

Maple Gold Mines Ltd. (TSXV: MGM) – Gold Explorer Ties Up with Agnico Eagle Mines to Explore Large Gold Property with District-Scale Potential



Investment Highlights

- Maple Gold Mines Ltd. (TSX-V: MGM) (“MGM”, or “Company”)** is a junior mining company with a focus on precious metals, specifically gold. The Company owns a large-scale property package comprising two gold-prospective projects located in Quebec, Canada.
- Partnership with Agnico Eagle Mines:** The company has a Joint Venture (“JV”) agreement in place with major gold miner Agnico Eagle Mines Limited (TSX: AEM). The JV agreement is structured to provide AEM ownership interest in return for shouldering exploration and development costs, giving MGM the potential to realize significant asset valuation growth at low near-term cost. In addition, AEM is contributing its past-producing, high-grade Joutel Gold Project to the JV which adjoins MGM’s Douay Gold Project.
- Existing Gold Resource with Significant Expansion Potential:** the Douay Gold Project is favourably positioned in the world-class Abitibi greenstone belt, and MGM has explored the property since 2010. The company completed a resource estimate on Douay in 2019, with current indicated resources of 422,000 ounces and inferred resources of 2.35 million ounces. However, given the scale of the addressable resource area on-site, we believe significant resource expansion could occur in the near-term with AEM’s support.
- Past Production Project as a Play on Higher Gold Prices:** AEM’s contribution of the Joutel Gold Project gives MGM exposure to the past-producing Telbel Gold Mine which closed in 1993 when gold was trading around \$360/oz. Given today’s significantly higher gold prices, cut-off grades would be much lower than those previously used at Telbel and MGM may have inherited a potentially mineable gold deposit.
- Based on our analysis and valuation models, we are initiating coverage with a BUY rating and a fair value per share estimate of \$0.49 per share.**

Current Price (C\$):	\$ 0.28
Fair Value (C\$):	\$ 0.49
Projected Upside:	79.89%
Action Rating:	BUY
Perceived Risk:	VERY HIGH

Shares Outstanding:	321,067,848
Market Capitalization (C\$):	\$ 88,293,658
P/E	-
P/B	4.62
YoY Return	243.75%
YoY TSXV Return	119.46%

*Note all \$ amount are C\$ unless otherwise stated.

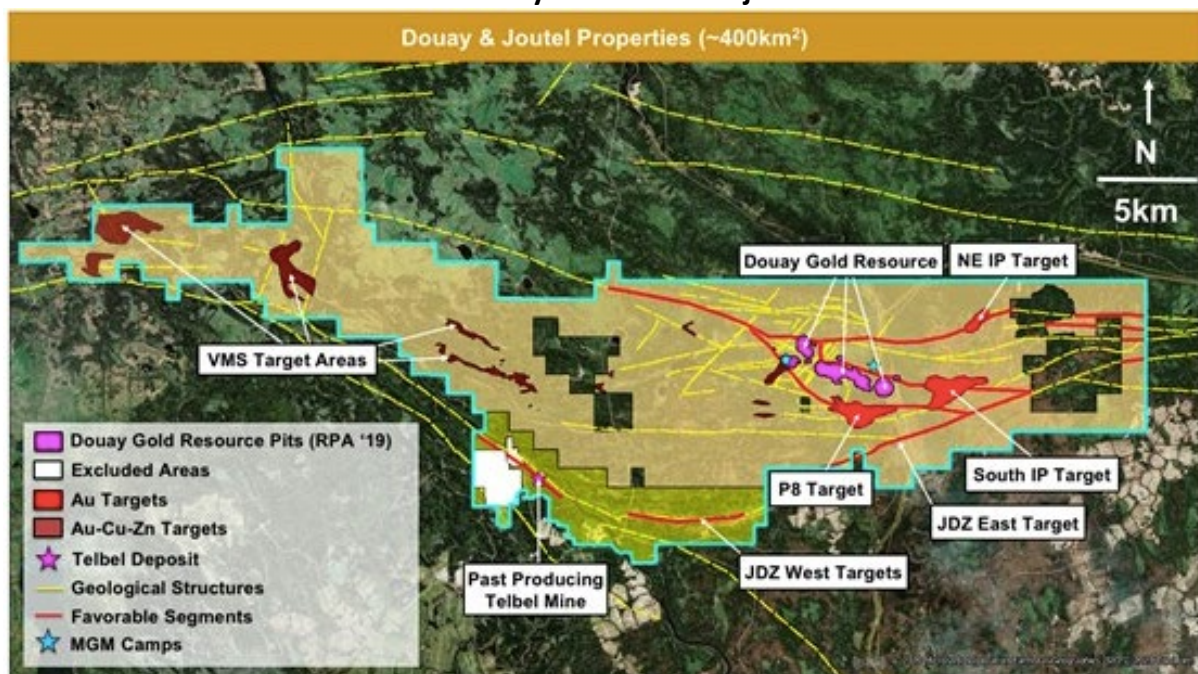
Key Financial Data (FYE - Dec 31)

(C\$)	2019	2020
Cash	\$ 4,102,551	\$ 20,014,801
Working Capital	\$ 2,994,677	\$ 18,816,887
Accumulated Exploration Expenses	\$ 45,639,991	\$ 48,100,510
Total Assets	\$ 5,835,845	\$ 21,547,466
Net Income (Loss)	\$ (3,668,622)	\$ (4,468,892)
EPS	\$ (0.02)	\$ (0.02)

MGM is a precious metals junior exploring for gold in Canada, with two major exploration projects located in Quebec that together form a consolidated 400 km² land position in one of Canada's premier gold mining jurisdictions. After MGM's strategic agreement with AEM, its mineral portfolio consists of:

- **The Douay Gold Project:** MGM's original property, where the company has been conducting gold exploration since 2010. The company completed a resource estimate on the property in 2019, and Douay has current indicated resources of 422,000 ounces and inferred resources of 2.35 million ounces.
- **The Joutel Gold Project:** AEM's original property, which hosted the major's historic Telbel gold mining camp. The Telbel camp produced 1.15 million ounces of gold throughout its operating history between 1974 to 1993 when the price of gold ranged between \$150 and \$370, which MGM believes points to significant captive mineral potential. This is especially compelling given the potential feasibility of resources at Telbel that might have fallen below previous cut-off grades of 6 g/t Au, but could be economic when higher gold prices, and hence lower cut-off grades, are considered.

The Douay and Joutel Projects



Source: Company

The company recently completed a JV agreement with AEM, which we believe could be a major driver for near-term exploration at MGM's properties. With a deep pocketed major supporting and funding MGM's exploration over the next four years, we believe the company could be facing a pipeline of material catalysts that could impact its equity valuation. Because of the term structure of its JV with AEM, we believe MGM may benefit from significant valuation leverage, as mineral discoveries are de-risked from a funding standpoint. With this accommodative backdrop, MGM has embarked on a series of drill programs across the consolidated property package that we believe could significantly increase resources at the

established Douay mineral resource as well as define new, high-quality ounces at the Joutel project.

Strategic Partnership with Agnico Eagle Mines

In October 2020, the company signed a binding term sheet for the establishment of a 50/50 JV with AEM, with both companies combining their gold properties into a single land package. In conjunction with the JV agreement, which closed in February 2021, AEM also made a strategic investment into MGM by virtue of a private placement of 25.84 million units (each unit consisting of one common share and one warrant exercisable at \$0.34 per share) at \$0.24 per unit. Apart from the JV agreement outlined below, the relationship between MGM and the much more senior AEM has been built up to the point that AEM is now a strategic investor in MGM, with a significant toehold in the company.

The aim of the JV agreement between MGM and AEM is to advance the Douay and Joutel Gold Projects jointly with a common focus on exploration and mineral discovery, leveraging the extensive global discovery track record of AEM. Apart from technical expertise, the JV agreement also secures funding support from AEM for MGM's exploration campaigns at the consolidated property. As part of the JV, AEM has agreed to provide up to \$18 million in exploration-linked funding with the following disbursement milestones:

- \$4 million by the first-year anniversary of the JV.
- \$8 million by the second-year anniversary of the JV.
- \$13 million by the third-year anniversary of the JV.
- \$18 million by the fourth-year anniversary of the JV.

In addition to the amounts above, AEM and MGM will jointly fund an additional \$500,000 in exploration of volcanogenic massive sulfide ("VMS") targets on the western portion of the Douay Project.

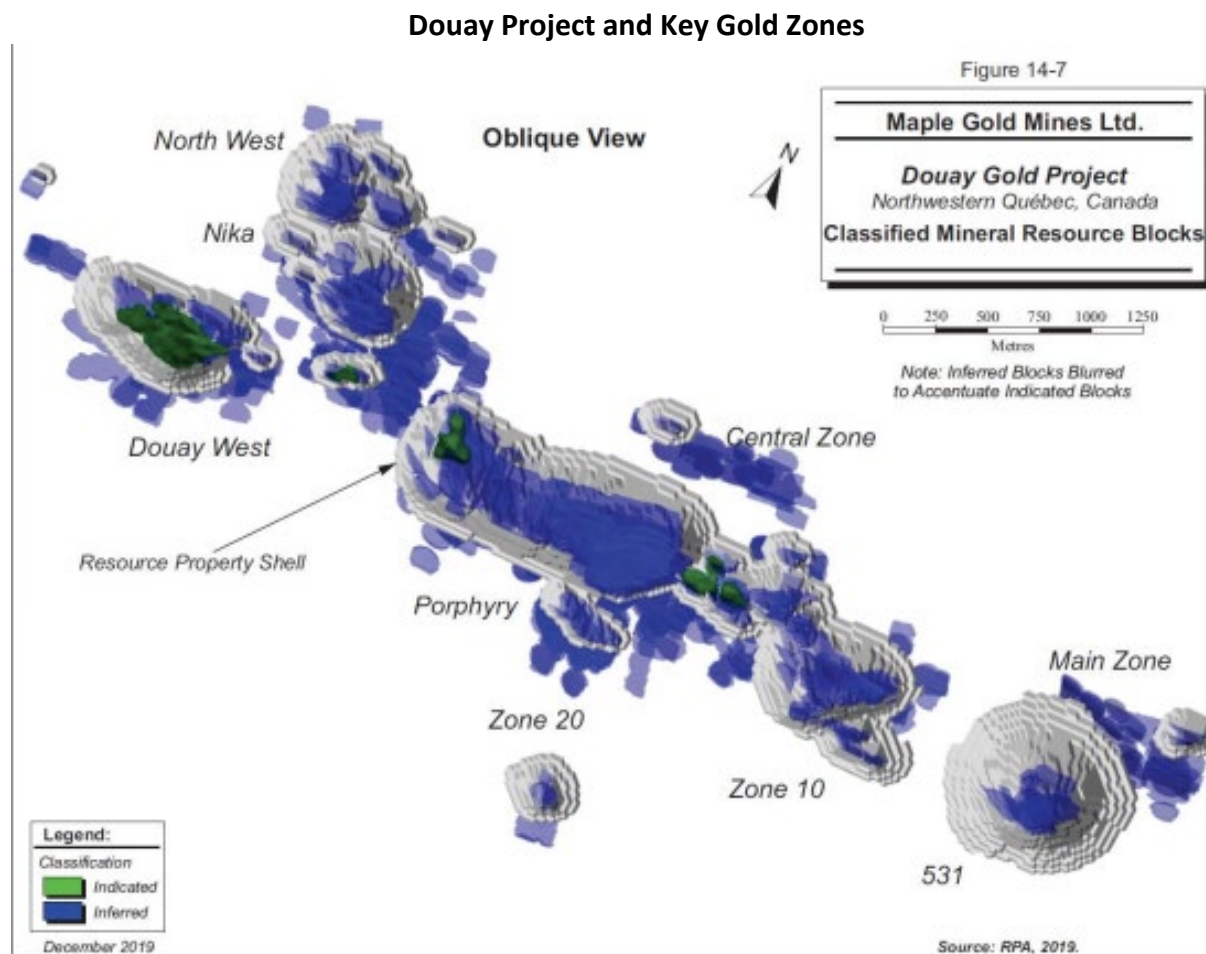
Should the company advance the property through to the development phase, AEM has also indicated that it will support MGM in attempting to secure project financing for its share of any such capital outlay, though this does not appear to be a legal commitment. Though both parties hold 50-50 ownership over the consolidated property, each will retain a 2% NSR on their respective project. The first 1% of each party's NSR may be repurchased at any time by the non-holding party for \$15 million and the second 1% of each NSR may be repurchased at any time by the non-holding party for \$25 million. In addition, transfer of each NSR will be subject to a right of first refusal.

We believe the JV with AEM provides MGM with two longer-term benefits that could materially impact its corporate structure and outlook. The first is that AEM has an obvious incentive and investment in MGM's success, and will likely do the most it can (within reason) to support the junior's exploration efforts at both Douay and Joutel. We believe this could include acting as a soft liquidity backstop to MGM, providing emergency capital funding if needed, should the company and its mineral assets remain prospective. However, it could come at the cost of equity dilution via private placements at discounted prices, though this is

speculation on our part. The other potential matter to consider is that the JV may act as an initial platform for AEM to pursue a full takeover of MGM in the future. As MGM's JV partner and an active party supporting exploration at the combined Douay-Joutel Property, AEM is likely to have major visibility on the property's mineral potential. As a result, we believe MGM's efforts to further explore and de-risk the properties it operates could eventually lead to a major corporate combination or asset acquisition, as the properties become more attractive to AEM.

The Douay Gold Project

The Douay Gold Project is a property that consists of 666 mining claims that cover a total area of 35,510 hectares. It is located within the Archean age Harricana-Turgeon belt of the Abitibi volcano-plutonic sub-province, which forms part of the Superior Province of the Canadian Shield. The project exhibits alkaline-intrusive-associated gold mineralization, which is a similar mineralization style exhibited by multiple world-class gold deposits located in the Abitibi Greenstone Belt ("AGB"). In addition, the project area is also considered prospective for AGB orogenic deposit styles (structurally controlled gold-quartz veins and veinlets) as well as VMS mineralization. The project area is currently comprised of nine gold zones, shown in the map view below, that also outlines the distribution of the project's identified mineral resources across the property area.



Source: Company

The prior history of the project is summarized below:

- INCO Gold Ltd. first staked a portion of the claims comprising the current property in 1976, before optioning the claims to Vior Inc., which subsequently earned a 100% ownership interest. The property at this point was split into several properties including Douay and Douay West.
- In 1992, SOQUEM optioned a part of the Douay property but terminated the option in 1994.
- In 1995, Cambior Inc. entered into an option agreement but did not renew its option in 1996.
- Aurizon Mines Ltd. entered into an option agreement in 1996 with provisions to earn up to 50% interest in the Douay and Douay West Properties via exploration expenditure of \$17 million. It gave up its option in 2000 after having spent \$5 million.
- Aurvista Gold Corporation (renamed Maple Gold Mines in 2017) acquired an initial 25% interest from Vior in 2010, which it eventually built up to a full ownership position via payments and exploration expenditures.

In terms of accessibility and local infrastructure, the property area is accessible via Provincial highway 109, which is an all-weather paved two-lane highway that crosses the Douay Property area. The closest settlements of note include the town of Amos (population of approximately 13,000) and Matagami (population of less than 2,000), which are 130 km south and 55km northeast of the project, respectively. Whilst these towns are likely to provide basic goods and services access to the project, more technical mining needs and equipment will likely need to be sourced from Val d'Or, which is approximately 200km south of the project and the closest major city. In addition to being the closest major settlement, Val d'Or also has an airport that facilitates regional flying and air access to Montreal.

Locally at the project, the access road and power infrastructure are adequate to support future mining operations. In the Douay West Zone, a shaft was collared and sunk with mining surface installations (including items such as a headframe, hoist and two air compressors, and an office) were installed by previous operator Aurizon. A mining camp with a 45-person capacity was built in late 2017 just west of the Provincial Highway, allowing exploration operations to be supported for longer periods of time. In addition, local water sources are considered sufficient for planned exploration activities. The project area's vertical relief is low at a mean altitude of 290 meters above sea level. Very few outcrops occur on the eastern and western parts of the property but are abundant in the central portion. The local overburden consists of a peat layer overlying argillaceous and sandy material, which in turn overlies beds of glacial till with lesser clay.

Climate-wise, average temperature in the project area vary from as low as -24°C to as high as 23°C, with extremes of -35°C lows and 29°C highs. The summer season and warm months generally last between May and September, with average daily highs above 16°C. Winter falls between December and March, with average temperatures below 5°C. The region typically receives an average of 928mm of precipitation annually, with monthly precipitation ranges from 48mm in February to 103mm in September. Snow may fall between October through April, but the most significant accumulations normally occur between November and March. During these five months, snowfall will typically average 54mm per month. Based on the

climate conditions discussed, it is believed exploration activities can largely take place year round.

Exploration Summary & Resource Profile

Prior to MGM's tenure, Vior commissioned a Pre-Feasibility Study ("PFS") for an open-pit mine in the Douay West Zone. The 2005 PFS estimated probable reserves of nearly 270,000 tonnes at an average diluted grade of 4.74 g/t Au, but this reserve estimate is considered historical and unreliable. Since then, MGM has completed multiple mineral resource estimations on Douay, with the statements summarized in the table below

Douay Historical Mineral Resource Estimates

Year	Category	Tonnes	Grade (g/t Au)	Comment
2012	Riverbend Geological Services			Riverbend Geological Services Inc. (2012)
	Indicated	2,689,000	2.76	0.3 g/t Au cut-off grade
	Inferred	114,652,000	0.75	
2015	Aurvista - PEA			P&E Mining Consultants Inc. (2015)
	Indicated	2,558,000	2.77	0.3 g/t Au cut-off grade
	Inferred	1,413,000	1.65	
2017	Aurvista			Micon International Limited (Micon) (2017)
	Inferred	83,327,000	1.05	0.5 g/t Au cut-off grade
2018	Maple Gold			Micon (2018)
	Indicated	9,383,000	1.59	0.45 g/t Au cut-off grade
	Inferred	84,152,000	1.02	

Source: Company

Since the company's assumption of control over the Douay Property, the major exploration activities and campaigns (excluding drilling) undertaken by MGM prior to 2020 are summarized below:

- **2011 MAG Survey:** MGM partnered with Vior to conduct a helicopter-supported magnetic survey over the project's resource area and extending up to nine kilometers beyond it. The survey, which consisted of 1,968 line-km, identified a prominent, moderately to strongly magnetic ESE-trending domain closely associated with the Douay resource area, but also including north-south trends crossing the central part of the Douay resource area.
- **2011 IP Survey:** The IP survey was conducted on the northern half of the Porphyry Zone target area, as well as the Douay West, Nika and Northwest target areas. Apart from further delineating some of the previously known areas of mineralization at these sites, the IP survey also identified additional chargeable zones.
- **2013 IP Survey:** The 2013 IP survey covered the Porphyry and Northwest target zones and identified weak chargeability anomalies that MGM concluded may have been

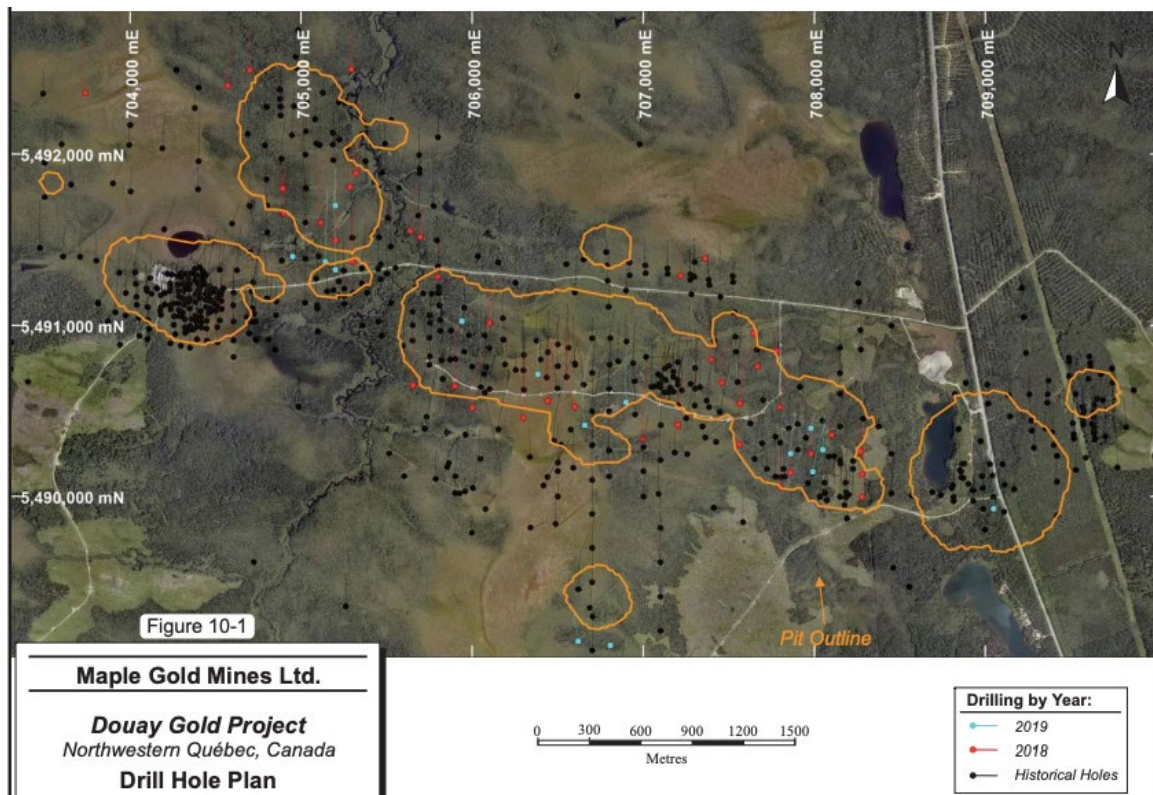
caused by the significant overburden cover in the surveyed area that had a significant shielding effect.

- **2017 Geochemistry Study:** To determine the potential correlations between major and trace elements and potential gold mineralization, MGM conducted a preliminary geochemical interpretation using whole rock samples and XRF data from pre-2018 drilling.
- **2018 Mapping and Grab Sampling:** MGM performed the program over the western third of the property, collecting a total of 336 samples and taking a total of 211 structural measurements. Key observations from the program includes generally low sulphide content, weak gold anomalies (maximum of 96 ppb Au) found in two areas associated with anomalous copper presence (>150 ppm Cu), and zinc anomalies of greater than 150 ppm Zn were found to generally coincide with copper and sulphur anomalies. These findings formed large targets for further follow up.
- **2015-2018 Drill Re-Logging and Sampling:** To improve the working geological model of the Douay Property, MGM initiated a drill core re-logging program using data from 40 years of drilling. This study clearly outlined the geochemical characteristics of the alkaline intrusive system as well as pathfinders associated with gold mineralization.
- **2019 Winter IP Program:** Covering the eastern extension of the Douay resource as well as an exploration target several kilometers to the northeast, the IP survey encountered extensive and continuous weak-to-moderate chargeability anomalies, including what became defined as the Northeast IP target where a single historical hole on the edge of the new geophysical anomaly had hit anomalous Au over significant widths.
- **2018-2019 3D Modelling:** This work was meant to provide a framework for not only the 3D distribution of gold mineralization at different cutoffs, but also a number of other elements key to understanding the controls on this distribution, including syenitic and mixed syenitic/basaltic rocks, structure, sediments etc. First presented in early 2019, it continues to be updated and has proven to be essential for more precise drill targeting.

In addition to the above, there has been extensive drilling at the property, with 155,691 meters covering 575 diamond drill holes pre-dating MGM's own drilling. Between 2011 and 2020, MGM drilled 264 diamond drill holes covering over 101,000 meters, with most campaigns targeting relatively shallow mineralization. Much of the drilling in the period was concentrated in the Porphyry Zone, though the other major target zones were also the subject of drilling. The table below outlines summary drill statistics for 2011 through 2020, along with a map detailing the drill hole locations for the company's major campaigns in the period.

MGM Past Drill Program Statistics

Year	Drill Holes	Total Meters
2011	42	15,645
2012	36	12,751
2013	28	10,776
2014	14	1,602
2016	3	1,403
2017	52	23,040
2018	52	21,144
2019	15	6,513
2020	22	8,370
Total	264	101,184



Source: Company, Couloir Capital

The 2018 drill program undertaken by MGM comprised 52 drill holes covering 21,144 meters, with a focus on the Porphyry Zone and the Nika Zone. Key intercepts from that program included 52 meters returning 3.53 g/t Au between 441-493 meters downhole and 21 meters of 3.49 g/t Au between 365 meters and 386 meters downhole at the Porphyry Zone, and the discovery of the Nika Zone with the key discovery hole returning 50 meters of 1.77 g/t Au between 297 and 347 meters downhole.

The subsequent drilling campaign in 2019 was smaller in scale but targeted a greater number of target zones, with the Nika, Porphyry and 531 Zones being the key areas for exploration. MGM drilled 15 holes covering 6,046 meters, with the main objectives being to follow up on the higher- grade gold mineralization encountered by 2018 drilling and historical drill holes, test the better intercepts from the Nika Zone discovery at both surface and depth, and test the depth extension of the 531 Zone's mineralization. The key highlights from the 2019 drilling program include:

- 40 meters of 1.41 g/t Au from 274 meters to 314 meters downhole and 16 meters of 1.57 g/t Au from 77-93 meters downhole at the Porphyry Zone.
- No significant intercepts on new holes at Nika but deepening of the original discovery hole returned 42.5 meters of 1.75 g/t Au from 465 meters to 567.5 meters at depth.
- At the 531 Zone, significant returns included 51 meters of 2.81 g/t Au between 378-429 meters downhole and 28 meters of 2.55 g/t Au from 302-330 meters downhole. Combined, both intercepts from this hole (DO-19-262) were among the top five intercepts ever encountered at the property up to that point.

Off the back of the 2019 drill campaign, MGM commissioned an independent Technical Report that analysed exploration data and provided an updated mineral resource estimation, which is provided below.

MGM 2019 Resource Estimate			
Resource Category	Tonnes (Mt)	Grade (g/t Au)	Contained Metal (koz Au)
Pit Constrained Mineral Resources			
Indicated	8.6	1.52	422
Inferred	65.8	0.97	2,045
Underground Mineral Resources			
Inferred	5.4	1.75	307
Total Mineral Resources			
Indicated	8.6	1.52	422
Inferred	71.2	1.03	2,352

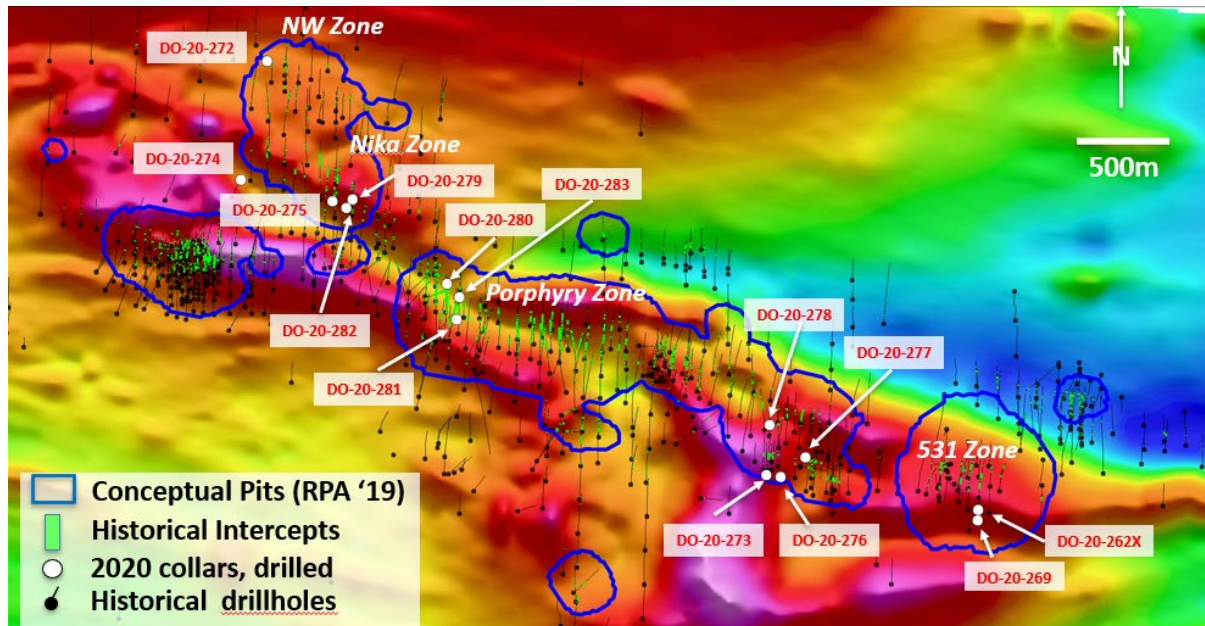
Source: Company

Since the most recent resource estimation, MGM has been actively engaged in exploration campaigns to further confirm Douay's gold potential. In the first half of 2020, MGM completed a 4,370-meter drill campaign, drilling 14 holes with 11 returning gold grades higher than the current deposit average. The key highlights from the program include:

- **Porphyry Zone:** Drill hole DO-20-281 intercepted 75 meters of 1.23 g/t Au, including 31 meters of 1.61 g/t Au, and DO-20-283 intercepted 17 meters of 1.91 g/t Au and 7 meters of 1.06 g/t Au. These intercepts were from the western part of the Porphyry zone, which includes the largest block of indicated resources outside of the Douay West Zone. Based on the strong results, MGM believes it can leverage further exploration in this area to add near-surface, higher-grade ounces and upgrade the resource category in the area.
- **Northwest Zone:** MGM drilled only a single hole at the Northwest Zone, which was drilled to test the western continuity of a near-surface historical intercept. Results were superior to those of the historical hole, with key intercepts including 3.4 meters of 3.60 g/t Au from 39.6 meters downhole and 20 meters of 1.15 g/t Au from 50 meters downhole. These drill results were significant as they demonstrated the potential for expanded near-surface, higher-grade resources in the target zone, and also highlighted the potential for similar mineralization along relatively less drilled areas both to the west and east.
- **531 Zone:** DO-20-262X (hole extension) confirmed the presence of an additional higher-grade structure in the zone by returning 3.5 meters of 5.96 g/t Au, including 1.7 meters of 11.35 g/t Au. The 531 zone appears geologically similar to the Douay West Zone (which is considered higher-grade) and geophysical surveys completed earlier in the year at the 531 Zone supports MGM's interpretation that the zone is open laterally and to depth with regards to mineralization.
- **Nika Zone and Southeastern Porphyry Zone:** Final assay results included several lower-grade assays consisting of moderate intervals of 0.5 g/t Au. This included a drill hole that intercepted 10.5 meters of 0.52 g/t Au followed by 14 meters of 0.54 g/t Au,

including 3 meters of 1.20 g/t Au. Two additional higher-grade intercepts were cut including 6.7 meters of 1.07 g/t Au and 3.8 meters of 1.49 g/t Au. These intercepts were considered inferior to those from the other zones.

MGM Winter 2020 Drill Holes



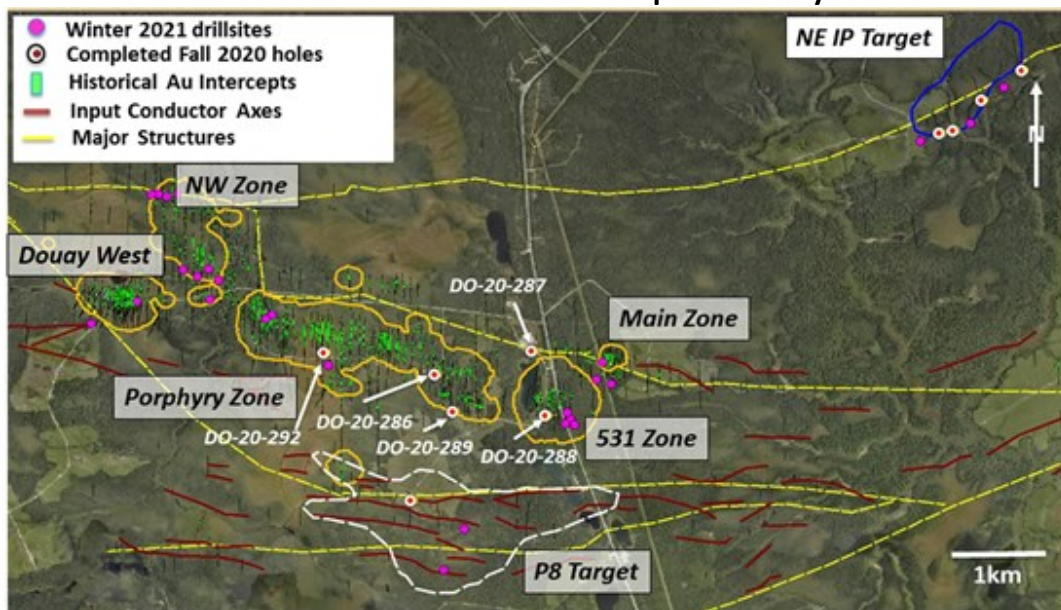
Source: Company

In October 2020, MGM began its fall exploration program, which was planned to cover 3,000 meters of drilling at key targets defined in 2019-2020 IP work. This was later expanded to a 10-hole program over 4,000 meters ending in early January 2021, at which time the winter drill program, which is still ongoing, commenced. The key highlights of the 2020 fall program are summarized below:

- **P8 Target:** 2020 IP surveys defined a new target area prospective for gold mineralization, which MGM subsequently included into its drilling campaign. The P8 Target Zone covers a 2.3 km² area that starts approximately 700 meters south of the well mineralized Porphyry Zone and partially overlaps one of the broadest EM conductors identified from airborne EM survey work done in 2016. Historical drilling in proximity to P8 is limited.
- **IP Survey:** The company commenced one of the largest IP surveys on the project area, consisting of approximately 117 line km over three grids, including a 15km² area along the northern flank of the Douay resource area. The latter is considered an important shear zone that may be the source for the highest gold-in-till anomaly currently identified on the property.
- **Fall Drilling:** MGM drilled ten holes, with four drilled at a prospective target zone identified by previous IP surveys located approximately 4km northeast of the main target zone cluster, one at the newly discovered P8 Target Zone, and five holes drilled around the main resource contribution zones at Douay – the Porphyry Zone, 531 Zone and Main Zone. With the five holes around Douay's main resource zones, one was a step-out hole at the Main Zone, another was an infill hole at the 531 Zone, and the other three were infill holes at Porphyry.

- Initial Results from Drilling:** MGM has reported assay results from seven of the holes drilled as part of the Fall 2020 program. The first two holes reported were those drilled at the Northeast IP Target. Drill hole DO-20-285 hit multiple gold intercepts including 2.52 g/t Au over 1 meter and 1.29 g/t Au over 0.8 meters, along with significant silver (up to 68.2 g/t Ag) and anomalous arsenic, copper (up to 0.19% Cu), antimony, and tellurium. DO-20-284 encountered several narrow zones of gold between 0.1 and 0.8 g/t Au from 68 to 278 meters downhole, along with significant silver (up to 43.7 g/t Ag) and anomalous arsenic, copper (up to 0.15% Cu), antimony, and zinc (up to 0.65% Zn). Whilst the first results out may not be as strong as some of MGM's previously reported intercepts, it indicates the presence of a new sulphide-rich hydrothermal system in fairly close proximity to the identified resources at Douay, offering near-term resource expansion opportunities.
- Drill Hole Results for Main Zone, 531 Zone and Porphyry Zone:** On March 29, 2021, MGM followed up with the key assays from the holes drilled at the Main, 531 and Porphyry Zones. Hole DO-20-288 drilled at the 531 Zone was a key hole, with highlighted values of 6.95 g/t Au over 1.2 meters from 334 meters of depth, 5.1 g/t Au over 2 meters from 459 meters of depth (including 9.87 g/t Au over 1 meter), and 3.34 g/t Au over 3 meters from 465 meters of depth (including 8.98 g/t Au over 1 meter). Other results are outlined in the table below.

MGM Fall 2020 Drill Holes & Reported Assays



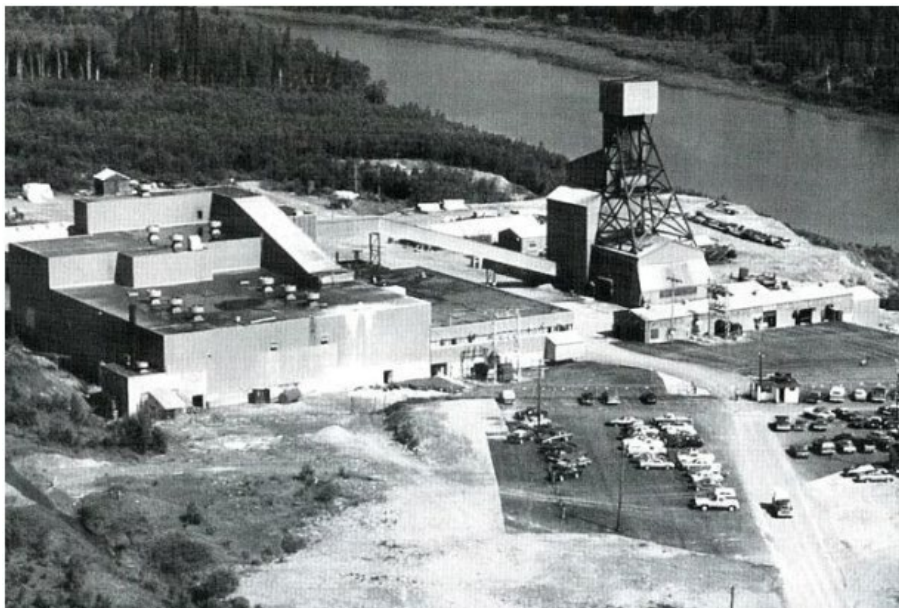
Hole	Zone	UTME	UTMN	Azimuth	Plunge	Length (m)	From	To	Interval	Au g/t
DO-20-286	Porphyry Zone E	707716	5490398	30	-46.5	247	125.5	128.2	2.7	0.94
including							125.5	127.5	2.0	1.17
DO-20-286							166.5	167.5	1.0	3.08
DO-20-286							179.2	207.4	28.2	0.50
including							180.0	185.0	5.0	0.90
including							180.0	181.0	1.0	1.11
including							184.0	185.0	1.0	1.43
including							202.0	203.0	1.0	1.63
DO-20-287	Main Zone x	708750	5490675	20	-55	351	225.0	226.0	1.0	0.46
DO-20-287							238.0	240.0	2.0	0.56
DO-20-288	531 Zone	708900	5489980	360	-59.5	501	334.0	335.2	1.2	6.95
including							334.0	334.8	0.8	7.84
DO-20-288							388.0	390.0	2.0	2.02
including							388.5	389.3	0.8	4.76
DO-20-288							459.0	461.0	2.0	5.10
including							460.0	461.0	1.0	9.87
DO-20-288							465.0	468.0	3.0	3.34
including							467.0	468.0	1.0	8.98
DO-20-289	Porphyry Zone E	707900	5490026	358	-52	576	321.0	323.6	2.6	0.48
DO-20-292	Porphyry Zone W	706510	5490645	360	-55	537	198.0	201.0	3.0	0.80
including							200.0	201.0	1.0	1.41
DO-20-292							209.0	210.0	1.0	1.70
DO-20-292							309.0	313.0	4.0	0.77
DO-20-292							331.0	342.0	11.0	0.60
including							336.0	342.0	6.0	0.84
including							337.0	338.0	1.0	2.79
including							340.0	341.0	1.0	1.04
DO-20-292							353.0	356.0	3.0	0.53
DO-20-292							409.0	411.5	2.5	0.94

Source: Company

The Joutel Gold Project

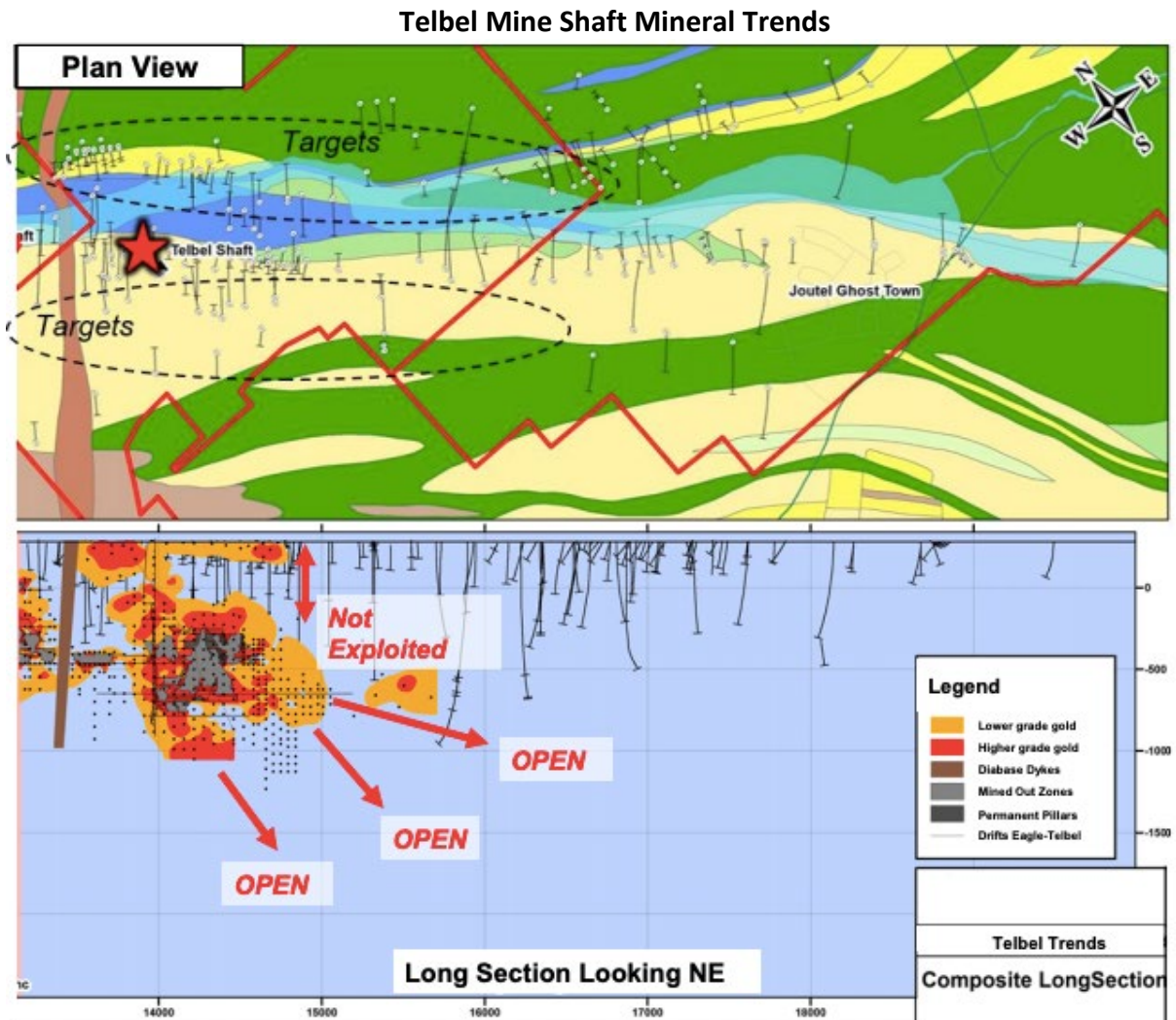
In addition to providing up to \$18.25 million in exploration-linked funding, AEM's other contribution to the JV with MGM is the Joutel Gold Project, a 3,900-hectare land package adjacent to Douay (on the southern side) that hosts AEM's past-producing, high-grade Telbel Gold Mine. The Telbel gold mine area, which last produced between 1974 and 1993, has not been drilled since 2012. This is despite the fact that the previous drilling has left significant gaps, which MGM believes could be further explored for near-surface and higher-grade mineralization.

The Former Telbel Gold Mine



Source: Company

Of particular interest when considering this type of mineralization is the area surrounding the old Telbel Mine shaft, which may be low hanging fruit. Considering that cut-off grades at the time of about 6 g/t Au were far higher than today's average, potential mineral resources at Telbel may be feasibly extractable at current precious metal prices. Apart from near-surface mineral potential at the Telbel Mine shaft, MGM also believes that higher grades could be open at depth as shown in the figure below.



Source: Company

Given past production of 6.2 million tonnes grading 6.5 g/t Au (for total gold ounces of 1.15 million) during the Telbel district's lifetime, as well as widely-spaced drilling in several areas of interest to the east of the mine workings, there is reason to believe that the property could still be prospective for gold mineralization. As mentioned earlier, the significantly more accommodative gold prices of today could make the Telbel deposit more feasible as a future mining operation. Cut-off grades would likely be lower relative to those used previously, and that would bring up incremental ounces that were previously not considered during the mine's operation. Apart from this, there is the potential for MGM and AEM to explore the property extensively to upgrade previously identified resources and to discover new mineralized zones.

Because of its mineral potential, there is reason to believe that Joutel could be a source of significant near-term catalysts for MGM. At this time, the JV has planned to begin its exploration efforts at Joutel with the digitization of data from approximately 500 surface and 6,500 underground holes to build a 3D model for additional exploration targeting. The JV has also carried out IP surveys over both Douay and Joutel, with results pending, which can further define anomalies for future drilling. We believe both of these activities will serve as a foundation for future exploration campaigns that could be bigger drivers of value, implying a fairly healthy pipeline of organic growth catalysts for MGM.

Upcoming Catalysts

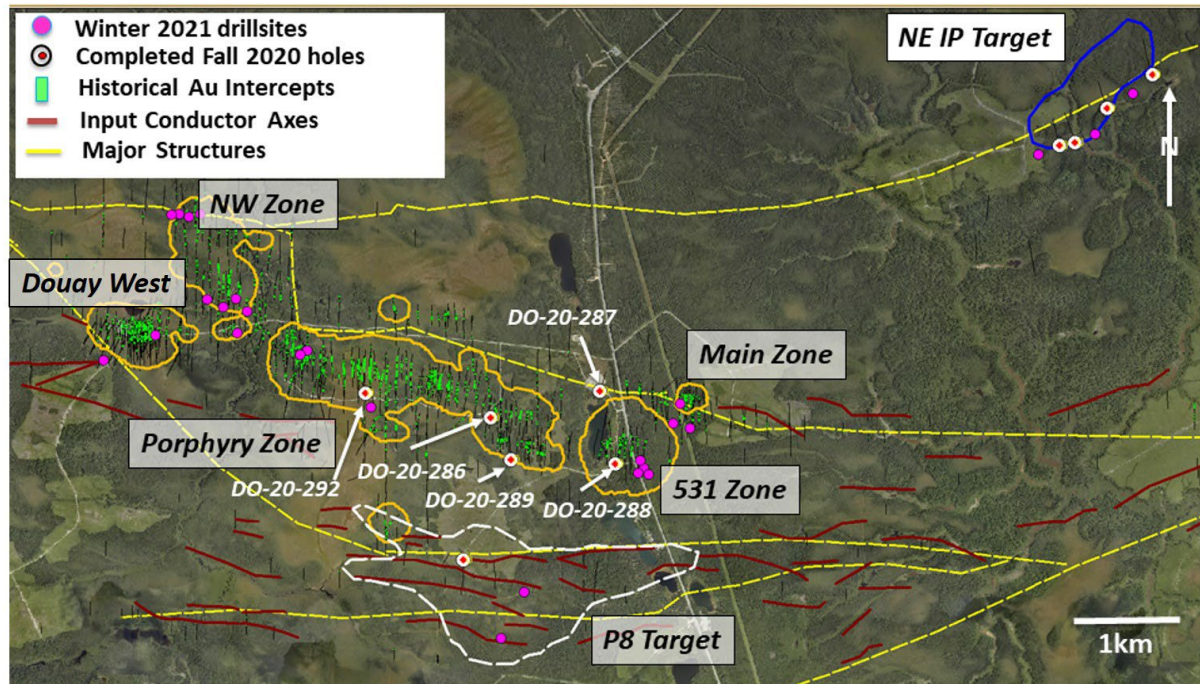
We believe the most compelling short-term catalyst for MGM will be the results from the major digitization and data compilation work underway at the Joutel project. Since the camp was mined back when gold prices were considerably lower and with no major work having been carried out since the early 1990s, we hazard to guess that there was a substantial amount of higher-grade material left behind. We will get a sense of that when the company publishes results from the work, which MGM expects will come within the first half of 2021. If results indicate that significant higher-grade resources remain at this historical mining camp, we can expect to see upcoming drill campaigns on the project as early as Q4/2021 and a NI43-101 compliant resource to be produced in the not-too-distant future.

At the Douay project, we expect potential near-term value drivers for MGM to include final assay results from the remaining three holes drilled at regional targets at the Fall 2020 drilling campaign as well as results from the winter 2021 drill campaign that the company is undertaking with its JV partner AEM. MGM expects that the remainder of the fall program assay results along with initial results from the winter program should come within the first half of 2021.

For the Douay winter 2021 drill campaign, MGM - the project's operator - had planned to drill approximately 10,000 meters, with guidance on the number of drill holes being between 20 and 30 holes previously. However, MGM has since advised that the program will likely be closer to 9,000 meters over approximately 20 holes due to unseasonably warm weather conditions. Over 7,600 metres have already been completed in the program to date.

The main objective of the 2021 winter drill campaign at Douay program is to leverage AEM's funding and technical expertise to quickly advance exploration and upgrade the current resource base at Douay. To this end, the company has mobilized two drill rigs for the program which consists of a mix of step-out (50%) and infill drilling (20%) in the most defined resource areas, as well as exploratory drilling (30%) in newer discoveries like the P8 Zone and the Northeast IP target.

Fall 2020 Drill Holes and Winter 2021 Planned Drill Holes



Source: Company

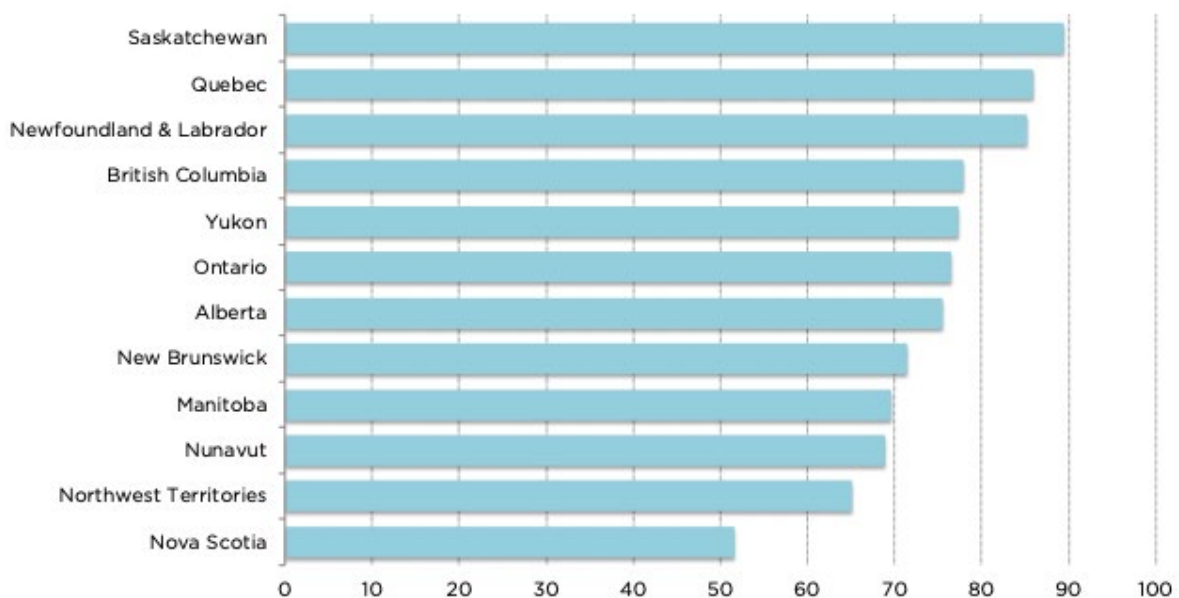
Because the scale of the winter 2021 drilling program is larger than that of the fall 2020 drilling program and includes more drilling in and around the known resource area, we expect the pipeline of potentially significant intercepts to be much larger, which could in turn have a major catalytic effect on MGM. We believe the momentum of the potential catalytic effect will be amplified depending on the volume, grading and distribution of any positive intercepts. Whilst having multiple intercepts returning strong gold / poly-metallic grades are a clear positive for MGM, a broad distribution of strong intercepts across Douay would point to a larger-scale gold system than is currently recognized by the most recent technical work on the property. Given that the company wants to develop the property into a district-scale gold asset, further mineral expansion initiatives (with drilling at the forefront) are going to be a primary focus for MGM.

To this end, the JV with AEM will be a major driver for the company, as AEM's exploration funding obligations are likely to support multiple drilling campaigns in the next four years. We expect that with increased drilling meterage, the company is likely to maximize its resource upgrade opportunities, which in turn can have a material impact on its asset base and intrinsic valuation. Because these asset base growth opportunities are being shouldered by another party, we see significant valuation leverage for MGM in the near-term. We expect the accumulation of drilling meterage to eventually lead to a resource upgrade event, and management has signalled a potential resource statement update for the second half of 2021. Given that the mineral assets of MGM are the biggest driver of its valuation (in our opinion), we expect material catalysts in the latter half of 2021 as well, following the fall 2020 drill results and winter 2021 drill program completion.

Industry Outlook

Quebec has consistently been recognized as a globally attractive mining jurisdiction from a project investment perspective. In the Fraser Institute's most recent annual mining survey, Quebec ranked 6th out of 77 surveyed mining jurisdictions for the institute's 2020 investment attractiveness index. In addition, the province ranked in the top half of all North American Jurisdictions surveyed and has consistently been in the top half of surveyed jurisdictions since at least 2016. Though Quebec has typically had a stable investment attractiveness index scoring through time, its 2019 score reflected a relatively large drop in its ranking compared to previous years, which reflected significantly increased concerns around environmental regulations, regulation interpretation and enforcement, and socioeconomic obligations. As a focal point, the biggest question mark was around the province's uranium moratorium, with the potential ban on uranium-related mining activity dragging on province-wide mining investment attractiveness. However, in 2020, the survey found miners expressed decreased concern over regulatory administration and enforcement, environmental regulations, and socioeconomic agreements. In addition, half of survey respondents reported the acquisition of necessary exploration permitting within two months – implying speed of process within the province.

Ranking of Canadian Mining Jurisdictions by Investment Attractiveness



Source: Fraser Institute

Regardless of some of the regulatory challenges outlined, Quebec has consistently been one of the major centres of mineral investment in Canada, with the province being top two for

mineral resource development investments between 2017 and 2020.

Province / Territory	2017					2018				
	Exploration plus Deposit Appraisal ^a	Mine Complex Development	Exploration, Deposit Appraisal and Mine Complex Development		Grand Total	Exploration plus Deposit Appraisal ^a	Mine Complex Development	Exploration, Deposit Appraisal and Mine Complex Development		Grand Total
	General Work ³		Capital Assets ⁴	Repair and Maintenance ⁵		General Work ³		Capital Assets ⁴	Repair and Maintenance ⁵	
	(\$ millions)									
Newfoundland and Labrador	41.5	53.4	367.6	163.5	626.0	47.1	46.4	503.7	418.8	1,016.1
Nova Scotia	18.2	11.4	180.5	20.3	230.4	40.4	11.8	82.6	23.3	158.0
New Brunswick	15.8	10.3	6.4	4.2	36.8	25.6	18.6	2.5	17.8	64.4
Quebec	573.9	741.2	1,011.3	718.7	3,045.1	564.8	926.2	1,032.7	732.6	3,256.2
Ontario	539.7	653.5	1,305.7	628.7	3,127.5	591.4	807.5	1,375.9	671.2	3,446.1
Manitoba	41.1	100.4	74.2	74.8	290.5	49.7	108.2	69.1	83.4	310.4
Saskatchewan	191.2	525.2	1,184.1	442.3	2,342.8	261.9	479.5	758.2	424.6	1,924.1
Alberta	24.6	20.0	99.5	70.0	214.1	26.6	58.9	386.4	101.0	572.9
British Columbia	302.6	136.4	823.0	725.9	1,987.9	427.9	87.3	843.4	780.3	2,138.8
Yukon	168.7	20.8	26.4	0.2	216.1	182.3	2.1	392.4	7.5	584.3
Northwest Territories	91.2	85.4	257.3	1.2	435.1	112.0	87.0	210.5	58.2	467.6
Nunavut	177.0	238.4	495.4	103.2	1,014.0	155.6	313.3	1,011.3	187.3	1,667.5
Canada	2,185.5	2,596.7	5,831.4	2,952.8	13,566.5	2,485.2	2,946.7	6,668.5	3,506.0	15,606.4

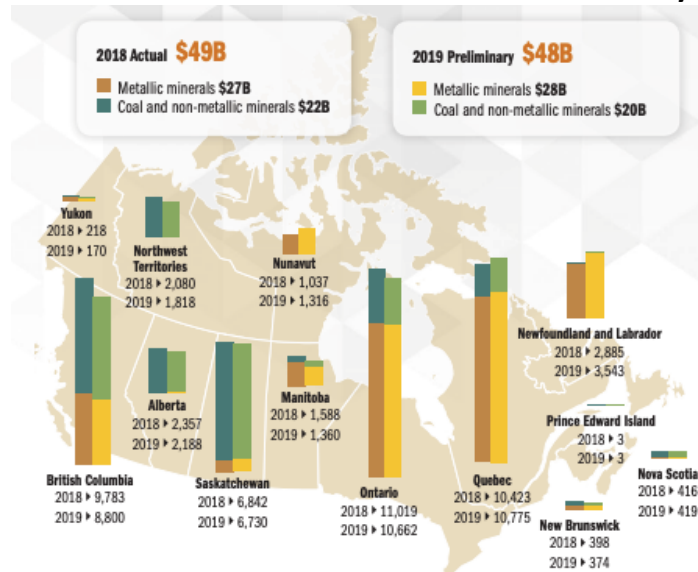
Province / Territory	2019					2020 ¹				
	Exploration plus Deposit Appraisal ^a	Mine Complex Development	Exploration, Deposit Appraisal and Mine Complex Development		Grand Total	Exploration plus Deposit Appraisal ^a	Mine Complex Development	Exploration, Deposit Appraisal and Mine Complex Development		Grand Total
	General Work ³		Capital Assets ⁴	Repair and Maintenance ⁵		General Work ³		Capital Assets ⁴	Repair and Maintenance ⁵	
	(\$ millions)									
Newfoundland and Labrador	50.3	129.7	761.6	254.2	1,195.7	61.2	117.8	651.6	254.2	1,084.9
Nova Scotia	37.9	21.3	43.1	39.7	142.0	36.8	25.3	53.2	39.7	154.9
New Brunswick	12.7	12.0	6.2	9.5	40.4	6.9	1.8	5.9	9.5	24.0
Quebec	503.2	755.0	1,039.6	680.2	2,978.0	588.9	792.4	845.7	680.2	2,907.2
Ontario	523.2	820.0	1,411.4	850.0	3,604.8	561.7	480.0	1,498.6	850.0	3,390.3
Manitoba	77.5	149.2	43.2	87.3	357.2	62.5	89.2	105.2	87.3	344.2
Saskatchewan	277.5	566.6	1,637.3	428.3	2,909.6	231.0	636.8	1,297.1	428.3	2,593.2
Alberta	53.2	24.7	286.5	132.3	496.8	55.5	11.2	103.4	132.3	302.5
British Columbia	388.7	75.8	982.7	844.0	2,291.2	355.4	85.0	961.0	844.0	2,245.4
Yukon	166.2	16.1	203.6	12.0	398.0	76.9	9.1	37.7	12.0	135.7
Northwest Territories	79.8	40.1	175.9	194.8	490.6	36.6	40.0	84.1	194.8	355.5
Nunavut	116.4	434.1	742.7	192.1	1,485.3	68.0	543.1	292.6	192.1	1,095.8
Canada	2,286.5	3,044.8	7,333.9	3,724.4	16,389.6	2,141.2	2,831.7	5,936.2	3,724.4	14,633.5

Canada's Mineral Resource Development Investment, by Province

Source: Natural Resources Canada, Statistics Canada

Perhaps as a result of the strong history of mining investment, Quebec has a major mineral exploration and production footprint that covers precious, industrial and energy minerals. In 2019, Quebec produced aggregate minerals of \$10.78 billion. The national mineral resource production of Canada in 2019 was estimated at \$48 billion, demonstrating substantial contribution from Quebec alone. In terms of mineral production by value, Canada saw a contribution of \$3.52 billion in gold production from Quebec during the year. The gold production value reflects unit production of 59,938 kg of gold from the province.

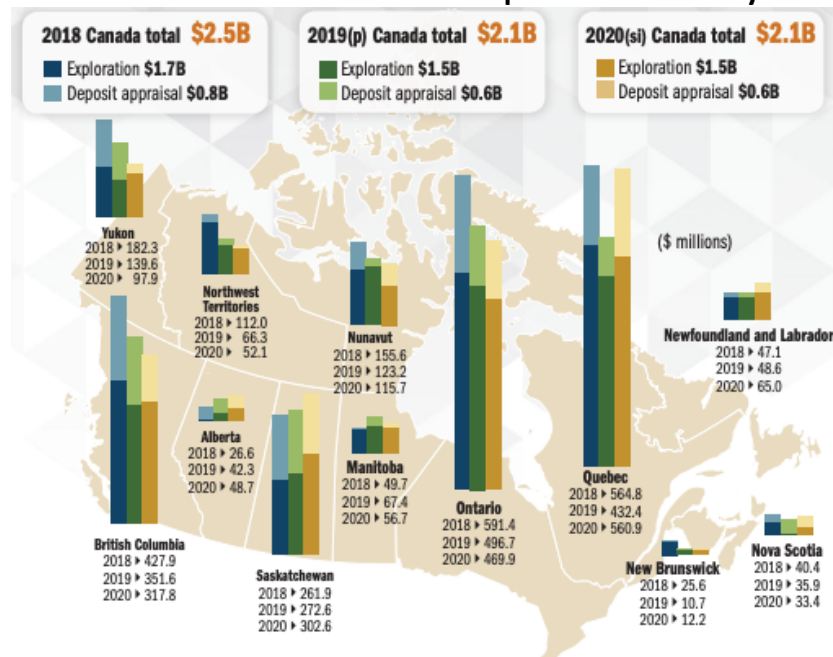
Canada's Provincial Mineral Production Summary



Source: Natural Resources Canada, Statistics Canada

On the exploration front, Quebec exhibits significant mineral exploration expenditures, with the province being in the top two provinces by ranking. When looking at Quebec, Ontario and British Columbia, the three provinces accounted for almost two thirds of all mineral exploration expenditures in Canada in 2020. Similar to the production profile we earlier outlined, a large portion of exploration expenditure in Quebec is aimed at precious metals. In 2019, Quebec reported \$353.6 million in precious metals exploration.

Canada's Provincial Mineral Exploration Summary



Source: Natural Resources Canada, Statistics Canada

As a reflection of the strong mineral exploration investment in Quebec, the province also features significant drilling activity. We believe the strong drilling activity in Quebec reflects a healthy mineral development regime, and points to the mining potential of it as a jurisdiction.

Provincial Contract Drilling Operations, 2018

Contract drilling operations (except oil and gas extraction), 2018

Provinces and territories ¹					
Province or Territory	Metres Drilled		Income From Drilling \$000	Average Number of Employees	Total Salaries and Wages Paid \$000
	Surface	Underground			
Maritime provinces	119,307	75,638	21,434,416	216	8,461,452
Quebec	1,383,694	1,021,893	209,515,212	1,080	78,330,705
Ontario	1,204,982	1,109,937	235,554,615	1,421	96,685,942
Prairie provinces	475,385	161,324	100,227,985	912	42,530,035
British Columbia	615,029	79,523	110,881,472	697	44,044,386
Yukon, Nunavut and Northwest Territories	467,875	41,527	86,683,254	577	33,794,607
Total	4,266,272	2,489,842	764,296,954	4,903	303,847,127

Source: Natural Resources Canada, Statistics Canada

Management Overview

Management and directors own a total of 0.79% of outstanding shares. While this figure appears small, this is due to the fact that the entire board and management team transitioned in late 2017, with insiders buying all of their shares by way of private placements (with no warrants) and open market purchases like all other investors. We see insider shareholding as a positive indicator, as it implies that management and the board are likely to be aligned with investors in their interests and motivations. Generally speaking, insider share ownership above 10% is seen as relatively high. The table below outlines insider and strategic shareholding:

Management Shareholding and Strategic Investors

Name	Position	Shares	% of Total
Matthew Honor	CEO & Director	1,222,300	0.38%
Gregg Orr	CFO	200,000	0.06%
Sean Charland	Chairman	559,750	0.17%
Maurice Tagami	Director	487,500	0.15%
Gerald Riverin	Director		0.00%
Michelle Roth	Director	70,000	0.02%
			0.79%
Major Investors		Shares	% of Total
Agnico Eagle Mines Ltd.		38,992,415	12.14%
		-	12.14%
Total		-	12.94%

Source: SEDI, Couloir Capital

The biographies of key management individuals (as provided by the company) are outlined below.

Matthew Hornor – CEO, President & Director

Mr. Hornor is an executive leader with a proven track record in legal, financial and business development arenas. He has extensive expertise in structuring and negotiating complex strategic partnerships and raising capital within the Ivanhoe group of companies for over 10 years. Mr. Hornor previously served as Managing Director for Ivanhoe Capital Corporation and Vice President and then Executive Vice President for Ivanhoe Mines Ltd. for 10 years. During his time at Ivanhoe Mines Ltd., he negotiated project financings for development projects with international banking syndicates, structured strategic alliances and directly negotiated equity capital raises totalling more than \$450 million. After arranging a \$290 million strategic financing from a Japanese consortium (lead by Itochu Corporation) to fund the Platreef project's early exploration and development, Mr. Hornor sat as Chairman for Ivanplats Holding SARL (owner of the Platreef project) for over four years.

Gregg Orr – CFO

Mr. Orr is a Chartered Professional Accountant with extensive experience assisting companies in the public market place with initial public offerings, dual listings, due diligence assignments and completion of prospectus offerings. Gregg was the British Columbia Mining Leader for Deloitte for six years and worked for Deloitte, in Vancouver, New York and London, for over 23 years serving clients in public accounting, auditing and advisory. Mr. Orr was an Audit Partner for 10 years. He has extensive M&A, financing and systems integration experience. Gregg earned his Bachelor of Science (BSc) degree from the University of Leicester.

Joness Lang – Executive Vice-President

Mr. Lang is an experienced business development and capital markets professional with nearly a decade of experience in the natural resource sector. Most recently, Mr. Lang played a pivotal role as VP, Corporate Development with Riverside Resources Inc. During his six plus years with Riverside's leadership group, Mr. Lang led multiple equity financings, structured and secured joint-venture and strategic alliance partnerships and negotiated the acquisition of numerous gold and silver assets for the company's portfolio. Mr. Lang also has extensive experience overseeing and managing investor outreach and marketing programs in the mineral exploration and mining sector. Mr. Lang received his Bachelor of Commerce degree from Royal Roads University, graduating with distinction. Mr. Lang also graduated with honours from the British Columbia Institute of Technology where he received his Marketing Management Entrepreneurship diploma.

Kiran Patankar - SVP, Growth Strategy

Mr. Patankar brings a diverse set of technical and strategic leadership skills including mergers and acquisitions, capital raising, mining project evaluation and optimization, contracts negotiation, stakeholder engagement and corporate governance. He was previously President, CEO and a Director of two TSX-V listed gold exploration and development companies, where he led growth initiatives and orchestrated successful company turnarounds. From 2007-2014, Mr. Patankar was an investment banker at Macquarie Capital Markets Canada Ltd. and Mackie Research Capital Corp., where he advised a range of public and private companies on strategic corporate matters, including internal and external growth projects as well as M&A and equity financing transactions totaling more than \$3 billion. Mr. Patankar holds a Bachelor of Science in Geological Engineering from the Colorado School of Mines and an MBA from the Yale School of Management.

Friedrich Speidel – VP Exploration

Mr. Speidel has over 30 years exploration experience in North, Central and South America, and has been involved in discoveries in each region. From 1987 to 1992, Fred explored for gold in Ontario and Quebec, mostly with Minnova, and was involved in the Boyvinet and Troilus discoveries, the latter of which became a mine. From 1993 to 2013, he continued to work with the same group in Central and South America, which eventually became Inmet Mining (now First Quantum), mostly as Regional Exploration Manager for Central and South America. During that period he was involved in several gold and copper discoveries, including Cobre Panama which is currently under construction. From 2013 to 2015, Fred served as Antofagasta Minerals' Regional Exploration manager for North America, and since then he has been working on several exploration projects as a consultant in Canada and Mexico. Mr. Speidel holds a B.Sc. (Hons) in Geology from McGill University, and a M.Sc. (Mineral Exploration) from Queen's University.

Rona Sellers -VP, Compliance and Corporate Secretary

Ms. Sellers is an innovative leader with an entrepreneurial spirit, who provides effective and practical solutions to a public company's continuous disclosure requirements. Prior to joining Maple Gold, Ms. Sellers served as Corporate Secretary of Cordoba Minerals Corp. and Corporate Secretary and Ethics and Compliance officer of Kaizen Discovery Inc. Ms. Sellers holds a Bachelor of Arts degree in Political Science from Simon Fraser University and a Bachelor of Laws (Hons) from City University London.

Sean Charland –Chairman

Mr. Charland is a seasoned communications professional with experience in raising capital and marketing resource exploration companies. He has helped raise a significant amount of capital for a variety of venture listed and private companies in mineral exploration and mining, technological and health sectors with the majority of the focus on mineral exploration and mining. His large network of contacts within the financial community extends across North America and Europe. Mr. Charland is currently a Director of Zimtu Capital Corp. - a publicly held investment issuer and company builder focused on private and small-cap resource companies. He is also a Director of Eyecarrot Innovations Corp. and Arctic Star Exploration Corp.

Maurice Tagami – Independent Director

Mr. Tagami has served as the Vice President, Mining Operations for Wheaton Precious Metals Corp. since July, 2012. He is a Metallurgical Engineer from the University of British Columbia with 35 years of experience. He is responsible for maintaining partnerships with 21 operating mines and 8 development projects from which Wheaton Precious Metals Corp. has silver and/or gold streaming agreements. Prior to July 2012, Mr. Tagami was President & CEO and Director of Keegan Resources Inc.

Gérald Riverin – Independent Director

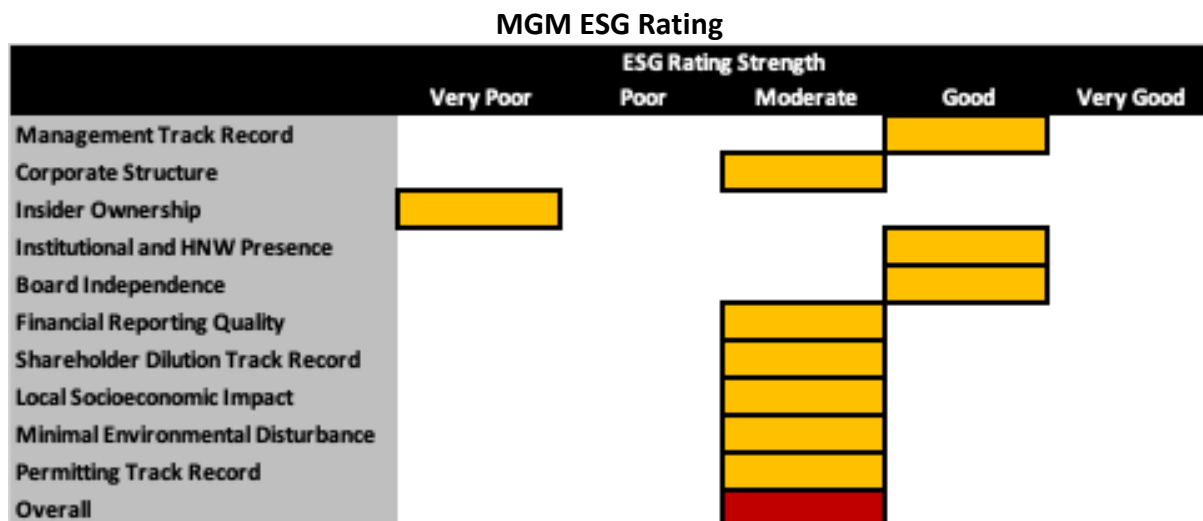
Dr. Gérald Riverin obtained his Ph.D. from Queen's University in 1977. He has been involved with the discovery and development of several properties including Inmet's Troilus open pit gold-copper mine near Chibougamau. Dr. Riverin is internationally renowned as an expert on

the geology of volcanogenic massive sulphide deposits and is routinely invited as a speaker and lecturer on various aspects of the geology of volcanogenic massive sulphide deposits, and on exploration technology. He has served as Executive Director of Exploration (North America) for Inmet Mining Corporation, President and CEO of Cogitore, President of Yorbeau and also as President of the Association de l'Exploration Minière du Québec. All three companies were active in the greater Douay area. Dr. Riverin is also a Prospector of the Year award winner (QMEA).

Michelle Roth – Independent Director

Ms. Roth is an entrepreneur and business leader who founded Roth Investor Relations in 1987. She successfully expanded this global consulting business through multiple investment cycles by formulating comprehensive shareholder engagement solutions for a worldwide client base. Mining clients have operated mines or explored in North America, Australia, Africa, Europe and South America for gold, silver, platinum, copper, nickel, and diamonds. She also acts as a strategic advisor to Nova Royalty and to a privately held cell tower infrastructure/ IT managed services company, where she has advised on growth opportunities during the pandemic. In the public sector, Ms. Roth served as Mayor, Deputy Mayor and Planning Board Chairperson of Manalapan Township, New Jersey. She has also held appointed positions on other governmental boards. During her service, she gained experience with budgeting, succession planning, union negotiations, public/private partnerships and the setting and implementing of land use policy. Ms. Roth earned her MBA in Finance from Fordham University.

In addition to our review of the company's management and directorship, the below table outlines our ESG rating parameters for MGM. Note that this is a largely qualitative rating measure based on publicly available information – it may not fully reflect the company's true governance strength. Particularly strong governance ratings can positively impact our corporate valuations, whilst weak ratings call for a discount in our framework.



Source: Couloir Capital

Financials Overview

At the end of 2020, the company had cash and working capital of \$20.01 million and \$18.82 million, respectively. The company's current ratio of 9.68x implies the ability of current assets to sufficiently cover current liabilities, implying a strong liquidity position at the end of December 2020. Monthly cash burn (negative free cash flow) for 2020 was \$0.29 million, higher than the comparative period in 2019, which we attribute to increased professional fees associated with financings and the joint venture negotiations with AEM and increased exploration activities. The company has no formal debt. The following table summarizes the company's liquidity position:

Key Financial Data (FYE - Dec 31)				
(C\$)		2019		2020
Cash	\$	4,102,551	\$	20,014,801
Working Capital	\$	2,994,677	\$	18,816,887
Current Ratio		2.31		9.68
Debt	\$	-	\$	-
Monthly Cash Burn	\$	(160,519)	\$	(294,130)
Cash from Financing Activities	\$	3,242,436	\$	19,441,813

Source: Company, Couloir Capital

The following table outlines the company's outstanding options and warrants.

Options	Strike	Exercise Value
300,000	\$ 0.24	\$ 72,000
780,000	\$ 0.25	\$ 195,000
200,000	\$ 0.40	\$ 80,000
3,300,000	\$ 0.30	\$ 990,000
600,000	\$ 0.30	\$ 180,000
325,000	\$ 0.30	\$ 97,500
250,000	\$ 0.24	\$ 60,000
300,000	\$ 0.30	\$ 90,000
4,908,400	\$ 0.16	\$ 785,344
9,941,700	\$ 0.10	\$ 994,170
300,000	\$ 0.10	\$ 30,000
525,000	\$ 0.24	\$ 126,000
750,000	\$ 0.20	\$ 150,000
250,000	\$ 0.23	\$ 57,500
400,000	\$ 0.33	\$ 130,000
600,000	\$ 0.39	\$ 231,000
Warrants	Strike	Exercise Value
31,033,150	\$ 0.40	\$ 12,413,260
25,838,821	\$ 0.34	\$ 8,785,199

Source: Company, Couloir Capital

The company currently has 23.73 million options (weighted average exercise price of \$0.18 per share), and 56.87 million warrants (weighted average exercise price of \$0.37 per share)

outstanding. It is worth noting that there are two main warrant blocks: 31 million warrants are tradeable with a strike price of \$0.40 and 25.8 million warrants are held by AEM at a strike price of \$0.34. At this time, 18.01 million options and none of the warrants are in-the-money. Should the options be exercised, MGM will be able to raise \$2.47 million. Should the warrants be exercised, MGM will be able to raise \$21.2 million.

The Company also granted 550,000 Deferred Share Units and 3,175,000 Restricted Share Units to its Directors, Officer and employees on March 4, 2021.

Revenue and EPS Forecasts

At current, MGM is in the exploration stage and is many years away from commercial production. As a result, we will not be providing near-term revenue and EPS forecasts.

Net Asset Valuation Model

As the company has yet to achieve the Preliminary Economic Assessment (“PEA”) milestone, which provides the initial projections around potential production scheduling and forecasted cost structure, we will be unable to provide valuation based on a NAV model.

Comparables Valuation

As our sole source of valuation, we consider MGM’s relative valuation against other mining companies that we believe to be comparable. The table below outlines our peer group selection:

Company	Location	Stage	Net Resource (Oz)	Enterprise Value (\$)	EV/ Resource (\$/Oz)
Maple Gold Mines Ltd.	Quebec	Exploration	1,598,000	\$ 68,278,857	\$ 42.73
Cartier Resources Inc.	Quebec	Exploration	1,550,900	\$ 55,055,688	\$ 35.50
Monarch Mining Corp.	Quebec	Development	752,500	\$ 55,830,438	\$ 74.19
Probe Metals Inc.	Quebec	Exploration	2,144,500	\$ 176,244,606	\$ 82.18
O3 Mining Inc.	Ontario & Quebec	Development	3,170,000	\$ 136,139,462	\$ 42.95
Osisko Mining Inc.	Quebec	Development	3,435,000	\$ 904,087,203	\$ 263.20
BonTerra Resources Inc.	Quebec	Exploration	1,400,500	\$ 94,172,540	\$ 67.24
QMX Gold Corp.	Quebec	Exploration	542,500	\$ 110,159,046	\$ 203.06
Fury Gold Mines	Quebec, BC & Nunavut	Development	2,556,941	\$ 172,247,094	\$ 67.36
Granada Gold Mine Inc.	Quebec	Exploration	582,000	\$ 17,782,837	\$ 30.55
Average					\$ 90.90

Source: Couloir Capital, Public Disclosures

Based on the above, we believe that MGM should be trading at a valuation of \$167.74 million or \$0.49 per share on an EV/ Resource basis, implying that the company is trading at a discount to fair value. Note that we have come to the valuations by converting the implied EV to equity via the addition of cash and removal of debt.

Conclusion

After accounting for our valuation models, we have arrived at fair value per share estimate of \$0.49 per share. We are initiating coverage on MGM with a BUY rating, and expect the following catalysts to materially impact our valuation estimate:

- Pending results of digitization/data compilation work at the Joutel project, with a focus on what higher-grade mineralization may remain at the past producing Telbel mine.
- Pending results from the fall 2020 drilling campaign, with a focus on strong intercepts.
- News regarding the winter 2021 drilling campaign at Douay, which is currently underway.
- Any news regarding other exploration initiatives at either Douay or Joutel.
- Any news suggesting a delay in exploration timelines.
- Any news regarding the status of MGM's partnership AEM. Any additional partnerships or beneficial amendments to the AEM partnership will act as strong positive catalysts (in our opinion), whilst the termination of the existing partnership or deterioration in agreement terms are strong negative catalysts (in our opinion).
- Financing-related news that in any way significantly alters the company's capital structure.

Risks

The following outlines some of the key risk considerations that investors should keep in mind when evaluating MGM as an investment opportunity:

- **Poor Drilling and Exploration Results:** Results from historical exploration work and more recent work done by MGM has thus far yielded relatively positive results pointing to significant mineralization at Douay. As MGM ventures into future drilling work, poor results may imply a deterioration of the property's mineral potential, making it less valuable as an exploration asset.
- **Market Price Exposure and Impact on Execution Risk:** Sunk capital is relatively low at the exploration stage relative to further along the development cycle. However, on the flipside, MGM's exploration and development activities will be particularly sensitive to market pricing during the exploration stage given its reliance on markets for funding needs. However, the AEM partnership may insulate some of this risk in the near-term, as AEM shoulders the exploration costs at both Douay and Joutel.
- **Early Stage Explorer:** MGM's Douay property has only its updated resource statement and hectare as a basis for intrinsic valuation estimation, and the company is fairly early in the mining development cycle. Investors are exposing themselves to outsized risk and value loss if any of the above risk factors should materialize.
- **Capital Structure Deterioration Related to Ongoing Cash Burn:** There is the potential that the company's cash burn could sap liquidity to the point of the company needing to raise capital. Assuming no cash flows, there is a chance that MGM would do so via equity issuance. Depending on the price of the issuance, such issuance could be dilutive to existing shareholders.

Disclaimer

This report has been prepared by an analyst on contract with or employed by Couloir Capital Ltd. The analyst certifies that the views expressed in this report which include the rating assigned to the issuer's shares as well as the analytical substance and tone of the report accurately reflects his or her personal views about the subject securities and the issuer. No part of his / her compensation was, is, or will be directly or indirectly related to the specific recommendations.

Couloir Capital Ltd. is affiliated Couloir Capital Securities Ltd., an Exempt Market Dealer. They shall be referred to interchangeably as Couloir Capital herein. Part of Couloir Capital's business is to connect mining companies with suitable investors that qualify under available regulatory exemptions. Couloir Capital, its affiliates and their respective officers, directors, representatives, researchers and members of their families may hold positions in the companies mentioned in this document and may buy and/or sell their securities. Additionally, Couloir Capital may have provided in the past, and may provide in the future, certain advisory or corporate finance services and receive financial and other incentives from issuers as consideration for the provision of such services.

Couloir Capital has prepared this document for general information purposes only. This document should not be considered a solicitation to purchase or sell securities or a recommendation to buy or sell securities. The information provided has been derived from sources believed to be accurate but cannot be guaranteed. This document does not consider the particular investment objectives, financial situations, or needs of individual recipients and other issues (e.g. prohibitions to investments due to law, jurisdiction issues, etc.) which may exist for certain persons. Recipients should rely on their own investigations and take their own professional advice before making an investment. Couloir Capital will not treat recipients of this document as clients by virtue of having viewed this document.

Company specific disclosures, if any, are below:

- 1. In the last 12 months, Couloir Capital has been retained under a service or advisory agreement by the subject issuer.*

Investment Ratings -Recommendations

Each company within an analyst's universe, or group of companies covered, is assigned:

- 1. A recommendation or rating, usually BUY, HOLD, or SELL;*
- 2. A 12-month target price, which represents an analyst's current assessment of a company's potential stock price over the next year; and*
- 3. An overall risk rating which represents an analyst's assessment of the company's overall investment risk.*

These ratings are more fully explained below. Before acting on a recommendation, we caution you to confer with your investment advisor to determine the suitability of our recommendation for your specific investment objectives, risk tolerance and investment time horizon.

Couloir Capital's recommendation categories include the following:

Buy

The analyst believes that the security will outperform other companies in their sector on a risk adjusted basis or for the reasons stated in the research report the analyst believes that the security is deserving of a (continued) BUY rating.

Hold

The analyst believes that the security is expected to perform in line with other companies in their sector on a risk adjusted basis or for the reasons stated in the research report the analyst believes that the security is deserving of a (continued) HOLD rating.

Sell

Investors are advised to sell the security or hold alternative securities within the sector. Stocks in this category are expected to under-perform other companies on a risk adjusted basis or for the reasons stated in the research report the analyst believes that the security is deserving of a (continued) SELL rating.

Tender

The analyst is recommending that investors tender to a specific offering for the company's stock.

Research Comment

An analyst comment about an issuer event that does not include a rating.

Coverage Dropped

Couloir Capital will no longer cover the issuer. Couloir Capital will provide notice to clients whenever coverage of an issuer is discontinued. Following termination of coverage, we recommend clients seek advice from their respective Investment Advisor.

Under Review

Placing a stock Under Review does not revise the current rating or recommendation of the analyst. A stock will be placed Under Review when the relevant company has a significant material event with further information pending or to be announced. An analyst will place a stock Under Review while he/she awaits enough information to re-evaluate the company's financial situation.

The above ratings are determined by the analyst at the time of publication. On occasion, total returns may fall outside of the ranges due to market price movements and/or short-term volatility.

Overall Risk Rating

Very High Risk: Venture type companies or more established micro, small, mid or large cap companies whose risk profile parameters and/or lack of liquidity warrant such a designation. These companies are only appropriate for investors who have a very high tolerance for risk and volatility and who can incur temporary or permanent loss of a very significant portion of their investment capital.

High Risk: Typically, micro or small cap companies which have an above average investment risk relative to more established or mid to large cap companies. These companies will generally not form part of the broad senior stock market indices and often will have less liquidity than more established mid and large cap companies. These companies are only appropriate for investors who have a high tolerance for risk and volatility and who can incur a temporary or permanent loss of a significant portion of their investment capital.

Medium-High Risk: Typically, mid to large cap companies that have a medium to high investment risk. These companies will often form part of the broader senior stock market indices or sector specific indices. These companies are only appropriate for investors who have a medium to high tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital

Moderate Risk: Large to very large cap companies with established earnings who have a track record of lower volatility when compared against the broad senior stock market indices. These companies are only appropriate for investors who have a medium tolerance for risk and volatility and who are prepared to accept general stock market risk including the risk of a temporary or permanent loss of some of their investment capital.