Kumo Resources Inc.
Update Report on Flintfjellet

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Contents

Introduction

An initial reconnaissance trip was undertaken in September 2020 to ground test reported high grade Cu and Ag mineralisation within the Flintfjellet licence block. Following the success of this initial trip, a second more extensive trip was proposed to explore the extent of potential stratabound mineralisation within the Storviknes Formation of the Raipas Group (Victor A. Melezhik, Bernard Bingen, Jan Sverre Sandstad, Boris. G. Pokrovsky,, 2015). Adverse weather conditions meant that the trip had to be cut short. In total 5 days were spent across the licence block. The findings are outlined in detail within this report memo.

Detailed background information on the topography, climate, environmental restrictions, regional and local scale geology, exploration history and known mineralisation are outlined within the initial Kumo Resources Reconnaissance Report (Sean Jefferson, Sam Walding , 2020).

Exploration Targets

Three high priority targets were identified from the initial reconnaissance, these are shown in the red dashed circles in figure one and represent stratabound Cu targets within the dolomite Storviknes Formation. The geological setting and deposit style are believed to be comparable to that of the Fiskarjellet project within the Alta-Kvænangen Tectonic Window (AKTW), and the Nussir deposit in a similar tectonic window, the Repparfjord Tectonic Window further northeast. (José Perelló, John A. Clifford, Robert A. Creaser, and Victor A. Valencia, 2014). Both are within the Raipas Supergroup.

A fourth, inferred IOCG, target is outlined within the yellow dashed circle. This is believed to be comparable to the EMX Royalty/Boreal (Norden Crown Metals Corp.)/Boliden's Burfjord project hosted in the older Kvenvik Formation, Lower Raipas Supergroup. (Fig. 1).

Fieldwork Logistics

Access to the licence was obtained via a combination of 4x4 vehicle track and on foot. Supplies such as food, tent, cooking gas, sample bags, camp beds etc. were flown in via helicopter from a landing site located near to the 4x4 track. The car was parked at the nearest accessible point to the field licence, for use as an emergency vehicle if adverse weather conditions were encountered.

Two field geologists remained at the car for the helicopter pick up, while the other two went ahead to scout out a suitable landing spot and base camp.

The majority of the supplies taken in have been subsequently carried back out, with non-perishable food supplies and equipment stored securely and weather tight below a tarp. This should keep them relatively safe throughout the winter for use once fieldwork begins again.

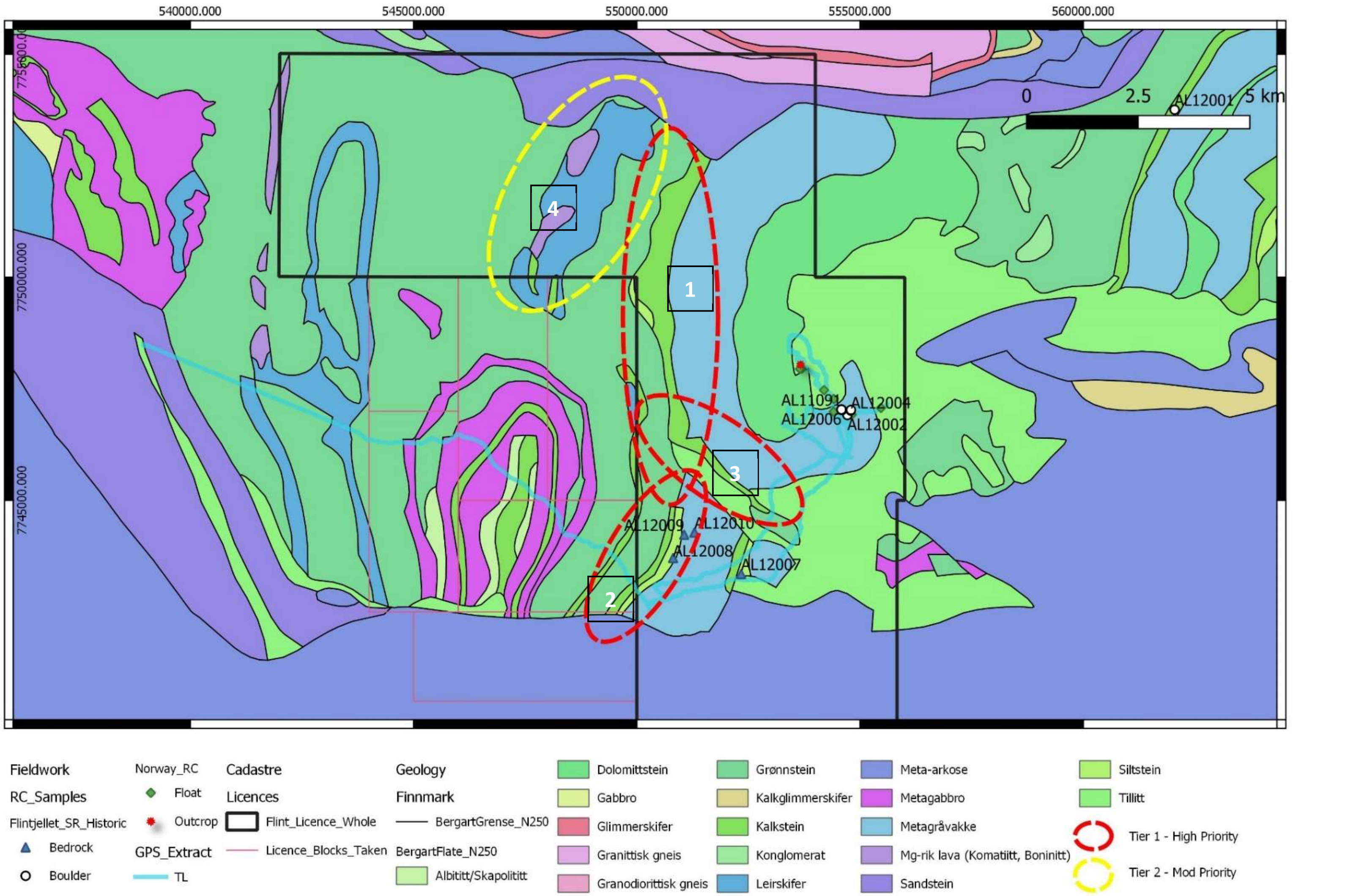

Figure 1 – Summary target map showing tiered areas of interest and their priority. Red circles represent stratabound Cu targets, yellow circle represent potential IOCG targets.

Fieldwork

Fieldwork was conducted over the course of 4-5 days and involved prospecting and reconnaissance across the known Cu mineralised host rock (Storviknes Fm). Two out of the three red dashed high priority target areas were walked to some degree. These two represent the most westerly targets (1 & 2 text square in Fig. 1). The third NW-SE trending target was not walked due to time constraints with the incoming weather. This third target still represents a high calibre target given its proximity to the proven high-grade boulders and observed SW-NE quaternary ice movements and should be prospected as soon as the weather allows. (Monica C.M. Winsborrow, Karin Andreassen, Geoffrey D. Corner, Jan Sverre Laberg, 2010). No attempt was made to access the second tier IOCG potential target during this field programme, but again these warrants follow up once weather allows access.

The observations, sampling, findings and interpretation are outlined below. A brief generative overview is given with areas of interest discussed in more detail.

Observations Overview

The Storviknes Formation (target Cu horizon) was moderately easy to trace in the field along strike. One of the limitations, is that although it can be seen outcropping within ridges it predominantly subcrops within topographic lows, meaning it recedes below vast boulder fields. Deformation in terms of apparent folding and fault offset are also observed along strike with E-W offsets common.

The following information on the Storviknes Fm is taken from literature and represents a fairly accurate description;

- The formation is 300-600m thick and comprises a sequence of siltstones and dolomites, stromatolites, dolostone breccias, and purple-grey siltstone.
- The lower siltstone is approximately 50m thick and is overlain by 200m of dolomite.
- The dolomite unit is divided into a lower interlaminated dolomite and slate, and an upper massive dolomite.
    - The interlaminated dolomite and slate are a reddish-brown rock with alternating one-centimetre thick dolomite- and more resistant silica-rich laminae. Intraformational breccias with tabular fragments and cross-cutting channels occur locally. The upper 50 m of the dolomite unit is a massive dolomite, usually without lamination.
    - Laminated parts may have a higher content of organic material and commonly show stromatolites structures. Chert is found as replacement of the stromatolite laminations, as small angular lumps and as layers.

    - Locally, rocks with fragments of chert and slate in a matrix of red hematite-bearing claystone are present. Karst breccia with angular fragments of dolomite, chert and slate hosts copper mineralisation.
- The upper siltstone can be several hundred metres thick and includes a few beds of dolomite, up to 4 m thick.

A lot of these descriptions hold true for what was observed during the most recent reconnaissance fieldwork. One fairly critical currently un-answered question still remains which of the dolomite horizons within the formation is the preferential Cu host? And do you get more than one? Detailed field observations outlined below would suggest that it is the Upper more Massive dolomite “member”, but follow up detailed mapping and prospecting will clarify this. Effectively, the base of the sequence still needs some degree of mapping in order to help place it within the formation and more importantly in relation to the Cu mineralisation. Have areas of basin onlap or faulting resulted in certain dolomite horizons being bypassed? It is also important to differentiate between these dolomite packages, in the west a hematite flooded dolomite appears more prominent and as you move east (up sequence) this subsides to a fairly clean dolomite with Cu mineralisation more abundant within the cleaner dolomite.

Sampling Overview

In total 52 No. samples were obtained. 3 No. of these were float, 2 No. are described as outcrop/subcrop and the remaining 47 No. outcrop (Fig. 2). These will be combined with the 13 No. samples collected previously in September’s initial reconnaissance programme.

The majority of these samples were taken from across the two western targets (Fig. 1) and in particular the more northern one of these two, where fairly continuously outcropping mineralisation was observed.

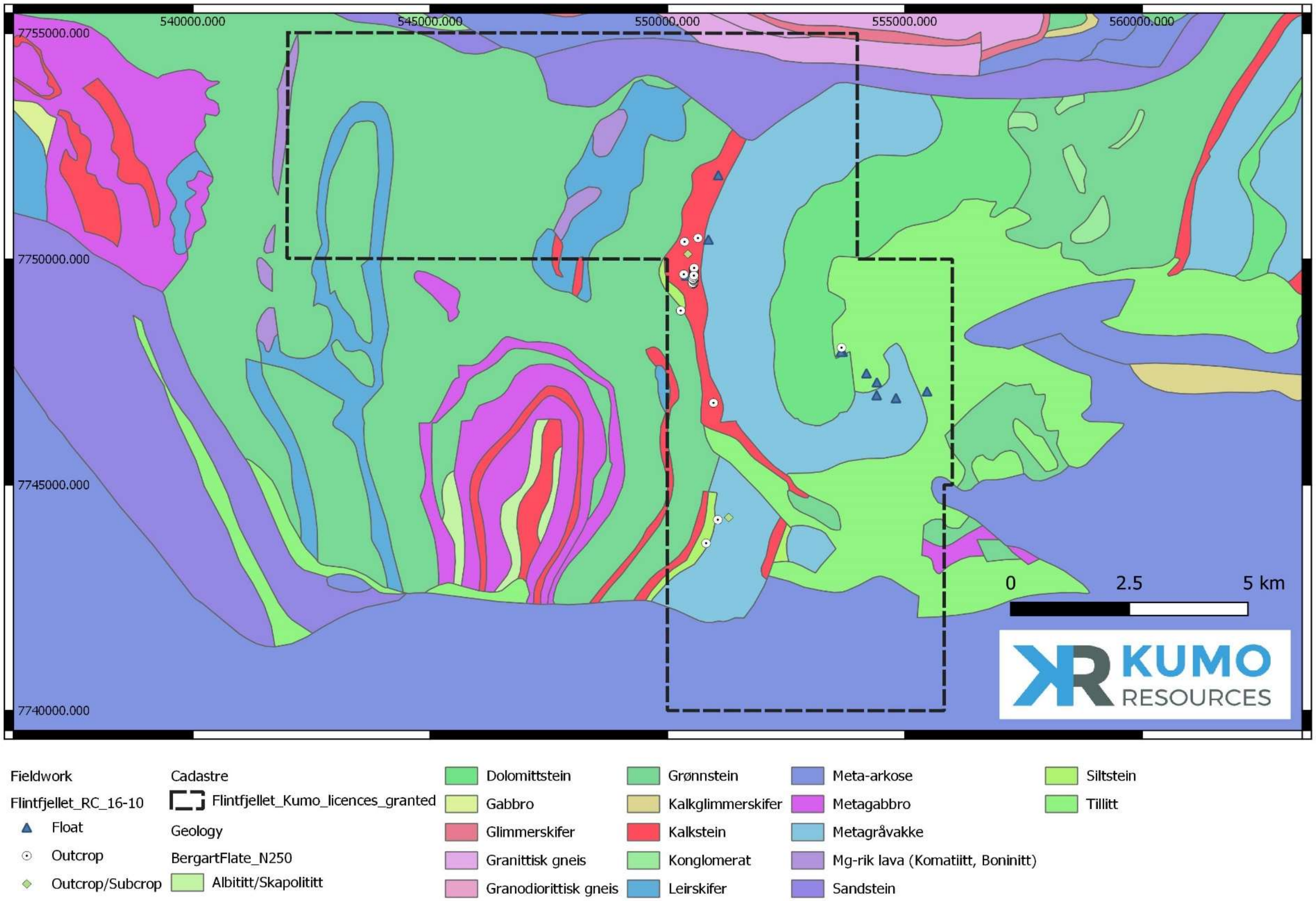

Figure 2 – Summary sample locations from fieldwork, with "red" Kalkstein showing Storviknes Fm target horizon for Cu mineralisation

Antler Rock

Observations

The first occurrence of outcropping copper mineralisation was found approximately 215m north of the Nihkejarvi Lake (Fig. 4) and was subsequently dubbed 'Antler Rock' given its proximity to a pair of Antlers. Mineralisation occurs as chalcopyrite and pyrite veinlets and disseminations around black amorphous brecciated silica with hematite blebs hosted within pale cream dolomite. Chalcopyrite also appears within the matrix of the brecciated silica and to a lesser extent within black 'whisps' in the surrounding dolomite that follow the dolomite foliation/bedding (Fig. 3). These whisps are believed to represent original bedding features and show micro-folding deformation. Secondary copper staining of malachite is patchy across the outcrop, but where observed forms relatively extensive staining. No visible bornite was observed within these samples, with minor chalcocite inferred within one. It is assumed that there would likely be chalcocite and a degree of silver mineralisation associated but this requires ALS assay results.

Mineralisation outcrops for approximately 2 meters within a larger barren dolomite outcrop. The downward extent of mineralisation is unclear as it dips below meta-volcanics to the west.

Chalcopyrite veinlets are tightly folded and there is extensive secondary orange iron staining proximal to primary sulphides. The occurrence is potentially on a fault or fracture surface striking 141.

Figure 3 – Left = Photo of outcropping Cu mineralisation staining at Antler Ridge along inferred fracture plane. Right = Sample P004884 showing black silica (chert) matrix with local extensive secondary malachite and FeOx.

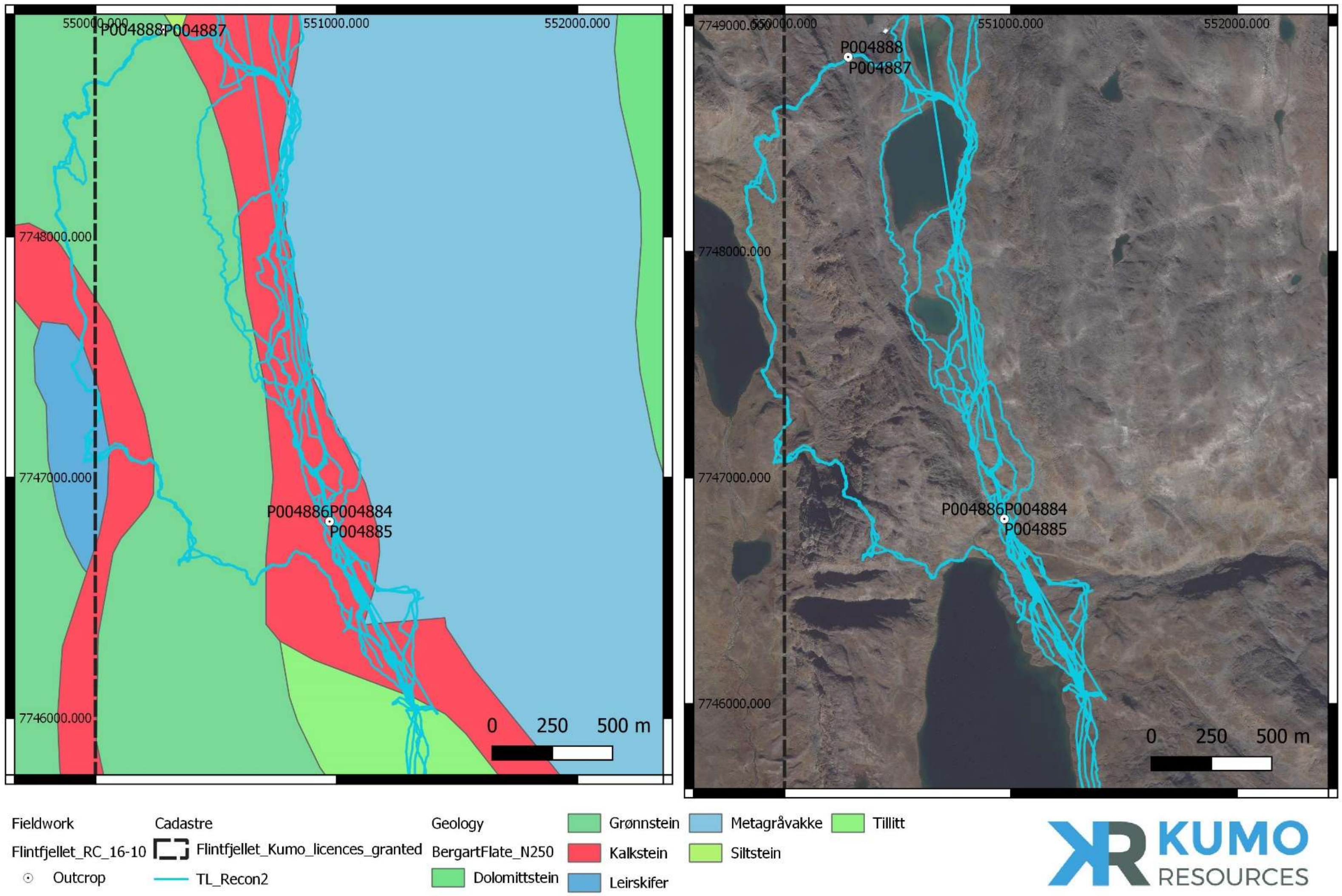

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Figure 4 – Summary location map of Antler Rock with geology base map left, and high-resolution satellite imagery right. Track logs show transect mapping across host lithology.

Sampling

3 No. outcrop samples were taken at Antler Rock targeting the copper mineralisation. These are outlined in the summary table below (Tab. 1) with selective photographs shown below in figure four of samples P004884 and P004886.

Sample I.D	Description	Sulphide Minerals	Alteration
P004884	Dark black amorphous silica in dolomite. Extensive green Cu staining (malachite). trace DSS cpy. Some brecciation in silica, extensive FeOx. striking 141	Cpy	FeOx, Mala
P004885	Dark black/white amorphous silica, local brecciation. secondary FeOx and Cu staining, locally stained blue/green. Trace DSS associated with silica -Cpy, Chalcocite? Hematite blebs	Cpy, Chalcocite	Hema, Mala, Azur
P004886	Black silica, amorphous. secondary green/orange Cu/Fe staining. Aggregates of Cpy conc in lighter silica. Cpy blebs/veinlets (2-4mm) deformed/folded. Extensive brecciation	Cpy	FeOx, Mala

Table 1 – Summary table of samples collected from Antler Rock

Figure 5 - Right: sample P004884 showing extensive secondary Cu staining in black silica. Left: sample P004886 showing chalcopyrite, secondary Cu mineralisation and FeOx staining in brecciated silica.

Interpretation

Mineralisation at Antler Rock is hosted within the same "Storviknes" Fm dolomite, similar to other outcropping Cu seen in the area. Cu here, however, occurs primarily in association of dark silica instead of the dolomite and also is concentrated on a fracture/fault plane with limited lateral extent. The dolomite 5-10m along strike to the north and south appears barren comparatively.

There are a number of possible explanations for the apparent focussing of Cu mineralisation seen at Antler Rock. Given the compositional observations (cherty silica). It could represent a localised variation in primary depositional environment. Where within the basin chert has formed as the result of replacement reactions. Given the assumed size of the original basin, having small scale variations in deposition and localised micro-environments are not uncommon and are in fact observed across other stratabound deposits. This change in composition may allow for a more preferred host?? Hence the focussing of Cu within this section. Literature, (Victor A. Melezhik, Bernard Bingen, Jan Sverre Sandstad, Boris. G. Pokrovsky,, 2015) describe how chert is found as replacement of the stromatolite laminations, as small angular lumps and as layers and that locally, rocks with fragments of chert and slate in a matrix of red hematite-bearing claystone are present. Breccias with angular fragments of dolomite, chert and slate hosts copper mineralisation. This could be comparable to what was observed at Antler Rock.

A second explanation may be one of remobilisation as a result of deformation resulting in enrichment within a localised area. This is something which has been reported further east by Scandinavian Resources at their Fiskarjellet project.

The textures observed at Antler ridge may side more towards a primary compositional basin variation, but this needs validation.

Moustache Ridge & Western Limb Dolomite

Observations

Discovered on day three, Moustache Ridge is located approximately 2.8 km N of Nihkejarvi Lake and represents 350m of near-continuous Cu-mineralised dolomite (Fig. 6 & 7). The dolomite varies from cream to pale green and is locally interbedded with meta-siltstone. Bornite, chalcocite and chalcopyrite are the main ore-bearing minerals and are strongly associated with black 'whisps' throughout the dolomite. Secondary Cu, predominantly malachite and to a lesser extent cuprite, form localised coatings throughout the dolomite (Fig. 9). The black 'whisps' are locally and extensively folded throughout the unit, with ore mineralisation appearing to preferentially concentrate within microfold hinges. Cross-cutting minor silica veins are rare but where they appear, they seem to be contemptuous/syn depositional locally showing minor remobilisations from the whisps into the silica.

The exposed thickness of dolomite is variable, reaching up to 4m at its thickest point. Using cross bedding as a way up indicator, the dolomite and interbedded meta-siltstones were identified as marginally overturned, younging towards the east. From this, Cu mineralisation was found to be most abundant at the base of the unit (forming fine disseminations and mineral clusters), becoming notably more sporadic approximately 2m above the base of the unit inferred as the initial redox interaction.

Significant Cu mineralisation also occurs to the west of Moustache Ridge in the same "Storviknes" dolomite formation beds. This area has been dubbed the Western Limb (Fig. 7). The structural geology of the area around the ridge is complex and not yet well understood. It is therefore unclear if mineralisation in the Western Limb is stratigraphically lower than Moustache Ridge (the general stratigraphy in the area youngs to the east) or if it is in the same/higher stratigraphy but has been faulted/folded to its current position.

Where the two limbs converge, there is a sharp mineralisation contrast between strong mineralisation in the base of Moustache Ridge and barren mineralisation in the Western Limb. Mineralisation in the Western Limb begins 5m to the west of the contact, and generally strengths to the west.

Initial observations suggest that mineralisation in the Western Limb, that is not in close proximity to Moustache Ridge, appears to be associated with quartz. Chalcopyrite and chalcocite are found in quartz veins with minor mineralisation also in the dolomite proximal to the veins.

The extent of mineralisation in the western limb is less well defined due to lack of outcrop where the dolomite dives under cover, mostly boulder fields. Again, follow up detailed mapping would be highly beneficial.

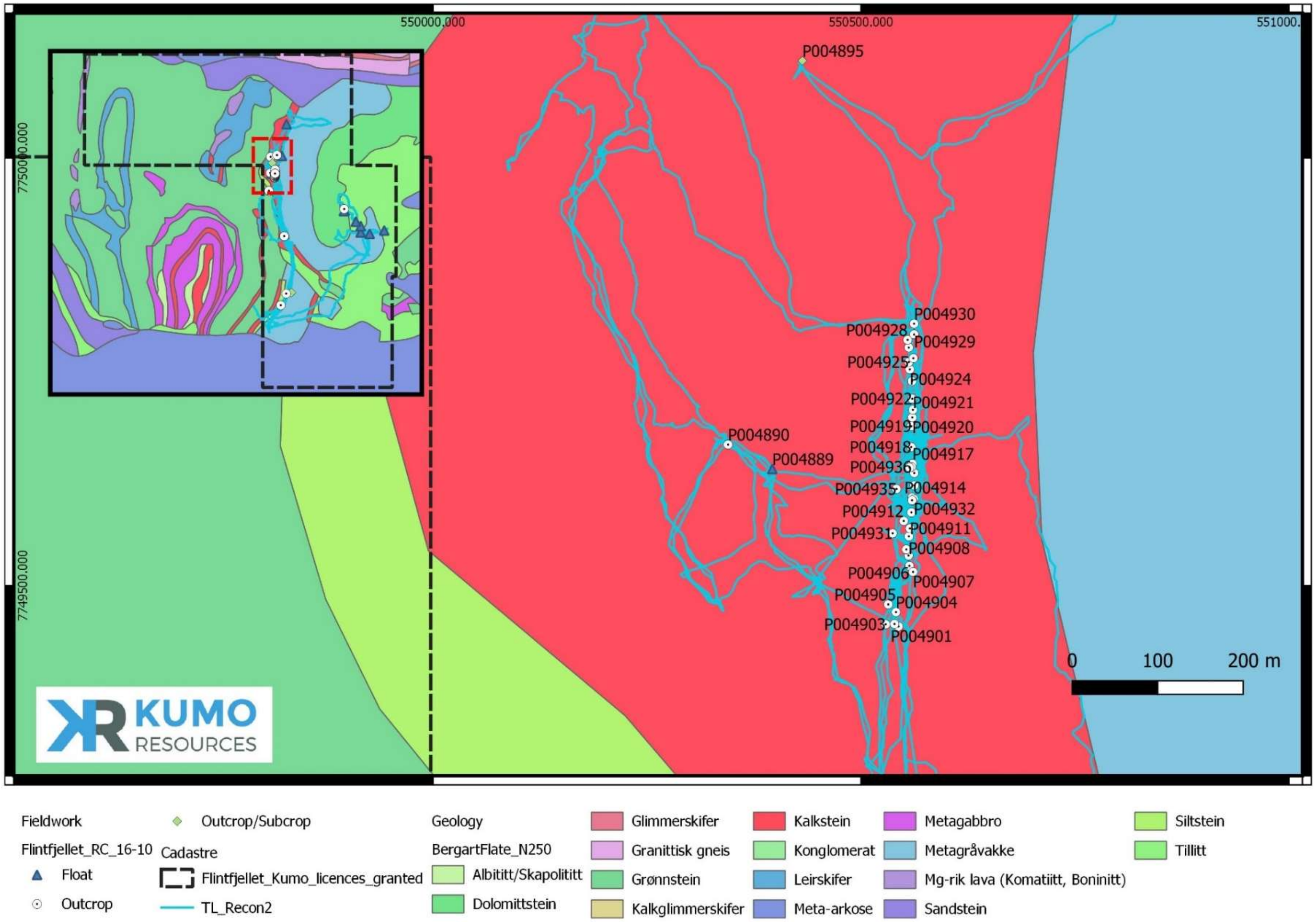

Figure 6 – Top right image insert shows licence geology with main figure showing detailed licence geology. NB – although all mapped as "Kalkstein" representing Storviknes Fm it is in fact interbedded. Sampling shows a N-S trend along outcropping Cu.

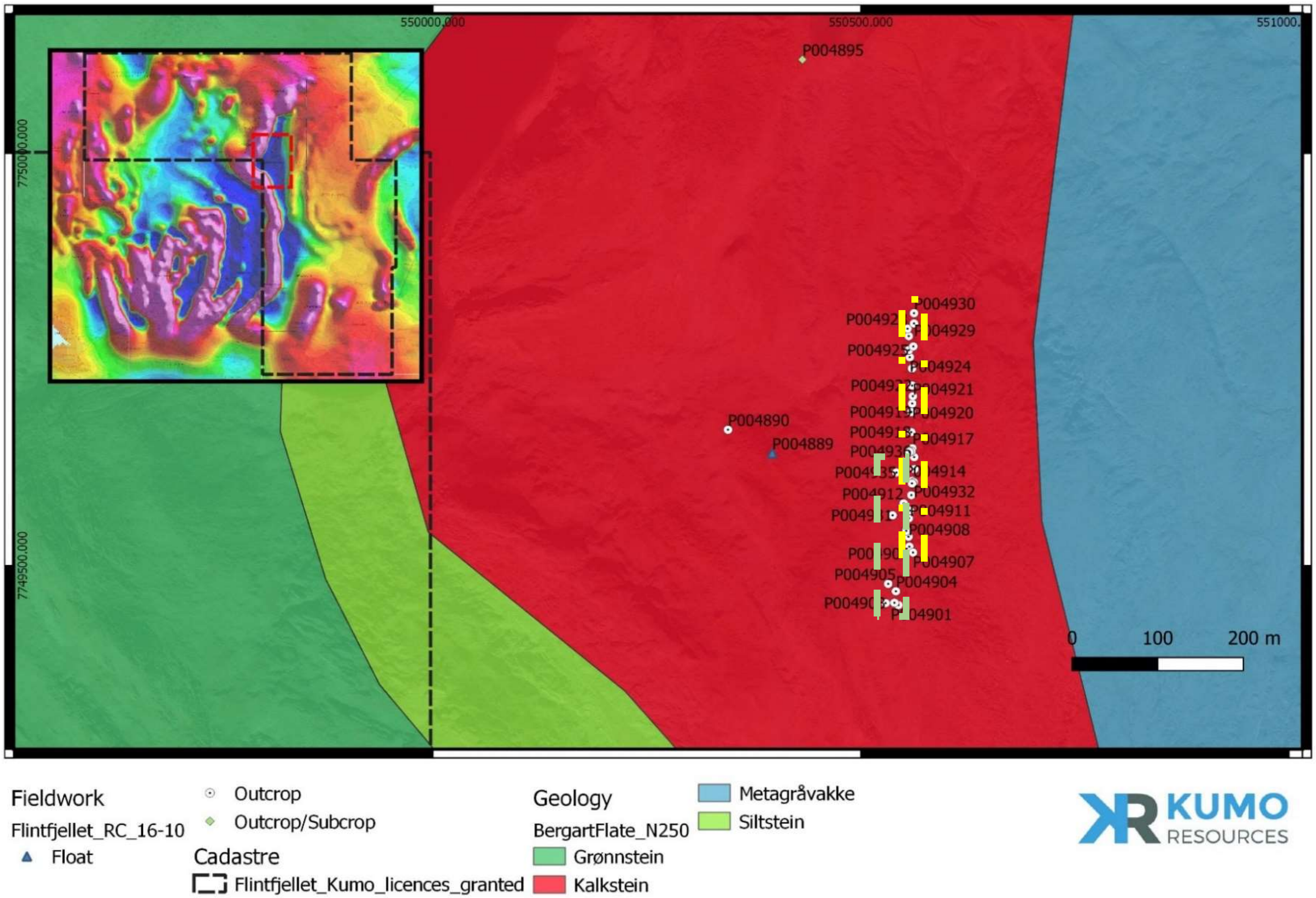

Figure 7 – Insert top left shows regional airborne mag across licence with detailed geology and collected samples shown. A notable N-S mag high can be observed directly west of the dolomite and is believed to show the contract between the meta-volcanics of the older Kvenvik Fm. Yellow dashed rectangle marks Moustache Ridge, with green dashed circle outlining Western Limb.

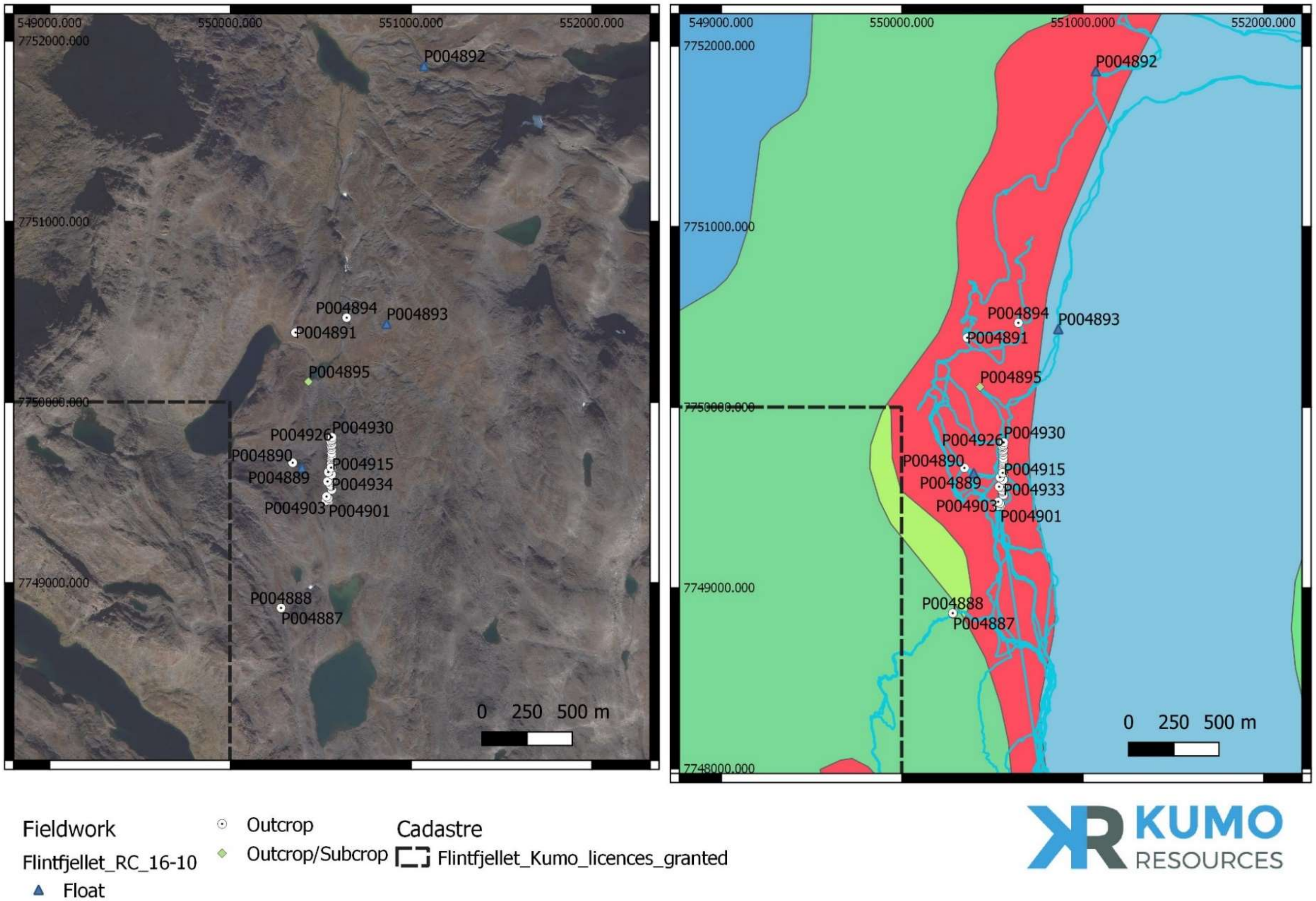

Figure 8 – High resolution photography left vs mapped geology right. Broad features can be observed in both, but the scale of mapped geology needs improvement.

Figure 9 – Number of samples demonstrating the black 'whisps' within dolomite which contains bornite, chalcopyrite and chalcocite. With localised significant secondary malachite enrichment. Natural weathering of the dolomite is a strong orange brown with fresh surface much cleaner. Some samples show evidence of cross cutting smaller scale silica veins.

Sampling

In total 40 samples were taken within vicinity of Moustache Ridge and the Western Limb (Fig. 6 &7), 1 float, 38 outcrops and 1 subcrop/outcrop.

29 No. samples were collected along the outcropping dolomite itself, targeting the Cu mineralisation at approximate 10 m intervals in a roughly north-south trend. 4 of these (P004932-34 and P004936-37) were channel chip samples across (E-W) dolomite for 2-3m. From this, the continuity of Cu along strike can be identified as well as allowing specific stratigraphic horizons to be targeted.

5 No. samples P004901-05 were taken further south where the dolomite trend is NW-SE and E-W as observed within two separate limbs/fault blocks outcropping. This makes up the southern part of the Western Limb. An additional 3 No. samples were taken to the north of these, just west of Moustache Ridge (Fig. 7).

Sample P004889 is a float sample taken due west and represents a dolomite boulder with patchy chalcopyrite within the matrix.

Sample P004890 was taken further northwest again and represents a 5cm mineralised milky quartz vein which cross cuts the dolomite host with massive chalcopyrite and significant localised malachite staining.

Interpretations

Mineralisation within this region is believed to represent stratabound Cu similar to that observed at the Nussir deposit and the Fiskarjellet in Finnmark. The inferred lower/base of the dolomite appears preferentially mineralised across 2-4m, and would therefore represent the redox boundary within these systems.

The relationship between the observed mineralisation within the Western Limb and Moustache Ridge is still not entirely understood, with the younging direction to the east you would expect the Western Limb to act as the initial redox boundary for mineralisation. However, significant mineralisation is observed across a larger strike length in Moustache Ridge.

The mineralisation pattern and sharp contact suggest that the two limbs have been formed by faulting of the same mineralised horizon in the dolomite. If the dolomite was folded (as was initially thought) then a mirrored mineralisation pattern of the eastern limb (Moustache Ridge) would be expected. Instead, the mineralisation sequence is repeated - weak/barren in the eastern beds and stronger in the west in both.

Initial observations of the faulting in the area suggest that the southern portions of the mineralised horizon have been thrusted over the northern portions in a dextral motion, forming the Western Limb and an overall shortening of the sequence. Again, follow up work is required to understand their relationships as well as proving any potential extent along the western limb where it outcrops.

The cross-cutting milky quartz vein observed in sample P004890 does not display the same characteristics to that observed elsewhere. It also appears scarce from observations to date. It's nature and extent could be a result of remobilisation during metamorphism? This sample will be tested with LREE to check its associated pathfinder elements and determine if it has been remobilised or is a primary source of a different mineralisation style.

Northern Occurrences

Observations

While Moustache Ridge and the Western Limb were being systematically sampled, a second party headed further north to check for outcropping mineralisation (Fig. 10 & 11). This was done within the space of one day and therefore was relatively quick. Follow up is certainly warranted.

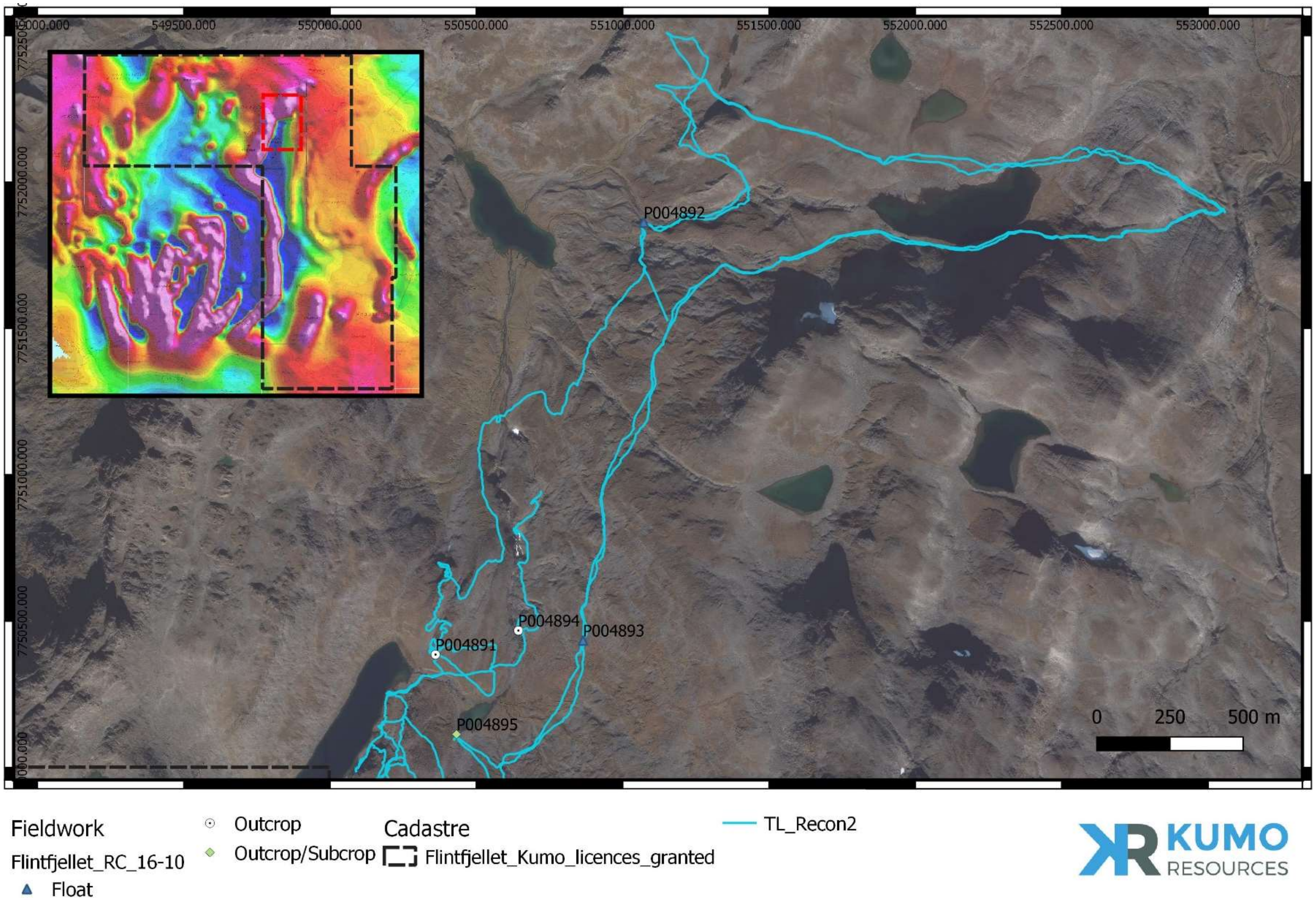

Figure 10 – Track logs showing exploration further north from Moustache Ridge and Western Limb. Insert shows airborne mag geophysics with red rectangle showing area of study. Sample localities and sample type marked by waypoint markers.

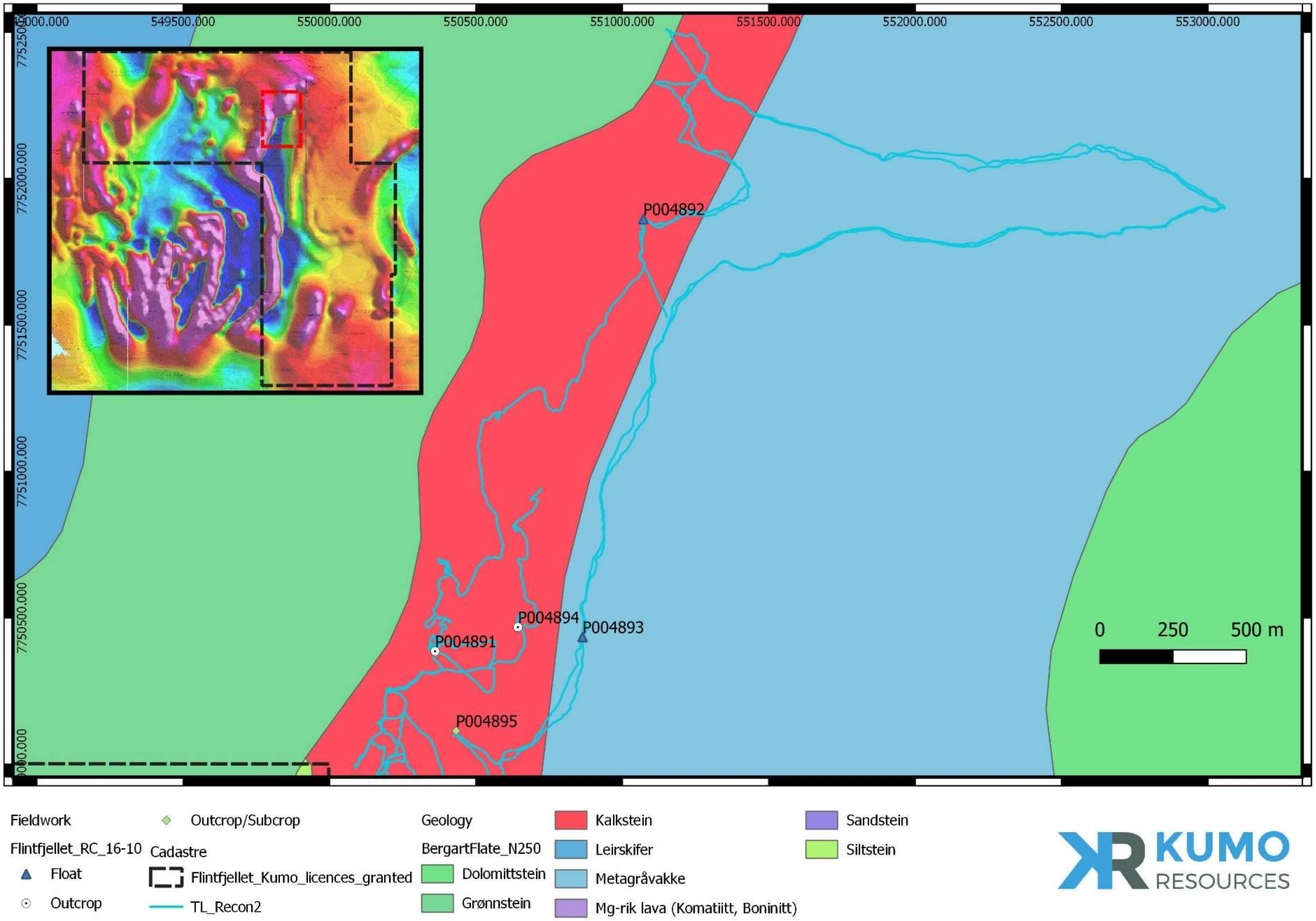

Figure 11 – As Figure 10 but with geology base map. "Kalkstein" represents Storviknes Fm.

Sampling

5 No. samples were taken in total P004891-95. These comprise 2 No. outcrop, 2 No. float and 1 No. outcrop/subcrop.

Sample P004892 is the most northerly sample collected and represents a float boulder within a stream and displays similar characteristics to outcropping bedrock mineralisation observed further south. The other 4 No. samples also show similar characteristics to those observed at Moustache Ridge and Western Limb.

Interpretations

The samples collected and observations made within a limited time frame suggest that mineralisation is likely extensive along strike to the north. A number of outcrop localities are testament to this, meaning the potentially to significantly upscale the strike length is there.

It is worth remembering that the glacial direction within this region is SW-NE, so the floats may represent glacial movement from more distal bedrock sources and can't be used reliably as a proxy for mineralisation, but show indirectly more extent (Monica C.M. Winsborrow, Karin Andreassen, Geoffrey D. Corner, Jan Sverre Laberg, 2010).

Proposed Work Programme

Flintfjellet Licence Block – Fieldwork Recommencement

In the short term no direct fieldwork can be undertaken given the weather conditions (significant heavy snowfall). May/June 2021 look likely for recommencement as this allows time for snow melt. A suitable resumption work programme should encompass:

- Continuation of regional prospecting.
- Detailed mapping of areas where outcropping mineralisation is observed with a focus on the controls, strata composition and structure.
- Mapping of stratigraphic variations in terms of composition i.e. hematite flooded dolomite vs clean dolomite and its relationship to mineralisation.
- Detailed structural mapping associated with known mineralisation. (NB – Moustache Ridge and Western Limb show some structural complexities).
- Tracking of mineralised strata across boulder fields where possible.

Flintfjellet Licence Block – Winter Months

Throughout the winter months the following recommendations are made to improve the project for recommencement in 2021.

- Acquisition of the NGU 1977-1978 mapping and stream sampling programme has now been obtained in hard copy format. These should be digitised and then back analysed for catchments to see where elevated geochemistry signatures of interest.
- A remote sensing survey has currently been quoted by Murphy Geological Survey (4000 EURO). This will use Sentinel-2 combined with Pleiades Imagery to differentiate the colour band spectrums of the dolomite at a 10m resolution, with the aim of picking out the hematite flooded dolomite vs cleaner. In addition, a spectrum of bands will be trialled to see if additional compositional changes can be mapped within the dolomite.
- Mike Baker is currently undertaking a structural remote sensing review and this can be combined with the above to target preferential stratigraphy and structures. These will be ground tested during fieldwork recommencement.
- An initial drill programme and costing is in the early stages of design.
- Compilation of additional available data from historic NGU sources should be included especially if the number/size of the licences are increasing (see below).
- Reinterpretation of the raw airborne geophysical data may allow more subtle features to be extracted and should be considered.

Flintfjellet Licence Block – Additional Licences

3 No. additional licences are in the process of being submitted to the mining directorate as part of the existing Flintfjellet licence block (Fig. 12). These effectively tie up all outstanding land around the project on the Troms side of the Trom og Finnmark boundary, this is seen as good timing given the fact that EMX Royalties appear to also be staking ground in the region. The associated costs and area coverage are summarised in the below table.

Licence Name	Area (km^2)	Costs	
		Year 1 (Jan 15th 2021)	**Year 2 (After Jan 15th 2021)**
Flintfjellet 13	7.534	EURO 100	750 EURO
Flintfjellet 14	10.018	EURO 100	1000 EURO
Flintfjellet 15	10.018	EURO 100	1000 EURO
TOTAL	**27.57**	**300 EURO**	**2750 EURO**

Table 2 – Summary table of costs and area for additional Flintfjellet Licence block.

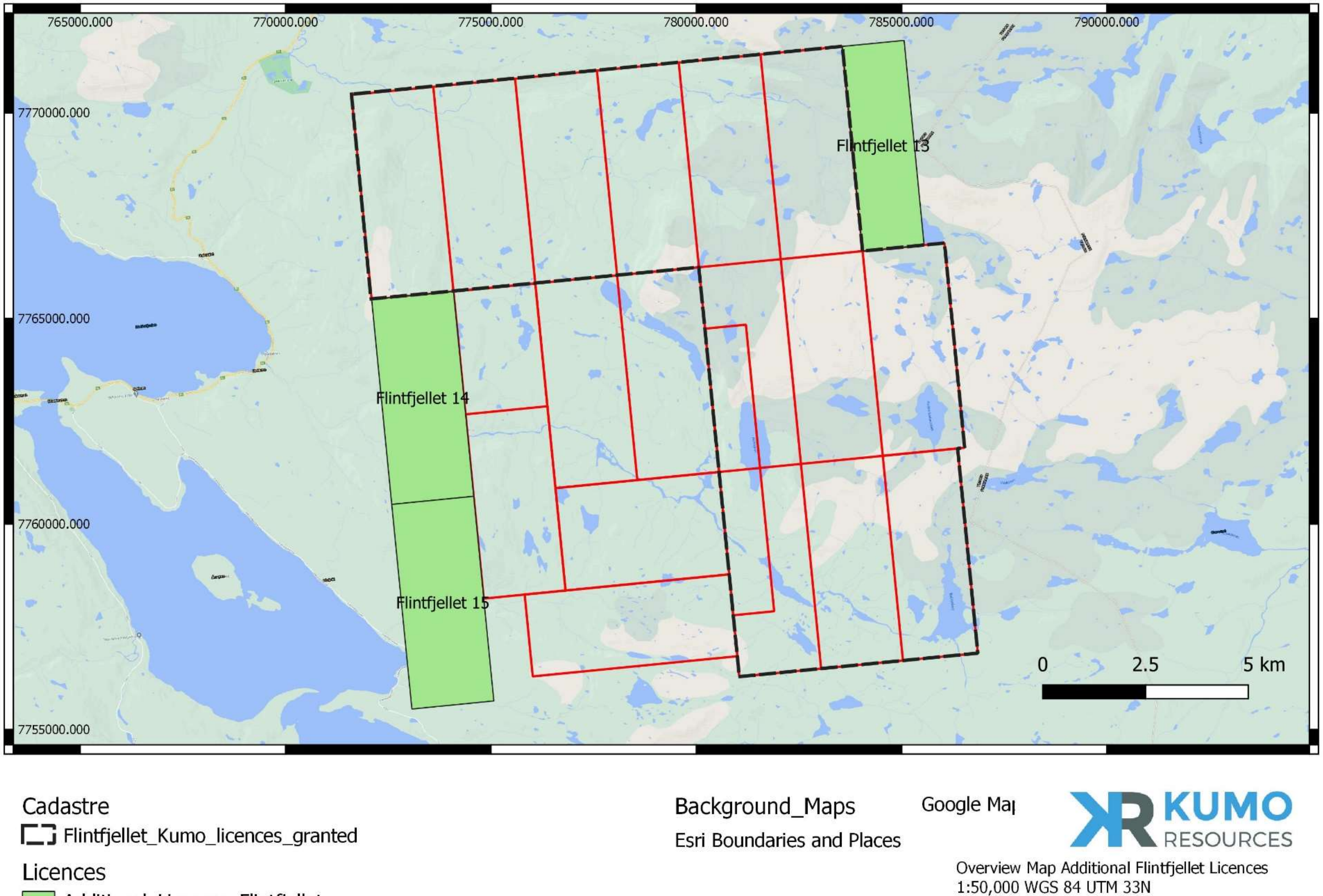

Figure 12 – Map showing additional proposed licences (green rectangles) for Flintfjellet block.

Raudberg Licence Block

Additional licence claims have also/are also being put in for Raudberg licence block which is to the NW of the existing Flintfjellet licence (Fig. 13). These cover the older Kvenvik Formation (Lower Raipas) and are comparable to Norden Crown Metals/Boliden's Burfjord project. In addition, a number of historic mineral localities from the NGU (Tab. 2) are located within these licence blocks. Given the relative under-explored nature of Norway and inferred fertile settings the addition of these licences bolsters the Kumo portfolio significantly. From the information within the old reports summarised below, comparisons can be drawn between these and what is reported within the Bergman anticline (Burfjord project).

Licence Name	**Area (km^2)**	**Costs**	
		Year 1 (Jan 15th 2021)	**Year 2 (After Jan 15th 2021)**
Raudberg 1	9.611	EURO 100	EURO 960
Raudberg 2	6.802	EURO 100	EURO 680
Raudberg 3	7.727	EURO 100	EURO 770
Raudberg 4	9.958	EURO 100	EURO 1000
Raudberg 5	9.988	EURO 100	EURO 1000
TOTAL	**44.086**	**500 EURO**	**4,410 EURO**

Table 3 – Summary costs and area coverage for proposed Raudberg licences.

Locality Name	Commodity	Stage	Information
Raudberg	**Cu, Fe, Co, Au** NGU Samples (1943) Cu – 1.6-4.7% Fe – 9-33% Au – 1.6g/t	Trial mining in 1916. General exploration in 1966	*First reported in 1916, but according to Torgersen the trial operation took place from 1915 to -16. A total of 63 tonnes of copper ore containing 6-8% Cu has been extracted. The deposit has been reported several times, and bribed by A / S Bidjovagge Gruber in 1966. The mineralization north of the small settlement on Raudberg is approx. 80 m long and on average 1-2 m powerful, and consists copper quartz magnetite-sulphur quartz dissemination in medium-grained metabasalts.*
Moldvika	**Cu, Fe, Co,** NGU Samples (1943) Cu – 0.2% Fe – 10-31% Co – 0.12%	Exploration no reported follow up. Some work done by NGU.	*First reported in 1897. The area around the mineralization was mapped in 1959 by Milnes & Ritchie. They interpret the host rock of the mineralisation's to be metagabbro or dolerite. Later studies) interpret it as metabasalts. Mineralisation's of copper quartz, sulphur quartz and magnetite occur in three places along the coast between Molvika and Korselva, in connection with calcareous quartz passages and calcareous calcareous fractures in the medium-grained metabasalts (metagabbro?).*
Fjellbukta	**Cu**	N/A	Not assessed, not rated no follow up information possible.
Slåttevatnet	**Cu**	N/A	Not assessed, not rated no follow up information possible.
Bankenes	**Cu**	N/A	Not assessed, not rated no follow up information possible.

Table 4 – Summary of the NGU listed mineral reports for the new Raudberg licence applications. Follow up data capture required

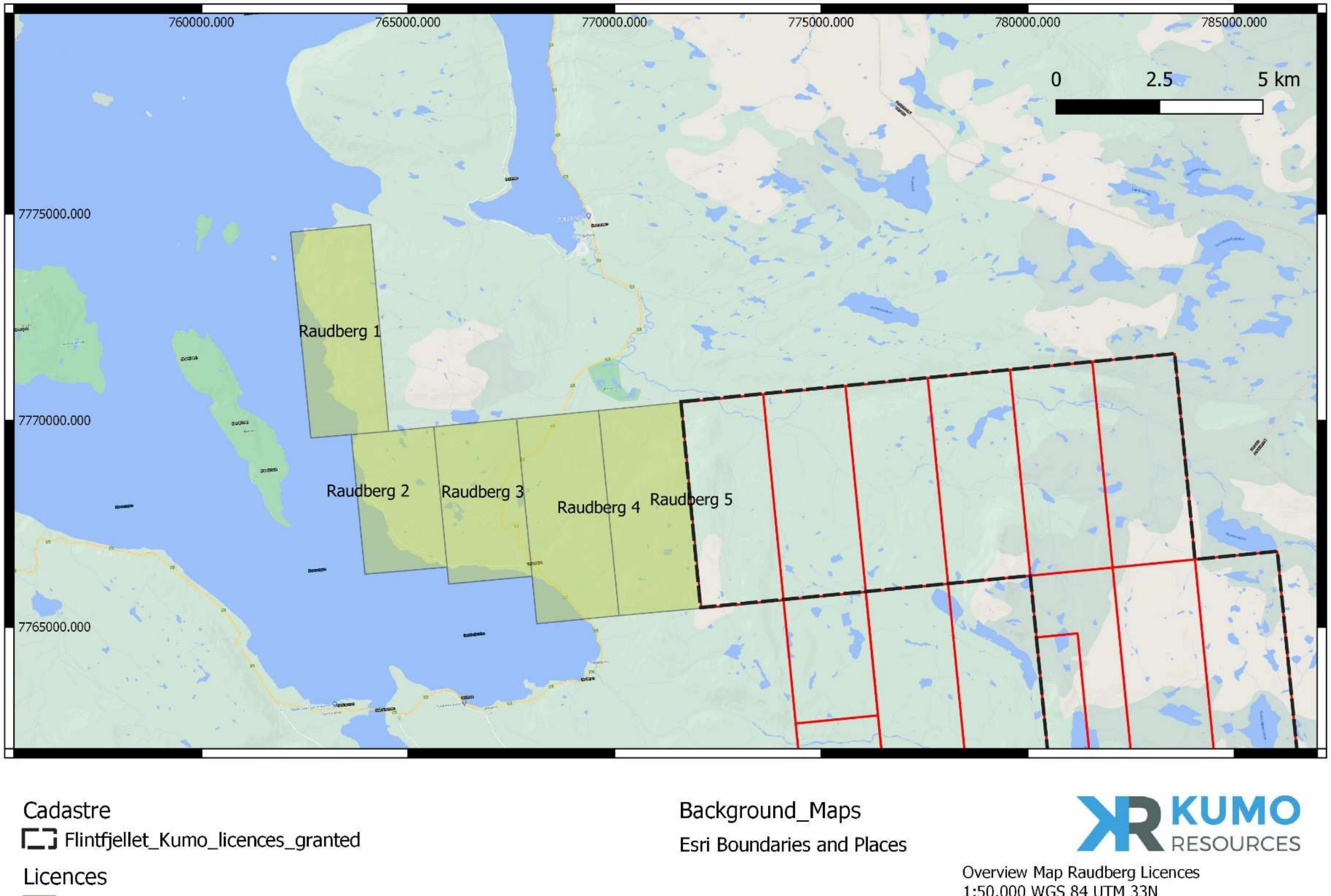

Figure 13 – Licences proposed for Raudberg block to the NW of existing Flintfjellet project and Burfjord project.

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