

MAWSON GOLD LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED NOVEMBER 30, 2021

Background

This discussion and analysis of financial position and results of operations is prepared as at January 11, 2022, and should be read in conjunction with the unaudited consolidated financial statements and the accompanying notes for the six months ended November 30, 2021 of Mawson Gold Limited ("Mawson" or the "Company"). The following disclosure and associated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management's discussion and analysis ("MD&A") are quoted in Canadian dollars.

Forward Looking Statements

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated exploration programs and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, capital and other costs varying significantly from estimates, changes in world metal markets, changes in equity markets, that the political environment in which the Company operates will continue to support the development and operation of mining projects, the threat associated with outbreaks of viruses and infectious diseases, including the novel COVID-19 virus, measures taken by governments, the Company or others to attempt to mitigate the effects of or reduce the spread of COVID-19, may affect the Company, whether directly or through effects on employee health, workforce productivity and availability (including the ability to transport personnel to where the Company has operations), travel restrictions, risks related to negative publicity with respect to the Company or the mining industry in general; planned drill programs and results varying from expectations, delays in obtaining results, equipment failure, unexpected geological conditions, local community relations, dealings with non-governmental organizations, delays in operations due to permit grants, environmental and safety risks, the Company's ability to identify one or more economic deposits on its properties, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, and other risks and uncertainties disclosed under the heading "Risk Factors" in the Company's most recent Annual Information Form. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

All of the Company's public disclosure filings, including its most recent management information circular, Annual Information Form, material change reports, press releases and other information, may be accessed via www.sedar.com or the Company's website at www.mawsongold.com and readers are urged to review these materials, including the technical report filed with respect to the Company's mineral properties.

Company Overview

The Company was incorporated on March 10, 2004 under the provisions of the Company Act (British Columbia). The Company's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol "MAW", on the Frankfurt Open Market under the trading symbol "MXR" and on the OTC Pink under the symbol "MWSNF.PK".

Mawson is an exploration and development company. Mawson has distinguished itself as a leading Nordic Arctic exploration company with a focus on the flagship Rajapalot gold-cobalt project in Finland, where it is well placed to advance and increase its already significant gold-cobalt resource. Mawson also owns or is joint venturing into three high-grade, historic epizonal goldfields covering 470 square kilometres in Victoria, Australia, as well as having interests in mineral properties in Queensland, Australia and Oregon, USA

Recent highlights include:

- **Announced the spin-out Mawson’s Australian assets into a new entity, Southern Cross Gold Pty Ltd.** (“Southern Cross Gold”) via an Initial Public Offering (“IPO”) for admission to the official list of ASX Limited (“ASX” or “Australian Stock Exchange”). ASX’s positive reply was received during the period for Southern Cross Gold’s In-principle advice submission to support Southern Cross Gold’s suitability for admission to the official list of the ASX. Southern Cross Gold has now moved to the pre-IPO private placement financing stage to fund continued exploration, drilling, working capital and IPO expenses in Australia from sophisticated and professional (“accredited”) investors. Mawson intends to distribute its stake in Southern Cross Gold to shareholders following the IPO, subject to relevant approvals.
- **Continued exploration success in Australia, particularly at 100% owned Sunday Creek** where step out drilling continues to intercept grade and width. Recent highlights from drilling being drill hole MDDSC025: 11.7m at 16.0 g/t AuEq, including 3m at 53.4g/t AuEq, and drill hole MDDSC022: 21.7m at 5.6 g/t AuEq, including 0.4 metres at 165.4 g/t AuEq. In total there are 8 intersections that exceed 100 “grade x width” on the project. Further results from Sunday Creek and the maiden two-hole drill program at the Whroo Joint Venture project are pending.
- **Increased inferred resources to over 1 million ounces at 3.0g/t AuEq** at Mawson’s 100% owned Rajapalot in Finland. This followed a 76 hole, 19,422 metre drill program which led to the discovery of two new gold-cobalt zones and delineation of significant extensions to four more prospects with already defined resources. The NI 43-101 Technical Report was published in August 26 2021.
- **Highlighted the camp scale prospectivity of Rajapalot**, through mapping of boulder fields, base of till drilling and analysis of the entire exploration database using artificial intelligence calibrated against the known discovery. This work highlights the robust exploration proceptivity and targets across the 14 x 15km Rajapalot project area.
- **Progress through Permitting of Rajapalot** with the initiation of two key planning processes: the Environmental Impact Assessment (“EIA”), and land use planning (rezoning). The EIA process formalizes the consideration of environmental issues in planning and decision-making, and gives the public and other stakeholders opportunities to participate in and affect these processes. The land use planning process has been initiated by the local municipalities and regional government to facilitate development of a mining project at the Rajapalot site. The Lapland regional government initiated its formal rezoning process on 10th December 2021, and approved Mawson’s Engagement and Participation Plan for Rajapalot.
- **Appointment of a new Chief Executive Officer** Mr Ivan Fairhall; an engineer and mine finance professional. His appointment reflects the maturity of Rajapalot and the strategy to move the project forward, concurrent with continuing to grow the resource. Mr Michael Hudson will move to Executive Chairman and will work closely with Mr Fairhall on the next stage of the Company’s growth.

Property Assets and Exploration Activities

Finland

Mawson’s flagship is the 100%-owned Rajapalot gold-cobalt project, located 50 minutes by car from Rovaniemi, the capital of Finnish Lapland. At Rajapalot the Company has made a significant greenfield discovery, and on August 26, 2021 published an updated Inferred Mineral Resource completed by Eemeli Rantala, AFRY - P.Geo, Ville-Matti Seppä, AFRY - EurGeol of Finland and Craig Brown, Mining Associates Pty Ltd - FAusIMM of Australia. All authors are independent “qualified persons” as defined by NI 43-101. The NI 43-101 technical report is entitled “Mineral Resource Estimate NI 43-101 Technical Report - Rajapalot Property” (the “Updated Technical Report”).

The August 2021 base case open pit and underground constrained an Inferred Mineral Resource totalling 1,041,980 oz gold equivalent (“AuEq”) at 3.0 g/t AuEq. This consisted of 10,907,000 tonnes @ 2.5 g/t gold (“Au”) for 887,000 ounces (“oz”) Au, and 443 ppm cobalt (“Co”) for 4.9 kt cobalt. Mineral Resources are stated at a 0.3 g/t AuEq open pit cut-off and 1.1 g/t AuEq underground cut-off from five block models comprising 8 prospects.

The 2021 resource increases gold grade by 19% (AuEq grade by 12%) and contained gold ounces by 47% (contained gold equivalent ounces by 35%) as compared to the previous Rajapalot resource estimation published on [September 14, 2020](#). A 100% underground case was as part of the reasonable prospects for eventual economic extraction (RPEEE) assessment. Under this scenario, grade increases to 3.2 g/t AuEq for a contained total of 1,004,732 oz AuEq.

The Rajapalot mineral resource update covers eight prospect areas (The Hut, Terry's Hammer, Rumajärvi, Palokas, South Palokas, Raja, Uusisaari and Joki East), and increase of the 4 used to define the 2020 resource. The 2020/21 drill program delivered more economic grade/width intersections than ever before and led to the discovery of two new gold-cobalt zones, delineated significant extensions to four more prospects with defined resources and added two further prospects suitable for wireframing and resource estimation (Figure 1). EM plates continue to be an excellent vector for mineralisation (Joki East discovered under 150m of cover), as shown in Figure 2, and all of the deposits are open in at least one direction as shown in Figure 1.

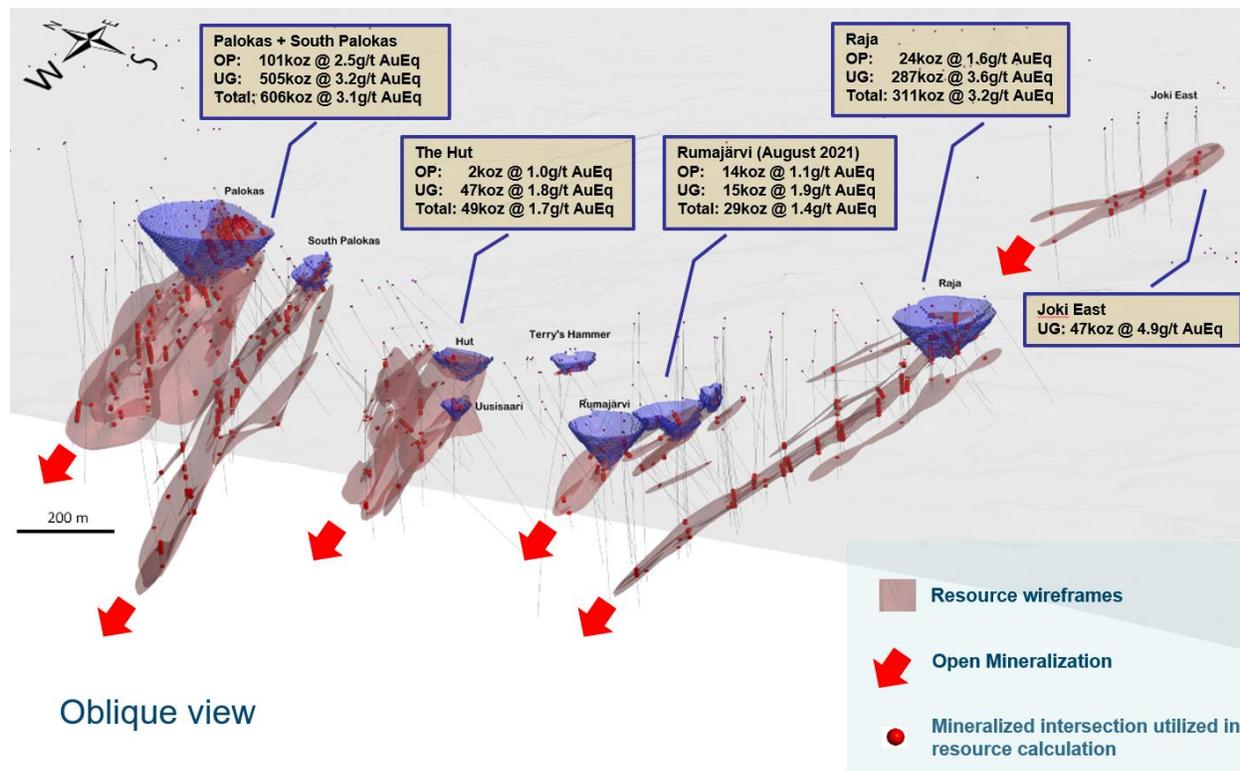


Figure 1: The [August 2021](#) open pit and underground constrained Rajapalot inferred mineral resource totalling 1,041,980 oz gold equivalent (“AuEq”) at 3.0 g/t AuEq increased. Gold grade increased by 19% (AuEq grade by 12%) and contained gold ounces increased by 47% (contained gold equivalent ounces by 35%) as compared to the previous Rajapalot resource estimation published on [September 14, 2020](#).

Approximately 80% of the Rajapalot area, or 20 kilometres of mineralization-host package, remains untested by drilling. Rajapalot forms a smaller part of Mawson’s larger 100 square kilometre Rompas-Rajapalot Finnish project area owned 100% by Mawson. Exploration prospectivity remains high across the length and width of the 185km² property, as evidenced with ongoing targeting work, including:

- Highest-grade samples in boulders include 546 g/t, 290 g/t and 129 g/t Au, with 30 boulders and outcrops averaging 35.1 g/t Au (samples >0.1 g/t Au, median of 1.5 g/t Au). Glacial transport studies indicate these boulders are not linked to the defined resources. Samples from boulders and outcrop are grab samples, which are selective by nature and are unlikely to represent average grades on the property.
- Base of till drilling showing widespread anomalous gold-arsenic-bismuth-tellurium (“Au-As-Bi-Te”) signal, which are a common multi-variate geochemical association observed in the Rajapalot Au-Co Inferred Mineral Resource.
- Prospectivity has been analysed using advanced statistical and machine learning methods over the entire exploration database from the project area. The known mineral resource discoveries were used to calibrate

the models develop maps to help target exploration effort. The analysis highlights large areas of “high prospectivity” across the property

From November 10, 2020, to August 23, 2021, the Company announced a series of drill results from the 76 hole, 19,422 metre 2020/2021 drill program at Rajapalot. Drill success has continually increased through recognition of strong linear late structural controls to high-grade gold-cobalt mineralization and a strong correlation with electromagnetic conductors that provide a large potential for increasing mineral resources in future drill campaigns.

Key results from the drill programs at Rajapalot are outlined in Figure 2 below.

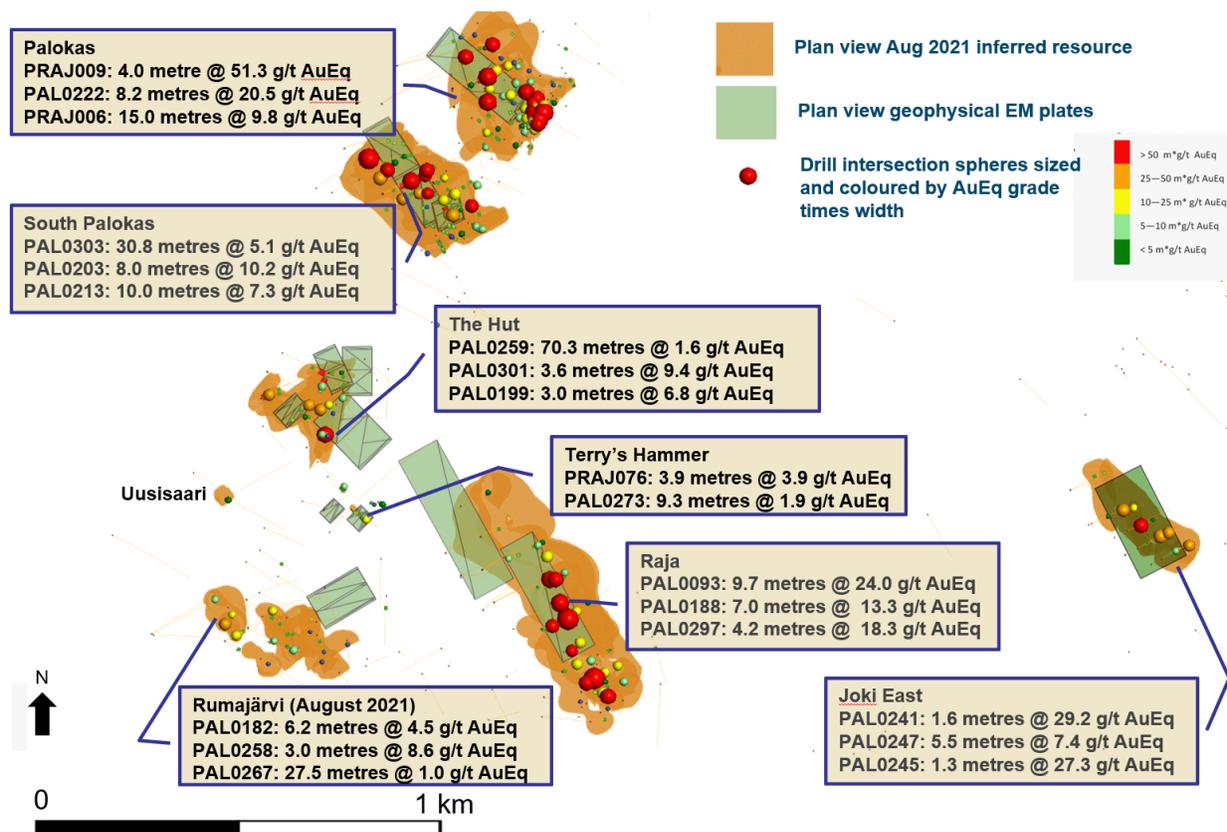


Figure 2: Key results from the drill programs at Rajapalot. The initial outcrop and drill discovery was made at Palokas.

Table 1: Total Inferred Mineral Resources estimate as of August 26, 2021, at the listed cut-offs for constrained open pit and underground resources at Rajapalot.

Zone	Cut-off (AuEq)	Tonnes (kt)	Au (g/t)	Co (ppm)	AuEq (g/t)	Au (oz)	Co (tonnes)	AuEq (oz)
Palokas Pit	0.3	1,228	2.2	382	2.5	85,513	469	100,511
Palokas UG	1.1	4,878	2.7	501	3.2	427,797	2,443	505,941
Palokas total		6,106	2.6	477	3.1	513,310	2,911	606,451
Raja Pit	0.3	485	1.3	289	1.6	19,722	140	24,206
Raja UG	1.1	2,492	3.2	401	3.6	254,600	999	286,574
Raja total		2,977	2.9	383	3.2	274,322	1,140	310,780
East Joki (no pit)								
East Joki UG	1.1	299	4.5	363	4.9	43,378	109	46,859
East Joki total		299	4.5	363	4.9	43,378	109	46,859

Zone	Cut-off (AuEq)	Tonnes (kt)	Au (g/t)	Co (ppm)	AuEq (g/t)	Au (oz)	Co (tonnes)	AuEq (oz)
Hut Pit	0.3	61	0.1	874	1.0	214	54	1,928
Hut UG	1.1	816	1.4	411	1.8	35,943	336	46,682
Hut total		877	1.3	444	1.7	36,157	389	48,610
Rumajärvi Pit	0.3	401	0.6	496	1.1	8,107	199	14,467
Rumajärvi UG	1.1	246	1.5	356	1.9	12,009	88	14,813
Rumajärvi total		647	1.0	443	1.4	20,116	286	29,279
Total Pit	0.3	2,175	1.6	396	2.0	113,556	861	141,112
Total UG	1.1	8,732	2.7	455	3.2	773,728	3,974	900,868
Total Pit + UG		10,907	2.5	443	3.0	887,284	4,836	1,041,980

CIM Definition Standards (2014) were used for Mineral Resource classifications. AuEq=Au+Co/1,005 based on assumed prices of Co US \$23.07/lb and Au US \$1,590/oz. Rounding of grades and tonnes may introduce apparent errors in averages and contained metals. Drilling results to June 20 2021. These are Mineral Resources that are not Mineral Reserves and do not have demonstrated economic viability.

Resource Methodology

1. Mineral Resource estimation reporting follows the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) definitions standards (2014) for mineral resources and reserves and have been completed in accordance with the Standards of Disclosure for Mineral Projects as defined by National Instrument 43-101.
2. Reported tonnage and grade figures have been rounded from raw estimates to reflect the relative accuracy of the estimate. Minor variations may occur during the addition of rounded number.
3. Constrained Resources are presented undiluted and in-situ and are considered to have reasonable prospects for eventual economic extraction. The Qualified Person considers that the reported Mineral Resource has reasonable prospects for eventual economic extraction by the open pit and underground mining method at the specified cut-off grades. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
4. Optimized open pit constrained resources are reported at a cut-off grade of 0.3 g/t AuEq. Underground resources are reported at a cut-off grade of 1.1 g/t AuEq. The cut-off grades used for reporting are inclusive of mining, processing and general and administration (“G&A”) costs. Net Smelter Return (“NSR”) includes metallurgical recoveries and selling costs inclusive government royalties. Gold equivalent “AuEq” = Au+(Co/1005) based on assumed prices of cobalt US \$23.07/lb and gold US \$1,590/oz.

The optimization process was conducted considering three scenarios to aid consideration of reasonable prospects for eventual economic extraction (RPEEE):

- The first using Whittle optimization for a pit of Revenue Factor 1 (Rev-F-1);
- The second optimization utilised the changeover from open cut (OC) to underground (UG) based on the estimated differential operating expenses of OC and UG (model termed OC-UG or “base case”);
- The third an underground scenario constrained to a depth of 20 metres below the base of solid rock (UG only).

Table 2: Grade/tonnage relationships for alternate constraining models for Rajapalot

Model	Tonnes (kt)	Au (g/t)	Co (ppm)	AuEq (g/t)	AuEq (oz)
RF= 1 Whittle	13,395	2.1	423	2.5	1,094,125
Base Case	10,907	2.5	443	3.0	1,041,980
All UG	9,780	2.8	441	3.2	1,004,732

5. A gold top cut of 50 g/t Au was used for the gold domains. A cobalt top cut was not applied.

6. Bulk density values were calculated for each block within the wireframes based on 3,345 density measurements (linear relationship of iron oxide to density was used to make an Ordinary Kriged estimate of density for each wireframe).
7. Forty-eight three-dimensional wireframe models were generated using gold and cobalt shells separately in Leapfrog Geo. Grade distributions were independently estimated using Ordinary Kriging in Leapfrog Edge.
8. Sub-block triggers in each case were created using the gold and cobalt wireframes, the base of till and lidar surface wireframes were also used to control the density model for “air” and till blocks (till density is set to 2 t/m³). Parent blocks were used in all cases for grade estimation. The parent block size used was 12 m x 12 m x 4 m (>20% of the drill hole spacing). Sub-blocking down to 4 m x 4 m x 0.5 m was optimal for geologic control on volumes, thinner and moderately dipping wireframes.

5 m x 5 m x 2.5 m blocks were used for the creation of the SMU model for pit optimization. There was less than 0.5% difference in the total Mineral Resource estimate created during the change to regularized blocks.

9. AFRY created the Rajapalot Mineral Resource estimate using the drill results available to June 20, 2021.

A National Instrument 43-101 Technical Report has been concurrently filed on SEDAR.

Geology

The host sequence comprises a polydeformed, isoclinally folded package of amphibolite facies metamorphosed Paleoproterozoic supracrustal rocks of the Peräpohja belt. The Paleoproterozoic of northern Finland are highly prospective for gold and cobalt, and include the Europe’s largest gold mine, Kittilä, operated by Agnico Eagle Finland Oy.

Stratabound gold-cobalt mineralization occurs near the boundary of the Kivalo and Paakkola groups with two contrasting host rocks, either iron-magnesium or potassic-iron types. Multi-stage development of the mineralization is evident, with early-formed cobalt and a post-tectonic hydrothermal gold event.

Prospects with high-grade gold and cobalt at Rajapalot occur across 3 km (east-west) by 2 km (north-south) area within the larger Rajapalot project exploration area measuring 4 km by 4 km with multiple mineralized boulders, base-of-till (BOT) and rare outcrops. High-grade Au-Co mineralization at Rajapalot has been drilled to 540 metres deep at Raja and South Palokas prospects but is not closed out at depth in any prospect. The only surface exposure of mineralization is at Palokas, however except for East Joki, all mineralization sub-crops under till, less than 6 metres below the surface. East Joki is defined 110 metres from the surface at its shallowest but is not drilled yet in the up-dip direction.

Mawson’s primary target type across the whole Rajapalot-Rompas area is the disseminated Au-Co style, with Mawson’s geological team in Finland devoted to uncovering more prospects based on their increased understanding of the host sequence.

Two distinct styles of gold mineralization dominate the Rajapalot area. The first, is a variably sulphidic magnesian-iron host, previously referred to internally as “Palokas” style. The magnesian-iron host is most likely an ultramafic volcanic (komatiitic) and occurs within approximately 100 vertical metres of the inferred Kivalo-Paakkola boundary (that is, near the incoming of pelites, calc-pelites and quartz muscovite rocks). A largely retrograde mineral alteration assemblage includes chlorite, Fe-Mg amphiboles (anthophyllite and cummingtonite series), tourmaline and pyrrhotite commonly associated with quartz-veining. Subordinate almandine garnet, magnetite and pyrite occur with bismuth tellurides, scheelite, ilmenite and gold, cobalt pentlandite and cobaltite. Metallurgical testing at Palokas reveals the gold to be non-refractory and 95% pure (with minor Ag and Cu) with excellent recoveries by gravitational circuit with conventional cyanidation and/or flotation. QEMSCAN studies also show that the gold occurs as native grains, found both on grain boundaries and within minerals. Detailed work by Jukka Pekka Ranta of the University of Oulu (plus co-workers) on fluid inclusions and the host rocks to the Fe-Mg mineralization at Palokas indicates weakly saline, methane-bearing fluids at depths as shallow as 5 km and temperatures of approximately 250 degrees were responsible for deposition of the gold.

The second style of gold-cobalt mineralization at Rajapalot, a potassic-iron (K-Fe) style (formerly referred to internally as “Rumajärvi” type) is characteristically associated with muscovite and / or biotite and chlorite in a diverse

range of fabrics. Gold grades of more than 1 g/t Au are associated with pyrrhotite and contained within muscovite-biotite schists, muscovite and biotite-bearing albitic granofels and brecciated, variably micaceous albitic rocks. Magnetite is a common mineral, but not a necessity for anomalous gold grades. The host rocks are grey to white owing to their reduced nature and may be enclosed by light pink to red calcsilicate-bearing albitites. To date, the K-Fe gold-cobalt mineralization style has been intersected near the muscovite-bearing quartzite at Raja and Rumajärvi, but as other rock types are also mineralized and the clear strong structural control on grade, stratigraphic constraints may locally not be relevant.

Exploration for Palokas and Rumajärvi style gold prospects is not restricted to the Rajapalot area. Recognition of the host stratigraphic package (near the boundary of the Kivalo-Paakkola Group boundary) enclosing the 6 km long vein-hosted Rompas Au-U system increases the search space for the pyrrhotite-Au-Co systems to cover Mawson's full permit area. The geochemical characteristics of the ultramafic volcanics and related intrusives are not only present in the southern drill section at South Rompas but have more than 50 km of strike length in Rompas-Rajapalot. It is the interaction of this reactive rock package with late gold-bearing hydrothermal systems driven by ca. 1.8 Ga granitoids, that now form the most highly prospective targets away from the Rajapalot area. The cobalt component of the system is largely stratabound and formed much earlier, most likely from oxidized saline basinal fluids interacting with reduced strata.

Metallurgy

Preliminary metallurgical testing on drill core from the Rajapalot prospect demonstrate excellent gold extraction results of between 95% and 99% (average 97%) by a combination of gravity separation and conventional cyanidation and or/flotation. Metallurgical test work indicates gold recovery and processing are potentially amenable to conventional industry standards with a viable flowsheet which could include crushing and grinding, gravity recovery, and cyanide leaching with gold recovery via a carbon-in-pulp circuit for production of onsite gold doré. Further metallurgical test work was undertaken through Mawson's participation in the BATCircle consortium, a government funded program designed to value-add to the Finnish battery metals circular economy. This test work concluded that conventional processing methods are effective at separating the cobalt minerals present, namely floatation for cobaltite, and magnetic separation for linnaeite. Further test work will focus on the configuration of these processing methods to understand ideal gold and cobalt recovery conditions.

Strategic Cobalt

Rajapalot is a significant and strategic gold-cobalt resource and one of Finland's largest gold resources by grade and contained ounces and one of a small group of cobalt resources prepared in accordance with NI 43-101 policy within Europe. Rajapalot is already the 7th largest European cobalt resource by size and expanding (cobalt is a potential by-product with 15% in situ value compared to the gold content in the 2020 resource). Finland refines half the world's cobalt outside China. The world's largest cobalt refinery is located 400 kilometres south of Rajapalot, where CRU estimates annual refining of 22,734 tonnes of cobalt (approximately 18% of world refined cobalt production), 90% of which was sourced from Chinese-owned mines in the Democratic Republic of Congo. Finland mines only 650 tonnes or 0.5% of the world's cobalt per year. The Rajapalot resource has the potential to support Finland's desire to source ethical and sustainable cobalt.

Mawson is a member of the European Raw Material Alliance ("ERMA"). The ERMA aims to make Europe economically more resilient by diversifying its supply chains, creating jobs, attracting investments to the raw materials value chain, fostering innovation, training young talent and contributing to the best enabling framework for raw materials and the Circular Economy worldwide.

Environmental, Social, Governance (ESG)

Mawson acknowledges that Environmental, Social and Governance ("ESG") forms a comprehensive framework for our Company to successfully navigate and balance the benefits of our projects to the planet, people and profit. Mawson has had an active ESG program operating for many years, and we are constantly developing and adding to it as our projects grow and develop.

The Company complies with The Finnish Network for Sustainable Mining "Standard for Sustainable Exploration", and uses its assessment to follow and further develop our exploration methods and practices, stakeholder engagement, techniques and activities. This assessment is implemented annually and is externally verified every third year.

Mawson is a member of FIBS, the largest corporate responsibility network not only in Finland but also in the Nordic countries. FIBS' goal is to inspire increasing numbers of Finnish companies to start developing productive solutions to local and global problems in cooperation with other companies and organizations, so that they can rise to the top of sustainable business globally.

In Australia, Mawson is an active member of the Minerals Council of Australia ("MCA") and abides by its policies, including its Water Policy and Towards Sustainable Mining® (TSM), an award-winning accountability framework which helps minerals companies evaluate, manage and communicate their sustainability performance.

During the quarter, the Company engaged Digbee ESG to undertake an independent Environmental and Social Governance assessment of the Company's ESG standards. On October 13, 2021, Mawson announced the results of the Digbee report, making Mawson the first company using the Digbee platform to publish its inaugural score, which is not mandatory in the first year of participation. In addition to what Mawson has accomplished to date, the report provides for how Mawson will continue to improve its performance moving forward.

Highlights of the report included:

- Overarching Mawson Gold score of "BB", noting the Company has "strong ESG leadership and demonstrates a clear desire to operate in a sustainable manner both now and in the long term".
- The Company's 100%-owned Rajapalot with the most positive score of "BBB", referencing the contribution of Mawson's "well respected Environmental Director Ms. Noora Ahola who is not only helping to improve the project from an already good base, but also taking part in industry and national level forums".
- The Company's 100%-owned Sunday Creek and Redcastle + Whroo both scoring "BB".
- Every aspect of the business has the potential to reach "AAA" through risk mitigation, as demonstrated in the confidence bands applied by the assessors.
- Scoring is undertaken by an independent team of accredited ESG experts who have deep experience in mining projects similar to those being scored.
- Mawson being the first Digbee participant to publish its inaugural ESG score. Publishing is not mandatory at this time, and underlines Mawson's commitment to transparency and disclosure to ESG matters.

Further information is available on Mawson's website at www.mawsongold.com.

During late 2020, Mawson Oy, Mawson's 100%-owned subsidiary in Finland, requested the Lapland Centre for Economic Development, Transport and the Environment ("ELY") to arrange a preliminary consultation in accordance with section 8 of the Environmental Impact Assessment ("EIA") Procedure Act. The EIA procedure identifies, assesses, and describes the significant environmental effects of a project and subsequently allows Mawson to consult with the authorities and those whose conditions or interests may be affected by the project. The EIA procedure is not a permit procedure but provides information on the environmental effects of a project that will subsequently be taken into account by official authorities during mine permitting. Mawson has completed ten years of flora, fauna and water base line studies and nature assessments at Rompas-Rajapalot, and the EIA program stage is expected to be completed in 2023.

Mawson appreciates the overwhelmingly strong support it receives from local stakeholders. The Rajapalot project could create many opportunities for both the current population and those in the future who settle within the area.

In combination with the EIA, the two municipal areas where the Rajapalot gold-cobalt project is located, the City of Rovaniemi and Municipality of Ylitornio, at the request of Mawson, have formally decided to start the sub-area Local Master land use planning processes. Land use planning in Finland is defined by the Land Use and Building Act. The regional land use plans set out the principles of land use and the community structure. The phased provincial land use plan is a long-term plan and a guideline for the municipalities when drawing up and amending local master plans and local detailed plans. Both municipalities have made decisions to propose to the Regional Council of Lapland ("Lapin Liitto") to start the phased provincial land use plan for the Rajapalot gold-cobalt project.

On December 10, 2021 the Lapin Liitto Board of Council approved Rajapalot’s Participation and Engagement Plan. This formalizes the extent and nature of public participation and describes how the impacts of land use plans will be evaluated.

The start of these formal statutory processes will facilitate the planning of the mining project and further strengthen cooperation and relationships between the various authorities and the company. Land use planning processes helps reduce any licensing uncertainties. A similar process in Finland has been undertaken for other pre-development stage mining projects including the Suhanko (“Arctic Platinum”) project of CD Capital Natural Resources Fund III L.P., the Sokli project of The Finnish Minerals Group, and the Sakatti project of Anglo American.

Mawson carries out its exploration activities across more than 18,000 Ha of exploration tenements in Finland. Sixteen percent of its permit or permit application areas are within EU-defined ‘Natura 2000’ biodiversity conservation areas (Kairamaat 2/3 exploration permit, Uusi Rumavuoma and Rompas permit application areas). Natura 2000 is not a system of strict nature reserves where all human activities are excluded and forms 18% of the EU landmass. The aim of the Natura 2000 network is to assure the long-term survival of Europe’s most valuable and threatened species and habitats. Development in Natura is defined by clear rules and the emphasis is on ensuring that future management is sustainable, both ecologically and economically. Mawson is permitted to complete all exploration at Rajapalot inside and outside Natura zones.

On November 12, 2021 the Regional Council of Lapland (“Lapin Liitto”) approved the Lapland Agreement, which sets out the regional development program for 2022–2025. A vote was taken on several points to clarify the Council’s views on important clauses. One such clause (translated from Finnish) was: “In the coming decades, it is possible that significant ore deposits will be found in Natura 2000 sites or these sites need to be exploited for some other reasons. According to the agreement Natura 2000 areas can be utilized in the future through ecological compensation and offset measures”. The Council voted overwhelmingly (42 For versus 6 Against) in favor of this statement (link).

The Lapland Agreement is a strategic development document that presents an overall picture of development and financial orientation in the region, as well as long-term vision for the future. Lapin Liitto, the Regional Council of Lapland, is the highest decision-making body in Lapland responsible for the planning and development of the region in compliance with the Regional Development Act and the Land Use and Building Act. The 60-member Assembly of the Council comprises municipal councillors representing each of the 21 municipalities in Lapland and with representatives across the political spectrum of Finland.

Many mining projects have been permitted and are in production in Natura 2000 areas within Europe, including Ada Tepe (gold mine, Bulgaria), Prosper Haniel (coal mine, Germany) and Mechelse Heide Zuid (sand mine, Belgium). Anglo American is currently permitting the Sakatti Ni-Cu-PGE project for mining in Finland.

Given Rajapalot’s partial location in and adjacent to Natura 2000 areas, Mawson aims to minimize the negative impacts of our activities and drive positive outcomes in terms of land management and biodiversity. These fundamental planning and regulatory decisions demonstrate Mawson is working constructively with the regional and national authorities to develop Rajapalot in a responsible way.

Cobalt has been identified by the EU as a “critical raw material”, and Rajapalot is already Europe’s 7th largest cobalt resource. Finland refines >50% of the global ex-China cobalt supply but mines <1%, and this imbalance provides Rajapalot and Finland a strategic competitive advantage to capitalize on the global energy transition.

Permits

Permit Type	Name	Mining Registry Number	Area (hectares)
Exploration Permit	Raja	ML2014:0061-01	883
Exploration Permit	Männistö	ML2016:0046-01	2,141
Exploration Permit	Korkiakoivikko	ML2012:0168-01	232
Exploration Permit	Kairamaat 2/3 #	ML2013:0041-02	1,462
Exploration Permit	Hirvimaan *	ML2014:0033	1,007
Exploration Permit	Vatsa ^	ML2015:0017	371
Sub-Total			6,096
Exploration Permit Application	Rompas	ML2014:0060-01	265
Exploration Permit Application	Kultamaat	ML2015:0005-01	529

Permit Type	Name	Mining Registry Number	Area (hectares)
Exploration Permit Application	Karsimaat	MI2014:0075-01	2,777
Exploration Permit Application	Uusi Rumavuoma	ML2015:0042-01	1,283
Exploration Permit Application	Kaitajärvi E-M-W	MI2014:0100-01	802
Exploration Permit Application	Mäntylaenokka N -S	ML2015:0054-01	398
Exploration Permit Application	Kuusivaara	ML2014:0077-01	4,565
Exploration Permit Application	Petäjävaara	ML2014:0074	1,645
Total			18,360

Note: * under statutory renewal process for a 3-year period # under enforcement ^ granted but not yet in legal force

The Rompas-Rajapalot property consists of 6 granted exploration permits for 6,096 hectares and 8 exploration permit applications for a combined total of 18,360 hectares. Exploration permits are granted for up to 15 years with standard two or three yearly renewals. The Rajapalot resource reported here occurs within two granted tenements (Kairamaat 2/3 and Hirvimaa). According to the Finnish Mining Act, after the first permit period of up to 4 years, all exploration permits in Finland can be renewed in 3-year maximum intervals, for a combined total of 15 years. Reservations are valid for 2 years. The Hirvimaa extension permit is under a statutory renewal process for a 3-year period, and is expected to come in legal force in February 2022. According to the Finnish Mining Act exploration work cannot take place until the renewal has been accepted and completed. The 1,462 hectare Kairamaat 2/3 exploration permit is granted, but not in legal force and Mawson is permitted to explore according to an enforcement order granted by TUKES (the Finnish Mining Authority).

There are no underlying royalties (except a statutory Finnish mining royalty of 0.15 % of the value of the exploited mineral / metal payable to the landowner), back-in rights or other underlying agreements or encumbrances over the property.

Australia

Mawson's efforts in Australia are centred in Victoria, which hosts one of the giant orogenic goldfields of the world with more than 80 Moz extracted since 1851. The state is now experiencing its third gold boom with the discovery of the Swan Zone at Fosterville (current proven and probable reserve 3 Mt @ 21.8 g/t gold for 2.1 Moz). There are two distinct sub-types of orogenic gold mineralization in Victoria (mesozonal and epizonal), formed during different metallogenic/orogenic events: the first recorded from the ~445 Ma Benambran Orogeny, and the second from the ~370-380 Ma Tabberabberan Orogeny occurring within distinct regional geological domains. The majority of gold recovered from the Victorian goldfields has been produced from the older, Benambran-aged mesozonal gold-quartz vein systems, targeted by the old-timers in the Bendigo and Stawell zones. More recently, Fosterville has rewritten the Victorian geological opportunity for epizonal gold deposits. We now understand that epizonal systems can develop extremely high-grade, free gold deposits, as the miners in 1859 demonstrated at Redcastle.

Southern Cross Gold

Mawson has consolidated its Australian assets into Southern Cross Gold Pty Ltd ("Southern Cross"), namely the 100% owned Sunday Creek tenements in Victoria and Mount Isa projects in Queensland, Redcastle and Whroo joint ventures in Victoria, and the 10% shareholdings of ASX-listed Nagambie Resources Limited (ASX:NAG) ("Nagambie") including its Right of First Refusal over a 3,300 square kilometre tenement package held by Nagambie in Victoria. Southern Cross is a currently a wholly-owned subsidiary of Mawson, however the Company plans to spin out Southern Cross via an Initial Public Offering ("IPO") for admission to the official list of ASX Limited ("ASX" or "Australian Stock Exchange"). Southern Cross will have a dedicated strategy and local board and management team led by Mawson's Executive Chairman, Michael Hudson.

During the period, Mawson [announced](#) the spin-out Mawson's Australian assets into a new entity, Southern Cross Gold Pty Ltd. ("Southern Cross Gold") via an Initial Public Offering ("IPO") for admission to the official list of ASX Limited ("ASX" or "Australian Stock Exchange"). ASX's positive reply was received during the period for Southern Cross Gold's In-principle Advice submission to support Southern Cross Gold's suitability for admission to the official list of the ASX. Southern Cross Gold has now moved to the pre-IPO private placement financing stage to fund continued exploration, drilling, working capital and IPO expenses in Australia from sophisticated and professional ("accredited") investors. Mawson intends to distribute its stake in Southern Cross Gold to shareholders following the IPO, subject to relevant approvals. The IPO is expected to close in May 2022. It is proposed that the Spinout will occur by way the Arrangement under the Business Corporations Act (British Columbia) pursuant to which, among

other matters, Mawson shareholders will receive the ordinary shares of Southern Cross held by Mawson on a pro rata basis, after completion of Southern Cross' IPO. The Arrangement will be subject to the approval of the Company's shareholders at a special meeting (the "Meeting"), regulatory and court approval, and the continued discretion of Mawson's management and board of directors. Southern Cross' IPO on the ASX will be subject to acceptance by the ASX and Southern Cross fulfilling all the requirements of the ASX. The Arrangement is also subject to completion of Southern Cross' IPO on the ASX.

Further details of the Arrangement and the IPO, including, without limitation, the applicable ratio for the number of Southern Cross ordinary shares to be received by Mawson shareholders, the record date for the Meeting and the date of the Meeting, will be provided in due course. The Company is under no obligation to complete the Spinout, IPO or Arrangement and there can be no assurance that the IPO or Arrangement will be completed on the terms described herein or at all, or that the Southern Cross ordinary shares will be listed on the ASX.

Sunday Creek Tenements (100% Mawson)

Sunday Creek is a shallow orogenic (or epizonal) Fosterville-style deposit located 56 kilometres north of Melbourne and contained with 19,365 hectares of both granted and applied for exploration tenements. Historic gold mining between 1880-1920 occurred over a greater than 11-kilometre trend. Drilling during 1990-2000s focused on shallow, previously mined surface workings, covering an area of 100 metres in width, 800 metres length but only to 80 metres depth. As such, the entire field remains open along strike and to depth. Apollo was the original deepest shaft to 100 metres in the late 1800s in a series of sheeted stibnite-rich veins, predominately hosted within a felsic dyke that broadly controls gold distribution.

Mineralization at Sunday Creek is hosted in late-Silurian to early-Devonian-aged shales and siltstones containing a series of dykes of felsic-intermediate composition. Gold is concentrated mainly in and around the EW to NE-SW trending felsic dykes, within predominately NW oriented brittle multiple sheeted veins and cataclastic zones. Individual high-grade quartz-stibnite veins at Apollo and Golden Dyke, and cataclastic zones at Gladys were the focus of historical mining at Sunday Creek. These zones have been proven to continue to depth by Southern Cross Gold. Broader vein-hosted and cataclastic mineralization grading less than 15 g/t gold appears untouched by the historic miners.

Southern Cross Gold has now completed 26 drill holes (MDDSC001-026) for 6,448 metres at the Sunday Creek gold project. Assays from 25 out of the 26 completed holes have been released. Geophysical surveys (3D induced polarization and ground magnetics) have been completed. A 1,200-point soil sampling program at Sunday Creek has been completed extending east-northeast from drilling areas to test the 10 kilometre trend of historic epizonal dyke-hosted mineralization within Mawson's tenured areas. In total there are 8 intersections that exceed 100 "grade x width" on the project. Better drill results to date include:

- MDDSC001 drillhole intersected 15.2 metres @ 3.7 g/t gold ("Au") from surface including 0.6 metres at 17.9 g/t gold from 10.4 metres while testing unmined extensions of the historic Apollo mine area. This confirmed the tenor of gold mineralisation found within earlier reverse-circulation drill results, from previous explorers, using orientated HQ-sized core.
- MDDSC002 intersected 5.0 metres @ 5.2 g/t gold from 53.8 metres including 0.29 metres at 79.4 g/t gold from 53.8 metres and 21.0 metres @ 3.4 g/t gold from 109.0 metres including 1.1 metres at 22.3 g/t gold from 109.0 metres, while testing immediate down dip extensions of Southern Cross Gold drill hole MDDSC001.
- MDDSC005 was drilled immediately beneath the 100-metre-deep Apollo shaft to test the parallel and down dip extensions of the unmined extensions of the historic mine area. The hole intersected the north-west oriented mineralised structure over 47.5 metres @ 1.3 g/t gold from 88.0 metres down hole depth without applying a lower-cut. Higher grade intersections in the hole were 4.2 metres @ 3.4 g/t gold from 88.0 metres and 11.5 metres @ 3.3 g/t gold from 123.7 metres, including 0.1 metres @ 52.6 g/t gold from 123.7 metres, 0.3 metres @ 17.9 g/t gold from 128.2 metres and 0.3 metres @ 45.1 g/t gold from 133.5 metres. An historic mining void was intersected from 100.4 to 103.4 metres down the hole. Visible gold was observed within stibnite+quartz veins at 88.7 metres, 123.7 metres, 128.2 metres and 130.9 metres.

- Diamond drillhole MDDSC0010 intersected 7.0 metres @ 6.0 g/t gold from 72.4 metres including 2.0 metres @ 18.5 g/t gold from 73.9 metres and 3.4 metres @ 9.7 g/t gold from 97.9 metres including 0.3 metres @ 72.9 g/t gold from 101.0 metres while testing the down dip extensions of the historic Gladys mine area.
- Diamond drillhole MDDSC0012 was drilled 110 metres vertically below the historic Apollo mine workings and intersected thick and high-grade mineralised intervals over a combined width of 36.4 metres @ 2.8 g/t gold equivalent (“AuEq”) (2.4 g/t gold and 0.4% antimony) from 177 metres (without a lower cut). Better intervals included (lower cut of 0.3 g/t Au cut over 2.0 metre width, with higher grades reported with a 5 g/t Au cut over 1.0 metre):
 - 13 metres @ 1.9 g/t AuEq (1.7 g/t Au and 0.14% Sb) from 177 metres
 - including 0.8 metres @ 12.3 g/t AuEq (11.4 g/t Au and 0.9% Sb) from 178.0 metres
 - 17.7 metres @ 4.4 g/t AuEq (3.7 g/t Au and 0.7% Sb) from 196.0 metres
 - Including 10.4 metres @ 6.4 g/t AuEq (5.4 g/t Au and 1.0% Sb) from 203.0 metres
 - 0.2 metres @ 49.2 g/t AuEq (37.3 g/t Au and 12.0% Sb) from 207.0 metres and
 - 2.2 metres @ 19.2 g/t AuEq (15.8 g/t Au and 3.3% Sb) from 209.0 metres
- Diamond drillhole MDDSC015A, the deepest hole reported to date at the Apollo mine area, intersected (lower cut of 0.3 g/t Au cut over 2.0 metre width, with higher grades reported with a 5 g/t Au cut over 1.0 metre):
 - 4.6 metres @ 1.7 g/t AuEq (1.6 g/t Au and 0.1% Sb) from 222 metres; and
 - 15.3 metres @ 4.3 g/t AuEq (2.2 g/t Au and 2.1% Sb) from 231.4 metres
 - Including 0.8 metres @ 7.8 g/t AuEq (1.1 g/t Au and 6.8% Sb) from 232.3 metres
 - Including 0.5 metres @ 21.9 g/t AuEq (6.6 g/t Au and 15.3% Sb) from 238.1 metres
 - Including 2.8 metres @ 11.1 g/t AuEq (5.7 g/t Au and 5.5% Sb) from 241.3 metres
 - Including 0.5 metres @ 10.8 g/t AuEq (10.1 g/t Au and 0.7% Sb) from 245.6 metres.
- MDDSC016A drilled 80 metres below VCRC007 (28 metres @ 3.2 g/t AuEq (3.0 g/t Au 0.3% Sb) intersected 77.6 metres @ 1.0 g/t AuEq (0.8 g/t Au and 0.2% Sb) (no lower cut) from 109.4 metres at the Apollo Mine area. Higher grade zones included:
 - 23.5 metres @ 1.9 g/t AuEq (1.6 g/t Au and 0.3% Sb) from 109.4 metres including:
 - 0.4 metres @ 56.8 g/t AuEq (53.3 g/t Au and 3.5% Sb) from 124.7 metres
 - 11.9 metres @ 1.2 g/t AuEq (0.7 g/t Au and 0.5% Sb) from 157.5 metres including:
 - 0.4 metres @ 12.9 g/t AuEq (0.9 g/t Au and 12.1% Sb) from 167.8 metres
 - 7.6 metres @ 2.4 g/t AuEq (2.2 g/t Au and 0.2% Sb) from 174.6 metres
- MDDSC021 drilled 90 metres below MDDSC020 and the deepest intersection drilled to date at on the project intersected:
 - 21.7 metres @ 5.6 g/t AuEq (4.7 g/t Au and 1.0% Sb) from 274.7 metres including:
 - 0.4 metres @ 165.4 g/t AuEq (145.5 g/t Au and 20.0% Sb) from 277.0 metres;
 - 1.1 metres @ 26.7 g/t AuEq (19.2 g/t Au and 7.5% Sb) from 280.4 metres;
 - 0.4 metres @ 17.9 g/t AuEq (14.7 g/t Au and 3.3% Sb) from 287.4 metres
 - Located 600 metres west from the channel samples (14.0 metres at 11.5 g/t gold and 0.3% antimony including 8.0 metres @ 19.6 g/t gold and 0.4% antimony).
- MDDSC025 is a large step-out, located 380 metres east of MDDSC021, the previous deepest intersection drilled at the project ([link](#)). MDDSC025 intersected:
 - 11.7 metres @ 12.4 g/t Au and 3.6% Sb (16.0 g/t AuEq) from 362.0 metres in hole MDDSC025, including:
 - 3.0 metres @ 41.4 g/t Au and 12.0% Sb (53.4 g/t AuEq) from 364.0 metres or 6.5 metres @ 20.6 g/t Au and 6.0% Sb (26.6 g/t AuEq) from 363.5 metres;
 - 0.5 metres @ 14.3 g/t Au and 4.4% Sb (18.7 g/t AuEq) from 370.8 metres;

Sunday Creek is open at depth and along strike and is considered a high value exploration project with affinity to the Fosterville Mine.

Southern Cross Gold has also performed trenching 200 metres east of the drilled area at Sunday Creek which intersected 14.0 metres at 11.5 g/t gold and 0.3% antimony (Trench 1) including 8.0 metres @ 19.6 g/t gold and 0.4%

antimony and 2 metres @ 4.9 g/t gold and 0.2% antimony (Trench 2). Mineralisation remains open 10 kilometres to the east of these trenches, where historic mining was common, but no drilling has ever taken place.

Southern Cross Gold has acquired the option to acquire the freehold land at Sunday Creek during early 2022.

Option and Joint Venture

(i) Redcastle Option and Joint Venture (Option to earn up to 70%)

Pursuant to Option and Joint Venture Agreements entered into on March 24, 2020, between Mawson and Nagambie, Mawson has the right to earn an up to 70% joint venture interest Nagambie's Redcastle gold project located in Victoria, Australia by incurring the following exploration expenditures: AUD \$100,000 in the first year and an additional AUD \$150,000 in year 2 to earn 25%, an additional AUD \$250,000 in year 3 to earn 50% and an additional AUD \$500,000 by year 5 to earn 70%. Once Mawson earns 70% a joint venture between the parties will be formed. Nagambie may then contribute its 30% share of further exploration expenditures or, if it chooses to not contribute, dilute its interest. Should Nagambie's interest be reduced to less than 5.0%, it will be deemed to have forfeited its interest in the joint venture to Mawson in exchange for a 1.5% net smelter return royalty ("NSR") on gold revenue. Should Nagambie be granted the NSR, Mawson will have the right to acquire the NSR for AUD \$4,000,000.

The Company has advised Nagambie that it has incurred the requisite total exploration expenditures to earn the 70% interest in the Redcastle property and is preparing the formal report to submit to Nagambie for review and acceptance.

Redcastle is located in central Victoria 45 kilometres east of Bendigo and 18 kilometres north of Heathcote. Redcastle was discovered in 1859 and named the Balmoral Diggings, later renamed 'Redcastle'. Underground mining continued until 1902.

Redcastle is a shallow orogenic (or epizonal) Fosterville-style historic high-grade field held within a tenure area of 51 square kilometres. It is located 7 kilometres along strike from Mandalay Resources' Costerfield mine and on a parallel north-south structure, 24 kilometres east of Kirkland Lake Gold's Fosterville mine – two of the worlds highest grade gold mines. The northern margin of the claim is surrounded by a Newmont Corporation exploration licence.

It is one of the most significant historic epizonal high-grade goldfields in Victoria, Australia. First discovered in 1859, it is an extremely high-grade epizonal gold system with visible gold in quartz (+/- stibnite) association. Extremely high gold grades were mined over a 4.5 x 7 square kilometre area containing over 24 historic mining areas.:

Mawson is undertaking a twofold approach at Redcastle. Initially the Company is systematically collecting "tenement scale" data to understand the broad mineral system and allow it to also explore beneath the significant alluvial cover. This includes ground magnetics, gravity and gradient array induced polarization ("IP") to test the entire Redcastle mineralizing system. Secondly the company has completed stage one diamond drilling to test beneath the high-grade old mines. The combination of the stage one drilling data with the "tenement scale" data (geophysics, geological reconnaissance and detailed analysis of historic mine records) will aid in the development of new drill targets.

Fifteen holes (MDDRE001-015) for 2,774.8 m have now been drilled at the Redcastle Project. A full analysis of the work completed by the Company over the year at Redcastle will be made soon.

(ii) Whroo Option and Joint Venture (Option to earn up to 70%)

In October 2020 Mawson executed an Amended and Restated Option Agreement (the "Amended and Restated Agreement" or "Whroo JV") with Nagambie Resources Limited (NAG:ASX) ("Nagambie") over 199 square kilometres of exploration tenure in the Victorian Goldfields of Australia. encompasses 199 square kilometres of mineral tenure and includes the 14-kilometre-long Whroo gold mineralized trend within four granted exploration licences: EL6158 (Rushworth, 46 sq km), EL6212 (Reedy Lake, 17 sq km), EL7205 (Angustown, 69 sq km), and EL7209 (Goulburn West, 34 sq km), two exploration licence applications

ELA7237 (Kirwans North 1, 20 sq km) and ELA7238 (Kirwans North 2, 9 sq km); and one granted retention licence RL2019 (Doctors Gully, 4 sq km).

Mawson has the option to earn an up to 70% joint venture interest in the Whroo JV by incurring the following exploration expenditures: AUD \$400,000 in the first year, being December 2, 2021, and an additional AUD \$500,000 in year 2 to earn 25%, an additional AUD \$1,600,000 in years 3 and 4 to earn 60% (cumulative AUD \$2.5M over 4 years). At this point, either party may provide notice to the other to form a joint venture (“JV”) under which the percentage ownership of each of Nagambie and Mawson will be 40% and 60%, respectively. If Nagambie elects not to form a JV at 40% of the Whroo JV, Mawson then has the option, but not the obligation, to invest a further AUD \$1.5M of exploration expenditures over 2 years (cumulative AUD \$4.0M in Years 1 to 6), to earn a 70% interest in the Whroo JV. Once Mawson earns 70% a joint venture between the parties will be automatically formed. Nagambie may then contribute its 30% ownership with further exploration expenditures or, if it chooses to not contribute, dilute its interest. Should Nagambie’s interest be reduced to less than 5.0%, it will be deemed to have forfeited its interest in the joint venture to Mawson in exchange for a 1.5% net smelter return royalty (“NSR”) on gold revenue. Should Nagambie be granted the NSR, Mawson will have the right to acquire the Whroo JV NSR for AUD \$4,000,000.

Mawson has made cash payments totalling AUD \$150,000 to Nagambie, and will have subsequent payments of AUD \$50,000 on the third and fourth anniversary dates. Mawson has the option to accelerate its spending to achieve its various percentage ownership interest positions in the Whroo JV Property. The Company has advised Nagambie that it has incurred the requisite total exploration expenditures of AUD \$400,000 in the first year in the Whroo JV and has prepared the formal report to submit to Nagambie for review and acceptance.

Alluvial gold mining commenced at Whroo during the initial gold boom of the 1850s and a settlement was quickly established. Significant alluvial workings are present throughout the field. Hard rock mining commenced in 1855. Whroo consists of the Balaclava Hill area which contains thirteen named reefs, while shallow workings extend the trend over 9 kilometres to the White Hills mining area. Production at Whroo is estimated to have been 40,000 oz of gold. At White Hills, 21 historic gold showings and mines occur within a larger alluvial gold field.

Mawson has completed gradient array and ground magnetic geophysical survey over the Doctors Gully Retention Licence RL2019 and completed a 3 diamond drill hole, 330.5 metre diamond drill program. Further drilling at the Balaclava area is planned during 2021.

Strategic 10% Equity Investment into Nagambie

Mawson entered into a subscription agreement with Nagambie dated March 24, 2020, under which Mawson subscribed for 50.0 million ordinary shares of Nagambie (the “Nagambie Shares”), which represent a 10.0% shareholding in Nagambie. As consideration for the acquisition of the Nagambie Shares, Nagambie received 8.5 million common shares of Mawson (the “Mawson Private Placement Shares”), which represent approximately 4.7% of the total issued Mawson Shares (after including the 1.0 million Mawson Acquisition Shares from the Clonbinane Acquisition, as defined below). The Mawson Private Placement Shares were subject to an initial statutory four month hold period and voluntary trading restrictions to be released from such restriction in four equal tranches (being 2,125,000 Mawson Private Placement Shares per tranche).

Mawson also secured a right of first refusal to take up or match proposals being considered over a competitive 3,600 square kilometre tenement package held by Nagambie. This package includes the Nagambie Gold Mine and provides Mawson with a pipeline of potential new projects. In addition, Mawson has a pre-emptive right on future issuances of Nagambie Shares to avoid dilution.

Mount Isa SE, Australia

Mawson has staked through its 100% owned Australian subsidiary, Mawson Queensland Pty Ltd, five exploration prospecting licences (“EPMs”) for 483km². The properties total 483 square kilometres of granted exploration licences in the Cloncurry district of Mt Isa, over a combined 60 kilometres of strike, and is surrounded by South32 Ltd and Sandfire Resources Ltd.

Mawson received \$200,000 funding for the F11 drill program under the Queensland Government's Collaborative Exploration Initiative (CEI). Mawson completed its first drill hole (MQDDH001) to 849.7 metres with basement rocks intersected at 318 metres. Based on results of Mawson's gravity and magnetic surveys, the target source for drilling was modelled below the basement-cover contact within amphibolite facies metamorphic rocks to test a coherent and large undrilled multi-point 1.95 mgal residual gravity anomaly with an adjacent magnetic high (the F11 anomaly). The anomaly has a shallow peak of 700 metres depth and average depth of 1,000-1,500 metres. Iron oxide copper-gold (IOCG) and Broken Hill-type silver-lead-zinc systems are the main target styles for this hole and regionally within Mawson's Mount Isa Southeast Project. The lower part of the drill hole below 750 metres contains most of the sulphides of interest, in particular pyrrhotite-rich zones with veinlets and disseminated chalcopyrite hosted by potassic-altered metasediments and mafic rocks. It is within these zones that the anomalous copper, arsenic, silver and zinc occur. From 750 to 838.8 metres downhole, 20 selective samples, representing 12.7 metres of drill core assayed from 61 ppm - 8,660 ppm and averaged 1,202 ppm copper, 0.02 ppm - 0.70 ppm and averaged 0.27 ppm silver and 31.7 ppm - 237 ppm and averaged 109 ppm zinc. Gold results were low with a maximum value of 20 ppb. The increase in copper and associated elements lower in the drill hole and the strong correlation with the emplacement and sulphidic alteration of pegmatites is an encouraging sign for development of further mineralization in the area. Texturally late sulphide enrichment and/or mobilization is a feature of mineralization styles in the Eastern Succession, largely driven by fluids derived from the Williams-Naraku igneous suite.

Prior to drilling, Mawson flew 100 metre spaced airborne magnetics and completed a 1km x 1km ground-based gravity over its entire Isa SE holding. This program was funded in part by an AUD \$100,000 grant from the Qld Government Collaborative Exploration Initiative, which backs private investment in under-explored parts of north-west Queensland by co-funding particularly innovative projects.

A project in conjunction with James Cook University is being undertaken to compare MQDDH001 results with other Mount Isa Eastern Succession mineral systems. These results will be integrated with Mawson's (2019) gravity and magnetic datasets across the project to develop new drill targets.

Future Developments

The main goal in Finland is to demonstrate increased mineralization at Rajapalot whilst concurrently de-risk ounces through permitting and engineering. Mawson's goal in Australia is to develop high quality targets in its Victoria and realize value to its shareholders through spin out of the assets on the ASX.

Finland

Future work in Finland will focus on a dual strategy to:

- Winter diamond drilling program targeting predominately new exploration prospects to demonstrate the district-scale geological system at Rajapalot.
- De-risk current and future ounces via social licensing, permitting, metallurgy and engineering.
 - EIA and land use planning studies.
 - Metallurgical testwork for cobalt and gold
 - Techno-economic development studies.

Victoria, Australia

- Continue to build Victorian mineral portfolio.
 - Continued drilling at Sunday Creek to extend mineralization at depth and along strike
 - Initial metallurgical studies at Sunday Creek
 - Further drill results from Sunday Creek and the maiden two-hole drill program at the Whroo Joint Venture project are pending.
- Progress the spin out of its Australian assets through Sothern Cross Gold, including finalizing the pre-IPO capital raise and completion of the IPO on the ASX in H1 2022. Distribution to Mawson shareholders will occur within 6 months following the IPO.

Qualified Person

Dr. Nick Cook (FAusIMM), Chief Geologist for the Company, is a qualified person as defined by National Instrument 43-101 - Standards of Disclosure of Mineral Projects and has prepared or reviewed the preparation of the scientific and technical information provided under Exploration Projects of this document.

Financial Data

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company.

	Fiscal 2022		Fiscal 2021				Fiscal 2020	
	Nov 30 2021 \$	Aug 31 2021 \$	May 31 2021 \$	Feb 28 2021 \$	Nov 30 2020 \$	Aug 31 2020 \$	May 31 2020 \$	Feb 29 2020 \$
Operations:								
Revenues	Nil							
Expenses	(824,082)	(647,535)	(538,338)	(702,621)	(863,680)	(919,440)	(838,170)	(1,179,363)
Other items	(729,498)	745,039	217,457	499,531	(71,704)	(562,286)	1,453,826	(900,317)
Net and comprehensive (loss) income	(1,553,580)	97,504	(320,881)	(203,090)	(935,384)	(1,481,726)	615,656	(2,079,680)
Basic and diluted (loss) income per share	(0.01)	0.00	(0.00)	(0.00)	(0.00)	(0.01)	0.00	(0.01)
Dividends per share	Nil							
Balance Sheet:								
Working capital	2,866,972	5,018,115	6,694,302	10,018,006	14,017,137	16,917,266	18,031,038	3,956,181
Total assets	53,683,436	54,748,628	54,962,290	56,436,571	55,242,943	55,823,176	57,427,133	39,594,009
Total long-term liabilities	Nil							

Results of Operations

Three Months Ended November 30, 2021 Compared to Three Months Ended August 31, 2021

During the three months ended November 30, 2021 (“Q2”) the Company reported a net loss of \$1,553,580 compared to net income of \$97,504 for the three months ended August 31, 2021 (“Q1”), an increase in loss of \$1,651,084. The fluctuation is mainly due to the volatility in the quoted stock prices in the Nagambie shares, resulting in an unrealized gain of \$732,340 in Q1 only to have the shares prices drop in Q2, resulting in an unrealized loss of \$710,733 in Q2. In addition the Company had a \$176,547 increase in expenses, from \$647,535 in Q1 to \$824,082 in Q2.

Six Months Ended November 30, 2021 Compared to Six Months Ended November 30, 2020

During the six months ended November 30, 2021 (the “2021 period”) the Company reported a net loss of \$1,456,076 compared to a net loss of \$2,417,110 for the six month ended November 30, 2020 (the “2020 period”), a decrease in loss of \$961,034. The decrease in loss was attributed to:

- (i) recognition of an unrealized loss on investments of \$678,325 in the 2020 period compared to an unrealized gain on investments of \$21,607 in the 2021 period primarily due to the fluctuations in the quoted stock prices of Nagambie shares; and
- (ii) a decrease in general and administrative expenses of \$311,503, from \$1,783,120 during the 2020 period to \$1,471,617 during the 2020 period. Significant variances in general and administrative expenses are as follows:
 - during the 2020 period the Company engaged consultants to provide strategic consulting, media and business development services on behalf of the Company and, as a result, corporate advisory fees totalling \$630,838 were incurred during the 2020 period. No corporate advisory services were rendered during the 2021 period;
 - incurred legal expenses of \$150,038 during the 2021 period compared to \$65,648 during the 2020 period. The increase in the 2021 period was primarily attributed to significant legal fees incurred to review the complicated process to conduct the spin-out of the Australian assets through Southern Cross Gold;
 - recognition of share-based compensation of \$239,500 in the 2021 period compared to \$174,253 in the 2020 period on the granting and vesting of share options and RSUs;

- incurred travel expenses of \$64,939 during the 2021 period compared to \$13,893 during the 2020 period. During the 2020 period travel activities were severely curtailed due to the covid 19 pandemic restrictions. Increased travel resumed in the 2021 period as travel restrictions were eased;
- incurred general exploration of \$61,629 during the 2021 period compared to \$138,496 during the 2020 period mainly for the acquisition of specialized software to analyze exploration related data; and
- incurred professional fees of \$180,147 during the 2021 period compared to \$78,566 during the 2020 period, reflecting the engagement of a consultant to provide corporate advisory services.

As the Company is in the exploration stage of investigating and evaluating its unproven mineral interests, it has no source of operating revenue. Interest income is generated from cash on deposit and short-term money market instruments issued by major financial institutions. During the 2021 period the Company reported interest income of \$17,218 compared to \$82,491 during the 2020 period due to lower levels of cash held during the 2021 period compared to the 2020 period.

Investments

	As at November 30, 2021			
	Number	Cost \$	Unrealized Gain (Loss) \$	Carrying Value \$
Common shares				
Nagambie Resources Limited (“Nagambie”)	50,000,000	1,572,500	1,429,398	3,001,898
Kingsmen Resources Limited (“Kingsmen”)	37,500	45,000	(39,375)	5,625
		<u>1,617,500</u>	<u>1,390,023</u>	<u>3,007,523</u>
	As at May 31, 2021			
	Number	Cost \$	Unrealized Gain (Loss) \$	Carrying Value \$
Common shares				
Nagambie Resources Limited (“Nagambie”)	50,000,000	1,572,500	1,407,791	2,980,291
Kingsmen Resources Limited (“Kingsmen”)	37,500	45,000	(39,375)	5,625
		<u>1,617,500</u>	<u>1,368,416</u>	<u>2,985,916</u>

Financings

No financings were completed during the 2021 or 2020 period.

During the 2021 period the Company issued 110,138 common shares on the exercise of warrants for \$20,376.

During the 2020 period the Company issued a total of 2,013,320 common shares on the exercise of share options and warrants for \$432,845.

Exploration and Evaluation Assets

	As at November 30, 2021			As at May 31 2021		
	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$
Finland						
Rompas-Rajapalot	3,535,234	37,263,668	40,798,902	3,349,056	36,133,018	39,482,074
Australia						
Sunday Creek	756,704	2,202,965	2,959,669	735,677	1,298,127	2,033,804
Redcastle	41,304	1,467,648	1,508,952	36,782	1,406,671	1,443,453
Whroo JV	96,985	278,100	375,085	94,851	185,255	280,106
Mount Isa SE	288,676	553,659	842,335	273,250	553,622	826,872
	<u>4,718,903</u>	<u>41,766,040</u>	<u>46,484,943</u>	<u>4,489,616</u>	<u>39,576,693</u>	<u>44,066,309</u>

During the 2021 period the Company incurred a total of \$2,418,634 (2020 - \$2,856,308) on the acquisition, exploration and evaluation of its unproven resource assets of which \$1,316,828 (2020 - \$1,170,306) was incurred on its Finnish properties, and \$1,101,806 (2020 - \$1,686,002) on its Australian properties. See “Exploration Projects” in this MD&A for details.

Financial Condition / Capital Resources

As at November 30, 2021 the Company has working capital of \$2,866,972. In December 2021 the Company completed a public offering of \$5,500,050 and issued 36,667,000 common shares of the Company.

Management considers that the Company has adequate resources to maintain its core operations and planned exploration programs on its existing exploration and evaluation assets for the next twelve months. To date the Company has not earned any revenue and is considered to be in the exploration stage. The Company’s operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. While the Company has been successful in securing financings in the past there can be no assurance that it will be able to do so in the future. See also “COVID-19”.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has announced that it is contemplating a spin-out of its Australian assets, as described in “Property Assets and Exploration Activities - Southern Cross Gold”. The spin-out process is comprehensive and is subject to many factors, including current market conditions and necessary regulatory and shareholder approvals. The Company is under no obligation to complete the Spinout, IPO or Arrangement and there can be no assurance that the IPO or Arrangement will be completed on the terms described herein or at all, or that the Southern Cross ordinary shares will be listed on the ASX.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include estimating the fair values of financial instruments and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of the Company’s critical accounting estimates and sources of estimation is included in Note 3 to the May 31, 2021 audited annual consolidated financial statements.

Changes in Accounting Policies

A detailed summary of all the Company’s significant accounting policies and accounting standards and interpretations issued but not yet effective, is included in Note 3 to the May 31, 2021 audited annual financial statements.

Related Parties Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period. The Company has determined that key management personnel consists of members of the Company’s Board of Directors and its executive officers.

(a) During the 2021 and 2020 periods the following fees were incurred:

	2021 \$	2020 \$
Professional fees - Mr. Hudson - Chairman, former CEO and director ⁽¹⁾	84,000	84,000
Other compensation - Mr. Hudson	20,000	-
Professional fees - Mr. Fairhall - CEO and director ⁽²⁾	64,454	-
Professional fees - Mr. Cook - Chief Geologist, former President ⁽³⁾	91,593	104,585
Other compensation - Mr. Cook	20,000	-
Professional fees - Mr. DeMare - CFO and director	12,000	12,000
Other compensation - Mr. DeMare	10,000	-
Professional fees - Mr. Henstridge - director	9,000	9,000
Professional fees - Mr. Maclean - director	9,000	9,000
Professional fees - Mr. Williams - director ⁽⁴⁾	13,000	15,000
Professional fees - Ms. Ahola - director ⁽⁵⁾	71,470	73,004
Other compensation - Ms. Ahola	30,769	-
Professional fees - Ms. Bermudez - Corporate Secretary	20,860	22,260
Other compensation - Ms. Bermudez	10,000	-
	<u>466,146</u>	<u>328,849</u>

(1) Mr. Hudson resigned as CEO of the Company on September 7, 2021.

(2) Mr. Fairhall was appointed CEO of the Company on September 7, 2021 and became a director on November 29, 2021.

(3) Mr. Cook resigned as President of the Company and was appointed Chief Geologist on September 8, 2020.

(4) Mr. Williams received \$9,000 (2020 - \$9,000) for director fees and \$4,000 (2020 - \$6,000) for being a member of the Advisory Committee.

(5) Ms. Ahola received \$9,000 (2020 - \$9,000) for director fees and \$93,239 (2020 - \$64,004) for being a member of the Environmental Health and Safety Committee.

During the 2021 period the Company allocated the \$466,146 (2020 - \$328,849) professional fees and salaries based on the nature of the services provided: expensed \$281,314 (2020 - \$160,260) to directors and officers compensation and capitalized \$184,832 (2020 - \$168,589) to exploration and evaluation assets. As at November 30, 2021 \$95,045 (May 31, 2021 - \$59,434) remained unpaid.

During the 2021 period the Company also recorded \$179,000 (2020 - \$nil) share-based compensation for share options and RSUs granted to key management personnel as follows:

	2021 \$	2020 \$
Mr. Fairhall - share based compensation for RSUs	66,000	-
Mr. Fairhall - share based compensation for share options	25,000	-
Mr. Hudson - share based compensation for RSUs	44,000	-
Mr. Cook - share based compensation for RSUs	44,000	-
	<u>179,000</u>	<u>-</u>

Pursuant to various agreements with its Chairman (Mr. Hudson), CEO (Mr. Fairhall) and Chief Geologist (Mr. Cook), the Company is currently committed to pay up to approximately \$735,000 in the event of termination without cause or a change of control.

(b) During the 2021 period the Company incurred a total of \$32,150 (2020 - \$44,000) with Chase Management Ltd. ("Chase"), a private corporation owned by Mr. DeMare for accounting and administration services provided by Chase personnel, excluding Mr. DeMare, and \$2,010 (2020 - \$2,010) for rent. As at November 30, 2021 \$4,920 (May 31, 2021 - \$4,170) remained unpaid.

(c) During the 2021 period the Company purchased a vehicle for \$56,179 from a private corporation controlled by Mr. Hudson.

Risks and Uncertainties

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

The Company believes that it is in compliance in all material regulations applicable to its exploration activities. The Company is dealing with certain Finnish environmental authorities in regards to certain issues on the Rompas-Rajapalot property. See also “Exploration Projects - Finland - Environment and Permitting”. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

The Company’s material mineral properties are located in Finland and Australia and consequently the Company is subject to certain risks, including currency fluctuations which may result in the impairment or loss of mining title or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by governmental regulations relating to the mining industry.

Additional risks and uncertainties relating to the Company and its business can be found in the “Risk Factors” section of the Company’s most recent Annual Information Form available at www.sedar.com or the Company’s website at www.mawsongold.com.

Outstanding Share Data

The Company’s authorized share capital is unlimited common shares without par value. As at January 11, 2022 there were 293,330,800 issued and outstanding common shares. In addition, there were 13,297,520 share options outstanding, at exercise prices ranging from \$0.155 to \$0.50 per share and 30,350,045 warrants outstanding at exercise prices ranging from \$0.15 to \$0.45 per share.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company’s disclosure controls and procedures. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that the Company’s disclosure controls and procedures, as defined in National Instrument 52-109 - *Certification of Disclosure in Issuer’s Annual and Interim Filings* (“52-109”), are effective to ensure that the information required to be disclosed in reports that are filed or submitted under Canadian Securities legislation are recorded, processed, summarized and reported within the time period specified in those rules. Management relies upon certain informal procedures and communication, and upon “hands-on” knowledge of senior management. Due to the minimal number of staff, however, the Company will continue to rely on an active Board and management with open lines of communication to maintain the effectiveness of the Company’s disclosure controls and procedures.

Internal Control over Financial Reporting

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of the Company’s financial reporting for external purposes in accordance with IFRS. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect the Company’s transactions and dispositions of the assets of the Company; providing reasonable assurance that transactions are recorded as necessary for preparation of the Company’s consolidated financial statements in accordance with IFRS; providing reasonable assurance that receipts and expenditures are made in accordance with authorizations of management and the directors of the Company; and providing reasonable assurance that unauthorized acquisition, use or disposition of Company’s assets that could have a material effect on the Company’s

consolidated financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of the Company's consolidated financial statements would be prevented or detected.

Management conducted an evaluation of the effectiveness of the Company's internal control over financial reporting based on the framework and criteria established in *Internal Control – Integrated Framework*, issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013). This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, management concluded that the Company's internal control over financial reporting was effective as of November 30, 2021.

Changes in Internal Control over Financial Reporting

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Chief Executive Officer and Chief Financial Officer have concluded that there has been no change in the Company's internal control over financial reporting during the period beginning on September 1, 2021 and ending on November 30, 2021 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.