



2021 SUSTAINABILITY REPORT



MARCH 21, 2022



SENIOR MANAGEMENT

44% FEMALE



ASCOT EMPLOYEES

38% FEMALE



BOARD OF DIRECTORS

29% FEMALE



SITE-BASED EMPLOYEES

39% NISGAA
CITIZENS



SAFETY

MTI FREQUENCY **3.3**

0 FATALITIES

0 LOST TIME INCIDENTS



COVID-19

862 TESTS ADMINISTERED

2 POSITIVE CASES

REQUIRING ISOLATION



GHG EMISSIONS

PREMIER MINE EXPECTED TO
BE IN BOTTOM QUARTILE FOR
CARBON INTENSITY AMONG
GLOBAL GOLD PRODUCERS



INAUGURAL SUSTAINABILITY REPORT

RELEASED MARCH 2022



ENVIRONMENTAL PERFORMANCE

0 SPILLS IN 2021

TREATED OVER 2.5M M³
OF WATER

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A MESSAGE FROM OUR LEADERSHIP

Ascot's inaugural sustainability report sets forth the Company's culture and values, which shape the foundation of how we execute our sustainable actions and build our business strategy going forward.

Our culture focuses on working safely, being transparent, building lasting relationships beyond mining, and stewardship of the land, water, and air around us. We want to work with Nisga'a Nation and local communities to be a positive contributor to them and the rest of northwestern British Columbia. We will rise to the challenges we face and maximize the potential benefits of opportunities for all our stakeholders.

We develop and operate in the Golden Triangle, one of the most beautiful parts of "supernatural" British Columbia that borders southeastern Alaska, where the snowcapped coastal mountains meet the fjords of the Pacific Ocean. Our community has a long and proud mining history and First Nation peoples have thrived in the region for centuries. We aim to learn from the past and build towards the future where Ascot's culture around the development and restart of the Premier Mine demonstrates our values, respects this amazing landscape, and provides prosperity for all our stakeholders.

We thank Nisga'a Nation for hosting us on their territory and working with us closely and collaboratively. We thank our employees, the communities of Stewart and Hyder, our financial and government partners, and our shareholders for their ongoing support.

Tooyaksiy' niin – Thank You

Continued next page >



A MESSAGE FROM OUR LEADERSHIP (CONTINUED)

HEALTH AND SAFETY FIRST – A NO-HARM PHILOSOPHY

For Ascot to explore, develop and operate successfully means to take actions that move us toward the goal of no-harm. What this means is that we have the goal of no harm to our employees, no harm to our worksite surroundings and no harm to the communities near where we work. The goal of no-harm may seem unachievable, but we believe it is possible given our focus, dedication and innovative thinking. As a result, during 2021 and the Early Works phase of our project, we had a total incidence frequency rate of zero, no reportable environmental spills and just two positive COVID-19 cases requiring isolation.

STEWARDSHIP – TAKING CARE OF THE WATER, LAND, AND AIR

To be good stewards of the water, land and air and to reduce our impact on the environment around us, Ascot has made a significant effort to improve the water collection, treatment quality and holding capacity at our site. We have reduced the land disturbance by consolidating several mining areas to feed a common process plant and tailings facility. We have also ensured that dust and greenhouse emissions are at the lowest industry levels. The Premier Mine is on a brownfield site which had historical mining activities and related disturbances. Ascot has been careful to ensure we limit any future new disturbance and continue reclamation of potential historical sources of water contamination.

RELATIONSHIP BUILDING – TRANSPARENCY AND ENDURING TRUST

The Nass Valley and surrounding Nass Area, which has been the home of Nisga'a Nation since time immemorial, the District of Stewart and the community of Hyder are remote communities isolated from most of the population of British Columbia and Alaska. In 2021, COVID-19 presented some

challenges in meeting face-to-face, but Ascot believes it was able to build the foundation for a solid relationship with Nisga'a Nation through consultation on permitting and by signing a new Benefits Agreement. We have also solidified our relationship with the communities of Stewart and Hyder by working with them to understand and plan for the impacts of the mine restarting, including road and power access and land development. With our community partners, we are excited about the positive benefits that may come to them.

RISING TO CHALLENGES AND ADVANCING OPPORTUNITIES

In 2021, Ascot experienced numerous challenges with COVID-19, severe weather, and the loss of the thickener and clarifier components at sea. As a team, we found ways to mitigate these and continue our journey of developing the mine. We also discovered new opportunities with the discovery of additional gold zones, successful installation of the Ball and SAG mill, and completion of our Mines Act and Environmental Management Act permit amendments. We look forward to another exciting year and building on what the team, the communities and our partners accomplished in 2021.

On behalf of Ascot Resources Ltd.



A handwritten signature in black ink that reads "Rick Zimmer".

Rick Zimmer
Chairman



A handwritten signature in black ink that reads "Derek White".

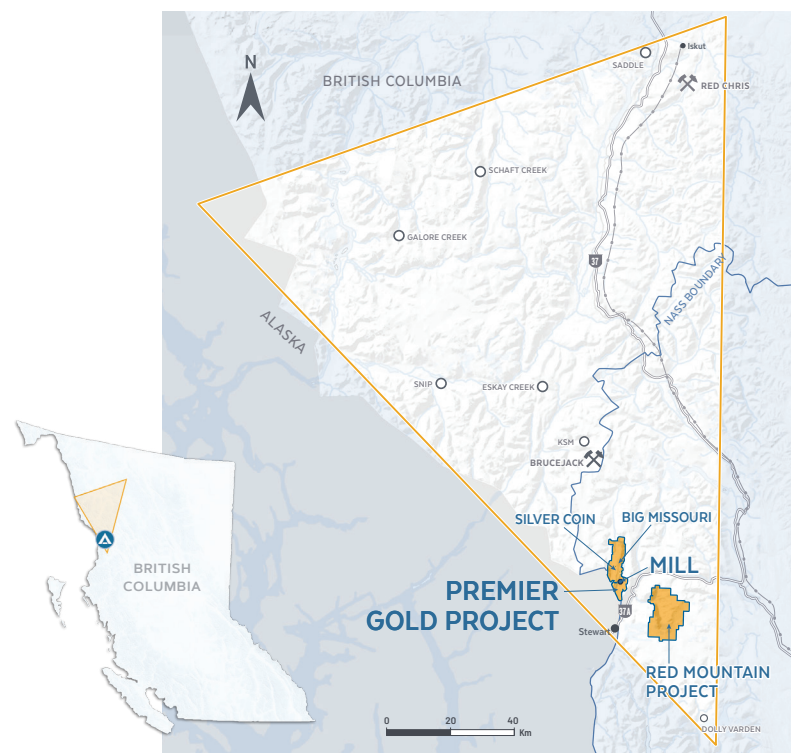
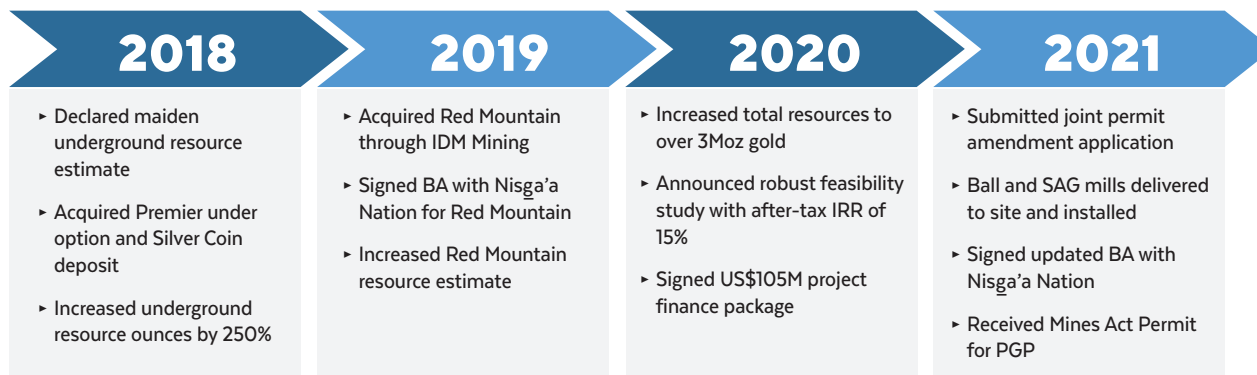
Derek White
President & CEO

ASCOT'S STORY

Ascot believes in creating value through responsible mining and resource development. The Golden Triangle in northwestern British Columbia has a rich history of mining precious and base metals critical for everyday life. In the development of our flagship Premier Mine, Ascot seeks to create value for all stakeholders, including shareholders, Nisga'a Nation communities and the local towns of Stewart, British Columbia, and Hyder, Alaska.

Bringing the Premier Mine back into production has and will continue to create much prosperity in the region in the form of significant capital investment, direct employment, contracts, ancillary services, along with provincial and federal taxes.

When Derek White, President and CEO, joined Ascot in late 2017, along with significant changes to the management team and the Board, the focus shifted from large, low-grade open pit gold resources to a more manageable, high-grade underground resources. Underground mining methods are the most responsible and realistic path towards resource development and are well aligned with Ascot's strong environmental principles to limit the disturbance of the mine.



ASCOT'S STORY (CONTINUED)

From 2018 to 2020, through a combination of exploration and consolidation of regional deposits, Ascot was able to amass an impressive global resource of over 3 million ounces of high-grade gold in the vicinity of its 100%-owned, past-producing mill on the Premier Mine site. This resource was seen as a critical mass to progress from exploration towards development and production. As a result, Ascot released a robust feasibility study in 2020, envisioning a high-margin underground gold mining operation with an initial life of 8 years. The Company then progressed through project financing and permitting milestones, signed an updated Benefits Agreement with Nisga'a Nation, and is currently constructing the project with the expectation of the first gold pour in the first quarter of 2023.



While the development of our flagship project, the Premier Mine is the focus of this report, Ascot remains committed to responsibly advancing its other projects: the Mount Margaret copper deposit in Washington, USA, and the Swamp Point aggregate project on the Portland Canal near Stewart, British Columbia. Ascot management has decades of experience with copper projects and operations worldwide and is acutely aware of copper's increasingly vital role in the electrification of everyday life. As governments worldwide invest in the decarbonization of current infrastructure and the transition towards more renewable energy sources, copper has a critical role to play. Especially with the United States' focus on domestic supply security of critical resources, Ascot believes the abundance of copper at Mount Margaret could eventually help secure these sovereign priorities.

WORKING WITH OUR COMMUNITIES

At Ascot, we believe that working together with our communities is essential to making a positive and sustainable impact in those communities. We are working closely with Nisga'a Nation and the District of Stewart to ensure the responsible development of our projects by actively building and maintaining open, respectful, and collaborative relationships with each other. These relationships will lead to capacity building, job creation and economic opportunities during and beyond the life of the mine.

There is a community-focused page on the Ascot web site. It describes Ascot's commitment to collaborative relationships with local communities and Nisga'a Nation and will be updated with relevant information and community-focused features from time to time. In 2021, Ascot also set up Community Relations- and Indigenous Relations-specific email addresses to make it easier for local community members and Nisga'a citizens to communicate with the Company.

STEWART, BRITISH COLUMBIA AND HYDER, ALASKA (THE "BEAR BUBBLE")

Stewart and Hyder are historic mining communities with populations that have ebbed and flowed over the years depending on the job opportunities available in the area. During the Gold Rush in the 1920s, the population reached as many as 10,000 people, with today's population considerably lower at around 500 people. Located in Northwestern B.C., the weather conditions can be challenging, especially during the winter months when there is a considerable amount of snow.



Students from the Nisga'a village of Laxgalts'ap (top) and from the Bear Valley School in Stewart (bottom) participating in the VEX IQ Robotics Program sponsored by Ascot in cooperation with West Vancouver Secondary School to promote STEM skills for kids.

THE BEAR BUBBLE (CONTINUED)

While one town is in Canada and the other in the U.S.A., these two communities rely on each other closely, especially for food, education, and recreation. The only school for children of both communities is in Stewart, British Columbia, the Bear Valley School. In 2020, during the beginning of the COVID-19 pandemic, it was especially difficult for these two towns that call themselves the “Bear Bubble” due to the two-week quarantine put in place when crossing the border. Ascot supported the towns by writing a letter to local government officials asking for members of these communities to be able to cross the border freely during this time so that children in Alaska could go to school and people could get the necessities they needed from the shops in Stewart.

Ascot cares about the people that we impact who live near our projects. We want to make a difference and take care of our communities where we can, which involves listening to their concerns and needs then identifying places where we can create a sustainable contribution well into the future.



*Canada Day Parade in Stewart
Stewart Community Connections (Golden Triangle Gym)*



*Town Hall – Ascot Meet & Greet with communities
of Stewart & Hyder*

For the past three years, Ascot has proactively engaged both formally and informally with the surrounding communities via townhalls, council meetings, face-to-face meetings, and virtual meetings. Employment and housing are significant concerns for the community, along with attracting tourists in both the summer and winter months. In the summer of 2021, once gatherings and meetings became safe to do in person after 18 months of COVID-19, Ascot had the opportunity to present an update to the community on the project’s progress and take questions to address some of their needs and concerns. The Company is now in the process of working together with residents to see where we can help to make a positive difference in people’s lives.

While the Premier Mine is within the Canadian provincial jurisdiction of British Columbia, we recognize that our project is very close to our neighbours in Alaska. In the spirit of cooperation and transparency, we are building a strong relationship with the community of Hyder. The State of Alaska was invited and involved from the early stages of the permitting process for the project as part of the Mine Review Committee, which includes representative from Alaska, the province of British Columbia and Nisga'a Nation.

MAKING A POSITIVE IMPACT

Ascot has established a Donations and Sponsorship Committee that reviews requests from the local communities, including Nisga'a Nation. We are proud to be able to contribute funds to support the community by sponsoring educational events at the Stewart Museum, emergency relief funds for families in need, contributing to the local library's fundraising campaign, and supporting activities for youth, including the robotics programs for the schools, Stewart Rangers and the Greenville Grizzlies (the Laxgalts'ap youth boys' basketball teams). In addition, the town of Stewart recently opened its inaugural gym, called the Golden Triangle Gym, open 24 hours, providing the opportunity to exercise at any time of day. Health, wellness, and education are essential to Ascot and its communities, and we will continue to support these causes well into the future.



The Connections Centre & The Golden Triangle Gym, Stewart, BC. Kristina Howe, VP Community Relations & Communications, Ascot, Janet Johnson, Vice President, Stewart Community Connections, and Marg Schuett, Director of Stewart Community Connections

The Stewart Museum: Ascot's Royanna Wild, Lands Manager & Kristina Howe, VP Community Relations & Communications, with Shirley Rosichuk, Programs Coordinator, Stewart Museum.

NISGA'A NATION

The Premier Mine site is located in the Nass Area, on land stewarded since time immemorial by Nisga'a Nation. Over the last two years, Ascot has worked closely and collaboratively with Nisga'a Nation to build a strong relationship. We are proud of our relationship with Nisga'a Nation, and we are honoured to be guests on Nisga'a territory.

Ascot acknowledges the Truth and Reconciliation Commission's Call to Action #92 for Business and Reconciliation and strives to meet that call. We recognize that we still have much to learn from Nisga'a Nation to fully accomplish this; however, we are proud of the solid foundation we have built thus far.



Benefits Agreement Signing, July 2021

Throughout the time leading up to and during permitting, we met nearly every week with representatives of Nisga'a Nation on many aspects of the Premier Mine. We established strong lines of communication to share information and a respectful engagement process to work together to manage and mitigate any potential impacts on Nisga'a Nation Treaty rights and interests.

During 2021, Ascot and Nisga'a Nation reached a consensus on how to address Nisga'a Nation's key concerns about the Project. As stewards of the land, Nisga'a Nation needed to be confident that Ascot could meet their stringent standards for ensuring clean water and land, healthy wildlife and the smallest footprint possible. Ascot's plans for tailings and water management and legacy contamination remediation were adjusted based on input from Nisga'a Nation.

With these environmental issues dealt with, Ascot and Nisga'a Nation signed a Benefits Agreement for the Premier Mine on July 15,

2021. The agreement formalizes Nisga'a Nation's support of the Project and lays out the commitments Ascot has made to them, including ongoing consultation, financial benefits, employment and contracting opportunities.

While working with Nisga'a Nation to evaluate the potential socio-economic impacts of the Project on Nisga'a Nation, we realized that we had the opportunity to positively impact Nisga'a language on site by putting up signage with both Nisga'a and English words. Ascot worked with the Nisga'a Ayuukhl Department (responsible for protecting, preserving, and promoting Nisga'a language, culture, and history) to create a list of words to use on signs around the site. We have installed signage in Nisga'a at the entrance of the site and will be installing signage for the camp dormitory buildings, men's and women's washrooms and dining hall. We have plans to name many of the site buildings and are looking for opportunities to expand the language project further.

"The Nisga'a Nation have worked in extensive collaboration with Ascot throughout the permitting process, including through the Mine Review Committee process leading up to the granting of the permit. The rights under our Treaty and our commitment to stewardship of the Nass Valley and Nisga'a citizens have helped to set the Premier Gold Project to be a safe, prosperous, and responsible mining operation. We have developed a strong working relationship with Ascot and we wish to congratulate them on this important milestone. We look forward to our continued collaboration with Ascot in the full-scale construction and operation phases of the Project." — Eva Clayton, President of Nisga'a Lisims Government

SUPPORTING LOCAL

Ascot is committed to supporting local and Nisga'a employment throughout the life of the mine. In the past, the historical mines near Stewart employed many people in the region and brought prosperity to surrounding communities. We hope to follow in their footsteps.



Site Crab fest in December 2021

NISGA'A EMPLOYMENT

Employing Nisga'a citizens has been important to Ascot throughout the exploration phase of the project. As we move into construction and operations, we will see an increase in opportunity to hire, train and support the career development Nisga'a citizens interested in working with Ascot.

Nisga'a citizens represent 39% of our site-based workforce and 25% of Ascot's total workforce, including corporate staff. In 2021, Ascot employed 12 Nisga'a citizens as Geotech Technicians and Core Cutters in the core shack, Geotech Drill Helpers, Field Assistants, Labourers, Brush Cutters, First Aid Attendants and an Environmental Monitor. In addition, Ascot has offered on-the-job training to many of these individuals where appropriate and has supported them in obtaining necessary certifications (i.e., First Aid, Confined Space, etc.) to complete their jobs.

Ascot has also encouraged contractors to hire Nisga'a citizens wherever possible, and there were 16 additional Nisga'a citizens working on our site as part of the staff of our third-party contractors related to construction support throughout the year.

As the project moves into operations, we will continue to work closely with Nisga'a Nation to identify Nisga'a citizens who might be interested in working with us. We will develop Nisga'a employment goals and endeavor to meet them while striving to identify and break down barriers to Nisga'a employment. In 2022, we hope to see an increase in the numbers and variety of roles held by Nisga'a citizens.

LOCAL EMPLOYMENT

The residents of Stewart have a long history of involvement in the mining industry, and significant expertise exists within the local population. Many of Ascot's long-term site employees, including site management, are residents of Stewart. In 2021, 11 (or 35%) of Ascot's 31 site employees were full-time Stewart residents, and a further 16 (or 52%) were residents of northwestern BC. As the mine moves into operations, Ascot will continue to prioritize hiring Stewart residents and hopes that people working away from their hometown will consider returning with their families to Stewart.



**FEATURE: DAVE GREEN, MINING MANAGER,
HEALTH AND SAFETY**

Ascot is proud to have long-time Stewart resident Dave Green on our team as Mining Manager, Health and Safety. Dave is the 2020 recipient of the AME David Barr Award for his leadership in health and safety in mineral exploration and has long been a leader in the mining industry for health and safety. For the past 30 years, Dave has trained and mentored young Indigenous workers to have careers in mining, many of whom are thriving as miners, mechanics, drillers and geotechnicians. Under Dave's leadership and guidance, Ascot has ensured that all our employees, including several workers from Nisga'a Nation who have worked at Ascot's projects throughout the 2021 exploration season, were safe in the remote northwestern communities of Stewart, British Columbia and Hyder, Alaska.

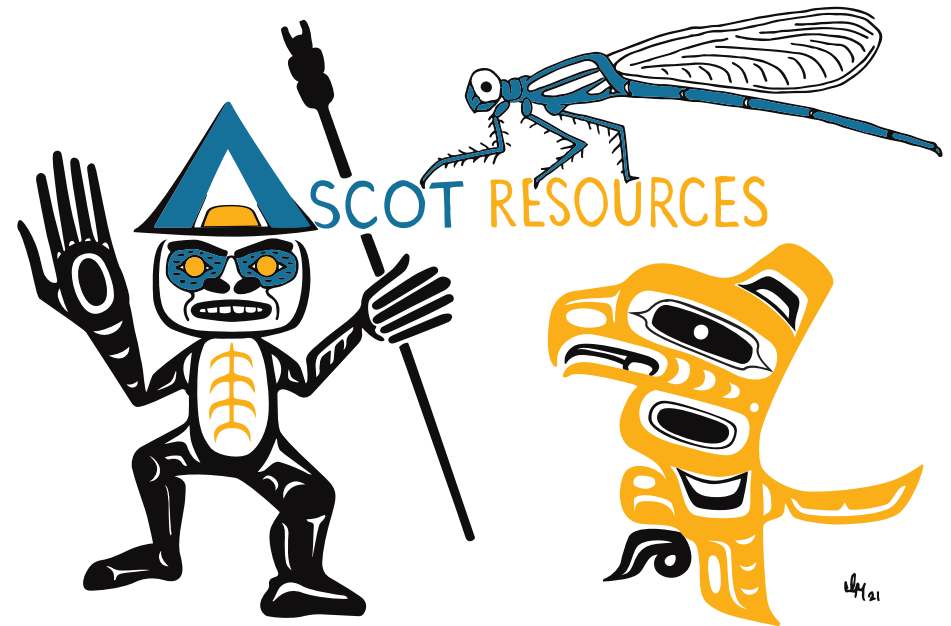
◀ *Dave Green in the field at Red Mountain Project*

FEATURE: IAN MORVEN

Ian Morven grew up in the Nass Valley community of Gitlaxt'aamiks. His traditional name is G'am Bahx G'uhx, which means laying down looking at the beach, hunts with the spirit of a wolf. As a child, Ian also learned the stories of his wilp (house) and to respect and care for the land from his grandmother and other Elders of the village. Fast forward a few decades, and Ian has translated that knowledge into a career as an artist and an environmental monitor.

Ian worked with Ascot over the summer of 2021 to develop artwork that connects Ascot, Nisga'a and the land. The image Ian drew for Ascot brings together a human figure, a dragonfly and an eagle. The human figure has his hand inviting you to come and join Ascot and Nisga'a and will help you on your way. He has a talking stick to tell you the story of the adventures that have passed and those yet to come. He wears war paint to symbolize the obstacles overcome. The dragonfly symbolizes the environment, and the eagle represents the clan that was originally from the area.

Late in the fall of 2021, Ian joined the Ascot team as an Environmental Monitor. In that role, he brings his knowledge and commitment as a Nisga'a citizen to support Ascot in looking after the environment.



Artwork by Ian Morvern



Ascot employee and traditional Nisga'a artist Ian Morven

"Working with Ascot, I've had the opportunity to be able to work not only on the environmental side but also to see other fields of work. I'm looking forward to what other adventures are to come." – Ian Morven, Artist and Ascot Environmental Monitor

FEATURE: TYLER MOORE

Tyler Moore comes from the Nass Valley community of Laxgalts'ap and has worked for Ascot for four years. Over that time, he has had the opportunity to work on many different things, from the early days of the mill rehabilitation, where he was involved in clearing out the inside and outside of the building, to feet on the ground searching out portal openings from historic maps. During his time at Ascot, Tyler has learned how to work safely on a mine site and has developed a great respect for the knowledge that long-term Ascot employees and miners, like his manager Dave Green, have to share.

Tyler sees lots of opportunities for himself and other Nisga'a citizens as the Project transitions into operations, still he hopes to stick close to Dave to continue to learn from Dave and his vast experience.

Back in his hometown of Laxgalts'ap, Tyler is active in his community. He coaches the youth boys' under 13 and under 17 basketball teams, the Greenville Grizzlies, that Ascot was proud to support in 2021.

"I believe that if you want something from life, you have to get out there, work hard and earn it. Ascot has given me these opportunities and possibilities in life."

— Tyler Moore, Ascot Employee



Greenville Grizzlies and coach Tyler Moore (right)

WOMEN IN MINING

The mining industry is evolving to include more women in more roles and Ascot strives to be at the forefront of that change. Ascot is committed to supporting women in entering and advancing careers in all aspects of the mining industry. The following table show the percentage of our workforces who are women.

GROUP	TOTAL	FEMALE	% FEMALE
Total Employees	52	20	38%
Senior Management	14	6	43%
Directors	7	2	29%



Dianna Stoopnikoff, VP Environmental and Regulatory Affairs, Ascot



Donalda Partridge, Health & Safety Coordinator, Ascot



*Carol Li, CFO, Jody Harris, Corporate Secretary
Andree St-Germain, Director, Ascot*

INTERVIEW WITH DONALDA PARTRIDGE

How did you get involved in the exploration & mining industry?

Although I was born in Germany, my family moved to Stewart, BC. from Nova Scotia when I was in grade 7, so I grew up here, while Granduc was in operation. I was always around the mining industry. I worked at Premier when it was operated by Westmin as a fire assayer. When the mine closed, I went to school for forestry and worked for Buffalo Forest Products as a summer student and after graduation full time. When BHFP was bought out by Skeena the office here in town was shut down and I declined the offer to move to Terrace. I then worked as a contractor for the company on watershed restoration projects for several years. After this I worked as the project coordinator for a non-profit (Bear River Salmonid Enhancement Society). When I decided to leave the non-profit sector, I began working as a medic on the oil rigs. I was always away from home so when the opportunity arose to cut core during the summer with Ascot, I jumped at it.

What do you like about it? Do you feel that there are a lot of opportunities for women in mining?

I like the contact with people, the sense of family we all have here. I like feeling like I can make a difference.

I feel that there are so many opportunities for women in mining and here at Ascot there isn't anything that I'm excluded from doing because I'm a woman. This may not be the case everywhere, but I feel the industry is evolving so that women can work in any role. I have never felt held back at Ascot because I am a woman.

Ascot has grown from an exploration company to a fully permitted development company on the path towards production. Currently a temporary camp is set up by the Premier Mill with over 170 mostly male workers at site, how has this had an impact on the project?

The growth hasn't changed a lot, although sometimes it's a bit overwhelming because before we were on a first name basis with everyone. Still, there's a great safety culture, everyone's friendly.

What got you interested in working in health & safety?

When I was Project Coordinator with the Bear River Salmonid Enhancement Society, we ran a summer program that employed 4 – 6 local youth. Having a

safety plan to ensure the safety of these young workers was a requirement of funding. It was not until I went to work on the rigs that I was exposed to "safety culture." As the medic, a lot of the boots on the ground safety responsibilities are designated to the medic. The focus being the safety meetings, making sure PPE is being used and the reporting of injuries. I learned a lot there. I also worked at Keno Hill as a medic and as part of the safety team here I learned more about hazard awareness / identification.

Did you train on the job or did you do formal training?

For the most part I learned on the job and spent a lot of time researching and asking questions. As I started focusing more on safety as a career path I enrolled in the health and safety program at BCIT. I have been taking courses for 2 years now and when complete will write for my Canadian Registered Safety Professional (CRSP) designation

Can you give us an idea of how your day starts at the Premier Gold Project?

My day usually starts off with a quick meeting with Dave Green, Ascot's Mining Manager, Health and Safety, to plan the day and address any concerns. Then a walk about site where I check out work areas and chat with workers. A big part of safety is building relationships with the workers. Letting them know you are not the "safety cop," that you are there to help make sure they get to go home to their families when their turn around is over.

What can you tell us about the safety protocols and the challenges of keeping yourself, colleagues and the community safe in extraordinary times with a global pandemic?

The challenges presented by COVID-19 have definitely made things more difficult. I really feel that the rapid testing program and the protocols we have established have enabled us to prevent an outbreak in the camp and the community. We are one of the few congregate settings in the north that has not had an outbreak. By working closely with the JDS safety team, Canada Border Services and local health care providers when adjusting protocols as things change, we have been able to keep our workforce and the community safe.

Working at Ascot, I have never felt like being a woman has held me back.

**— Donalda Partridge,
Health & Safety
Coordinator**

PRIORITIZING LOCAL

Where possible, we prioritize local suppliers, in particular, Stewart and Hyder based businesses and Nisga'a owned businesses. Ascot hopes that the Premier Mine will promote the development of sustainable long-term companies owned by local residents and Nisga'a citizens, and that, over time, those enterprises will come to supply a sizeable portion of the mine's services such as transportation, security, camp services, catering, maintenance, mobile equipment and exploration support.

Stewart and Hyder based Businesses

Ascot has contributed both directly and indirectly to the Stewart and Hyder economies during the development of the Premier Mine, by staying at the local hotels, renting housing for employees and contractors, shopping at the local grocery stores, bakery and gift shops. We communicate regularly with local residents and business owners to ensure that whether we are in the town for a short period during the exploration season or extended period of time throughout the year that we have a positive presence in the community and conducting ourselves appropriately.

In 2021, Ascot spent \$3.2M on contracts with Stewart and Hyder based businesses for a variety of goods and services ranging from exploration drilling, to tires, food and snow removal.

Temporary construction camp setup at the Premier Mine site, supplied and installed by the joint venture between camp supplier Horizon North and Boney Creek, the economic development arm of the Nisga'a Village of Laxgalts'ap.

Nisga'a Businesses

In 2021, Ascot worked diligently to identify Nisga'a businesses that might be interested in supplying goods and/or services to Ascot. Going forward, Ascot is establishing criteria for evaluating Nisga'a businesses to maximize the economic benefits that flow to Nisga'a Nation, Nisga'a Villages and Urban Societies and Nisga'a citizens from contracts with the Project.

The Nisga'a Village of Laxgalts'ap's joint venture with camp supplier Horizon North was the successful bidder on the sizeable contract to provide Ascot with a camp during construction. By hiring this Nisga'a joint venture, Ascot hopes to support Nisga'a citizens through economic benefits to the Village of Laxgalts'ap as well as employment and training arrangements between Horizon North and the village.

Nisga'a Nation has a long history in the forestry industry and Ascot was pleased to hire Nisga'a Nation-owned K'ali Aks Timber Company for tree clearing at site during construction.

In 2021, Ascot spent \$9.1M on contracts with Nisga'a-owned companies.



HEALTH AND SAFETY FIRST

The health and safety of our employees, contractors and partners is an integral part of how we do business and live our lives at Ascot. We have a goal of doing “no harm” to our workforce and those around us. Mining, especially mining underground in northwestern British Columbia, requires us to constantly be aware of our surroundings and the risks involved in working in a remote location with challenging weather conditions. As our project develops through the construction phase and moves into production, we are always looking for innovative methods to add to our existing health and safety protocols to make our workplace safer and healthier.

During the past year, along with the COVID-19 pandemic, we faced unprecedented weather in British Columbia with heat domes that caused devastating forest fires and atmospheric rivers, causing catastrophic flooding. At our site, we experienced “atmospheric snowfall.” Despite these challenges, our employees and contractors worked diligently to ensure our Early Works construction activities were undertaken safely, without any significant outbreaks of COVID-19 or serious injury.

This year we revised our COVID-19 policy regarding travelling, working, and staying at our site. We implemented testing and isolation protocols, which have helped to keep our people from spreading COVID-19. Many from our workforce travel from British Columbia through Alaska daily and are crossing an international border with more stringent

guidelines during the global pandemic. Our team, with the assistance of the Canadian Border Security, can do this safely while meeting the international protocols.

A key component of Ascot’s health and safety program is creating a positive safety culture and visible leadership that demonstrates a concern for workers and contractors’ wellbeing. Every day, we remind workers that safety is important, and this assists their mindset and helps them assess the risks and comply with safety procedures before performing a task.

In June of 2021, Ascot started Early Works and erected a 170-person construction camp near the mill site. For the first time in several decades, our site had many more people working and living there, bringing new health and safety challenges. Some of the key activities during the year to address these challenges were:

- Implementing our COVID-19 travel and site safety protocols and practices;
- Integrating the Ascot and Contractor health and safety practices;
- Emergency rescue initial training;
- Renovating the first aid room at the mill;
- Implementing a radio communication system for travel on the roads; and
- Clearing the significant snow load and avalanche monitoring program on a year-round basis.

IMPLEMENTING OUR COVID-19 TRAVEL AND SITE SAFETY PROTOCOLS

The global pandemic has impacted the potential health of our workforce and the way people travel to our site and cross the Canadian-US border between Stewart, British Columbia and Hyder, Alaska. Ascot has implemented a testing protocol to ensure that people travelling to our workplace have had a negative COVID-19 test. If our workers develop COVID-19 symptoms while at site, we have a protocol for isolation and ensuring that our site does not have an outbreak. In 2021, we administered 862 COVID-19 tests and had only two positive cases requiring isolation. We consider this quite an achievement, proving our safety protocols were effective, even in extraordinary circumstances.



Administering a COVID test before travelling to site

EMERGENCY RESPONSE TRAINING

During 2021 Ascot has undertaken initial training in mine rescue, site alarm response, avalanche rescue and vehicle extraction as part of our emergency response preparation activities.

The basic skills for emergency responders are critical, and Ascot is undertaking to train employees from an introductory level to prepare for emergencies and keep people safe.

KEEPING OUR COMMUNITIES SAFE

We are working together with the towns of Stewart and Hyder on the upkeep of their roads during the winter months, as they get heavy snowfall in this area. Ascot wants to help the residents stay safe along with the many tourists that visit in the summer months and snowmobilers in the winter months. Along with its industry partners, Ascot has also sponsored an emergency services program for the District of Stewart which contributes towards a rescue vehicle, an ambulance and a regional health clinic.

We have a 24-hour medic on site along with a full-time Health & Safety officer and Health & Safety representatives from the site construction manager.



Workers undergoing vehicle extraction training



Workers undergoing Alarm Response training



Hyder Community Association that works with Ascot to maintain the Salmon Glacier Road



Avalanche Tech in a training session on road avalanche safety

SAFETY PERFORMANCE AT A GLANCE

EMPLOYEES & CONTRACTORS	2021	2020	2019
Fatalities	0	0	0
First Aid Treatment	11	8	29
Medical Aid Treatment	3	4	9
Lost Time Injuries	0	1	4
Working Hours	183,210	36,360	62,916
Lost Time Incident Frequency Rate*	0	3.85	12.72
Medical time Incident Frequency Rate **	3.3	15.41	28.61

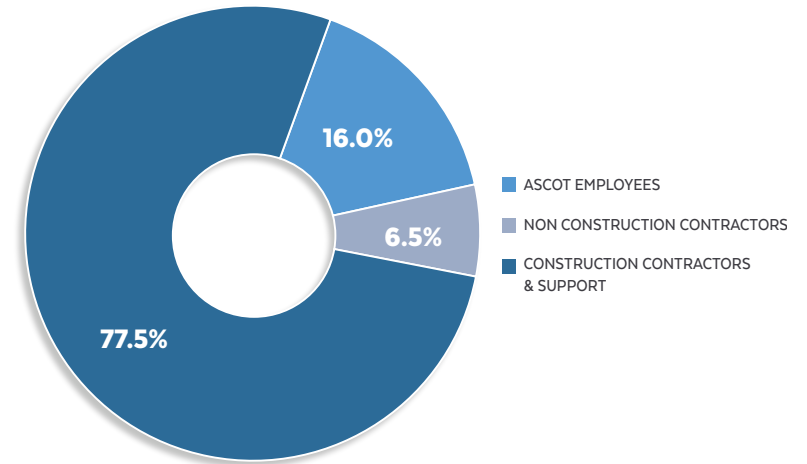
*Lost Time Injury Frequency Rate = $\frac{\text{Number of lost time accidents} \times 200,000 \text{ hours}}{\text{Hours worked year to date}}$

**Medical time Incident Rate = $\frac{\text{Number of Medical Aid treatments} \times 200,000 \text{ hours}}{\text{Hours worked year to date}}$

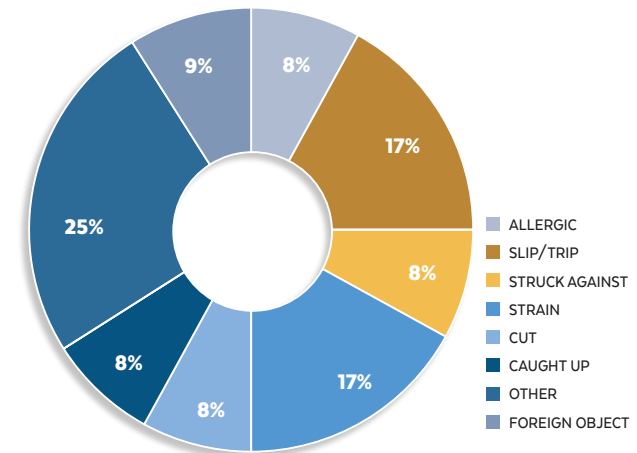


Equipment pack-up

2021 WORKFORCE COMPOSITION



2021 TYPES OF INCIDENTS RELATING TO FIRST AID OR MEDICAL TREATMENT



HEALTH & SAFETY (CONTINUED)

In 2021, our employees and contractors at the Premier Mine site worked 183,210 hours, the highest we have recorded in the past three years due to the commencement of Early Works. In addition, other Ascot employees and contractors, who were not located at the site, worked in addition to that time and had no meaningful safety performance statistics to report.

Ascot integrated the construction contractors with our historical exploration and development team to ensure everyone was working to comply with Ascot's health and safety philosophy, policies and procedures. Our team also had to learn to modify and adapt existing procedures to address the new skill sets and related risks associated with construction. A key area that the team worked diligently on during the year was participating in the health and safety site introductions and ensuring that all visitors to the site were aware of our safety site introduction. In addition, the introduction of "toolbox" meetings, worksite inspections and improving communication between the construction managers and Ascot personnel have been and will continue to be important contributors for setting the foundation for future safety improvements.

Even though work hours increased over 2021 and the number of work activities were more complex than in previous years, Ascot reduced our overall injury frequency rate significantly. Despite this, more improvements can be made as this year there were seven near miss incidences and two restrictive work cases.

In reviewing the incidences related to medical or first aid treatments over the past year, as shown in the table above, Ascot will strive to improve workers ability to remain focused on risk and their awareness with respect to safety hazards that can result in slipping from the loose footing, work-related strains and ensuring that workers are protected from being caught up in large objects, falling or sharp objects.



Working on-site at Premier Gold Project

ENVIRONMENTAL STEWARDSHIP

OUR APPROACH

Environmental stewardship is an essential principle of sustainable mining. Ascot has worked extensively with Nisga'a Nation and provincial regulators to minimize the impacts of our activities on the environment. In addition to meeting regulatory requirements, as guests on Nisga'a territory, we have an obligation to align our environmental practices with their stringent requirements and involve them in ensuring that those requirements are met.

KEY FEATURES OF OUR APPROACH INCLUDE THE FOLLOWING:



REDUCING THE DISTURBANCE FOOTPRINT (ESPECIALLY WITH RED MOUNTAIN)



ONGOING COLLABORATION WITH NISGA'A NATION AND RECOGNISING THE ENVIRONMENTAL CONSIDERATIONS OF THE NISGA'A FINAL TREATY AGREEMENT



ENSURING CLEAN WATER THROUGH MODERNIZATION OF THE WATER TREATMENT PROCESSES



MINIMIZING SURFACE DISTURBANCE THROUGH UPDATED MINING METHODS AND RE-USE OF PRE-EXISTING INFRASTRUCTURE WHEREVER POSSIBLE



EFFECTIVE TAILINGS MANAGEMENT



ADDRESSING MINING ACTIVITIES IMPACTS AND ENSURING THAT WE LEAVE THE LAND BETTER THAN WE FOUND IT



A view of our existing water treatment plant facility that will be upgraded in 2022

COLLABORATION WITH NISGA'A NATION ON THE ENVIRONMENT

Early in the consultation process, Nisga'a Nation identified water and tailings management as areas of particular interest. In the recent past, Nisga'a Nation suffered the consequences of improperly handled mine tailings and resulting water contamination which severely impacted their traditional food supply.

In 2018, Ascot toured the site twice with Nisga'a Nation to collaborate on the baseline programs for the Project.

In 2020 and 2021, Ascot and Nisga'a Nation held over 50 meetings on tailings and water issues to ensure that everyone fully understood the current situation at the site and the plans for construction and operations. Nisga'a Nation was closely involved in assessments for water treatment and tailings storage and their input formed part of the final decisions in both areas.

During the 2021 permitting process, Ascot and Nisga'a Nation worked together to set the standard for the assessment of potential environmental and socio-economic impacts of all future mining projects on Nisga'a Treaty rights and interests. Never before has this assessment been included in a Mines Act Permit and it was a priority for Nisga'a Nation to ensure that the standard was set to their satisfaction.



Nisga'a tour at the site

WATER

Ensuring water re-entering the creeks and watersheds around the site is clean and has no negative impact on the aquatic environment is vital to Ascot and Nisga'a Nation.

Ascot and Nisga'a Nation agreed to Effluent Permit Limits based on what would ensure the protection of the aquatic environment. Water quality is expected to meet the British Columbia Water Quality Guidelines, or limits agreed to with Nisga'a Nation.

During 2021 the site treated approximately 2.522 million cubic meters of water through Ascot's existing water treatment plant in full compliance with our existing discharge permit.

The water treatment plant is sufficient to meet the site's current needs but must be upgraded to meet the needs of the Premier Mine as it moves into operations. In 2020 and 2021, Ascot engaged with Nisga'a Nation and agreed to install and operate a modernized water treatment system to meet the anticipated needs of the mine. Ascot will also collect and process water from areas of the site with legacy contamination.

Ascot will continue to engage regularly with Nisga'a Nation on water issues throughout the life of the mine.



Construction of the water retention pond for waste water from underground mining to be treated by the water treatment plant

LAND MANAGEMENT

Ascot is minimizing surface disturbance by changing strategy from large, bulk-tonnage open pit resources, to smaller scale, near-surface underground deposits.

Ascot is also minimizing regional disturbance and maximizing land-use efficiency by consolidating regional deposits such as Red Mountain to leverage existing infrastructure and limit operations to previously disturbed areas.

We are improving land from past operations by ongoing cleanup, portal plugs, hazardous material removal, and spill management plan.

Examples of Ascot using previously disturbed areas in construction and future operations:

- Dago Pit is used for temporary waste storage and lined water collection area; and
- Ore stockpile pad above the mill building is used for the temporary construction workforce camp.



Overview of the Premier Mill area looking west along the Lesley Creek



Premier site looking south with tailings facility on the right and mill building on the left

TAILINGS

In 2019 Ascot conducted a Best Achievable Technology Assessment for managing tailings on the Premier Mine site and in 2020 updated that study with an Alternatives Assessment. Nisga'a Nation was involved in both processes and with their input Ascot concluded that the best option for the tailings was to continue using the existing tailings facility with updated handling protocols and a robust monitoring program.

The existing tailings storage facility will be raised in stages to store the total tailings generated during the life of the mine. The maximum embankment height will be 65m and the total embankment volume will be 1.3Mm³.

The current footprint of the facility is 37Ha, and there is no need to expand it to meet the future needs of the Project. The tailings from the Project will be stored as a thickened slurry.

Seepage water management consists of a seepage collection system downstream of the embankment to collect and return seepage, if required.

AIR QUALITY

Ascot has done a full assessment of the potential air emissions for the Premier Mine and has determined that the mill and vent raises will not be significant sources of air emissions during construction however, there may be short periods where concentrations of inhalable particulate and airborne dust could exceed air quality objectives in proximity to the mill and vent raises during operations.

Ascot has committed to ongoing monitoring of PM2.5, PM10 and NO₂ in air during operations.

GHG EMISSIONS

Up to and including 2021, Ascot was in exploration and early construction work stages and had yet to enter full-scale construction or production activities. As such, we anticipate our greenhouse gas (GHG) emissions to be relatively low. However, Ascot has not yet begun tracking and measuring GHG emissions across any of the three Scopes of GHG measurement.

Ascot believes that tracking, reporting, and reducing our carbon footprint is important, especially as we advance towards production and climate change becomes increasingly important to shareholders, stakeholders, governments, and society. In 2022, Ascot will begin the planning necessary to track, measure, and report our emissions as we transition from development into production.

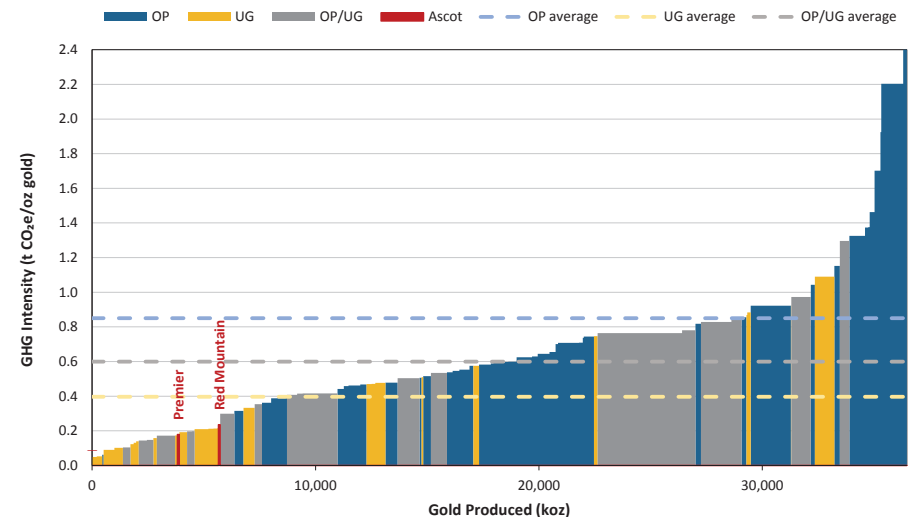
Once built, the Premier Mine is well situated to be a relatively low carbon emitter across all three scopes of GHG measurement. Scope 1 pertains operation of company equipment on company property. Ascot will operate various high-grade, near-surface underground mines, which are known to emit much less carbon than their open pit counterparts. Scope 2 pertains to emissions from purchased power sources, which in Ascot's case is British Columbia's clean, hydroelectric grid power. Scope 3 pertains to upstream and downstream supply chain and processing. Ascot will pour doré gold-silver bars on-site, the shipping of which will emit much less carbon than a concentrate product.

LIFE OF MINE GHG EMISSIONS STUDY

To understand the anticipated trajectory of our carbon footprint, in 2021, Ascot commissioned EELO Solutions Inc. to conduct a study to estimate and analyze the life of mine Scope 1-2 GHG emissions for the Premier Mine and Red Mountain Project based on the 2020 feasibility study mine plan. The highlights of the study are summarized here:

- Ascot is expected to be well within the lowest quartile of global gold producers in terms of GHG emissions intensity per gold ounce produced.
- Premier Mine is expected to emit 0.18t CO₂e/oz gold produced, the Red Mountain Project is expected to emit 0.24t CO₂e/oz gold produced, and the combined LOM is expected to emit 0.21t CO₂e/oz gold produced;
- This is approximately 49% lower than the average underground gold mine, and 76% lower than the average open pit gold mine; and
- Premier Mine is expected to emit approximately 15-20 kt CO₂e/year during production; the Red Mountain Project is expected to emit approximately 18-19 kt CO₂e/year during production; the combined LOM average annual emissions is expected to be approximately 30-35 kt CO₂e.

GLOBAL GOLD PRODUCTION CARBON INTENSITY (SCOPES 1-2)



Source: EELO Solutions, Ascot Resources, S&P Global Market Intelligence



RECLAMATION AND CLOSURE

Up to the granting of the Mines Act permit amendment in December of 2021, Ascot has maintained a closure and reclamation plan for the temporary closure and exploration activities on the Premier and Red Mountain sites. In addition, the funding associated with the plan has required the Company to maintain reclamation bonds for its mineral properties in respect of its expected rehabilitation obligations. The reclamation bonds represent financial security for possible reclamation activities necessary on mineral properties in connection with the permits required for the Company's exploration activities.

As of December 31, 2021, Ascot posted environmental bonds of \$15M for its Premier property and \$1.1M for its Red Mountain property. In addition, the Company established a surety bonding arrangement with a Canadian insurance company with respect to its environmental bonds. The surety arrangement required the Company to provide cash collateral and pay an annual bond fee equal to 2% of the respective bond amount. In June 2021, the cash collateral requirement was reduced from \$3.9M to \$2.0M resulting in a cash refund of \$1.9M.

As a result of the new mining and processing plans for the Premier site, a revised closure and reclamation plan has been prepared and submitted as part of the application process for the Mines Act amendment. The Mines Act permit amendment required the Company to provide additional \$30.2M environmental bonds for a total of \$45.2M for Premier property. The additional amount will be posted in stages over a 3-year period. This revised plan covers the long-term water treatment, tailings closure and the site restoration.



Big Missouri

GOVERNING OUR ACTIONS

Ascot's mission is to create shareholder and stakeholder value in reopening the Premier Mine while operating in a sustainable, safe, socially and environmentally responsible manner. In addition, Ascot is focused on contributing to the prosperity of the communities we work in, while respecting the human rights, cultures, customs and values of those impacted by our activities.

Ascot's fully independent Board of Directors ("Board") is dedicated to good governance, strategy and the stewardship of company activities. For the Board to effectively understand and manage potential risks related to safety, environmental, regulatory compliance, infrastructure, human resources, employee engagement, reputation, Indigenous relations, and other aspects of sustainability and social responsibility it has several reporting structures in place including regular updates from each of its appointed committees, monthly reports from management, communication with Nisga'a Nation and site visits to interact with site employees and contractors.

The Board has four active and fully independent committees to assist in the oversight of Company activities: Audit Committee; Governance and Nomination Committee; Compensation Committee; and the Health, Safety, Environmental, Technical Committee. In addition, a Disclosure Committee, consisting of the independent Board Chair and management, oversees the communication of material information to the shareholders. Each of these committees has a charter or mandate to assist the Board in fulfilling its duties.

The Audit Committee reviews and oversees the financial reporting and accounting process of the Company, the system of internal control and management of financial risks, the external audit process, and the Corporation's process for monitoring compliance with laws and regulations and its code of business conduct. The Audit Committee regularly reviews the Company's risk register to ensure all potential risks are identified and adequately managed.

The Governance and Nomination Committee is responsible for oversight of the Company policies, practices and procedures that are committed to ensuring the people within our organization and the communities in which we operate are treated with respect, fairness and integrity and benefit from economic and social development, ensuring a safe and healthy workplace, and minimizing and mitigating the impacts of our activities on the natural environment. The Company policies assist in governing the actions of all Company employees and affiliates to work together safely, ethically, and socially. In addition, the Company has a Diversity Policy that applies company wide. Diversity within the Company starts with 29% women on the Board, flowing through to senior management at 44% women and personnel at the site with 39% women. Ascot also has a Whistleblower Policy in place, including a dedicated hotline to an independent director and email access to various resources. Along with the policies listed below, the Company also has structured onsite training and protocols for all contractors and employees working on the project.

The Compensation Committee is responsible for setting overall corporate objectives focusing on project development, safety, environmental and social issues. In addition, the Compensation Committee works closely with the other committees to establish relevant targets and sustainability-related metrics that directly influence short-term and long-term compensation at all levels of our organization.

The Health, Safety, Environmental, Technical Committee ("HSETC") holds regular meetings with management to address various topics, including safety, technology, mining and processing, development, environmental and social matters. In addition, the HSETC monitors the Company's sustainability policies, systems, activities and ESG-related risks.

Ascot is listed on the Toronto Stock Exchange and the OTCQX under the symbols AOT and AOTVF, respectively. Ascot aligns its policies and practices with the applicable regulatory guidelines, standards and corporate governance practices.

ASCOT RESOURCES CORPORATE GOVERNANCE POLICIES

ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY

To ensure that health, safety, environmental, and community measures are in place to sustain strong, long-term performance that will benefit the communities the Company operates in and all stakeholders.

COVID-19 SAFETY PLAN

To develop mitigation measures and protocols to reduce risk to communities and stakeholders involved in our projects.

CODE OF BUSINESS CONDUCT AND ETHICS & ANTI-BRIBERY CONDUCT

To summarize the legal, ethical and regulatory principles and standards that promote integrity and deter wrongdoing.

DIVERSITY POLICY

To promote the inclusion of different perspectives and ideas, mitigate against groupthink and ensure that the Company has the opportunity to benefit from all available talent required to achieve stewardship and to fulfill their duties to the Company and its stakeholders.

WHISTLEBLOWER PROTECTION POLICY

To provide a method for all stakeholders to voice any concerns regarding the Company's business conduct.

TIMELY DISCLOSURE, CONFIDENTIALITY AND INSIDER TRADING POLICY

To ensure that information is made publicly available in a timely manner to enable trading in its shares takes place in an efficient, competitive and informed market.

[Visit the Company website to view all charters, policies and mandates](#)

SUSTAINABLE DEVELOPMENT GOALS

Ascot's focus on site safety, environmental, and social issues complement our culture and overall corporate objectives. Our goals reflect the Company's desire to impact all levels of the organization, our surroundings and our stakeholders at large. Our focus is to make improvements and adjustments as we transition towards our first year of operations in 2023, especially in regards to safety, environmental and social compliance. These factors will have an influence on the annual compensation level of our employees and how Ascot makes a difference. Our goals for 2022 are:

ENVIRONMENTAL

- Continue our environmental performance with zero environmental spills.
- Develop a strategy to track and report on Scope 1 and 2 GHG emissions when transitioning into the production phase and begin planning for eventual tracking and measurement of Scope 3 GHG emissions in the operations phase.
- Form Environmental Committee with Nisga'a Nation to support environmental objectives within formal agreements with Nisga'a Nation.

PEOPLE AND OUR COMMUNITIES

- Increase investment in the local communities of Stewart, British Columbia and Hyder, Alaska and the and the Northwest region of British Columbia.
- Increase employment of Nisga'a citizens. Ascot will work closely with Nisga'a Nation to set employment goals for Nisga'a citizens in line with other mining projects in Northern British Columbia.
- Develop and implement recruitment and human resource policies that support objectives within formal agreements with Nisga'a Nation.

HEALTH & SAFETY

- Zero fatalities and improve year-over-year Lost Time Injury Frequency rate.
- Continue to manage and adapt to the evolving COVID-19 pandemic effectively.

ECONOMIC IMPACT

- Attract more workers (employees and contractors) to relocate to the Stewart area.
- Work with more local contractors and suppliers, particularly those owned by Nisga'a Nation, Nisga'a Villages and Urban Societies, Nisga'a citizens and Stewart and Hyder residents.
- Increase economic activity in the town of Stewart by demobilizing the temporary construction camp at the Premier site and basing the workforce in town.

GOVERNANCE

- Maintain or increase diversity at all levels within the Company.
- Continue to monitor regulatory and shareholder recommended requirements and practices to ensure our protocols and policies align and meet our core values.

DISCLOSURE

- Evaluate prominent sustainability frameworks (SASB, GRI, TCFD, etc.) and incorporate into the 2022 Sustainability Report.





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