



PALLADIUM ONE MINING INC.

**ANNUAL INFORMATION FORM
FOR THE YEAR ENDED DECEMBER 31, 2021**

March 25, 2022

TABLE OF CONTENTS

GENERAL MATTERS	3
FORWARD-LOOKING INFORMATION	3
TECHNICAL INFORMATION	4
CORPORATE STRUCTURE	4
GENERAL DEVELOPMENT OF THE BUSINESS.....	5
DESCRIPTION OF THE BUSINESS	16
MATERIAL MINERAL PROJECTS	17
DESCRIPTION OF SHARE CAPITAL	35
DIVIDENDS AND DISTRIBUTIONS.....	36
TRADING PRICE AND VOLUME OF SECURITIES	37
PRIOR SALES OF UNLISTED SECURITIES.....	37
ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER	37
DIRECTORS AND OFFICERS	38
AUDIT COMMITTEE DISCLOSURE.....	42
RISK FACTORS.....	44
LEGAL PROCEEDINGS AND REGULATORY ACTIONS.....	50
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	50
REGISTRAR AND TRANSFER AGENT	50
MATERIAL CONTRACTS.....	50
INTEREST OF EXPERTS.....	50
ADDITIONAL INFORMATION.....	50
GLOSSARY OF TERMS.....	51
SCHEDULE "A"	53

GENERAL MATTERS

In this annual information form (the "AIF"), unless otherwise indicated or the context otherwise indicates, the terms "Company", "Palladium One", "we", "us" and "our" refer to Palladium One Mining Inc. and its subsidiaries.

For reporting purposes, the Corporation prepares its financial statements in Canadian dollars and in conformity with International Financial Reporting Standards ("IFRS"). All dollar amounts in this AIF are expressed in Canadian dollars, except as otherwise indicated.

All capitalized terms used in this AIF but not otherwise defined herein shall have the meanings ascribed to them under the heading "*Glossary of Terms*" below.

FORWARD-LOOKING INFORMATION

This AIF contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking information is prospective and by its nature requires the Corporation to make certain assumptions and is subject to inherent risks and uncertainties. There can be no assurance that forward-looking information will prove to be accurate, and readers are cautioned not to place undue reliance on the forward-looking information contained in this AIF. All statements, other than statements of historical fact, constitute forward-looking information. Generally, but not always, forward-looking information is identifiable by use of the words "continue", "expect", "anticipate", "estimate", "forecast", "believe", "intend", "schedule", "budget", "plan" or "project" or the negative or other variations of these words or comparable terminology, or states that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information in this AIF includes, but is not limited to, statements with respect to: future financial and operating performance; strategic plans; size and timing of future exploration; cost and production estimates; need for additional financing; estimate of mineral resources and mineral reserves; realization of mineral resources; results of exploration; operational risks associated with mineral exploration; capital expenditures and objectives; evolution and economic performance of development projects; timing and location of future drilling; fluctuations in commodity prices; title matters; possibility of project cost overruns or unanticipated costs and expenses; government regulation of mining operations; environmental liability claims and insurance; reliance on key personnel; and volatility of common share price and volume and other reports and filings made in accordance with applicable securities legislation.

In order to give such forward-looking information, the Corporation has made certain assumptions about the Corporation's business, the economy and the mining industry in general and has also assumed that contracted parties provide goods and services on agreed timeframes, plant and equipment work as anticipated, required regulatory approvals are received, no unusual geological or technical problems occur, no material adverse change to the price of Platinum-Group Elements ("PGE"), nickel, copper and other metals occurs and no significant events transpire outside of the Corporation's normal course of business. Although the assumptions were considered reasonable by management of the Corporation at the time the forward-looking information was given, there can be no assurance that such assumptions will prove to be accurate. In addition, the following list are material factors that could cause actual results to differ materially from a conclusion, guidance, forecast or projection contained in the forward-looking information in this AIF: risks normally incidental to the nature of mineral exploration, development and mining; the uncertainty of mineral resource or mineral reserve estimates; mineral resources not having demonstrated economic viability; risks associated with mining projects currently in production; financing risks, debt and liquidity risks; risks associated with inaccurate capital and operational costs estimates; risks related to accounting policies and internal controls; fluctuating commodity prices; tax matters; information technology; labour difficulties; dependence on key personnel; dependence on third parties; dependence on experts outside of Canada; joint ventures; there being no assurance of title to mineral projects; Aboriginal claims and consultation issues; the

Corporation's activities being subject to extensive governmental regulation; maintenance or provision of infrastructure; risks associated with the construction and start-up of new mines; personal safety and asset security risks in regions linked to criminal activity; risks associated with obtaining or complying with all required permits and licenses; environmental regulations and potential liabilities; insurance and uninsured risks; competition from other mining businesses; conflicts of interest; risks associated with conducting business in foreign countries; unexpected disruptions in services provided by smelters or refiners; corruption risks and compliance with anti-corruption laws; fluctuations in the value of the Canadian dollar or the euro; risks associated with recovery of value added taxes; the lack of a guarantee of a positive return on investment; the volatility of the trading price of the common shares of the Corporation (the "**Common Shares**"); dilution and future sales of Common Shares; the Corporation has no record of dividends; risks arising from public opposition to mining activities; litigation risks; and reputational risks. Although the Corporation has attempted to identify material factors that could cause actual results to differ materially from a conclusion, guidance, forecast or projection contained in the forward-looking information, there may be other factors that could cause results to differ from what is anticipated, estimated or intended. Such factors are discussed in more detail under the heading "*Risk Factors*" in this AIF and elsewhere herein. Additional risks and uncertainties not presently known to the Corporation or that the Corporation currently deems immaterial may also impair the Corporation's business operations. New factors emerge from time to time, and it is not possible for management to predict them all or to assess in advance the impact of each factor on the Corporation's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

All forward-looking information contained in this AIF are expressly qualified by the foregoing cautionary statements and are made as of the date of this AIF. Except as may be required by applicable securities legislation, the Corporation does not undertake any obligation to publicly update or revise any forward- looking statement to reflect events or circumstances after the date of this AIF or reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

TECHNICAL INFORMATION

All scientific and technical information in this AIF has been reviewed and approved by Neil Pettigrew, M.Sc., P.Geo, Vice President of Exploration and a director of the Company. Neil Pettigrew is a "qualified person" for the purposes of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") NI 43-101.

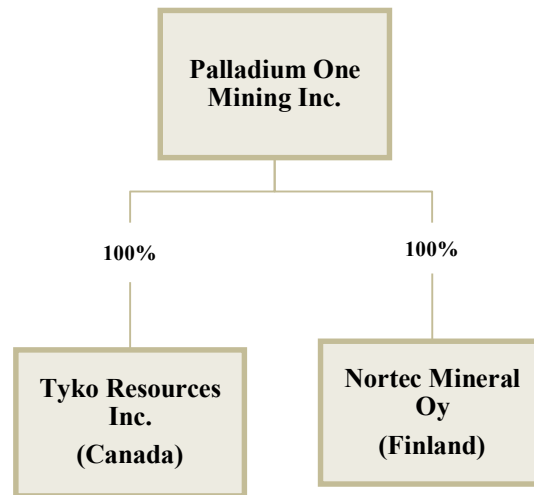
CORPORATE STRUCTURE

Name, Address and Incorporation

The Corporation was incorporated under the *Business Corporations Act* (British Columbia) ("**BCBCA**") under the name Benzai Capital Corp. by articles of incorporation dated January 16, 2007. On January 24, 2013, the Corporation changed its name to Redline Resources Inc. and on February 11, 2016, the Corporation changed its name to Nickel One Resources Inc. and on May 3, 2019, the Corporation changed its name to Palladium One Mining Inc. The Company's head office is located at Suite 3704-88 Scott Street, Toronto, ON, M5E 0A9 with the Company's registered and records office at 25th floor, 666 Burrard Street, Vancouver, BC, V6C 2X8. The Corporation's Common Shares are listed on the TSX Venture Exchange ("**TSX-V**") under the symbol "**PDM**".

Inter-corporate Relationships

The following diagram illustrates the corporate structure of the Corporation and the location of the Corporation's principal assets within its corporate structure.



GENERAL DEVELOPMENT OF THE BUSINESS

Palladium One is an exploration stage company and engages principally in the exploration of mineral properties in proven, accessible and safe mining jurisdictions in Canada and Finland. The principal projects in which Palladium One currently holds a 100% interest include the Lantinen Koillismaa ("LK") Platinum-Group Elements ("PGE")- Copper-Nickel and Kostonjarvi ("KS") Cu-Ni-PGE projects, located in North-Central Finland and the Tyko Ni-Cu- PGE and Disraeli PGE-Ni-Cu projects, near Thunder Bay, Ontario, Canada. Further information regarding Palladium One's mineral projects can be found under the heading "*Material Mineral Projects*" below.

Three Year History

Events During the Year 2021, 2020 and 2019 and Subsequent to Year Ended December 31, 2021

Change of Board and Management

On March 28, 2019, the Company announced that Mr. Derrick Weyrauch was appointed as Interim President and Chief Executive Officer and Director of the Company.

On March 28, 2019, the Company appointed Mr. Lawrence Roulston as an independent director to the board of directors.

On September 5, 2019, the Company appointed Mr. Neil Pettigrew as its Vice President - Exploration. Neil Pettigrew M.Sc., P.Ge. is a geologist with 20 years of experience in the mineral exploration industry.

On September 10, 2019, the Company announced the appointment of Dr. Peter C. Lightfoot as an independent director to the board of directors. Dr. Peter C. Lightfoot, P.Ge. is an independent consultant to the global minerals industry.

On April 2, 2021, Ms. Giovanna Bee Moscoso was appointed as an independent director to the board of

directors of the Company. Ms. Bee Moscoso is an experienced mining executive with over 28 years of experience, including progressive responsibilities over 25 years at Barrick Gold Corporation, where previously she was a partner, Vice President and Assistant General Counsel.

On October 5, 2021, Mr. Lawrence Roulston was appointed as Non-Executive Chairman of the Company's board of directors.

On October 5, 2021, the Company formed the Environmental, Social and Governance Committee ("ESG Committee") of the Board of Directors and appointed Giovanna Bee Moscoso as the Chair of the ESG Committee.

On October 5, 2021, Ms. Sara Hills was appointed as Chief Financial Officer and Corporate Secretary. Ms. Hills is a CPA, CA with over 16 years of experience in accounting and finance and has achieved increasingly senior roles in public mining companies including with KGHM International and Teck Resources.

Name Change and Share Consolidation

On May 3, 2019, the Company consolidated its share capital on a ratio of one (1) new post-consolidated common share for every two (2) old pre-consolidated common shares. All shares and per share references in this MD&A have been retroactively restated accordingly unless noted otherwise.

Financing

On May 9, 2019, the Company completed a non-brokered private placement and issued 16,912,000 units at a price of \$0.08 per unit for gross proceeds \$1,352,960. Each unit consists of one common share and one common share purchase warrant. Each whole common share purchase warrant is exercisable into one common share for a period of two years from closing at a price of \$0.12 per share. The Company incurred a total of \$19,404 in share issuance costs related to the private placement. The warrants were allocated a value of \$nil using the residual value allocation method.

On October 18, 2019, the Company completed a non-brokered flow-through private placement and issued 500,000 units at a price of \$0.10 for gross proceeds of \$50,000. Each unit consists of one flow-through common share and one common share purchase warrant. Each purchase warrant is exercisable for two years at a price of \$0.12. The warrants are subject to an acceleration provision: if the shares close at \$0.20 or more for ten consecutive trading days on the TSX-Venture Exchange, the Company has the right to accelerate the expiry. A flow-through premium liability of \$22,500 was recognized in respect of these flow-through shares.

On December 2, 2019, the Company completed a non-brokered private placement offering, issuing 63,102,999 units for total gross proceeds of \$3,786,180 at a price of \$0.06 per unit. Each Unit is comprised of one common share in the capital of the Company, one-half of one non-transferable Common Share purchase warrant, exercisable at \$0.10 for the first year then \$0.20 for a further year, and one-quarter of one non-transferable Common Share purchase warrant, exercisable for \$0.15 for one year. The warrants were allocated a value of \$nil using the residual value allocation method. In addition, the Company incurred a total of \$93,837 in share issuance costs (of which \$12,408 remains in accounts payable), issued 2,487,000 common shares valued at \$nil and issued 1,956,250 finders warrants with a fair value of \$55,465 in connection with the private placement. 1,334,500 of the finders' warrants are exercisable at \$0.10 for the first year then \$0.20 for a further year and the remaining 621,750 are exercisable at \$0.15 for a period of one year from the grant date.

On May 20, 2020, the Company completed the first tranche of its non-brokered private placement of flow through units for gross proceeds of \$1,057,950. The Company issued 2,700,000 charity flow-through units at a price of \$0.13 per unit and 7,855,000 flow-through units at a price of \$0.09 per unit. Each unit is comprised

of one common share, one-half of one Common Share purchase warrant exercisable at \$0.13 for 12 months, then \$0.22 for the following 12 months. The Company incurred finders' fees totaling \$28,975 and issued 67,500 finders' warrants, with a fair value of \$3,894.

On May 26, 2020, the Company completed the second tranche of its non-brokered private placement of charity flow through units, for gross proceeds of \$76,440. Each unit is comprised of one common share, one-half of one Common Share purchase warrant exercisable at \$0.13 for 12 months, then \$0.22 for the following 12 months.

On October 29, 2020, the Company applied for trading in the United States on OTCQB Venture Market, in conjunction with DTC eligibility.

During the year ended December 31, 2020, 58,007,503 common shares were issued upon exercise of warrants for proceeds of \$6,782,275, and 75,000 common shares were issued upon exercise of stock options for proceeds of \$6,000.

On February 24, 2021, the Company completed a bought deal, short-form prospectus offering and issued 43,100,000 units at a price of \$0.29 per unit for gross proceeds \$12,499,000. Each unit consists of one common share and one-half common share purchase warrant. Each whole common share purchase warrant is exercisable into one common share for a period of two years from closing at a price of \$0.45 per share. The warrants were allocated a value of \$nil using the residual value allocation method.

The Company incurred 6% commission fees totaling \$749,940 and issued 2,586,000 brokers' warrants with a fair value of \$341,040, exercisable at \$0.29 for two years from closing date.

On February 24, 2021, the Company also completed a private placement of flow through units for gross proceeds of \$2,510,000. The Company issued 5,000,000 charity flow-through units at a price of \$0.40 per unit and 1,500,000 flow-through units at a price of \$0.34 per unit. Each unit consists of one common share and one-half common share purchase warrant. Each whole common share purchase warrant is exercisable into one common share for a period of two years from closing at a price of \$0.45 per share. The warrants were allocated a value of \$nil using the residual value allocation method.

The Company incurred 6% commission fees totaling \$150,600 and issued 300,000 brokers' warrants with a fair value of \$30,778 exercisable at \$0.40 and 90,000 brokers' warrants with a fair value of \$10,549 exercisable at \$0.34 for two years from closing date.

On December 16, 2021, the Company completed a private placement and issued 15,000,000 flow-through shares at a price of \$0.29 per share for gross proceeds of \$4,350,000. The company incurred finder fees of \$261,000 and issued 900,000 finders warrants with a fair value of \$49,234 exercisable at \$0.29 for two years from closing date.

Professional and exchange fees related to the financings in 2021 were \$494,430. These fees were in addition to the commission and finders' fees paid.

During the year ended December 31, 2021, 11,418,500 common shares were issued upon exercise of warrants for proceeds of \$1,477,610, and 1,100,000 common shares were issued upon exercise of stock options for proceeds of \$140,500.

Settlement of Debts

On March 18, 2019, the Company settled debt with various officers and directors, resulting in a gain on settlement of debt of \$124,020 (2018 - \$10,000). This amount has been netted against other vendors' gains or losses on the settlement of debt.

On May 13, 2019, the Company issued 925,072 common shares at a value of \$0.12 per share to settle \$95,557 in accounts payable which resulted in loss on settlement of debt of \$15,452. The arm's length parties are consultants and service providers that provided various services to the Company in 2016 and 2017.

Options and Restricted Share Units (“RSU’s)

On June 10, 2019, the Company granted 2,400,000 stock options with a fair value of \$111,178 to certain directors, officers, consultants and advisors, exercisable at a price of \$0.08 per common share for a period of 5 years and vesting immediately.

On September 30, 2019, the Company granted 1,125,000 stock options with a fair value of \$30,608 to certain directors, officers, consultants, and advisors, exercisable at a price of \$0.08 per common share for a period of 5 years and vesting immediately.

On December 29, 2019, the Company granted 5,100,000 stock options with a fair value of \$404,237 to certain directors, officers, consultants, and advisors, exercisable at a price of \$0.15 per common share for a period of 5 years and vesting immediately.

On March 15, 2021, the Company granted 1,275,862 restricted share units (“RSU”) with a fair value of \$370,000 to certain directors, officers, consultants and advisors, vesting 3-years from the date of grant.

On March 15, 2021, the Company also granted 775,000 stock options to certain directors, officers, consultants and advisors, exercisable at a price of \$0.29 per common share for a term of 5 years and having 1/3 vesting immediately and 1/3 every year thereafter.

On November 15, 2021, the Company granted 1,341,100 RSUs with a fair value of \$295,042 to certain employees, consultants, and directors which vest three years from the date of grant.

On November 15, 2021, the Company also granted 4,450,000 stock options to certain employees, consultants, and directors exercisable at a price of \$0.22 per common share for a period of five years and with 1/3 vesting immediately and 1/3 every year thereafter.

COVID-19 Pandemic

The COVID-19 global pandemic has adversely affected the global economy. During the pandemic, the Company's business travel has been restricted starting in March 2020, the Company suspended its drill program at the LK project for just under 4 months. The Company follows all Canadian and Finnish COVID protocols, and has continued to safely conduct exploration on both the Finnish and Canadian properties. In the year ended December 31, 2021 there has been no material COVID-19 disruptions, however, the Company continues to closely monitor the situation to mitigate the risks.

Lantinen Koillismaa PGE-Cu-Ni Project (“LK Project”), Finland

On August 12, 2019, the Company reported Reconnaissance Prospecting that returned up to 3.106 g/t PGE, 0.78% Cu, and 0.13% Ni at the LK Project.

On September 5, 2019, the Company announced it had made an application to expand the LK palladium-nickel- copper project by nearly 50%, by applying for 2 reservations covering an additional 13 km of Prospective Basal Contact at the LK PGE-Ni-Cu Project in Finland.

On September 9, 2019, the Company announced a Mineral Resource Estimate (“MRE”) for the Kaukua deposit, highlighting the following:

- An optimized pit-constrained Mineral Resource, at a 0.3 g/t Pd (“grams per tonne” “palladium”) cut-off, for the Kaukua Deposit includes:
 - 635,600 Pd_Eq ounces of Indicated Resources grading 1.80 g/t Pd_Eq (“palladium equivalent”) contained in 11 million tonnes, and
 - 525,800 Pd_Eq ounces of Inferred Resources grading 1.50 g/t Pd_Eq contained in 11 million tonnes.

On December 17, 2019, the Company announced that the LK Project had seven of eight exploration permit renewal applications approved by the Finnish Mining Authority, with the approvals entering an appeals process. The Company also announced plans to conduct a 75 line-kilometer Induced Polarization (IP) geophysical program along with a diamond drilling program of up to 5,000 meters at the LK Project.

On January 14, 2020, the Company announced that it had retained SJ Geophysics Ltd. to conduct an induced polarization survey. Five separate grids would be surveyed totaling 75 line-kilometers; cumulatively representing ~12km of strike length of the highly prospective basal unit of the Koillismaa mafic-ultramafic complex, which hosts the Kaukua deposit.

On January 16, 2020, the Company bought back an existing 2% Net Smelter Return (“NSR”) royalty in respect of the historic Haukiaho deposit. The terms of the royalty buyback include a cash payment of C\$50,000 and issuance of 375,000 common shares.

On February 13, 2020, the Company reported that the Finnish Mining Authority had approved all eight exploration permit renewals and one new exploration permit application, with two key exploration permits clearing the appeals process. Seven remained in the appeals process, however the Company applied for an Enforcement Decision, which will allow it to conduct exploration during the appeals process. Exploration permits covering the Kaukua deposit, and the historic Haukiaho deposit, where the bulk of the drill program is planned, were uncontested.

On February 18, 2020, the Company retained a local diamond drilling contractor to conduct a drill program, with crews scheduled to mobilize on February 24th.

On February 25, 2020, the Company reported initial results from the first Induced Polarization (IP) survey with the discovery of a large chargeability anomaly, representing the eastern extension of the palladium dominant Kaukua South Zone. The Kaukua South Zone anomaly was extended over a two (2) kilometre strike length.

On March 10, 2020, the Company reported that the second 2020 Induced Polarization (IP) survey grid, located at Murtolampi, two kilometres northeast of the Kaukua deposit, had successfully outlined a significant untested chargeability anomaly. The core of the Murtolampi chargeability anomaly extends over more than 750m of strike length, with a width ranging from 100 to 300m and extends down to the maximum depth of the 300m IP survey.

On March 24, 2020, the Company announced that due to the COVID-19 pandemic, the Company was suspending the current exploration program at the palladium dominant, Läntinen Koillismaa (“LK”) PGE-nickel-copper project located in Finland.

On April 2, 2020, the Company reported that it has applied for two additional reservations Kaukuanjarvi (9,100 ha) and Haukiaho North (2,140 ha). The Company also reported that the Salmivaara 2-11 exploration permit had gained legal force. The Company had three permits that have cleared the appeals process, and enforcement decisions have been granted on another five thereby enabling exploration to be conducted on eight permits.

On April 14, 2020, the Company reported that the Kaukua South Zone anomaly extends over more than a four (4) km strike length and into a large, overburdened area that has never been drill tested. Final results from

the first Induced Polarization (IP) survey grid, Kaukua East and the Infill grid have outlined this large chargeability anomaly, representing the eastern extension of the palladium dominant Kaukua South Zone. This suggests the greater Kaukua area could have a much larger mineral endowment than previously understood.

On May 7, 2020, the Company reported that it had identified three new drill targets on the Haukiahio Trend resulting from the Haukiahio Induced Polarization (IP) survey.

On May 26, 2020, the Company reported that it had identified a new, large chargeability drill target at the Haukiahio East Induced Polarization (IP) survey grid.

On June 11, 2020, the Company reported that it had identified a new chargeability drill target on the Tilsa Induced Polarization (IP) survey grid.

On July 14, 2020, the Company reported that it was preparing to resume its drill program in August, after its suspension due to the COVID-19 pandemic. Initial drilling will focus on expanding known mineralization to the east of existing drill intercepts in the Kaukua South zone, which coincides with a greater than four (4) kilometer long Induced Polarization chargeability anomaly.

On July 22, 2020, the Company reported that it had intersected 32.6m @ 2.86 g/t palladium equivalent in drill hole LK20-001, including 16m @ 3.64 g/t palladium equivalent, which was the first hole of the Phase 1 program. Holes LK20-001 through LK20-005 targeted previously untested up dip portions of the Kaukua Deposit, with the goal of upgrading the current inferred resources to indicated.

On July 28, 2020, the Company reported that it had intersected 41.6m @ 2.16 g/t palladium equivalent in drill hole LK20-007, including 7.8m @ 3.26 g/t palladium equivalent. Hole LK20-007 targeted the down plunge of a previously unrecognized, southwest trending, higher-grade shoot within the Kaukua deposit. The results of this hole indicate that this higher-grade shoot remains open to the southwest for expansion. Hole LK20-007 is on the lower edge of the 2019 block model and the expansion of this higher-grade shoot has potential to add ounces to a future resource update.

On August 10, 2020, the Company reported that the final data from the 2020 winter Induced Polarization (IP) geophysical program, suggest that the newly discovered Kaukua South chargeability anomaly extends for over 5.5 km.

On August 10, 2020, the Company reported the post-COVID, resumption of the Phase 1 drilling program in the LK PGE-Cu-Ni Project, located in north-central Finland.

On August 11, 2020, the Company reported that it had intersected 166.7m @ 1.16 g/t palladium equivalent in drill hole LK20-005, including 63.4m @ 1.88 g/t palladium equivalent in Kaukua South. LK20-006 confirms the eastern extension of the greater than 4-kilometer long Kaukua South IP anomaly is the result of PGE-Cu-Ni sulphide mineralization. Additionally, LK20-006 is 180m east of and significantly higher grade than the nearest Kaukua South hole. It is also twice as wide as the best historic intercept in Kaukua South. This is the most significant result of the Phase 1 drill program and demonstrates continued strong correlation between IP results and sulphide mineralization.

On August 25, 2020, the Company reported that it had intersected 87.2m @ 1.43 g/t palladium equivalent at the Murtolampi zone. This is the first diamond drill hole results in the Murtolampi zone, located 2.5 kilometers north of the Kaukua Deposit, at the open pit LK PGE-Cu-Ni Project.

On September 15, 2020, the Company reported that it had identified the first diamond drill hole assays from the Haukiahio Trend, wherein it had intersected a wide interval of mineralization in a previously untested area thereby increasing the potential of the Haukiahio 2013 historic resource area. Haukiahio is located 12

kilometers southwest of the Kaukua Deposit, in the LK PGE-Cu-Ni Project. Hole LK20-010 intersected a core zone of 34.2m @ 2.09 g/t palladium equivalent (0.77g/t PGE, 0.22% nickel, 0.20% copper), within a larger zone grading 83.30 @ 1.27g/t palladium equivalent.

On September 29, 2020, the Company reported that it had 11 successful discovery holes drilled on the Kaukua South extension, each containing a magmatic sulphide mineralization, and are currently waiting for the assay results. These major discovery increases Kaukua South mineralized strike length six-fold from 600m to 4km.

On October 6, 2020, the Company reported that it had identified the first assay results from the resumed Phase I drill program at the LK Project in Finland and has returned a wide zone, of shallow, high-grade palladium mineralization in the Kaukua South Extension. Hole LK20-014 returned a core zone of 72.0 m at 1.96 g/t palladium equivalent within a wider zone of 145.5m at 1.26 g/t palladium equivalent.

On October 20, 2020, the Company reported that it had discovered a further 600m mineralized strike length at Murtolampi, located less than 2km north of the Kaukua Deposit. Discoveries now total 4.6km of strike length in greater Kaukua area.

On October 22, 2020, the Company reported that of the 11 discovery holes drilled at Kaukua South, hole LK20- 016 is the highest grade drilled to date.

On November 10, 2020, the Company reported that it had initiated a 17,500-meter Phase II drilling program in Finland. The Phase II program is primarily designed to support a future inferred resource estimate at Kaukua South, which possesses a drill defined, greater than 4-kilometer mineralized strike length.

On November 16, 2020, the Company reported that it had intersected high-grade open pit potential mineralization returning 13m at 3.4 g/t palladium equivalent within 79m at 2.0 g/t palladium equivalent. The shallow high-grade results suggest potential for a low-cost satellite open pit at Murtolampi, which is close to the existing Kaukua deposit, located 2km to the south.

On January 15, 2021, the Company announced the filing of an updated National Instrument 43-101 Technical Report on the LK project, a summary of which is as follows: An optimized pit-constrained Mineral Resource Estimate, at a 0.3 g/t Pd (“grams per tonne” “palladium”) cut-off, for the Kaukua Deposit includes: 635,600 Pd_Eq ounces of Indicated Resources grading 1.80 g/t Pd_Eq (“palladium equivalent”) contained in 11 million tonnes, and 525,800 Pd_Eq ounces of Inferred Resources grading 1.50 g/t Pd_Eq contained in 11 million tonnes.

On January 18, 2021, the Company announced the initial infill drilling results from the 17,500-meter Phase II drill program having delivered superior grades and demonstrates broad zones of continuity with multiple intercepts of high-grade, open-pit resource potential at the Kaukua South zone of the LK PGE-Ni-Cu project. As well as the filing on www.SEDAR.com of the updated 43-101 technical report on the LK project.

On February 10, 2021, the Company applied to convert 2,862 hectares of the Kaukuanjarvi reservation to an Exploration Permit.

On March 11, 2021, the Company reported that the infill drilling spaced at 100-meter grid spacing has increased continuous mineralization to over 1,300 meters and into the 'gap zone', thereby supporting the thesis of potentially more open-pit resources at the Kaukua South zone of the LK PGE-Ni-Cu project in Finland.

On March 18, 2021, the Company reported that it had expanded a high-grade zone at Kaukua South, drills 47 meters at 2.6 g/t palladium equivalent, including 12 meters at 4.2 g/t palladium equivalent.

On April 15, 2021, the Company reported that it continued to intersected significant widths at Kaukua South, drills 47 meters at 2.3 g/t palladium equivalent.

On May 4, 2021, the Company began the process to convert the Haukiaho East and Lipeavaara Exploration Reservations to Exploration Permits.

On May 11, 2021 the Company reported a drill intercept of 38m grading 2.1g/t Pd_Eq in Kaukua South and further discussed the significantly of the upper zone mineralization which returned up to 51m grading 0.9g/t Pd_Eq.

On May 26, 2021, the Company reported its first drill results from the 2,000 meters drill program at Haukiaho, a zone approximately 20 kilometers south of the Company's primary target area Kaukua South, have returned significant widths and grades, including 72 meters at 1.8 g/t Pd_Eq, on the LK PGE-Ni-Cu project in Finland.

On June 1, 2021, the Company reported its first drill results from the 2,000 meters drill program at the Haukiaho Trend, a distinct zone approximately 20 kilometers south of the Company's primary target area Kaukua South, have returned significant widths and grades, including 48 meters at 2.2 g/t Pd_Eq with a wider 116 meters zone grading 1.2 g/t Pd_Eq, on the LK PGE-Ni-Cu project in Finland.

On July 7, 2021, the Company announced that the two additional Induced Polarization ("IP") surveys were carried out in the Greater Kaukua Area to expand the known 4-kilometer long Kaukua South IP anomaly on both eastern and western ends. The results of the new surveys confirm an over 75% increase in length of the Kaukua South IP chargeability anomaly, which is now greater than 7 kilometers in strike length.

On September 7, 2021, the Company announced an NI43-101 compliant Pit Constrained Resource Estimate for the Haukiaho zone at the LK Project. The Haukiaho resource estimate includes a shallow deposit with a low 1:1 strip ratio with 1.21 million ounces Pd_Eq grading 1.15 g/t in 32.7 million tonnes. It comprises 3-kilometers of strike length and is part of the 17-kilometer long Haukiaho Trend.

On September 23, 2021, the Company announced the highest-grade over width intercept to date at Kaukua South, reporting 4.1 g/t Palladium Equivalent over 24 meters, within 2.1 g/t Palladium Equivalent over 112 meters, starting at 171.5 meters depth.

On October 5, 2021, the Company announced drill results at Kaukua South which returned an intersect of 3.1 g/t Palladium Equivalent over 21.3 meters, within 2.4 g/t Palladium Equivalent over 48.5 meters. In addition, drill results returning 1.0 g/t Pd_Eq over 51.0 meters has extended the mineralized zone of Kaukua South 200 meters east.

On October 15, 2021, The Company began the process to convert the Kostonjarvi Exploration Reservation to an Exploration Permit.

On October 19, 2021, the Company announced that the deepest down plunge drill hole to date on the Kaukua South Zone, hole LK21-098, intersected 3.4 g/t Pd_Eq over 10.0 meters, within 1.7 g/t Pd_Eq over 62.9 meters, starting at 308 meters down hole. These drilling results extend the Kaukua South zone beyond 300 meters vertical depth and confirm that the high-grade core zones identified at surface extend to depth.

On November 23, 2021, the Company announced that initial down plunge drilling had extended mineralization 250 meters southwest of the open-pit constrained Mineral Resource Estimate of the Kaukua Deposit, by intersecting 2.2 g/t Pd_Eq over 19.6 meters, within 1.5 g/t Pd_Eq over 74.5 meters, starting at 273 meters down hole LK21-101.

In December 2021, the Company requested to have the Kaukuanjarvi Permit Application split in two to fast-

track approval of a smaller portion of the original Permit Application covering the eastern extension of the Kaukua South Zone. The division of the Exploration Permit Application was approved on January 10, 2022.

On January 11, 2022, the Company announced that initial down plunge drilling had intersected the widest ore-grade intercept to date. Hole LK21-105 intersected 2.1 g/t Pd_Eq over 33.5 meters, within 1.6 g/t Pd_Eq over 121.1 meters, starting at a true depth of approximately 260 meters.

On January 20, 2022, the Company announced that infill drilling in the ‘Gap Zone’ resulted in a better understanding and a new geological model for the area. Gap Zone drill results include 2.2 g/t Pd_Eq over 4.4 meters, within 1.3 g/t Pd_Eq over 21.6 meters, in hole LK21-209 starting at 138 meters down hole.

In February 2022, the Company began the process to convert the Haukiaho North Exploration Reservation to an Exploration Permit.

On February 7, 2022, the Company announced that final assay results for Kaukua South had been received, with intersections of up to 4.4 g/t Pd_Eq over 7.5 meters, within 2.6 g/t Pd_Eq over 49.3 meters in hole LK21-122 starting at 55 meters down hole.

On March 17, 2022, the Company announced Drill hole LK21-137 at Murtolampi, Finland, which intersected up to 2.7 g/t Pd_Eq over 5.7 meters, within 2.1 g/t Pd_Eq over 24.2 meters, starting at a true depth of 5 meters. Murtolampi is located only 2 kilometers north of the 2019 NI43-101 Kaukua Open Pit Mineral Resource Estimate.

Kostonjarvi, Cu-Ni-PGE Project (“KS Project”), Finland

On April 2, 2020, the Company reported that it had received approval from the Finnish Mining Authority for a ~20,000-hectare Reservation Kostonjarvi (KS), which is adjacent to the Company's Flagship Läntinen Koillismaa (LK) Project in Central Finland. On October 15, 2021, the Company applied to the Finnish Mining Authority to convert the KS Reservation to an Exploration Permit for 15,902 hectares.

Permit ID	Name of Permit	Type	Date of Grant	Status	Expiry Date (either set out in the Reservation decision or calculated by the Mining Authority in its respective Mining Register extract)	Size of Area (in Hectares)
VA2019:0079 (ML2021:0114)	Kostonjärvi	Pending Application (Exploration Permit application, formerly a Reservation)	-	Pending Application	The Reservation expired on 20 October 2021 but same named Exploration Permit application has been submitted to the Mining Authority.	15,901.72

None of the KS Project permit area is located on nature conservation areas; however, the Kostonjarvi Exploration Permit Application shares approximately 9 km of common border with a Natura 200 area. Natura 2000 is a nature conservation program established according to Finnish national legislation and in accordance to a directive given by the European Union.

There is no legal requirement to survey the boundaries of exploration permits in Finland; instead, they are assigned Finnish map coordinates by the mining authority.

Also see below *Material Mineral Projects* under *Exploration Permits and Reservations*.

Tyko Ni-Cu-PGE Property (“Tyko Project”), Canada

On August 19, 2019, the Company announced it had acquired, through staking, 12 new claims totaling 254 hectares covering the historic Shabotik Zone, located 4.5km south of the Tyko project, near Marathon,

Ontario.

On October 21, 2019, the Company announced that it had submitted a sample collected from its Tyko Ni-Cu-PGE project to Activation Laboratories for metallurgical testing. This testing represents the first metallurgical work done on the project and assessed the floatation characteristics of mineralization. The metallurgical sample was collected from hole TK-16-002 from the RJ zone which was drilled by the Company in 2016. The sample consists of ~20kg of drill core and represents a 50/50 mixture of primary pyroxenite and remobilized granite hosted sulphide mineralization.

On January 21, 2020, the Company reported prospecting samples with assay results of up to 0.74% Ni, 4.09% Cu and 2.51g/t PGE (1.21 g/t Pt, 1.19 g/t Pd, and 0.11 g/t Au) from the Tyko Showing.

On January 27, 2020, the Company reported that the Fall 2019 program had returned up to 238 ppm nickel and 108 ppm copper in soils (representing >20 times background) down ice of the untested Smoke Lake airborne electro- magnetic (EM) anomaly. A ground-based VLF survey conducted by the Company in 2016 traced this EM anomaly over a 300m strike length. Smoke Lake anomaly has become a high priority drill target for the Company.

On January 27, 2020, the Company reported greater than 20 times background levels for both nickel and copper in soil sampling at the Smoke Lake electromagnetic geophysical anomaly.

On November 18, 2020, the Company announced the discovery of up to 0.41% Nickel in Boulders and initiation of a drill program at the Tyko project in Canada. Boulders closely resemble Ni-Cu mineralization at the RJ and Tyko zones which have returned up to 4.71% Ni over 0.87m in diamond drilling. Initial Phase I diamond drill program to begin on November 23, 2020.

On December 7, 2020, the Company announced the discovery of a 4-meter and a 2-meter-wide drill intercept of massive magmatic sulphide at the Smoke Lake airborne electromagnetic ("EM") target.

On January 5, 2021, the Company announced that it had intersected massive magmatic sulphides grading of 8.7% Ni_{Eq}*(193 pounds per tonne) over 3.8 meters (6.6% Ni, 3.7% Cu, 1.5g/t PGE) at less than 30 meters true-depth, at the Smoke Lake target of the Tyko Ni-Cu-PGE project.

On January 12, 2021, the Company reported the results of six additional drill holes containing several massive magmatic sulphides intercepts grading up to 7.5% Ni_{Eq}*(164 pounds per tonne) over 4.2 meters (5.8% Ni, 2.7% Cu, 1.3/t PGE), at the Smoke Lake target of the Tyko Ni-Cu-PGE project.

On January 19, 2021, the Company reported the final results of its 2020 Tyko drill program showing massive magmatic sulphides grading up to 9.9% Ni_{Eq}*(218 pounds per tonne) over 3.8 meters (8.1% Ni, 2.9% Cu, 1.3/t PGE), starting at less than 9 meters true-depth, located at the Smoke Lake target of the Tyko Ni-Cu-PGE project. The intercept is within a broader interval that returned 6.1% Ni_{Eq} over 7.5 meters (135 pounds per tonne) (4.5% Ni, 2.9% Cu, 1.0g/t PGE) from 5.3 meters down hole.

On April 6, 2021, the Company reported that it had started its 2,000-meter Phase II drilling program at the high- grade Smoke Lake nickel discovery, which returned up to 9.9% Ni_{Eq} over 3.8 meters from surface, on the Tyko Sulphide-Nickel-Copper project in Ontario, Canada. In advance of drilling, in February 2021, detailed ground based Electromagnetic ("EM") and Borehole Electromagnetic ("BHEM") surveys were conducted to better define the conductors hosting the high-grade nickel mineralization.

On April 28, 2021, the Company reported that it had intersected multiple massive sulphide intersections in the Phase II Tyko drill program. The Phase II program was designed to test the down dip continuity of the Electromagnetic ("EM") Maxwell Plate "Plate" that was modelled subsequent to the Q4 2020 Phase I drill program.

On June 17, 2021, the Company intercepted more high-grade Nickel including, 6.0% Ni_{Eq} (13.9% Cu_{Eq}) over 5.0 meters at Tyko Nickel-Copper project, in Ontario, Canada.

On June 23, 2021, the Company drilled 7.4% Ni_{Eq} (164 lbs/tonne) over 4.5 meters including 10.2% Ni_{Eq} (224 lbs/tonne) over 1.7 meters at Tyko Nickel-Copper project, in Ontario, Canada.

On July 27, 2021, the Company entered into two Earn-in agreements to expand the Tyko Nickel-Copper project by 950 hectares. In addition, 3,500 hectares were purchased from the original Optionors. Tyko is now over 24,500 hectares in size. The Company also reported the completion of a 3,100-kilometer airborne Electro Magnetic (VTEMmax) geophysical survey that covered the entire Tyko project.

On October 25, 2021, the Company's team was awarded the 2020 "Bernie Schnieders Discovery of the Year Award" for the discovery of a high-grade copper-nickel zone at its 100% owned Tyko Copper-Nickel Project. The award, presented by the Northwestern Ontario Prospectors Association (NWOPA), recognizes an exceptional discovery in Northwestern Ontario during the previous calendar year. Smoke Lake was discovered in late November 2020 with the first hole of drill program returning up to 8.7% Ni_{Eq} over 3.8 Meters (6.6% Ni, 3.7% Cu, 0.09% Co, 0.67 g/t Pd, 0.81 g/t Pt, and 0.03 g/t Au) in hole TK-20-016, (see news release January 5, 2021)

On October 28, 2021, the Company reported preliminary results of the VTEMmax airborne survey and four significant multi-line EM anomalies on the Tyko Copper-Nickel Project.

On November 16, 2021, the Company provided an update on the Tyko project, reporting that geophysical crews are on-site conducting ground-based Electromagnetic ("EM") surveys on key target areas; three new Exploration Permit applications have been filed for drill testing the newly identified multi-line Electromagnetic ("EM") geophysics anomalies; and a fourth Exploration Permit application has been made to expand upon the existing Smoke Lake Exploration Permit to allow for additional step out drill pad locations.

On November 30, 2021, the Company announced that results from soil sampling and diamond drill programs had been received, including soil samples of the four multi-line EM anomalies which returned significant copper, nickel, and cobalt geochemical signatures.

Disraeli Lake, PGE-Ni-Cu Property ("Disraeli Project"), Canada

On February 6, 2020, the Company completed the purchase of the Disraeli Property, located near Thunder Bay, Ontario. The Company acquired a 100% interest in the property by making a cash payment of \$5,000 to Ursa Major Minerals Inc and incurring \$56,000 in exploration expenditures, which was fulfilled by the end March 2020. The 155-claim unit, ~2,500-hectare project covers the Disraeli mafic-ultramafic intrusion located in the prolific Nipigon Plate of the Proterozoic mid-continent rift. The Disraeli intrusion lies along the West Nipigon lineament that also hosts the Thunder Bay North PGE-Ni-Cu deposit, held by Clean Air Metals Inc.

In late February and early March 2020, the Company conducted detailed drone airborne magnetic and lake sediment surveys on the project.

On December 9, 2020, the Company discovered a potential significant magnetic signature, a key indicator of mineralization in the Mid-Continental Rift ("MCR"), where the Disraeli PGE Project is located. The magnetic survey ("Mag") outlined a large, reversely polarized, magnetic body coincident with AeroTEM electromagnetic ("EM") anomalies.

On April 6, 2021, the Company reported 5 ice-based holes totaling 1,233 meters One conductor was found to be caused by cobalt bearing massive magnetite skarn mineralization (returning 2.63 meters grading 0.12% Cu, 0.05% Co, and 0.09% Ni), while several of the airborne EM conductors proved to be the result of lake

sediments. The reversely polarized magnetic body requires additional follow up as it was not adequately explained. Of particular note was an off-hole EM conductor identified at the basement contact. Unseasonably warm conditions in early March resulted in deterioration of the ice road, cutting the drill program short and thus this target was not able to be tested. This target remains a priority for future work

DESCRIPTION OF THE BUSINESS

Summary

Palladium One is a mineral exploration and development company and is engaged in the pursuit of PGEs, copper and nickel. Its assets consist of the LK and KS Projects, located in North-Central Finland, and the Tyko and Disraeli Properties situated near Thunder Bay in Ontario, Canada. Additional information regarding Palladium One's mineral projects can be found under the heading "*Material Mineral Projects*" below.

Specialized Skills and Knowledge

Palladium One require specialized skills and knowledge, including but not limited to geology. The Corporation has adequate contractors and consultants with extensive experience in these areas to meet its current needs.

Competitive Conditions

The mineral exploration and mining business is competitive in all phases of exploration, development and production. Palladium One competes with a number of other mining companies in the search for and acquisition of mineral properties and to retain qualified personnel. See "*Risk Factors*" below. The ability of the Corporation to acquire precious metal mineral properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for precious metal development or mineral exploration.

Changes to Contracts

The Corporation does not anticipate that its business will be materially affected in the current financial year by the renegotiation or termination of any contracts or sub-contracts.

Health, Safety, Social and Environmental Policies and Environmental Protection

Palladium One's exploration, development and production activities are subject to, and any future development and production operations will be subject to, environmental laws and regulations in the jurisdictions in which operations are carried out. See "*Risk Factors*".

Palladium One's operating mineral projects seek to adopt the best environmental practices programs to manage environmental matters and compliance with local and international legislation. In common with other natural resources and mineral processing companies, the Corporation's operations generate hazardous and non-hazardous waste, effluent and emissions into the atmosphere, water and soil in compliance with local and international regulations and standards. There are numerous environmental laws in Finland and Canada that apply to the Corporation's operations, exploration, development projects and land holdings. These laws address matters such as protection of the natural environment, air and water quality, emissions standards and disposal of waste.

Cognizant of its responsibility to the environment, Palladium One strives to conform with all applicable environmental laws and regulations and to promote the respect of the environment in its activities. Employees are expected to maintain compliance with the letter and spirit of all laws governing the jurisdictions in which they perform their duties. Specifically, employees are expected to support Palladium

One's efforts to develop, implement and maintain procedures and programs designed to protect and preserve the environment.

Employees

As of December 31, 2021, the Corporation had six employees.

Domestic and Foreign Operations

The Corporation's mineral projects are in Canada and Finland. See "*Material Mineral Projects*" for a summary of the Corporation's projects. Any changes in regulations or shifts in political attitudes in any of these jurisdictions, or other jurisdictions in which Palladium One has projects from time to time, are beyond the control of the Corporation and may adversely affect its business. Future development and operations may be affected in varying degrees by such factors as government regulations (or changes thereto) with respect to the restrictions on production, export controls, income taxes, expropriation of property, repatriation of profits, environmental legislation, land use, water use, land claims of local people and receipt of necessary permits. The effect of these factors cannot be accurately predicted. See "*Risk Factors*".

MATERIAL MINERAL PROJECTS

A. Lantinen Koillismaa PGE-Cu-Ni Project in Finland

Where appropriate, certain information contained in this AIF updates information derived from the Technical Report. Any updates to the scientific or technical information derived from such Technical Report and any other scientific or technical information contained in this AIF have been prepared by or under the supervision of Neil Pettigrew, M.Sc., P.Geo, Vice President of Exploration and a director of the Corporation. Neil Pettigrew is a "qualified person" for the purposes of NI 43-101.

The Technical Report is entitled "Technical Report for the Lantinen Koillismaa Project, Finland, Haukiahö Deposit Mineral Resource Estimate Update 2021", with an effective date of May 24th, 2021 and a signing date of October 20th, 2021 with Julian Aldridge of Mining Plus Pty Ltd., Chartered Geologist (CGeol) with the Geological Society of London, being the author and the Qualified Person ("QP") responsible for the Technical Report. The majority of information in this section is extracted from the Technical Report and is modified to conform to this AIF.

The Technical Report is subject to certain assumptions, qualifications and procedures described therein, and their conclusions are based upon information provided by Palladium One throughout the course of investigations, which in turn reflect various technical and economic conditions existing at the time of preparing the Technical Report. Given the nature of the mining exploration, these conditions can change significantly over relatively short periods of time. Reference should be made to the full text of the Technical Report, which have been filed with Canadian securities regulatory authorities pursuant to National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") and are available for review under the Corporation's profile on SEDAR at www.SEDAR.com. The Technical Report is deemed to be incorporated by reference in this AIF.

In this AIF, the terms Mineral Resources and Inferred and Indicated Mineral Resources have the meanings ascribed to those terms by the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM"), as the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council, as amended.

Project Description, Location and Access

The LK Project is located in north central Finland, approximately 40 km north of Palladium One’s exploration office in the village of Taivalkoski. The property is 130 km ESE of the town of Rovaniemi and 160 km NE of the port town of Oulu. The central point of the LK Project is centred at longitude 28°07’42.00” E; latitude 65°54’20.61” N. The project is accessed by major paved roads and local access on gravel or dirt roads to the individual drill site areas. Weather conditions are characteristic of the northern Fennoscandian climate with temperate summers and cold winters. During the summer months (June-August), temperatures range from 10°C to 25°C, and during the winter months (November-April) between -5°C to -30°C.

Exploration Permits and Reservations

The LK Project area is covered by Exploration Permits, and Exploration Permit Applications. Exploration Permits are divided into two groups; the Kaukua Group consisting of the Kaukua and Murtolampi targets (Kaukua North 1-2) and the Haukiaho Group covering the Lipeävaara and Haukiaho targets.

As of the date of the AIF, March 25, 2022, the Exploration Permits cover 2,484 hectares, while the Exploration Permit Applications (including the KS Project Permit Application) cover 21,410 hectares (Table 1 below).

An Exploration permit is granted for a fixed term of up to 4 years. The Exploration Permit can be renewed for up to 3 years at time for a total maximum duration of 15 years, excluding renewal review periods, and includes preceding comparable permits, which are referred to as Claims in the old Mining Act (pre-2011). The validity period (the time since the permit was first granted) of each Exploration Permit is shown in the Table 1 below. Reservations are granted for up to 2 years and are not renewable but must either be converted into Exploration Permits or relinquished.

Table 1 – Exploration Permits, Reservations and Exploration Permit applications

Permit ID	Name of Permit	Type	Date of Grant	Status	Expiry Date (either set out in the Reservation decision or calculated by the Mining Authority in its respective Mining Register extract)	Size of Area (in Hectares)
VA2020:0008	Haukiaho North	Pending Application (Exploration Permit application, formerly a Reservation)	-	Pending Application	The Reservation Expired on 23 February 2022. but same named Exploration Permit application has been submitted to the Mining Authority.	1,537.19
VA2019:0053 (ML2021:0062)	Haukiaho East	Pending Application (Exploration Permit application, formerly a Reservation)	-	Pending Application	The Reservation expired on 28 June 2021 but same named Exploration Permit application has been submitted to the Mining Authority.	478
VA2019:0052 (ML2021:0061)	Lipeävaara	Pending Application (Exploration Permit application, formerly a Reservation)	-	Pending Application	The Reservation expired on 28 June 2021 but same named Exploration Permit application have been submitted to the Mining Authority.	630.22

Permit ID	Name of Permit	Type	Date of Grant	Status	Expiry Date (either set out in the Reservation decision or calculated by the Mining Authority in its respective Mining Register extract)	Size of Area (in Hectares)
VA2019:0079 (ML2021:0114)	Kostonjärvi	Pending Application (Exploration Permit application, formerly a Reservation)	-	Pending Application	The Reservation expired on 20 October 2021 but same named Exploration Permit application has been submitted to the Mining Authority.	15,901.72
VA2020:0012 (ML2021:0015)	Kaukuanjärvi I	Pending Application (Exploration Permit application, formerly a Reservation)	-	Pending Application	The Reservation expired on 23 February 2021 but same named Exploration Permit application has been submitted to the Mining Authority.	165.27
VA2020:0012 (ML2021:0131)	Kaukuanjärvi II	Pending Application (Exploration Permit application, formerly a Reservation)	-	Pending Application	The Reservation expired on 23 February 2021 but same named Exploration Permit application has been submitted to the Mining Authority	2,697.34
ML2012:0198	Kaukua 1-3	Exploration Permit	7 November 2019	Valid	9 December 2022	229.17
ML2012:0199	Haukiaho 1-2	Exploration Permit	11 December 2019	Valid	10 January 2023	184.94
ML2014:0012	Haukiaho 3-4	Exploration Permit	11 December 2019	Not Valid*	25 March 2023	187.11
ML2016:0021	Salmivaara 2-11	Exploration Permit	10 February 2020	Valid	11 March 2024	989.35
ML2017:0016	Haukiaho 11	Exploration Permit	11 December 2019	Not Valid*	10 January 2023	93.12
ML2017:0024	Kaukua East 1-2	Exploration Permit	11 December 2019	Not Valid*	10 January 2023	158.18
ML2017:0025	Kaukua North 1-2	Exploration Permit	7 November 2019	Valid	20 February 2023	123.05
ML2017:0026	Kaukua West 1-2	Exploration Permit	19 February 2020	Valid	23 March 2023	135.32
ML2017:0039	Kaukua 4 and 6-15	Exploration Permit	7 November 2019	Valid	10 December 2022	385.07

**Non-Valid Exploration Permits, are still undergoing the appeals process, but have been granted “enforcement” which allows the Company to conduct higher impact exploration such as drilling while the appeals process is underway.*

None of the LK Project permit areas are located on nature conservation areas, however, the Exploration Permit for Salmivaara 2-11 has approximately 2.3 km of common border with a Natura 2000 area. Natura 2000 is a nature conservation program established according to Finnish national legislation and in accordance to a directive given by the European Union.

There is no legal requirement to survey the boundaries of exploration permits in Finland; instead, they are assigned Finnish map coordinates by the mining authority.

Title and Royalties

On February 28, 2018, the Company completed the acquisition of 100% interest in the LK Project from Finore Mining Inc. ("**Finore**") through the purchase by the Company of Nortec Minerals Oy, the owner of the LK Project from Finore.

Finore acquired its rights to the LK Project from Nortec Minerals Corp. ("**Nortec**") via an Option and Joint Venture Agreement, dated August 24th, 2011 and as subsequently amended. Nortec was granted a 2% Net Smelter Royalty ("**NSR**") on any future production from the Haukiaho and Haukiaho East claims. The Company retained the option to purchase 1% of the NSR from Nortec for €1 million. On January 9, 2020, Palladium announced the purchase of the 2% NSR from Nortec for the sum of \$50,000 cash and 375,000 common shares of the Company.

Nortec acquired its rights to the LK Project from Akkerman Exploration B.V. ("**AEbv**") pursuant to a Memorandum of Understanding dated July 26, 2007 and as subsequently amended.

AEbv was granted a 2% NSR on any future production from the Kaukua, Murtolampi and Lipeävaara Targets. The Company retains the option to purchase 1% of the NSR from AEbv for €1 million. On February 25, 2020, EMX Royalty Corporation announced the purchase of the 2% NSR from AEbv for \$125,000 in cash and 52,000 shares of the Company.

The 100% interest in the Kaukua property was transferred to the Finland registered company, Nortec Minerals Oy, a 100%-owned subsidiary of Nortec at the time.

Nortec acquired its 100% right to the Haukiaho property via a sale and purchase agreement with Vulcan Resources Ltd dated on October 7, 2009.

On January 16, 2020, the Company bought back an existing 2% Net Smelter Return ("**NSR**") royalty in respect of the historic Haukiaho deposit, with a cash payment of \$50,000 and issuance of 375,000 common shares, with a fair value of \$73,125.

Geology, Mineralization and Deposit Types

Geology

Finland lies within the predominantly Neoproterozoic and Palaeoproterozoic Fennoscandian Shield, which is exposed over an area of more than 1 million km². The Fennoscandian Shield bedrocks in Finland can be subdivided into three broad domains, a Neoproterozoic cratonic nucleus flanked by Palaeoproterozoic mobile belts forming the Karelian Province, and Palaeoproterozoic Svecofennian Province in SW Finland. The Archaean nucleus is characterized by extensive granitoids and gneiss domains surrounding narrow northerly trending greenstone belts. The major magmatic and metamorphic events took place around 2.84 Ga, although rocks up to 3.5 Ga are present in the craton. Greenstone sequences of lower metamorphic grade were formed after this event. These greenstone sequences were subsequently deformed and intruded by tonalitic to granitic magmas between 2.75-2.69 Ga. The Kuhmo and Suomussalmi greenstone belts are the most extensive and well preserved supracrustal units in these Archaean belts outcropping over a strike

length of nearly 200 km, though seldom exceeding 10 km in width. Both greenstone belts contain abundant tholeiitic and komatiitic volcanic rocks, together with related intrusive and subvolcanic cumulates, and lesser felsic volcanic and volcanoclastic units.

Geological survey of Finland has defined broad metallogenic areas, which characterise various structural units. A special reference is given to the 2.5 Ga breakup of the Archaean craton, which globally gave rise to igneous activity that introduced layered intrusions and mafic dyke swarms worldwide. In Fennoscandia, this breakup is represented by the Tornio-Näränkävåara intrusion belt, TNB, which forms the western part of the giant intrusion belt extending into Russia and bifurcating to Lake Onega in the south, and Arctic Ocean and White Sea in the north and east.

All mineralization types characteristic of layered mafic intrusions can be found in the TNB. These include "contact style" accumulations of chromite and PGE-enriched base metal sulphides in the lowest parts of the intrusions, stratiform "reef style" PGE, chromite and magnetite enrichments higher in the cumulate sequences, and offset "footwall style" PGE-base metal deposits below the intrusions.

The TNB hosts several deposit types such as the world-class chrome deposit located at the base of the Kemi Intrusion, the potentially world-class Suhanko PGE-Ni-Cu deposits hosted by the Portimo Complex, the Monchegorsk Ni-Cu-PGE deposit hosted by the Monchetundra Massif (Russia), and a vanadium deposit hosted by a magnetite gabbro layer within the Koillismaa complex. Mining is currently underway at the Kemi chrome mine (1968-Present) and formerly at the Monchegorsk Ni-Cu-PGE mine, and Mustavaara vanadium mine (1976-1985).

The Koillismaa Layered Igneous Complex makes up the easternmost portion of the TNB and consists of two main sectors, the Näränkävåara Intrusion in the east and the Koillismaa Intrusion formerly called the Western Intrusion. These two intrusions are likely connected by an unexposed connecting dyke, which is indicated by a strong magnetic and gravity anomaly.

Several mineralization types typical of layered mafic intrusions can be found in the Koillismaa Intrusion. These include layered accumulations of PGE-enriched base metal sulphides in the lowest parts of the intrusions (contact-type PGE deposits), stratiform PGE, and vanadium enriched magnetite layer (Reefs) higher in the cumulate sequences. The magnetite gabbro layer has been exploited for vanadium.

Mineralization

The mineralized Marginal Series has been more intensively studied in the Kaukua and Haukiaho blocks. Four principal types of base metal - PGE mineralization have been identified within the Kaukua block:

1. Hangingwall-type Mineralization (contact-type, in the northern block).
2. Marginal Series-type Mineralization (contact-type).
3. Mixed Zone-type Mineralization (contact-type).
4. Reef-type Mineralization (in the southern block).

The Hangingwall-type mineralization is hosted in a strongly foliated gabbro-norite of the Layered Series just above the Marginal Series. The Hangingwall-type may be related to the PGE reef identified in the southern Kaukua block abutting the Marginal Series of the northern block due to angular discordance between the Layered and Marginal Series. A PGE reef has also been intersected in the Haukiaho Layered Series, but the potential that it merges with the Marginal Series mineralization to form Kaukua Hangingwall type mineralization is not yet established.

Marginal Series-type mineralization makes up over 70% of the metal deposition at Kaukua. The Marginal

Series is dominated by pyroxenite that hosts sulphide assemblages comprised of pyrrhotite-chalcopyrite-pentlandite. The sulphide assemblage also occurs as medium-grained, disseminated aggregations. Sulphide content increases towards the base of the Marginal Series, which often indicates an increase in grade for both PGE and base metals.

There are occasional thin (<3 m wide) transition zones between the mineralized pyroxenite (Marginal Series) and the sulphide-bearing Mixed Zone that have lower grade PGE mineralization or are barren.

Sulphide mineralization in the Mixed Zone at Kaukua varies in thickness between 30 and 40 meters. The Mixed Zone is dominated by xenoliths of granodiorite and quartzo-feldspathic gneisses partially assimilated into Marginal Series. Sulphides usually occur as fine-medium grained chalcopyrite and pyrrhotite disseminations in the basement unit and in cross-cutting gabbroic-pyroxenitic intrusions. Pyrite is also present. PGE are associated with the sulphides, with the highest values associated with the chalcopyrite-rich domains. Upon moving deeper into the basement, pyrite becomes a dominant sulphide and PGE values decrease below detection limits.

The Kaukua PGE - base metals sulphide reef shares similar features with the Rometölväs Reef described in the Syöte and Porttivaara blocks of the Koillismaa Intrusion. This Rometölväs Reef appears as low-grade, erratic enrichment within a 20 m thick gabbroic zone containing fine-grained xenoliths (known as microgabbroites), gabbropegmatites and anorthositic segregates. The characteristic feature of the reef in Kaukua is frequent basement xenoliths while other features of Rometölväs Reef are missing. In the northern part of Kaukua, this reef appears to abut the Marginal Series due to angular discordance between it and the Layered Series. When occurring right above the Marginal Series the reef is actually determined as hangingwall-type mineralization as described above.

The typical sulphide assemblage is pyrrhotite-chalcopyrite-pentlandite and accessory sulphides include pyrite, sphalerite, galena and molybdenite. The main oxides are magnetite and ilmenite, with chromite present in trace amounts. The grades of PGE mineralization roughly correlate with the abundance of sulphides, particularly chalcopyrite.

Whereas the LK and KS projects are contiguous, the targets are very different. The LK project is an open pit style, with disseminated sulphide mineralization along the prospective basal unit of the Koillismaa complex, with similarities to Platreef type deposits. Whereas the KS project target is underground, high-grade massive sulphide, in the feeder system (Feeder Dyke) of the Koillismaa Complex, similar to a Norilsk, or Voisey's Bay type deposit.

Deposit Types

Platinum-Group Elements ("**PGE**") are a general reference to six metals: platinum (Pt), palladium (Pd), rhodium (Rh), iridium (Ir), ruthenium (Ru), and osmium (Os). Economic PGE deposits are primarily hosted by mafic and ultramafic igneous rocks. The deposit type is a basal accumulation of PGE-rich base metal sulphides hosted in the Koillismaa layered mafic-ultramafic complex, which forms part of the Paleoproterozoic (2.5-2.4 Ga) Tornio- Näränkäväära Layered Intrusion Belt (TNB) that extends east west across Finland and into Russia.

Finland lies within the predominantly Neoproterozoic and Palaeoproterozoic Fennoscandian Shield, which is exposed over an area of more than 1 million km². The Fennoscandian Shield bedrocks in Finland can be subdivided into three broad domains, a Neoproterozoic cratonic nucleus flanked by Palaeoproterozoic mobile belts forming the Karelian Province, and Palaeoproterozoic Svecofennian Province in SW Finland. The Archaean nucleus is characterized by extensive granitoids and gneiss domains surrounding narrow northerly trending greenstone belts. The major magmatic and metamorphic events took place around 2.84 Ga, although rocks up to 3.5 Ga are present in the craton. Greenstone sequences of lower metamorphic grade were formed after this event. These greenstone sequences were subsequently deformed and intruded by

tonalitic to granitic magmas between 2.75-2.69 Ga. The Kuhmo and Suomussalmi greenstone belts are the most extensive and well preserved supracrustal units in these Archaean belts outcropping over a strike length of nearly 200 km, though seldom exceeding 10 km in width. Both greenstone belts contain abundant tholeiitic and komatiitic volcanic rocks, together with related intrusive and subvolcanic cumulates, and lesser felsic volcanic and volcanoclastic units.

The Karelian Province records a prolonged and episodic history of sedimentation, rifting and magmatism throughout the Early Palaeoproterozoic. The Central Lapland greenstone belt is the largest mafic-dominated province preserved in the entire shield. A sequence of bimodal mafic and felsic volcanics dated at around 2.5 Ga unconformably overlie the Archean basement and represent the onset of rifting.

Continued rifting of the Archean crust resulted in the widespread emplacement of mafic and ultramafic layered intrusions between 2.5-2.4 Ga including the Koillismaa Complex. These igneous formations have been found to be potential for Cr, Cu-Ni-PGE sulphide, PGE only and Fe-Ti-V oxide mineralization. Clastic sediments discordantly overlie these layered intrusions, with further episodes of mafic magmatism recorded as sporadic lavas and sills dated at around 2.2 Ga, 2.10 Ga, and 2.05 Ga. The latest stage includes the Sakatti and Kevitsa Ni-Cu- PGE deposit.

Geological survey of Finland has defined broad metallogenic areas, which characterize various structural units, Figure 2-1 and Figure 2-2. A special reference is given to 2.5 Ga breakup of Archaean craton, which globally gave rise to igneous activity that introduced layered intrusions and mafic dyke swarms worldwide. In Fennoscandia, this breakup is represented by the Tornio-Näränkävaara intrusion belt, TNB, Figure 2-1, which forms the western part of the giant intrusion belt extending into Russia and bifurcating to Lake Onega in the south, and Arctic Ocean and White Sea in the north and east (Alapieti et al. 1990).

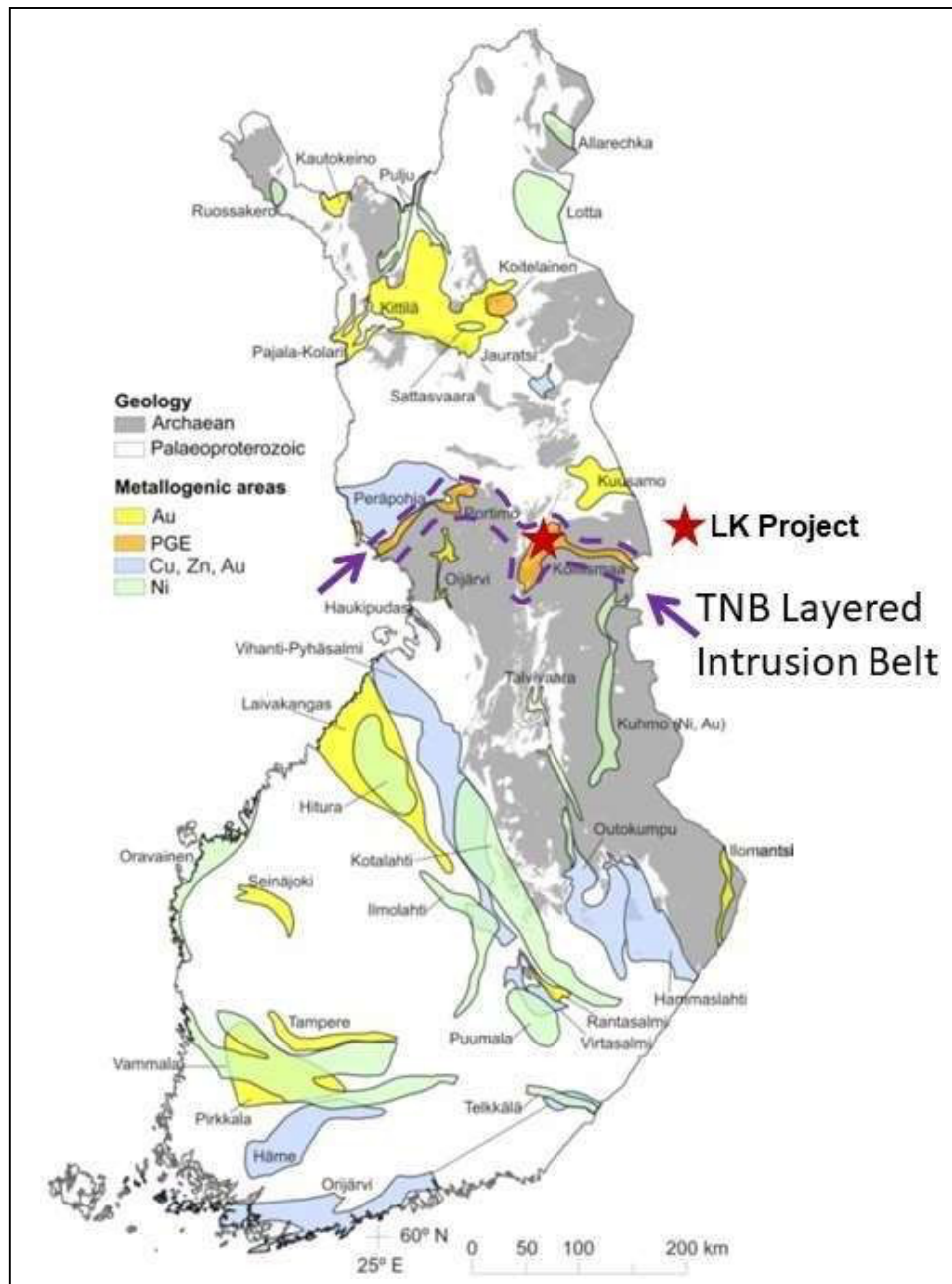


Figure 2-1 - Finland metallogenic areas and Tornio-Näränkäväära intrusion belt, TNB

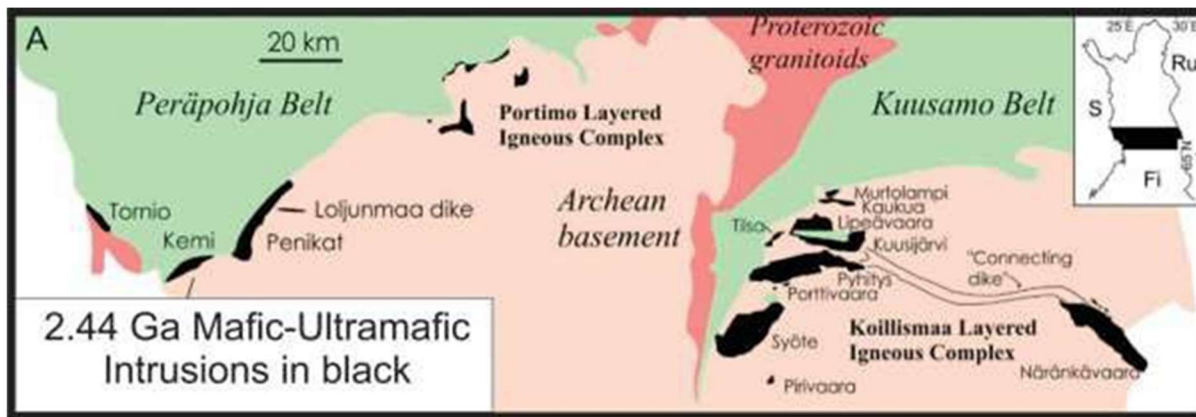


Figure 2-2 – Simplified geology of the Tornio Näränkäväära intrusion belt (TNB), showing the Kemi Intrusion, host to the world class Kemi chrome mine, the Portimo Complex host to the Suhanko PGE-Ni-Cu deposit, and the Koillismaa Complex which hosts the LK Project.

All mineralization types characteristic of layered mafic intrusions can be found in the TNB. These include “contact style” accumulations of chromite and PGE-enriched base metal sulphides in the lowest parts of the intrusions, stratiform “reef style” PGE, chromite and magnetite enrichments higher in the cumulate sequences, and offset “footwall style” PGE- base metal deposits below the intrusions (Iljina and Hanski 2005).

The TNB hosts several deposit types such as the world-class chrome deposit located at the base of the Kemi Intrusion, the potentially world-class Suhanko PGE-Ni-Cu deposits hosted by the Portimo Complex, the Monchegorsk Ni-Cu-PGE deposit hosted by the Monchetundra Massif (Russia), and a vanadium deposit hosted by a magnetite gabbro layer within the Koillismaa complex. Mining is currently underway at the Kemi chrome mine (1968-Present) and formerly at the Monchegorsk Ni-Cu-PGE mine, and Mustavaara vanadium mine (1976-1985). Platinum-Group Elements (“PGE”) are a general reference to six metals: platinum (Pt), palladium (Pd), rhodium (Rh), iridium (Ir), ruthenium (Ru), and osmium (Os). Economic PGE deposits are primarily hosted by mafic and ultramafic igneous rocks.

On the basis of relative abundance (in economic value) of PGE and other metals, PGE deposits can be classified as 'PGE only' type of deposits, or deposits in which PGEs are enriched along with the base metal sulphides or chromite. PGE deposits of rift-related intracontinental layered intrusions (like Koillismaa) are classified on their structural position in the intrusion as shown in [Figure 3](#).

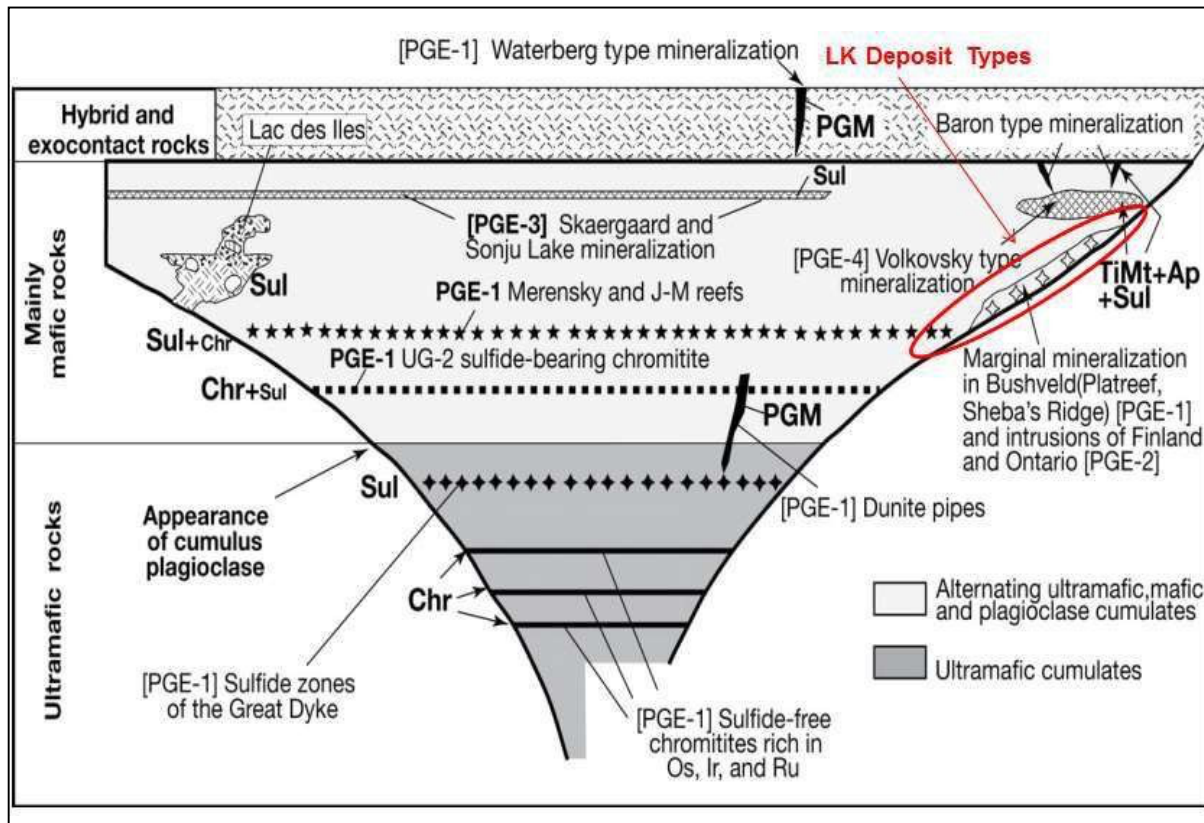


Figure 3 - Schematic Section of Magmatic Cu, Ni, PGE Deposits Types (MP modified from Finore 2013 supplied image)

'Contact-type' deposits are generally zones near or at the base of an intrusion. "Marginal Series", may be tens to over a hundred meters wide and are developed at the base or sides of layered mafic intrusions. The PGE concentration is generally lower than in 'reef-type' (stratiform layers in the layered intrusion) deposits and the economic exploitability is based on large tonnage bulk mining methods. Contact-type mineralization is erratic in nature and in individual drillholes the highest PGE values can be found tens of meters above or below the contact of the intrusion. This style of mineralization also varies along strike. High-grade PGE enrichments, contact-type and others seem to be related to larger igneous events, but the size of the hosting intrusion is not necessarily a controlling factor (Iljina and Lee, 2005).

There are examples within the Marginal Series where mineralization is enhanced at particular structural positions. Specifically, where the Layered Series PGE reef abuts the Marginal Series due to an angular discordance. Known examples of this grade enhancing host rock relationship come from the Platreef (Contact-Type Merensky Reef) in the Northern Bushveld, Bushveld Complex. A similar structural relationship is tentatively identified in Haukiahö and Kaukua.

Exploration

Historic Work

Outokumpu Oy (1963-1966)

Copper and nickel mineralization, hosted by the Marginal Series of the Koillismaa Intrusion was first documented by the Geological Survey and Outokumpu Oy ("Outokumpu") in the early 1960s.

PGE-focused exploration started in the early 1980s, when highly anomalous PGE-enriched boulder samples (PGE+Au >10 ppm) were reported in the Haukiaho area. In 1990, Outokumpu discovered mineralized portions in the Kaukua and Murtolampi (Kaukua North 1-2) intrusion blocks.

GTK and NAN (1996-2005)

In 1996, GTK (Finland Geological Survey) started an extensive research and exploration program of the entire Koillismaa Complex including the current Palladium One LK Project areas.

In 2000, the Swedish junior exploration company North Atlantic Natural Resources AB ("NAN") signed a contract with GTK and the Ministry of Trade and Industry (predecessor of TEM) of Finland ("KTM") optioning the claims. NAN conducted geophysical ground surveys on Palladium One's present Haukiaho, Murtolampi (licence area Kaukua North 1-2), and Kaukua areas, but only drilled the Haukiaho area. Fugro Ltd flew a low-altitude aerial geophysical survey covering the area of Haukiaho and Kaukua. NAN also sent surface boulder samples of Haukiaho mineralization for metallurgical tests to Lakefield Research Ltd (Lakefield Research Ltd 2001) in Canada before withdrawing from the Koillismaa project in late 2002.

The research and exploration program, by GTK and NAN (1996-2002), resulted in the delineation of highly mineralized areas in the Marginal Series host. Two of the areas, Haukiaho and Kaukua, were subjected to further exploration activity in 2004 and 2005 by GTK including diamond drilling.

Much of the historic drilling done by the GTK has been done for geological mapping purposes; this is particularly the case on Salmivaara and Lipeävaara properties. Distribution of historic drillholes is shown in Table 4 below.

Nortec (2007-2009)

Nortec conducted a three-dimensional ground based Induced Polarization (3DIP) survey over the Kaukua property.

The inverted chargeability sections calculated from this 3DIP survey outline several anomalous sources which were generally observed to correlate with known and projected Cu-Ni-PGE mineralization.

Nortec conducted four phases of exploration drilling over the Kaukua property from October 2007 to May 2009 for a total of 10,292.8 meters of drilling. Limited mineral processing and metallurgical tests were completed by Nortec Minerals Corp in 2009 and 2010 on drill core from the Kaukua deposit (SGS Canada Inc. 2010).

Finore (2011-2012)

Finore undertook a diamond drilling program from October, 2011 to April 2012, for a total of 10,785.0 meters of NQ2 drilling in 48 drillholes testing the Kaukua and the Haukiaho.

Table 4 – Historic Drilling Summary

Company/Year	Number of Drillholes	Permit Group	Number of Meters Drilled
Outokumpu/1963-1966	36	Haukiahho	6,327.85
University of Oulu/1973	2	Lipeävaara	83.10
GTK/1997-1999 and 2004-2005	46	Haukiahho	6,206.01
GTK/1999 and 2004	16	Kaukua	1,951.75
GTK/1999	7	Lipeävaara	999.29
NAN/2001	7	Haukiahho	893.60
Nortec/2007-2009	50	Kaukua	10,292.80
Finore/2011-2012	25	Haukiahho	4,668.80
Finore/2012	23	Kaukua	6,116.20
Total	212		37,539.4

Palladium One Exploration Work

In September 2019 the company filed an updated NI 43-101 technical report on the LK project including an updated resource on the Kaukua Deposit. In October 2021 the company produced an updated Technical Report on the LK project which included a 43-101 compliant resource on the Haukiahho Deposit. The Company is current working on a third Technical report which will include an updated resource on the Kaukua and Kaukua South deposits.

The Company began the 2020 exploration program by conducting 88-line km of high-resolution 3D IP on 5 grids. Concurrently, a high-resolution drone-based magnetometer survey was also carried out. The 3D IP survey was very successful notably in delineating the new Kaukua South IP chargeability anomaly

This Phase I IP survey was followed up by second 55-line km 3D IP survey in 2021. The Phase II IP survey resulted in the identification of a strong IP chargeability anomaly to the west of the Kaukua Deposit, as well as a new strong IP anomaly located in the Far East extension of Kaukua South.

2020/2021 Drill Program

The Phase I drilling began in late February 2020 but was shut down mid-March 2020 due to COVID-19 completing only 1,918.3 meters in 12 drillholes on the Kaukua deposit, Kaukua South, Haukiahho, and Murtolamp. Drilling resumed in August 2020 with another 14 drillholes completed bringing the Phase I program to a total of 4,482.25 meters in 26 drillholes by the end of September 2020. Drilling resumed again in November 2020 with the beginning of the Phase II program, which was announced on November 10, 2020 with 17,500m planned for this next phase.

The 2020 drill program was successful. This resulted in the discovery of the Kaukua South extension with drillhole LK-20-006. The second stage of the Phase I drill program was successful in extending the Kaukua South mineralization over 3 km. The remaining Phase II drill program focused on delineating the Kaukua

South discovery but also included a small drill program on Haukiaho.

The Phase II drilling program began in November 2020 concluded in the September 2021. This program consisted of 111 holes totaling 24,283.55 meters focused on delineating the newly discovered Kaukua South Zone and expanding the Kaukua Deposit.

As summarized in Table 5, as of December 31, 2021, the Company drilled a total of 28,765.8 m, completing 137 drill holes and concluding the Phase I and II drill programs.

Table 5 – 2020-2021 Palladium One Drilling Summary

Year	Number of drill holes	Permit Group	Number of Meters Drilled
2020-2021	15	Haukiaho	2,499.5
2020-2021	26	Kaukua	6,594.2
2020-2021	82	Kaukua South Extension	17,388.0
2020-2021	11	Murtolampi	1,513.5
2020-2021	3	Kaukua West	770.7
Total	137		28,765.8

Also see “General Development of The Business” section for the three-year history of the LK project.

Mineral Resource Estimate

The following is the summary section of the most recent Technical Report on the LK project, and is modified to conform to this AIF. This summary is qualified in its entirety by reference to the full text of the Technical Report entitled ‘Technical Report for the Lantinen Koillismaa Project, Finland, Haukiaho Deposit Mineral Resource Estimate Update 2021’, with an effective date of May 24th, 2021 and a signing date of October 20th, 2021 and is available on www.sedar.com.

Palladium One Mining Incorporated (Palladium One) has contracted Julian Aldridge of Mining Plus Pty Ltd (Mining Plus) to update the February 16, 2021, 2020 43-101 technical report on the Lantinen Koillismaa Project (LK Project). This includes:

- A Mineral Resource update on the Haukiaho 2020 deposit,
- In addition to the Haukiaho deposit resource update, this report documents all exploration activities which have occurred on the LK Project, specifically the Kaukua area up to the May 24, 2021 Effective Date of the report. Insufficient additional drilling by Palladium One has been conducted on the Kaukua deposit to warrant an updated mineral resource estimate (MRE) at this time.

Since the February 16, 2021 Technical Report (Mining Plus, 2021) and prior to the May 24, 2021 Effective Date of the current report, Palladium One has conducted 9,211 meters of diamond drilling in 52 holes and completed an additional 55-line km of 3D Induced Polarization (IP) (SJ Geophysics, 2021). On November 10 2020 Palladium One announced a 17,500-meter Phase II drill program on the LK Project beginning on November 13, 2020, this drill program remains ongoing.

Since acquiring the project and up to the effective date of the current technical report Palladium One has conducted 13,693 meters of diamond drilling in 78 drillholes (including 2,515 meters in 15 holes at Haukiaho) and a total of 143-line km of 3D Induced Polarization (IP) (SJ Geophysics, 2020) (SJ Geophysics, 2021), and 385-line km of drone-based mag surveys (Nuutinen, 2020) on the LK project.

The LK project hosts two 43-101 mineral resource estimates: the Haukiahö deposit, the focus of the current technical report, and the 2019 Kaukua deposit shown in Table 6 below.

Table 6 - LK Project Total National Instrument 43-101 Pit Constrained Resource Estimate

Deposit	Class	Tonnes (Mt)	Pd g/t	Pt g/t	Au g/t	PGE (Pd+Pt+Au) g/t	Ni %	Cu %	Co ppm	Pd_Eq*	
										g/t	Oz
Kaukua	Indicated	11.0	0.81	0.27	0.09	1.17	0.09	0.15	---	1.60	566,000
Kaukua	Inferred	10.9	0.64	0.20	0.08	0.92	0.08	0.13	---	1.31	459,000
Haukiahö	Inferred	32.7	0.25	0.10	0.10	0.45	0.13	0.18	53	1.15	1,210,000
Total	Inferred	43.6	0.35	0.12	0.10	0.57	0.12	0.17	40	1.19	1,669,000

* Pd_Eq calculated is calculate in-situ assuming 100% recovery using prices from the current Haukiahö MRE consisting of \$1,600/oz Pd, \$1,100/oz Pt, \$1,650/oz Au, \$3.50 Cu, \$7.50 Ni, and \$20/lb Co.

- The 2019 Kaukua MRE was originally calculated using a different price assumption of \$1,100/oz for Pd, \$950/oz for Pt, \$1,300/oz for Au, \$3/lb for Cu and \$7/lb for Ni.
- The Haukiahö MRE used a \$25/t cut off which equates to ~0.6 g/t Pd_Eq using the 2021 Haukiahö Mineral Resource Estimate prices.
- 2019 Kaukua MRE used a 0.3 g/t Pd cut off which equates to ~0.6 g/t Pd_Eq using the 2021 Haukiahö Mineral Resource Estimate prices.

Platinum, palladium, gold, copper, cobalt and nickel are known to be present and have been analysed in drilling and surface sampling on the property. The deposit type is a basal accumulation of PGE-rich base metal sulphides hosted in the Koillismaa layered mafic-ultramafic complex, which forms part of the Paleoproterozoic (2.5-2.4 Ga) Tornio-Näränkäväära Layered Intrusion Belt (TNB) that extends east west across Finland and into Russia.

Mineral Resource Estimates (MRE) have been completed for the Haukiahö (current Technical Report) and Kaukua (Mining Plus, 2021) deposits.

Haukiahö Mineral Resource Estimate

The current Haukiahö deposit MRE update is based primarily on historic drilling but includes 15 holes totaling 2,515 meters of infill drilling completed by Palladium One. The Haukiahö deposit is now pit-constrained at a \$25/t cut-off consisting of 1,210,000 Pd_Eq ounces ("palladium equivalent") contained within 32.7 million tonnes of Inferred Resources grading 1.15 g/t Pd_Eq. The Haukiahö deposit is expected to have a low capital intensity given the favourable 1:1 strip ratio of the conceptual pit-constrained resource. Metal price assumption used in Haukiahö pit optimization are shown in Table 7 below.

Table 7 – Metal price assumptions.

Element	Unit	Price (USD)
Palladium	per oz	\$1,600
Platinum	per oz	\$1,100
Gold	per oz	\$1,650
Copper	per lb	\$3.50
Nickel	per lb	\$7.50
Cobalt	Per lb	\$20.00

The drillhole and other input data that have been used in the estimation of the 2020 MRE have been provided by the management of Palladium One. This data set has been independently verified by Julian Aldridge; the Qualified Person (QP) responsible for all sections of the Technical Report. Mr Aldridge completed a site visit between July 1-8, 2021.

The Mineral Resource estimate (MRE) was completed for the elements Pd, Pt, Au, Cu, Ni and Co on the Haukiahö deposit as part of the current Technical Report. This used Leapfrog Geo 6.0 geological modelling

software for the lithological and grade shell modelling, and HxGN MinePlan Resource Geo software (MineSight) for the block modelling and grade estimation. A total of 4,063 samples have been loaded into Leapfrog Geo software, where a high-level validation has been completed.

The drillhole database for the Haukiahö deposit comprises 84 drillholes with collar coordinates, downhole surveys, lithology and assays. The coordinate system for the drillhole collars is the Finnish coordinate system ETRS (v 10.5 and later projections) -TM35FIN (ESPG 4. (ESPG 3067) coordinate system. The set of drillholes used consists of historical drillholes drilled by GTK (Geological Survey of Finland), more recent drillholes drilled by Nortec Minerals Corp and Finore Mining, and the drillholes drilled by Palladium One during 2020 - 2021.

An updated structural, lithological, and mineralization model of the Haukiahö deposit has been modelled. The key geological units are the basement, marginal series, and layered series with late diabase dykes and faults capped by an overburden unit. The layered series consists of gabbros, gabbro-norite and occasional pyroxenites. The marginal series hosting the main mineralization is composed of gabbros, pyroxenites, and peridotites. The basement dominated rock type is composed of mixed basement, orthogneiss, and pyroxenites.

The deposit is broken into two sections the east and the west by the main northwestern trending Haukiahö fault. The majority of the resource is currently hosted in the western zone. The eastern zone is still open and prospective for more exploration. The mineralization is predominantly hosted in the marginal series gabbros and pyroxenites with significant intercepts in the basement.

Domains were modelled in 3D to separate mineralized rock types from surrounding waste rock. Two wireframes at a 0.25 g/t Pd Eq (Palladium Equivalent) and 0.5 g/t Pd Eq were constructed to capture nickel-copper-PGE mineralisation. The mineralisation wireframes were used to constrain block grade estimates.

Grade-capping was completed for Au, Cu, Ni, Co, Pd and Pt, prior to compositing all data on 5m intervals. Estimation of gold, copper, nickel, cobalt, palladium and platinum grades was completed in two passes. Only composites falling within the grade shells were used to estimate the blocks within the grade shells. Dynamic unfolding was used in the Minesight software to accommodate local changes in the dip and strike of the mineralisation. All estimation was completed using inverse-distance-weighting to the power of three (IDW3)

The blocks are 10 m x 10 m x 10 m in size with no sub-blocking used. The block model is a percent model, with the percentage of each block that sits within Overburden (OBPCT), Diabase (DBPCT), and the 0.25g/t PdEq grade shell (SHPCT) stated as a value in each of these respective columns.

Mining Plus validated all the block modelling work. Final grade estimates for Pd, Pt, Au, Cu, Co and Ni have been validated by statistical analysis and visual comparison to the input drillhole composite data. The estimated Pd, Pt, Au, Cu, Co and Ni grades validate within acceptable limits to the input composite grades. Therefore, the block model is considered a true and accurate representation of the input grades at a global scale.

The Mineral Resource Estimate for the Haukiahö deposit has been classified according to the National Instrument and CIM definitions for Inferred Resources. No Measured or Indicated Resources have been assigned within the deposit. The Mineral Resource classification has been based on a combination of the drilling density, confidence in the geological interpretation and continuity of the grade within the geological units.

The Mineral Resource has been reported inside an optimized pit shell at a cut-off of \$25/t (based on Pd_eq) for the open pit resource, with the results detailed in Table 8 and Table 9.

Table 8 – Haukiahio Inferred Mineral Resource Tabulation Using a \$25/t Cut-off.

Area	Tonnes (Mt)	Pd Eq g/t	Cu ppm	Ni ppm	Co ppm	Pd g/t	Pt g/t	Au g/t	Pd Eq Ozs
West	22.8	1.18	1,720	1,361	61	0.27	0.11	0.09	870,000
East	9.9	1.08	1,876	1,174	36	0.21	0.10	0.12	345,000
Total	32.7	1.15	1,767	1,305	53	0.25	0.10	0.10	1,210,000

Table 9 – Haukiahio National Instrument 43-101 Pit Constrained Resource Estimate

Deposit	Class	Tonnes (Mt)	Pd g/t	Pt g/t	Au g/t	PGE (Pd+Pt+Au) g/t	Ni %	Cu %	Co ppm	Pd_Eq*	
										g/t	Oz
Haukiahio	Inferred	32.7	0.25	0.10	0.10	0.45	0.13	0.18	53	1.15	1,210,000

- CIM definitions have been followed for the Mineral Resources
- Pd_Eq calculated is calculate in-situ assuming 100% recovery using prices from the current Haukiahio MRE consisting of \$1,600/oz Pd, \$1,100/oz Pt, \$1,650/oz Au, \$3.50 Cu, \$7.50 Ni, and \$20lb Co.
- The Haukiahio MRE used a \$25/t cut off which equates to ~0.6 g/t Pd_Eq using the 2021 Haukiahio Mineral Resource Estimate prices.
- The recoveries that are used in the cut-off grade calculations are 89% Cu, 64% Ni, approximately 80% for both Pt and Pd, and 65% Au. These are detailed in Table 10 below
- A dry bulk density of 2.0 g/cm³ was used for overburden material. Densities of 2.7 g/cm³, 2.9 g/cm³ and 3.0 g/cm³ were used for basement, gabbro-peridotite-pyroxenite and diabase, respectively.
- Mining dilution and recovery factors have not been applied.

DKT used the pit optimisation parameters shown in Table 10. The southern slope of the pit was flattened to 45° to account for the poor RQD observed in drill core (poor geotechnical conditions). The strip ratio (using a \$15/t cut-off value) is 0.53, using a \$25/t cut-off value the strip ratio is 0.93.

Table 10 – Pit Optimisation parameters.

Parameter	Value
North Slope Angle	55°
South Slope Angle	45°
Mining Cost	2.20
Process Cost	11.0
G&A	4.0
Total Ore-based Cost	15.0
Au Recovery %	65.2
Cu Recovery %	89.2
Ni Recovery %	63.7
Pd Recovery %	79.8
Pt Recovery %	80.1
Au Price /oz	1,650
Cu Price /lb	3.50
Ni Price/lb	7.50
Co Price/lb	20.00
Pd Price /oz	1,600
Pt Price /oz	1,100

2019 Kaukua Mineral Resource Estimate

The 2019 Kaukua Mineral Resource Estimate (Mining Plus, 2021) was completed using Leapfrog EDGE version 4.5 modelling software. The drillhole database for the Kaukua deposit comprises 83 drillholes with collar coordinates, downhole surveys, lithology and assays. The coordinate system for the drillhole collars is the old Finnish KKJ Zone 3 (ESPG 2393) coordinate system. A total of 6,449 samples have been loaded into Leapfrog Geo v4.5 software, where a high-level validation has been completed.

An updated structural and lithological interpretation of the Kaukua deposit has been 3D modelled using Leapfrog Geo software version 4.5. The major controlling structures have been used to split the deposit into four zones, with subsidiary faults, major stratigraphic units, diabase dykes and the overburden modelled within these four zones. The topographic surface has been generated using the drillhole collar coordinate data.

The structural and lithological units have been used as the primary control on the modelling of the mineralization domains for Pd, Pt, Au, Cu and Ni. The mineralization has been modelled using the Indicator approach in Leapfrog Geo within the geological constraints as determined. For all elements, an encompassing low-grade halo has also been modelled.

All samples within the mineralized domains have been flagged with unique geological and estimation domain codes with a composite length of 2 m applied to these raw samples prior to grade capping, continuity modelling and grade estimation.

The grade distribution of the composites within each mineralized domain has been analysed to ensure that they are indicative of a single population with no need for additional domaining. In addition, they have also been assessed as to whether the population is affected by extreme grades which could influence the estimation of grade inside the block model. No grade capping has been applied prior to continuity modelling and grade estimation.

Continuity analysis (variography) has been completed on the composited samples within the various mineralization domains using spherical variogram models. Experimental semi-variograms have been generated for each element with the direction of maximum continuity recorded in three directions and then checked against the mineralization domain to ensure geological consistency.

A block model has been constructed in LeapFrog EDGE software using a 15 m (X) by 5 m (Y) by 5 m (Z) block size. No sub-celling or rotation of the block model has been undertaken. The block model has been coded by the lithology and mineralization domains for each element. The estimation of Pd, Pt, Au, Cu and Ni grades have been undertaken using Ordinary Kriging interpolation into blocks using three interpolation passes, with the mineralization wireframes used as hard-boundaries during the estimation. Each subsequent interpolation pass has used an increased search ellipse size and a decrease in the minimum number of samples required.

Final grade estimates for Pd, Pt, Au, Cu and Ni have been validated by statistical analysis and visual comparison to the input drillhole composite data. The estimated Pd, Pt, Au, Cu and Ni grades validate within acceptable limits to the input composite grades. Therefore, the block model is considered a true and accurate representation of the input grades at a global scale.

The Mineral Resource Estimate for the Kaukua deposit has been classified according to the National Instrument and CIM definitions for Indicated and Inferred Resources. No Measured Resources have been assigned within the deposit. The Mineral Resource classification has been based on a combination of the drilling density, confidence in the geological interpretation, continuity of the grade within the geological units, variogram model ranges, statistics of the data population and rock bulk density.

The Mineral Resource has been reported inside an optimized pit shell at a cut-off of 0.3 g/t Pd for the open pit resource, with the results detailed in Table 11.

Table 11 – Pit-Constrained Mineral Resource for the Kaukua Deposit

Mineral Resource Estimate for the Kaukua Deposit - September 2019 reported at a 0.3 g/t Pd cut-off											
Classification	Tonnes (kt)	Pd g/t	Pt g/t	Au g/t	PGE (Pd+Pt+Au) g/t	Ni %	Cu %	2019 Pd_Eq ⁵		2021 Pd_Eq ⁶	
								g/t	Oz	g/t	Oz
Indicated	10,985	0.81	0.27	0.09	1.17	0.09	0.15	1.80	635,600	1.60	566,000
Inferred	10,875	0.64	0.20	0.08	0.92	0.08	0.13	1.50	525,800	1.31	459,000

1. CIM definitions have been followed for the Mineral Resources,
2. Bulk densities of 2.9 t/m³ have been assigned for all lithologies within the block model except the overburden which has a bulk density of 2.1 t/m³ assigned,
3. The optimization has used metal prices (in USD) of \$1,100/oz for Pd, \$950/oz for Pt, \$1,300/oz for Au, \$3.00/lb for Cu and \$7.00/lb for Ni,
4. Mining dilution and recovery factors have been assumed at 5% and 95% respectively,
5. Pd_Eq is the in-situ weighted sum assuming 100% recovery of the Pd, Pt, Au, Ni and Cu grades based on the 2019 commodity prices as outlined point No 3,
6. Pd_Eq is the in-situ weighted sum assuming 100% recovery of the Pd, Pt, Au, Ni and Cu grades based on the 2021 Commodity prices used in the current technical report consisting of \$1,600/oz Pd, \$1,100/oz Pt, \$1,650/oz Au, \$3.50 Cu, and \$7.50 Ni.
7. Errors may occur due to rounding to appropriate significant figures.

The pit shell has been optimized using the input parameters summarised in Table 12. Numerous optimizations have been run at different revenue factors (RF), with the optimized pit shell being at an RF = 1.

Table 12 – Whittle Open Pit Optimization Parameters for Reporting the 2019 Mineral Resource

Whittle Optimization Parameters	Value
Mining Recovery	95%
Mining Dilution	5%
Pd Price \$/oz	\$1,100
Pt Price \$/oz	\$950
Au Price \$/oz	\$1,300
Cu Price \$/t	\$6,614
Ni Price \$/t	\$15,432
Currency	USD
Royalties	1% NSR
Processing cost (incl. G&A)	\$9.75/t
Mining cost	\$2.20/t
Cut-off grade Pd	0.3
Overall Wall Angle	54.96

The optimized pit tonnage is 87,291,075 tonnes (assuming 2.1 t/m³ for bulk density of the overburden) which generated a conceptual waste tonnage of 65,431,683 tonnes for a stripping ratio of 3:1.

The Exploration Target Potential has been estimated for the Kaukua South zone located ~500 m south of the Kaukua optimized pit shell, Table 13.

Table 13 – Exploration Target Potential for the Kaukua Deposit, September 2019

Exploration Target Potential* - September, 2019															
Tonnage Range (kt)		Pd g/t Range		Pt g/t Range		Au g/t Range		PGE (Pd+Pt+Au) g/t Range		Ni ppm Range		Cu ppm Range		Pd_Eq g/t Range	
Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
230	3,000	0.3	0.6	0.04	0.13	0.03	0.03	0.34	0.80	400	500	550	600	0.7	1.0

The Exploration Target Potential quantity and grade is conceptual in nature, insufficient exploration has been performed to define a mineral resource, and it is uncertain if a mineral resource estimate will be delineated. The exploration target potential is based on 7 drillholes all of which intercepted PGE mineralization.

DESCRIPTION OF CAPITAL STRUCTURE

As at the date of this AIF, the following common shares, options, and share purchase warrants were outstanding:

	Number of Shares	Exercise Price	Expiry Date
Issued and outstanding common shares	256,521,352		
Share purchase warrants	24,800,000	\$0.45	02-24-23
Share purchase warrants	2,586,000	0.29	02-24-23
Share purchase warrants	90,000	0.34	02-24-23
Share purchase warrants	300,000	0.40	02-24-23
Share purchase warrants	900,000	0.29	12-16-23
Stock options	2,050,000	0.08	06-07-24
Stock options	1,000,000	0.08	09-30-24
Stock options	4,300,000	0.15	12-30-24
Stock options	775,000	0.29	03-15-26
Stock options	4,450,000	0.22	11-15-26
Restricted share units	1,275,862	n/a	03-15-24
Restricted share units	1,341,100	n/a	11-15-24
Fully diluted	300,389,314		

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares without par value. The holders of Common Shares are entitled to one vote for each Common Share on all matters to be voted on by the shareholders. Each Share is equal to every other Common Share and all Common Shares participate equally on liquidation, dissolution or winding up of our Company, whether voluntary or involuntary, or any other distribution of our assets among our shareholders for the purpose of winding up our affairs after the Company has paid out its liabilities. The shareholders are entitled to receive pro rata such dividends as may be declared by the board of directors out of funds legally available for such purpose and to receive pro rata the remaining property of the Company upon dissolution. No Common Shares have been issued subject to call or assessment. There are no pre-emptive or conversion rights, and no provisions for redemption, retraction, purchase or cancellation, surrender, sinking fund or purchase fund. Provisions as to the creation, modification, amendment or variation of such rights or such provisions are contained in the *Business Corporations Act* (British Columbia) and the articles of the Company.

RSUs

The Company has established a Restricted Share Unit (“RSU”) Plan that provides for the issuance of RSUs enabling the directors to grant RSUs to employees, officers, directors, and consultants of the Company. From time to time, shares may be reserved by the Board, in its discretion, for Stock Options and/or RSUs provided that the total number of shares reserved for issuance by the Board shall not exceed 23,300,000. RSUs are non-assignable and may be granted for a term not exceeding three years.

Stock Options

The Company has established a Stock Option Plan that provides for the issuance of stock options (the “Options”) enabling the directors to grant Options to employees, officers, directors, and consultants of the Company. From time to time, shares may be reserved by the Board, in its discretion, for Options and/or RSUs provided that the total number of shares reserved for issuance by the Board shall not exceed 23,300,000. Options are non-assignable and may be granted for a term not exceeding that permitted by the Exchange, currently ten years. Options issued are subject to vesting terms determined by the Board of Directors.

Warrants

The common share purchase warrants outstanding as of the date of this AIF were issued to investors and brokers as a part of financings that occurred in 2021.

DIVIDENDS AND DISTRIBUTIONS

The Corporation has not declared any cash dividends or distributions since the Corporation's formation and currently intends to retain future earnings, if any, to finance further business development. The payment of any cash dividend or distributions to shareholders of the Corporation in the future will be at the discretion of the directors of the Corporation and will depend on, among other things, the financial condition, capital requirements and earnings of the Corporation, and any other factors that the directors may consider relevant. The BCBCA provides that a corporation may not declare or pay a dividend if there are reasonable grounds for believing that the corporation is, or would be after the payment of the dividend, unable to pay its liabilities as they become due or the realizable value of its assets would thereby be less than the aggregate of its liabilities and stated capital of all classes of shares of its capital.

TRADING PRICE AND VOLUME OF SECURITIES

From January 1, 2021 to December 31, 2021, the Common Shares traded on the TSX-V under the symbol "PDM". The following table sets forth the price range and volume of trading of the Common Shares on the TSX for each month during that period.

2021	High (\$)	Low (\$)	Volume (Number of Shares)
January	0.400	0.240	31,231,053
February	0.400	0.280	18,907,060
March	0.375	0.250	15,202,161
April	0.360	0.270	12,695,746
May	0.370	0.315	10,542,392
June	0.360	0.250	8,769,916
July	0.295	0.205	6,702,805
August	0.260	0.190	4,863,975
September	0.240	0.165	6,418,535
October	0.220	0.170	5,567,144
November	0.230	0.170	5,712,602
December	0.200	0.170	6,438,681

PRIOR SALES OF UNLISTED SECURITIES

The Company granted the following securities which are not listed on a marketplace during the year ended December 31, 2021:

Security	Date of Grant	Exercise Price per Share	Number of Shares Under Warrants
RSUs	March 15, 2021	N/A	1,275,862
RSUs	November 15, 2021	N/A	1,341,100
Options	March 15, 2021	0.29	775,000
Options	November 15, 2021	0.22	4,450,000
Warrants	February 24, 2021	0.45	24,800,000
Warrants	February 24, 2021	0.29	2,586,000
Warrants	February 24, 2021	0.40	300,000
Warrants	February 24, 2021	0.34	90,000
Warrants	December 16, 2021	0.29	900,000
		TOTAL	36,517,962

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As at the date of this AIF, there were no escrowed securities or securities subject to contractual restriction on transfer.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The following table sets forth, for each of the directors and executive officers of the Corporation as of the date hereof, the person's name, province and country of residence, position and office held with the Corporation, principal occupation during the last five years and, if a director, the period or periods during which the person has served as a director of the Corporation. Each of the directors of the Corporation has been appointed to serve until the next annual meeting of the shareholders of the Corporation.

Name and Residence	Position	Principal Occupation During Last Five Years	Date First Became a Director
Derrick Weyrauch(2) (3) Ontario, Canada	President, Chief Executive Officer and Director	President and CEO of the Company since March 2019, CFO Cardinal Resources Ltd from July 2017 to November 2018, CEO of Magna Mining Corp from Dec 2016 to July 2018, and a director of Banro Corporation from December 2013 to May 2018.	March 28, 2019
Peter C. Lightfoot(1) (2) Ontario, Canada	Director	Independent consultant to the global minerals industry and founder and owner of Lightfoot Geoscience Inc, a consulting company providing services to companies exploring for magmatic nickel-cobalt-copper and precious metal ore deposits since 2016. Professor at the University of Western Ontario since 2017.	September 10, 2019
Lawrence Roulston(1)(2)(3) British Columbia, Canada	Director	President and CEO of Mountain Boy Resources since 2019; Managing Director of WestBay Capital Advisors since 2016; President of Quintana Resources Capital, from 2014-2016.	March 28, 2019
Giovanna Bee (1)(3)Moscoco, Utah, USA	Director	Chief Legal Officer for Boart Longyear Group since February 2022; Director of Calipuy Resources Inc. since August 2021; Mining consultant from 2019 - 2022; Progressive in-house counsel responsibilities over 25 years for Barrick Gold Corporation, including Vice President and Assistant General Counsel previous to April 2019.	April 2, 2021

Name and Residence	Position	Principal Occupation During Last Five Years	Date First Became a Director
Neil Pettigrew, Ontario, Canada	Vice President of Exploration and Director	Director and Vice President of Exploration of the Company since September 2019; Founding partner of Fladgate Exploration Consulting Corporation since 2007	September 5, 2019
Sara Hills, British Columbia, Canada	CFO	CFO and Corporate Secretary for the Company since October 2021; Finance consultant since 2020; self-employed managing and investing in residential real-estate since 2015; Financial Controller at KGHM International 2010-2015	N/A

Notes:

- (1) Member of the audit committee of the board (the “**Audit Committee**”).
- (2) Member of the compensation committee of the board (the “**Compensation Committee**”).
- (3) Member of the Environmental, Social and Governance committee of the board (the “**ESG Committee**”).

As of March 25, 2022 the directors and officers of the Corporation as a group, beneficially owned, directly or indirectly, or exercised control or direction over an aggregate of 2,420,335 Common Shares, representing approximately 0.94% of the then outstanding Common Shares.

Director and Management Biographies

The following are brief biographies of the executive officers and directors of Palladium One:

Derrick Weyrauch – President/CEO and Director

Derrick Weyrauch, CPA CA is an experienced mining executive and corporate director. Mr. Weyrauch's background includes finance, risk management, corporate restructuring and turnarounds, coupled with M&A strategy development, execution and post transaction integration. He is the co-founder of Magna Mining Corp. and is a former corporate director of a number of companies including Eco Oro Minerals Corp., Jaguar Mining Inc. and Banro Corp. and is a former CFO of Jaguar Mining Inc. and Andina Minerals Inc. Currently he is a non-executive director and at Cabral Gold Inc. Mr. Weyrauch obtained his CPA CA designation with KPMG LLP and is a member of CPA Canada and the Institute of Corporate Directors. He holds an Honours B.A. in Economics from York University.

Lawrence Roulston – Independent Director

Lawrence Roulston is a mining professional with over 35 years of diverse hands-on experience. He heads WestBay Capital Advisors, providing business advisory and capital markets expertise to the junior and mid-tier sectors of the mining industry. From 2014 to 2016, he was President of Quintana Resources Capital, which provided resource advisory services for US private investors. Before Quintana, he was a mining analyst and consultant, as well as the editor of "Resource Opportunities", an independent investment publication

focused on the mining industry. Prior to this, Lawrence was an analyst or executive with various companies in the resources industry, both majors and juniors. He has graduate-level training in business and holds a B.Sc. in geology and is presently a director of Metalla Royalty and Streaming Ltd, Mountain Boy Minerals Ltd, Thunderstruck Resources Ltd and Enduro Metals Corp.

Neil Pettigrew – VP, Exploration and Director

Neil Pettigrew M.Sc., P.Geo. is geologist with 20 years of experience in the mineral exploration industry. Neil is a founding partner of Fladgate Exploration Consulting Corporation and has been employed as a Senior Precambrian Geoscientist with the Ontario Geological Survey. He has worked for several junior and major companies in gold and Cu-Ni-PGE exploration. He has held officer and director positions at several TSX and TSX-V listed junior companies and is presently CEO and a director of Edison Cobalt Corp. He received his B.Sc. (hons.) from the University of New Brunswick in 1999 and his M.Sc. from the University of Ottawa in 2004.

Giovanna Bee Moscoso – Independent Director

Ms. Bee Moscoso is an experienced mining executive with over 28 years of experience, including progressive responsibilities over 25 years at Barrick Gold Corporation, where previously she was a partner, Vice President and Assistant General Counsel. Giovanna has managed legal, regulatory, permitting and contractual matters for various mines in the Americas during exploration, development, operations and mine closures, and held responsibilities for coordinating government and public relations, and developing social outreach programs to foster positive relations with stakeholders, including long-term agreements with indigenous communities and private landowners. Her background also includes providing legal and governance oversight to major mining operations. Ms. Bee Moscoso graduated *summa cum laude* with the highest GPA of the Law School at the University of Lima, Peru (1992) and obtained her Masters in Law degree at Duke University, U.S.A. (2007). She has been a speaker at various international conferences, sharing her experiences in the resource sector.

Peter Lightfoot – Independent Director

Dr. Peter C. Lightfoot, P.Geo. has over 30 years of experience in the nickel industry, including 20 years with Inco/Vale, and is an expert on magmatic nickel-cobalt-copper and precious metal ore deposits. Currently, Dr. Lightfoot is a consultant to the global mining industry. In 2016, Peter published the first comprehensive textbook on the Ni-Cu-precious metal ore deposits of the Sudbury Igneous Complex. Also in 2016, he compiled and edited a special volume on gold deposits of China, published in *Ore Geology Reviews*. In 2017, Dr. Lightfoot was appointed as the Hutchinson Visiting Industry Professor at the University of Western Ontario. Peter received his B.A. in Earth Sciences from Oxford in 1980, his M.Sc. degree from the University of Toronto in 1982 and his Ph.D from the Open University (U.K.) in 1985. He completed post-doctoral studies at the University of Toronto and undertook extensive research on the geology and geochemistry of the Noril'sk ore deposits during his tenure as an Adjunct Professor.

Sara Hills – CFO/Corporate Secretary

Ms. Hills is a CPA, CA with over 16 years of experience in accounting and finance and has achieved increasingly senior roles in public mining companies including with KGHM International and Teck Resources. At KGHM International she led the accounting and financial reporting functions for Quadra Mining and Quadra FNX as well as the international reporting for KGHM International. At Teck Resources she worked closely with the exploration group, leading their accounting, reporting and budgeting functions. She started her career in public practice and holds a BBA.

Cease Trade Orders, Bankruptcies, Penalties and Sanctions

Except as disclosed herein, to the knowledge of the Corporation:

- (a) none of the directors or executive officers of the Corporation is, or was within the ten years prior to the date hereof, a director, chief executive officer or chief financial officer of any corporation that was subject to a cease trade order, an order similar to cease trade order or an order that denied such corporation access to any exemption under securities legislation that was, in each case, in effect for a period of more than 30 consecutive days and that was issued while that person was acting in such capacity or that was issued after that person ceased to act in such capacity and which resulted from an event that occurred while that person was acting in such capacity;
- (b) none of the directors or executive officers of the Corporation, is, or was within the ten years prior to the date hereof, a director or executive officer of any corporation that, while that person was acting in such capacity, or within a year of that person ceasing to act in such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) none of the directors or executive officers of the Corporation has within the ten years prior to the date hereof become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets; and
- (d) none of the directors or executive officers of the Corporation has been subject to any penalties or sanctions imposed by, or entered into a settlement agreement before, a court or regulatory body, including any securities regulatory authority.

Derrick Weyrauch was elected to the board of directors of Jaguar Mining Inc. (“**Jaguar**”) in June 2013. As part of a corporate turnaround and restructuring process, Jaguar declared insolvency and commenced a voluntary proceeding under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) on December 23, 2013 in the Ontario Superior Court of Justice. This proceeding was commenced to implement a debt restructuring and financing transaction (the “**Jaguar CCAA Plan**”) that was negotiated prior to the commencement of the CCAA proceeding. On April 22, 2014, Jaguar implemented the Jaguar CCAA Plan and emerged from court protection under the CCAA. On May 2, 2014, the shares of Jaguar began trading on the TSX-V. Following the voluntary proceeding under the CCAA, the Toronto Stock Exchange advised that it is reviewing the common shares of Jaguar with respect to meeting the requirements for continued listing pursuant to the Expedited Review Process. The common shares were subsequently suspended from trading on the Toronto Stock Exchange. In 2013, NYSE Regulations, Inc. (“**NYSE Regulation**”) reached a decision to delist Jaguar’s common shares in view of the fact that Jaguar’s common shares had fallen below the New York Stock Exchange’s (the “**NYSE**”) continued listing standard for an average closing price of less than USD\$1.00 over a consecutive 30 trading day period. As a result, on June 3, 2013, NYSE Regulation commenced proceedings to delist the common shares of Jaguar from the NYSE and trading of Jaguar’s common shares was suspended prior to the opening on June 7, 2013.

Additionally, Derrick Weyrauch was a director of Banro Corporation (“**Banro**”). On November 20, 2017, Banro became subject to a general cease trade order issued by the Ontario Securities Commission for failure to file its interim financial statements and management’s discussion and analysis for the period ended September 30, 2017, and the certifications of such filings as required by National Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings*. The filings were not made due to significant uncertainty concerning Banro’s ability to continue its operations. As part of a corporate turnaround and

restructuring process, Banro declared insolvency and commenced a voluntary proceeding under the CCAA on December 22, 2017 in the Ontario Superior Court of Justice. This proceeding was commenced to implement a debt restructuring and sale and investment solicitation process (the "**Banro CCAA Plan**"). On May 3, 2018 Banro implemented the Banro CCAA Plan and emerged from court protection under the CCAA.

Mr. Roulston became a director of KBL Mining Ltd. ("KBL") in March 2015, a company listed on the Australian Stock Exchange at the time, as a result of being the director nominee of Quintana Resources Capital ULC (an investor in KBL by way of a streaming transaction which was secured by KBL's Mineral Hill mine). On September 7, 2016, Mr. Roulston resigned his position as director and on September 8, 2016, KBL was placed into voluntary administration and on September 19, 2016, receivers were appointed and the company is now in liquidation.

Conflicts of Interest

The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interest of the Corporation and to disclose any interests which they may have in any project or opportunity of the Corporation. However, the Corporation's directors and officers may serve on the boards and/or as officers of other companies which may compete in the same industry as the Corporation, giving rise to potential conflicts of interest. To the extent that such other companies may participate in ventures in which the Corporation may participate or enter into contracts with the Corporation, they may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that a conflict of interest arises at a meeting of the directors of the Corporation, such conflict of interest must be declared and the declaring parties must abstain from participating and voting for or against the approval of any project or opportunity in which they may have an interest. Provided such steps are followed and subject to any limitations in the Corporation's constating documents, a transaction would not be void or voidable because it was made between the Corporation and one or more of its directors or by reason of such director being present at the meeting at which such agreement or transaction was approved. The remaining directors will determine whether or not the Corporation will participate in any such project or opportunity.

To the knowledge of the Corporation, other than as set forth in this AIF, there are no known existing or potential conflicts of interest among the Corporation, its directors, its officers or other members of management of the Corporation as a result of their outside business interests.

The directors and officers of the Corporation are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest, and the Corporation will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers.

AUDIT COMMITTEE DISCLOSURE

Composition of the Audit Committee

The Audit Committee consists of three directors, being Lawrence Roulston (chair), Giovanna Bee Moscoso and Peter Lightfoot. The directors of the Corporation have determined that each member of the Audit Committee is "financially literate" for the purpose of National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators ("NI 52-110"). Each member of the Audit Committee is "independent" from the Corporation. Further, each member of the Audit Committee has the ability to perform his responsibilities as an Audit Committee member based on his education and/or experience as summarized below.

In addition to each member's general business experience, each of the Audit Committee members has the ability to read and understand financial statements and has held director and/or officer positions with other

reporting issuers in the mineral exploration and mining sector where he has been actively involved in financing and fundraising activities. See "Directors and Officers – Name, Occupation and Security Holding" above.

Audit Committee Charter

The responsibilities and duties of the members of the Audit Committee are set out in the Audit Committee's charter, the text of which is set forth in Schedule "A" hereto.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption set out in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 or any exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

Audit Committee Oversight

At no time since the commencement of the most recently completed financial year of the Corporation was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the directors of the Corporation.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies or procedures for the engagement of the Corporation's auditor to perform non-audit services, as described further in the Audit Committee's charter, a text of which is attached as Schedule "A" hereto.

External Auditor Service Fees (By Category)

The aggregate fees billed by the external auditor of the Corporation, Davidson & Corporation LLP, during the two most recently completed financial years of the Corporation are as follows:

Financial Year	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾
2019	\$32,900	\$nil	\$nil	\$nil
2020	\$37,450	\$nil	\$nil	\$5,061
2021	\$35,000*	\$15,183	\$nil	\$nil

*Estimated for 2021

Notes:

- (1) "Audit Fees" refers to the aggregate fees billed for audit services.
- (2) "Audit-Related Fees" refers to the aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported under "Audit Fees".
- (3) "Tax Fees" refers to the aggregate fees billed for professional services for tax compliance, tax advice and tax planning.
- (4) "All Other Fees" refers to the aggregate fees billed for products and services, other than the services comprising the fees disclosed under "Audit Fees", "Audit-Related Fees" or "Tax Fees".

RISK FACTORS

An investment in the Unit Shares and Warrants comprising the Units is subject to a number of risks. Before deciding whether to invest in the Units, investors should carefully consider the risk factors set forth below, in the documents incorporated by reference in this AIF (including those discussed under the heading "Risk Factors" in the AIF and MD&A and all of the other information in this AIF (including, without limitation, the documents incorporated by reference herein and therein)). The risks described above and below are not the only risks that affect the Company. Other risks and uncertainties that the Company does not presently consider to be material, or of which the Company is not presently aware, may become important factors that affect the Company's future condition and results of operations.

Risks Related to the Company's Securities

Price Volatility of Publicly Traded Securities.

The Company's Common Shares are listed on the TSX-V. Securities of small cap companies, particularly mineral exploration and development companies, have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries.

The price of the Common Shares is also likely to be significantly affected by short-term changes in gold, silver or other mineral prices or in the Company's financial condition or results of operations. Other factors unrelated to Company performance that may affect the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not follow the Company; lessening in trading volume and general market interest in the Common Shares may affect an investor's ability to trade significant numbers of Common Shares; the size of the Company's public float may limit the ability of some institutions to invest in the Common Shares; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares to be delisted from the TSX-V, or any exchange the Common Shares are trading on, further reducing market liquidity. As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Dilution.

Future sales or issuances of equity securities could decrease the value of the Common Shares, dilute shareholders' voting power and reduce future potential earnings per Common Share. The Company may sell additional equity securities in subsequent offerings and may issue additional equity securities to finance operations, development, exploration, acquisitions or other projects. The Company cannot predict the size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in earnings per share.

Securities or Industry Analysts.

The trading market for the Common Shares could be influenced by research and reports that industry and/or securities analysts may publish about the Company, its business, the market or its competitors. The Company

does not have any control over these analysts and cannot assure that such analysts will cover the Company or provide favourable coverage. If any of the analysts who may cover the Company's business change their recommendation regarding the Company's stock adversely, or provide more favourable relative recommendations about its competitors, the stock price would likely decline. If any analysts who may cover the Company's business were to cease coverage or fail to regularly publish reports on the Company, it could lose visibility in the financial markets, which in turn could cause the stock price or trading volume to decline.

The Company has never paid, and does not currently anticipate paying, dividends.

The Company has paid no dividends on the Common Shares since incorporation and does not anticipate paying dividends in the immediate future. The payment of future dividends, if any, will be reviewed periodically by the board of directors of the Company (the "**Board**") and will depend upon, among other things, conditions then existing including earnings, financial conditions, cash on hand, financial requirements to fund its commercial activities, development and growth, and other factors that the Board may consider appropriate in the circumstances.

Unlisted Warrants

The Warrants are not listed on any exchange and the Company does not intend to list the Warrants on any exchange. Investors may be unable to sell the Warrants at the prices desired or at all. There is no existing trading market for the Warrants and there can be no assurance that a liquid market will develop or be maintained for the Warrants, or that an investor will be able to sell any of the Warrants at a particular time (if at all). The liquidity of the trading market in the Warrants and the sale price, if any, for the Warrants, may be adversely affected by, among other things:

- changes in the overall market for the Warrants;
- changes in the Company's financial performance or prospects;
- changes or perceived changes in the Company's creditworthiness;
- the prospects for companies in the industry generally;
- the number of holders of the Warrants; and
- the interest of securities dealers in making a market for the Warrants.

U.S. and foreign investors may find it difficult to enforce U.S. or foreign judgments against the Company.

The Company is incorporated under the laws of British Columbia, Canada and the majority of the Company's directors and officers are not residents of the United States or foreign countries. Because all or a substantial portion of the Company's assets are abroad and the assets of certain directors are located in Canada, it may be difficult for U.S. or foreign investors to effect service of process within their jurisdiction upon the Company or upon such persons who are not residents of the United States or the foreign jurisdiction, or to realize in the United States or foreign jurisdictions upon judgments of U.S. or foreign courts predicated upon civil liabilities under U.S. or foreign securities laws. A judgment of a U.S. or foreign court predicated solely upon such civil liabilities may be enforceable in Canada by a Canadian court if the U.S. or foreign court in which the judgment was obtained had jurisdiction, as determined by the Canadian court, in the matter. There is substantial doubt whether an original action could be brought successfully in Canada against any of such persons or the Company predicated solely upon such civil liabilities.

Discretion in the Use of Proceeds.

The Company currently intends to apply the net proceeds received from the Offering as described above under the heading "*Use of Proceeds*". However, management of the Company will have discretion concerning the use of the net proceeds of the Offering as well as the timing of their expenditures. As a result, an investor will be relying on the judgment of management for the application of the net proceeds of the Offering. Management may use the net proceeds of the Offering in ways that an investor may not consider desirable. The results and the effectiveness of the application of proceeds are uncertain. If the proceeds are not applied effectively, the Company's results may suffer.

Positive Return in an Investment in the Units is Not Guaranteed

There is no guarantee that an investment in the Units will earn any positive return in the short term or long term. A purchase under the Offering involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the Units is appropriate only for purchasers who have the capacity to absorb a loss of some or all of their investment.

Negative Operating Cash Flow

As at December 31, 2021, the Company had working capital of \$13,711,459 and cash of \$15,060,023. In addition, the Company had operating losses of \$11,190,812 during the year ended December 31, 2021. Additionally, continuing operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management believes that sufficient working capital will be obtained from external financing to meet the Company's current and future liabilities and commitments as they become due, though there is a significant risk that additional financing may not be available on a timely basis or on terms acceptable to the Company.

Risks Related to the Company's Operations

Limitations on the Mineral Resource Estimates

The Mineral Resource estimates on the LK Project are estimates only. No assurance can be given that any particular level of recovery of minerals will in fact be realized or that identified Mineral Resources will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. In addition, the grade of mineralization which may ultimately be mined may differ from that indicated by drilling results and such differences could be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. The estimated Mineral Resources on the LK Project should not be interpreted as assurances of commercial viability or of the profitability of any future operations. Moreover, most of the Mineral Resources are reported at an "inferred" level. Inferred Mineral Resources have a substantial degree of uncertainty as to their existence, and economic and legal feasibility. Accordingly, there is no assurance that Inferred Mineral Resources reported herein will ever be upgraded to a higher category. Investors are cautioned not to assume that part or all of an Inferred Mineral Resource exists, or is economically or legally mineable.

Permitting Risks

The Company's mineral property interests are subject to receiving and maintaining permits from appropriate governmental authorities. The operations of the Company will require permits from various governmental authorities, and such operations will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the

exploration and development of mineral properties generally experience increased costs and delays in exploration and development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for the conduct of exploration and development operations will be obtainable on reasonable terms or at all, or that applicable laws and regulations, either now or in the future will not have an adverse effect on any exploration or development project which the Company might undertake.

Reliance on Management and Key Personnel

The success of the Company will be largely dependent upon the performance of the directors and officers, as well as the Company's ability to attract and retain key personnel. The loss of the services of any of these individuals may have a material adverse effect on the Company's business and prospects. The Company competes with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company will be able to continue to retain the services of its directors, officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Title to Properties

Transaction of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. The Company may have to negotiate with third parties to secure its title, rights-of-way or surface rights. The Company cannot give any assurance that title to its properties or surface rights will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that Company, as the case may be, does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks. Although the Company intends to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, any such insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Activities of the Company may be further impacted by the spread of the COVID-19 novel coronavirus.

The Company faces risks related to COVID-19, which may significantly disrupt its operations and may materially and adversely affect its business and financial conditions. In December 2019, a novel strain of coronavirus known as COVID-19 emerged and spread around the world causing significant business and social disruption. COVID-19 was declared a worldwide pandemic by the World Health Organization on March 11, 2020. The speed and extent of the spread of COVID-19 including any variants, the duration and intensity of resulting business disruption and related financial and social impact and the effectiveness of actions taken by governments to curtail or treat its impact, are uncertain. Such adverse effects related to COVID-19 and other public health crises may be material to the Company. The impact of COVID-19 and efforts to slow the

spread of COVID-19 could severely impact the exploration and any development of the Company's mineral projects. The Company's ability to conduct exploration programs has been impacted due to COVID-related restrictions, protocols and travel restrictions, and we anticipate that this impact will continue to be felt. To date, a number of governments have declared states of emergency and have implemented restrictive measures such as travel bans, vaccine requirements, quarantine and self-isolation. The length of impact of the COVID-19 and associated restrictions remain uncertain. If the exploration and any development of the Company's mineral projects is disrupted or suspended as a result of these or other measures, it may have a material adverse impact on the Company's financial position and trading price of the Common Shares.

The Company cannot accurately predict the impact COVID-19 will have on third parties' ability to meet their obligations with the Company, including due to uncertainties relating to the severity of the disease, the duration of the outbreak, and the extent of travel and quarantine restrictions imposed by governments of affected countries.

In response to the COVID-19 pandemic, mining exploration in Finland has been impacted by government restrictions on the Company's operations. Potential stoppages on exploration activities could result in additional costs, project delays, cost overruns, and operational restart costs. The Finnish government has imposed restrictions on travel into Finland. The total amount of funds that the Company needs to carry out the proposed operations may increase from these and other consequences of the COVID-19 pandemic.

COVID-19 and efforts to contain it may continue to have broad impacts on the Company's supply chain and the global economy, which could have a material adverse effect on the Company's financial position. In particular, the current outbreak of COVID-19, and any future emergence and spread of contagious disease, could have a material adverse impact on global economic conditions, which may adversely impact: the market price of the Common Shares, the Company's operations, its ability to raise debt or equity financing for the purposes of mineral exploration and development, the volatility of interest rates that could make financing more challenging and expensive, and the operations of the Company's suppliers, contractors and service providers. Inflationary pressures relating to COVID-19 global financial support measures and current supply chain challenges are also having both direct and indirect impacts on our costs to operate, which could have a material impact on our financial results.

Indigenous Peoples

Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of indigenous peoples. The Company operates in some areas presently or previously inhabited or used by indigenous peoples. Many of these materials impose obligations on government to respect the rights of indigenous people. Some mandate that government consult with indigenous people regarding government actions which may affect indigenous people, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to indigenous people continue to evolve and be defined. The Company's current and future operations are subject to a risk that one or more groups of indigenous people may oppose continued operation, further development, or new development of the Company's projects or operations. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against the Company's activities. Opposition by indigenous people to the Company's operations may require modification of or preclude operation or development of the Company's projects or may require the Company to enter into agreements with indigenous people with respect to the Company's projects. Such agreements may have a material adverse effect on the Company's business, financial condition and results of operations.

On June 26, 2014, the Supreme Court of Canada issued a decision in the case *Tsilhqot'in Nation v. British Columbia* (the "**Tsilhqot'in Decision**") that may affect the Tyko Property and Disraeli Property, located in Ontario. In the *Tsilhqot'in Decision*, the Court issued the first declaration of aboriginal title in Canadian history. The Court confirmed that the *Tsilhqot'in* held aboriginal title to an area in northern British Columbia

within their traditional territory. While the Tyko Property and Disraeli Property are not located within the areas involved in the Tsilhqot'in Decision, the decision has legal precedent implications for all areas in Canada where indigenous peoples claim aboriginal title. While an aboriginal title claim remains unsettled either by a treaty or court ruling, there is a potential for aboriginal title to be established along with the inherent rights associated with aboriginal title, which includes the exclusive right to decide how the land is used and the right to benefit from those uses.

In areas where indigenous people claim treaty rights, or aboriginal rights (including aboriginal title), the Crown (federal and provincial government agencies) must act honorably in its actions that may affect treaty or aboriginal rights (proven or asserted). When a Crown action – such as granting a permit – may adversely affect those rights, then the Crown has a duty to consult with the affected indigenous group before deciding on the permit. The Crown must then consider the potential impacts and how any impact may be avoided, mitigated or accommodated.

The Company relies on the Crown to adequately discharge its duty of consultation before issuing any permit or right to the Company, including the grant of mineral titles and associated rights. To assist in managing the risk associated with any adverse impact on treaty or aboriginal rights, the Company works to establish good relations and relationship agreements with affected indigenous groups to confirm their support or consent for the Company's rights and permits.

The Company cannot accurately predict whether aboriginal rights and title claims will have a material adverse effect on the Company's ability to carry out its intended exploration and work programs on its properties located in Canada. The legal basis for and the strength of an aboriginal rights or title claim is complex issue, and the prospect and impact of any resolution of any such claim through court decision or settlement with the government is beyond the control of the Company and cannot be predicted with certainty.

Since the LK Project and KS Project are located in Finland and the Tsilhqot'in Decision relates to aboriginal title in Canada, the Company does not expect the Tsilhqot'in Decision to have any affect its title to the LK Project and KS Project.

On December 16, 2020, the Ministry of Energy, Northern Development and Mines issued a Notice of Caution covering approximately 40,000 square kilometres along the northern shore of Lake Superior and includes both the Tyko and Disraeli Projects. This notification serves to inform mineral claim landowners in the area that ongoing litigation to which Ontario is a defendant, known as the Michano litigation, in which First Nations have asserted Aboriginal rights and title to their traditional lands. While the Notice of Caution does not prevent new mining claim registrations or the submission of exploration plans or exploration permit applications, it is intended to alert the mineral exploration and mining industry to the presence of Aboriginal Title claims in the area and ensure proponents are aware that there may be heightened Crown consultation and accommodation obligations for future exploration, development and related activities in this area.

Additionally, on December 16, 2020, the Ministry of Energy, Northern Development and Mines issued a notice that Canada and Ontario have commenced Aboriginal Title claim settlement negotiations with each of Biigtigong Nishnaabeg and Pic Mobert First Nations. To support the ongoing negotiations, the Ministry of Energy, Northern Development and Mines (ENDM) has made orders to withdraw certain areas from being open for new mining claim registrations. The withdrawal area is located to the south of the Tyko Project and does not cover any of the claims that comprise the Tyko Project.

On January 5, 2021, the Company received notice that GBFN had filed on December 30, 2021 an application for judicial review of the MENDM decision dated November 30th, 2020 to issue Exploration Permit PR-20-000255 to Tyko Resources Inc. Pursuant to the judicial review, the GBFN seeks to quash and set aside the MENDM's decision to issue the Exploration Permit and require MENDM to consult further with the GBFN about the Company's proposed mining exploration activities. The GBFN asserts Aboriginal Rights within the Disraeli Lake area where the Company's mining claims are located and the exploration activities will occur.

The MENDM and the Company have filed appearances to defend the judicial review. The initial case management conference was convened on January 21, 2021. No schedule has yet been set for the review.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings material to Palladium One to which Palladium One or its subsidiaries is a party or to which any of the Palladium One's properties is subject, and no such proceedings are known by Palladium One to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the knowledge of the Corporation, except as otherwise disclosed herein, no director, executive officer or insider of the Corporation, or any associate or affiliate of any of them, has or has had any material interest, direct or indirect, in any transaction within the last three most recently completed financial years of the Corporation that has materially affected or is reasonably expected to materially affect the Corporation.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent for the Common Shares is TSX Trust Company, 2700 - 650 West Georgia Street, Vancouver, British Columbia, V6B 4N9.

MATERIAL CONTRACTS

There are no material contracts the Corporation has entered into since the beginning of the last financial year of the Corporation or before the last financial year that are still in effect.

INTEREST OF EXPERTS

The auditors of the Corporation are Davidson & Corporation LLP, Chartered Professional Accountants. Davidson & Corporation LLP is independent of the Corporation within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

Information of a scientific or technical nature regarding the LK Project included in this AIF is based upon the Technical Report, which was prepared by Mining Plus Pty Ltd. The authors of the Technical Report separately own, directly or indirectly, less than 1% of the outstanding securities of the Company.

All scientific and technical information in this AIF has been reviewed and approved by Neil Pettigrew, M.Sc., P.Geo, Vice President of Exploration and a director of the Company. Neil Pettigrew is a "qualified person" for the purposes of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") NI 43-101. As of the date of this report, Neil holds directly or indirectly, 262,167 common shares, 2,450,000 stock options and 168,965 restricted share units. If all the stock options and restricted share units held by Mr. Pettigrew were exercised, he would hold more than 1% of the Common Shares.

ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on SEDAR at www.sedar.com. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of securities of the Corporation and securities authorized for issuance under equity compensation plans is contained in the management information circular of the Corporation for its most recent annual meeting of shareholders that

involved the election of directors. Additional financial information is provided in the financial statements of the Corporation and related management's discussion and analysis for the most recently completed financial year of the Corporation.

GLOSSARY OF TERMS

Various terms are defined throughout this AIF and indicated where applicable. While not exhaustive, the following is a glossary of some of the commonly used terms in this AIF.

"Au" is the chemical symbol for Gold.

"CIM" means the Canadian Institute of Mining, Metallurgy and Petroleum.

"Cu" is the chemical symbol for copper.

"Co" is the chemical symbol for cobalt.

"**Exploration Permit**" means a permit that gives the recipient full rights to conduct exploration activities including test mining and construction of temporary roads and buildings, provided however that such activities are specified in the underlying Exploration Permit. Holding Costs range between €20-50 per ha per annum. The longer a claim is in place, the higher the annual fee. An exploration permit may only be held for a period of 15 years before being converted to a mining permit. Converting exploration permits to mining permits requires the project to reach an advanced stage such as pre-feasibility/feasibility studies.

"**Exploration Reservation**" means a reservation that gives the recipient up to 2 years to prepare an exploration permit application. During this 2-year period the recipient can conduct low impact exploration such as prospecting and mapping. There are no holding costs during the exploration reservation stage.

"**Exploration Target Potential**" means a statement or estimation of the exploration of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade, relates to mineralization for which there has been insufficient exploration to estimate a Mineral Resource.

"g/t" is grams per metric tonne.

"**Indicated Mineral Resource**" means that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

"**Inferred Mineral Resource**" means that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a mineral reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to indicated Mineral Resources with continued exploration.

"m" means metre.

"**Measured Mineral Resource**" is that part of a mineral resource for which quantity, grade or quality,

densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

"Mineral Resource" means a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

"Ni" is the chemical symbol for nickel.

"Pd" is the chemical symbol for palladium.

"ppm" means parts per million.

"Pt" is the chemical symbol for platinum.

"PGE" is platinum group element.

"qualified person" has the meaning ascribed to it in NI 43-101.

"SEDAR" means the System for Electronic Document Analysis and Retrieval.

"t" means tonne.

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the audit committee (the “**Committee**”) is to assist the board of directors (the “**Board**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation’s systems of internal controls regarding finance and accounting, and the Corporation’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Corporation’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Corporation’s financial reporting and internal control systems and review the Corporation’s financial statements;
- review and appraise the performance of the Corporation’s external auditors; and
- provide an open avenue of communication among the Corporation’s auditors, financial and senior management and the Board.

Composition

The Committee will be comprised of at least three directors as determined by the Board, the majority of whom will be free from any relationship that, in the opinion of the Board, would reasonably interfere with the exercise of his or her independent judgment as a member of the Committee. At least one member of the Committee should have accounting or related financial management expertise. All members of the Committee that are not financially literate must work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee’s Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation’s financial statements. The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders’ meeting.

Meetings

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Corporation’s financial statements, MD&A and any annual and interim earnings, press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or

review rendered by the external auditors.

- (c) Confirm that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation.
- (b) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Corporation, consistent with the Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each yearly audit meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.
- (g) Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent of the total amount of fees paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee. Provided the pre-approval of the non-audit services is presented to the Committee's first

scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

Other

- (a) Review any related-party transactions.