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Technical Report

Kutel Gold Project NI 43-101
St Charles Resources Inc.

Eastern Rhodope, Bulgaria

In accordance with the requirements of National Instrument 43-101 "Standards of Disclosure for Mineral Projects" of the Canadian Securities Administrators

Qualified Persons:
MJ Burnett, CGeol (UK), EurGeol (Europe)

AMC Project 722015
Effective date 22 September 2022

1 Summary

1.1 Introduction

This Technical Report (Report) on the Kutel exploration licence area (Property) in Bulgaria, has been prepared by AMC Mining Consultants (Canada) Ltd. (AMC) of Vancouver, Canada on behalf of St Charles Resources Inc. (St Charles) of Toronto, Ontario. It has been prepared in accordance with the disclosure requirements of National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101), to disclose relevant information about the Property.

The Technical Report is required to be filed with the TSX Venture Exchange (TSX.V) in connection with a proposed Qualifying Transaction of St Charles.

St Charles, a Capital Pool Company (CPC) as defined under the policies of the TSX.V entered into a letter of intent with Eastern Resources OOD (Eastern) in respect of a proposed business combination transaction pursuant to which St Charles shall acquire all of the issued and outstanding securities of Eastern. Eastern is a private gold exploration company actively exploring for gold in Bulgaria. This Technical Report discloses information on the Property which is 100% owned by Eastern.

Eastern has been engaged in exploration on the Property for economically viable gold deposits located within a known, large (15 square kilometres (km^2)) low sulfidation epithermal system.

1.2 Property description and ownership

The Property is located in the south-east of Bulgaria, in the Rhodope mountain range, approximately 150 kilometres (km) to the south-east of Sofia, the capital of Bulgaria. The Property can be accessed from the village of Pavelsko, Smolyan District, of south-central Bulgaria, by paved and / or gravel roads. Access on the Property is via a series of untarred forest access roads.

Eastern applied to the Ministry of Energy for the exploration licence in 2016; with final approval being granted in late 2018 via Decision No. 491. The agreement between Eastern and the Ministry of Energy came into force on the 21 December 2020. The exploration license covers an area of 24.4 km^2 and allows for prospecting and exploration of metallic minerals in the Kutel area, Chepelare municipality (Smolyan region) and the Laki municipality (Plovdiv region) of Bulgaria.

The initial agreement is valid for a period of three years from 21 December 2020, and may be extended for two two-year periods after that.

Qualified Person (QP), Mark Burnett conducted a two-day site visit of the Property in May 2022.

1.3 Geology and mineralization

The Property is located within the Eastern Rhodope metallogenic province of the Western Tethyan magmatic belt, which underwent extension and metamorphic core complex formation within a back-arc environment, followed by normal faulting, basin subsidence and voluminous calc-alkaline to shoshonitic andesitic to rhyolitic magmatism during the Maastrichtian-Oligocene.

The known gold deposits and occurrences in the region are hosted in sedimentary rocks, spatially associated with detachment faulting and half graben formation. These Eocene age paleogeothermal systems represent the oldest known Tertiary mineralization event i.e., pre-volcanism.

The only in situ evidence of a paleogeothermal system on the Property is represented by hydrothermal explosion breccias (HEBs), which are also known as phreatic breccias, which contain quartz-adularia-illite vein clasts. Siliceous sinters and / or steam heated alteration have not yet been identified, on the Property.

1.4 Exploration status

The Property was explored by the Bulgarian state, under the auspices of the Committee for Geology, during the late 1970s to the late 1980s; with airborne geophysical data having been acquired in the late 1980s. From 1994 - 1996, rock chip sampling by the Bulgarian State indicated the presence of a low-grade gold anomaly, in the north of the Property, which is likely to have been derived from areas of stratigraphic replacement. In addition, eight hand-dug trenches and two diamond drillholes were completed. The location of the trenches and the collar locations of the drillholes are uncertain, however are known to be located within the northern portion of the Property (Stofuritsa-Kalki area).

Dundee Precious Metals Inc. (DPM) acquired the Property in 2008. DPM undertook a major exploration program on the Property, including geological mapping and rock chip sampling (multiple campaigns), two phases of soil geochemical sampling (200 m x 50 m) and a property-wide trenching campaign across the Property.

A diamond core drilling program consisting of 987.9 metres (m) was completed by DPM during 2012 on the northern portion of the Property. The DPM drilling was believed to be targeting a geophysical anomaly at depth beneath the Kalki area. The Property was relinquished by DPM in 2015 and was acquired by Eastern in 2020.

Eastern has undertaken geological mapping and selective rock chip sampling on the Property and intends to undertake a limited diamond drilling program in 2023. Rock chip results include two samples with gold grades above 0.1 grams per tonne (g/t) Au, with a maximum value of 0.2 g/t Au, while three silver grades exceed 10 g/t Ag, with a maximum value of 26 g/t Ag.

No Mineral Resources estimates have been completed.

1.5 Conclusions and recommendations

Through a detailed analysis of historical data as well as a follow up mapping and prospecting programs, Eastern has established an exploration model in which hydrothermal fluids rise along structural pathways until confined by an impermeable horizon where a build-up in fluid pressure leads to the generation of hydrothermal explosion breccias which fracture through the horizon, transporting quartz-adularia-illite vein clasts to higher elevations.

The recognized relationship between the HEBs and gold mineralization underpins a geological basis for further exploration through targeted drilling. It is recommended that drilling be undertaken on the Property to test below the identified HEBs.

The QP makes the following exploration recommendations for the next year of exploration on the Kutel Property:

- To initially drill test beneath each of the three HEBs (Kumina, Kutel, and Yavor) with one 500 m length diamond drillhole for each target for a total of 1,500 m.

The cost of the exploration program is estimated to be C$366,000.

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Abbreviations and units of measure

Abbreviation / Technical term	Description
%	Percentage
±	Plus-minus sign
€	Euro
°C	Degrees Celsius
AAS	Atomic Absorption Spectrometry
Adularia	A feldspar mineral and potassium aluminosilicate (KAlSi3O8). It commonly forms colourless, glassy, prismatic, twinned crystals in low-temperature veins of felsic plutonic rocks and in cavities in crystalline schists
Ag	Silver
AMC	AMC Mining Consultants (Canada) Ltd.
Anatexis	The process of melting or partial melting of pre-existing solid rocks within the Earth's crust
Aqua Regia	An acidic, corrosive, and oxidative mixture of three parts concentrated hydrochloric acid (HCl) and one part concentrated nitric acid (HNO_3)
As	Arsenic
Au	Gold
BMM	Balkan Mineral and Mining (Wholly owned subsidiary of DPM)
BGS2000	Bulgarian Geodetic System 2000
C$	Canadian dollar
CGeol	Chartered Geologist (Geological Society of London)
Chalcedony	A cryptocrystalline form of silica
Chlorite	A group of phyllosilicate minerals common in low-grade metamorphic rocks and in altered igneous rocks
COG	Cut-off grade
CPC	Capital Pool Company
Cryptocrystalline	A crystalline structure visible only when magnified
DDH	Diamond Core Drilling
Deciduous	Trees and shrubs that seasonally shed leaves
DPM	Dundee Precious Metals Inc.
Druzy	Druzy is a small geode formation with many crystal points shooting out of it representing the unity of the collective
Eastern	Eastern Resources Ltd. / Eastern Resources OOD (OOD is the Bulgarian for Ltd.)
EIA	Environmental Impact Assessment
EL	Exploration License
EOH	End of hole
EPA	Environmental Protection Act
Epidote	A calcium aluminium iron sorosilicate mineral
Epithermal	Deposited from warm waters at rather shallow depth under conditions in the lower ranges of temperature and pressure
g	Gram
g/t	Grams per tonne
Galena	Lead sulphide - PbS
Gneiss	A metamorphic rock with a banded or foliated structure, typically coarse-grained and consisting mainly of feldspar, quartz, and mica
GPS	Global positioning system

Abbreviation / Technical term	Description
Graben	A valley with a distinct escarpment on each side caused by the displacement of a block of land downward
Granite	A coarse-grained (intrusive igneous rock composed mostly of quartz, alkali feldspar, and plagioclase
HEB	Hydrothermal explosion breccia (also known as phreatic breccia)
Hydrothermal	Of or relating to hot water
ICP	Inductively coupled plasma
Illite	A group of non-expanding clay minerals
Johansenite	A silicate mineral that is a member of the pyroxene family
kg	Kilogram
km	Kilometre
km^2	Square kilometres
LDL	Lower detection limit
LIMS	CCLAS Laboratory Information
Lv	Bulgarian Leva
m	Metre
m^3	Cubic metre
Ma	Million years / mega annum
MCC	Metamorphic core complexes
Migmatite	A metamorphic rock formed by anatexis that is generally heterogeneous and preserves evidence of partial melting at the microscopic to macroscopic scale
mm	Millimetre
Mt	Million tonnes
Natura 2000	A conservation area for breeding and resting sites for rare and threatened species
NI 43-101	National Instrument 43-101
NNE	North-northeast
Pb	Lead
pH	pH is a measure of hydrogen ion concentration; a measure of the acidity or alkalinity of a solution
ppm	Parts per million
Polymictic	Applied to a conglomerate which contains clasts of many different rock types
Prill	A small aggregate or globule of a material, most often a dry sphere, formed from a melted liquid
Property	Kutel exploration licence area / Kutel Gold Property
Pyrite	An iron sulphide with the chemical formula FeS_2
Pyroclastic	Pyroclastic rocks are clastic rocks composed of rock fragments produced and ejected by explosive volcanic eruptions
QA/QC	Quality Assurance and Quality Control
QP	Qualified Person
Report	Technical Report
Rhodope	A mountain range in South-eastern Europe
Rhodonite	Manganese inosilicate, SiO_3 and member of the pyroxenoid group of minerals
RL	Reduced level
Sb	Antimony
Schist	A medium to coarse-grained metamorphic rock. It is usually silvery green to dark green and grey. It contains thin layers which may be wavey, it usually splits easily along these layers, but does not form platy sheets like slate.

Abbreviation / Technical term	Description
SD	Standard deviations
Sericite	The name given to very fine, ragged grains and aggregates of white micas
SGS	SGS Analabs
SOP	Standard operating procedures
St Charles	St Charles Resources Inc.
SRT	Chalcedony replaced sedimentary rocks
SSW	South-southwest
TSX.V	Toronto Venture Exchange
UDL	Upper detection limit
UTM	Universal Transverse Mercator
vol.	Volume
WGS84	World Geodetic System
YUG	Bulgarian State Project “YUG” from the historical Kutel EL.
Zn	Zinc

2 Introduction

2.1 General and terms of reference

This Technical Report on the Kutel Gold Property (Property) has been prepared by AMC Mining Consultants (Canada) Ltd. (AMC) of Vancouver, Canada on behalf of St Charles Resources Inc. (St Charles) of Toronto, Ontario. It has been prepared in accordance with the disclosure requirements of National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101), to disclose relevant information about the Property.

This Technical Report is required to be filed with the TSX Venture Exchange (TSX.V) in connection with a proposed Qualifying Transaction of St Charles.

2.2 The Issuer

The issuer, St Charles, a Capital Pool Company (CPC) as defined under the policies of the TSX.V, entered into a letter of intent with Eastern Resources OOD (Eastern) in respect of a proposed business combination transaction pursuant to which St Charles would acquire all of the issued and outstanding securities of Eastern. Eastern is a private gold exploration company actively exploring for gold in Bulgaria.

The Kutel exploration license was awarded to Eastern via Decision No. 491 in late 2018. The exploration license agreement between Eastern and the Bulgarian Ministry of Energy came into force on the 21 December 2020.

2.3 Summary of Qualified Persons

The names and details of persons who prepared, or who have assisted the Qualified Person (QP), in the preparation of this Technical Report are listed in Table 2.1. The QP meets the requirement of independence as defined in National Instrument 43-101 (NI 43-101).

Table 2.1 Persons who prepared or contributed to this Technical Report

<table>
<tr><th colspan="7">Qualified Person responsible for the preparation and signing of this Technical Report</th></tr>
<tr><th>Qualified Person</th><th>Position</th><th>Employer</th><th>Independent of St Charles and Eastern</th><th>Date of site visit</th><th>Professional designation</th><th>Sections of report</th></tr>
<tr><td>Mr Mark J. Burnett</td><td>Principal Geologist</td><td>AMC Consultants (UK) Limited</td><td>Yes</td><td>17 & 18 May 2022</td><td>CGeol (UK), EurGeol (Europe)</td><td>All</td></tr>
<tr><th colspan="7">Other experts who have assisted the Qualified Persons</th></tr>
<tr><th>Expert</th><th>Position</th><th>Employer</th><th>Independent of St Charles and Eastern</th><th>Visited site</th><th colspan="2">Sections of report</th></tr>
<tr><td>Mr Sean Hasson</td><td>Executive Director</td><td>Eastern Resources Ltd.</td><td>No</td><td>17 & 18 May 2022</td><td colspan="2">General</td></tr>
</table>

2.4 Site visits

An inspection of the Property was completed by QP, Mr Mark Burnett (CGeol) between 17 and 18 May 2022 accompanied by Sean Hasson (Executive Director Exploration, Eastern) and Mathias Knaak (Structural Geologist, Domlogic Geoservice).

2.5 Sources of information

The report is based on a review of technical data and historical reports provided by Eastern as well as non-technical information available from public domain sources such as websites. References are listed in Section 27, and the abbreviations, units of measurement, and currencies are listed after the table of contents.

The land tenure in Bulgaria is based on the geodetic datum Bulgarian System 1970. The 1970 system is not currently recognized in any Global positioning system (GPS), surveying, mapping, or GIS software. Gdat Applied Solutions built a transform to WGS84 UTM 34N and UTM35 in 2006 for Balkan Mineral and Mining (BMM) AD (Mannola, 2006). The process involved using official transformation software MTSTrans. Information was imported into MapInfo. Then a Lambert conformal conic coordinate system was run. This process requires ten inputs of which three are known and seven were approximated from other sources of data. Differences to the 1970 system were then reduced to acceptable accuracy with a subsequent affine transformation. The result is that the transformation is accurate to within 1 metre (m) in the Easting direction and within 0.7 m in the Northing direction.

Section 4 states the tenure region in the 1970 system and the UTM transform is also stated for reference. All other maps use WGS84 UTM35N. The QP has not verified the conversion, but notes that this verification step was performed by Pelican Geographics Ltd. The conversion was deemed to be appropriate for the purposes in which the data is being used (Hilton, 2006).

The QP notes that in 2001 the Bulgarian Council of Ministries issued a decree defining the Bulgarian Geodetic System 2000 (BGS2000), but Bulgarian agency for Geodesy, Cartography and Cadastre indicates that the actual implementation of the BGS2000 may be some years away (Mannola, 2006). BGS2000 is recognized in GPS, surveying, mapping, and GIS software.

2.6 Effective date

This report is effective as of 22 September 2022.

St Charles was provided with a draft of this report to review for factual content.

3 Reliance on other experts

The QP has relied, in respect of legal aspects, upon the work of the Expert listed below. To the extent permitted under NI 43-101, the QP disclaims responsibility for the relevant section of the Report.

- Expert: Ms Tsvetelina Dimitrova, Partner, Georgiev, Todorov & Co Law Offices, Sofia, Bulgaria, as advised in a letter of 14 July 2022 to Sean Hasson, Mihaela Maria Barnes, Jeff Pennock, and Danko Zhelev entitled "Legal Opinion regarding Eastern Resources' rights under Chukata and Kutel prospecting and exploration agreements.
- Report, opinion, or statement relied upon: information on mineral tenure and status, title issues, royalty obligations, etc.
- Extent of reliance: full reliance following a review by the QP.
- Portion of Technical Report to which disclaimer applies: Sections 4.3, 4.5, and 4.6.

There are no other reports, opinions, or statements of legal or other experts on which the QP has relied.

4 Property description and location

4.1 Property location

The Property is located within the Eastern Rhodope mountain range in the southern central part of Bulgaria, approximately 50 kilometres (km) north of the Greek border, and 150 km south-east of Sofia, the capital of Bulgaria (Figure 4.1).

The Property is situated between the villages of Pavelsko (population 510) to the west, Dryanovo (population 143) to the east, and Yugovo (population 55) to the north. The Property is accessed from the village of Pavelsko, Smolyan District, of south-central Bulgaria, by paved and / or gravel roads. Access within the Property is via a series of unpaved forest access roads.

Figure 4.1 Location of Kutel Gold Project

Note: Kutel Gold Project EL is shown in red.
Source: Eastern, 2022.

4.2 Summary of the Bulgarian regulatory framework

As per the 2017 MINLEX Country Report BG (MINLEX, 2017), the regulatory mining framework in Bulgaria is reproduced below.

Mining in Bulgaria is regulated by the Concessions Act (SG No. /36/2.05.2006) and the Subsurface Resources Act (No. 23/12.03.1999). Other laws of relevance for permitting procedures include the Waste Management Act (53/13.07.2012), the Environmental Protection Act, the Nature Protection

Act, the Protected Areas Act (133/11.11.1998), the Act for the protection of the environment (SG 91/25.09.2002), the Water Act (67/27.07.1999), Law for Biological Diversity (SG/77/09.08. 2002) and the Health and Safety Working Conditions Act, among others.

Bulgaria has a centralized regime where all licenses for all kind of commodities are processed after a written application to the Ministry of Energy. Other relevant co-authorities are the Ministry of Environment and Waters and the Regional Inspectorates on Environment and Water, which coordinate the environmental permitting with the Ministry of Environment. Permits for exploration are granted by the Ministry of Energy upon approval by the Council of Ministers or for the continental shelf and the economic exclusion zone by the Council of Ministers. Concessions for extraction of subsurface resources are granted by: i) competition, ii) tender, or iii) by right of a license holder for prospecting and exploration or for exploration if a commercial discovery was made.

Concessions for extraction may be granted for terms of up to 35 years, extendable for another 15 years. Following the Environmental Protection Act almost all mining activities are subject to an EIA, thus the Ministry of the Environment and Waters is frequently involved as a co-authority as well as the Regional Inspectorates, which act as regional environmental permitting authorities. A permit may be granted only after being coordinated and not rejected by other co-authorities such as the Ministry of Defence, Ministry of the Interior, National Security Agency (if national defense issues are at stake), the Ministry of Culture and the concerned municipality (local land use planning).

4.3 Mineral tenure

The Property comprises a single Exploration License (EL), encompassing an area of 24.4 square kilometres (km^2) which is centred approximately at 315,000 mE and 4,633,000 mN (WGS84, UTM35N). Eastern applied to the Ministry of Energy for the EL in 2016 and were awarded it via Decision No. 491 in late 2018. The agreement between Eastern and the Ministry of Energy came into force on the 21 December 2020.

The EL allows for prospecting and exploration of metallic minerals in the Kutel area, Chepelare municipality (Smolyan region) and in the Laki municipality (Plovdiv region) of Bulgaria. The Property is 100% owned by Eastern, with the EL being valid for an initial period of three years from 21 December 2020, until 21 December 2023. Upon expiration of the initial term, the holder of the right is entitled to request up to 2 extensions for up to 2 years each and a final 1-year term may be granted providing that a Geological Discovery (Initial Mineral Resource Estimate) has been registered on the property.

An annual fee is paid based on the size of the Property, in this case 100 leva (51 Euro) per km^2 as shown in Table 4.1. The area covered by the Property may be abandoned earlier, or the surface holding may be reduced annually at the Company's discretion. Exploration license extensions are granted if the planned work program has been fully completed, or if a Geological Discovery (Initial Mineral Resource Estimate) has been registered with the Ministry of Energy.

Table 4.1 Bulgarian permitting and fees for exploration and prospecting licenses

Type of commodity	Permission period	Allowed Extension	Allowed surface	Tax per km^2	Tax per km^2
	Years, up to	Years, up to	km^2, up to	Primary permission period	Extended period
Metalliferous Mineral Resources	3	2+2+1	200	100 Lv (51 €)	250 Lv (128 €)

Notes: Lv=Leva, € = Euro, 1 Lv ~ 0.51 €; 1Lv ~ C$0.67.
Source: Eastern, 2022; MINLEX, 2017.

The coordinates of the EL boundary are provided in Table 4.2 in Bulgarian 1970 coordinates. This is the coordinate system used by the Ministry of Energy. Table 4.3 lists the EL boundary in UTM coordinates. Differences in these coordinate systems are outlined in Section 2.

Table 4.2 Co-ordinates of boundary of EL (Decision No. 491, Bulgarian 1970 coordinates)

Point number	X (m)	Y (m)
1	4,508,563	8,614,416
2	4,508,617	8,617,233
3	4,509,897	8,617,372
4	4,511,694	8,618,869
5	4,511,739	8,620,997
6	4,511,134	8,621,462
7	4,508,696	8,620,824
8	4,507,273	8,619,024
9	4,506,089	8,619,541
10	4,504,877	8,618,384
11	4,504,838	8,616,561
12	4,506,917	8,616,476
13	4,507,171	8,614,469

Notes: The coordinate system is Bulgarian 1970 coordinates.
Source: Eastern, 2022.

Table 4.3 Co-ordinates of boundary of EL (Decision No. 491, UTM coordinates)

Point number	Easting (m)	Northing (m)
1	310,603	4,633,938
2	313,420	4,633,874
3	313,613	4,635,147
4	315,183	4,636,880
5	317,311	4,636,835
6	317,751	4,636,212
7	317,011	4,633,802
8	315,153	4,632,456
9	315,620	4,631,251
10	314,413	4,630,089
11	312,591	4,630,126
12	312,592	4,632,206
13	310,598	4,632,544

Note: The coordinate system is WGS84 UTM35N.
Source: Eastern, 2022.

The land surface rights within the Kutel Property are variously held by the State Forestry Department, the local municipalities, or are privately owned. There are well documented procedures for applying for permissions to use the land for exploration purposes in all cases.

Eastern is currently completing all access agreements for initial exploration drilling. This drilling falls within local municipality ground and that held by private individuals.

4.4 Royalties and other agreements

In consideration of the right to exploit a concession in Bulgaria, a provision may be made for an obligation by the concessionaire to pay a concession royalty to the concession granting authority (BG Concession Act, 2013).

Mineral royalties are determined via a sliding scale based on profitability and range between 0.8% to 4% of the gross metal value.

There are no back-in right, payments or other agreements and encumbrances to which the Property is subject.

4.5 Environmental considerations

The Property falls within the boundaries of a conservation area (Natura 2000 site) under the meaning of the Biodiversity Act in the Republic of Bulgaria. Natura 2000 is a pan-European network of protected areas aimed at ensuring the long-term survival of Europe's most valuable and endangered species and habitats in accordance with national and international agreements in the field of environmental protection and biodiversity.

The "Central Rhodope" protected area (official code BG0001031) is designated for the conservation of the natural habitats and wild flora and fauna under Article 6, paragraph 1, items 1 and 2 of the Biological Diversity Act. The Natura 2000 sites are designated as either habitat, birds, or both. The Kutel Property is only designated for habitats.

Having an exploration property fall within a Natura 2000 site (habitats and / or birds) does not limit exploration activity as there are procedures in place to conduct exploration. Potential mining is also not affected as this is dealt with at the Environmental Impact Assessment (EIA) stage. The QP notes that the Ada Tepe Gold mine in Bulgaria is a Natura 2000 site for habitats.

The Bulgarian Environmental Protection Act (EPA) Chapter 6 sets out the criteria for properties subject to environmental impact assessment or ecological assessment. A notification from the Ministry of Environment and Water (No НСЗП-632/21.12.2020) was issued that the overall working project for prospecting and exploration in Kutel does not fall within Chapter 6 of the EPA and is not subject to environmental impact assessment or ecological assessment.

In accordance with Article 2, para. 3 of the Kutel agreement, the holder of the rights shall submit to the competent bodies an overall working project for prospecting and exploration and submit a copy of the letter to the Ministry of energy within one month as of signing of the Kutel agreement. This letter from Eastern Resources (No ER-05/09.11.2020) to the Ministry of energy presented overall geological project for prospecting and exploration plan in Kutel. In addition to outlining yearly working project for prospecting and exploration on the Property, it also outlined plans for recultivation of the land plots affected by the prospecting and exploration activities.

4.6 Archaeological and heritage considerations

An integral part of the exploration license application process in Bulgaria requires all Ministries to review the application and provide comment, if any, to the Ministry of Energy. The Ministry of Culture (responsible for archaeological heritage) provided no comment regarding the Kutel Property.

The holder of the permit for prospecting and exploration is obliged (Article 30 UNRA) if discovering mineral, historical or archaeological findings having the signs of cultural valuables, to stop the work in due time and inform immediately the Minister of Energy and the Minister of Culture.

4.7 Risks and other factors

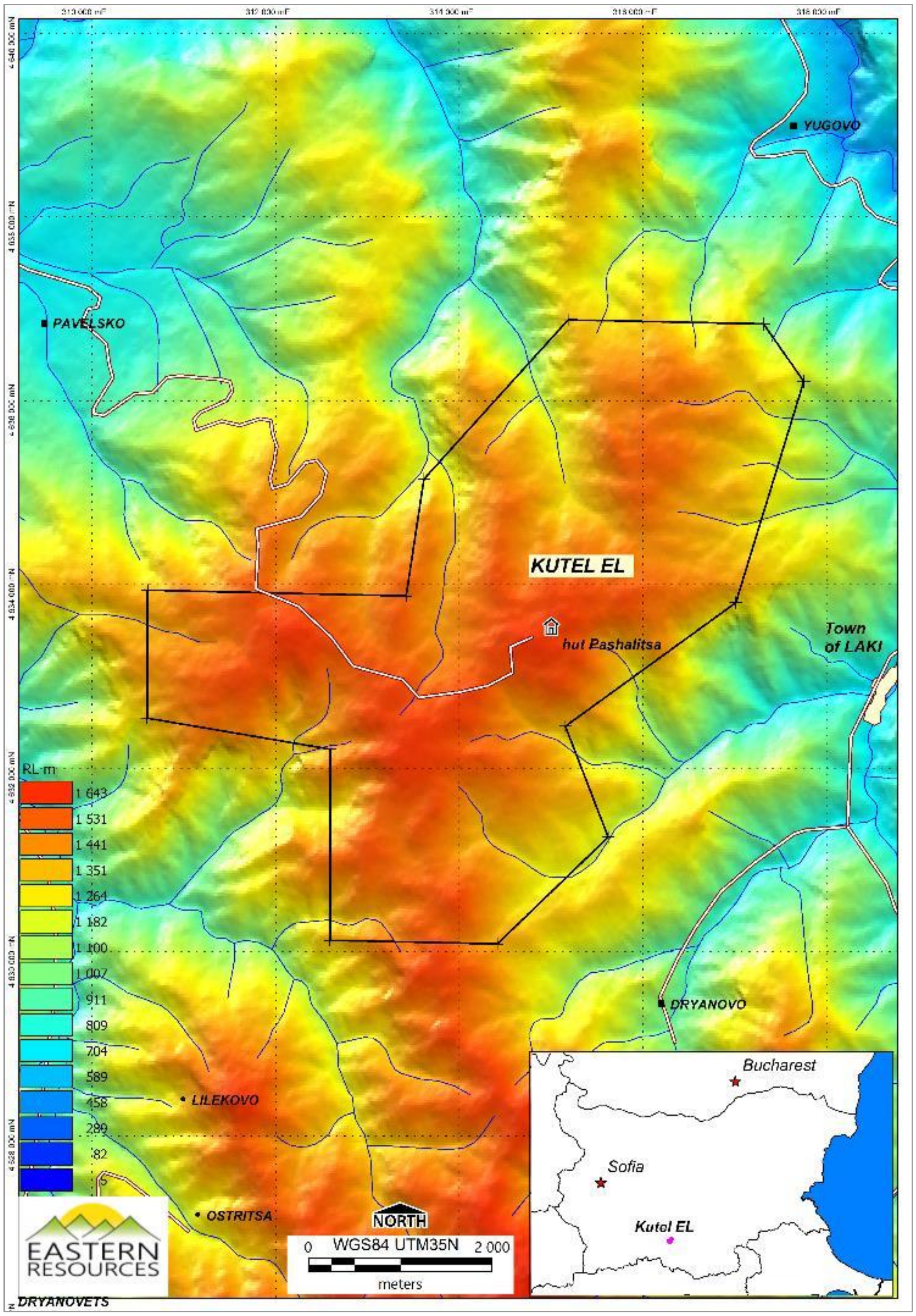
The QP is not aware of any other significant factors or risks that may affect access, title, or the right or ability to perform work on the Property.

5 Accessibility, climate, local resources, infrastructure, and physiography

5.1 Topography, elevation, and vegetation

The Property is located within the Eastern Rhodope mountain range, with elevations ranging from 800 mRL to 1,600 mRL (Figure 5.1). The area is generally mountainous with steep valleys (Figure 5.2) and is almost completely vegetated with pine forest, deciduous forest, grass, and scrub (Figure 5.3).

Figure 5.1 Topographic elevation map of the Property



Source: Eastern, 2022.

Figure 5.2 Typical topography on the Kutel Property

Notes: Photo is taken from the Yavor hydrothermal explosion breccia outcrop (see Figure 6.1 for location) looking north-east towards the town of Laki.
Source: Eastern, 2022.

Figure 5.3 Typical vegetation on the Kutel Property

Notes: Kutel hydrothermal explosion breccia (Kutel HEB) looking south. See Figure 6.1 for location.
Source: Eastern, 2022.

5.2 Access

The Property is accessed via a National paved highway from Sofia to Plovdiv (150 km, Figure 4.1), followed by another 50 km on provincial paved roads through Assenovgrad and up the Chepelare valley to the village of Pavelsko. Access to the Property from the village of Pavelsko is first via paved and / or gravel roads and then by foot as necessary. A series of forest tracks cross the Property which provide reasonable access.

5.3 Local infrastructure

As discussed in Section 4, the Property is situated between the villages of Pavelsko (population 510) to the west, Dryanovo (population 143) to the east, and Yugovo (population 55) to the north. The town of Laki is to the east of the Property has a population of 2,600 people. Figure 5.1 shows these population centers with respect to the Property boundary.

Within the Property there is very little infrastructure.

There is an asphalt road (in a state of poor repair) from the village of Pavelsko to the Mountain Hut 'Pashalitsa' which remains disused, although electricity pylons do still supply power to the Mountain Hut.

There are also some privately owned wooden huts, within the central portion of the Property, that are used during the summer months (July to September), however there is no serviced potable water, sanitation, or electricity.

5.4 Climate

The climate is typically sub-alpine and often rainy. Summer temperatures are relatively cool with a maximum ~30°Celsius (°C) and an average temperature of ~22°C. Winter can bring extremely cold temperatures, as low as -25°C with snow at higher elevations. January, February, and March are generally considered as being 'unworkable' for exploration, unless significant pre-planning is undertaken, due to snow cover.

5.5 Local resources

Local resources are limited within the Property. Small-scale logging of timber is common within the Property from May to October. There is a small village shop in Pavelsko. The nearby town of Assenovgrad (population 60,000), located approximately one hour by car to the south of the Kutel Property has abundant resources.

5.6 Surface rights

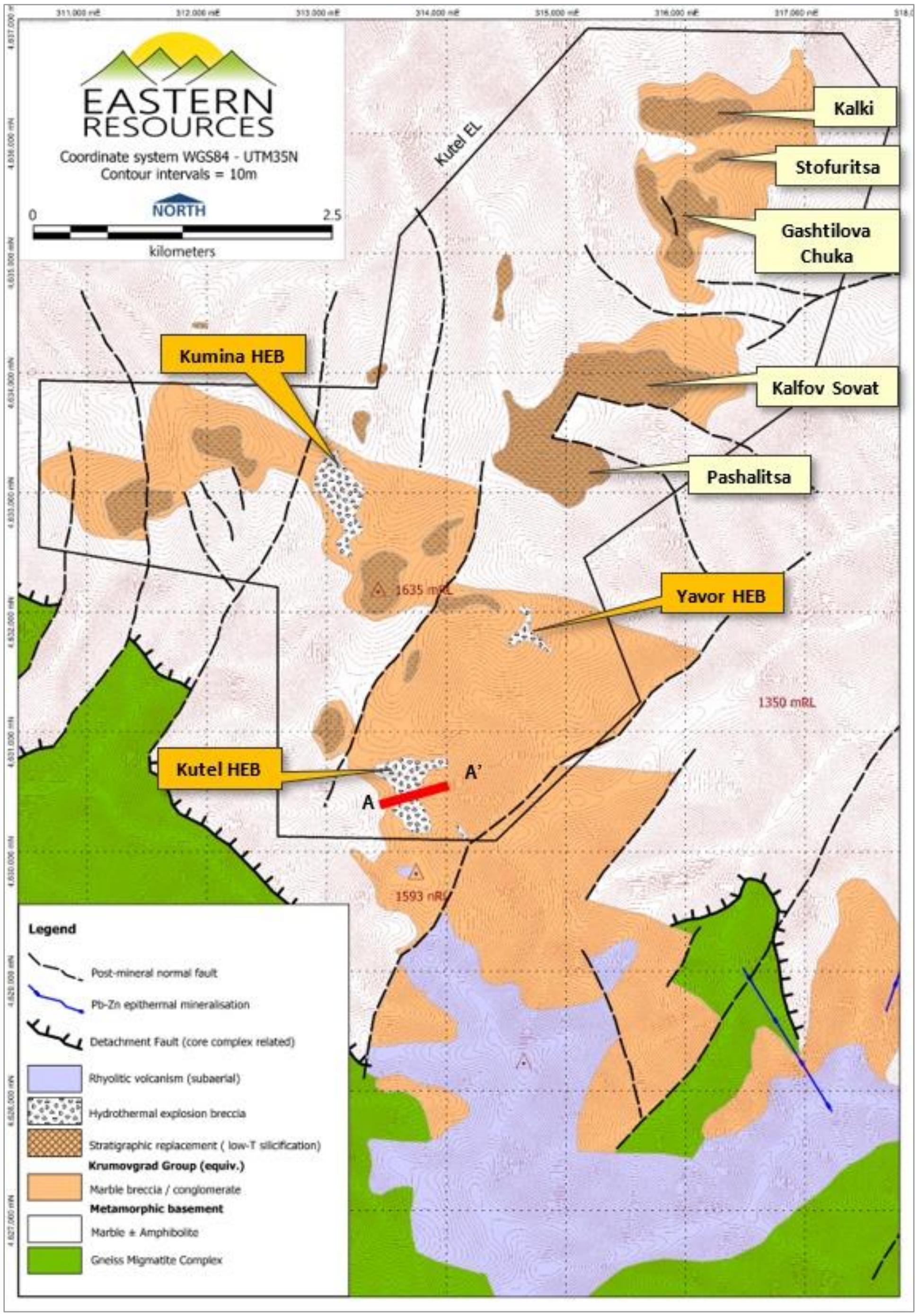
See Section 4.3.

6 History

6.1 Ownership

Exploration for base metals on the Property commenced in the mid-1900's. Prior to Eastern's acquisition of the Property in 2020, exploration was undertaken by the Bulgarian State and Dundee Precious Metals Inc. (DPM). Figure 6.1 delineates those geographic areas in the Property that are referred to in the following sections.

Figure 6.1 General locations of areas within the Property



Source: Eastern, 2022.

Table 6.1 summarizes the known previous operators withing the Property.

Table 6.1 Historical operators within the Property

Operator	Period	Coverage
Bulgarian State (Committee for Geology)	1970s – 1980s	Regional
	1994 - 1996	Regional
Dundee Precious Metals Inc.	2008 - 2015	Regional

Source: Adapted from Eastern.

6.2 Exploration by the Bulgarian State

6.2.1 Overview

During the late 1970s to late 1980s the Bulgarian State (Committee for Geology) explored the area and collected data using several different exploration techniques as detailed following:

Airborne geophysics are believed to have been acquired in 1988. Flight lines were north-south at a nominal 500 – 600 m spacing, with nominal 8 km east-west tie lines, resulting in a relatively coarse regional grid.

During the period 1994 to 1996, ongoing rock chip sampling and geological mapping by geologists of the Bulgarian State indicated the presence of a relatively low-grade gold anomaly in the Property. The exact location of the anomaly is unknown, however is believed to have been located in the north of the Property in the vicinity of the Stofuritsa and Kalki areas.

A total of eight hand-dug trenches were completed on the Property, the location of these trenches is not exactly known. In addition, two diamond drillholes were completed (146.5 m). As with the trenches the collar locations of these holes are uncertain, however are believed to be located within the Stofuritsa-Kalki area.

6.2.2 Airborne geophysics

Airborne radiometrics has proven to be one of the more effective geophysical methods for defining quartz-adularia-illite paleo-geothermal systems within the Eastern Rhodope. The success of this technique is due to the presence of potassium-minerals such as adularia and illite within the mineralizing systems, however its efficacy is affected by vegetation as well as the degree of erosion that the mineralizing system has undergone.

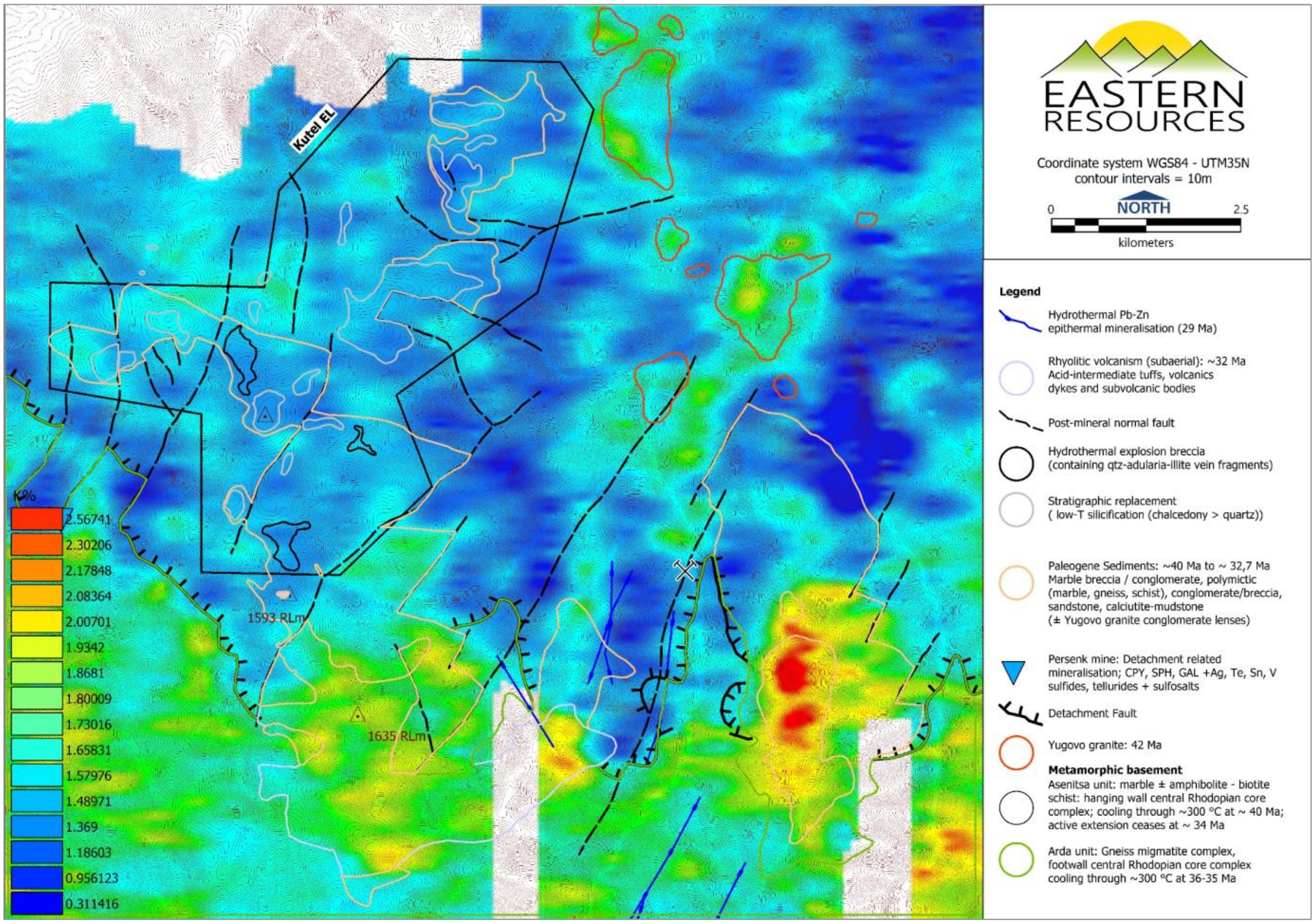
The majority of outcrop on the Property represents the Chalcedony Superzone, which is low in adularia. Given the unreactive nature of the host rocks, primarily marble breccias and marbles, then the formation of illite through the hydrothermal alteration of calcium carbonate is also limited.

The Potassium channel tends to highlight:

- A difference between the lower plate (gneisses) and upper plate (marble) rocks of the metamorphic core complex.
- The Yugovo granite and younger volcanic units.

The northern and southern half grabens show a muted response, however, areas of alteration both within the sedimentary and metamorphic basement rocks demonstrate the extent of the hydrothermal system.

Figure 6.2 Airborne geophysics – potassium, showing major geological structures



Source: Eastern, 2022.

6.2.3 Rock chip sampling

Rock chip sampling by the Bulgarian State returned a wide interval of low-grade Au mineralization. The location of the rock chip locations is not specifically known but are located in the north of the Property around the Stofuritsa and Kalki prospect areas and are likely from zones of stratigraphic replacement.

6.2.4 Trenching

The Bulgarian State completed eight trenches (hand excavated) of 1,047 cubic meters (m^3). As noted, no further information is available.

6.2.5 Drilling

The Bulgarian State undertook limited diamond drilling (2 drillholes for 146.5 m drilled). The collar locations of these drillholes are uncertain but they are known to be located within the Stofuritsa Kalki area (Maneva, 1989).

6.2.6 Sample preparation, analyses, and security

The sampling methods used by the Bulgarian State for rock chip and diamond drilling are unknown. No quality control or quality assurance data is available.

6.3 Exploration by Dundee Precious Metals Inc.

6.3.1 Overview

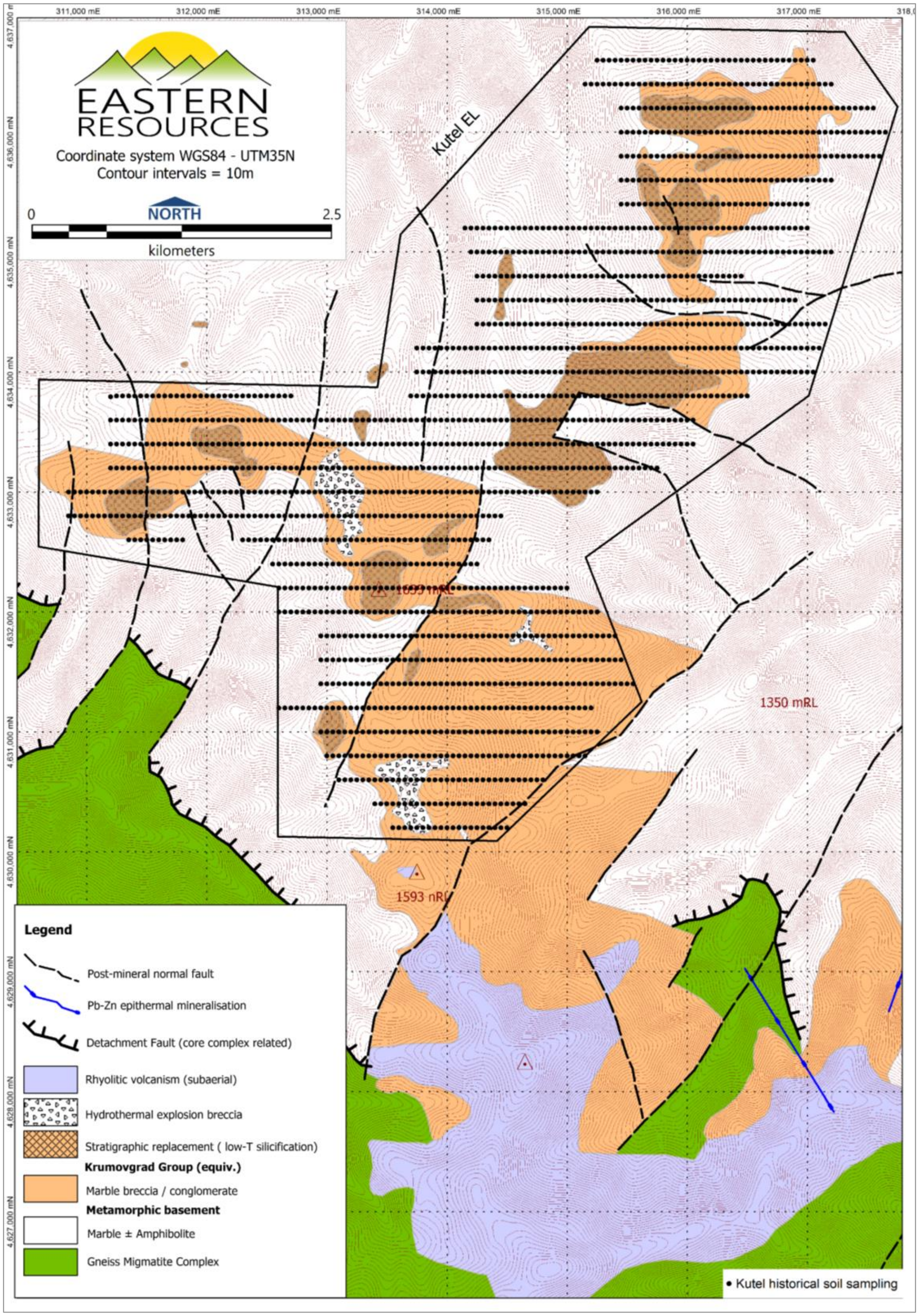
DPM, through its 100% subsidiary BMM concluded an exploration licence agreement with the Ministry of Energy in 2008, then relinquished the Property in 2015. During this period DPM undertook an extensive exploration program, including multiple geological mapping and rock chip sampling campaigns, two phases of soil geochemical sampling on a 200 m x 50 m grid spacing as well as a property-wide trenching campaign across the Property.

Minor diamond drilling was undertaken in the northern portion of the Property (987.9 m total meters) during 2012. The drilling was believed to be targeting a geophysical anomaly at depth beneath the Kalki area.

6.3.2 Soil geochemistry

DPM took a total of 1,798 soil geochemistry samples on the Property collected during the 2005 - 2015. The soil samples were taken on 200 m by 50 m grid pattern across the Property. Figure 6.3 shows the orientation of the soil sampling survey that was undertaken on the Property.

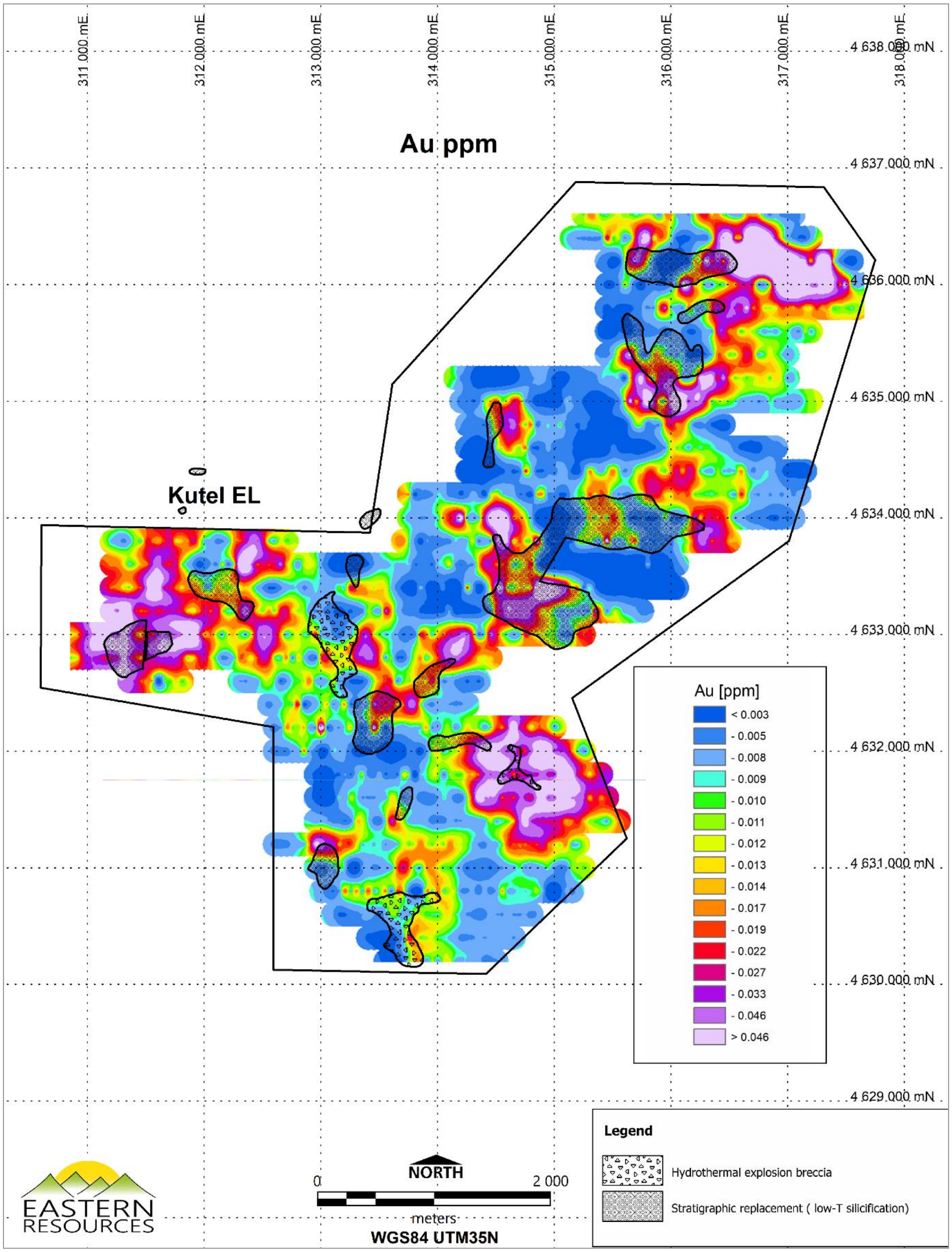
Figure 6.3 Orientation of the soil sampling on the Property



Source: Eastern, 2022

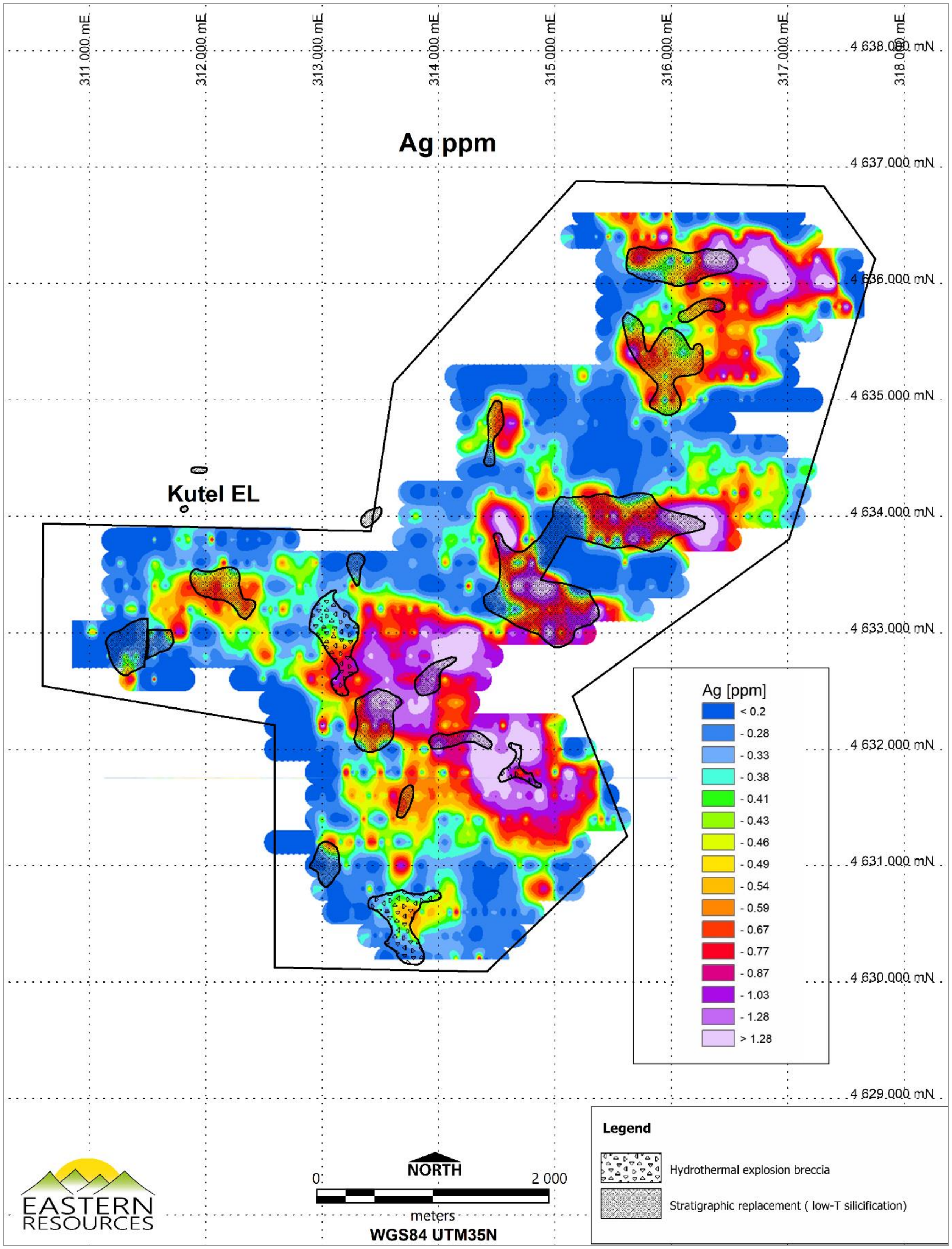
Figure 6.4 to Figure 6.7 show maps of gold, silver, arsenic, and antimony concentrations derived from the soil sampling.

Figure 6.4 Map of gold concentration derived from soil sampling



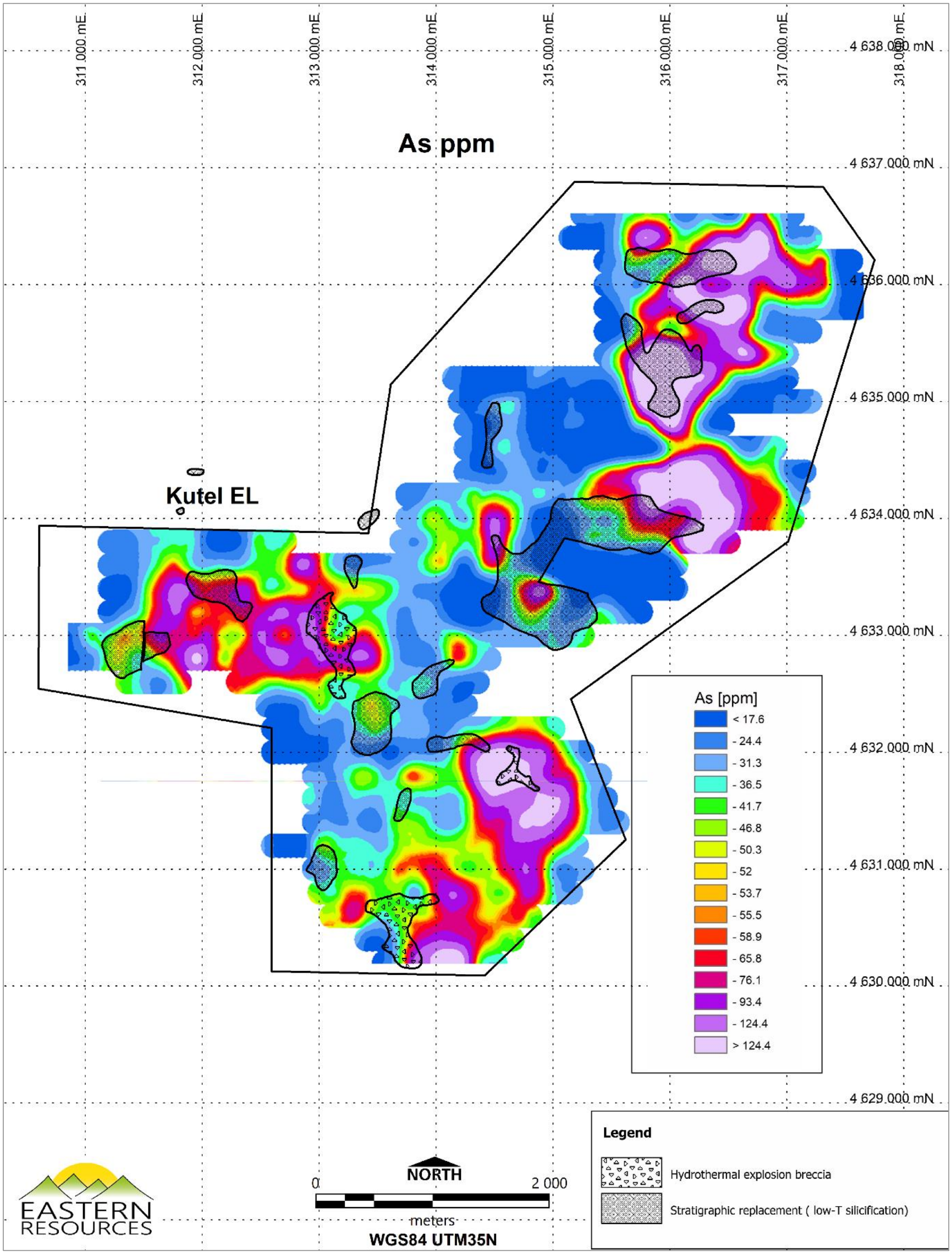
Source: Eastern, 2022 based on "DPM – file/data".

Figure 6.5 Map of silver concentration derived from soil sampling



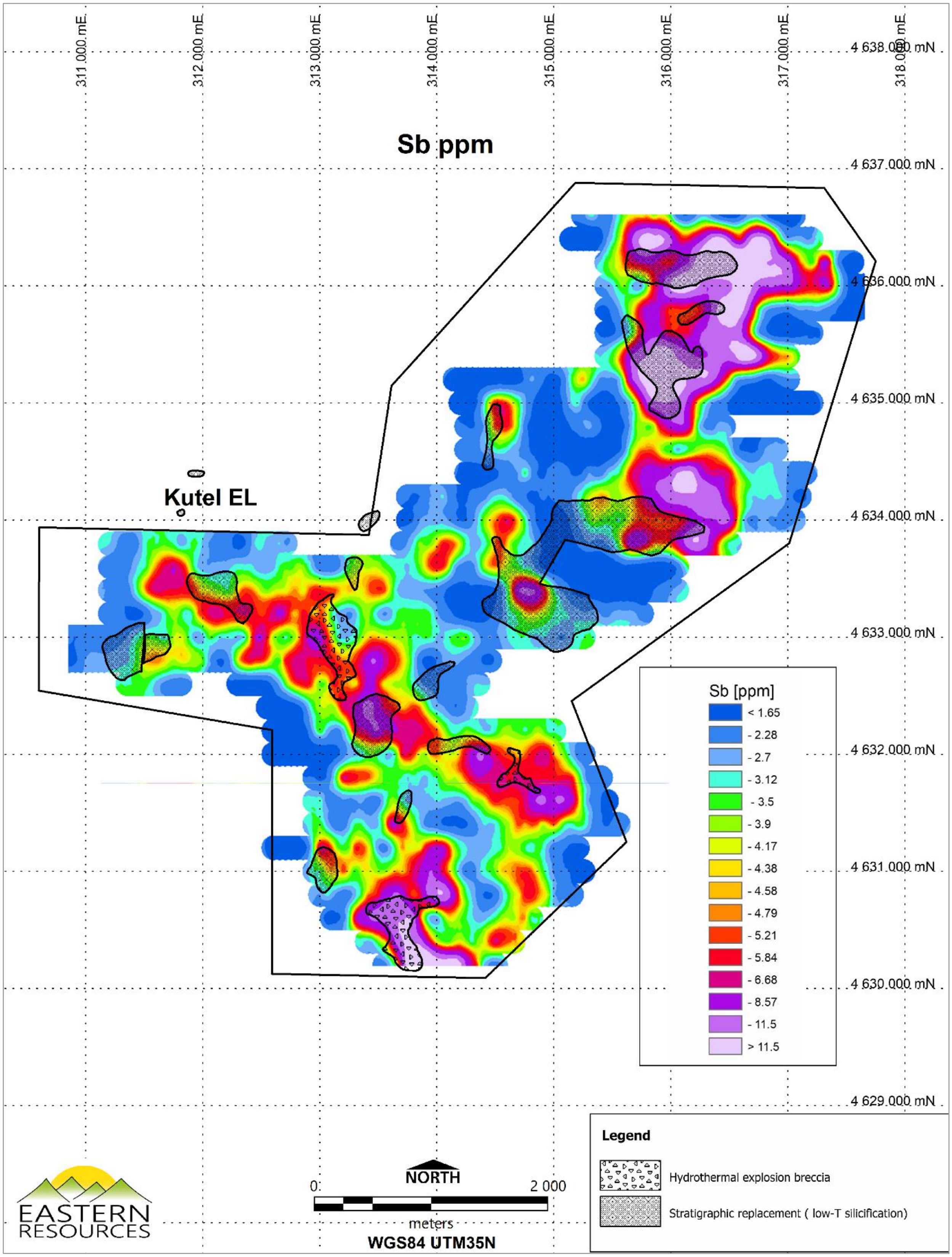
Source: Eastern, 2022.

Figure 6.6 Map of arsenic concentration derived from soil sampling



Source: Eastern, 2022.

Figure 6.7 Map of antimony concentration derived from soil sampling



Source: Eastern, 2022.

6.3.3 Rock geochemistry

DPM took a total of 486 rock geochemistry samples on the Property collected during the period 2005 - 2015. The majority of rock geochemistry samples were taken from areas of SRT as they tend to dominate the outcropping geology within the property.

Of particular note were three samples taken from the northern margin of the Kumina HEB, which returned assay values of >0.1g/t Au, with one of the samples assaying at 2.05g/t Au. This outcrop was subsequently followed up by trench PACH028.

6.3.4 Trenching

DPM excavated forty-five trenches across the Property, comprising 1,217 m of trenching and 449 assayed samples.

It is now apparent that of the forty-five trenches completed by DPM across the property that the majority, forty trenches or 89% of the program, were cut within or proximal to areas of SRT. Only five trenches or 11% of the program were cut within areas of outcropping HEB.

All trenches were mapped and sampled. Gold values were generally poor within areas of SRT, however PACH028 was cut within the northern margin of the Kumina HEB which contained abundant quartz-adularia-illite clasts within a silica-hematite matrix and returned a maximum grade of 2.37 grams per tonne (g/t) over 2 m (from 19 m) (Table 6.2).

Table 6.2 PACH028 trench result

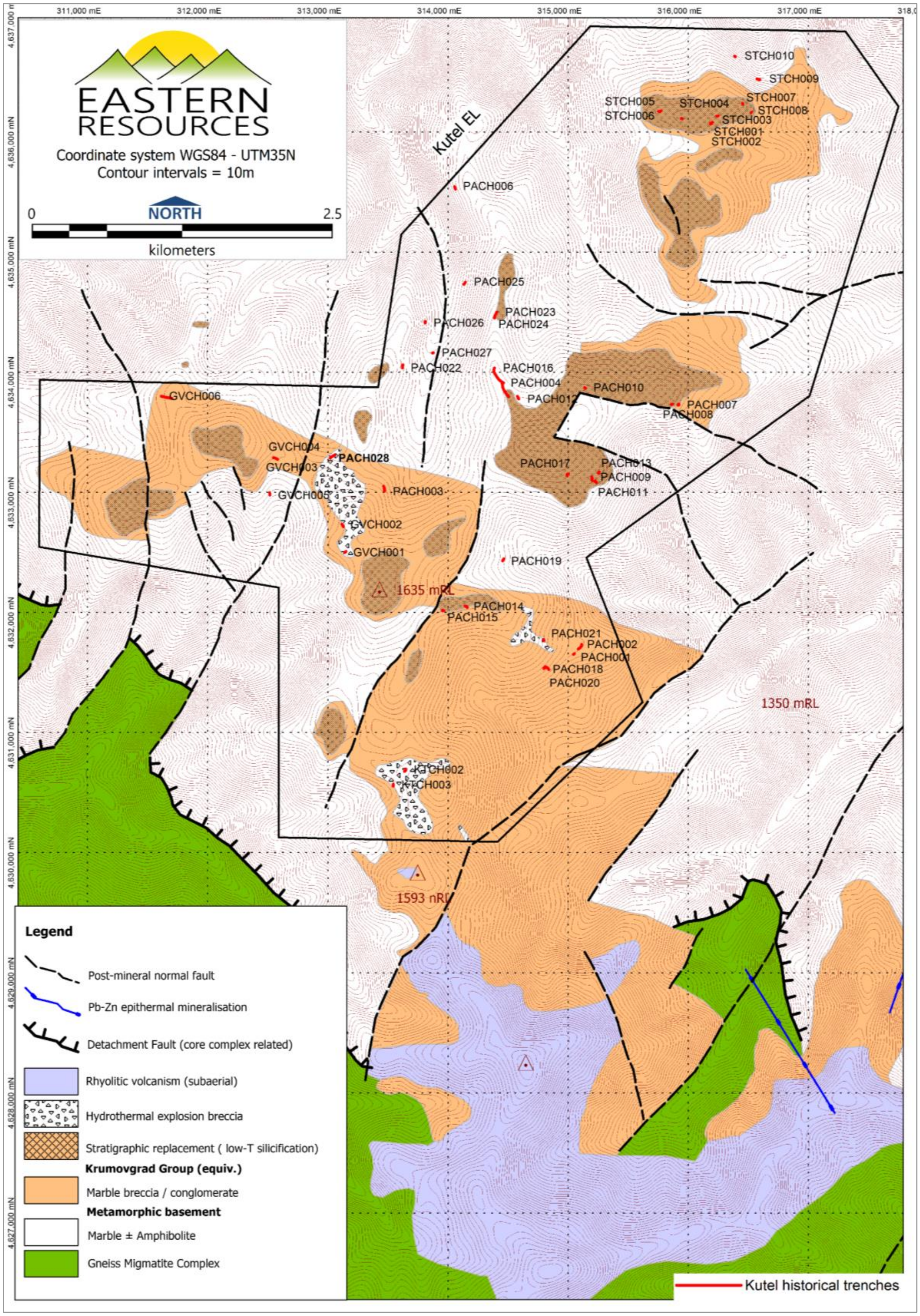
Trench ID	End date	#	From (m)	To (m)	Au
PACH028	15 Oct 2013	1	16	21	5 m @ 1.57 g/t
			Including 19	21	2m @ 2.37 g/t
PACH028	15 Oct 2013	2	24	31	7 m @ 0.8 g/t

Notes: 0.5 g/t Au cut-off, 1m minimum composite length and no internal dilution.
Source: Eastern, 2022.

Trench PACH006 intersected 0.58 ppm gold over 1 m. As this is from undefined mineralization contained within the metamorphic basement rocks, as Eastern is not exploring for this type of mineralization, (see Section 8) it is not included in Table 6.2.

Figure 6.8 shows the location of all the trenches and Table 6.3 provides a summary of the individual trench lengths and their starting co-ordinates and azimuths.

Figure 6.8 Map showing the location of the trenching completed by DPM



Source Eastern, 2022.

Table 6.3 Summary of DPM trenching on the Property

Trench ID	Prospect	UTM E (m)	UTM N (m)	Elevation (m)	Azimuth	Dip	Length
GVCH001	GV	313143	4632502	1582	84.1	15	12
GVCH002	GV	313119	4632734	1614	157.1	3	24
GVCH003	GV	312548	4633289	1554	104.1	-3	20
GVCH004	GV	312568	4633283	1549	121.1	-4	18
GVCH005	GV	312518	4632977	1503	354.1	-2	20
GVCH006	GV	311614	4633800	1561	103.1	4	90
KTCH002	KT2	313647	4630697	1567	170.1	4	26
KTCH003	KT2	313545	4630571	1533	179.1	-10	18
PACH001	PA	315045.49	4631651.09	1391.1	49.1	2	10
PACH002	PA	315086.13	4631695.78	1392.3	54.1	1	50
PACH003	PA	313473	4633009	1549	4.1	0	44
PACH004	PA	314451	4633909	1581	170.1	0	129
PACH006	PA	314056	4635545	1398	164.1	0	23
PACH007	PA	315916	4633728	1564	94.1	-11	15
PACH008	PA	315860	4633733	1574	94.1	-8	11
PACH009	PA	315197	4633128	1591	144.1	-5	36
PACH010	PA	315139	4633871	1590	139.1	0	10
PACH011	PA	315218	4633092	1586	74.1	16	30
PACH012	PA	314590	4633777	1581	319.1	5	26
PACH013	PA	315251	4633158	1598	76.1	-5	18
PACH014	PA	314142	4632053	1569	111.1	-4	23
PACH015	PA	313953	4632020	1581	124.1	-13	20
PACH016	PA	314387	4634036	1565	193.1	5	156.5
PACH017	PA	314990	4633138	1608	67.1	0	30
PACH018	PA	314801	4631532	1420	344.1	16	22
PACH019	PA	314455	4632430	1483	34.1	0	20
PACH020	PA	314816	4631542	1425	69.1	-6	33
PACH021	PA	314799	4631764	1454	348.1	-12	15
PACH022	PA	313622	4634035	1474	9.1	-2	27
PACH023	PA	314406	4634499	1483	204.1	6	18
PACH024	PA	314393	4634472	1526	193.1	4	22
PACH025	PA	314146	4634749	1388.7	211.5	0	21
PACH026	PA	313811	4634409	1403.6	354.5	5	14
PACH027	PA	313879	4634161	1380.4	264.5	-24	8.5
PACH028	PA	313020	4633284	1538.3	24.5	-6	51
STCH001	ST	316186	4636066	1508	354.1	12	8
STCH002	ST	316194	4636069	1508	34.1	5	14
STCH003	ST	316239	4636132	1509	82.1	5	11
STCH004	ST	315944	4636113	1504	134.1	0	10
STCH005	ST	315754	4636172	1503	104.1	0	7
STCH006	ST	315768	4636171	1506	49.1	15	8
STCH007	ST	316457	4636232	1507	324.1	5	7
STCH008	ST	316526	4636162	1489	58.1	-7	6
STCH009	ST	316597	4636435	1328	284.4	0	25
STCH010	ST	316394	4636627	1400.6	294.4	2	10

Source: Eastern, 2022.

6.3.5 Drilling

6.3.5.1 Drilling procedures

All drilling carried out on the Property is diamond core drilling.

DPM commenced each hole using PQ-size (83.1 mm) which was reduced to HQ3 core size (63.5 mm) at depth.

Collar positions were recorded using handheld GPS instruments, while DPM utilized a mix of magnetic or gyroscopic tools for downhole surveys. Downhole measurements were recorded mostly at 30 m intervals (60%), with around 20% of intervals at 15 m or less, and 12% at approximately 50 m.

Core was logged by DPM geologists on 1.0 m intervals, with the following information being recorded:

- Lithology, weathering, alteration, veining, and moisture content.
- Presence of cavities.
- Structural logging (alpha / beta / gamma measurements for planar and linear features within intervals of orientated core).
- Summary geotechnical logging.

6.3.5.2 Drilling results

Only minor drilling within the northern portion of the Kutel Property has been recorded; 987.9 m of diamond drilling was completed by DPM during 2012. Poor drilling conditions resulted in STDD001 (0-192.1 m) being re-entered as STDD001B (118-271.8 m) and STDD002 drilled from the same pad for 0-20.4 m. STDD003 (0-447.6 m) was re-entered as STDD003A (376-550 m). It is believed that DPM were targeting a geophysical anomaly at depth beneath the Kalki area.

Table 6.4 provides a summary of the drillholes completed by DPM on the Property.

Table 6.4 Summary of DPM DDH drilling on the Property

Hole ID	East	North	RL	Collar Azimuth	Collar dip	End date	#	From (m)	To (m)	Au ppm
STDD01	315843.1	4636351.06	1443.62	150.4	-56	5 Aug 2012	1	10	17	7 m @ 0.16 ppm
STDD01	315843.1	4636351.06	1443.62	150.4	-56	5 Aug 2012	2	21.5	31.3	9.8 m @ 0.19 ppm
STDD01	315843.1	4636351.06	1443.62	150.4	-56	5 Aug 2012	3	56.8	58	1.2 m @ 0.17 ppm
STDD01	315843.1	4636351.06	1443.62	150.4	-56	5 Aug 2012	4	110	113	3 m @ 0.11 ppm
STDD01B	315843.1	4636351.06	1443.62	150.4	-56	6 Sep 2012	1	166	167	1 m @ 0.11 ppm
STDD02	315843.59	4636350.11	1443.73	150.4	-56	10 Jul 2012	1	11	20.4	9.4 m @ 0.11 ppm
STDD03	316173.26	4635907.91	1476.17	27.4	-59	13 Oct 2012	1	2	3	1 m @ 0.11 ppm
STDD03	316173.26	4635907.91	1476.17	27.4	-59	13 Oct 2012	2	283	284	1 m @ 0.18 ppm
STDD03	316173.26	4635907.91	1476.17	27.4	-59	13 Oct 2012	3	296	297	1 m @ 0.14 ppm

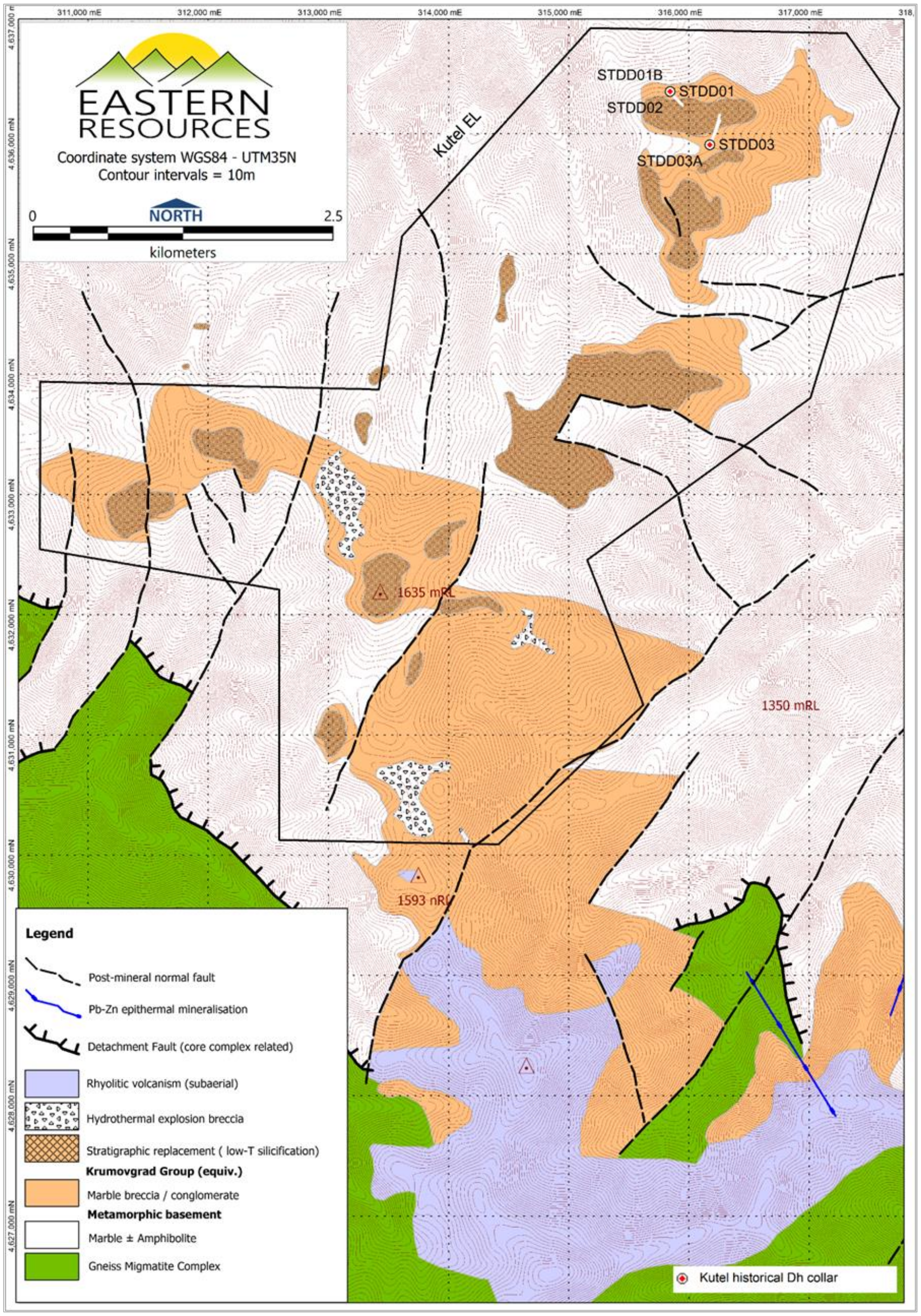
Notes:
- All holes are diamond drillholes.
- 0.1 g/t Au cut-off, maximum 1 m internal dilution, minimum 1 m composite length).
- The relationship between the sample length and the true thickness of the mineralization is unknown.
- Recovery factors are unknown.

A summary of the drilling results are as follows:

- STDD001 intersected SRT within marble breccias from 0 - 31.3 m and marble metamorphic basement to EOH.

- STDD003 intersected unmineralized marble breccia from 0 - 86 m and marble metamorphic basement to EOH.
- Drillholes indicate that the sedimentary / metamorphic basement rock contact is at ~1,430 mRL.
- STDD001 and STDD002 are effectively twin diamond drillholes (nominal 0.1 g/t Au cut-off, maximum 2m internal dilution):
  - STDD001: 21.3 m @ 0.15 g/t Au, 8.2 g/t Ag, 193 g/t As, 29 g/t Sb (from 10 m).
  - STDD002: 9.4 m @ 0.11 g/t Au, 45 g/t Ag, 203 g/t As, 22 g/t Sb (from 11 m).

Figure 6.9 DPM drillhole location



Source: Eastern 2022.

6.4 Sample preparation, analyses and security

6.4.1 Rock chip sampling

All rock samples that were collected on the Property were marked at each sample site using flagging tape. A GPS location was collected at every sample site. Sample sizes were, in general, between 2 and 3 kilograms (kg) and samples were collected in calico sample bags. The sample identifiers were written on the outside of each bag and a sample tag with the same identifier number was placed in the bag. The sample bags were closed using a string tie. 'Rock chip' panel samples are non-selective grabs of outcropping rock, which are taken randomly over an area of approximately 2 m square.

The rock samples were placed into a sealed plastic bag and then stored in a locked shed at Pashalitsa mountain hut. The samples were then transported from the Property to the Krumovgrad SGS Analabs sample preparation facility by road under the supervision of DPM personnel.

6.4.2 Drill sampling

Diamond holes were sampled along the entire length. Diamond drilling was sampled at 1 m intervals, using half split core, cut slightly offset, parallel to the orientation lines using a rotary diamond core saw or spatula in high broken or weathered (clay) material – right hand side looking down the core is the half sent to the laboratory, while the remaining half was retained in the core tray and racked for future record or serve as media for metallurgical test work.

All core logging (geology / RQD / recovery / structure), photography, and core sampling was carried out within the DPM core yard facility, which was kept under 24-hour guard.

Core samples were delivered to the laboratory loading bay area in sealed and signed bags.

6.4.3 Sample preparation and analysis

Rock chip and core samples from the property were submitted to a SGS Analabs managed preparation laboratory, set up at DPM's Ade Tepe deposit in Krumovgrad, for sample preparation.

At the preparation facility samples were organized on racks, in the order specified on the submission sheet. Sample numbers were entered into a computer, using the CCLAS Laboratory Information (LIMS) program that generates the required paperwork for all further processes.

At the preparation laboratory, samples were dried for 12 hours at 105°C and then crushed to -6 millimetres (mm). A 1/20th portion was then split to produce a B sample. All samples were then pulverized using a LM5 pulveriser, for a minimum of 5 minutes, to attain 95% passing through a 75-micron screen (5% of the samples were tested for screen passing). Routine barren flushes were completed every 20th sample, or as otherwise requested (i.e., within samples containing visible gold or expected high grade zones). Three pulp sub-samples were taken from the bowl and placed in separate paper packets labelled with the sample number, consisting of:

- 300 g packet (sent to SGS Analabs, Chelopech)
- 300 g packet (permanent on-site record)
- 400 g packet (check analyses)

CCLAS randomly creates replicates (10%) and second splits (~10%) of the samples for quality control purposes. A replicate is a single pulp duplicate sample take from the LM5 bowl and analyzed twice, to assess analytical variance. A second split is a separate pulp duplicate sample, collected from the LM5 bowl, placed in a separate bag, and assayed to assess the sub-sampling variance and analytical variance.

Prepared sample pulps were then shipped by courier in a security sealed cardboard box to the SGS Analabs laboratory at the Chelopech mine, for gold and multi-element geochemistry analysis.

Rock and core samples were analyzed for gold using the SGS Analabs standard gold fire assay method, which consists of a 50 g charge from the pulp bag. A normal fire assay batch comprises 50 analyses, consisting of 40 samples, 4 replicates, 3 second splits, 2 standards, and a blank. Samples are mixed with flux (Lead oxide) and are then fused to 1,100°C. Cupellation then takes place at 1,000°C. The Prill (Ag + Au) is then placed in a test tube, aqua regia digested, made to volume, and analyzed by Atomic Absorption Spectrometry (AAS).

The inductively coupled plasma (ICP) analysis uses a 0.5 g charge from the pulp bag weighed, placed in test tube, aqua regia digested, made to volume, and analyzed by AAS.

On a monthly basis a batch of 104 samples were sent to SGS Analabs Australia and Bondar Clegg Canada for quality control checks (Au, Ag). A final statistics report on these checks is produced by SGS Analabs headquarters, together with a monthly report on all the database (replicates, second splits, standards, and blanks) generated by the laboratory.

6.4.4 Quality Assurance/Quality Control

The QP was unable to verify the DPM procedures used on this property, however in accordance with general DPM standard operating procedures (SOP) QA/QC programs typically incorporated check samples, duplicates, coarse blanks, and standards.

The SOP outlines insertion rates as follows:

- Duplicate field samples: 1: 20
- Duplicate trench samples: 1:20 (collected after jaw crushing)
- Standards: 1: 20
- Coarse grained blanks: 1:20

The SOP outlines five different types of certified standards for use.

The QP was not able to review any documentation or data specific to the Property and is unaware of any analytical data that is available for review.

6.5 Mineral Resources and production

There is no record of any Mineral Resources or Mineral Reserves being reported for the Property, nor has there been any production recorded.

7 Geological setting and mineralization

7.1 Regional and local geology

The Property is located within the western portion of the Tethyan Belt, which extends from Europe to South-East Asia, and spans 33 countries making up 7.3% of the earth's land mass. Major gold and copper deposits within the Western Tethyan magmatic belt formed during two main periods of Cretaceous and Tertiary magmatism. The Cretaceous deposits are dominantly copper-gold porphyry and high-sulfidation epithermal systems, whereas the Tertiary deposits display greater deposit diversity and can include low to intermediate sulfidation epithermal systems, together with copper-gold porphyry systems and carbonate replacement systems.

The Property is located within the Tertiary age segment of the Western Tethyan magmatic belt and specifically within the Eastern Rhodope metallogenic province. This province contains numerous sedimentary rock-hosted low-sulfidation epithermal systems (quartz-adularia-illite vein systems) of which the best known is the Ada Tepe gold deposit, located 3 km south-east of the town of Krumovgrad.

Rocks associated with the Property formed within the Eastern Rhodope metallogenic province, which underwent extension and metamorphic core complex formation within a back-arc environment. This was followed by normal faulting, basin subsidence and voluminous volcanic eruptions during the Maastrichtian-Oligocene. During this period of volcanic eruption, the nature of the magma progressively evolved, from calc-alkaline to shoshonitic andesitic to rhyolitic. Figure 7.1 shows a simplified geological map of the Eastern and Central Rhodope metallogenic province. The yellow circle shows the location of the Kutel Property.

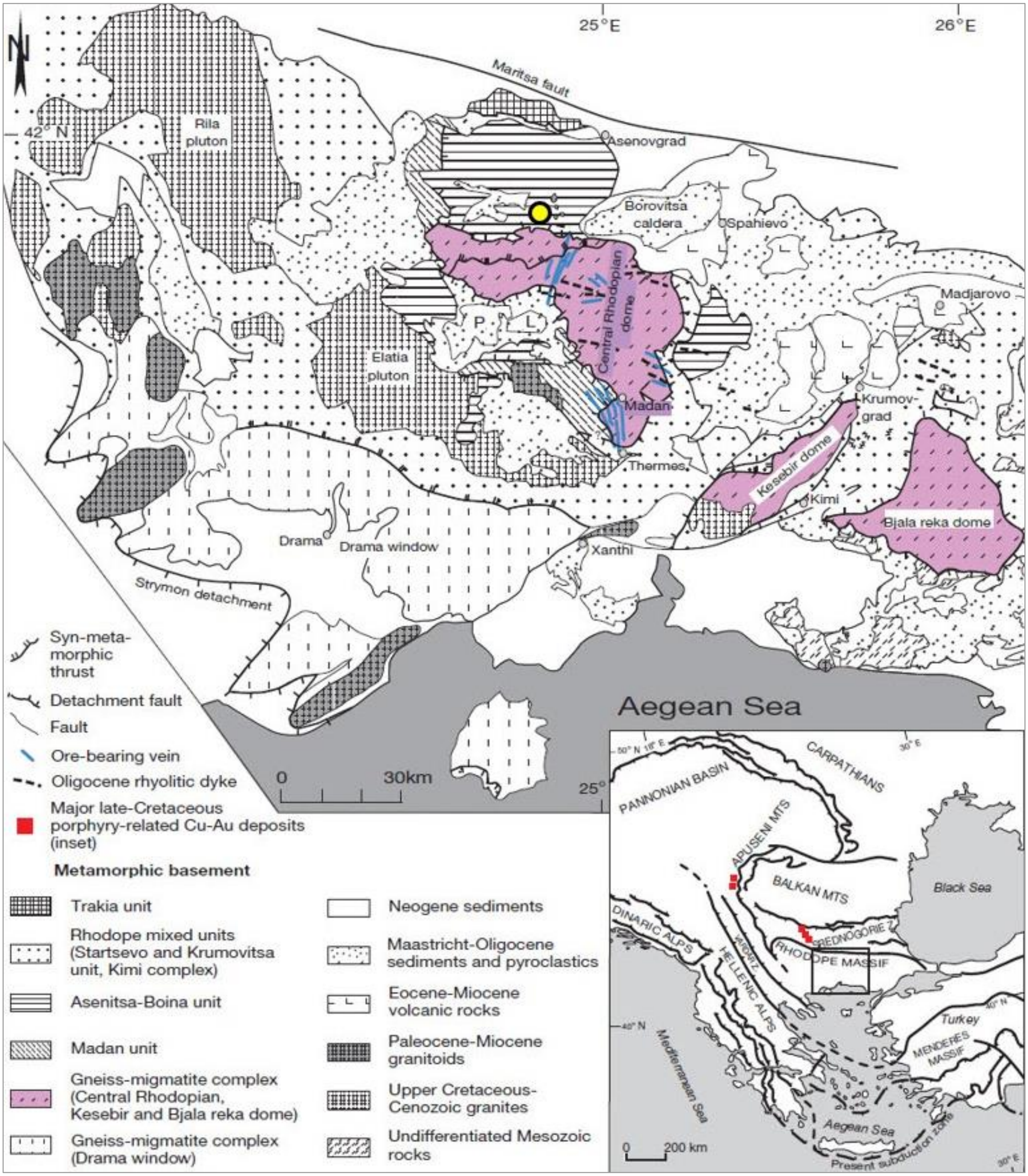
Crustal extension within the Kutel Property area was dominated by the detachment bounded Central Rhodopian metamorphic core complex. This structure exposes a crustal section that includes the following tectonostratigraphic units from the structural base to the top:

- A lower high-grade metamorphic unit (gneisses, mica-schists and amphibolites).
- An upper high-grade metamorphic basement unit (marbles and minor amphibolites).
- A sedimentary and volcanogenic unit of Maastrichtian / Paleocene-Miocene syn- and post-tectonic cover sequences.

At the base of the third unit, Maastrichtian-Paleocene to Middle Eocene clastics, marble sedimentary breccias, and conglomerates form part of a syn-tectonic hanging wall suite of supra-detachment half grabens, which occur in faulted contact with the detachments that bound the metamorphic core complexes. They are also limited by graben-bounding faults and are found lying unconformably over the high-grade metamorphic basement units.

Stratigraphically, Middle Eocene clastics are conformably overlain by Upper Eocene-Oligocene clastic rocks, conglomerates, and carbonate-rich sedimentary rocks, which mark a renewed cycle of continental, fresh water to marine sedimentation. They were accompanied by regionally widespread, late Eocene-Oligocene volcanic edifices and sedimentary-volcanogenic successions (Bonev et al., 2013).

Figure 7.1 Geologic map of the Eastern & Central Rhodope metallogenic province



Note: The yellow circle shows the location of the Kutel Property.
Source: Kaiser Rohrmeier et al., 2013.

7.2 Property geology and mineralization

7.2.1 Mapping sources and procedures

The current geological map of the Property is based on historical mapping, including that completed by Maneva et. al (1989), multiple mapping and exploration campaigns carried out by DPM (2008 to 2014) as well as field work completed by Eastern since 2017 (Figure 7.2).

Field discrimination between marble sedimentary breccias and marble metamorphic basement rock has been found to be ambiguous, unless clasts ± bedding or other sedimentary features are clearly identified.

7.2.2 Local geology

The metamorphic basement rocks can be subdivided into two units, which are separated by a detachment fault:

- The lower plate Arda Unit, which is a gneiss migmatite complex, and forms the footwall to the Central Rhodopian core complex.
- The upper plate Asenitsa Unit, which is dominated by marbles and lesser amphibolites and biotite-schists and forms the hangingwall to the Central Rhodopian core complex.

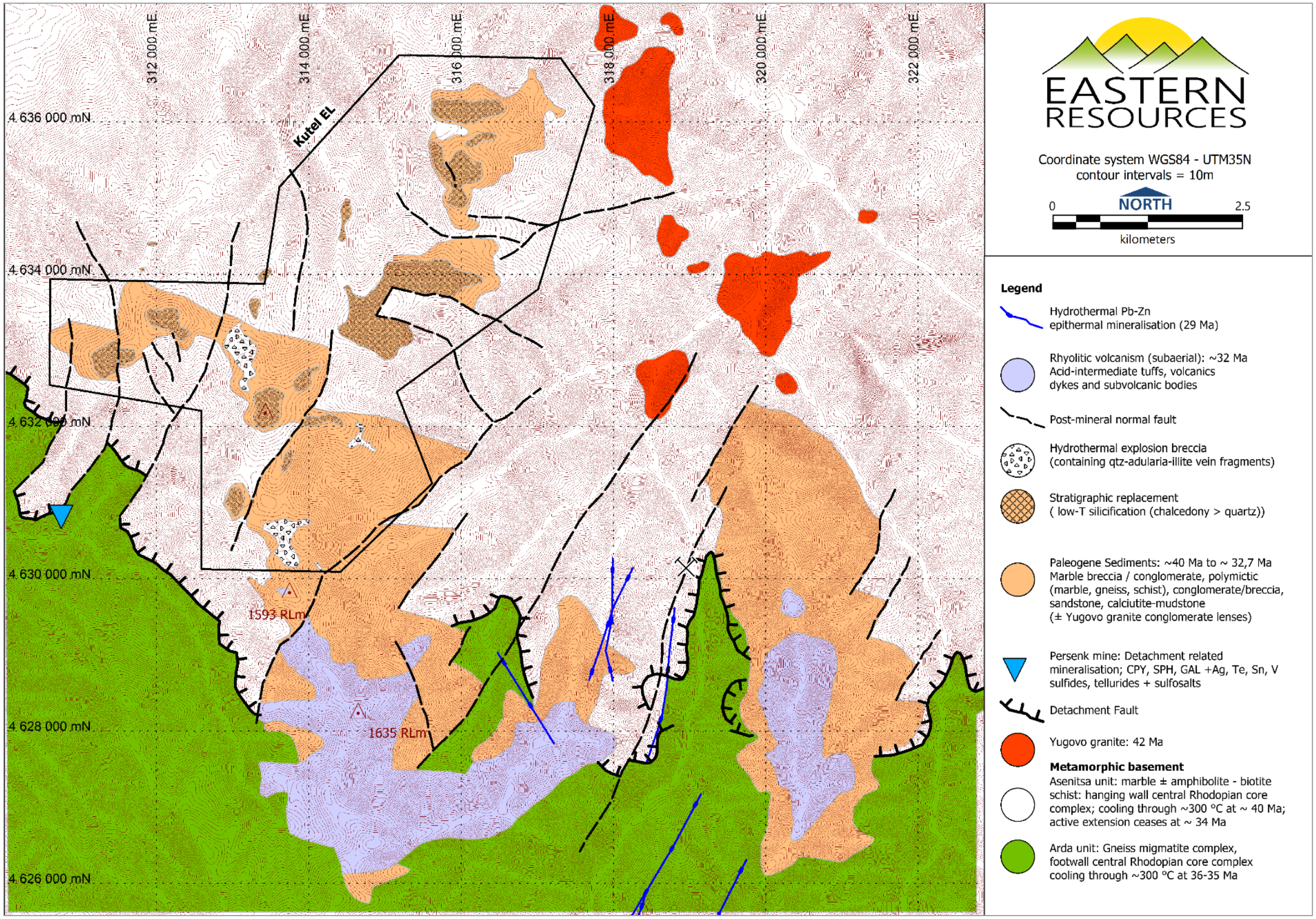
According to Kaiser Rohrmeier (2013) the nearby Yugovo Granites were emplaced at 42 Ma. The granites contain fluorite, molybdenum, galena, pyrite ± silver, bismuth quartz stockwork veins.

The Paleogene sedimentary rocks have likely been deposited within half grabens during the period ~40 Ma to ~32.7 Ma.

The basal marble sedimentary breccias and conglomerates, as shown in Figure 7.3 (Photos A, B, and C), grade upward to lenses of sandstone (Gashtilova Chuka-Kalki area), then into polymictic (metamorphic rock-derived) conglomerates (Photo D), polymictic breccio-conglomerates with siltstone / sandstone lenses. Local lenses of (Yugovo) granite conglomerates (Photo E) and calcareous siltstone (Photo F) represent the highest stratigraphic sedimentary unit, prior to the deposition of pyroclastic volcanic rocks at 32.7 Ma.

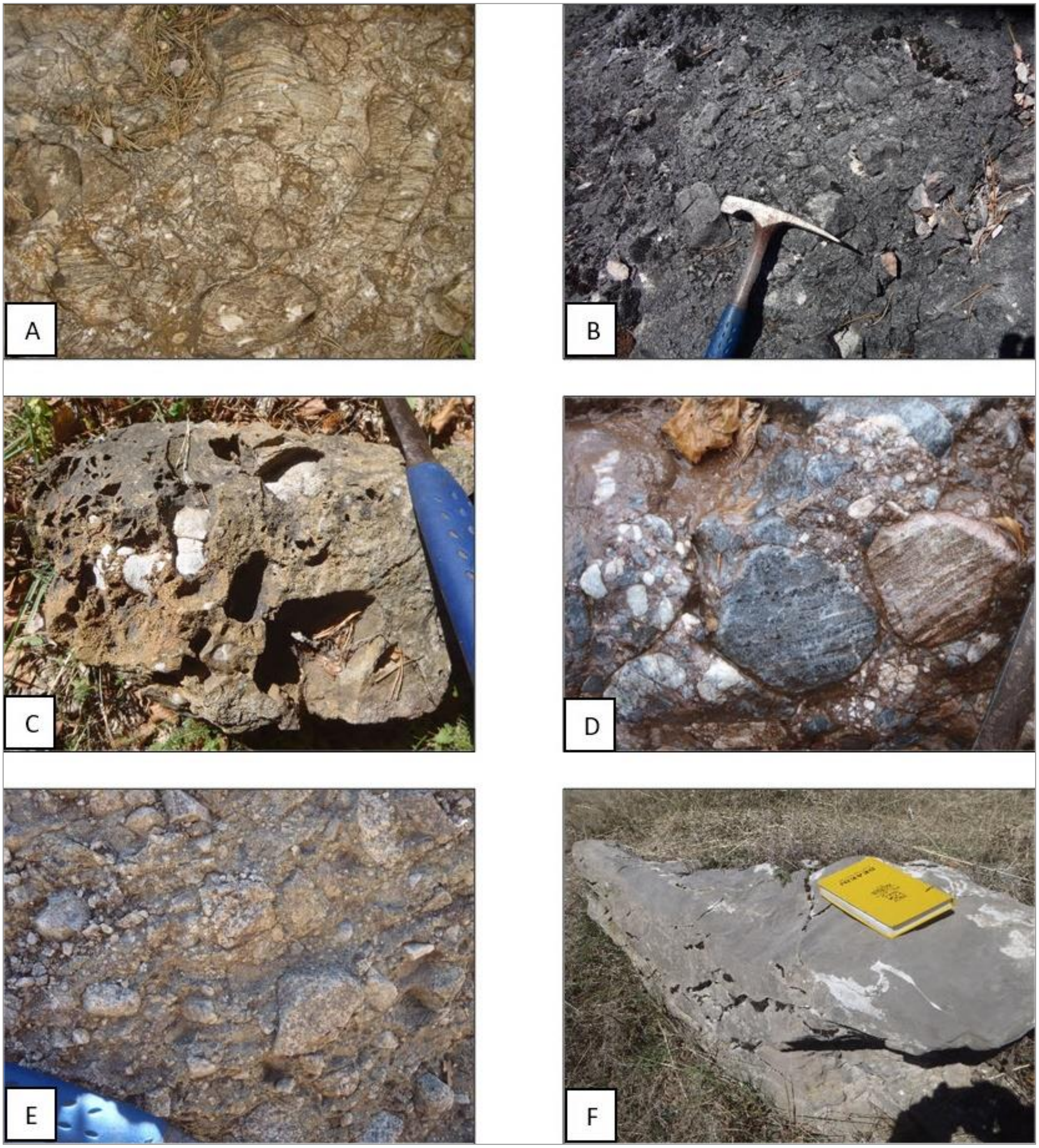
The stratigraphic sequence as described is assumed, based on observations at various localities within the Property.

Figure 7.2 Geological map of the Kutel Property



Source: Eastern, 2022.

Figure 7.3 Examples of sedimentary rocks from the Property



Notes: Photos show examples of basal marble sedimentary breccia, conglomerates, and carbonate-rich sedimentary rocks from the Property. A: Field of view approximately 1.5 m - see pine needles in upper left corner. D: Handle of Estwing geopick for scale in lower right corner.
Source: Eastern, 2022.

The Kutel Property is dominated by massive chalcedony-replaced sedimentary rocks (SRT in the local nomenclature) that lie parallel to the unconformable contact between overlying clastic sedimentary rocks and the underlying mixed marble, schist, and gneiss.

The larger-scale geological setting is a series of half-grabens in the hangingwall of a generally north-dipping low-angle detachment fault.

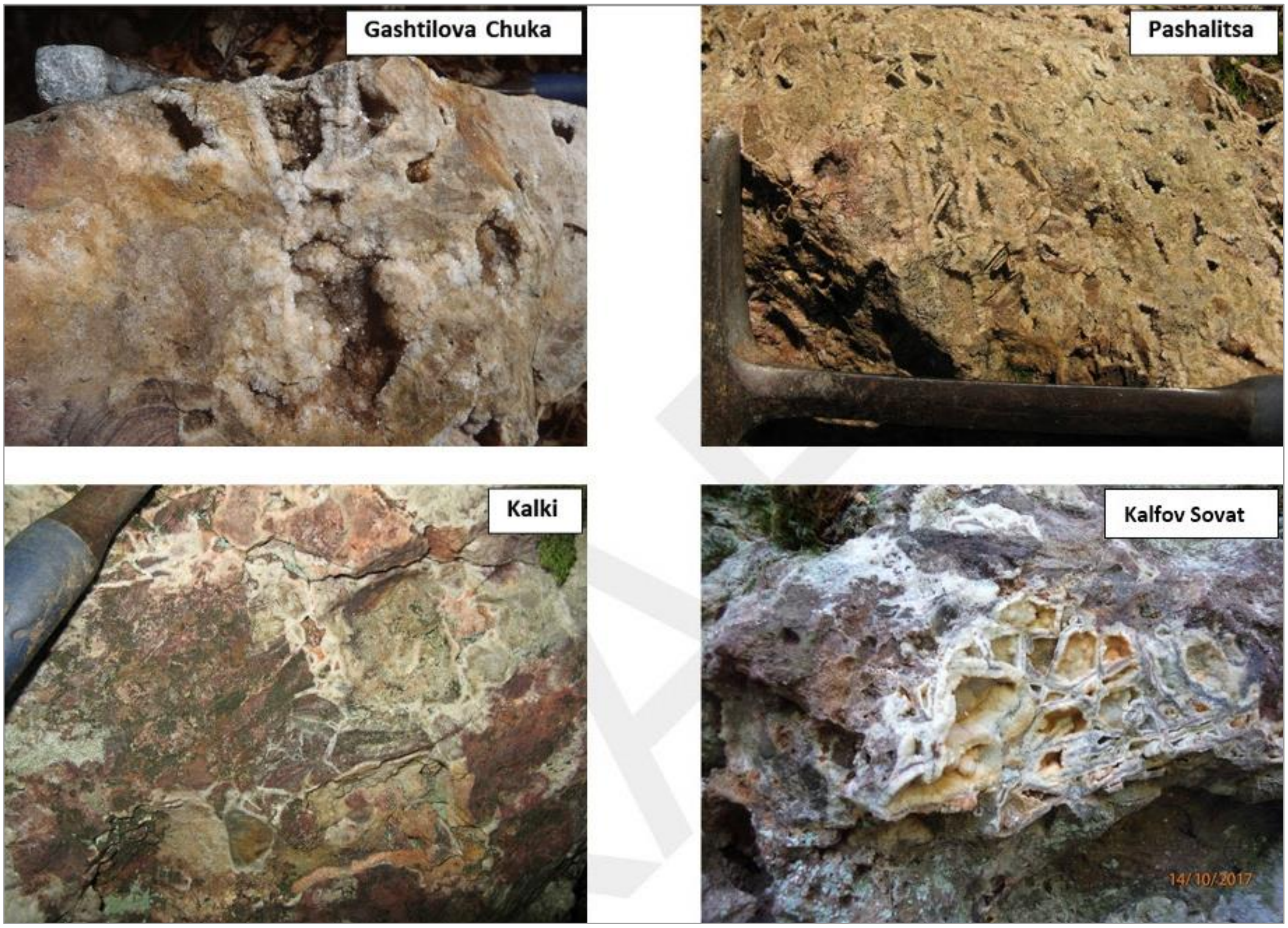
Hydrothermal explosion breccias (HEBs) in the local nomenclature, also known as phreatic breccias, cut through the massive replacement horizons either as large semi-circular bodies or as linear features. Hydrothermal explosions are produced when water contained in near-surface rocks, at temperatures as high as 250°C, flashes to steam and violently disrupts the confining rocks. The energy is stored as heat in hot water and rock within a few hundred meters of the surface. Clasts of SRT dominate the breccia, suggesting their origin from in or below the tabular replacement horizon.

Soil and rock geochemistry suggest that metals of interest are present generally around elevations of ±1,500 mRL and lower, but scattered anomalous values are associated with the HEBs at higher elevations.

Collectively, the field observations have been interpreted by Eastern to be consistent with a scenario in which upflowing hydrothermal fluids rose up along hangingwall normal faults to encounter the unconformity, where they spread laterally to form an impermeable horizon composed of chalcedonic quartz with local cavities containing higher-temperature, druzy, crystalline quartz. Fluid pressure increase beneath the impermeable seal created HEBs, that fractured through the impermeable seal into the overlying rocks, transporting quartz-adularia-illite vein clasts to higher elevations. The HEBs logically reflect the upflow zones for the deeper hydrothermal circulation cells (Tosdal, 2019).

Figure 7.4 shows four hand specimens of SRTs taken from various locations within the Property (see Figure 6.1 to reference their spatial location within the Property).

Figure 7.4 Hand specimen examples of SRT



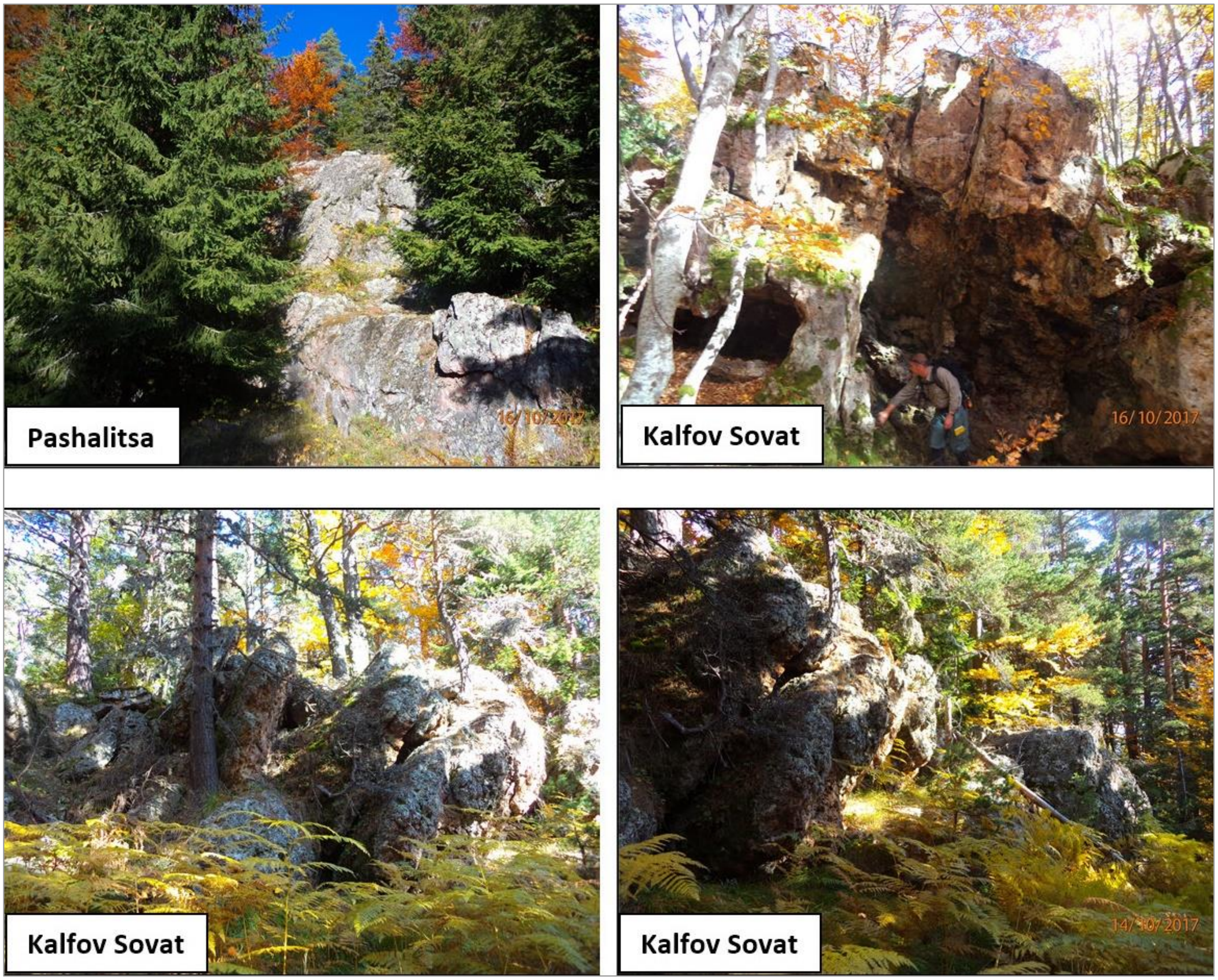
Notes:

- Gashtilova Chuka: Massive chalcedony (weakly banded in places), saccharoidal quartz and rosettes of higher temperature druzy quartz coating local polygonal cavities (after dissolved marble clasts?).
- Pashalitsa: Massive chalcedony containing a weakly developed network of intersecting lattice blades with polyhedral cavities lined with higher temperature druzy quartz crystals.
- Kalki: Brecciated massive chalcedony with iron oxide impurities (after pyrite) together with higher temperature druzy quartz matrix infill. Microscopy identified individual adularia grains ± illite and a late platy calcite cavity infill; (0.85 g/t Au, 7 g/t Ag, 1,094 g/t As, 27 g/t Sb).
- Kalfov Sovat: Massive chalcedony containing a network of intersecting lattice blades with polyhedral cavities lined with higher temperature druzy quartz crystals which preserve the underlying botryoidal form of the colloform chalcedony.

Source: Eastern, 2022.

Figure 7.5 shows outcropping examples of SRT that lie parallel to the unconformable contact between overlying clastic sedimentary rocks and the underlying mixed marbles, schists, and gneisses.

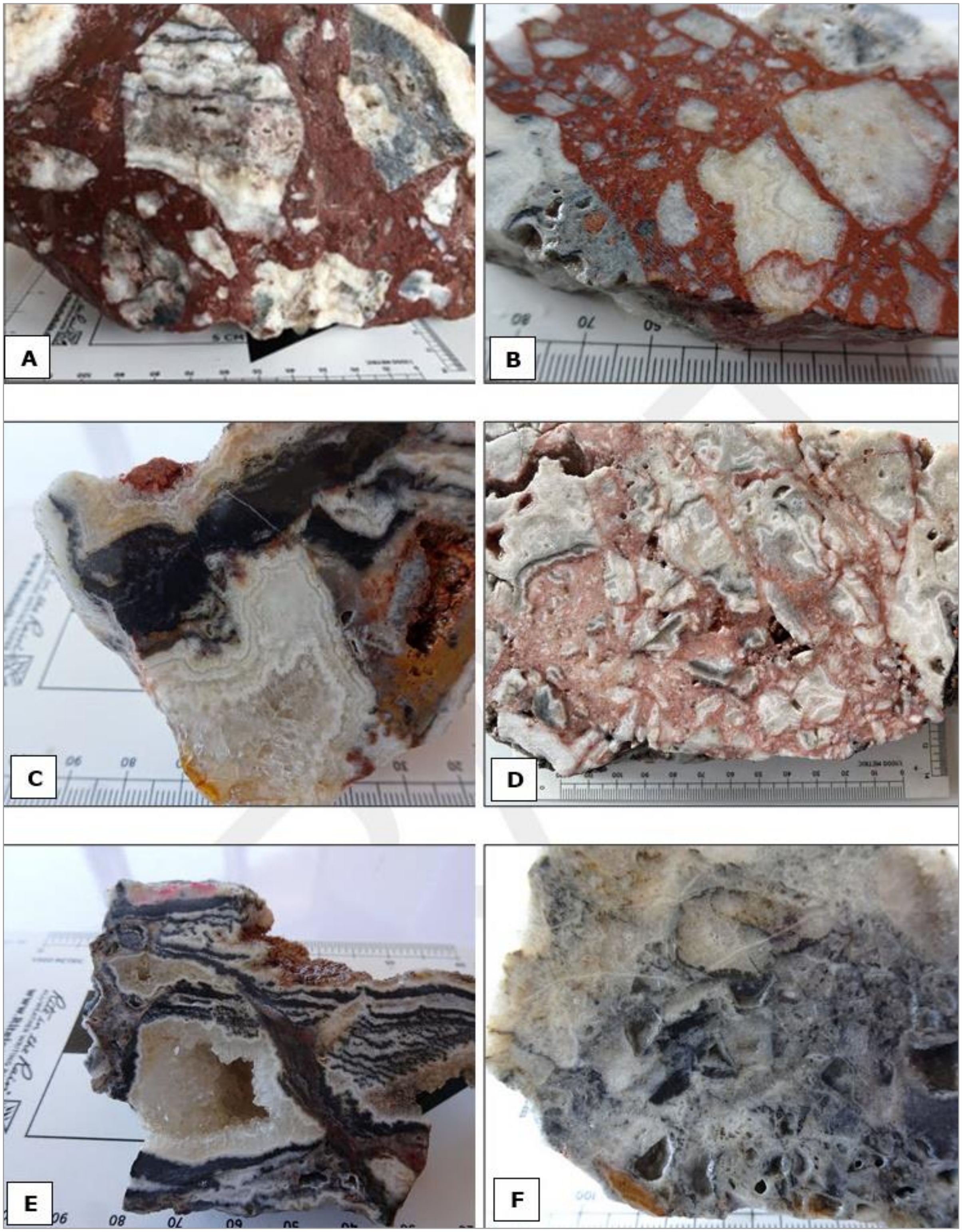
Figure 7.5 Stratigraphic replacement (SRT) in outcrop



Source: Eastern, 2022.

Figure 7.6 shows six examples of HEBs and the quartz-adularia-illite vein clasts within them.

Figure 7.6 Hand specimen examples of HEBs displaying quartz-adularia-illite vein clasts



Notes:

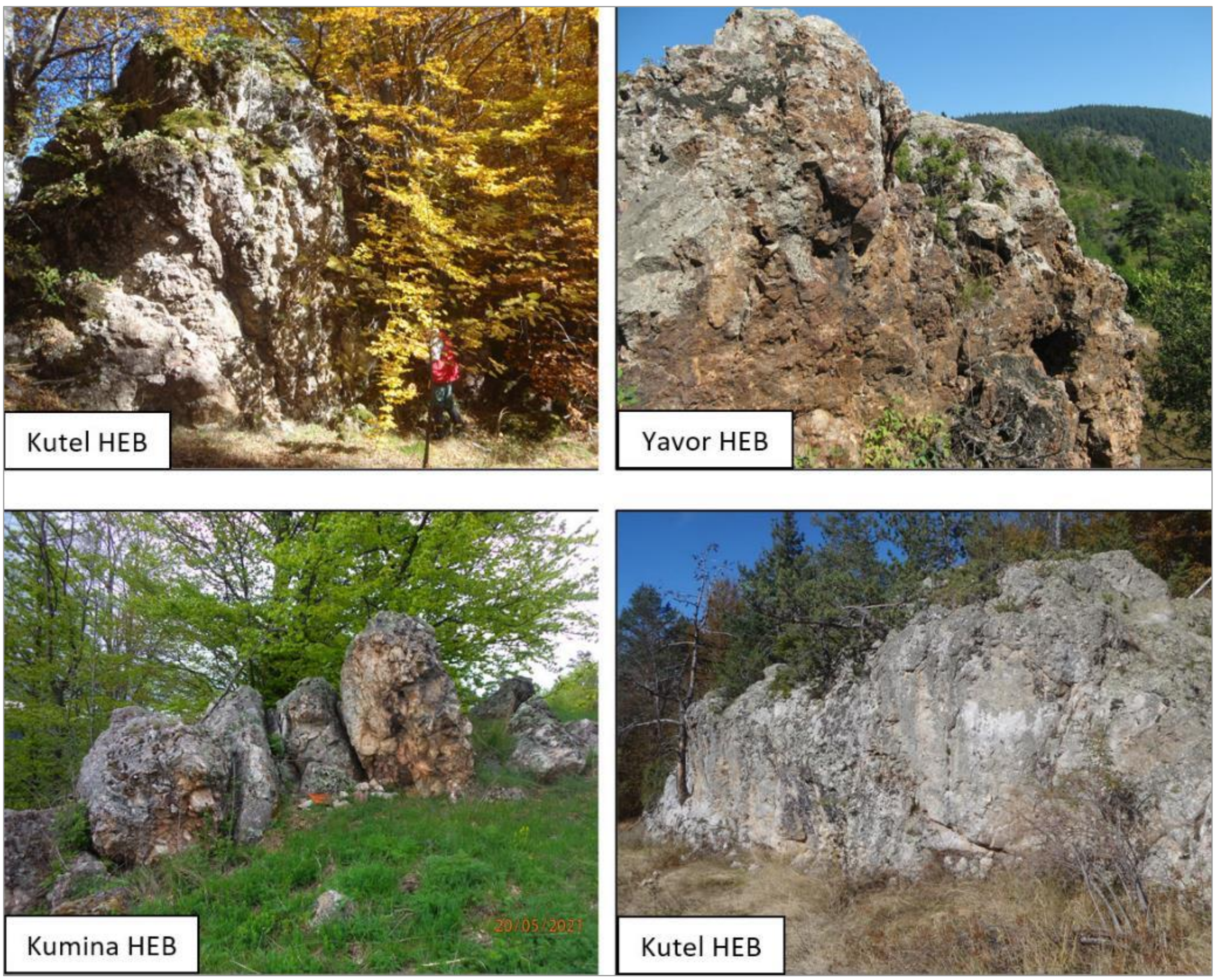
- A: Hydrothermal explosion breccia containing quartz-adularia-illite vein clasts exhibiting crustiform-colloform banded textures within a silica-hematite rock flour matrix; Kutel HEB.
- B: Hydrothermal explosion breccia containing quartz-adularia-illite vein clasts exhibiting crustiform-colloform banded textures within a silica-hematite rock flour matrix; Kutel HEB.

- C: 45818: Crustiform-colloform texture with fine bands of chalcedony, saccharoidal quartz and zoned comb quartz growing into a cavity filled with high temperature druzy quartz crystals. The black band is primarily quartz with abundant, dispersed, fine grained pyrite.
- D: Hydrothermal explosion breccia containing crowded quartz-adularia-illite vein clasts exhibiting crustiform-colloform banded textures with pyrite ± marcasite blebs within the dark-coloured bands within a silica-hematite rock flour matrix; Kumina HEB.
- E: 45806: Colloform banding texture with a botryoidal form in cross-section and a kidney-like plan surface. Fine white to cream chalcedony alternating with black bands. The dark colouration is likely due to the inclusion of Fe and Mn oxides together with very fine-grained pyrite. In the local nomenclature this texture is known as 'zebra banding'; (<0.01 g/t Au, 2.5 g/t Ag, 25 g/t As, 6.6 g/t Sb).
- F: 45810: Brecciated vein material composed of abundant saccharoidal grey quartz, fragments of white to grey colloform banding together with a poorly developed network of intersecting blades with polyhedral cavities lined by quartz crystals. Fe oxides after pyrite and pyrite occur as very fine inclusions within the grey quartz.

Source: Eastern, 2022.

Figure 7.7 shows outcropping examples of HEB that logically reflect the upflow zones for the deeper hydrothermal circulation cells.

Figure 7.7 Hydrothermal Explosion Breccias (HEB) in outcrop



Source: Eastern, 2022.

The Pashalitsa and Kalfov Sovat SRT areas (Figure 6.1) exhibit preserved thicknesses of 120 m and 90 m respectively, which suggests that a well-developed permeability fabric was extant within the Property together with a large fluid flux, and may suggest proximity to steep NNE-SSW faults which would be parallel to the regional extension trend.

The Kutel, Kumina and Yavor HEBs (Figure 6.1) are SRT clast-rich, however there is no immediately proximal outcropping SRT, suggesting that there remain horizons of stratigraphic replacement beneath the current land surface. Additional controls to the formation of stratigraphic replacement, other than the unconformity surface, remain to be determined.

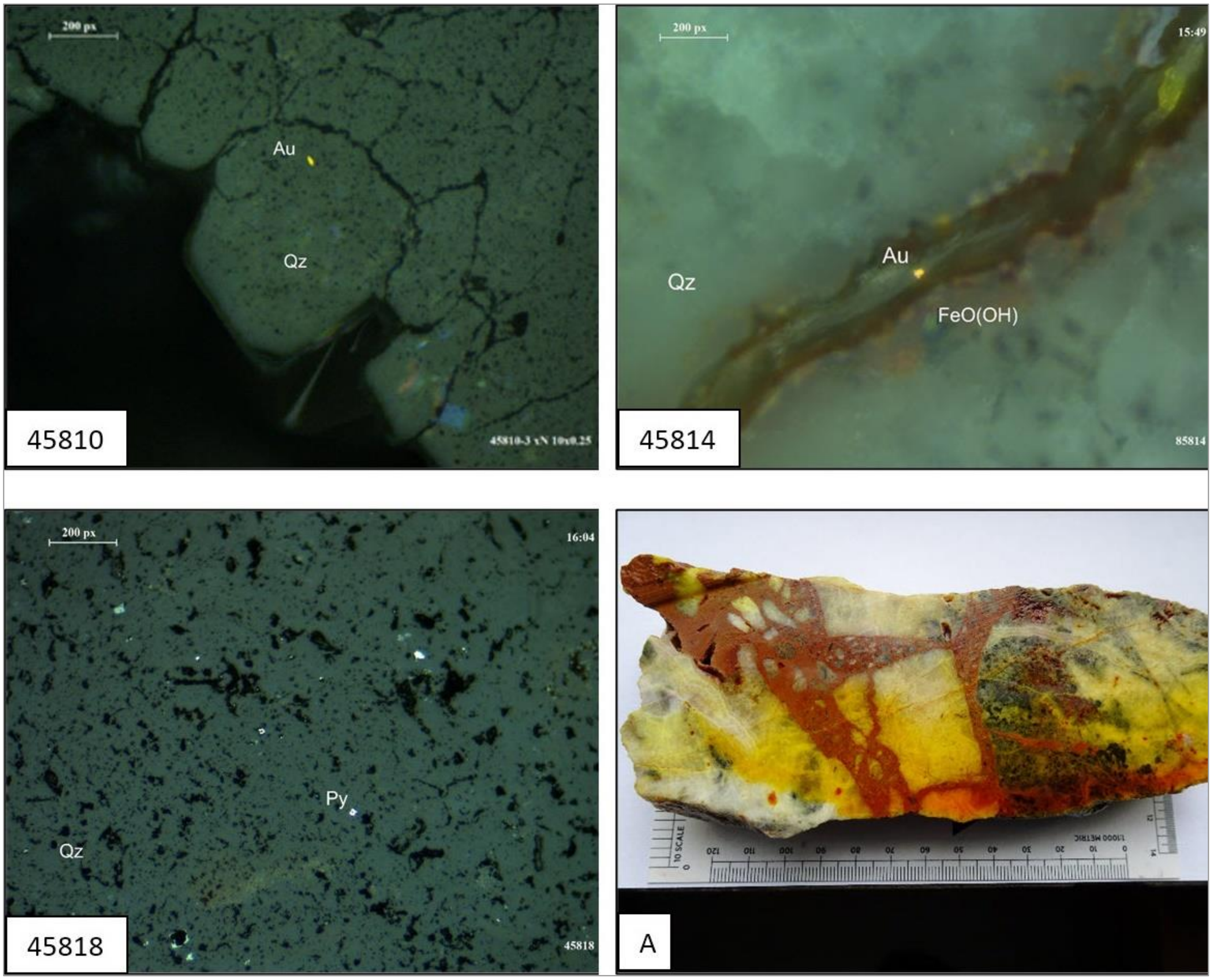
In geothermal fields, hydrothermal explosion craters are commonly grouped along major lineaments. (Baker et al., 1986). Mapping of the HEBs indicates that the fallout apron is not present and has likely been eroded due to its unconsolidated nature. What has been preserved is the hydrothermal explosion breccia core (i.e., a ‘clogged up’ geothermal discharge point, due to mineral precipitation) which has resisted erosion due, primarily, to the silica-hematite rock flour matrix. No outcrop, or float samples, have been found on the Property to indicate progressive ‘re-brecciation’ of the HEBs i.e., a lack of vein or alteration features that crosscut both the matrix and the vein or SRT clast; quartz-adularia-illite vein clasts may be cross-cut by later veins which terminate at the clast margin.

The current surface expressions of hydrothermal activity, SRT and HEB locations, demonstrate a strong, positive correlation with topographic highs. Mapping and prospecting have failed to establish the presence of quartz-adularia-illite vein outcrop offset from either HEBs or SRTs at lower elevations. This would strongly suggest, together with minimal evidence for post-mineral tilting, that quartz-adularia-illite veins likely occur at depth and directly beneath the current surface expressions of hydrothermal activity.

7.2.3 Mineralogy

The mineralogy of the quartz-adularia-illite vein clasts found within the HEBs, generally consists of >85% quartz by volume for all samples taken. Hematite is primarily related to the HEB rock flour matrix and likely represents the oxidation of pyrite-marcasite-sulfosalts to (hydro) goethite, then to hematite in a carbonate-buffered neutral pH environment. Figure 7.8 shows examples of thin sections through the quartz-adularia-illite vein clasts.

Figure 7.8 Mineralogy of quartz-adularia-illite HEB clasts



Notes:

- 45810: Native Gold - Occurs rarely as single golden yellow allotriomorphic grains of ellipsoidal shape and measuring 2-3 x 8-10 µm in size at the base of druzy quartz (0.02 g/t Au, 3.6 g/t Ag, 24.1 g/t As, 16 g/t Sb); see Figure 7.6 (F).
- 45814: Native Gold - Occurs rarely as single golden yellow allotriomorphic grains, measuring about 2-3 x 3-4 µm in size, in association with goethite in micro-cracks at the base of druzy quartz (<0.01 g/t Au, 1.5 g/t Ag, 5.2 g/t As, 15.4 g/t Sb).
- 45818: Pyrite (>8%) - Forms hypidiomorphic grains, most often 0.1-0.5 mm in size. It is less commonly represented by cubic crystals of 0.1-0.5 mm size. Associated with quartz and replaced by goethite and hydrogoethite, which alters to hematite (<0.01 g/t Au, 3 g/t Ag, 18.6 g/t As, 16.2 g/t Sb); see Figure 7.6 (C).
- A: HEB with quartz-adularia-illite vein clasts in a silica-hematite rock flour matrix; staining with sodium cobaltinitrite indicates the presence of adularia (yellow colour); Kutel HEB.

Source: Eastern, 2017.

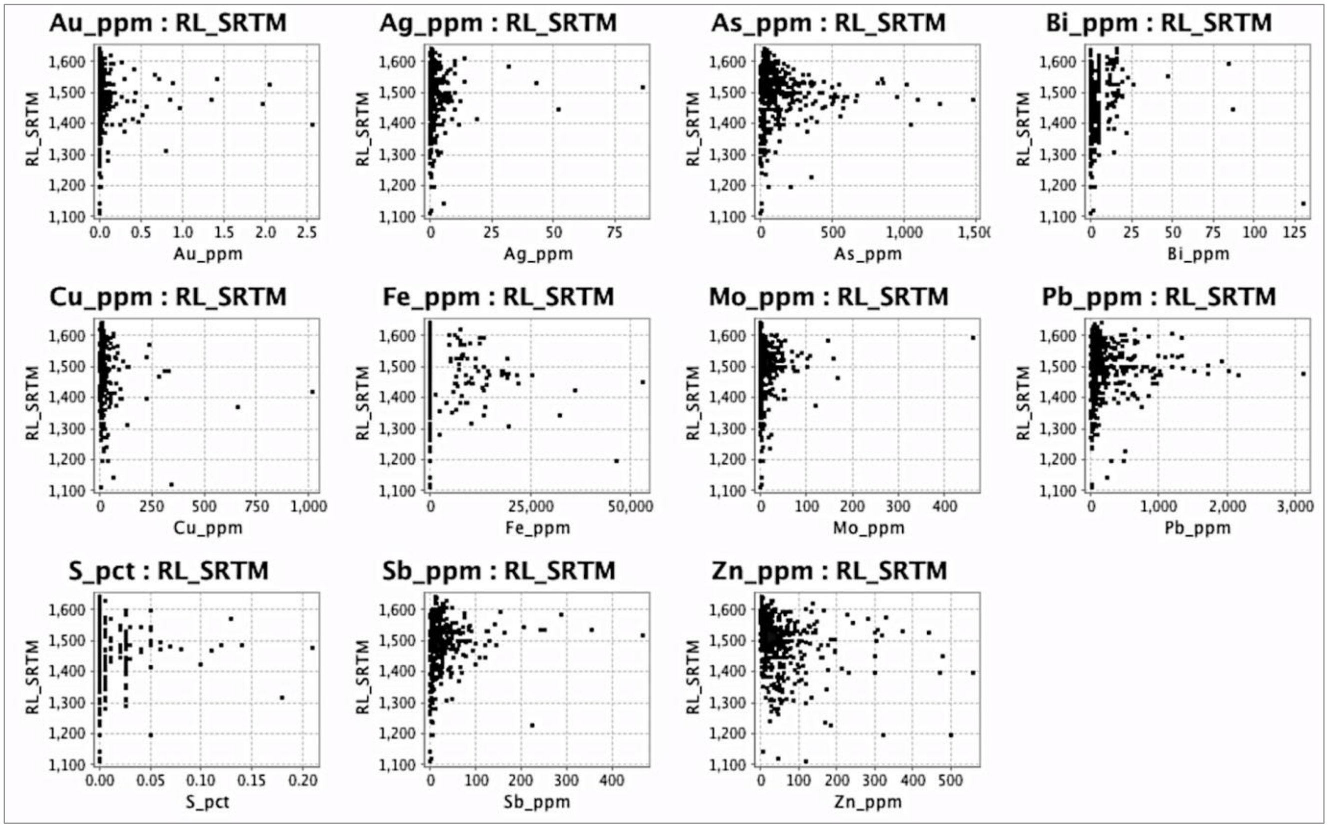
7.2.4 Geochemistry

Metals of interest in rocks found on the Property are generally concentrated between elevations of 1,450 mRL and 1,550 mRL, whereas soil with lower gold grades is present over a larger range, between 1,300 mRL and 1,600 mRL.

Two areas of coherent soil anomaly are known, one along the northern boundary of the Property (Kalki area) and the other in the southern portion of the Property (Kumina to Yavor HEB). Each is broadly parallel to the mapped basin-bounding faults. These areas logically represent the upflow zones to the hydrothermal system (Tosdal, 2019).

Figure 7.9 shows the distributions of elements of interest for all rock samples (Eastern and DPM, n=509) plotted against elevation for the Kutel Property, processed using ioGAS software.

Figure 7.9 All rock samples versus elevation



Source: Eastern, 2022.

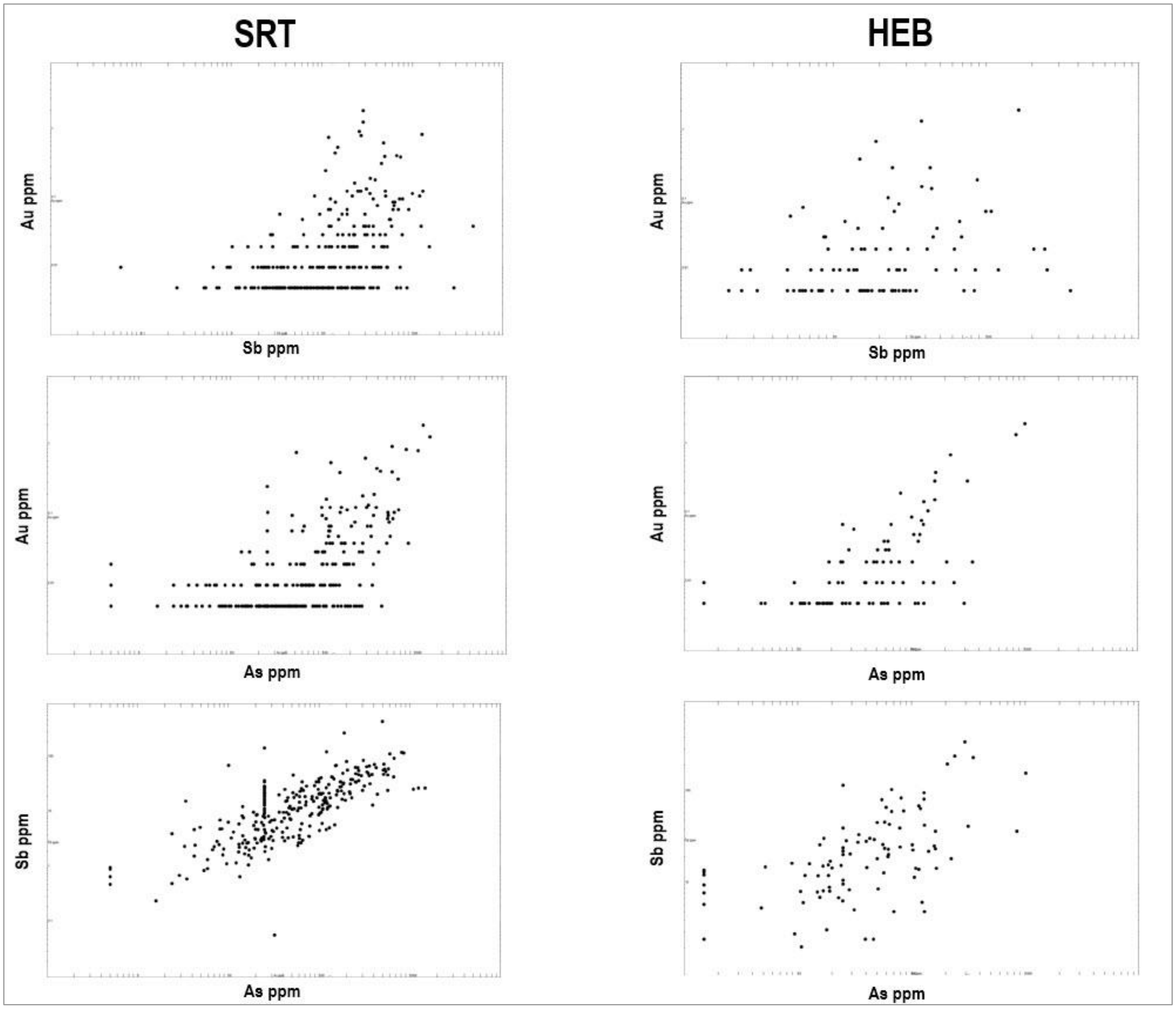
Figure 7.10 shows correlation analyses between selected elements, comparing SRT and HEB subsets, based on all rock samples taken across the Property. Key properties of the elements used in the analyses are shown in Table 7.1.

Table 7.1 Correlation analysis properties

	Element	SRT	HEB	Units
Pairs		303	97	
Maximum value	Arsenic (As)	1,476	1,015	g/t
	Antimony (Sb)	468	357	g/t
	Gold (Au)	1.97	2.05	g/t

Source: Adapted from Eastern.

Figure 7.10 Correlation analyses for selected elements comparing SRT and HEB



Notes: All rock samples on the Property.
Source: Eastern, 2022.

7.2.5 Epithermal paleosurface

The paleoclimate of the Eastern Rhodope metallogenic province was humid paratropical during the Eocene and changed to subhumid-temperate conditions at the Eocene-Oligocene boundary (~33.9 Ma). The region was most likely characterized by a relatively low relief terrane during the Late Eocene prior to the onset of Oligocene volcanism i.e., the paleo-water table was likely within a few metres of the ground surface.

Márton et al., 2010, argue that a dramatic change in the geodynamic evolution of the Eastern Rhodope metallogenic province occurred at ~33-30 Ma, with the onset of horst-graben tectonics, which followed the detachment faulting and half graben formation, resulting in the rapid exhumation of the upper plate, together with the incorporated (Late Eocene) geothermal systems. Clearly, this event, together with uplift and erosion to the current topographic landscape, will have a considerable impact on the preservation potential of the Late Eocene paleogeothermal systems under discussion.

The only in situ evidence of surface geothermal discharge products observed on the Property remain the HEBs. Siliceous sinters and / or steam heated alteration have not been identified. Post-mineral tilting is assumed to be minimal due to the apparent flat-lying nature of pyroclastic volcanic rocks (~32 Ma) and steeply dipping Laki lead-zinc-silver epithermal veins (~29 Ma) adjacent to the Property.

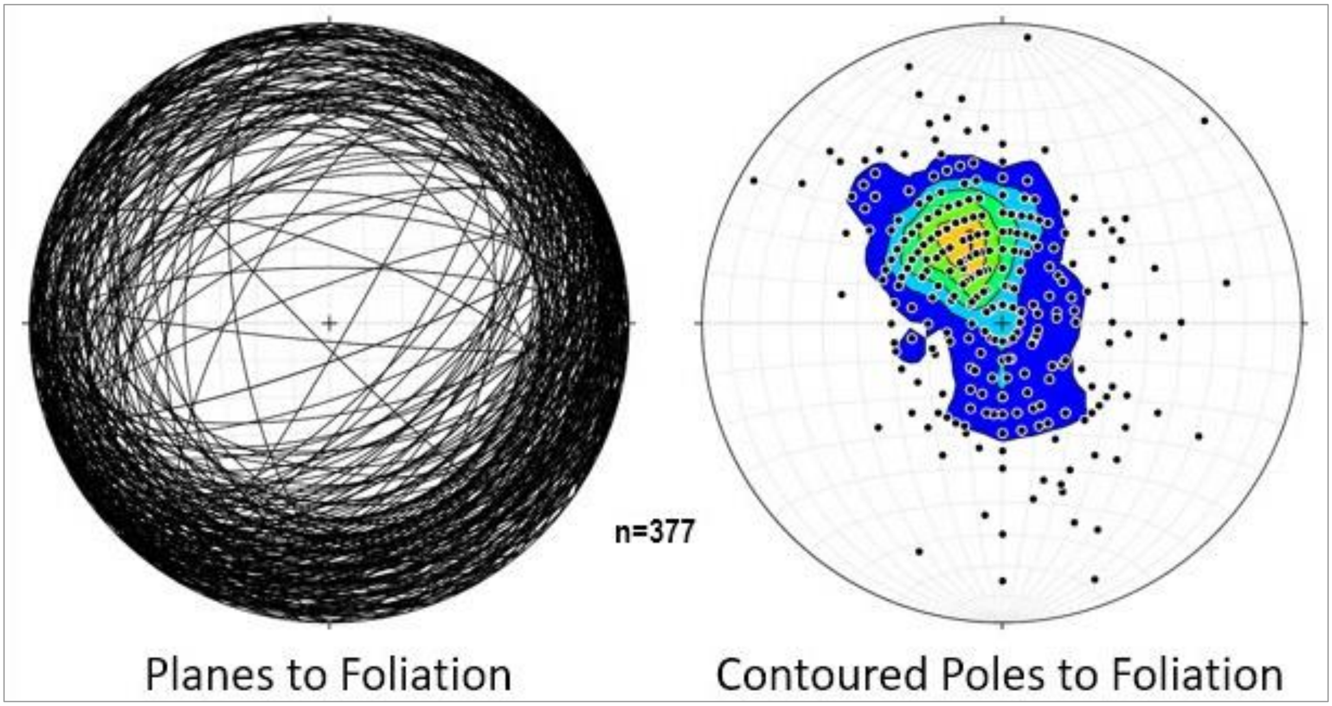
The current incised topographic surface has developed since the Laki lead-zinc-silver epithermal vein formation, with areas of silicification being preferentially preserved.

Considering the above, the QP considers that the quartz-adularia-illite vein system would be preserved at depth on the Property i.e., the epithermal system has been preserved from erosion.

7.2.6 Structure

Structural assessment of mapping points from within the upper plate Asenitsa Unit, which is dominated by marbles and lesser amphibolites and biotite-schists, together with foliation data are shown in Figure 7.11 and are based on 377 data points. Flat dips dominate, with a slight preferred dip to the south-south-east (14° towards 156°). The contours are slightly attenuated northeast-southwest, indicating warping about an axis that has a subhorizontal, northeast-southwest, plunge (00° towards 245°).

Figure 7.11 Structural assessment of all metamorphic rock foliation data



Source: Eastern, 2022.

It is likely that the Asenitsa Unit marbles would be the primary host-rock to the quartz-adularia-illite veins occurring at depth within the Property.

Two structural trends are present on the Property:

- WNW-ESE half-graben normal faults, mostly south-block down, pre-(syn) mineral.
- NNE-SSW faults (steep), pre-(syn) mineral, parallel to the regional extension trend (older basement structures), with an implied sinistral sense of movement.

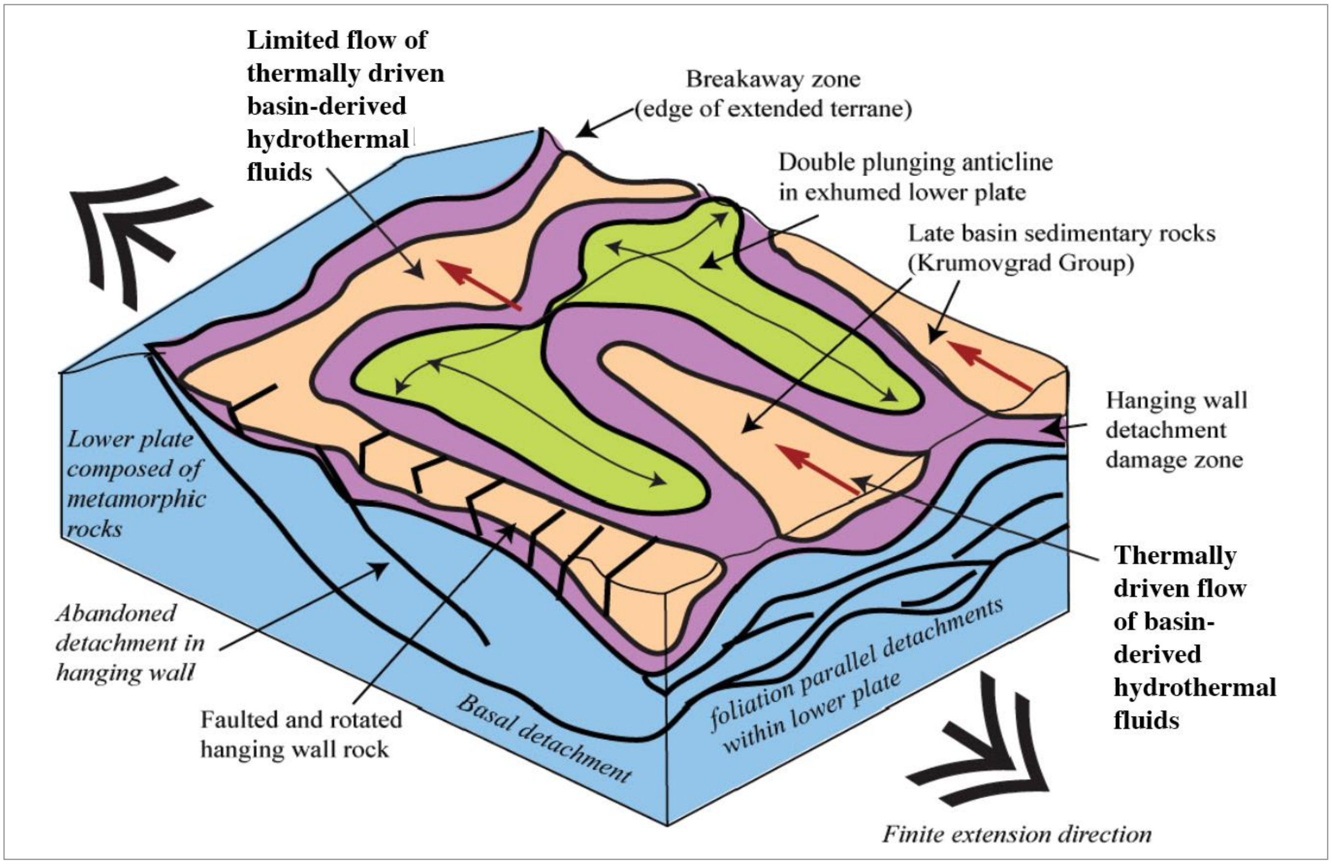
If a regional NNE-SSW extensional direction is assumed, the NNE-trending steep faults may have a strike-slip component with local, steep, jog-like dilation zones which potentially promoted upflow zone access to higher stratigraphic levels. The WNW-trending half-graben faults and parallel structures are highly extensional and are good, potential hosts, for quartz veins and gold deposition.

Post-mineral faults also tend to have NNE-SSW or WNW-ESE trends.

Figure 7.12 shows a structural model for an extended terrain, based on the southwestern United States of America. This area, located in western Arizona, is a host for hangingwall-localized mineralized deposits including epithermal gold, iron-oxide associated base and precious metal deposits, and stratabound manganese occurrences.

Detachment faults are commonly corrugated, and these areas are particularly advantageous to concentrate fluid flow, as the curviplanar nature of the contact will focus any fluid along the detachment contact, as slip along the fault will create extensive damage zones in the hanging wall block due to the irregularities in the fault zones (red arrows in Figure 7.12). Synclinal closures are probably the most prospective locations, and the trough formed along the axis is a logical zone of enhanced permeability. Mapping of foliation trend lines in the lower plate metamorphic rocks will give a general view on the corrugations in the detachment fault (Tosdal, 2019).

Figure 7.12 Generalized structural model



Notes: Generalized structural model for an extended terrain associated with metamorphic core complexes.
Source: Tosdal, 2019.

8 Deposit types

8.1 Low-sulphidation epithermal quartz-adularia-illite vein systems

Epithermal precious metal deposits form in the shallow parts of volcanic fields, including associated volcano-sedimentary basins, typically at paleodepths of less than one kilometer. Hence, many of them are accompanied by surface and near-surface hydrothermal manifestations albeit generally devoid of economic precious metal concentrations (Sillitoe, 2015).

Quartz-adularia-illite epithermal mineralization is distinguished by its intimate association with quartz ± calcite ± adularia ± illite that forms from the near-neutral pH chloride waters in extinct geothermal systems. Quartz and / or chalcedony dominate, accompanied by lesser and variable amounts of adularia, calcite, pyrite, illite, chlorite ± gold and silver.

These types of deposits are characteristic of rift settings (back-arc) in which bimodal (basalt-rhyolite) volcanism and fluvio-lacustrine sedimentation are commonplace. Metal often occurs in veins and stockworks, making up subvertical fractures.

Quartz-adularia-illite vein systems are also distinguished by their gangue mineral textures. Crustiform banded quartz is common, typically with interbanded, discontinuous bands of sulphide minerals (mainly pyrite) and / or selenide minerals, adularia and / or illite. At relatively shallow depths, the bands are colloform in texture and millimeter-scale, whereas at greater depths, the quartz becomes more coarsely crystalline. Lattice textures, comprised of platy calcite and its quartz pseudomorphs, occur as open-space filling in veins, and along with vein adularia indicate boiling fluids of near-neutral pH (Simmons et al, 2005).

Breccias, in veins and subvertical pipes, commonly show evidence of multiple episodes of formation. They comprise jumbled angular clasts of altered host rock and earlier vein fill, supported by a matrix of mainly quartz, calcite and / or adularia and sulphide minerals, suggesting rapid pressure release and violent formation that can be ascribed to seismicity and hydrothermal eruptions (Simmons et al, 2005).

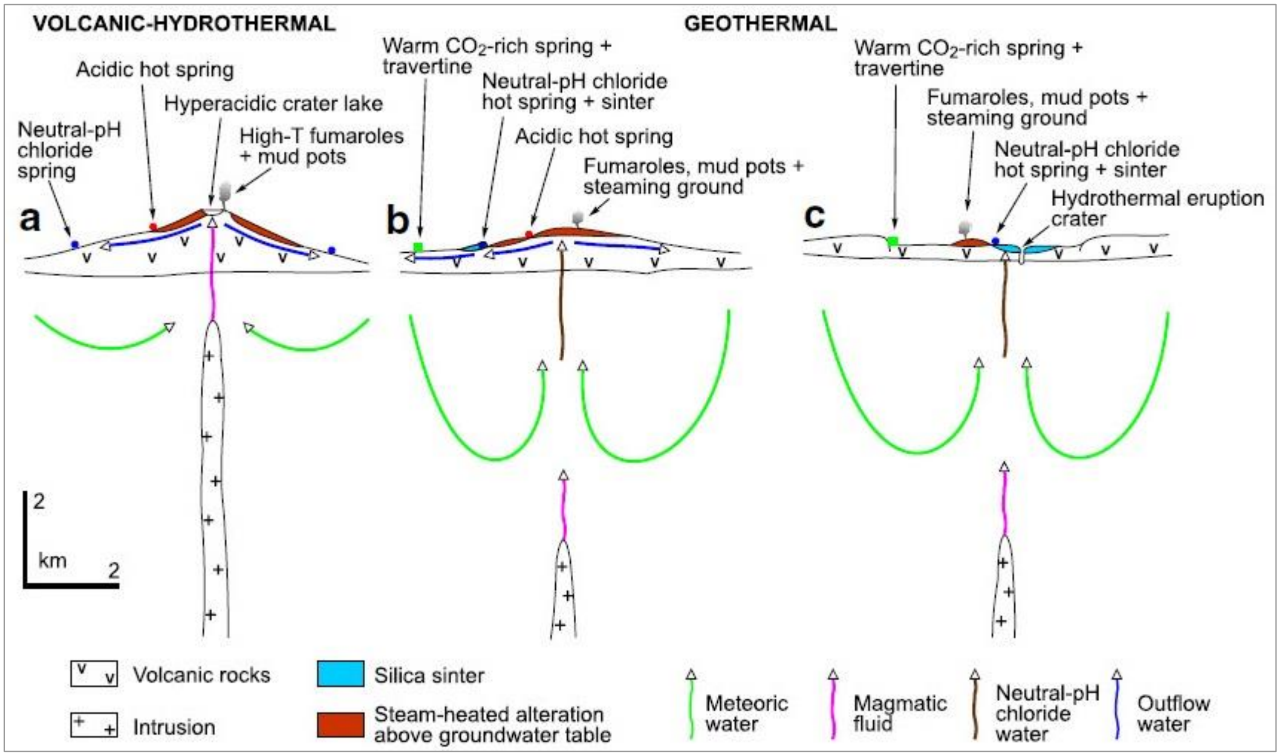
Among the most important processes affecting metal accumulation in quartz-adularia-illite vein systems are metal transport and deposition, and the formation of orebodies over a restricted vertical interval, a few hundred meters maximum. Metal precipitation is due to focused fluid flow within a well-developed permeability fabric (‘upflow zone’) and boiling ± mixing. Boiling is a highly efficient mechanism for removing most gold and silver from solution. Boiling also causes precipitation of adularia, platy calcite and colloform-banded, amorphous silica.

Common paleosurface discharge products associated with quartz-adularia-illite vein systems are sinters, HEB (also referred to as phreatic breccias) and steam-heated alteration zones located above the paleo-water table.

Figure 8.1 shows a schematic representation of active, high-temperature hydrothermal systems and their principal surface features. System-C is the most applicable model for a paleogeothermal system in a low-relief terrain with deep neutral-pH, alkali chloride water reaching the paleosurface, and is most applicable to the Kutel Property.

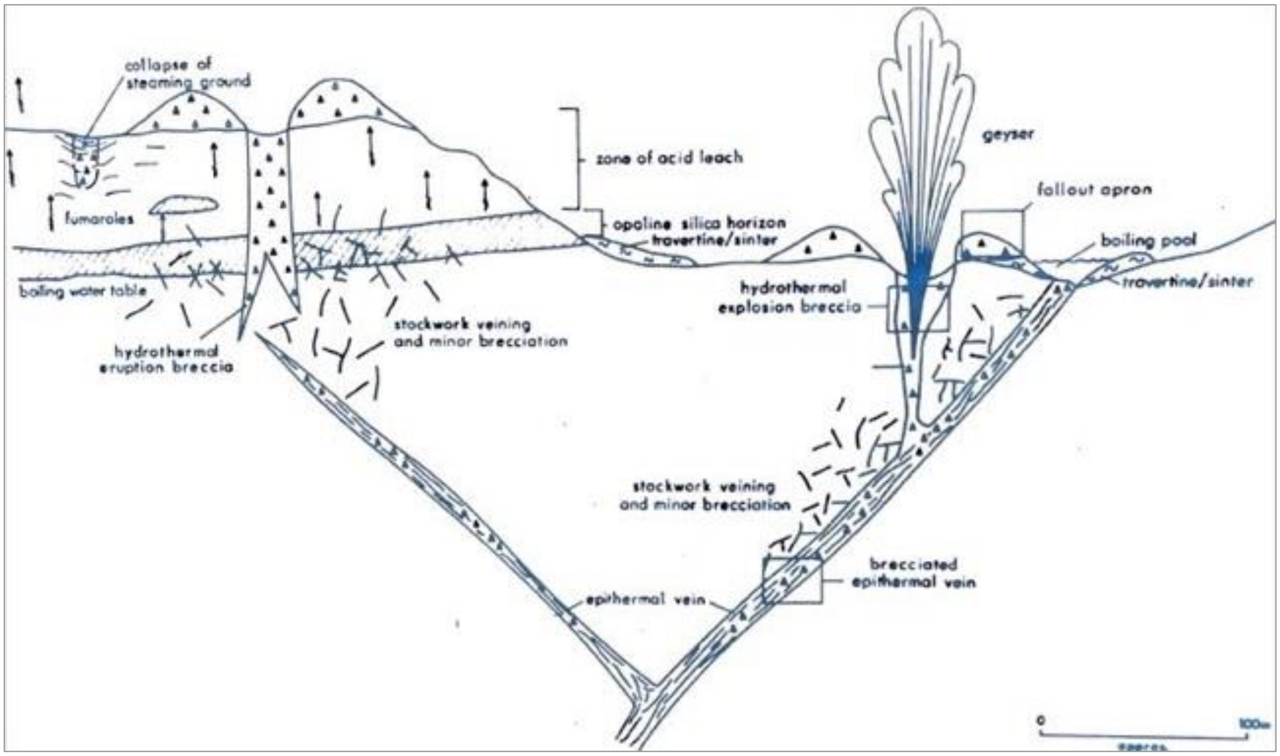
Figure 8.2 shows a generalized model for a hydrothermal explosion breccia illustrating the position of various breccia types within the system.

Figure 8.1 Representation (c) of a quartz-adularia-illite geothermal system



Notes: Representation (c) of a quartz-adularia-illite geothermal system and its surface features.
Source: Sillitoe, 2015.

Figure 8.2 Generalized model for a hydrothermal explosion breccia



Source: Baker et al., 1986.

8.2 Eastern Rhodope quartz-adularia-illite systems

Quartz-adularia-illite paleogeothermal systems are known from throughout the Eastern Rhodope mountains and are peculiar in that they have no association with volcanic activity i.e., they have formed pre-volcanism and are commonly hosted within sedimentary rocks and / or metamorphic basement rocks.

Within the Eastern Rhodope metallogenic province, the known sedimentary rock-hosted gold deposits and / or occurrences represent the oldest known Tertiary mineralization event, and they are dominantly hosted by Maastrichtian-Paleocene, supra-detachment sedimentary rocks (Krumovgrad Group) and include:

- Ada Tepe gold deposit
- Rozino gold deposit
- Stremtsi occurrence

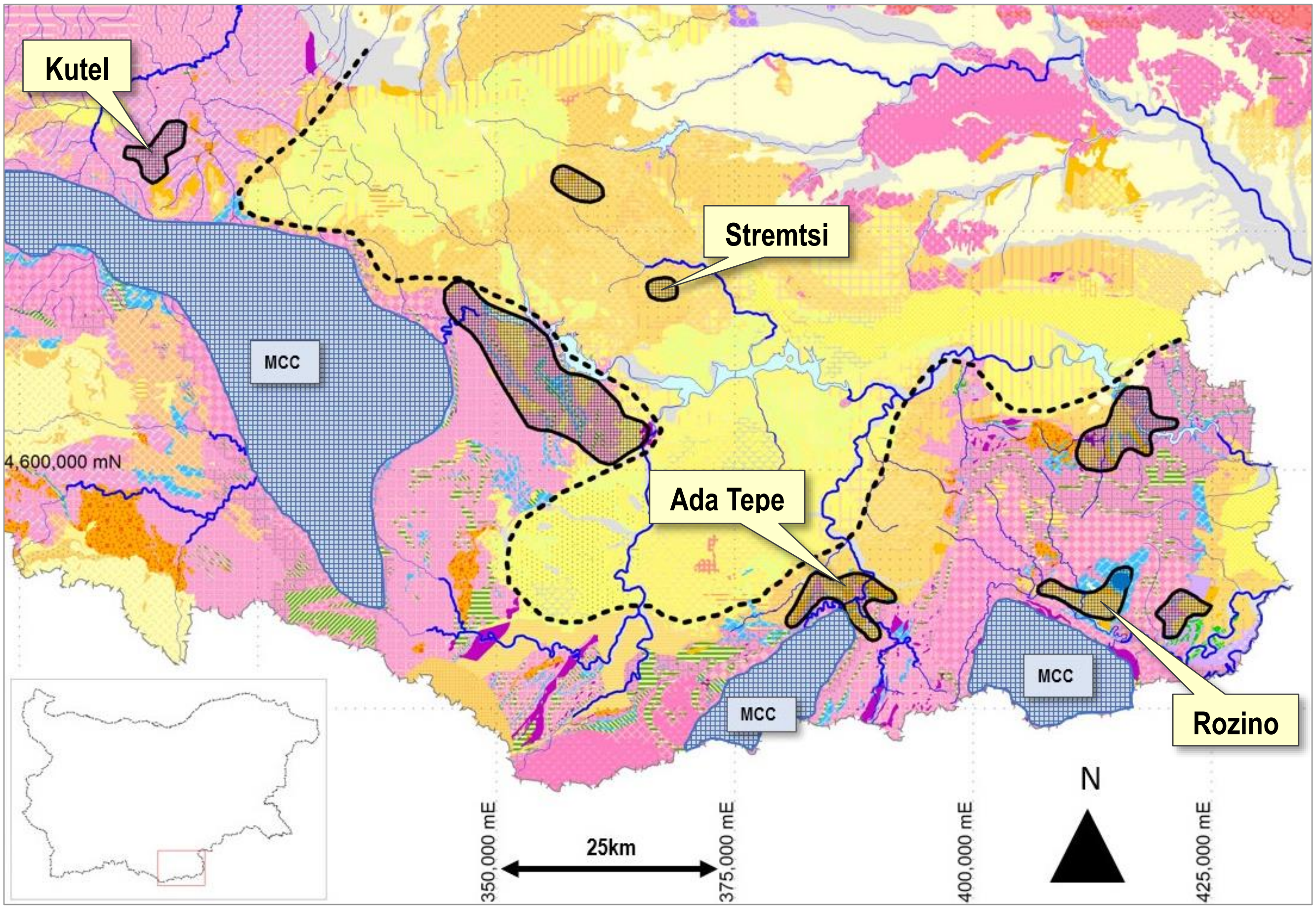
The age of these deposits is clearly constrained as Late Eocene (35.36±0.21 Ma to 34.71 ± 0.16 Ma (Ada Tepe), 36.45 ± 0.25 Ma (Rozino) and 37.51 ± 0.31 Ma (Stremtsi); Marchev et al., 2004, Márton et al., 2010, Moritz et al., 2010), which is consistent with the timeframe considered for the Property local geology (Section 7.2.2).

The regional heat accumulated during supra-detachment sedimentary graben formation; the high thermal heat flow due to ongoing crustal extension together with potentially contemporaneous magmatism (at depth) remain feasible mechanisms for the development of generating large geothermal systems within the Eastern Rhodope metallogenic province during the Late Eocene.

The Kutel fossil geothermal system was a boiling hydrothermal system hosted by a sequence of Maastrichtian / Paleocene-Eocene sedimentary rocks (Krumovgrad Group equivalent) and Paleozoic metamorphic rocks located on the northern margin of the large Central Rhodopian metamorphic core complex. Quartz, chalcedony, adularia (K feldspar) and illite together with lesser calcite and pyrite (<1 vol. %) are the main hydrothermal minerals; gold and silver are likely present as electrum.

Figure 8.3 shows the locations of the known quartz-adularia-illite paleogeothermal systems within the Eastern Rhodope. The black dashed line shows the approximate boundary between the older sedimentary rocks and the younger, post-mineral volcanic rocks (located north of the dashed line) and metamorphic core complexes are labelled as MCC.

Figure 8.3 Quartz-adularia-illite paleogeothermal systems within the Eastern Rhodope



Notes: MCC = metamorphic core complexes; black dashed line shows the approximate boundary between the older sedimentary rocks and the younger, post-mineral volcanic rocks to the north.
Source: Eastern, 2020.

8.3 Mineralization model

When exploring for quartz-adularia-illite vein systems on the Property, Eastern have found it useful to apply the findings of "The Textural Zoning Model" created by Morrison et al. (1990), which in turn was based on the original "Buchanan Model" from 1980. The Textural Zone Model is graphically summarized below in Figure 8.4.

Figure 8.4 Example of the Textural Zone Model as applied to the Kutel Property

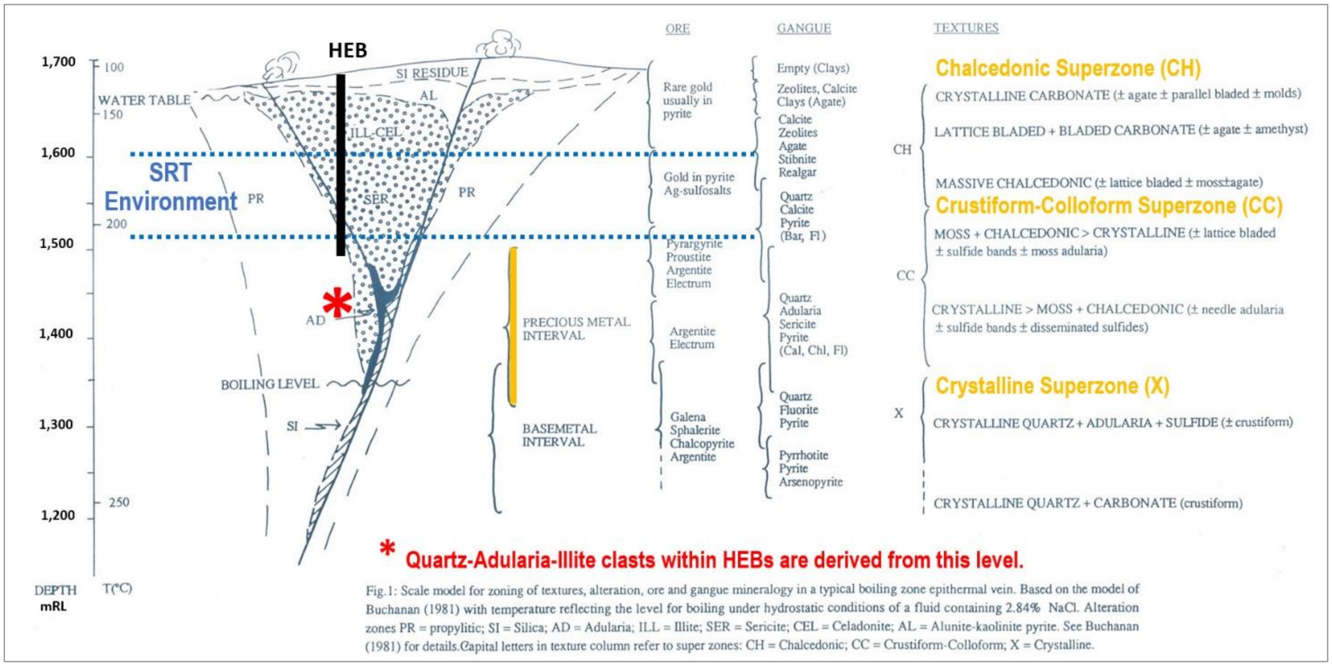


Fig.1: Scale model for zoning of textures, alteration, ore and gangue mineralogy in a typical boiling zone epithermal vein. Based on the model of Buchanan (1981) with temperature reflecting the level for boiling under hydrostatic conditions of a fluid containing 2.84% NaCl. Alteration zones PR = propylitic; SI = Silica; AD = Adularia; ILL = Illite; SER = Sericite; CEL = Celadonite; AL = Alunite-kaolinite pyrite. See Buchanan (1981) for details. Capital letters in texture column refer to super zones: CH = Chalcedonic; CC = Crustiform-Colloform; X = Crystalline.

Notes: HEB = hydrothermal explosive breccia; SRT = chalcedony replaced sedimentary rocks; Red Star = annotates items specific to the Kutel Property.
Source: Modified after Morrison et al., 1990.

In the "Textural Zoning Model" the precious metal interval essentially corresponds to the Crustiform-Colloform textural Superzone. In practice this generalization holds true.

Most importantly, the Chalcedonic Superzone which is poorly mineralized (as represented by the areas of SRT on the Property) overlies the well mineralized Crustiform-Colloform Superzone. In mineralized systems the general experience is that samples from the Chalcedonic Superzone carry anomalous gold grades whereas samples from the Chalcedonic Superzone in poorly mineralized systems are barren.

Poor assays of samples from the Crustiform-Colloform Superzone are generally discouraging for the system as a whole, but ore shoot characteristics, particularly vein breccias, should be carefully checked.

The ideal sample for grade has well developed crustiform and colloform bands, with or without breccia texture, but with good sulphide bands, moss, or needle adularia and saccharoidal or zoned quartz crystals.

8.4 Kutel Property exploration model

Eastern has developed a geological model of the Property through a grassroots exploration program.

A 15 km^2 quartz-adularia-illite paleogeothermal system has been identified, which has been largely preserved from erosion and is supported by a strong and extensive gold-silver-arsenic-antimony surface geochemical soil anomaly.

Multiple HEBs have been identified through geological mapping and prospecting, which contain clasts of gold-mineralized quartz-adularia-illite vein material. Clean marble is relatively impermeable, does not dissolve easily and will not react quickly with a hydrothermal fluid, that is near-neutral in pH. The fluid will only become acidic and dissolve carbonate where any sulfide complex is reduced by wall rock reaction (i.e., sulfidation by reaction with iron-silicates in the gneisses) or by boiling.

Fluid flow is confined to the permeability fabric, which will be the faults and hanging wall fracture systems (assuming the fault has a dip).

The marble conglomerate / breccia at the unconformity has inherent porosity, fluid will thus spread laterally assuming the finer grained sedimentary rocks overlying them are replaced. Once fractures and faults are sealed in an impermeable rock with flat foliation planes, in this case marble, unless the fluid can escape through porous rock, such as the marble conglomerate / breccia on the unconformity, fluid pressure will build to suprahydrostatic pressures. The marble host-rock also suggests that the upflow zone will be represented as discrete quartz-adularia-illite veins.

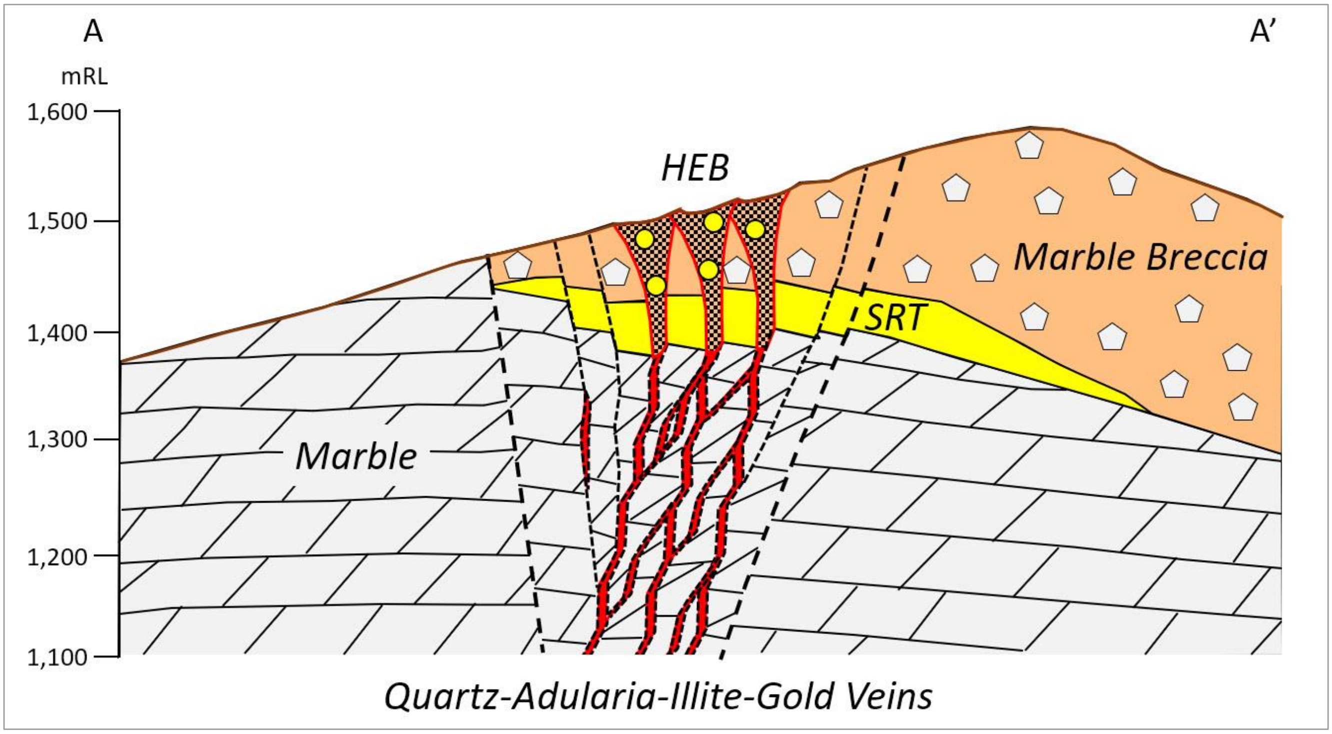
The likely lithological control to mineralization is the inherent brittleness of the marble unit. Structural controls to mineralization likely relate to the progressive extension of a massive and competent, carbonate, rigid body that fractures to create an extensional vein setting. Eastern considers that, from a quartz vein-forming perspective, that the controls to mineralization favour structural over lithological.

Having SRT at surface does not preclude the formation of quartz-adularia-illite veins subsurface, providing the permeability fabric remained open, then vein formation is equally permissible. The presence of HEB however, provides a more immediate and effective drill targeting mechanism by identifying flow paths along which boiling has occurred. The significance of the HEBs, and their relationship to gold mineralization, had not been previously recognized and consequently they were not drill tested by previous explorers.

HEBs form as a result of violent boiling ('flashing' or violent phase separation), which creates the highest fluid flux state and maximum gold deposition. The amount of SRT outcropping on the Property is extensive, which indicates that a well-developed permeability fabric was extant within the Property during the period of gold mineralization.

Figure 8.5 shows the conceptual exploration model developed by Eastern, based on all geological observations made to date on the Property. The example used is the Kutel HEB and the section line is shown on Figure 6.1; however, the conceptual exploration model is also applicable to the Kumina and Yavor HEBs.

Figure 8.5 Conceptual exploration model



Notes: Conceptual exploration model for the occurrence of quartz-adularia-illite veins on the Kutel Property based on the Kutel HEB. HEB = hydrothermal explosive breccia; SRT = chalcedony replaced sedimentary rocks.
Source: Eastern, 2022.

9 Exploration

9.1 Overview

No exploration work has been carried out on the Property by the Issuer, St Charles. Eastern has undertaken detailed outcrop and surface mapping of the Property to assess previous geological interpretations of the area, in conjunction with selective rock chip sampling.

9.2 Geological mapping

Mapping points are locations at which a geological data point has been recorded in the geologist's field notebook while conducting field traverses over the Property. Eastern recorded 143 mapping points in addition to the 935 mapping points recorded by DPM.

Following the assessment of historical geological mapping it became clear to Eastern that previous mapping campaigns had failed to differentiate between areas of stratigraphic replacement and areas of HEB. Eastern was satisfied that previous mapping did competently determine the areas of sedimentary and metamorphic rocks. Based on Eastern's mapping campaigns, the geological map of the Property, shown in Figure 9.1 was determined to be the most representative geological map of the Property produced to date. Note that this figure shows the DPM mapping points as well as those of Eastern.

9.3 Rock chip sampling

Eastern collected 23 rock chip samples, primarily surface float samples, which were focused on the areas of the HEBs. Samples were submitted for assays and petrology. The results of rock chip sampling assay values for gold, silver, arsenic, and antimony are presented in Table 9.1 as well as Figure 9.2 to Figure 9.5.

Rock chip sampling by Eastern was focused on areas of HEB, in particular the central portion of the Kutel HEB and the southern extension of the Kumina HEB. Eastern recorded 26% of samples to be from outcrop, while the majority of samples, or 74%, were taken from surface float material lying on the ground within the areas of HEB. The objective of the sampling program was to attempt to selectively sample HEB material that included clasts of quartz-adularia-illite vein material. Samples were comprised of broken rock material from HEB with weights of approximately 2–3 kg; sample quality would be considered as good.

In general, the rock chip sampling program should not be considered representative in terms of sampling only the quartz-adularia-illite vein clast material due to the fact that the HEBs are strongly silicified and massive in nature and much of the silica-hematite rock flour matrix material was also sampled. Sampling of hydrothermal explosion breccia material introduces a natural sample bias by virtue of the fact that the rock is a breccia. Table 9.1 presents the details of Eastern's rock chip sampling program.

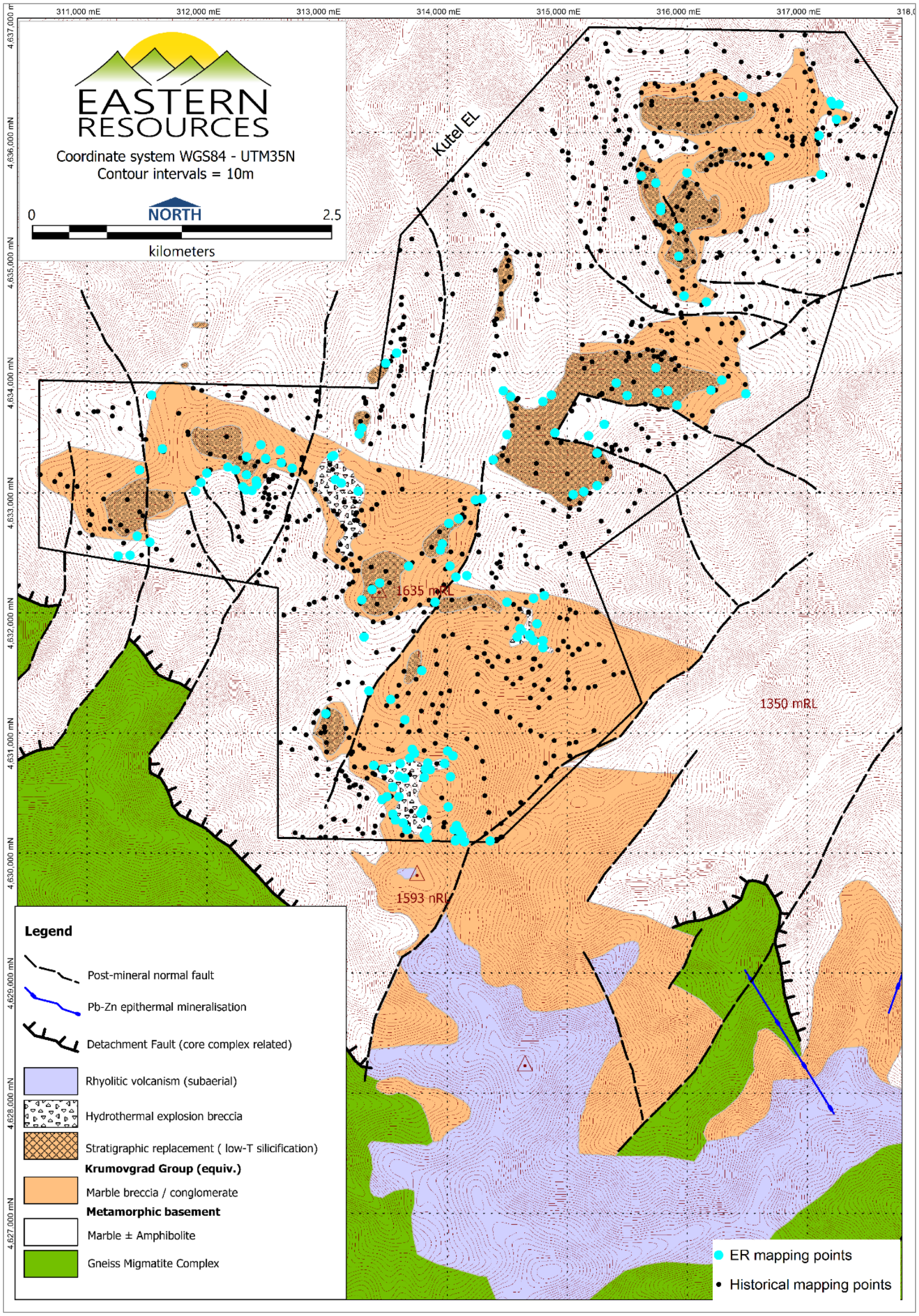
The rock chip samples returned elevated silver values in three samples (11, 18, and 26 g/t Ag). Overall gold grades were low with a high of 0.2 g/t Au, but the petrology showed a few gold grains.

Table 9.1 Eastern rock chip sampling assay results

Sample ID	Sample type	X	Y	Z	Lithology	Au (ppm)	Ag (ppm)	As (ppm)	Bi (ppm)	Sb (ppm)
45802	rf	316671	4636193	1443	SRT	0.12	2.84	185	0.16	34
45803	RF	313815	4630790	1523	HEB	0.005	0.35	15.7	0.09	7.19
45804	RF	313730	4630390	1544	HEB	0.005	0.84	14.9	0.12	8.19
45805	RF	313730	4630390	1544	HEB	0.07	0.98	129	0.35	99.5
45806	RF	313700	4630370	1541	HEB	0.005	2.5	24.9	0.04	6.55
45807	RF	313705	4630375	1541	HEB	0.01	2.14	22.9	0.01	7.09
45808	RF	313715	4630380	1541	HEB	0.01	0.72	19.1	0.07	8.39
45809	RF	313695	4630365	1541	HEB	0.005	26	11.2	0.04	6.27
45810	RF	313698	4630368	1541	HEB	0.02	3.6	24.1	0.13	16
45811	RF	313701	4630372	1541	HEB	0.02	0.64	47.1	0.16	30.7
45812	RF	313680	4630385	1539	HEB	0.005	0.33	16.8	0.08	8.46
45813	RF	313690	4630390	1539	HEB	0.005	1.64	10.8	0.01	2.06
45814	RF	313700	4630395	1542	HEB	0.005	1.49	5.2	0.03	15.4
45815	RO	313739	4630406	1544	HEB	0.005	0.87	15.1	0.06	12.3
45816	RO	313730	4630410	1544	HEB	0.005	1.16	34.5	0.05	34.7
45817	RO	314110	4630155	1465	HEB	0.2	18	81.2	0.03	87.4
45818	RF	314180	4630095	1437	HEB	0.005	3.01	18.6	0.07	16.2
45819	RO	313630	4630550	1538	HEB	0.005	2.07	10.6	0.02	8.31
45820	RO	313640	4630560	1538	HEB	0.005	3.06	29	0.1	21.4
45989	RO	313147	4632551	1612	HEB	0.02	11.1	20	0.1	46
45990	RF	313166	4632475	1607	HEB	0.01	2.07	11	0.18	8.24
45991	RF	313151	4632491	1607	HEB	0.005	4.07	5	0.03	8.08
45992	RF	313155	4632499	1607	HEB	0.005	4.3	29	0.09	8.73

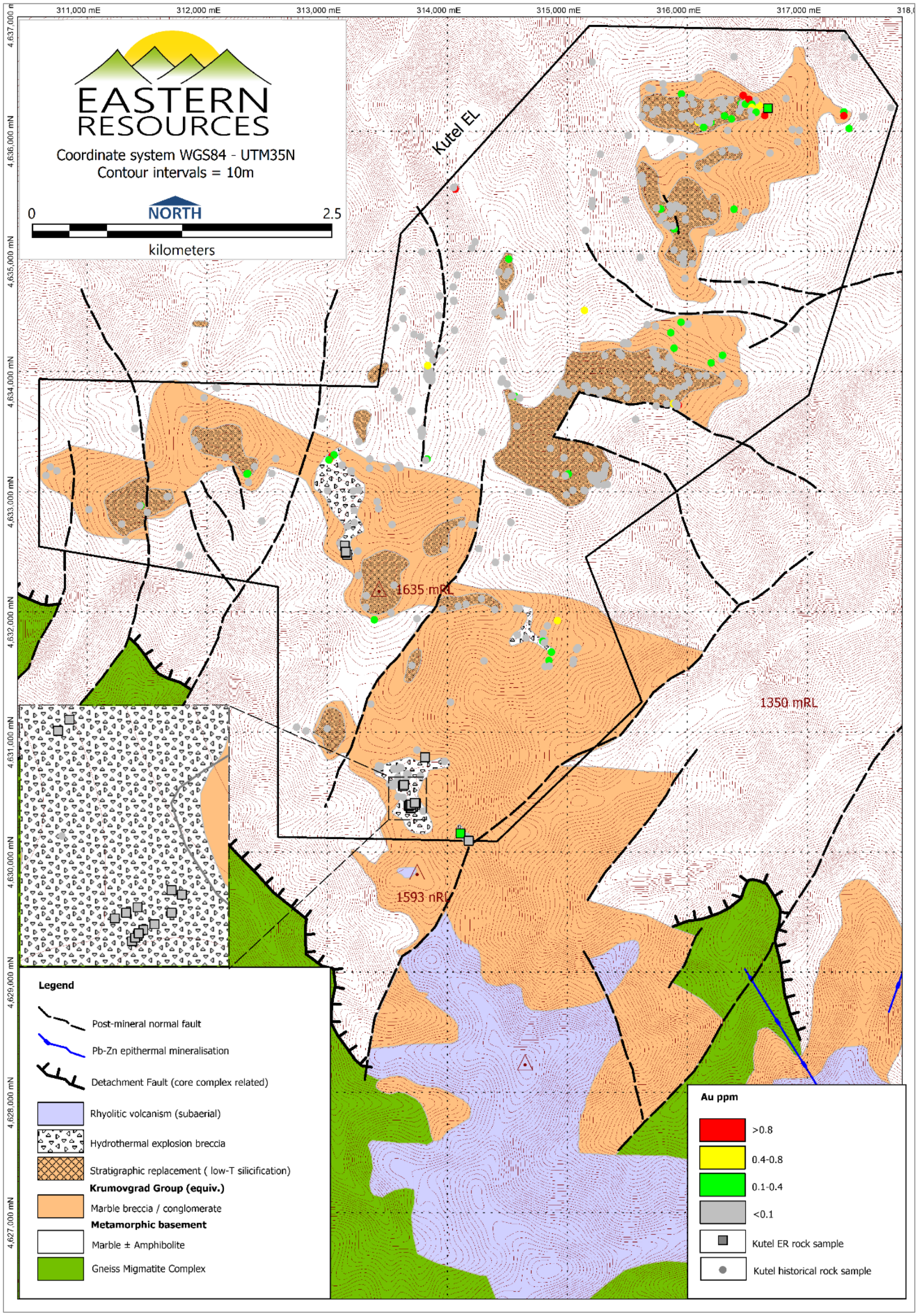
Notes: (RO = outcrop; RF = float).
Source: Eastern, 2022.

Figure 9.1 Geological interpretation with DPM and Eastern mapping points



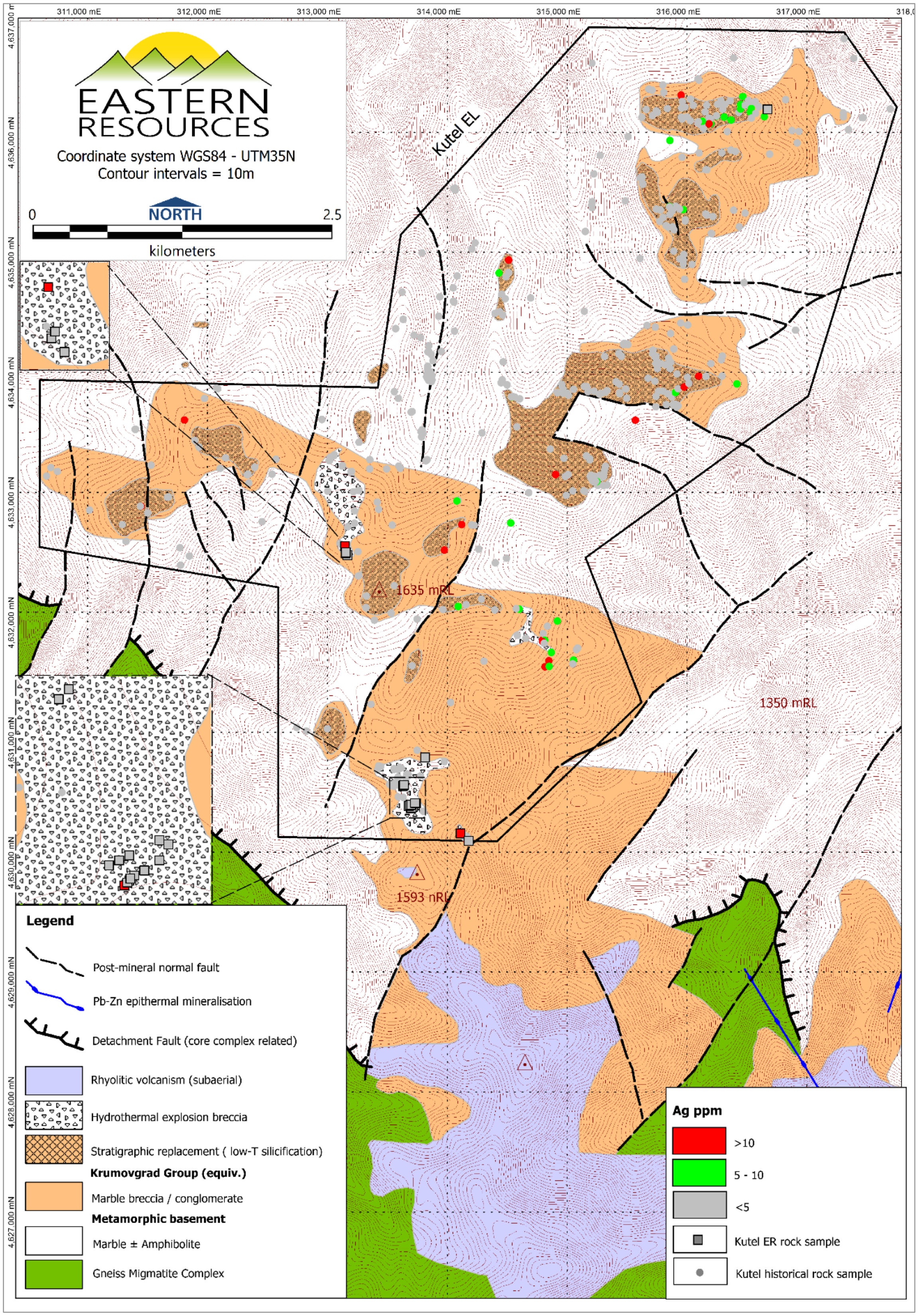
Source: Eastern, 2022.

Figure 9.2 Eastern and historical rock chip results for gold



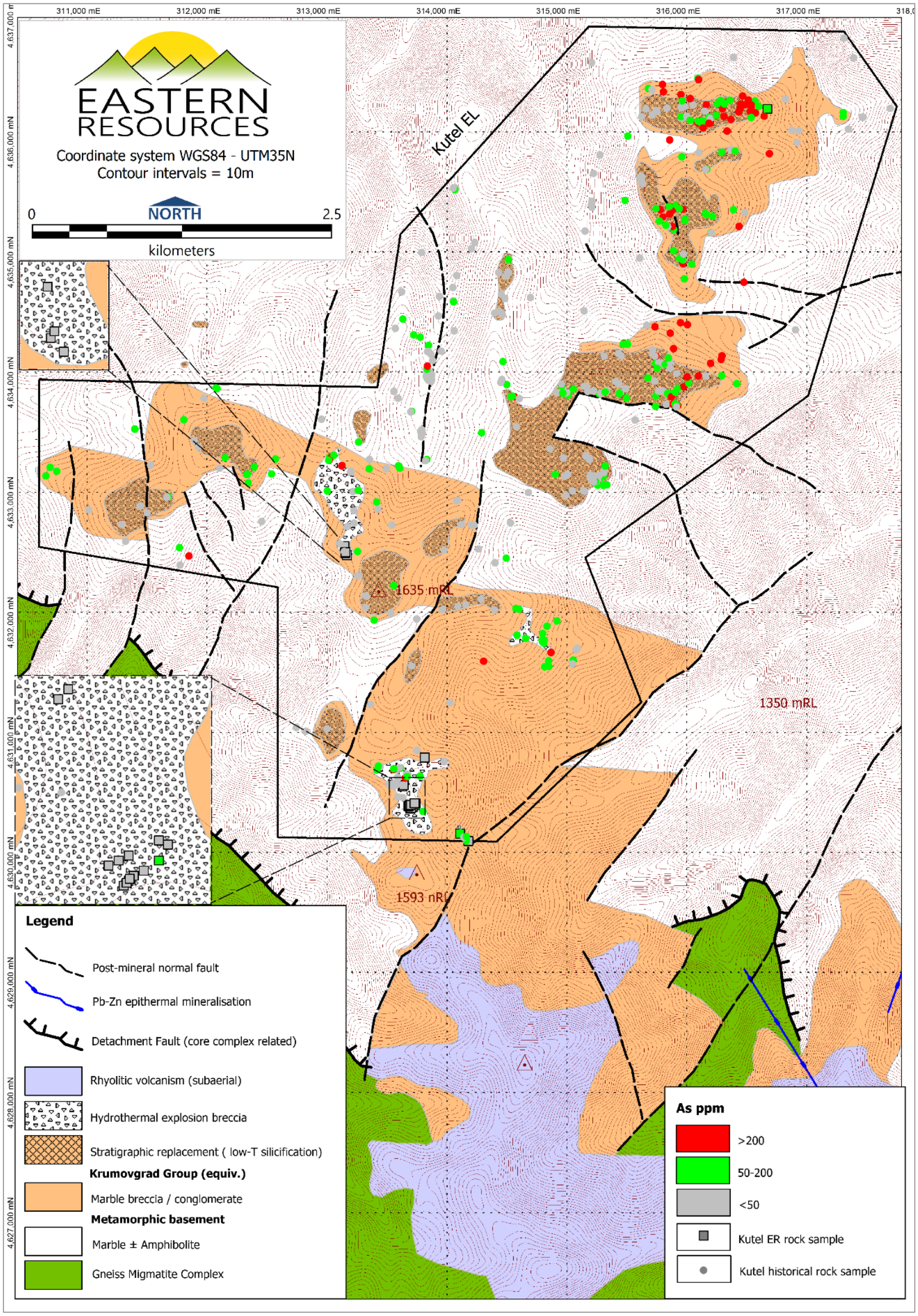
Source: Eastern, 2022.

Figure 9.3 Eastern and historical rock chip results for silver



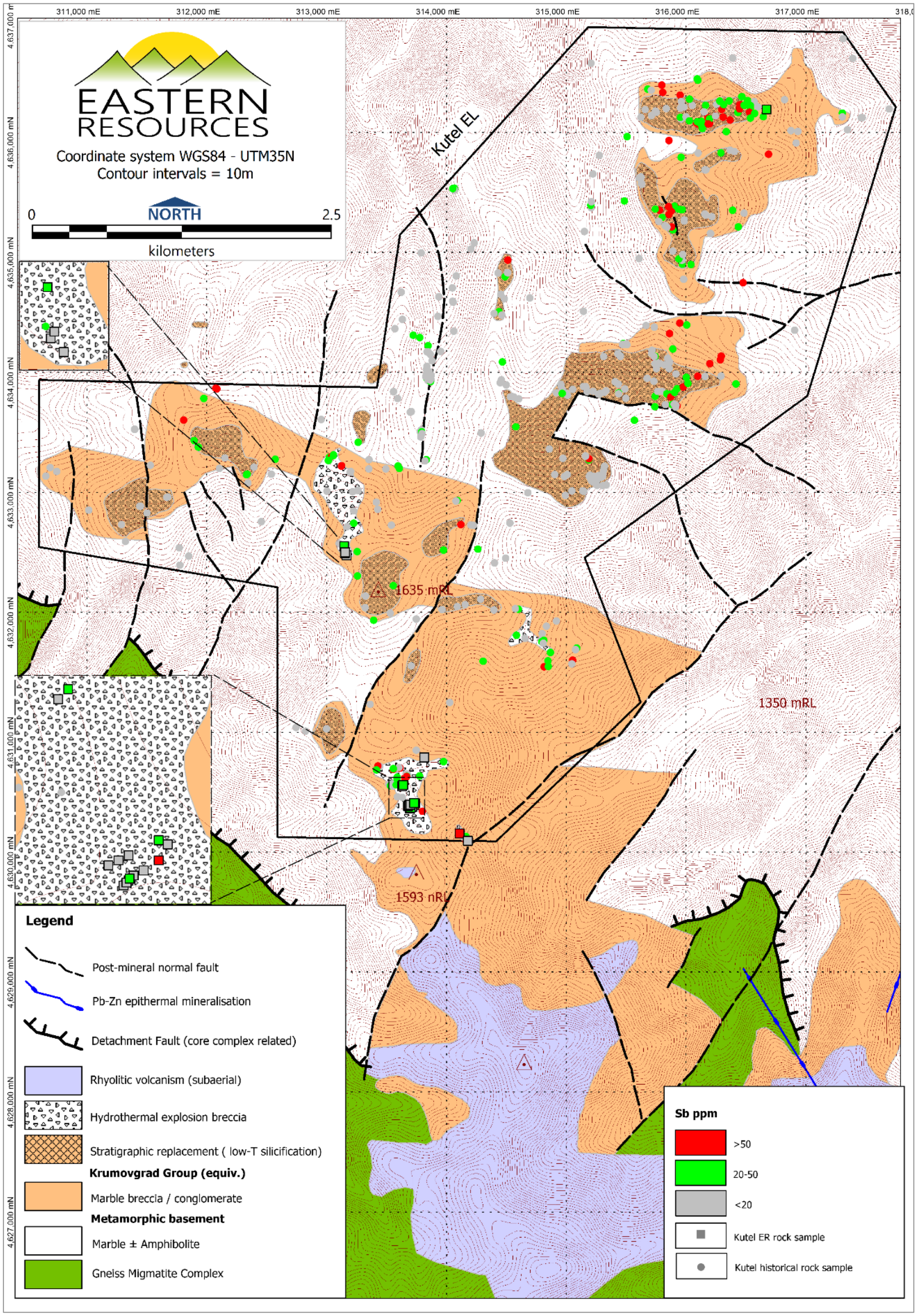
Source: Eastern, 2022.

Figure 9.4 Eastern and historical rock chip results for arsenic



Source: Eastern, 2022.

Figure 9.5 Eastern and historical rock chip results for antimony



Source: Eastern, 2022.

10 Drilling

No drilling has been carried out by the Issuer, St Charles, nor has any drilling been completed by Eastern. A discussion of the drilling carried out by previous owners of the Property is in Sections 6.2.5 and 6.3.5.

11 Sample preparation, analyses, and security

As no exploration or drilling was carried out by St Charles, this section only refers to work completed by Eastern.

11.1 Eastern

11.1.1 Rock chip sampling

All rock samples that were collected on the Property were marked at each sample site using flagging tape. A GPS location was collected at every sample site. Sample sizes were, in general, between 2 and 3 kg and samples were collected in calico sample bags. The sample identifiers were written on the outside of each bag and a sample tag with the same identifier number was placed in the bag. The sample bags were closed using a string tie. 'Rock chip' panel samples are non-selective grabs of outcropping rock, which are taken randomly over an area of approximately 2 m square.

Prior to submission to the laboratory all samples are maintained in a secure core shed / storage facility that maintains 24-hour security, with no unauthorized access unless accompanied by a Company representative.

The entire rock chip sample was then dispatched to the SGS Bor laboratory, (SGS Bor), by courier, located in eastern Serbia, which is independent of Eastern.

11.1.2 Sample analysis

At SGS Bor samples are racked on trolleys in order by following the submission sheet. Sample numbers are entered into a computer, using the LIMS program that generates the required paperwork. CCLAS randomly creates replicates (10%) and second splits (~10%) of the samples for quality control purposes.

A replicate is a sample taken from the LM5 bowl and assayed twice. A second split is the same sample taken again from the LM5 bowl, placed in a separate bag, and assayed.

All samples were dried for not less than 12 hours at 105°C. Samples are crushed to -6 mm. All samples are pulverized for a minimum of 5 minutes to attain 95% passing through a 75-micron screen (5% of the samples are tested for screen passing). A routine barren flush is completed every 20th sample, or as otherwise requested (i.e., within samples containing visible gold or expected high grade zones). Three samples are taken from the bowl and placed in separate paper packets labelled with the sample number, consisting of:

- 200 g packet (for analysis)
- 300 g packet (permanent on-site record)
- 400 g packet (check analyses)

The residual sample is placed back in its original calico bag (residue). Sample pulps are kept for storage, while residue bags are discarded after 3 months.

Eastern inserts standards every 20th sample using internationally accredited standards.

All assaying is undertaken by the SGS Bor laboratory, located in eastern Serbia, which is independent of Eastern. The SGS Bor laboratory is owned by DPM, however SGS Bulgaria manage and operate it on their behalf. The laboratory is not accredited, but all SGS accredited methods and protocols are implemented and used.

Gold is assayed using fire assay (Method FAA505) with an AAS finish. Multi-element data is assayed by Inductive Coupled Plasma (Method IMS14B).

Table 11.1 shows the SGS Bor laboratory detection limits. Any silver assays returning values above 10 g/t are re-assayed using the AAS15Q method. Within each batch of 50 samples internal lab QA/QC checks consist of three repeats, three second splits, two standards, and one blank.

Table 11.1 SGS Bor lab detection limits

Lab	Detection limits				Overlimit protocols	
	Au		Ag		Au	Ag
	LDL	UDL	LDL	UDL		
SGS Bor lab	0.01 g/t	1,000 g/t	0.05 g/t	10 g/t	Unspecified	AAS after Aqua Regia Digest

Notes: LDL=lower detection limit. UDL=upper detection limit.
Source: Compiled by AMC from data provided by Eastern.

11.1.3 Quality Assurance/Quality Control

11.1.3.1 Overview

Eastern has established QA/QC procedures which cover sample collection and processing at the Property. These cover a mix of sample types, but notably all rock chip programs completed on the Property incorporate the insertion of Certified Reference Materials (CRMs) and duplicates into the sample stream on a batch-by-batch basis.

A summary of all samples submitted and QA/QC samples inserted from December 2017 to August 2021 is presented in Table 11.2, and Table 11.3 summarizes the insertion rate of these QA/QC samples.

Table 11.2 Kutel samples by year

Year	Samples	CRMs	Pulp duplicates
2017	19	2	3
2021	4	1	1
Total	**23**	**3**	**4**

Note: No blanks or coarse duplicates were submitted.
Source: Compiled by AMC based on data provided by Eastern.

Table 11.3 Kutel QA/QC insertion rates

Year	Samples	CRMs	Pulp duplicates	Total QA/QC
2017	19	11%	16%	26%
2021	4	25%	25%	50%
Overall	**23**	**13%**	**17%**	**30%**

Source: Compiled by AMC based on data provided by Eastern.

11.1.3.2 Certified Reference Materials

Description

Three different CRMs were used by Eastern between 2017 – 2021 during their sampling programs. All CRMs are customized (“In House”) standards prepared from Serbian source material consisting of a sandstone / conglomerate matrix. Standards were certified by Geostats Pty Ltd and underwent round robin testing at five laboratories (Geostats, 2013).

Eastern's internal procedures require that CRMs are inserted into the sample stream "at a minimum of every 20th primary sample" (5%). Details of CRMs used at Kutel, and their frequency of insertion, are presented in Table 11.4 and Table 11.3 respectively.

Table 11.4 Kutel CRMs (2017 - 2021)

CRM ID	Au (g/t)	Standard deviation
TPG003	0.38	0.02
TPG005	2.99	0.10
TPG007	4.60	0.15

Note: CRMs are presented in order of increasing Au expected value.

Discussion on CRMs

CRMs contain standard, predetermined concentrations of material (gold, silver, lead, zinc, etc.) which are inserted into the sample stream to check the analytical accuracy of the laboratory. Industry best practice typically advocates an insertion rate of at least 5% of the total samples assayed. CRMs should be monitored on a batch-by-batch basis and remedial action taken immediately if required. For each economic mineral, the QP recommends the use of at least three CRMs with values:

- At the approximate cut-off grade (COG) of the deposit.
- At the approximate expected grade of the deposit.
- At a higher grade.

In the exploration phase, the CRMs should monitor gold values above background for the region and the range of gold values anticipated. Industry best practice is to re-assay batches where two consecutive CRMs in a batch occur outside two standard deviations (SD) (warning), or one CRM occurs outside of three standard deviations (fail) of the expected value described on the assay certificate.

Between 2017 - 2021 a total three CRMs were submitted by Eastern as part of their sampling programs, representing an average overall insertion rate of 13%.

Gold values from the sampling program range from 0.01 g/t Au to 0.20 g/t Au. The three CRMs used by Eastern adequately cover these grade ranges. However, the two highest gold value CRMs are all above the highest grade encountered to date. Given the low number of samples at this stage of the program, and the modest grades returned to date, it may be beneficial to use lower grade CRMs to monitor lab bias.

Control charts are commonly used to monitor the analytical performance of an individual CRM over time. CRM assay results are plotted in order of analysis. Control lines are also plotted on the chart for the expected value of the CRM, two standard deviations above and below the expected value, and three standard deviations above and below the expected value. These charts show analytical drift, bias, trends, and irregularities occurring at the laboratory over time.

Eastern's CRM performance is monitored on a batch-by-batch basis. Quality of assay data is visually reviewed on quality control charts. Assay results of a CRM within ±2SD of the recommended value are considered acceptable, and assays are concurrently assessed to determine the presence of any positive or negative bias.

Table 11.5 presents details on the Kutel CRM performance for gold between December 2017 - August 2021. No CRM control charts for gold are shown given that each CRM only has one analysis. Because of the small number of determinations on each CRM no conclusion on bias can be made.

Table 11.5 Eastern Au CRM results (2017 – 2021)

CRM ID	Expected value (Au)	SD	Number of assays	Low warning (-2SD)	High warning (+2SD)	Low fail (-3SD)	High fail (+3SD)	Fail % (>3SD)
TPG003	0.38	0.02	1	0	0	0	0	0.0
TPG005	2.99	0.10	1	0	0	0	0	0.0
TPG007	4.60	0.15	1	0	0	0	0	0.0

Note: SD=standard deviation.
Source: Compiled by AMC 2022.

Recommendations for CRMs

Ensure the value of the CRM is representative of the expected gold grades in the samples.

11.1.3.3 Blanks

Eastern did not independently insert blanks as part of their independent QA/QC program but has advised that blank samples are intended to form part of future QA/QC programs.

11.1.3.4 Duplicates

Duplicate samples are taken at successive points within the sample preparation and analysis process to understand the variances occurring at each stage of the process. Pulp duplicates monitor variance associated with sub-sampling of the pulp, the analysis process as well as the inherent geological variability. Coarse reject duplicates monitor these same variances plus the variance associated with sub-sampling of the coarse reject. Field duplicates monitor all previously described variances plus the variance associated with the actual sampling process.

Eastern has submitted pulp duplicates as part of its rock chip sampling QA/QC program. Between 2017 and 2021, Eastern submitted three pulp duplicates.

In consideration of the analytical error near the lower detection limit, the QP recommends that duplicate pairs be selected when the initial assay is 15 x the lower detection limit. Given that no duplicates are currently above this value, it is difficult to comment on the results, at this time.

The QP recommends that a consistent insertion rate be maintained when grades in excess of 0.15 g/t Au are regularly returned.

11.1.3.5 Umpire assaying

The objective of an umpire (check) assaying program is to confirm the accuracy of the primary laboratory and an estimate of the analytical variance + pulp sub-sampling variance.

Ideally, the umpire laboratory needs to be well recognized for producing exceptional accuracy, otherwise there is no mechanism for knowing whether the primary or umpire results are the more accurate. QC samples should also be inserted into samples batches sent to the umpire laboratory.

Eastern has, to date, not incorporated umpire assaying as part of the general QA/QC program.

11.2 Conclusion

Eastern has implemented industry standard practices for sample preparation, security, and analysis given the stage of the Project. This has included common industry QA/QC procedures to monitor the quality of the assay database, including inserting CRM samples into sample batches on a predetermined frequency basis and doing pulp duplicates. Blank samples should be introduced into their assay batches going forward. An umpire program is also recommended when grades in excess of 0.15 g/t Au are regularly returned. Absence of samples above 15 x the lower detection prohibits any conclusions to be drawn from the duplicates.

Overall, the QP considers the assay database to be acceptable for the purposes intended.

12 Data verification

12.1 Site visit

Between 17 and 18 May 2022, AMC full-time employee and QP M. Burnett visited the Property.

The objective of the site visit was to review the geological mapping and sampling that had been undertaken by Eastern. The field work was focused on the observation of type outcrops and geology present on the EL.

To fulfil the proposed work, the following activities were undertaken:

- An orientation survey of the EL was undertaken both on foot as well as via vehicle.
- Access to the site as well as local infrastructure was observed.
- Notes and photographs of type outcrops were taken.
- On site discussions with Sean Hasson (Executive Director Exploration, Eastern) and Mathias Knaak (Structural Geologist, Domlogic Geoservice), regarding mapping methodologies used, the logic of the proposed geological model and how the model can be applied to the planned exploration program.
- Discussions regarding the procedures followed by Eastern when mapping and taking grab and rock chip samples.

The QP is of the opinion the data provided by Eastern is a true and faithful representation of what was observed during the site visit.

12.2 Assay data verification

Eastern used an acQuire Database. The QP supervised a cross-check of 100% of the assay results for gold and silver from an Eastern database export with analytical results on the original assay certificate.

The result of the verification is presented in Table 12.1.

Table 12.1 Assay verification results (2017 - 2021)

Year	Total samples	# Samples selected for verification	Assays confirmed [1]	Errors noted [2]	Certificate error [3]	% Samples verified
2017 / 2021	26	26	26	0	0	100

Notes:
[1] Assay results match certificate ignoring minor rounding and truncation discrepancies.
[2] Assay value does not match certificate by more than 1 g/t Ag or 0.01 g/t Au.
[3] Certificate reference number in the database incorrect.

The QP makes the following observations based on the data verification undertaken:

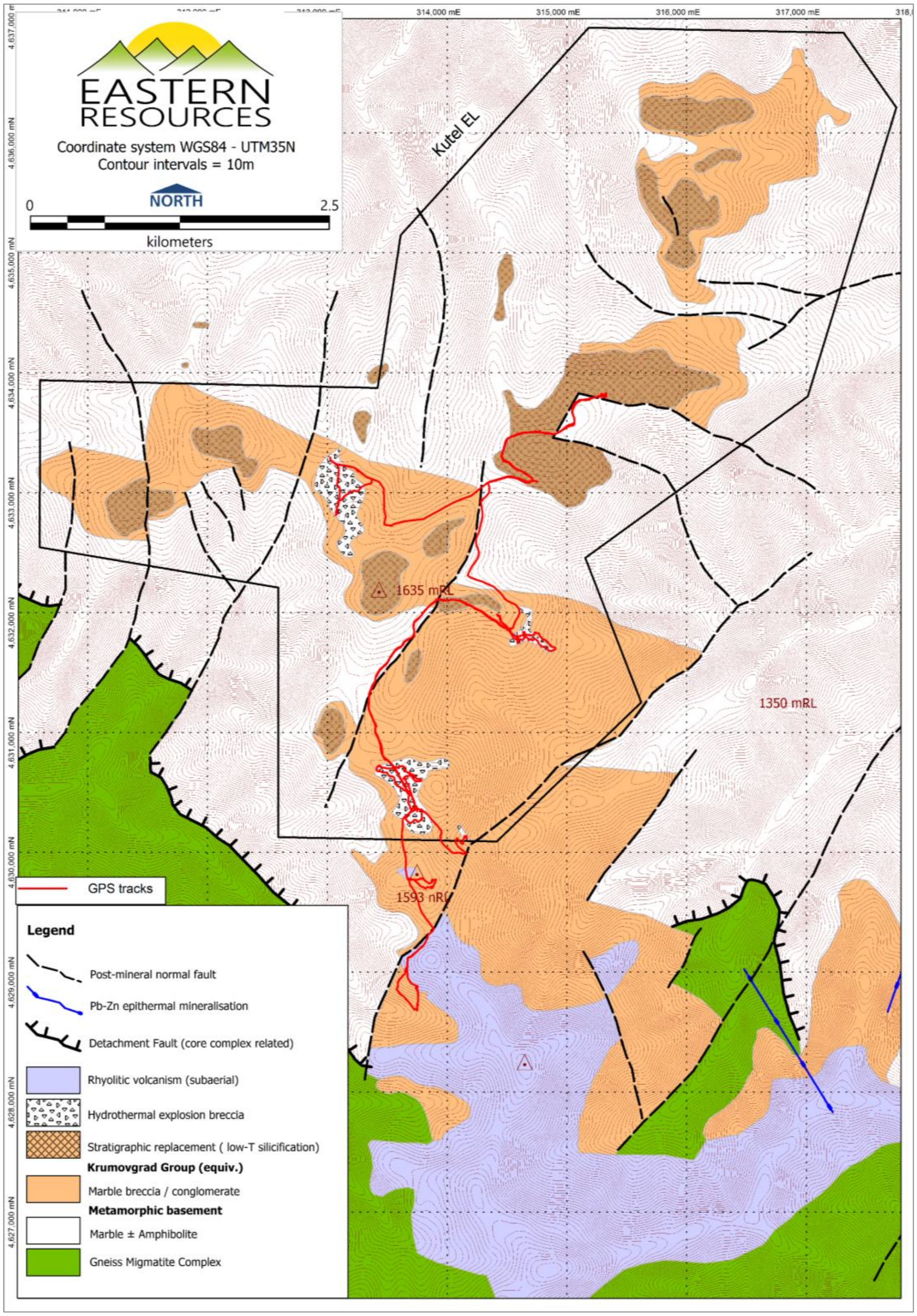
- Cross-checking of original assay results with the drilling database noted no errors out of 26 samples (23 rock chip assays and 3 CRM assays) verified representing an error rate of 0%.

12.3 Qualified Person's statement of confidence

The QP considers that data gathered by Eastern is sufficiently accurate for use in planning exploration drilling. Data verification has shown an accurate transfer of analytical data into the Eastern database.

The QP has reviewed documentation describing the standards and procedures used by DPM and Eastern for their diamond drilling and QA/QC programs and concludes that they correspond to industry-accepted practice.

Figure 12.1 GPS track map of the areas visited by the QP during the site visit



Source: Eastern 2022.

13 Mineral processing and metallurgical testing

This section is not applicable to this Technical Report.

14 Mineral Resource estimates

This section is not applicable to this Technical Report.

15 Mineral Reserve estimates

This section is not applicable to this Technical Report.

16 Mining methods

This section is not applicable to this Technical Report.

17 Recovery methods

This section is not applicable to this Technical Report.

18 Project infrastructure

This section is not applicable to this Technical Report.

19 Market studies and contracts

This section is not applicable to this Technical Report.

20 Environmental studies, permitting, and social or community impact

This section is not applicable to this Technical Report.

21 Capital and operating costs

This section is not applicable to this Technical Report.

22 Economic analysis

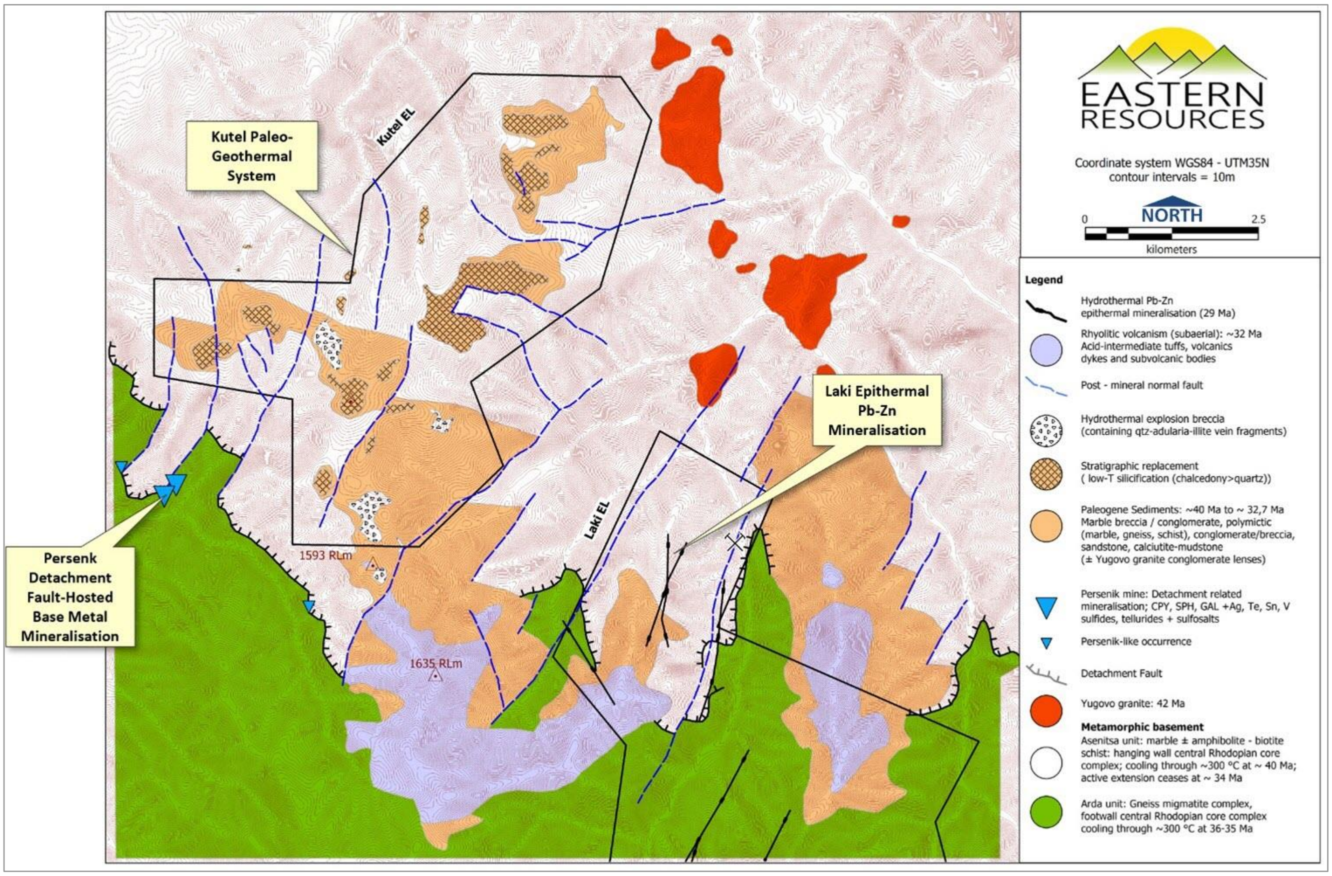
This section is not applicable to this Technical Report.

23 Adjacent properties

There are two relevant properties adjacent to the Property that are noted: the Persenk Mine and the Laki epithermal lead zinc ore field. The QP has been unable to verify the information and that the information is not necessarily indicative of the mineralization on the Property that is the subject of the Technical Report.

Figure 23.1 shows the locations of these properties relative to the Kutel Property.

Figure 23.1 Location of adjacent properties



Source Eastern, 2022.

23.1 Persenk Mine

The Persenk Mine operated from 1911 to 1942 and again from 1949 to 1951. It is a stratabound, base metal deposit hosting lead- zinc mineralization as galena and sphalerite, with pyrite, tetrahedrite, tennantite and bornite mineralization also occurring. Gangue minerals include (crystalline) quartz, calcite, and dolomite (Radoslavov, 1920).

Eastern staff have visited the old mine site and are of the opinion that the mineralization is of a high-sulfidation character and is likely to be the oldest mineralization within the district.

23.2 Laki epithermal ore field

The Laki ore field is located on the eastern slope of the Central Rhodopean Dome and includes 15 main ore deposits and several ore occurrences. Mineralization in the Orefield is controlled by four linear NNE-striking fault zones.

The host-rocks are primarily lower plate schists, gneisses ± marbles and the upper plate marbles.

The main minerals found in the Orefield are quartz, galena, sphalerite, pyrite, chalcopyrite, arsenopyrite, calcite, rhodochrosite, and other carbonates. The orebodies are mainly of vein hosted with strike lengths of up to 7 km. Replacement (manto) orebodies sub-parallel to the detachment surface are common within marbles, both within the lower and upper plates. Wall rock alteration in silicate rocks, is quartz-sericite ± chlorite-type, while in marbles it is johansenite-rhodonite ± epidote-type.

Approximately 14 Mt @ 2.9% Pb and 2.2% Zn ore was mined between 1954 - 1995 from the Orefield (Ivanov, 2000). The Laki-Djurkovo underground lead zinc mine (owned and operated by Lucky Invest AD) remains in operation in the valley 4 km east of the Property.

24 Other relevant data and information

The QP is unaware of any additional information or data that is relevant to the Property that would make the report more understandable and not misleading.

25 Interpretation and conclusions

The Property is considered to be prospective for gold mineralization having been under explored over time. Eastern is not aware of previous owners having developed valid and testable conceptual geological models. Exploration drilling completed by DPM failed to intersect gold mineralization or the anticipated hydrothermal feeder system. For these reasons Eastern has developed an exploration model based on regional and local field observations which specifically recognizes the relationships of gold mineralization to HEBs. This has not been tested by previous explorers.

Field observations through mapping and sampling have been interpreted by Eastern to be consistent with a model in which:

- Hydrothermal fluids rise up along hangingwall normal faults to encounter the unconformity.
- The fluids spread laterally to form an impermeable horizon composed of chalcedonic quartz replacing marble breccias and conglomerates.
- Fluid pressure increase beneath the impermeable seal led to the formation of HEBs.
- The HEBs fractured through the impermeable seal into the overlying rocks, transporting quartz-adularia-illite vein clasts to higher elevations.

The QP considers the conceptual model developed by Eastern to be a valid basis for testing by exploration drilling, although there remains uncertainty whether mineralization or the proposed feeder system will be intersected.

The QP is unaware of any significant risks and / or uncertainties that could reasonably be expected to affect the reliability or confidence in the exploration information that is planned to be gathered by St Charles. As in the case of any exploration program, the inherent risk is that economic concentrations discovered do not justify a mine or progressing the project. The QP cannot guarantee that changing Environmental, Social, Governance or other factors will change the project's potential economic viability or continued potential.

26 Recommendations

Based on this Technical Report and in consideration of Eastern's exploration strategy, the QP makes the following exploration recommendations for the first year of exploration on the Kutel Property:

- To initially drill test beneath each of the three HEBs (Kumina, Kutel, and Yavor) with one 500 m length diamond drillhole for each target, for a total of 1,500 m.

The proposed budget and exploration drilling program detailed in Table 26.1 covers a nominal 12-month period (ending December 2023) during which the proposed exploration activities over the Kutel Property are expected to have been completed.

Table 26.1 Planned exploration budget

Description	Cost (C$)
Drill Pad and Access Preparation	2,000
Diamond Drilling (PQ) 96 m	20,000
Diamond Drilling (HQ3) 1,404 m	165,000
Drill Pad Rehabilitation	1,000
Core Trays, Orientation Tool, Sample Bags, etc.	10,000
Assay (incl. ~20% QA/QC)	65,000
Personnel	52,000
Database Management	15,000
Field and Office Costs	29,000
Preliminary Metallurgical Test Work	5,000
Tenement Cost	2,000
Total	**366,000**

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28 QP Certificates

CERTIFICATE OF AUTHOR

I, Mark Burnett, CGeol (UK), Euro. Geol (Europe), of Maidenhead, United Kingdom, do hereby certify that:

1 I am currently employed as a Principal Geologist with AMC Consultants (UK) Limited with an office at Building 3, 1st Floor, Concorde Park, Concorde Road, Maidenhead SL6 4BY United Kingdom.

2 This certificate applies to the technical report titled "Kutel Gold Project NI 43-101", with an effective date of 22 September 2022, (the "Technical Report") prepared for St Charles Resources Inc. ("the Issuer").

3 I am a graduate of University of the Witwatersrand in Johannesburg, South Africa (Bachelor of Science in Geology (Hons)) and of the University of the Free State in Bloemfontein, South Africa (Master of Science in Mineral Resource Management). I am a member in good standing of the European Federation of Geologists (License #1779), and the Geological Society of London (License #1041787). I have worked as a professional geologist for 30 years since graduation in 1992.

My relevant experience for the purpose of the Technical Report includes:

- Since 2007 - Consulting geologist specializing in reviews and audits for a variety of early, advanced, and operational gold projects and mines in Africa and Russia.
- 2005 to 2007 - I reviewed and visited low, medium, and high sulphidization gold exploration projects and operational mines in Southeastern Europe and Southwestern Asia as potential acquisition projects in my role as New Business Manager (Technical), with Harmony Gold Mining company.

I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

4 I have visited the Kutel Project from 17 to 18 May 2022.

5 I am responsible for Sections 1 – 27 of the Technical Report.

6 I am independent of the Issuer and related companies applying all of the tests in Section 1.5 of the NI 43-101.

7 I have not had prior involvement with the property that is the subject of the Technical Report.

8 I have read NI 43-101, and the Technical Report has been prepared in compliance with NI 43-101 and Form 43-101F1.

9 As of the effective date of the Technical Report and the date of this certificate, to the best of my knowledge, information and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Effective Date: 22 September 2022
Signing Date: 21 February 2023

Original signed by

Mark Burnett, CGeol (UK), EurGeol (Europe)
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