted for in the pro forma consolidated statement of financial position as if it had occurred on December 31, 2020.

c) Collective Option Exercise

On January 5, 2021, vesting for 500,000 options for Collective were accelerated and immediately exercised. Proceeds from the exercise was C\$100,000. Shares issued from the option exercise will be included in the share exchange with the Resulting Issuer in respect of the Transaction. The exercise of these options has been accounted for in the pro forma consolidated statement of financial position as if it had occurred on December 31, 2020. As a result, the remaining unamortized portion of the grant date fair value of these options of \$19,237 was expensed with a corresponding adjustment to contributed surplus.

d) Financing

In conjunction with the Transaction, on February 26, 2021, Collective and POCML closed C\$14,000,000 of a total of a C\$15,000,000 non-brokered private placement in the form of subscription receipts ("Subscription Receipts") at a price of C\$1.00 (on a post-consolidation basis) per Subscription Receipt (the "Offering"). The remaining C\$1,000,000 is expected to close in mid-March 2021. However, proceeds from the Offering will remain in escrow until closing of the Transaction. If the Transaction is not completed before May 31, 2021, all proceeds will be refunded to the investors.

Upon closing of the Transaction, the holder of each Subscription Receipt (on a post-consolidation basis) will hold one unit in the capital of the Resulting Issuer at a price of C\$1.00 per unit (a "Resulting Issuer Unit). Each Resulting Issuer Unit shall consist of one common share of the Resulting Issuer (a "Resulting Issuer Share") and one-half share purchase warrant of the Resulting Issuer (each whole warrant, a "Resulting Issuer Warrant"). Each Resulting Issuer Warrant will have an exercise price of C\$2.00 per Resulting Issuer Share for a period of 36 months from the close of the Transaction, subject to an accelerated expiry option.

The Resulting Issuer Warrants are classified as derivative financial liabilities as a result of their being denominated in Canadian dollars. Proceeds from the Offering are allocated between Resulting Issuer Shares and Resulting Issuer Warrants on a pro-rata basis of their fair value within the unit.

COLLECTIVE MINING INC.**Notes to the Pro Forma Consolidated Statement of Financial Position (unaudited)**

As at December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

Fair value for the Resulting Issuer Warrants was determined using the Black-Scholes option pricing model using the following assumptions:

Share price on issue date	C\$0.77
Risk-free interest rate	0.25%
Dividend yield	Nil
Stock price volatility, based on historical volatility for comparable companies	130%
Period to expiry on date of exercise (years)	3

The estimated fair value of the Resulting Issuer Warrants was determined to be C\$0.47 per warrant with the resulting allocation of the total proceeds for the Offering being:

	C\$	\$
Warrants liability – Resulting Issuer Warrants	3,470,957	2,726,168
Share capital – Resulting Issuer Shares	11,529,043	9,055,170
Total gross proceeds	15,000,000	11,781,338

e) Financing Costs

In connection with the Offering, eligible finders will be issued 534,500 units in the Resulting Issuer (the “Finders’ Units”), upon closing of the Transaction and representing 5% of the number of Subscription Receipts placed by such eligible finders. Each Finders’ Unit shall consist of one common share of the Resulting Issuer and one-half share purchase warrant of the Resulting Issuer (each whole warrant, a “Finders’ Warrant”), with the same terms and conditions as the Resulting Issuer Warrants (See Note 3(d)). The Finders’ Units are considered a cost of the Offering and are valued and allocated in the same manner as the Resulting Issuer Units (See Note 3(d)). However, the value allocated to the Finders’ Warrants are accounted for under IFRS 2, Share-Based Payments (“IFRS 2”), whereby the Finders’ Warrants are classified in warrants reserve, a component of contributed surplus. Additional costs to be incurred in respect of the Offering are expected to be approximately \$48,000. Total financing costs are as follows:

	C\$	\$
Contributed surplus – Finders’ Warrants	123,682	97,143
Share capital – Resulting Issuer Shares	410,818	322,666
Total value of Finders’ Units issued	534,500	419,809
Additional financing costs	61,114	48,000
Total financing costs	595,614	467,809

Costs directly attributable to the Offering, are allocated on a pro-rata basis between Resulting Issuer Shares and Resulting Issuer Warrants, with the portion allocated to Resulting Issuer Warrants recognized as an expense as follows:

	\$
Resulting Issuer Warrants – expense	108,250
Resulting Issuer Shares – reduction of share capital	359,559
	467,809

COLLECTIVE MINING INC.**Notes to the Pro Forma Consolidated Statement of Financial Position (unaudited)**

As at December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

f) Transaction

For purpose of the pro forma consolidated statement of financial position, the purchase price of the Transaction is based on the number of Collective shares that would have been issued to POCML to achieve the same ownership interest in the combined entity (See Notes 2 and 4) and is estimated and allocated as follows:

	\$
Purchase Price	
Fair value of 2,785,000 Resulting Issuer Shares issued to POCML shareholders	1,681,243
Purchase Price Allocation	
POCML net assets, December 31, 2020	383,730
Pro forma adjustment for cash to be received for POCML option exercises (Note 3(b))	78,542
Pro forma POCML net assets acquired, December 31, 2020	462,272
Public listing costs expensed	1,218,971
	1,681,243

The fair value is based on the value allocated to Resulting Issuer Shares from the C\$1.00 per Resulting Issuer Unit under the Offering of C\$0.77 per share (See Note 3(d)).

POCML does not meet the definition of a business under IFRS 3. Accordingly, the excess of the consideration paid is recorded as an expense of listing Collective on the TSXV and is therefore included in the pro forma deficit balance in the pro forma consolidated statement of financial position as at December 31, 2020.

In addition, pro forma equity balances for POCML, after taking into account the pro forma adjustment in Note 3(b), are required to be eliminated as part of the accounting for the Transaction.

g) Transaction costs

Estimated Transaction costs of \$271,000 include professional fees for legal and audit and TSXV filing fees are recognized as an expense and is included in the pro forma deficit balance in the pro forma consolidated statement of financial position as at December 31, 2020.

4. PRO FORMA RESULTING ISSUER SHARE CAPITAL

Pro forma common shares and share capital for the Resulting Issuer as at December 31, 2020 is as follows:

	Number of shares	Share capital
		\$
POCML common shares issued and outstanding December 31, 2020	10,140,000	445,192
Pro forma adjustment to give effect to the issuance of shares for POCML option exercises (Note 3(b))	1,000,000	78,542
Pro forma POCML balance, December 31, 2020, pre-consolidation	11,140,000	523,734
Pro forma POCML balance, December 31, 2020, post-consolidation (Note 2)	2,785,000	523,734

COLLECTIVE MINING INC.**Notes to the Pro Forma Consolidated Statement of Financial Position (unaudited)**

As at December 31, 2020

(All amounts expressed in U.S. Dollars, unless otherwise indicated)

	Number of shares	Share capital
		\$
Collective common shares issued and outstanding December 31, 2020	21,617,465	3,050,813
Pro forma adjustment to give effect to the issuance of shares for Collective option exercises (Note 3(c))	500,000	78,542
Pro forma Collective balance, December 31, 2020	22,117,465	3,129,355
Resulting Issuer Shares issued for Collective shares	22,117,465	3,129,355
Resulting Issuer Shares issued for POCML shares (Note 3(f))	2,785,000	1,681,243
Resulting Issuer Shares issued under the Offering (Note 3(d))	15,000,000	9,055,170
Resulting Issuer Shares issued from Finders' Units (Note 3(e))	534,500	322,666
Financing costs allocated to Resulting Issuer shares (Note 3(e))		(359,559)
Pro forma Resulting Issuer shares and share capital, December 31, 2020	40,436,965	13,828,875

The pro forma share capital balance for POCML at December 31, 2020 of \$523,734 was eliminated as part of the accounting for the Transaction (See Note 3(f)).

5. PRO FORMA WARRANTS

Pro forma warrants liability and warrants reserve for the Resulting Issuer as at December 31, 2020 are as follows:

	Number of warrants	\$
Warrants liability – Resulting Issuer Warrants issued under the Offering (Note 3(d))	7,500,000	2,726,168
Contributed surplus, warrants reserve – Finders' Warrants issued from Finders' Units (Note 3(e))	267,250	97,143
Pro forma Resulting Issuer Warrants and Finders' Warrants, December 31, 2020	7,767,250	2,823,311

6. PRO FORMA CONTRIBUTED SURPLUS

Pro forma contributed surplus balance for the Resulting Issuer as at December 31, 2020 is as follows:

	\$
Collective contributed surplus, December 31, 2020	542,698
Accelerated vesting of Collective options (Note 3(c))	19,237
Finders' Warrants issued from Finders' Units (Note 3(e))	97,143
Pro forma contributed surplus, December 31, 2020	659,078

The contributed surplus balance for POCML at December 31, 2020 of \$58,809 was eliminated as part of the accounting for the Transaction (See Note 3(f)).

COLLECTIVE MINING INC.**Notes to the Pro Forma Consolidated Statement of Financial Position (unaudited)**

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(All amounts expressed in U.S. Dollars, unless otherwise indicated)

7. PRO FORMA DEFICIT

Pro forma deficit balance for the Resulting Issuer as at December 31, 2020 is as follows:

	\$
Collective deficit, December 31, 2020	1,700,470
Accelerated vesting of Collective options (Note 3(c))	19,237
Financing costs (Note 3(e))	108,250
Public listing costs (Note 3(f))	1,218,971
Transaction costs (Note 3(g))	271,000
Pro forma contributed surplus, December 31, 2020	3,317,928

The deficit balance for POCML as at December 31, 2020 of \$120,271 was eliminated as part of the accounting for the Transaction (See Note 3(f)).

8. OPTIONS

Pro forma options for the Resulting Issuer as at December 31, 2020 is as follows:

	Number of stock options	Weighted average exercise price
		C\$
Collective common shares issued and outstanding December 31, 2020	2,120,000	0.37
Pro forma adjustment for Collective option exercises (Note 3(c))	(500,000)	(0.20)
Pro forma adjustment for the issuance of options on closing of the Transaction (a)	590,000	1.00
Pro forma Resulting Issuer options, December 31, 2020	2,120,000	0.58

- a) Upon closing of the Transaction, the Resulting Issuer will issue an additional 590,000 options of the Resulting Issuer to the directors appointed by and employees of Collective at an exercise price of C\$1.00 per share, vesting 1/3 every 8 months and for a term of 3 years. As the options have been assumed to have been issued on December 31, 2020, no amortization of the grant-date fair value of the options has been recognized, resulting in no impact to the pro forma financial statement in respect of the options issued upon closing of the Transaction.

The grant date fair value for the options to be issued upon closing of the Transaction were estimated to be \$0.37 per share using the Black-Scholes option pricing model with the following grant date assumptions:

Number of stock options to be granted	590,000
Weighted average grant date fair value	\$0.37
Weighted average exercise price	C\$1.00
Weighted average market price (See Note 3(d))	C\$0.77
Weighted average risk-free interest rate	0.25%
Weighted average dividend yield	Nil
Weighted average stock price volatility	130%
Weighted average forfeiture rate	Nil
Weighted average expected life in years	2.17