



ANNUAL INFORMATION FORM

For the year ended December 31, 2022

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March 27, 2023

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This annual information form contains forward-looking information under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Company's development potential and timetable of the Company's properties; the results of the Technical Report (as defined herein) for the Volta Grande Gold Project (as defined herein), including without limitation, capital and operating costs, economic analysis, expected mine life, production, cash costs, all-in sustaining costs, net present value, internal rate of return and payback period; future mineral prices; ability to raise additional financing; the estimation of Mineral Reserves and Mineral Resources; government regulation and permitting of mining operations; conclusions of economic evaluations; the timing and amount of estimated future exploration and development; projected capital expenditures; success of exploration activities; currency exchange rates; the Company's expectations with respect to the outcome of the litigation process with local courts; and environmental risks. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or 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 information is based on the opinions and estimates of management as of the date such statements are made. Estimates regarding the anticipated timing, amount and cost of future exploration, mine development and economics at the Volta Grande Gold Project, discussions with officials and general filing timelines, timing and lifting of suspension of the licences of the Company, completion of the PBA, exploration done to date and recommended programs, purchase orders placed by the Company to date, actual expenditures incurred, recent estimates of exploration costs are based on management expectations, other factors and assumptions that are set out herein and in the Technical Report (as defined herein). Forward-looking information is 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: precious metal prices; revocation of government approvals; political changes in Brazil; authorizations and licences; foreign exchange rates; foreign operations in Brazil; compliance with environmental legislation; environmental licensing; liquidity concerns and timing and availability of external financing on acceptable terms; unexpected events and delays during construction and start-up; the highly speculative nature of mineral exploration, including lack of assurances that exploration programs will result in the expansion of Mineral Resources or the establishment of Mineral Reserves; variations in mineral grade and recovery rates; uncertainties inherent in estimating Mineral Resources and Mineral Reserves; lack of revenues; commodity prices; title to properties; uninsured risks; competition; dependence on outside parties; dependence on key personnel; litigation; community and non-governmental organization opposition to mineral projects; timing of completion and approval of the ECI in respect of the Volta Grande Gold Project; corruption; uncertainty with court systems and the rule of law in foreign jurisdictions where the Company operates; availability of reasonably priced raw materials and mining equipment; share price fluctuations; conflicts of interest; foreign mining tax regimes; ability to finalize required agreements for operations; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future mineral prices; failure of equipment or processes to operate as anticipated; accidents, labour or community disputes; the COVID-19 pandemic and other risks of the mining industry. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such 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 information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

CAUTIONARY NOTE TO UNITED STATES INVESTORS CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED MINERAL RESOURCES

This annual information form uses the terms "indicated" and "inferred" Mineral Resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. Inferred Mineral Resources have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred Mineral Resource will ever be upgraded to a higher

category. Under Canadian rules, estimates of inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies.

United States investors are cautioned not to assume that all or any part of measured or indicated Mineral Resources will ever be converted into Mineral Reserves. United States investors are also cautioned not to assume that all or any part of an inferred Mineral Resource exists, or is economically or legally mineable.

DEFINITIONS AND GLOSSARY OF TERMS

In this AIF, references to “Belo Sun” or the “Company” mean Belo Sun Mining Corp. and its subsidiaries on a consolidated basis unless the context otherwise requires, and the following abbreviations and defined terms are used:

GENERAL DEFINITIONS

AIF	means this annual information form.
Audit Committee	means the audit committee of the Board.
Board	means the board of directors of the Company.
Common Shares	means the common shares in the capital of the Company.
EIA	Environmental Impact Assessment.
GAAP	means Generally Accepted Accounting Principles.
IFRS	means International Financial Reporting Standards prepared in accordance with International Accounting Standards 34, Interim Financial Reporting, as issued by the International Accounting Standards Board.
LOM	Life of Mine
Mineral Reserve	is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of modifying factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a pre-feasibility study or feasibility study.
Mineral Resource	is a concentration or occurrence of solid material of economic interest in or on the Earth’s crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.
NI 43-101	means the Canadian Securities Administrators’ National Instrument 43-101 – <i>Standards of Disclosure for Mineral Projects</i> .
PVG or the Volta Grande Gold Project	means the Volta Grande gold project in Pará State, Brazil.
Rainbow Alexandrite Project	means the Rainbow project in Goiás State, Brazil.

Technical Report

means the technical report entitled “Feasibility Study on the Volta Grande Gold Project, Pará, Brazil, NI 43-101 Technical Report”, dated May 8, 2015 with an effective date of March 30, 2015 and authored by Mr. Stefan Gueorguiev, P. Eng. Ontario, Vice President Projects, Lycopodium Minerals Canada Ltd (Lycopodium), Mr. Aron Cleugh, P. Eng. Ontario, Lead Process Engineer, Lycopodium, Dr. Oy Leuangthong, PhD., P.Eng. Ontario, Principal Consultant (Geostatistics), SRK Consulting (Canada) Inc. (“SRK”), Dr. Jean-François Couture, PhD, P.Geo, Corporate Consultant, SRK, Dr. Lars Weiershäuser, PhD, P.Geo, Senior Consultant (Geology), SRK, George H Wahl, P. Geo., British Columbia, Principal Consultant, G H Wahl & Associates Geological Services, Mr. Gordon Zurowski, P.Eng. Ontario, Principal Mining Engineer, AGP Mining Consultants (AGP), Mr. Alexandre Luz, AusIMM, Senior Partner, L&M Assessoria Empresarial (L&M), Mr. Paulo Franca, Principal Consultant, AusIMM, VOGBR Recursos Hídricos & Geotecnia Ltda (VOGBR), Mr. Derek Chubb, P. Eng. Ontario, Senior Partner, Environmental Resources Management Inc. (ERM).

BRAZILLIAN INSTITUTION AND PROCESS

ANM	National Mining Agency
CPRM	Companhia de Pesquisa de Recursos Minerais
ECI	Estudo do Componente Indígena (Indigenous Study)
FUNAI	Fundação Nacional do Índio (Federal Ministry of Indigenous Affairs)
IBAMA	Instituto Brasileiro Do Meio Ambiente E Dos Recursos Naturais Renovaveis (Brazilian Institute of Environment)
SEMAS	Secretaria de Estado de Meio Ambiente e Sustentabilidade (Brazilian Secretariat of Environment and Sustainability of the State of Para)
INCRA	Instituto Nacional de Colonização e Reforma Agrária (Brazilian National Institute of Colonization and Agrarian Reform)
LI	Licença de Instalação in Brazil (Construction Licence)
LO	Licença de Operação in Brazil (Operation Licence)
LP	Licença Prévia in Brazil (Environmental Licence)
MME	Brazilian Ministry of Mining and Energy
MPF	Brazilian Federal Prosecution Service
MPE	Ministério Público Estadual do Estado do Pará (Pará State Prosecutor’s Office)

DPE	Defensoria Pública do Estado do Pará (Pará State Public Defender's Office)
DPU	Defensoria Pública da União (Federal Public Defender's Office)
PBA	Plano Básico Ambiental (Basic Environmental Plan)
SESAI	Secretaria Especial de Saude Indigena (Brazilian Federal Secretary for Indigenous Health)
DSEI	Distrito Sanitário Indigena- Altamira- (Altamira District for Indigenous Health)
TRF1 Court	Tribunal Regional Federal da 1ª Região

UNITS OF MEASUREMENT

cm	means centimetre.
g/L	means grams per litre.
g/t Au	means grams of gold per tonne.
ha	means hectare (10,000 square metres).
km	means kilometre.
kWh	means kilowatt per hour
m	means metre.
t	tonne (1000 kilograms).

CURRENCY PRESENTATION AND DATE OF INFORMATION

This AIF contains references to United States dollars, Canadian dollars and Brazilian real. All dollar amounts referenced herein, unless otherwise indicated, are expressed in Canadian dollars. United States dollars are referred to herein as “United States dollars” or “US\$”. Certain dollar amounts referenced herein in Brazilian real are expressed as “R\$”.

The following tables set out the exchange rates for Canadian dollars per United States dollar and Brazilian real in effect at the end of the following periods based on the Bank of Canada noon spot rate of exchange.

United States Dollars Exchange Rates

	Year Ended December 31 (Expressed in Canadian Dollars)		
	2022	2021	2020
Closing	\$1.3544	\$1.2678	1.2732
High	\$1.3856	\$1.2942	1.4496
Low	\$1.2451	\$1.2040	1.2718

On March 24, 2023 the closing rate in United States dollars reported by the Bank of Canada was US\$1.00 = C\$1.3763.

Brazilian Real Exchange Rates

Brazilian Reals	Year Ended December 31 (Expressed in Canadian Dollars)		
	2022	2021	2020
Closing	0.2562	0.2275	0.2451
High	0.2704	0.2506	0.3226
Low	0.2234	0.2171	0.2297

On March 24, 2023 the closing rate in Brazilian real reported by the Bank of Canada was R\$1.00= C\$0.2609.

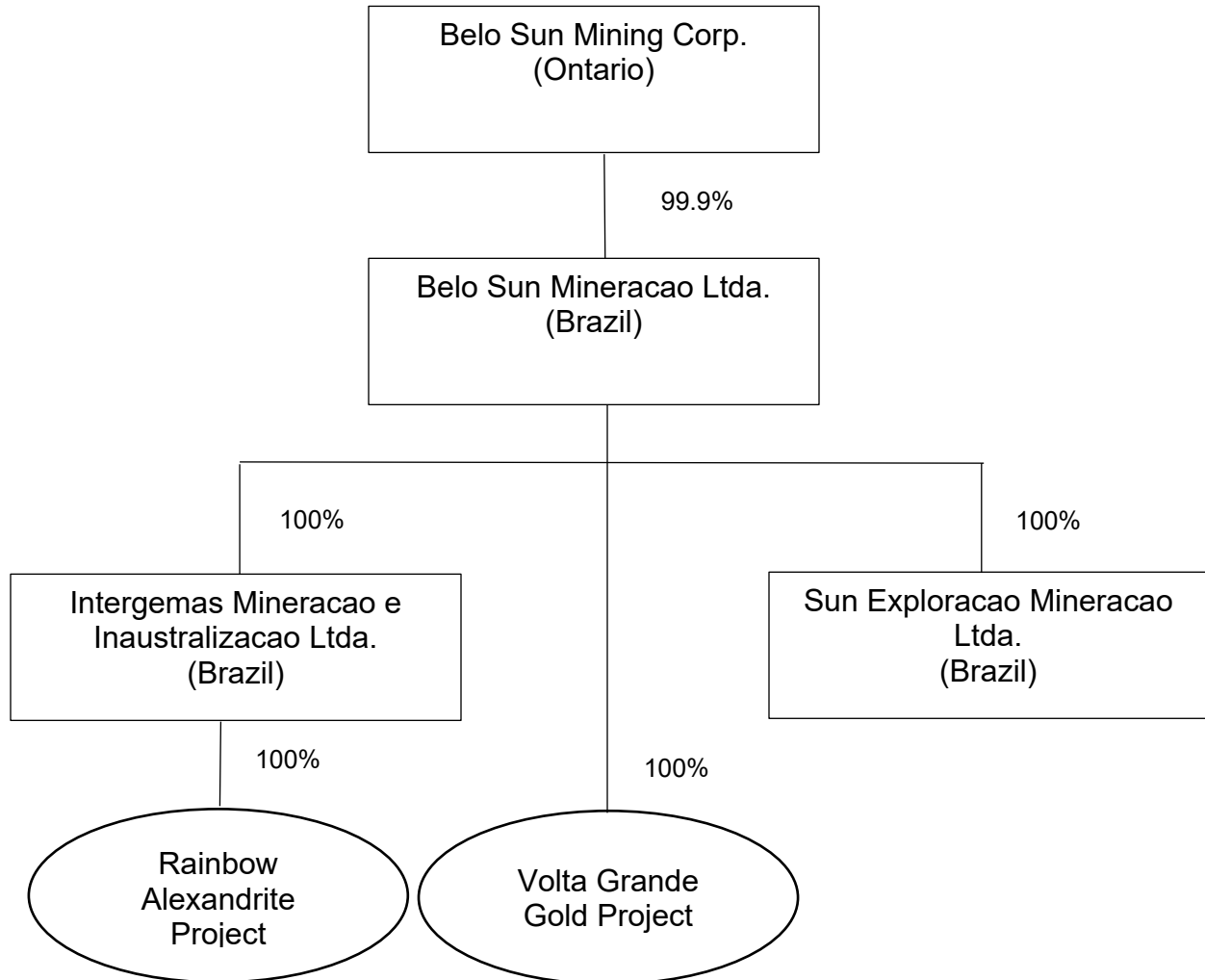
All information in this AIF is given as of March 26, 2023 unless otherwise indicated.

CORPORATE STRUCTURE

The Company was originally formed in the Province of Ontario by articles of amalgamation dated July 1, 1996 pursuant to the *Business Corporations Act* (Ontario) under the name “Verena Minerals Company”. On June 30, 2010, the Company filed articles of amendment to change its name to “Belo Sun Mining Corp.”

The head and registered office of the Company is located at 198 Davenport Road, Toronto, Ontario, Canada M5R 1J2. The Company’s Brazilian office is located at Rua Dragão do Mar, 1025, Premem Altamira, PA, CEP: 68372-070.

The subsidiaries and properties of the Company are set forth in the following chart:



GENERAL DEVELOPMENT OF THE BUSINESS

Belo Sun is a Canadian-based mineral exploration and development company focused primarily on the development of its Volta Grande Gold Project, an advanced-stage development and exploration project, located 49 kilometers southeast of the town of Altamira (population 150,000) in the northern region of Pará State. Altamira is a prosperous regional center with excellent infrastructure. See *Description of Mineral Properties – the Volta Grande Gold Project* for more details.

The Company also has a 100% ownership interest in the Rainbow Alexandrite Project, which is located north of the city of Brasilia.

Three-Year History

The following is a summary of the general development of the Company's business since January 1, 2020.

Financial Year Ended December 31, 2022

On November 7, 2022, the Company announced the repayment by Mr. Tagliamonte of certain amounts owing by him to the Company (\$3,871,878 in aggregate repayments having been made as of November 7, 2022) as well as a further amendment to the promissory note previously entered into with Mr. Tagliamonte to extend the maturity date for the remaining \$460,622, the principal amount which is owing, to October 23, 2023.

Effective August 1, 2022, Joe Milbourne, Vice President, Technical Services, retired as an officer of the Company.

On July 20, 2022, the Company announced that the Supreme Court of Para State had overturned a preliminary suspension order issued by the Agrarian Court of Altamira (as announced by the Company on May 24, 2022), on the grounds that there was no evidence of damage or harm to the riverside people and that they were properly consulted as part of the environmental studies conducted by the Company. For further details, please see the section titled "*Legal Proceedings*".

On May 24, 2022, the Company announced that an interim suspension order had been issued by the judge of the Agrarian Court of Altamira further to a request by the DPE made in August 2020 in connection with the potential impact to the people living along the Xingu River.

On April 25, 2022, the TRF1 Court verbally advised the Company of the rulings for two cases before the TRF1 Court related to the Volta Grande Gold Project, being in respect of (i) the determination of the relevant authority for permitting (SEMAS or IBAMA), and (ii) the lifting of the suspension order against the Volta Grande Gold Project LI (LI suspension). In respect of the first matter, the TRF1 Court requested additional information prior to ruling on the issue of the competent authority for permitting. On the second matter, the TRF1 Court ruled not to lift the suspension order against the LI and instead determined that SEMAS was to analyze whether the ECI's conditions had been met after which it ruled that the Federal Court in Altamira will review and verify whether the Company has complied with all the conditions set out in the TRF1 Court's ruling issued in December 2017.

Financial Year Ended December 31, 2021

On December 7, 2021, the Company announced that it has successfully concluded discussions with INCRA on the land overlap at its Volta Grande Gold Project and has signed a definitive agreement for the use of the land during the mining operations of the Volta Grande Gold Project (the "**INCRA Land Agreement**"). The INCRA Land Agreement resolves a land overlap between a small portion of INCRA designated land and an area of land covered by the Company's concessions that will be affected by the mining operations of the Volta Grande Gold Project. Under the INCRA Land Agreement, INCRA will provide the Company access to the INCRA designated land for mining activities for 20 years once the mining license for the Volta Grande Gold Project is granted with a right to further extend the term. Under the INCRA Land Agreement,

the Company will provide ongoing program support during the operation of the mine including, among other commitments, assistance to small local landholders with the proper registration of their land, assisting the municipality with road and bridge maintenance, a transfer of land outside the project area to INCRA and the purchase of certain equipment to assist the local INCRA office in its activities. The INCRA Land Agreement has been officially published in the Brazil Federal Gazette - Diário Oficial da União (Official Gazette of the Union).

On December 3, 2021, the Company announced that the Volta Grande Gold Project had been selected by the Brazilian Government's Mines and Energy Ministry for the Investment Partnership Program ("PPI" Programa de Parcerias de Investimento). The PPI program was created to support companies involved in the exploration and mining of a variety of commodities, including gold, iron ore and battery metals such as lithium, cobalt and nickel.

In October 2021, the Company completed the presentation of the ECI to the various Indigenous communities and received approvals from both the Juruna Indigenous Community and the Arara da Volta Grande do Xingu Indigenous Community in order to complete the FUNAI protocol requirements for the ECI and ILO Convention 169 consultation. Subsequently, FUNAI issued the final documentation advising that the ECI has been completed, and this documentation has been submitted to the TRF1 Court.

On May 6, 2021, the Company announced that its Common Shares began trading on the OTCQX Best Market under the ticker symbol "BSXGF".

Financial Year Ended December 31, 2020

In November 2020, FUNAI approved the updated ECI as accepted for final presentation to the Indigenous communities.

In February 2020, the Company completed and submitted its ECI in accordance with FUNAI's guidelines and protocols, as required to lift the suspension of the LI.

In February 2020, the Company appointed Peter Nixon as lead independent director to the Board of Directors, replacing Bruce Humphrey. Mr. Nixon has served on the boards of several publicly traded mining companies and has successfully guided many of them through the permitting and development stages.

NARRATIVE DESCRIPTION OF THE BUSINESS

General

Belo Sun is a Canadian-based mineral exploration and development company focused on gold in Brazil. Belo Sun is focused on developing the Volta Grande Gold Project, an advanced-stage development and exploration project. The Volta Grande Gold Project is located approximately 49 kilometers southeast of the town of Altamira (population 150,000) in the northern region of Pará State. Altamira is a prosperous regional center with excellent infrastructure.

In May 2015, the Company completed a Feasibility Study Technical Report. Please see the information below under the heading "*Description of the Mineral Properties – the Volta Grande Gold Project*".

Belo Sun has not conducted a market study in relation to the gold doré that may be produced by the Volta Grande Gold Project. Gold is a freely traded commodity on the world market for which there is a steady demand from numerous buyers.

Competitive Conditions

The gold exploration and mining business is a competitive business. The Company competes with numerous gold mining companies that have Mineral Resources in excess of those of the Company, in the search for (i) attractive mineral properties; (ii) qualified management and service providers and qualified employees; (iii) equipment and suppliers; and (iv) financing. The ability of the Company to acquire additional mineral properties in the future will depend on its ability to operate and develop its present properties and

on its ability to select and acquire suitable producing properties or prospects for development or exploration in the future.

Environmental Protection

Belo Sun is committed to advancing its Volta Grande Gold Project in a responsible and sustainable manner. The ongoing cooperation and acceptance of the impacted communities is an utmost priority for the Company, and the Company strives to keep any environmental impact to a minimum. The foundation of the Company's approach is to create long-term value for all stakeholders, including its employees, the communities that are in close proximity to the Volta Grande Project, the local municipality, shareholders, service suppliers and all levels of government and agencies, by advancing the project in a transparent, sustainable and mutually beneficial way.

The Company's exploration, development and mining activities are subject to laws and regulations governing environmental protection, employee health and safety, waste disposal, remediation of environmental sites, reclamation, mine safety, control of toxic substances and other matters. Compliance with applicable laws and regulations requires forethought and diligence in the conduct of the Company's activities.

In Brazil, extensive environmental legislation has been enacted by federal and provincial governments. Such legislation imposes rigorous standards on the mining industry to reduce or eliminate the effects of waste generated by extraction and processing operations and subsequently deposited on the ground or emitted into the air or water. All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner that requires stricter standards and enforcement, imposes increased fines and penalties for non-compliance, mandates more stringent environmental assessments of proposed activities and requires a heightened degree of responsibility for companies and their officers, directors, employees and contractors.

To the best of the Company's knowledge, all of the Company's activities are in compliance in all material respects with applicable environmental legislation. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. The cost of compliance with changes in governmental regulations has the potential to preclude entirely the economic development of a property.

Social or Environmental Policies

The Company is, and has been, carrying out exploration and development in Brazil, principally in Pará State. Such activities are subject to various laws, rules and regulations governing the protection of the environment. Management is committed to ensure that it continues to comply with all environmental regulations currently applicable to it.

Belo Sun is committed to positively contributing to the communities in which it operates. Over the years, the Company has established a climate of transparency and confidence with communities around the Volta Grande Gold Project by being open, approachable and by regularly providing the means for dialogue with anyone who may be impacted by its activities. The Company's commitment to its host communities is exemplified by the following long-standing and well-established practices and policies. To the best of the Company's knowledge, all of the Company's activities are in compliance in all material respects with applicable environmental legislation.

The Volta Grande Gold Project was impacted by a land occupation on June 5, 2022 by a group of people protesting the INCRA Land Agreement. The occupation continues with the people encamped at the project site.

The Company has increased its security at the project site and is monitoring the situation. The occupation has been peaceful and has not caused any interruptions to the Company's business and operations.

As the Company moves to advance and develop the PVG, the Company anticipates that ongoing and additional legal claims and actions will be brought in Brazilian courts in order to attempt to delay or stop the PVG.

Legal Proceedings

The Company's exploration and development activities, including mine, mill and infrastructure facilities, require permits and approvals from various government authorities, and are subject to extensive federal, state and local laws and regulations governing prospecting, development, production, transportation, exports, taxes, labour standards, occupational health and safety, mine safety and other matters.

Subsequent to the Company's receipt of approval for the LI the PVG has been subject to a number of proceedings which commenced when the TRF1 Court granted an interim suspension order to suspend the LI in 2017, primarily because the ECI had not been presented with primary data.

The following are the primary outstanding proceedings that relate to the Volta Grande Gold Project and its permitting:

- 1) FUNAI litigation: on the basis that the ECI had allegedly not been completed in accordance with the FUNAI protocol requirements and ILO Convention 169;
- 2) SEMAS and IBAMA litigation: on the basis that IBAMA should be considered the permitting authority rather than SEMAS; and
- 3) INCRA negotiations and litigation, litigation related to the Xingu River communities.

These proceedings are all described in greater detail below.

FUNAI Litigation

The approval of the EIA and receipt of the LP were key milestones in the advancement of the Volta Grande Gold Project towards the construction phase. The Company received its LP in February 2014.

According to Brazilian legislation, mining companies are required to consult with Indigenous communities within a designated distance from a proposed mining site. In the case of the PVG, there were no Indigenous communities within the prescribed area. Nonetheless, the Company and SEMAS agreed to undertake the ECI to consider Indigenous groups outside of the designated range and SEMAS included this consultation as a condition in the LP. In light of this undertaking, the TRF1 Court ruled that the commitment to consult with Indigenous groups was enforceable.

In 2016, the Company completed its original ECI, covering the three nearest Indigenous communities, located 12.6 km and 16 km away from the PVG. This original ECI was submitted along with the LI application to SEMAS.

In January 2017, the ECI was accepted by SEMAS, however, the Company did not receive approval for the ECI from FUNAI, primarily because the ECI did not include primary data. The ECI did not include primary data as a result of FUNAI not granting the Company access to Indigenous land during the period of the study. SEMAS advised the Company to continue with the ECI and to submit it with secondary data.

In February 2017, the Company received the approval of the LI for the PVG and approval of the ECI from SEMAS. The LI is the final governmental approval that is required to authorize the Company to proceed with construction and development of the PVG.

In April 2017, the Company received an interim suspension order related to the LI by the TRF1 Court. According to the order, the LI would be suspended until the ECI was completed by the Company with primary data and approved by FUNAI and under the terms of ILO Convention 169.

In December 2017, the TRF1 Court upheld the suspension of the LI until the Company fulfilled the requirements of completing the ECI in accordance with the FUNAI protocols and requirements and ILO Convention 169. Following the decision, the Company commenced working closely with FUNAI and

anthropology consulting firms to complete the ECI in compliance with FUNAI's protocols and the TRF1 Court ruling.

In late 2020, FUNAI approved the updated ECI as accepted for final presentation to the Indigenous communities.

In October 2021, the Company completed the presentation of the ECI to the various Indigenous communities and received approvals from both the Juruna Indigenous Community and the Arara da Volta Grande do Xingu Indigenous Community in order to complete the FUNAI protocol requirements for the ECI and ILO Convention 169 consultation. Subsequently, FUNAI issued the final documentation advising that the ECI has been completed, and this documentation has been submitted to the TRF1 Court.

On April 25, 2022, the TRF1 Court issued a ruling related to the lifting of the injunction related to the LI following the completion and acceptance by FUNAI of the updated ECI in October 2021. Instead of lifting the injunction, the TRF1 Court provided procedural guidance on the steps required to be taken to have the injunction removed. In effect, the TRF1 Court ruling decided that the matter is to be sent to SEMAS for review and confirmation that the ECI conditions have been met. If SEMAS determines that the ECI conditions have been met, then the matter is to be returned to the Federal Court in Altamira, which will then review and confirm whether the Company has fulfilled the conditions required in the TRF1 Court ruling issued in December 2017. If the Federal Court in Altamira agrees that all conditions have been met, it will determine what, if any, additional steps may be required to lift the suspension order. The Company also understands that any decision by the Federal Court in Altamira may be subject to a right of appeal.

While the Company was disappointed that the TRF1 Court ruling did not immediately lift the suspension order against the LI, the TRF1 Court ruling does provide needed procedural guidance on the steps required to accomplish this, which, in the Company's view, is a positive development. The Company continues to remain positive that the injunction will eventually be lifted.

It is important to note that, even if the TRF1 Court had ruled that the conditions had been complied with, given that the LI for the Volta Grande Gold Project was granted by SEMAS in 2017, the Company would still need to go to SEMAS with the ruling and discuss with SEMAS the process and requirements for the Company to move forward with the LI and what would be required to start the construction of the PVG. Given regulatory and other changes since the grant of the LI in 2017, if the injunction is lifted, the Company anticipates that it may be possible that new requirements could be added to the 79 initial conditions that were attached to the original grant of the LI in 2017. There can be no assurance that the ECI will be validated by SEMAS and the Federal Court in Altamira or that the injunction related to the LI will be lifted. See the section titled "Risks Factors" below for more information regarding the risks related to litigation and the permitting process.

SEMAS and IBAMA Litigation

In July 2019, the Company received a favorable provisional ruling by a three judge panel from the TRF1 Court (for the Tutela Antecipada Antecedente), determining that SEMAS remains the competent authority for the environmental permitting of the PVG,

The PVG is permitted by the Pará State permitting authority called SEMAS. Prior to starting the permitting process, the Company contacted both SEMAS and IBAMA and requested a ruling on which agency had the permitting authority for the PVG. IBAMA advised that the PVG did not have any of the parameters for Federal permitting. SEMAS confirmed that they were the correct permitting authority. However, the local MPF filed an injunction before the Federal Court in Altamira requesting that the permitting authority be changed from SEMAS to IBAMA. The history of the SEMAS and IBAMA litigation is described below.

In September 2018, the Federal Court in Altamira ruled that the past permitting for the LP and LI under SEMAS was valid, but subject to review from IBAMA. It also ruled that the permitting authority going forward for the PVG would be IBAMA (Federal Environmental Agency) rather than SEMAS (State Agency).

In November 2018, the TRF1 Court rendered an intermediate ruling that suspended the decision of the Federal Court in Altamira and confirmed that SEMAS remained the competent permitting authority until such time as a final decision in the matter is rendered.

On April 25, 2022, the TRF1 Court issued a ruling that postponed the decision on determining the competent Brazilian permitting authority for environmental permitting at the PVG. Shortly before the trial, the prosecutors had argued that Norte Energia (responsible for the Belo Monte hydroelectric plant – the “**Belo Monte Project**”) was concerned about possible adverse impacts resulting from the combined impact of their project and the PVG. IBAMA requested the postponement of the ruling, so as to present information regarding these concerns. As a result, in the ruling, the TRF1 Court provided that all parties would be notified as to further requirements for additional evidence in respect of (i) the combined impact on the region of the Volta Grande Gold Project and the Belo Monte Project, and (ii) any other issues raised by the letter from Norte Energia. The Company has presented additional evidence to the TRF1 Court and is waiting for the TRF1 Court to set a date for a ruling.

As previously disclosed, the Company would be pleased to work with either or both of IBAMA and SEMAS in its permitting process and the Company looks forward to a final decision in this matter so that the Company can continue to advance the permitting process.

Until the TRF1 Court issues a ruling, SEMAS will continue to act as the competent authority for the environmental permitting of the PVG.

INCRA negotiations and litigation, litigation related to the Xingu River communities

INCRA Negotiations and Litigation

The PVG exploration concessions were granted in 1974. In 1999, INCRA designated certain land areas for rural development, and a small portion of such designated rural development area overlapped with certain of the Company’s mining concessions. The area that overlapped the PVG footprint covers some of the planned facilities, a small portion of the end of the Grota Seca pit and one of the proposed waste pile deposits.

The Company’s LI included and approved a relocation plan. It provided families in the directly impacted area the option to: a) relocate at any time during the life of the project and at any time of the families’ choosing with relocation expenses covered by the Company; or b) stay where they currently live; or c) leave and receive financial compensation for their property.

The overlap issue gave rise to administrative and judicial proceedings.

In the administrative sphere, negotiations between the Company and INCRA regarding the overlap commenced in 2016. However, various changes in the INCRA administration and the Federal Government, as well as the COVID-19 pandemic, caused delays in the negotiations.

In the judicial proceedings, an order from the judge of the Agrarian Court of Altamira issued a temporary 180-day injunction halting certain work related to the LI. The purpose of the injunction was to provide time for the relocation of certain families living near the PVG site and to finalize the agreement with INCRA involving the overlap of a small portion of INCRA urban development project area within the Company’s mining concessions. The Agrarian Court of Altamira lifted this injunction in June 2017.

On August 23, 2019, the MPE filed an injunction request lawsuit in the Pará State Court in the City of Senador Jose Porfirio against the State of Pará and Belo Sun Mineração. In this lawsuit the MPE requested the cancellation of the environmental licenses granted to the Company for the construction of the PVG and requested the grant of an injunction, on an expedited basis to suspend all permitting processes involving the PVG. The MPE requested that all of the licenses granted to the PVG be declared null. The main allegations asserted by the MPE were largely similar to those asserted in previously filed lawsuits discussed above, namely that the ECI required approval by FUNAI, that IBAMA should be the permitting authority and that there was an overlap of INCRA land and the Company’s mining concessions.

On September 30, 2019, the State of Pará presented its response which requested the full rejection of the MPE’s lawsuit. On October 3, 2019, the Company presented its initial response challenging the allegations presented by the MPE.

In November 2019, the Agrarian State Judge of the Court of Altamira ruled that the Company's LI will remain suspended until the following two conditions were fulfilled: 1) a periodic update to SEMAS on the status of the relocation of certain families living in the area directly affected by the PVG; and 2) an update to SEMAS on the negotiations with INCRA involving the overlapping portion of the INCRA urban development project area within the PVG.

In a separate ruling in November 2019, the State Court of Belem ruled to uphold the Company's LI under the condition that the Company complies with the relocation plan terms as submitted by the Company to SEMAS for its LI.

In January 2020, the State Court of Appeal of Pará State overturned the November 2019 court ruling by the Agrarian State Judge of the Court of Altamira.

The Company and INCRA eventually entered into the INCRA Land Agreement on November 26, 2021. The INCRA Land Agreement resolves a land overlap between a small portion of INCRA-designated land and an area of land covered by the Company's mining concessions that will be affected by the mining operations of the PVG. Under the INCRA Land Agreement, once all the conditions have been satisfied, INCRA will provide the Company access to the INCRA-designated land for mining activities for 20 years counting from the execution date, with the ability to further extend the term. The use of the area by the Company is subject to the granting of the mining concessions by the Ministry of Mines and Energy.

Under the INCRA Land Agreement, the Company will provide ongoing program support during the operation of the mine, including, among other commitments: assisting small local landholders with the proper registration of their land; assisting the municipality with road and bridge maintenance; a transfer of land outside of the project area to INCRA; and the purchase of certain equipment to assist the local INCRA office in its activities. The Company shall also pay royalties to INCRA on the revenues arising from its activities at the PVG.

The INCRA Land Agreement was officially published in the Brazil Federal Gazette - Diário Oficial da União on November 29, 2021, and was ratified by INCRA's board on December 16, 2021. The INCRA's board decision that ratified the INCRA Land Agreement conditioned the commencement of the Company's activities in the area to a meeting between the Company, INCRA, MPF and the people living in INCRA's area to discuss the PVG, which took place May 3, 2022.

The INCRA Land Agreement has been challenged by at least two lawsuits brought by DPU and DPE. The Company has filed motions in response to such lawsuits to have their preliminary injunctions dismissed. The Company and INCRA are finalizing the documentation for the official register of the land donation.

Litigation related to Xingu River Communities

On August 2020, the DPE filed a request for a preliminary injunction with a local Altamira Judge (Agrarian Court – State Circuit) against the State of Pará and the Company to suspend the LI based on a report submitted by a Latin America based NGO (Association Interamericana for Environmental Development (“AIDA”)) which criticized the licensing process on the grounds that people living along the Xingu River, as traditional, were not consulted in accordance with ILO Convention 169 in the PVG LI that was issued by SEMAS. The Company responded to this request with full documentation that all communities in the area of influence of the PVG were fully considered in the impact assessment and in the LI application. The State of Pará also contested the injunction, consistent with the defense presented by the Company. The State of Pará and the Company presented technical and legal evidence that the allegations that were made by AIDA are false.

On May 24, 2022, an interim suspension order was issued in this matter by a judge of the Agrarian Court of Altamira against the LI and LP further to a request made by the DPE in August 2020 based on the alleged potential impact to the people living along the Xingu River.

On July 20, 2022 the Supreme Court of Pará State overturned the suspension order issued on May 24, 2022 on the grounds that there was no evidence of damage or harm to the riverside people and that they were properly consulted as part of the environmental studies conducted by the Company. The Supreme Court of Pará State also ruled that the decision of the Agrarian Court caused damage to the Company and

stated that there should be no obstacles for the Company to continue with the environmental licensing process while complying with the legal requirements determined by the applicable environmental and judicial authorities. The initial suspension order under the FUNAI Litigation (discussed above) remains in effect.

Specialized Skill and Knowledge

All aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, engineering, operations, environmental, management, community relations, drilling, logistical planning and implementation of exploration and development programs, treasury, accounting and legal.

Employees

The Company has approximately 12 internal consultants and employees in Canada and 28 internal consultants and employees in Brazil. In addition, it retains a number of geologists, engineers, employees and other consultants on a permanent contract basis, as required. The Company has not experienced, and does not expect to experience, significant difficulty in attracting and retaining qualified personnel. However, no assurance can be given that a sufficient number of qualified employees can be retained by the Company when necessary. See *"Risks of the Business – Qualified Personnel"*.

COVID-19 Pandemic

The Company continues to closely monitor and respond to developments relating to the COVID-19 pandemic. The extent to which the COVID-19 pandemic impacts the Company's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others.

To date, there has been no significant impact on the Company's operations. The COVID-19 situation in Brazil continues to improve as the uptake and distribution of vaccines continues. The State of Para is currently showing declining cases and is currently completely in the Green Zone classification. It is expected that restrictions will continue to remain in the Green Zone if the COVID-19 situation continues to improve in the State of Para. Currently, access restrictions continue within Indigenous land and are being governed by FUNAI, SESAI and DSEI.

Business Cycles

The mineral exploration business is subject to mineral price cycles. The marketability of minerals and mineral concentrates and the ability to finance the Company on favourable terms is also affected by worldwide economic cycles.

Risks Factors

Investing in the Company involves risks that should be carefully considered. The operations of the Company are speculative due to the high-risk nature of its business. Investors should be aware that there are various risks, including, without limitation, those discussed below, that could have a material adverse effect on, among other things, the development of the Volta Grande Gold Project, and the operating results, earnings, business and condition (financial or otherwise) of the Company. See *"Cautionary Statement Regarding Forward-Looking Information"*.

Mining and Environmental Regulations and Permitting Risks

The Company's activities are subject to extensive federal, state, and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are more stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Furthermore, any failure to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

The current and future operations of the Company, including development and mining activities, are subject to extensive federal, state and local laws and regulations governing environmental protection, including regarding protection and remediation of mining sites and other matters. Activities at the Company's properties may give rise to environmental damage and create liability for the Company for any such damage or any violation of applicable environmental laws. To the extent the Company may be subject to environmental liabilities, the payment of such liabilities or the costs that the Company may incur to remedy environmental pollution would reduce otherwise available funds and could have a material adverse effect on the Company. If the Company is unable to fully remedy an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Volta Grande Gold Project and the Company. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards.

Many of the local, state and federal environmental laws and regulations require the Company to obtain licences for its activities. The Company must update and review its licences from time to time and is subject to environmental impact analyses and public review processes prior to approval of new activities. In particular, the Company's mineral project is located in the Volta Grande do Xingu region, in the area proximal to the Belo Monte hydroelectric plant on the Xingu River, which is one of the Amazon's most important rivers. Due to the existence of communities of indigenous peoples and the region's biodiversity, the environmental licensing process of the Belo Monte dam has attracted a great deal of attention from the local communities, non-governmental organizations, the MPF Office, the Brazilian Institute of Environment and Renewable Natural Resources, and other Brazilian and foreign institutions. Therefore, environmental and operational licensing of the Volta Grande Gold Project and relations with local communities may be more challenging and time consuming and subject to greater scrutiny as compared to the environmental licensing process and community and social relations for other mineral projects conducted in Brazil.

Subsequent to the Company's receipt of approval for the LI the PVG has been subject to a number of proceedings which commenced when the TRF1 Court granted an interim suspension order to suspend the LI in 2017. The PVG remains subject to various proceedings, see "*Legal Proceedings*" above for more details and there is no guarantee that there will be a favourable outcome. Belo Sun can make no assurance that it will be successful in the various legal proceedings or be able to maintain or obtain all of the required environmental and social licences on a timely basis, if at all.

In addition, it is possible that future changes in applicable laws, regulations and authorizations or changes in enforcement or regulatory interpretation could have a significant impact on the Company's activities. Those risks include, but are not limited to, the risk that regulatory authorities may increase bonding requirements beyond the Company's or its subsidiaries' financial capabilities. Developments elsewhere in the Brazilian mining industry or in relation to Brazilian mining legislation may add to regulatory processes and requirements, including additional scrutiny of all current permitting applications.

There are risks inherent with obtaining and maintaining title to properties.

The acquisition and maintenance of titles to resource properties is a very detailed and time-consuming process. The Company holds its interests in certain of its properties through mining claims. Title to, and the area of, the mining claims may be disputed. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest which, if successful, could result in the loss or reduction of the Company's interest in those properties. For example, a temporary injunction was issued against the LI due to an overlap of a small portion of INCRA rural development project area with the Company's mining concessions. In late 2021, the Company and INCRA entered into the INCRA Land Agreement pursuant to which INCRA provided access to the INCRA designated land subject to the Company providing ongoing program support during the operation of the mine including, among other commitments, assistance to small local landholders with the proper registration of their land, assisting the municipality with road and bridge maintenance, a transfer of land outside the project area to INCRA and the purchase of certain equipment to assist the local INCRA office in its activities. Furthermore, there has historically been garimpeiros (informal miners) operating within the Company's property, and there may be issues and difficulties that could arise, including title disputes and the risk of the garimpeiros encroaching onto active areas of the Volta Grande Gold Project.

Although the nature and extent of the interests of the Company in the properties in which it holds an interest has been reviewed by or on behalf of the Company, there may still be undetected title defects affecting such properties. Title insurance generally is not available in Canada or Brazil, and the ability of the Company to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be constrained.

The properties in which the Company holds an interest may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, the structure through which the Company maintains its interest in its properties and undetected defects which could have a material adverse impact on the Company's operations. In addition, the Company may be unable to, effectively (if at all), conduct business at or operate on its properties as permitted or to enforce its rights with respect to those properties.

No assurances can be given that title defects to the properties in which the Company has an interest do not exist. The properties may be subject to prior unregistered agreements, interests or aboriginal land claims and title may be affected by undetected defects. If title defects do exist, it is possible that the Company may lose all or a portion of its right, title, estate and interest in and to the properties to which the title defect relates. There is no guarantee that title to the properties will not be challenged or impugned.

The Company does not maintain insurance against title. Title on mineral properties and mining rights involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mining properties. The Company has investigated title to its mineral claims; however, this should not be construed as a guarantee of title. The Company cannot give any assurance that title to any of its properties will not be challenged or impugned and cannot guarantee that the Company will have or acquire valid title to these mining properties. For example, title to existing properties or future prospective properties may be lost due to an omission in the claim of title, prior activities of the property vendors or changes in Brazilian mining laws or the application thereof which affects the Company's title or the Company's rights and interests in its properties. Other parties may dispute the title of the Company to any of its mineral properties and any of such properties may be subject to prior unregistered agreements or transfers or aboriginal land claims and title may be affected by undetected encumbrances or defects or governmental actions.

The Company may need to acquire title to additional surface rights and property interests to further exploration and development activities. There can be no assurances that the Company will be able to acquire such additional surface rights. To the extent additional surface rights are available, they may only be acquired at significantly increased prices, potentially adversely affecting financial performance of the Company.

Project Development Costs

The Company plans to and expects to successfully develop its Volta Grande Gold Project within the current budget expectations. However, there can be no assurance that this project will be fully developed in accordance with the Company's current plans or completed on time or to budget, or at all.

Foreign Operations

The mineral properties of Belo Sun are located in Brazil. As a result, the operations of the Company are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction.

Political and economic conditions directly affect our business and can result in a material adverse effect on us. Macroeconomic policies imposed by the Brazilian government can have significant impact on Brazilian companies or companies with significant operations in Brazil, including us. On January 8, 2023, protesters broke into Brazil's Congress building, Supreme Court, and presidential palace, following the inauguration of Luiz Inácio "Lula" da Silva on January 1, 2023, after a victory over Brazil's former leader, Jair Bolsonaro, in a run-off election on October 30, 2022. The political unrest associated with the former administration coming to an end and the new administration taking over is reminiscent of the January 6, 2021 insurrection by rioters on the U.S. capitol building, and the short and long-term impacts on business and capital markets

are unknown. Any actions taken by the current administration may have a negative impact on the economy and on the businesses, financial condition, results of operations, prospects and the valuation of mining companies, which could also negatively impact the Company, which negative impact could prove to be material over time.

The Brazilian economy has been characterized by frequent and occasionally significant intervention by the Brazilian government and unstable economic cycles. The Brazilian government has often changed monetary, taxation, credit and other policies to influence the course of Brazil's economy. The Brazilian government's actions to control inflation have at times involved setting wage and price controls, blocking access to bank accounts, imposing exchange controls, capital inflow and outflow controls and limiting imports and exports.

We cannot control or predict whether the current Brazilian government will implement changes to existing policies or the impact such changes may have on our operations in Brazil and, consequently, our business. Our business, operating results and financial condition and prospects, as well as the market price of our securities, may be adversely affected by changes in Brazil's public policies, whether federal, state or local, that affect, without limitation:

- inflation;
- fluctuations in exchange rates;
- exchange controls and restrictions on remittances abroad, such as those imposed in 1989 and early 1990;
- interest rates and monetary policies;
- import and export controls;
- liquidity of domestic capital, credit and financial markets;
- expansion or contraction of the Brazilian economy, as measured by rates of growth in gross domestic product, or GDP;
- fiscal policies; and
- other political, social and economic developments in or affecting Brazil.

Government policies and measures to combat inflation, along with public speculation about such policies and measures, have often had adverse effects on the Brazilian economy, contributed to economic uncertainty in Brazil and increased volatility in the Brazilian securities markets. The Brazilian government's actions to control inflation have often involved price and salary controls, currency devaluations, capital limitations, limits on imports and other actions.

Other policies and measures adopted by the Brazilian government, including interest rate adjustments, intervention in the currency markets or actions to adjust or fix the value of the Brazilian real may adversely affect the Brazilian economy, our business and results of operations.

Uncertainty over whether the Brazilian federal government will implement reforms or changes in policy or regulation affecting these or other factors in the future may affect economic performance and contribute to economic uncertainty in Brazil, which may in turn have adverse effects on our operations in Brazil and consequently on the results of our operations. Recent economic and political instability has led to a negative perception of the Brazilian economy and higher volatility in the Brazilian securities markets.

Developing consequences of the Samarco and Brumadinho dam failures may adversely affect us.

On November 5, 2015, the Samarco Mineração S.A. ("Samarco") iron ore operations experienced a tailings dam failure that resulted in a release of mine tailings, flooding the communities of Bento Rodrigues,

Gesteira and Paracatu and impacting other communities downstream and the environment of the Rio Doce basin. Samarco is a joint venture owned equally by BHP Billiton Brasil Limitada and Vale S.A.

On January 25, 2019, the Córrego do Feijão mine owned by Vale S.A. experienced a tailings dam failure that resulted in a release of mine tailings, flooding the communities of Brumadinho and impacting other communities downstream and the environment of the Rio Paraopeba.

The heightened awareness of mining impact particularly in Brazil following the Samarco and Brumadinho dam collapses in 2015 and 2019, respectively, as well as increased regulatory oversight may result in the amount and timing of future environmental and related expenditures to vary substantially from those currently anticipated. We may encounter delays in obtaining environmental and other operating licenses, or not be able to obtain and/or renew an authorization, permit and/or license. These events and additional costs may have a negative impact on our operations and have an adverse effect on our financial performance.

The heightened awareness of the potential impacts of mining activities following the Brumadinho dam failure as well as increased regulatory oversight may cause the amount and timing of future environmental and related expenditures to vary substantially from those currently anticipated and we may encounter delays in obtaining environmental and other operating licenses, or not be able to obtain and/or renew an authorization, permit and/or license. These events and additional costs may have a negative impact on our operations and have an adverse effect on our financial performance.

Liquidity Concerns and Future Financings

The Company will require significant capital and operating expenditures in connection with the development of the Volta Grande Gold Project. There can be no assurance that the Company will be successful in obtaining the required financing as and when needed. Volatile markets may make it difficult or impossible for the Company to obtain debt or equity financing on favourable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all of the Company's properties or reduce or terminate some or all of its activities. In the event that the Company completes an equity financing, such financing could be extremely dilutive to current shareholders who invested in the Company at higher share prices and dilutive as compared to the Company's estimated net asset value per share and estimated Mineral Resource or reserve ounces per share. The Company currently has a negative operating cash flow and finances its mineral exploration activities through equity financing. The Company's financial success will be dependent on the economic viability of its mineral properties and the extent to which it can establish economic operations.

Nature of Mining, Mineral Exploration and Development Projects

Development projects have no operating history upon which to base estimates of future capital and operating costs. For development projects, Mineral Resource estimates and estimates of operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of capital and operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the mineral deposit, expected recovery rates of minerals from ore, estimated operating costs, and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. There is no certainty that the expenditures made towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore. Further, there is no certainty that even greater expenditures relating to economic analysis or to development will result in a commercially viable project.

Cost Estimates, Permit Timing, and Project Economics

The Company presents information from a feasibility study on the Volta Grande Gold Project which contains estimates with respect to capital costs, operating costs and other project economics. The Company's actual costs, production, returns, payback and other financial and economic performance metrics for the Volta Grande Gold Project are dependent on a number of factors, including currency exchange rates, the price of gold, the cost of inputs used in mining development and operations, timing of obtaining all required permits and approvals, timing of obtaining all necessary financing and events that affect cost and production levels that are not in the Company's control. The Company's actual costs may vary from estimates for a variety of reasons, including changing waste-to-ore ratios, ore grade, metallurgy, labour and other input costs, commodity prices, general inflationary pressures and currency exchange rates. Failure to achieve cost estimates or other economic performance metrics or material increases in costs could have an adverse impact on the Company's future cash flows, profitability, results of operations and financial condition. As a result of the substantial expenditures involved in development projects, development projects are prone to material cost overruns versus budget. The capital expenditures and time required to develop new mines are considerable and changes in cost or construction schedules can significantly increase both the time and capital required to build the Volta Grande Gold Project. The Volta Grande Gold Project development schedules are also dependent on obtaining the governmental approvals and permits necessary for operation of a project. The timeline to obtain these government approvals and permits is often beyond the control of the Company. It is not unusual in the mining industry, especially in a jurisdiction like Brazil, for new mining operations to experience construction challenges or delays and unexpected problems during the start-up phase, resulting in delays and requiring more capital than anticipated. Given the inherent risks and uncertainties associated with the development of a new mine, there can be no assurance that the construction will commence in accordance with current expectation.

Mineral Resource Estimates May be Inaccurate

There are numerous uncertainties inherent in estimating Mineral Resources, including many factors beyond the control of the Company. Such estimates are a subjective process, and the accuracy of any Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in geological interpretation. These amounts are estimates only and the actual level of recovery of minerals from such deposits may be different. Differences between management's assumptions, including economic assumptions such as metal prices, market conditions and actual events could have a material adverse effect on the Company's Mineral Resource estimates, financial position and results of operations.

Uncertainty Relating to Mineral Resources and Mineral Reserves

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Due to the uncertainty that may attach to Mineral Resources, there is no assurance that Mineral Resources will be upgraded to Mineral Reserves.

In addition, Mineral Reserves may not conform to geological, metallurgical or other expectations, and the volume and grade of ore may differ from estimated levels. There are numerous uncertainties inherent in estimating Mineral Resources and Mineral Reserves, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. In addition, there can be no assurance that gold recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Lower market prices, increased production costs, reduced recovery rates and other factors may result in a revision of its mineral reserve estimates from time to time or may render the Company's Mineral Reserves uneconomic to exploit.

No Revenues

To date, the Company has not recorded any revenues from operations nor has the Company commenced commercial gold production on any property. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in relation to the engagement of consultants, personnel and equipment associated with the continued exploration and development of the Company's properties. The Company expects to continue to incur losses unless and until such time as it enters into commercial

production and generates sufficient revenues to fund its continuing operations. The development of the Company's properties will continue to require the commitment of substantial resources. There can be no assurance that the Company will continue as a going concern, generate any revenues or achieve profitability.

Precious Metal Prices

The ability of the Company to fund its activities and, if it becomes a producing mineral company, the profitability of the Company's operations will depend upon the market price of precious metals. Precious metal prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of precious metals, the stability of exchange rates and geopolitical concerns can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of precious metals has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and result of operations.

Foreign Exchange

Gold is sold in United States dollars thus the Company is subject to foreign exchange risks relating to the relative value of the Canadian dollar and the Brazilian real as compared to the United States dollar. Any foreign exchange fluctuations may have an effect on the Company's revenue and cost management, and ultimately, the Company's financial condition and performance.

Corruption and Bribery Laws

The Company's operations are governed by, and involve interactions with, many levels of government in numerous countries. The Company is required to comply with anti-corruption and anti-bribery laws, including the *Criminal Code* (Canada), and the *Canadian Corruption of Foreign Public Officials Act*, as well as similar laws in the countries in which the Company conducts its business. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anti-corruption and anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also by its contractors and third-party agents. Although the Company has adopted steps to mitigate such risks, such measures may not always be effective in ensuring that the Company, its employees, contractors or third-party agents will comply strictly with such laws. If the Company finds itself subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions imposed on the Company resulting in a material adverse effect on the Company's reputation and results of its operations.

Diseases and epidemics (such as COVID-19) may adversely impact our business.

Emerging infectious diseases or the threat of outbreaks of viruses or other contagious or epidemic diseases, including the COVID-19 outbreak, could have a material adverse effect on the Company by causing operational and supply chain delays and disruptions (including as a result of government regulation and prevention measures), labour shortages and shutdowns, social unrest, breach of material contracts, government or regulatory actions or inactions, increased insurance premiums, decreased demand or the inability to sell and deliver its end products, delays in permitting or approvals, governmental disruptions, capital markets volatility, or other unknown but potentially significant impacts. In addition, governments may impose strict emergency measures in response to the threat or existence of an infectious disease. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices and has raised the prospect of a global recession. The international response to COVID-19 has from time to time led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility, and a general reduction in global consumer activity. Accordingly, any outbreak or threat of an outbreak of an epidemic disease or similar public health emergency, including COVID-19, could have a material adverse effect on the Company's business, financial condition, and results of operations. It is unknown how

the Company will be affected if a pandemic, such as the COVID-19 outbreak, continues to persist for an extended period of time. **Uninsured Risks**

The Company maintains insurance to cover normal business risks. In the course of exploration and development of mineral properties, certain risks and, in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave-ins, fire and other natural disasters may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Common Shares.

Competition

The Company competes with many other mining companies that have substantially greater resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund the Company's operations and develop its properties. The Company's inability to compete with other mining companies for these resources could have a material adverse effect on the Company's results of operations and business.

Dependence on Outside Parties

The Company has relied upon consultants, engineers and others and intends to rely on these parties for exploration, development and construction operations, and local expertise. Substantial expenditures are required to establish Mineral Resources and Mineral Reserves through drilling and economic analysis, to carry out environmental and social impact assessments, to develop metallurgical processes to extract the metal from the ore and to develop and build mines. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

Dependence on Key Personnel

Belo Sun is reliant on key personnel it has employed or engaged. Loss of such personnel may have a material adverse impact on the performance of the Company. In addition, the recruitment of qualified personnel is critical to the Company's success. As Belo Sun's business grows, it will require additional key financial, administrative, mining, marketing and public relations personnel as well as additional staff for operations.

Recruiting and retaining qualified personnel in the future is critical to the Company's success. As the Company develops its Volta Grande Gold Project toward commercial production, the need for skilled labour will increase. The number of persons skilled in the exploration and development of mining properties is limited and competition for this workforce is intense. The development of the Volta Grande Gold Project and other initiatives of the Company may be significantly delayed or otherwise adversely affected if the Company cannot recruit and retain qualified personnel as and when required.

Litigation

Belo Sun from time to time has entered into legal binding agreements with various third parties on a consulting and partnership basis. The rights and obligations that arise from such agreements is open to interpretation and Belo Sun may disagree with the position taken by the various other parties resulting in a dispute that could potentially initiate litigation and cause Belo Sun to incur legal costs in the future. As Belo Sun moves to advance and develop the Volta Grande Gold Project, the Company anticipates legal claims and actions will be brought in Brazilian courts to attempt to delay or stop the Volta Grande Gold Project. The recent litigation process with the Agrarian Court of Altamira and the Brazilian Federal Regional Court related to FUNAI and challenges to SEMAS and Belo Sun regarding the LI are examples of legal claims that will affect the Volta Grande Gold Project. Given the speculative and unpredictable nature of litigation, the outcome of any future disputes could have a material adverse effect on Belo Sun.

Availability of Reasonably Priced Mining Equipment

The Company will require a variety of mining equipment. To the extent the equipment is unavailable or available only at significantly increased prices, the Company's production and financial performance could be adversely affected.

Share Price Fluctuations

The market price of securities of many companies, particularly development stage companies, experience wide fluctuations in price that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in the Company's share price will not occur. During the 52 weeks ended December 31, 2022, the Company's share price had a high of \$0.88 and a low of \$0.07.

Conflicts of Interest

Certain of the directors and officers of the Company may serve from time to time as directors, officers, promoters and members of management of other companies involved in mining or natural resource development and exploration and therefore it is possible that a conflict may arise between their duties as a director or officer of the Company and their duties as a director, officer, promoter or member of management of such other companies.

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

Foreign Mining Tax Regimes

Mining tax regimes in foreign jurisdictions are subject to differing interpretations and are subject to constant change. The Company's interpretation of taxation law as applied to its transactions and activities may not coincide with that of the tax authorities. As a result, transactions may be challenged by tax authorities and the Company's operations may be assessed, which could result in significant additional taxes, penalties and interest. In addition, proposed changes to mining tax regimes in foreign jurisdictions could result in significant additional taxes payable by the Company, which would have a negative impact on the financial results of the Company. The Company is also engaged in tax stabilization discussions with the Para state government which, if successful, has the potential to provide long term reduction in indirect taxes and would provide a positive impact on the Volta Grande Gold Project's economics. These discussions are ongoing and have not been concluded.

Limited Property Portfolio

At this time, the Company holds an interest in one main project. As a result, unless the Company acquires additional property interests, any adverse developments affecting its current properties would be expected to have a material adverse effect upon the Company and would materially and adversely affect the potential Mineral Resource production, profitability, financial performance and results of operations of the Company.

Enforcement of Legal Rights

The Company's material subsidiaries are organized under the laws of foreign jurisdictions and certain of the Company's experts are located in foreign jurisdictions. Given that the Company's material assets 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 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. See “Other Disclosure Relating to OSC Requirements for Companies Operating in Emerging Markets”.

Other Disclosure Relating to Ontario Securities Commission Requirements for Companies Operating in Emerging Markets

Controls Relating to Corporate Structure Risk

Belo Sun has implemented a system of corporate governance, internal controls over financial reporting, and disclosure controls and procedures that apply at all levels of the Company and its subsidiaries. These systems are overseen by the Company’s Board, and implemented by the Company’s senior management. These systems of corporate governance, internal control over financial reporting and disclosure controls and procedures are designed to ensure that, among other things, the Company has access to all material information about its subsidiaries. The relevant features of these systems include:

- (a) **Belo Sun’s Control Over Subsidiaries.** Belo Sun’s corporate structure has been designed to ensure that the Company controls or has a measure of direct oversight over the operations of its subsidiaries. Belo Sun’s subsidiaries are either wholly-owned or controlled to a large extent by the Company. Accordingly, the Company directly controls the appointments of all of the directors of its subsidiaries. The directors of Belo Sun’s subsidiaries are ultimately accountable to Belo Sun as the shareholder appointing him or her, and Belo Sun’s Board and senior management. As well, the annual budget, capital investment and exploration program in respect of the Company’s mineral properties are established by the Company.

Further, signing officers for subsidiary foreign bank accounts are either employees of Belo Sun or employees of the subsidiaries. Monetary limits are established internally by the Company as well as with the respective banking institution. Annually, authorizations over bank accounts are reviewed and revised as necessary. Changes are communicated to the banking institution by the Company and the applicable subsidiary to ensure appropriate individuals are identified as having authority over the bank accounts.

- (b) **Strategic Direction.** The Board is responsible for the overall stewardship of the Company and, accordingly, supervises the management of the business and affairs of the Company. More specifically, the Board is responsible for reviewing the strategic business plans and corporate objectives, and approving acquisitions, dispositions, investments, capital expenditures and other transactions and matters that are material to the Company including those of its material subsidiaries.
- (c) **Internal Control Over Financial Reporting.** The Company prepares its consolidated financial statements and management’s disclosure and analysis (“**MD&A**”) on a quarterly and annual basis, using IFRS as issued by the International Accounting Standards Board, which require financial information and disclosure from its subsidiaries. The Company implements internal controls over the preparation of its financial statements and other financial disclosure to provide reasonable assurance that its financial reporting is reliable and that the quarterly and annual financial statements and MD&A are being prepared in accordance with IFRS and relevant securities laws. These internal controls include the following:
 - (i) The Company receives trial balances, balance sheets, income statements and general ledger details relating to its subsidiaries in order to complete the consolidated financial statements and MD&A. Management of the Company has direct access to relevant financial management of its subsidiaries in order to verify and clarify all information required.
 - (ii) All public documents and statements relating to the Company and its subsidiaries containing material information (including financial information) are reviewed

by senior management, including the Chief Executive Officer, the Chief Financial Officer and internal legal counsel before such material information is disclosed, to make sure that all material information has been considered by management of the Company and properly disclosed.

- (iii) As more fully described in paragraph (e), the Company's Audit Committee obtains confirmation from the Chief Executive Officer and Chief Financial Officer as to the matters addressed in the quarterly and annual certifications required under National Instrument 52-109 - *Certification of Disclosure in the Corporation's Annual and Interim Filings* ("NI 52-109").
 - (iv) The Company's Audit Committee reviews and approves the Company's quarterly and annual financial statements and MD&A and recommends to the Company's Board for its approval of the Company's quarterly and annual financial statements and MD&A, and any other financial information requiring Board approval, prior to their publication or release.
 - (v) The Company's Audit Committee assesses and evaluates the adequacy of the procedures in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements by way of reports from management and its internal and external auditor.
 - (vi) Although not specifically a management control, the Company engages its external auditor to perform an audit of the annual consolidated financial statements in accordance with IFRS.
- (d) Disclosure Controls and Procedures. The responsibilities of the Company's Audit Committee include oversight of the Company's internal control systems including those systems to identify, monitor and mitigate business risks as well as compliance with legal, ethical and regulatory requirements.
- (e) CEO and CFO Certifications. In order for the Company's Chief Executive Officer and Chief Financial Officer to be in a position to attest to the matters addressed in the quarterly and annual certifications required by NI 52-109, the Company has developed internal procedures and responsibilities throughout the organization for its regular periodic and special situation reporting. This is done in order to provide assurances that information that may constitute material information will reach the appropriate individuals who review public documents and statements relating to the Company and its subsidiaries containing material information, is prepared with input from the responsible officers and employees, and is available for review by the Chief Executive Officer and Chief Financial Officer in a timely manner.

Procedures of the Board of Directors of the Company

Removal of Directors of Subsidiaries

In respect of its subsidiaries, subject to applicable local corporate laws and the respective constating documents of each of the Company's wholly-owned subsidiaries, the Company may remove directors of these subsidiaries from office either by way of a resolution duly passed by the Company at a shareholders' meeting or by way of a written resolution.

Records Management of the Company's Subsidiaries

The original minute books, corporate seal and corporate records of each of the Company's subsidiaries are kept at each subsidiary's respective registered office.

DESCRIPTION OF MINERAL PROPERTIES

The Volta Grande Gold Project

The following is a summary of, and in certain parts, a direct excerpt from, the Technical Report. See “*Interests of Experts*”. Unless specifically noted otherwise, the following disclosure regarding the Volta Grande Gold Project has been based upon information in the Technical Report. The full Technical Report is available under the Company’s profile on SEDAR at www.sedar.com.

Peter Tagliamonte, P.Eng, (B. Eng; MBA) President and CEO for the Company, is the in-house Qualified Person under NI 43-101 for all technical materials (except geology). Stéphane Amireault, P.Eng (B.Eng; MScA), Vice-President of Exploration for Belo Sun, is the in-house Qualified Person under NI 43-101 for geology. Mr. Tagliamonte and Mr. Amireault have reviewed and approved the scientific and technical information in this AIF.

Project Description, Location and Access

The Volta Grande Gold Project is located adjacent to the Xingu River south-east of Altamira. The Volta Grande Gold Project is situated in an area of low topographic relief with elevations in a range of 100 m to 120 m above mean sea level. The dominant topographic feature is the valley of the meandering and northeast flowing Xingu River and the Itatá River which drains into the Xingu River in the eastern part of the property.

The Volta Grande Gold Project is moderately forested. The land in neighbouring areas is used mainly for grazing of cattle and subsistence agriculture.

The Volta Grande Gold Project is located approximately 49 km south-east of the city of Altamira.

The property is located north west of the Carajás Mineral region in the State of Pará, which has a long mining history. However, local infrastructure is poor for mining activities since the property is located in a remote area.

Access to the Volta Grande Gold Project site takes approximately one hour from Altamira either by road access taking a paved and dirt road (BR-158) to the stretch of river known as the Big Bend (or *Volta Grande*) where the exploration camp is situated or by river in motorboats along the Xingu River. The Xingu River is a transport artery in the region. Due to the construction of the Belo Monte hydroelectric dam, road access from Altamira to the dam construction site is paved. From the construction site, approximately halfway between Altamira and the Volta Grande Gold Project the road is unpaved but in good condition.

The Company holds 100% interest in the Volta Grande Gold Project through its wholly owned subsidiary named Belo Sun Mineração Ltda. The Volta Grande Gold Project comprises four mining concession applications, 58 exploration permits, 16 exploration permits extension submitted, all covering a total area of 172,631 hectares.

ID	ID DNPM	AREA HECTARES	Phase	STATUS
1	805657/1976	522.06	Application For Mining Concession	APPLICATION FOR CONCESSION
2	805658/1976	552.02	Application For Mining Concession	APPLICATION FOR CONCESSION
3	805659/1976	645.07	Application For Mining Concession	APPLICATION FOR CONCESSION
4	812559/1976	637.3	Application For Mining Concession	APPLICATION FOR CONCESSION
5	850250/2001	1256.96	Exploration	PERMIT EXTENSION SUBMITTED
6	850249/2001	1730.86	Exploration	PERMIT
7	850253/2001	231.6	Exploration	PERMIT EXTENSION SUBMITTED

8	850439/2008	324.98	Exploration	PERMIT EXTENSION SUBMITTED
9	850312/2010	9884.05	Exploration	PERMIT EXTENSION SUBMITTED
10	850313/2010	1359.04	Exploration	PERMIT
11	850314/2010	1654.62	Exploration	PERMIT
12	850315/2010	8750.81	Exploration	PERMIT EXTENSION SUBMITTED
13	850316/2010	3114.04	Exploration	PERMIT EXTENSION SUBMITTED
14	850013/2011	8139.23	Exploration	PERMIT EXTENSION SUBMITTED
15	850255/2011	50.63	Exploration	PERMIT
16	850507/2011	311.99	Exploration	PERMIT EXTENSION SUBMITTED
17	850692/2011	1284.54	Exploration	PERMIT EXTENSION SUBMITTED
18	850693/2011	8656.74	Exploration	PERMIT
19	850694/2011	8070.12	Exploration	PERMIT
20	850695/2011	2992.62	Exploration	PERMIT
21	850696/2011	8448.89	Exploration	PERMIT
22	850697/2011	9728.63	Exploration	PERMIT EXTENSION SUBMITTED
23	850699/2011	7995.43	Exploration	PERMIT EXTENSION SUBMITTED
24	850700/2011	9246.1	Exploration	PERMIT EXTENSION SUBMITTED
25	850701/2011	9900	Exploration	PERMIT EXTENSION SUBMITTED
26	850702/2011	8358.97	Exploration	PERMIT EXTENSION SUBMITTED
27	850703/2011	7649.94	Exploration	PERMIT EXTENSION SUBMITTED
28	850265/2012	5081.59	Exploration	PERMIT EXTENSION SUBMITTED
29	850266/2012	283.92	Exploration	PERMIT
30	850624/2012	15.04	Exploration	PERMIT
31	850625/2012	73.21	Exploration	PERMIT
32	850626/2012	68.54	Exploration	PERMIT
33	851220/2012	517.37	Exploration	PERMIT
34	850887/2013	1000.01	Exploration	PERMIT
35	850171/2016	50	Exploration	PERMIT
36	850172/2016	22.31	Exploration	PERMIT
37	850173/2016	22.23	Exploration	PERMIT
38	850174/2016	50	Exploration	PERMIT
39	850175/2016	49.81	Exploration	PERMIT
40	850176/2016	50	Exploration	PERMIT
41	850177/2016	50	Exploration	PERMIT
42	850178/2016	50	Exploration	PERMIT
43	850179/2016	50	Exploration	PERMIT
44	850180/2016	50	Exploration	PERMIT
45	850181/2016	49.85	Exploration	PERMIT
46	850182/2016	22.32	Exploration	PERMIT
47	850183/2016	50	Exploration	PERMIT
48	850184/2016	22.33	Exploration	PERMIT
49	850185/2016	23.15	Exploration	PERMIT
50	850186/2016	24.9	Exploration	PERMIT
51	850187/2016	50	Exploration	PERMIT

52	850188/2016	50	Exploration	PERMIT
53	850189/2016	50	Exploration	PERMIT
54	850190/2016	22.98	Exploration	PERMIT
55	850191/2016	22.98	Exploration	PERMIT
56	850192/2016	50	Exploration	PERMIT
57	850193/2016	23.04	Exploration	PERMIT
58	850194/2016	49.85	Exploration	PERMIT
59	850195/2016	50	Exploration	PERMIT
60	850251/2016	477.92	Exploration	PERMIT
61	850252/2016	354.96	Exploration	PERMIT
62	850253/2016	362.51	Exploration	PERMIT
63	850254/2016	447.88	Exploration	PERMIT
64	850427/2016	993.24	Exploration	PERMIT
65	850489/2016	9007.71	Exploration	PERMIT
66	850496/2016	5401.63	Exploration	PERMIT
67	850498/2016	1644.33	Exploration	PERMIT
68	850499/2016	2088.19	Exploration	PERMIT
69	850500/2016	6765.95	Exploration	PERMIT
70	850970/2016	67.93	Exploration	PERMIT
71	850971/2016	232.87	Exploration	PERMIT
72	851027/2016	1477.8	Exploration	PERMIT
73	851028/2016	28.14	Exploration	PERMIT
74	851029/2016	463.35	Exploration	PERMIT
75	851030/2016	1321.43	Exploration	PERMIT
76	850287/2017	7.78	Exploration	PERMIT
77	850103/2017	2303.24	Exploration	PERMIT
78	851322/2017	9641.62	Exploration	PERMIT

The Federal Constitution of Brazil has established that the states, municipalities, federal district and certain agencies of the federal administration are entitled to receive royalties for the exploitation of Mineral Resources by holders of mining concessions (including extraction permits). The royalty rate for gold is currently 1.5% arising from the sale of the mineral product, less the sales taxes of the mineral product. The royalty rate increased from 1% to 1.5% pursuant to Brazilian Federal Law 13.540 enacted on December 18, 2017. No royalties are currently due.

The climate is tropical with a rainy season from January to April and a dry season extending from May to December. The mean temperature is nearly the same (25 to 30°C) throughout the year. The relative humidity ranges from about 65% to 85%.

Water is available from wells on the property as well as from the Xingu River, which drains the general area. Well water is treated on-site continuously with chlorine and stored in a water tower outside of the camp perimeter. Telephone communication and internet service are available on the property.

History

Extraction of gold in the eastern Amazon region dates back to the Portuguese colonization in the 17th century. The discovery of gold along the stretch of the Xingu River, known as Volta Grande, occurred in the early 20th century. Since the 1950s, irregular small-scale miners (garimpeiros) have worked in the Volta Grande Gold Project area in small alluvial deposits, especially in the area of the South Block. In the 1990s,

the garimpeiros started to exploit saprolite and fresh rock deposits, constructing shafts that appear to reach considerable depths. The Company understands that systematic exploration started in the late 20th century.

Early exploration was performed on the Volta Grande Gold Project property by Oca Mineração Ltda. (“Oca”) in the 1970s. Prospecting work, including field observations and sampling, confirmed the existence of gold at varying levels of concentration. Initial work by Oca determined areas of interest. Oca did a literature study aimed at better understanding the regional geology. This work included the interpretation and review of aerial photographs at a 1:60,000 scale dated from 1976 aimed at identifying areas with alluvial potential. Further aerial photography was flown over areas of interest. These aerial photographs were used to produce base maps at 1:50,000 and 1:25,000 scales to support field work. Once favorable areas were defined, a grid (800 by 200 m) was established. Exploration wells in the alluvium were completed, using two machines with 4-inch diameter drill bits. Oca carried out sampling of veins and geological mapping on the 1:10,000 scale. Oca built a base camp in the area to support this work.

From 1996 to 1998, systematic exploration was carried out by Volta Grande Mineração Ltda. (“VGML”) covering what was later defined as the North and South blocks. Exploration work on the Volta Grande Gold Project by VGML outlined approximately nine target areas based on significant gold results. Diamond drilling results were used to complete a historical Mineral Resource estimate for which preliminary pit designs were produced.

In 2004, the Company optioned the property and carried out systematic exploration on the Volta Grande Gold Project, including testing the various anomalies and/or target areas outlined by VGML.

Since 2010, Belo Sun has carried out systematic exploration on the property, consisting of soil sampling surveys, auger drilling, detailed topographic surveys, aerial geophysical survey and diamond drilling mainly on the North Block.

Geological Setting, Mineralization and Deposit Types

The Volta Grande Gold Project is situated along the northern boundary of the Carajás-Iricoumé Block of the Eastern Amazonian Craton which contains the west-northwest-trending Três Palmeiras Greenstone Belt. The greenstone belt is 3 km to 10 km wide and extends approximately 120 km along strike. It comprises Upper Proterozoic metavolcanic and metasedimentary rocks with granodioritic to dioritic intrusions.

The volcanic, sedimentary and syntectonic rocks of the Volta Grande Gold Project have been affected by widespread hydrothermal alteration events. Surficial alteration is present in an extensive layer of red saprolite, which covers the entire property, including topographic highs and lows.

The Volta Grande Gold Project contains two target areas consisting of the North and South Blocks; the former contains four large mineralized areas: (1) the Ouro Verde area in the north western part of the North Block, (2) the Grota Seca area to the south-east, (3) the Junction area that connects Grota Seca and Ouro Verde, and (4) the Greia area to the north of Grota Seca. The South Block comprises three target areas: (1) Pequi in the northern part of the South Block, (2) Grande in the southern part of the South Block, and (3) Itatá in the southeastern part of the South Block.

Primary gold mineralization is associated with altered diorite within a 300 m wide alteration zone, which straddles the contact zone between the intrusive and the metasedimentary rocks. Gold occurs in a stack of mineralized zones ranging in size from strike lengths over 1 km long, depths from surface to approximately 400 m with true thicknesses up to 50 m. The dip of the mineralized zones is generally moderate to steep (50° to 85°) to the south.

Mineralization in the Ouro Verde area extends for approximately 2,200 m along an approximate north-west to south-east strike and extends to a vertical depth of 540 m below surface.

Mineralization in the Grota Seca area extends for approximately 2,900 m along a west to north-westerly trend and extends to a vertical depth of 400 m below surface.

Lateritic and saprolitic gold deposits are typically situated in tropical environments, such as the northern part of South America. In these environments, gold is mechanically transported and distributed in a volume of lateritic material overlying the mineralized structures in bedrock.

Exploration

Recent exploration activities carried out by the Company include the following:

- Reinterpretation of Airborne Geophysical Survey from March to September 2010;
- IP Survey between October and November 2010;
- Photogeological and Landsat Lithostructural Interpretation in July 2011;
- LIDAR and Aerophotographic Survey in August 2011;
- Structural Study in early 2012;
- Airborne Geophysical Survey in August 2012;
- Detailed Structural Studies of Ouro Verde and Grota Seca deposits in 2015 and 2016;
- Detailed Structural Study of South Block deposits in 2017;
- Appraisal of the economic potential of the Tres Palmeiras Greenstone Belt in 2017;
- Re-interpretation of South Block geology in 2017 and 2018; and
- Re-Interpretation of the Greia geology in 2018.
- Geo-chemical Soil Sampling 2019

In 2021 the Company will continue to assess exploration and geological opportunities around the Volta Grande Gold Project. A revision and update of the exploration planning and future programs around the North Block, South Block and along the exploration belt is planned. Exploration expenditures are anticipated to be kept to a minimum.

Drilling

The table below provides a summary of the exploration drilling performed to date on the North and South Blocks of the Volta Grande Gold Project.

Company	Period	Type	Target Area	No. of Boreholes	Total Length m
Volta Grande Mineracao Ltda. (TVX Gold Inc.)	1995	Core	South Block	2	245
	1996	Core	South Block	4	450
		Core	Grota Seca	24	3,533
	1997	Core	Grota Seca	41	7,003
		RC	Grota Seca	11	1,696
		Core	Ouro Verde	5	852
	1998	Core	Grota Seca	34	6,041
		Core	Ouro Verde	10	2,175
Verena Minerals Corp.	2006	Core	Grota Seca	23	5,000
	2007	Core	South Block	16	2,675
		Core	Grota Seca	6	1,240
		Core	Ouro Verde	5	1,351
	2008	Core	Grota Seca	1	217
		Core	Ouro Verde	26	4,083
Belo Sun Mining Corp.	2010	Core	Grota Seca	23	5,617
		Core	Ouro Verde	36	9,123
	2011	Core	South Block	21	5,575
		Core	Grota Seca	142	37,330
		RC	Grota Seca	42	8,328
	2012	Core	Ouro Verde	82	23,287
		Core	South Block	30	8,552
		Core	Grota Seca	173	47,827
		Core	Ouro Verde	128	39,099
		RC	Grota Seca	6	1,201

	2013	Core	South Block	35	6,413
		Core	Grota Seca	7	1,799
		Core	Ouro Verde	22	5,340
	2014	Core	Grota Seca	14	1,438
		Core	Ouro Verde	3	261
Total				972	237,751

Sampling, Analysis and Data Verification

Approximately 85% of the samples in the Volta Grande Gold Project's database were generated under Belo Sun management.

In all cases, core intervals were split and sent for assay. In general, sample lengths were 1 m. Core samples were taken by splitting or sawing the drill core longitudinally in half. Half of the core was sent to an assay laboratory and the other half was retained for reference. Samples were assayed for gold by the fire assay method.

The reverse circulation (RC) sample preparation included drying, splitting using a Jones Splitter and pulverizing.

Historic Sampling

Pre-2004 gold assays

The Company understands that sample preparation was done at a sample preparation laboratory at the site. Samples were sent to NOMOS, a laboratory owned by Rio Tinto Mining in Brazil ("**NOMOS**").

Procedures for sample preparation of drill core samples included the following:

- crushing the 2- to 3-kilogram sample to quarter-inch size using a jaw crusher;
- grinding the sample to 20 mesh and again pulverizing it to 200 mesh using a ring mill;
- thoroughly mixing the sample and separating it using a Jones Splitter. Separating a 250-gram aliquot for assay and keeping the remaining 1.75-kilogram reject in temporary storage for further processing; and
- carrying out fire assays with atomic absorption finish on a 50-gram aliquot of the sample.

Procedures for sample preparation of RC samples included the following:

- collection of a 30- to 40-kilogram sample. If the sample was wet, it was dried first;
- thoroughly mixing the sample and split it using a Jones Splitter, and separating a 2-kilogram aliquot for processing;
- pulverizing the 2- kilogram subsample to 200 mesh using a Ring mill;
- thoroughly mixing the sample and splitting it again using a Jones Splitter;
- separating a 250-gram aliquot for assay and keeping the remaining 1.75-kilogram reject in temporary storage for further processing; and
- sending the 250-gram sample to NOMOS for gold assaying.

Gold Assays from 2004 to 2009

Sample preparation and assaying was undertaken by SGS-Geosol Laboratories Ltda ("**SGS-Geosol**") in Belo Horizonte, Minas Gerais, Brazil. SGS-Geosol is ISO14001:2004 and ISO 9001:2008 accredited and is independent of Belo Sun.

The samples were dried in paper bags or metal pans in a dryer at 60°C. The samples are crushed to 90 to 95 percent passing 2 millimetres. Samples are split using a Jones riffle splitter to 200 grams and milled using a ring and puck made of either hardened chrome steel or mild steel material to 90 to 95 percent passing 200 mesh.

Samples were then assayed for gold by fire assay with an atomic absorption spectrometry finish using analysis method FAA 313 for 30 gram aliquots or FAA505 for 50 gram aliquots.

Belo Sun gold assays (2010 to Present)

Sample preparation was undertaken by the preparation laboratory adjacent to the Volta Grande exploration camp. The preparation lab was independently managed by ACME Labs. Sample preparation was also undertaken by the ACME preparation laboratory in Itaituba, Brazil. All core samples and quality control samples were delivered to the ACME preparation laboratory in sealed plastic barrels with samples in zip strap sealed plastic bags. Samples were logged into the laboratory and assigned barcodes.

The samples were weighed (2.5 to 3.0 kilograms per metre) and dried for four hours at 60 degrees Celsius. Samples were crushed to 80 percent passing 10 mesh (2 millimetres). A 1,000-gram split was pulverised to 85 percent passing 200 mesh (75 microns). A 150-gram split (pulp) was analysed by 50-gram fire assay with atomic absorption spectrometry finish and samples that yielded greater than 10 grams of gold per tonne were reanalyzed by 50-gram fire assay by gravimetric finish.

Belo Sun implemented external analytical control measures on all sampling consisting of using control samples in all sample batches submitted for assaying, including field blanks and certified reference materials (blanks and standards).

Control samples were inserted every 20 samples and replicate pulp assays (duplicates) of mineralized rock were also taken. The pulp duplicates were shipped at the same time as the original samples. In addition, umpire laboratory testing was performed on approximately 5 percent of the samples.

Replicate pulp assays (duplicates) were analyzed by ACME Laboratory in Santiago, Chile, and check assays were analyzed by ALS Chemex in Lima, Peru.

SRK analyzed the analytical quality control data accumulated by Belo Sun for the Volta Grande Gold Project. In general, the analytical quality control data reviewed by SRK attested that the assay results delivered by the primary laboratory used by Belo Sun are sufficiently reliable for the purpose of resources estimation.

Specific Gravity Data

Belo Sun measured specific gravity using the standard weight in air and weight in water procedure from complete sample intervals. Split core was used for the measurements. A total of 826, 1,269, and 124 specific gravity measurements were taken from unweathered material at Ouro Verde and Grota Seca, and South Block, respectively and yielded 2.75 for Grota Seca and Ouro Verde, and 2.77 for South Block. Only 48 specific gravity measurements were conducted in saprolitic material. The data yields an average of 1.36.

Data Verification

Quality control measures were set in place by the Company and included independent verifications of assaying that involved external quality control measures on all sampling. Assaying protocols involved replicating assays (pulp duplicates), inserting certified quality control samples (blanks and standards) and check assaying.

Mineral Processing and Metallurgical Testing

The process design criteria are based on test work conducted from 2011 through to 2014. The test work has been consistent across the various campaigns and laboratories and showed that gold is readily recovered using conventional cyanide leaching with a leaching time of 32 hours. Utilizing a P₈₀ 75 µm grind size, gold recoveries between 91% and 95% are expected over the LOM.

The Ouro Verde and Grota Seca ore bodies are very homogeneous in terms of comminution characteristics and test work confirms that the ore is very competent. The average JK Tech Pty Ltd A*b value, a measure of resistance to impact breakage with a lower number representing a more resistant material is f 30.2. However; the Feasibility Study design criteria used an A*b value of 26.2 representing ore in the 85th percentile of the OMC database. The test work average Bond Ball Mill Work Index, BW_i, is 15.7 kWh/t.

However; the Feasibility Study used a BWi of 16.5 kWh/t representing ore in the 85th percentile for grinding amenability.

Leaching reagent consumptions are relatively low ranging from 0.11 to 0.21 kg/t NaCN and 0.32 to 0.58 kg/t Ca(OH)₂.

Mineral Resource and Minerals Reserve Estimates

SRK indicated that the Mineral Resource and Mineral Reserve estimate reported in the Technical Report is a reasonable representation of the global gold Mineral Resources found in the Volta Grande Gold Project at the current level of sampling. The Mineral Resources have been estimated in conformity with the CIM Estimation of Mineral Resource and Mineral Reserves Best Practices Guidelines and have been reported in accordance with NI 43-101. The Mineral Resources and Mineral Reserves are fully-diluted, which mean that the estimated mining dilution is included and reflected in the grade and tonnes of the Mineral Resources and Mineral Reserves. Mineral Resources are not Mineral Reserves and do not demonstrate economic viability. There is no certainty that all or any part of the Mineral Resource will be converted into Mineral Reserves. The Mineral Resource may also be affected by subsequent assessments of mining, environmental, processing, permitting, taxation, socioeconomic, and other factors.

The Volta Grande Gold Project is mainly focused in the area referred to as the North Block, and the Feasibility Study was completed on the North Block. There is another minor area referred to as the South Block. The Mineral Resource model for the South Block was prepared by the Company and was audited by SRK in September 2013. There has been no change to the Mineral Resource model for South Block. For the North Block, a new Mineral Resource model was prepared by SRK during the first quarter of 2015 to account for new drilling information based on a revision of the geological interpretation. This section is subdivided in two parts. The first part documents the methodology and the key assumptions considered by SRK to prepare the new Mineral Resource model for the North Block. The second part summarizes the key assumptions used by the Company to prepare the Mineral Resource model for the South Block and results of the SRK audit.

GEOVIA GEMS™ software (version 6.5) was used by SRK and Belo Sun to construct the geological solids. SRK used a combination of GEMS, Leapfrog™, Gocad, and GSLib™ software to prepare assay data for geostatistical analysis, construct the block model, estimate gold grades, and tabulate Mineral Resources. SRK considers that the gold mineralization found in the Volta Grande Gold Project is primarily amenable to open pit extraction. SRK used a pit optimizer to assist with determining which portions of the gold deposits show “reasonable prospect for eventual economic extraction” from an open pit and to assist with selecting reporting assumptions. The optimization assumptions are summarized below:

Conceptual Open Pit Optimization Assumptions

Parameter	North Block	South Block
Pit Berm Height	20 m	20 m
Pit Bench Height	10 m	10 m
Overall Slope Angle (saprolite/unweathered rock)	31° / 51°	31° / 51°
Processing and G & A Costs (US\$/t mined)	\$9.11	\$14.87
Gold Recovery (saprolite and unweathered rock)	94%	94%
Gold Price (\$/oz)	\$1,400	\$1,400

After review of optimization results and through discussions with Belo Sun, SRK considers that it is reasonable to report as open pit Mineral Resources those classified blocks located within the conceptual pit shells above a cut-off grade of 0.4 g/t Au for the North Block. No underground Mineral Resource is reported.

The Mineral Resources may be affected by further infill and exploration drilling that may result in increases or decreases in subsequent Mineral Resource estimates. The Mineral Resource may also be affected by subsequent assessments of mining, environmental, processing, permitting, taxation, socioeconomic, and other factors.

Fully Diluted Mineral Resource Statement North Block Volta Grande Gold Project, Pará State, Brazil, SRK Consulting (Canada) Inc., with an effective date of March 16, 2015

Deposit	Category	Quantity Kt	Gold Grade g/t Au	Contained Gold K oz
Ouro Verde Open Pit				
Saprolite	Measured	750	0.96	23
	Indicated	709	0.78	18
	Inferred	216	0.67	5
Unweathered	Measured	18,532	1.16	693
	Indicated	52,647	1.06	1,796
	Inferred	22,576	0.89	643
Grotta Seca Open Pit				
Saprolite	Measured	249	0.96	8
	Indicated	1,386	0.74	33
	Inferred	832	0.61	16
Unweathered	Measured	24,270	1.00	782
	Indicated	54,611	0.87	1,519
	Inferred	12,557	0.82	332
Junction Open Pit				
Saprolite	Measured	2	1.53	0
	Indicated	215	0.78	5
	Inferred	82	0.66	2
Unweathered	Measured	271	0.71	6
	Indicated	2,950	0.77	73
	Inferred	1,491	0.75	36
Greia Open Pit				
Saprolite	Inferred	512	1.06	17
Unweathered	Inferred	1,503	2.04	98
Total Open Pit				
	Measured	44,075	1.07	1,512
	Indicated	112,518	0.95	3,444
	Measured + Indicated	156,593	0.98	4,956
	Inferred	39,767	0.90	1,151

* Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Open pit Mineral Resources are reported at a cut-off grade of 0.4 g/t Au. The cut-off grades are based on a gold price of US\$1,400/oz and metallurgical recoveries of 94% for saprolite and 94% for unweathered material.

** The Mineral Resource reported for the North Block is based on a fully diluted block model, with the mining dilution included in the grade and tonnage values.

Dr. Oy Leuangthong, PEng (PEO#90563867) and Dr. Jean-Francois Couture, PGeo (APGO#0196). Drs. Leuangthong and Couture are independent qualified persons as this term is defined in NI 43-101.

Audited Mineral Resource Statement*, South Block of Volta Grande Gold, Project, Pará State, Brazil, SRK Consulting (Canada) Inc., with an effective date of October 1, 2013

Domain	Category	Quantity Kt	Gold Grade g/t Au	Contained Gold Koz
South Block Open Pit				
Saprolite	Inferred	169	1.68	9
Unweathered	Indicated	2,503	3.06	246
	Inferred	2,752	4.08	361
South Block Underground				
Unweathered	Indicated	24	4.24	3
	Inferred	193	4.05	25
Total Open Pit				
	Indicated	2,503	3.06	246
	Inferred	2,921	3.94	370
Total Underground				
	Indicated	24	4.24	3
	Inferred	193	4.05	25
Total South Block				
	Indicated	2,527	3.07	249
	Inferred	3,114	3.95	395

*Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Open pit Mineral Resources are reported at a cut-off grade of 0.5 g/t Au. Underground Mineral Resources are reported at a cut-off grade of 2.0 g/t Au. The cut-off grades are based on a gold price of US\$1,400/oz and metallurgical recoveries of 94% for saprolite and unweathered material.

** The Mineral Resource for the South Block is based on a non-diluted block model.

The estimated Mineral Reserves for the Volta Grande Gold Project are based on the conversion of the measured and indicated resources within the current Technical Report mine plan. Measured resources are converted directly to proven reserves and indicated resources to probable reserves. The Mineral Reserve estimates of the Volta Grande Gold Project have been prepared by AGP.

Proven and Probable Reserves

Classification	Reserves Kt	Grade g/t Au	Contained Gold Koz
Proven	41,757	1.07	1,442
Probable	74,212	0.98	2,346
Proven + Probable*	115,969	1.02	3,788

*The South Block is not considered in the Technical Report and the Resources associated with South Block are not converted or discussed further. Tonnages for underground potential are part of the March 16 2015 Resource but are also not discussed further or converted.

Mr. Gordon Zurowski, P. Eng. Ontario, Principal Mining Engineer, AGP Mining Consultants Inc. is the independent qualified person as this term is defined in NI 43-101.

Mining

The following disclosure describes the planned mining operation. Note the Company has not yet started development activities for above mining operation. See "Forward-looking Information".

Mining Operations

The open pit mine includes two separate pits - Ouro Verde and Grota Seca. They are designed to be mined with proven technology and equipment commonly used in mining operations of equivalent size.

The saprolite overlain on the deposits requires no drilling and blasting. Mining of this material will be with the front end loaders initially. As the shovels are erected, they will be tasked with mining the lower portion of the saprolite near the weathered contact where underfoot conditions will be more stable.

Suspended dump bodies have been included in the specification and costing of the haulage trucks. The suspended dump bodies are designed to reduce carry back of the saprolite material and also increase life from increased abrasion resistance with their rubber beds hauling the rock, both waste and ore.

The rock beneath the saprolite will be drilled with 200 mm down the hole (DTH) drills with a 10 m bench. Benches will be prepared with the track dozers and rubber-tired dozer. The drill will then drill on the pattern size as specified by engineering for either waste or ore. That determination will be made based on the results of the grade control drilling completed with the RC drills. The grade control drilling will be ahead of the bench mining to allow up to 18 months of advance information on the contacts. The study mine schedule is based on the mining of 4 phases in Ouro Verde and 6 phases in Grota Seca. A quarry is opened initially in Ouro Verde that is within the footprint of the third phase of Ouro Verde.

The mine schedule consists of eight months of pre-production stripping and 13 years of mining. Processing will continue until early into year 18 to complete the removal of the low-grade stockpile. Over the LOM, 117.9 Mt of ore grading 1.01 g/t Au will be delivered to the process plant. Waste moved totals 504 Mt for a LOM strip ratio of 4.3:1. Ouro Verde delivers 55.2 Mt of ore grading 1.08 g/t Au with a waste total of 248.2 Mt. The strip ratio for Ouro Verde is 4.5:1 LOM. Grota Seca delivers 62.7 Mt of ore grading 0.94 g/t Au with a waste total of 255.6 Mt. The strip ratio for Grota Seca is 4.07:1 LOM. The Study mine schedule is a staged sequence, providing 3.5 Mt/a initially, then ramping in year 2 and maintaining 7 Mt/a for the remainder of the mine life starting in year three.

Processing and Recovery Operations

The process plant is designed with a Phase 1 capacity of 3.5 Mt/a and a Phase 2 expansion capacity to 7 Mt/a in year three. The process plant will recover gold with a conventional and robust flow sheet utilizing crushing, grinding, gravity recovery with intensive leach, cyanidation of slurry in carbon, AARL recovery, electrowinning, carbon regeneration and cyanide detoxification. An overall expected gold recovery of 91% during Phase 1 and 93% during Phase 2 has been established (for an overall LOM gold recovery of 93%) and is well supported by the test work.

The main process design characteristics of the plant are:

- Phase 1 throughput: 3.5 Mt/a;
- Phase 2 throughput: 7 Mt/a;
- ROM P80 size ore to primary crusher: 495mm in Phase 1 and 252 mm in Phase 2;
- Grinding product size P80: 75 µm;
- Phase 1 gold head grade: 1.56 g/t Au;
- Phase 2 gold head grade: 0.97 g /t Au;
- LOM gold head grade: 1.02 g/t Au;
- Mill operating hours per year: 8,000;
- LOM gold production: 205,155 oz/a.

Recovery of gold in the processing plant is dependent on a number of factors including but not limited to head grade, grind size, gravity concentrator recovery, mineralogical variations in the feed, particle short circuiting in the leach train, solution losses in CIP tails and fine carbon losses to tails. The test work gravity recoveries are 55.3% for Ouro Verde (OV) and 50.9% for Grota Seca (GS) at grind sizes in the 75 µm to 106 µm range. A gravity circuit plant scale-up factor of 0.66 has been selected based on the design of the circuit. Applying the scale-up factor results in predicted gravity concentrator recoveries of 36.5% for Ouro Verde and 33.6% for Grota Seca. Applying the intensive leach recoveries (97.7% for OV and 91.9% for GS) directly to the predicted concentrator recoveries, results in “in plant gravity circuit” recoveries of 35.7% for OV and 30.9% for GS.

Infrastructure, Permitting and Compliance Activities

The Volta Grande Gold Project will comprise the following infrastructure and logistic requirements:

- Open pits;
- Waste management facilities;
- Mine haul roads;

- Site roads;
- Primary crusher;
- Crushed ore stockpile;
- Process Facilities – milling, gravity circuit, thickener, leach / CIP, cyanide destruct, elution and carbon regeneration facilities, electrowinning and gold room, reagent buildings;
- Ancillary buildings (administration complex, workshops, warehouse, mine services);
- Main electrical substation and distribution substations;
- Power distribution system;
- Tailings management facility;
- Tailings pipelines including reclaim water return line;
- Water storage and distribution systems; and
- Fire water system.

In addition, there are various off-site facilities which include:

- 230 kV power line; and
- Access road.

Under the Broad Application System, mineral exploitation is licenced in three consecutive phases (Preliminary Licence (LP); Installation Licence (LI); Operating Licence (LO)) under the requirements stipulated in CONAMA Resolution No. 237/1997 and Federal Law LC n. 140/2011, governed by the Brazilian Institute of Environment and Renewable Natural Resources - IBAMA, the State Environmental Agencies or the Municipality Authorities, according to the distribution of competences established by law. The licencing process for the Volta Grande Gold Project has been under the jurisdiction of the Pará State Environmental Agency, SEMA.

The Volta Grande Gold Project has been subject to environmental and social studies covering different aspects relevant to the Volta Grande Gold Project, including the completion of an EIA prepared in accordance with Brazilian regulatory requirements. ERM was retained to review the work completed to date since Belo Sun took over the concession and summarize the relevant environmental, social and regulatory factors related to the proposed Volta Grande Gold Project.

The Volta Grande Gold Project area is located approximately 49 km southeast of Altamira, in the Senador José Porfírio municipality. In 2013 there were five distinct communities within the Volta Grande Gold Project's Direct Area of Influence (DAI), as defined by the EIA, namely Vila Ressaca, Galo de Ouro and Ouro Verde, and two communities within the Indirect Area of Influence, namely Itata, and Ilha da Fazenda. The DAI is the area where the principal effects of the Volta Grande Gold Project are expected to occur.

With limited transportation infrastructure, the potentially affected communities are relatively isolated. There are less than 1,000 inhabitants combined in these five communities; 46% of this local population was located in Vila Ressaca. Household surveys undertaken by consultants on behalf of the Company (Integratio) indicate that in August 2012, 182 inhabitants of those five communities were artisanal miners, many of whom relocated from other areas of Brazil. The large majority of the households (93%) also practice some form of subsistence farming.

Environmental Studies, Permitting and Social or Community Impact

An EIA was prepared for the Volta Grande Gold Project and submitted to the state environmental regulatory authority (SEMA). Following approval received in December 2013, the Volta Grande Gold Project received its LP in February 2014. The LP established conditions for achieving the next major permitting requirement, the LI and Belo Sun was given 1,095 days to address the conditions of the LP. These conditions included a number of studies, management plans and environmental and social programs designed to mitigate impacts and risks associated with the Volta Grande Gold Project.

In February 2015 the LI application was submitted to SEMA. The LI application presented details on the design of the Volta Grande Gold Project and the environmental and social protection measures that will be implemented. The LI application provided an update on the ongoing environmental and social studies required as part of the LP conditions. The technical analysis of the Volta Grande Gold Project underwent changes since the completion of the EIA and the issuance of the LP. The LI application updated the evaluation of potential environmental and social impacts based on the updated Volta Grande Gold Project

footprint. In 2017 the Company was issued the LI. Subsequently, an order was issued from the Agrarian Court of Altamira issuing a temporary 180 day injunction halting certain work related to the LI. In June 2017, the judge of the Agrarian Court of Altamira lifted the temporary injunction related to the LI for the Volta Grande Gold Project. In April 2017, an interim order was issued by a judge from the Brazilian Federal Regional Court suspending the LI until an ECI had been approved by FUNAI. In December 2017, the Federal Court of Appeal in Brasilia ruled to uphold the suspension order of the LI. The Company presented the ECI to FUNAI in early 2020. After reviewing the ECI, FUNAI approved the ECI near the end of 2020 and Indigenous consultation meetings were concluded in October 2021. The FUNAI report was filed with SEMAS and the TRF1 Court in late 2021 for their consideration.

Capital and Operating Costs

The capital cost estimate includes all the direct and indirect costs along with the appropriate project estimating contingencies for all the facilities required to bring the Volta Grande Gold Project into production. All equipment and material are assumed to be new. The labour rate build-up is based on the statutory laws governing benefits to workers in effect in Brazil at the time of the estimate. Brazilian import tariffs have been applied.

Cost items obtained from local sources are converted via the US\$:R\$ = 1:3.1 exchange rate, as per the first quarter of 2015.

The estimate does not include any allowances for escalation, exchange rate fluctuations or project risks. The execution strategy is based on an engineering, procurement and construction management (EPCM) implementation approach and horizontal (discipline based) construction contract packaging. The capital cost estimate has a predicted accuracy of $\pm 15\%$. The total initial capital cost of the 3.5 Mt/a (Phase 1) plant is \$264 million dollars excluding duties and taxes. See "Forward-looking Information".

Capital Cost Summary Excluding Working Capital - Major Area

Cost Category	Main Area Code	Cost Without Duties / Taxes US\$
Indirect Costs	000 Construction In-directs	25,001,506
	300 Infrastructure	1,039,997
	500 Management Costs	17,565,004
	600 Owners Project Costs	23,916,715
	700 Owners Operations Costs	34,585,877
Indirect Costs Total		102,109,099
Direct Costs	100 Process plant	65,056,340
	200 Reagents and Plant Services	17,872,863
	300 Infrastructure	34,562,542
	400 Mining	20,698,934
Direct Costs Total		138,190,679
Contingency	900 Contingency	23,437,816
Projected Total Capital 3.5 Mt/a Plant		263,737,595

The capital cost estimate reflects the joint efforts of Lycopodium, Belo Sun and specialist consultants retained by Belo Sun, including AGP, VOGBR, Transglobal and Dalben. Lycopodium was responsible for compiling the submitted data into the overall estimate but did not review or validate the inputs from Belo Sun or its other consultants.

The sustaining capital cost for the Volta Grande Gold Project reflects additional capital expenditures after the Volta Grande Gold Project is in operation to expand the process plant to 7 Mt/a throughput, procure new / replacement mining equipment, replacement of light vehicles / office equipment, increasing the storage capacity of the tailings management facility and mine closure / environmental rehabilitation costs. The total expansion and sustaining capital cost for the Volta Grande Gold Project during the production years 1 to 18 is \$166 million dollars excluding closure costs, salvage value and duties / taxes.

The major expenditures in sustaining capital include the expansion of the process plant, procure / replacement of the mine fleet, raising of the TMF dams and closure/environmental rehabilitation costs.

The life-of-mine overall operating cost for the Volta Grande Gold Project is projected to be \$18.72/t of ore processed based on an owner-operated mine fleet. As shown below, this average operating cost is a sum of the mine, process and general and administrative costs. The LOM operating cost, in terms of cost per ounce of gold, is projected to be \$618.

	LOM	
	US\$/t ore	US\$/oz
Mining	10.62	350
Process Plant	7.26	240
G&A	0.84	28
Total	18.72	618

Summary of Production Schedule Operating Cost Estimate

Item	Unit	Phase 1 3.5 Mt/a Year 1	Transition 6 Mt/a Year 2	Phase 2 7 Mt/a Yrs 3-18	Total Production
Process Plan Labour	\$/t	0.67	0.39	0.35	0.37
Operating Consumables	\$/t	4.57	4.30	4.46	4.46
Power	\$/t	2.14	2.09	2.12	2.12
Maintenance	\$/t	0.39	0.34	0.31	0.32
Total Plant Operating Cost	\$/t	7.79	7.11	7.25	7.26
G&A Operating Cost	\$/t	1.54	0.91	0.82	0.84
Total Operating Cost	\$/t	9.33	8.02	8.07	8.10

Economic Analysis

At a gold price of US\$1,200/oz, the Volta Grande Gold Project is estimated to have:

Financial Projection Summary (All US dollars)

Summary Criteria		
Phase 1 Throughput	3.5 Mt/a	
Phase 2 Throughput	7 Mt/a	
Average Annual Gold Production	205,155 oz/a	
Mine Life	17.2 years	
Discount Rate	5%	
Gold Price	\$1,200/oz	
Results	After Tax	Before Tax
Initial Capital Costs	\$298 M	\$264 M
Expansion Costs	\$63 M	\$55 M
Sustaining Costs	\$125 M	\$111 M
LOM Cash Cost	\$618 oz/a	\$618 oz/a
All-In-Sustaining Cost (AISC)	\$779 oz/a	
Net Present Value (NPV @ 5%)	\$665 M	\$942 M
Internal rate of Return (IRR)	26%	37%
Payback	3.9 years	2.9 years

Note: Sustaining costs do not include mine closure cost or salvage value.

Belo Sun has included certain Non-IFRS performance measures within this AIF. These Non-IFRS measures are intended to provide additional information, do not have any standardized meaning prescribed by IFRS, should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS and may not be comparable to similar measures presented by other issuers.

Exploration, Development, and Production

The Company has incurred exploration and evaluation expenses on the Volta Grande Gold Project and surrounding exploration concessions for the past three years as follows:

Year	Total Exploration and Evaluation Expense
2022	\$1,264,783
2021	\$(250,708)
2020	\$1,092,949

The results of the economic analysis represent forward-looking information and there can be no assurance that gold production forecasts, projected capital and operating costs, cash flows, or mine operating schedules will prove to be accurate, as actual results and future events could differ materially from those anticipated. Risks related to forecast mine operations include unexpected events and delays during construction; expansion and start-up; variations in metal grade and recovery rates; changes to government regulations; results of current exploration activities; changes in project parameters as plans continue to be refined; future metal prices; failure of equipment or processes to operate as anticipated; labour or community disputes and other risks of the mining industry. See “Risk Factors” and “Forward-looking Information”.

DIVIDENDS

The constating documents of the Company do not limit its ability to pay dividends on its Common Shares. However, the Company does not expect to pay dividends in the foreseeable future. Payment of dividends in the future will be made at the discretion of the Board.

DESCRIPTION OF CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of Common Shares and an unlimited number of special shares of the Company (the “**Special Shares**”). As of December 31, 2022, there were 455,055,248 Common Shares issued and outstanding and no Special Shares issued and outstanding. In addition, there are 7,550,000 Common Shares reserved for issuance upon exercise of options.

Common Shares

Holders of Common Shares are entitled to receive notice of and to attend any meetings of shareholders and shall have one vote per share at all meetings, except meetings at which only holders of another class or series of shares are entitled to vote separately as such class or series. Holders of Common Shares are entitled to receive on a pro rata basis such dividends, if any, as and when declared by the Board and, upon liquidation, dissolution or winding up of the Company, are entitled to receive on a pro rata basis the net assets of the Company after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro rata basis with the holders of Common Shares. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Special Shares

The Special Shares may be issued from time to time in one or more series with such designation, rights, privileges, restrictions and conditions attaching to each series of Special Shares as determined by the Board subject to the issuance by the Director appointed under the *Business Corporations Act* (Ontario) of a certificate of amendment of articles in respect thereof. The Special Shares of each series shall rank on par with the Special Shares of every other series and may be entitled to preference over the Common Shares and over any other shares of the Company ranking junior to the Special Shares. The Special Shares may be convertible into Common Shares. The holders of Special Shares are entitled to receive copies of the annual financial statements of the Company and the auditor’s report thereon to be submitted to the shareholders of the Company at annual meetings and the holders of each series of Special Shares shall have such rights to attend and vote at meetings of shareholders or restrictions on attendances or voting rights there at as may be determined by resolution of the Board. In the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the Special Shares of each series shall rank on par with the Special Shares of every other series and be entitled to preference over the Common Shares.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares trade on the TSX under the symbol "BSX". The table below shows the price ranges and volume of trading on the TSX for each month of the calendar year ended December 31, 2022.

Period	High (\$/Share)	Low (\$/Share)	Share Volume
December 2022	0.24	0.0675	17,923,876
November 2022	0.27	0.22	908,231
October 2022	0.29	0.24	1,568,068
September 2022	0.24	0.20	2,648,837
August 2022	0.395	0.24	1,961,042
July 2022	0.42	0.22	4,570,495
June 2022	0.35	0.255	1,758,746
May 2022	0.45	0.30	3,736,809
April 2022	0.85	0.32	8,729,559
March 2022	0.88	0.63	2,681,822
February 2022	0.70	0.56	1,535,210
January 2022	0.71	0.57	2,672,573

Prior Sales

During the financial year ended December 31, 2022, the Company did not issue any securities that is not listed or quoted on a marketplace.

DIRECTORS AND OFFICERS

The following table sets forth the name, province or state of residence and position held with the Company of each of the current executive officers and directors of the Company. All directors hold office until the next annual meeting of shareholders of the Company or until their successors are elected or appointed.

Name and Province of Residence	Position(s) with Company and Period of Service as a Director	Principal Occupation	Number of Common Shares Beneficially Held	Percentage of Common Shares Beneficially Held
Mark Eaton (Ontario, Canada)	Executive Chairman; Director since February 2010	Executive Chairman of the Company	11,244,289	2.47%
Peter Tagliamonte (Ontario, Canada)	President and Chief Executive Officer; Director since February 2010	President and Chief Executive Officer of the Company	14,658,393	3.22%
Peter Nixon ^{(1) (2) (3)} (Ontario, Canada)	Director since February 2020	Corporate Director	-	-
Carol Fries ^{(1) (2) (3)} (Minnesota, USA)	Director since May 2015	Corporate Director	20,000	<0.1%

Name and Province of Residence	Position(s) with Company and Period of Service as a Director	Principal Occupation	Number of Common Shares Beneficially Held	Percentage of Common Shares Beneficially Held
Rui Botica Santos ⁽¹⁾ ⁽²⁾ ⁽³⁾ (Portugal)	Director since July 27, 2020	Lawyer (Macau/China; Portugal; Timor-Leste and Brazil)	1,194,100	0.26%
Ayesha Hira ⁽¹⁾ ⁽²⁾ ⁽³⁾ (London, United Kingdom)	Director since June 30, 2022	Corporate Director	-	-
Ryan Ptolemy (Ontario, Canada)	Chief Financial Officer	Financial Consultant	40,000	<0.1%
Ian Pritchard (Ontario, Canada)	Chief Operating Officer	Chief Operating Officer of the Company	539,435	<0.11%
Stephane Amireault (Quebec, Canada)	VP Exploration	VP Exploration of the Company	752,000	<0.17%

(1) Member of the Audit Committee.

(2) Member of the Corporate Governance and Health and Safety Committee

(3) Member of the Compensation Committees.

The directors and officers of the Company, as a group, beneficially own, directly or indirectly, or exercise control over, 28,448,2017 Common Shares, representing approximately 6.25% of the issued and outstanding Common Shares of the Company as of the date hereof, based on the information provided by these individuals.

The principal occupation, business or employment of each of the Company's directors and executive officers within the past five years are disclosed in the brief biographies below.

Mark Eaton, Executive Chairman. Mr. Eaton is a graduate from Hull University, England and is an experienced investment professional with over 20 years of experience in equity capital markets specializing in the mining sector. He served as President and Chief Executive Officer for Belo Sun from February 2010 to April 2014. From 1998 to 2007 he held the position of Managing Director of Global Mining Sales, a division of CIBC World Markets of Toronto and Manager of US Equity Sales for CIBC World Markets.

Peter Tagliamonte, President and Chief Executive Officer. Mr. Tagliamonte is a professional mining engineer and also holds an MBA from the Richard Ivey School of Business, at the University of Western Ontario. He was the President and Chief Executive Officer of Sulliden Gold Corporation Ltd. from April 2009 to September 2013. Previous to that position, he was President and Chief Executive Officer of Central Sun Mining from August 2006 until 2009 and Chief Operating Officer of Desert Sun Mining where he contributed to the development of the Jacobina Mine in Brazil into a 4,200-tonne-per-day mining operation. He also currently serves as a director and executive officer of Sulliden Mining Capital Inc. Mr. Tagliamonte has over 25 years of progressive managerial experience building and operating mines worldwide, notably in Central and South America. In 2005, he received the Mining Journal's "Mine Manager of the Year" award in recognition for his work in the mining sector.

Peter Nixon, Lead Independent Director. Since leaving his position as President of Dundee Securities USA Inc. in December 2000, Mr. Nixon has served on the boards of a number of publicly traded junior mining companies. In addition to his role as lead independent director of the Company, Mr. Nixon has served as a Director on the board of Dundee Precious Metals Inc. since June 2002, Reunion Gold Corp. since March 2004, Toachi Mining Inc. since August 2016 and Midas Gold Corporation since April 1, 2011. Mr. Nixon

was a director of Kimber Resources Inc. from March 2007 – April 2013, Stornoway Diamond Corporation from March 2003 to May 2019 and Miramar Mining Corporation from June 2002 until December 2007, when the company was acquired by Newmont Mining Corporation. Mr. Nixon holds a degree in Economics and History from McGill University.

Carol Fries, Director. Ms. Fries has over 30 years of experience in the natural resources sector and has over 20 years of senior level experience in the mining sector managing the preparation and completion of environmental and social impact assessments, EHS (Environmental, Health and Safety) management systems, community relations and resettlement programs and other programs central to the mining permitting and community development process. Ms. Fries was instrumental in helping Norsemont obtain its Environmental Social Impact Assessment for the Peruvian “Constancia” copper project in 2007 (now owned by Hudbay Minerals Inc.) and with Sulliden Gold Corporation Ltd.’s Shahuindo Project in Cajamarca, Peru and has extensive experience working for major, mid-tier and junior mining companies including, Compania Minera Antamina, Falconbridge, Marcobre (Chariot Resources) and Rio Tinto. She provides consulting services to the mining sector and has been involved in projects in Eastern Europe and in Brazil. Ms. Fries has managed mine project development and operations budgets and has been involved in numerous due diligence and financial audits.

Rui Botica Santos, Director. Mr. Santos is a qualified lawyer in Macau/China, Portugal, Timor-leste and in Brazil and is widely regarded as a leading lawyer in the mining sector and has over 25 years representing and assisting international corporations in negotiations and disputes with the state regarding mining businesses activities, namely on M&A, exploration, extraction and environmental licenses, for both the mining and oil and gas industries. Mr. Santos has strong experience in dealing with Brazil, Portugal, Timor-Leste, Angola and Timor-Leste jurisdictions. Mr. Santos is currently, a board member of Somincor, a copper producing mine in Portugal fully owned and operated by Lundin Mining and of Ascendant Resources Inc, a resource company listed on the TSX. Mr. Santos is a Partner of CRA - Coelho Ribeiro e Associados – a Portuguese Law Firm, where he leads the firm’s Arbitration and Mining practices. He is also the founding partner of CRA Timor-Leste, a law firm based in Timor-Leste focused on mining and Oil & Gas. Mr. Santos is also an expert on dispute resolution matters. Currently Mr. Santos has the position of President of the International Tribunal of FIA – Fédération Internationale de Automobile, (Paris, France), Judge of the International Court of Appeal of FIA and arbitrator at the Court of Arbitration for Sport in Lausanne, Switzerland. Mr. Santos holds a licentiate degree in law from Lisbon University and a post-graduate degree in European Studies.

Ayesha Hira, Director. Ms. Hira is an experienced mining executive and board member with over 25 years experience in the mining sector spanning geological exploration, mining and capital markets. Her career as a geologist, working across a variety of commodities and project types, provided the technical foundation for transitioning into capital markets, where she developed extensive experience in asset/company valuation, capital raising and transactional knowledge, and built an international reputation for delivering value to institutional clients and corporates globally. Ms. Hira has been part of the mining teams at CIBC World Markets, and RBC Capital Markets, and was formerly a member of the executive leadership team at Lucara Diamond Corp., a Lundin Group company, where she served as VP Corporate Development and Strategy responsible for the corporate growth strategy, including M&A, capital raising, shareholder and stakeholder communications, and assisting with ESG alignment and implementation. She has held board positions with Lucara Botswana, Clara Diamond Solutions, and the Responsible Jewellery Council representing the Mining Forum. Ms. Hira holds a Bachelor of Science Honours degree in Geology from Queen’s University, Canada and is a CFA charterholder.

Ian Pritchard, Chief Operating Officer. Mr. Pritchard is a professional with over 25 years of experience in project and operations management in the mining industry both in North America as well as internationally, including, in particular, Brazil. Mr. Pritchard’s mining experience includes the management of pre-feasibility and feasibility studies, engineering, procurement and construction management projects. He has held senior executive positions at various organizations worldwide including SNC-Lavalin and De Beers Canada.

Ryan Ptolemy, Chief Financial Officer. Mr. Ptolemy is Chartered Professional Accountant, Certified General Accountant and CFA charter holder. From August 2005 to September 2009, Mr. Ptolemy was at an independent investment dealer in Toronto, most recently serving as Chief Financial Officer where he was responsible for financial reporting, auditing, budgeting and internal controls. Thereafter, he joined Routemaster Capital Inc. as the Chief Financial Officer in 2010. In addition to Belo Sun, he serves as CFO

to a number of public and private companies in the mining sector, particularly exploration and development stage companies in South America.

Stéphane Amireault, Vice President Exploration. Mr. Amireault holds a master's degree in geochemistry from École Polytechnique of the University of Montréal and has more than 20 years of experience in mining exploration with extensive experience in Central and South America. Mr. Amireault is a member of the Ordre des Ingénieurs du Québec.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director or executive officer of the Company is, as at the date of this AIF, or has been, within ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company) that, (i) while that person was acting in that capacity was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days (an "Order"); (ii) was subject to an Order that was issued, after the person ceased to be a director, chief executive officer or chief financial officer, and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director, executive officer or shareholder holding a sufficient number of securities to materially affect control of the Company:

- (a) has, as at the date of this AIF, or has been within the ten years before the date of this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy, or insolvency, or was subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the ten years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become 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 such director, executive officer or shareholder.

No director or executive officer of the Company, or a shareholder holding sufficient number of securities of the Company to affect materially the control of the Company, has been subject to: (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other mining companies or have significant shareholdings in other mining companies. To the extent that such other companies may participate in ventures in which the Company may participate or seek to compete with the Company to acquire mineral properties, certain directors or officers of the Company may have a conflict of interest in such matters. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will disclose such conflict and generally step out of the room during discussions and abstain from voting for or against the approval of such matters. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. Under the laws of Canada, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the

interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators (“**NI 52-110**”) requires the Company to have a written audit committee charter and to make the disclosure required by Form 52-110F1.

Audit Committee Charter

A copy of the Charter of the Audit Committee of the Board, which has been adopted by the Board in order to comply with NI 52-110 and to more properly define the role of the Audit Committee in the oversight of the financial reporting process of the Company is attached hereto as Schedule “A”. Nothing in the Charter is intended to restrict the ability of the Board or Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

The Audit Committee is comprised of Carol Fries (Chair), Rui Botica Santos, Peter Nixon and Ayesha Hira. Each member of the Audit Committee is independent of the Company and financially literate, as such terms are defined in NI 52-110.

Relevant Education and Experience

The following is a brief summary of the education and experience of each member of the Audit Committee that is relevant to the performance of his or her responsibilities as a member of the Audit Committee.

Peter Nixon, Lead Independent Director. Since leaving his position as President of Dundee Securities USA Inc. in December 2000, Mr. Nixon has served on the boards of a number of publicly traded junior mining companies. In addition to his role as lead independent director of the Company, Mr. Nixon has served as a Director on the board of Dundee Precious Metals Inc. since June 2002, Reunion Gold Corp. since March 2004, Toachi Mining Inc. since August 2016 and Midas Gold Corporation since April 1, 2011. Mr. Nixon was a director of Kimber Resources Inc. from March 2007 to April 2013, Stornoway Diamond Corporation from March 2003 to May 2019 and Miramar Mining Corporation from June 2002 until December 2007, when the company was acquired by Newmont Mining Corporation. Mr. Nixon holds a degree in Economics and History from McGill University.

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Fédération Internationale de Automobile, (Paris, France), Judge of the International Court of Appeal of FIA and arbitrator at the Court of Arbitration for Sport in Lausanne, Switzerland. Mr. Santos holds a licentiate degree in law from Lisbon University.

Ayesha Hira, Director. Ms. Hira is an experienced mining executive and board member with over 25 years experience in the mining sector spanning geological exploration, mining and capital markets. Her career as a geologist, working across a variety of commodities and project types, provided the technical foundation for transitioning into capital markets, where she developed extensive experience in asset/company valuation, capital raising and transactional knowledge, and built an international reputation for delivering value to institutional clients and corporates globally. Ms. Hira has been part of the mining teams at CIBC World Markets, and RBC Capital Markets, and was formerly a member of the executive leadership team at Lucara Diamond Corp., a Lundin Group company, where she served as VP Corporate Development and Strategy responsible for the corporate growth strategy, including M&A, capital raising, shareholder and stakeholder communications, and assisting with ESG alignment and implementation. She has held board positions with Lucara Botswana, Clara Diamond Solutions, and the Responsible Jewellery Council representing the Mining Forum. Ms. Hira holds a Bachelor of Science Honours degree in Geology from Queen's University, Canada and is a CFA charterholder.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year has there been a recommendation of the Audit Committee to nominate or compensate an external auditor that was not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on any available exemption regarding the composition, responsibilities, independence, financial literacy or otherwise of the Audit Committee.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. In accordance with its charter, all non-audit services are pre-approved by the Audit Committee.

External Auditor Service Fees

Audit Fees

The Company's external auditors, RSM Canada LLP, Licensed Public Accountants, billed the Company \$66,000 in the financial year ended December 31, 2022 and \$62,500 in the financial year ended December 31, 2021, for audit fees.

Audit-Related Fees

The Company's external auditors, RSM Canada LLP, Licensed Public Accountants, billed the Company \$Nil in the financial year ending December 31, 2022 and \$Nil in the financial year ended December 31, 2021 for assurance and related services related to the performance of the audit or review of the Company's financial statements, which are not included in audit fees.

Tax Fees

The Company's external auditors, RSM Canada LLP, Licensed Public Accountants, billed the Company \$5,500 in the financial year ending December 31, 2022 and \$5,000 in the financial year ended December 31, 2021 for tax compliance, tax advice and tax planning.

All Other Fees

No other fees were charged by the external auditors for the financial years ended December 31, 2022 and December 31, 2021.

PROMOTERS

To the best of the Company's knowledge, no person or company has been within the two most recently completed fiscal years, or is during the current fiscal year, a promoter of the Company or any of its subsidiaries.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Other than as set out herein under "*Legal Proceedings*" above and in the Company's public disclosure including financial statements and MD&A available at www.sedar.com, there are no current material legal proceedings and there were no material legal proceedings during the year ended December 31, 2022 to which the Company was a party or of which any of the Company's property was subject, nor, to the best of the Company's knowledge, are there any such material legal proceedings contemplated.

There have been no penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the fiscal year ended December 31, 2022, or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision in the Company. The Company has not entered into any settlement agreements with a court relating to securities legislation or with a securities regulatory authority during the fiscal year ended December 31, 2022.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the directors or executive officers of the Company or a person or company who beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of the voting securities of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction within the past three years or in any proposed transaction that has materially affected or will materially affect the Company or any of its subsidiaries.

TRANSFER AGENTS AND REGISTRARS

The Company's transfer agent and registrar is TSX Trust, located in Toronto, Ontario.

MATERIAL CONTRACTS

Except for contracts entered into by the Company in the ordinary course of business or otherwise disclosed herein, no contracts entered into by the Company during the financial year ended December 31, 2022, or which remain in effect, can reasonably be regarded as presently material.

INTERESTS OF EXPERTS

Mr. Stefan Gueorguiev, P. Eng., Mr. Aron Clough, P. Eng., Dr. Oy Leuangthong, PhD., P.Eng., Dr. Jean-François Couture, PhD, P.Geo, Dr. Lars Weiershäuser, PhD, P.Geo, George H Wahl, P. Geo., Mr. Gordon Zurowski, P.Eng., Mr. Alexandre Luz, AusIMM, Mr. Paulo Franca, Principal Consultant, AusIMM and Mr. Derek Chubb., P. Eng., are the "Qualified Persons" (as defined in NI 43-101) who authored the Technical Report. To the knowledge of the Company, none of the authors nor the firms they work with had an interest in any securities or other properties of the Company, its associates or affiliates as at the date of the Technical Report or as at the date hereof.

Mr. Peter Tagliamonte, P. Eng, (B.Eng; MBA), and Mr. Stéphane Amireault, MScA, P. Eng, have compiled, reviewed and approved the technical information disclosed in this AIF. Mr. Amireault and Mr. Tagliamonte are both qualified persons as defined by NI 43-101 and neither is independent of Belo Sun. They are

consultants of Belo Sun whose holdings of securities of the Company as of the date hereof do not exceed 3.33% of the issued and outstanding securities of the Company.

RSM Canada LLP, Licensed Public Accountants, are the auditors of the Company and have performed the audit in respect of the audited annual consolidated financial statements of the Company as at and for the year ended December 31, 2022. RSM Canada LLP, Licensed Public Accountants were independent of the Company in accordance with the applicable rules of professional conduct.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under the Company's stock option plan is contained in the management information circular of the Company dated May 24, 2022.

Additional financial information is provided in the Company's annual consolidated financial statements and management's discussion and analysis for the year ended December 31, 2022. These documents and other information about the Company can be found on SEDAR under the Company's profile at www.sedar.com.

**BELO SUN MINING CORP.
AUDIT COMMITTEE CHARTER**

Audit Committee Charter

(Implemented pursuant to National Instrument 52-110)

This Charter has been adopted by the Board in order to comply with the Instrument and to more properly define the role of the Committee in the oversight of the financial reporting process of the Company. Nothing in this Charter is intended to restrict the ability of the Board or Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

PART 1

Purpose: The purpose of the Committee is to:

- a) provide oversight of the Company's financial reporting process;
- b) assist the Board to properly and fully discharge its responsibilities;
- c) provide an avenue of enhanced communication between the Board and external auditors;
- d) enhance the external auditor's independence;
- e) increase the credibility and objectivity of financial reports; and
- f) strengthen the role of the outside members of the Board by facilitating in depth discussions between Members, management and external auditors.

1.1 Definitions

"accounting principles" has the meaning ascribed to it in National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

"Affiliate" means a Company that is a subsidiary of another Company or companies that are controlled by the same entity;

"audit services" means the professional services rendered by the Company's external auditor for the audit and review of the Company's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

"Board" means the board of directors of the Company;

"Charter" means this audit committee charter;

"Committee" means the committee established by and among certain members of the Board for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company;

"Company" means Belo Sun Mining Corp.;

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

"executive officer" means an individual who is:

- a) the chair of the Company;
- b) the vice-chair of the Company;
- c) the President of the Company;
- d) the vice-president in charge of a principal business unit, division or function including sales, finance or production;
- e) an officer of the Company or any of its subsidiary entities who performs a policy-making function in respect of the Company; or
- f) any other individual who performs a policy-making function in respect of the Company;

“financially literate” has the meaning set forth in Section 1.3;

“immediate family member” means a person’s spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person’s immediate family member) who shares the individual’s home;

“independent” has the meaning set forth in Section 1.2;

“Instrument” means National Instrument 52-110;

“MD&A” has the meaning ascribed to it in the National Instrument;

“Member” means a member of the Committee;

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

“non-audit services” means services other than audit services;

1.2 Meaning of Independence

1. A Member is independent if the Member has no direct or indirect material relationship with the Company.

2. For the purposes of subsection 1, a material relationship means a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a Member’s independent judgement.

3. Despite subsection 2 and without limitation, individuals set out in sections 1.4 (3) and 1.5 of National Instrument 52-110 shall be considered to have a material relationship with the Company.

1.3 Meaning of Financial Literacy - For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

PART 2

2.1 Audit Committee – The Board has established the Committee for, among other purposes, compliance with the Instrument.

2.2 Relationship with External Auditors – The Company will henceforth require its external auditor to report directly to the Committee and the Members shall ensure that such is the case.

2.3 Committee Responsibilities

1. The Committee shall be responsible for making the following recommendations to the Board:

- a) the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company; and
- b) the compensation of the external auditor.

2. The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.

This responsibility shall include:

- a) reviewing the audit plan with management and the external auditor;

- b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
- c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
- d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
- e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtaining an explanation from management of all significant variances between comparative reporting periods;
- f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;
- g) reviewing interim unaudited financial statements before release to the public;
- h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report, the annual information form and management's discussion and analysis;
- i) reviewing any evaluation of internal controls by the external auditor, together with management's response;
- j) reviewing the terms of reference of the internal auditor, if any;
- k) reviewing the reports issued by the internal auditor or external consultant, if any, and management's response and subsequent follow up to any identified weaknesses; and
- l) reviewing the appointments of the Chief Financial Officer and any key financial executives involved in the financial reporting process, as applicable.

3. The Committee shall pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the issuer's external auditor.

4. The Committee shall review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.

5. The Committee shall ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and shall periodically assess the adequacy of those procedures.

6. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under Part 4 of National Instrument 51-102 *Continuous Disclosure Obligations*, and the planned steps for an orderly transition.

7. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in the National Instrument, on a routine basis, whether or not there is to be a change of auditor.

8. The Committee shall, as applicable, establish procedures for:
- a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
 - b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.

9. As applicable, the Committee shall establish, periodically review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.

10. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.

2.4 De Minimis Non-Audit Services – The Committee shall satisfy the pre-approval requirement in subsection 2.3(3) if:

- a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the issuer and its subsidiary entities to the issuer's external auditor during the fiscal year in which the services are provided;
- b) the Company or the relevant subsidiary of the Company, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

2.5 Delegation of Pre-Approval Function

1. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3(3).

2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 1 must be presented to the Committee at its first scheduled meeting following such pre-approval.

PART 3

3.1 Composition

- 1. The Committee shall be composed of a minimum of three Members.
- 2. Every Member shall be a director of the issuer.
- 3. Every audit committee member shall be independent.
- 4. Every audit committee member shall be financially literate.

PART 4

4.1 Authority – Until the replacement of this Charter, the Committee shall have the authority to:

- a) engage independent counsel and other advisors as it determines necessary to carry out its duties,
- b) set and pay the compensation for any advisors employed by the Committee,
- c) communicate directly with the internal and external auditors; and
- d) recommend the amendment or approval of audited and interim financial statements to the Board.

PART 5

5.1 Disclosure in Information Circular -- The Company shall include in its Annual Information Form the disclosure required by Form 52-110F1.

PART 6

6.1 Meetings

- 1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly. A majority of the Members shall constitute a quorum.
- 2. Opportunities shall be afforded periodically to the external auditor, the internal auditor, if any, and to members of senior management to meet separately with the Members.
- 3. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting, at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.

4. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
5. The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by, the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours' notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
6. Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
7. The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
8. The Committee may invite such officers, directors and employees of the Company and its subsidiaries as it may see fit, from time to time, to attend at meetings of the Committee.
9. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose; actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier as the Committee deems necessary. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation.
10. The Committee members will be elected annually at the first meeting of the Board following the annual general meeting of shareholders.
11. The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.

Part 7

7.1 Chair of the Committee

The Chair of the Committee:

- a. provides leadership to the Committee with respect to its functions as described in this Charter and as otherwise may be appropriate, including overseeing the logistics of the operations of the Committee;
- b. chairs meetings of the Committee, unless not present, including in camera sessions, and reports to the Board following each meeting of the Committee on the findings, activities and any recommendations of the Committee;
- c. ensures that the Committee meets on a regular basis and at least quarterly;
- d. in consultation with the Chair of the Board and the Committee members, establishes a calendar for holding meetings of the Committee;
- e. establishes the agenda for each meeting of the Committee, with input from other Committee members, the Chair of the Board, and any other parties as applicable;
- f. acts as liaison and maintains communication with the Chair of the Board and the Board to optimize and co-ordinate input from Board members, and to optimize the effectiveness of the Committee. This includes reporting to the full Board on all proceedings and deliberations of the Committee at the first meeting of the Board after each Committee meeting and at such other times and in such manner as the Committee considers advisable;

- g. reports annually to the Board on the role of the Committee and the effectiveness of the Committee's role in contributing to the objectives and responsibilities of the Board as a whole;
- h. ensures that the members of the Committee understand and discharge their duties and obligations;
- i. fosters ethical and responsible decision making by the Committee and its individual members;
- j. together with the Corporate Governance Committee, oversees the structure, composition, membership and activities delegated to the Committee from time to time;
- k. ensures that resources and expertise are available to the Committee so that it may conduct its work effectively and efficiently and pre-approves work to be done for the Committee by consultants;
- l. facilitates effective communication between members of the Committee and management; and
- m. performs such other duties and responsibilities as may be delegated to the Chair of the Committee by the Board from time to time.

APPROVED by the Board of Directors on March 27, 2023