SPJ Project

High-Grade Gold Deposit in an Emerging Polymetallic Gold District
Safe Harbour Statement

Qualified Person

Quentin Yarie, P Geo. is the qualified person responsible for preparing, supervising and approving the scientific and technical content of this news release.

The information set forth in this document contains “forward-looking statements”. Statements in this document, which are not purely historical, are forward-looking and include statements regarding beliefs, plans, expectations or intentions regarding the future.

Except for the historical information presented herein, matters discussed in this document contain forward-looking statements that are subject to certain risks and uncertainties that could cause actual results to differ materially from any future results, performance or achievements expressed or implied by such statements. Statements that are not historical facts, including statements that are preceded by, followed by, or that include such words as “estimate,” “anticipate,” “believe,” “plan”, “intend”, “expect”, “may” or “should” or similar statements are forward-looking statements. Risks and uncertainties for the company include, but are not limited to, the risks associated with the impact of general economic conditions in countries in which the Company conducts business, the impact of competitive products and pricing, product demand and market acceptance, new product development, the continuation and development of key customer and supplier relationships, and the availability of high quality, qualified personnel and management.

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This document shall not constitute an offer to sell or the solicitation of an offer to buy any securities of the Company in any jurisdiction.
Why Invest in MacDonald Mines?

- Strong management and technical team with proven track record
- Reinterpreted geological model, high-grade gold IOCG-type deposit – potential for much larger system than initially thought
- Well funded, on-going drill program underway – several targets on large 18,000 Ha property
- New discoveries – multiple high-grade gold structures outside existing footprint of Scadding Deposit
**Capital Structure**

<table>
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<tr>
<th>TSX.V: BMK</th>
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<tr>
<td>Market Capitalization</td>
<td>C$13.7 M</td>
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<tr>
<td>Common Shares Outstanding</td>
<td>171.4 M</td>
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<tr>
<td>Warrants</td>
<td>38.4 M</td>
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<tr>
<td>Options</td>
<td>11.3 M</td>
</tr>
<tr>
<td>Fully Diluted Shares</td>
<td>221.1 M</td>
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<tr>
<td>Recent Share Price (May 5, 2020)</td>
<td>C$0.085</td>
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<tr>
<td>52-Week High-Low</td>
<td>$0.21 - $0.03</td>
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</table>

**Ownership (Partially diluted)**

- Directors & Officers: 8%
- Friends & HNWI: 13%
- Eric Sprott: 20%
- Other: 7%
- Retail: 52%

**Share price performance (last 12 months)**

Historic Chart For Cdn BMK by Stockwatch.com 604.687.1500 - (c) 2020

- 52-Week High: $0.21
- 52-Week Low: $0.03

www.MacDonaldMines.com
Proven Team

Quentin Yarie, P.Geo
President and CEO
Geophysicist with > 25 years mineral exploration experience; involved in Malartic Mine discovery; Noront’s Nickel Deposit discovery; KWG Chromite deposit discovery.

Mia Boiridy, M.Sc.
Corporate Development
Senior manager with > 24 years experience in executive corporate management and communications. Degrees in geology and geochemistry.

Jean-François Montreuil, Ph.D.
Chief Geologist
>10 years of experience defining complex hydrothermal systems related to base-metals, gold and uranium deposits in Canada.

Fiona Fitzmaurice, ACCA, CPA, CGA
CFO
Finance executive with > 12 years experience in accounting and financial control for both private and publicly-listed companies; CFO at Pasofina Gold.
Board of Directors

Stuart Adair, CPA, CA
Seasoned finance executive and junior mining sector investor for > 25 years. CFO of Accord Financial Corp., a TSX-listed commercial finance company, since 2002.

Pat Dubreuil, MBA
Successful Northern Ontario businessman and entrepreneur; extensive and varied experience in the mining industry; President of Manitou Gold Inc.

Kevin Tanas, P.Eng
>20 years experience in mine technical study and review, financial modelling and technology planning; Principal Global Front End Solutions, Mining, Minerals & Metals at Worley.

Quentin Yarie, P.Geo
Geophysicist with > 25 years mineral exploration experience; involved in Malartic Mine discovery; Noront’s Nickel Deposit discovery; KWG Chromite deposit discovery.
# Technical Advisory Committee

<table>
<thead>
<tr>
<th>Name</th>
<th>Experience and Achievements</th>
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<tr>
<td>Mackenzie Watson, P.Geo. P. Eng.</td>
<td>&gt; 50 years experience in the exploration, development, and mining industry; involved in the discovery of numerous mineral deposits in Canada; Mining Hall of Fame inductee.</td>
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<tr>
<td>Dr. James Franklin, FRSC, P. Geo</td>
<td>World renowned researcher with &gt;40 years expertise in gold deposits; former Director of the Geological Survey of Canada; past President of both the Geological Association of Canada and the Society of Economic Geologists, Mining Hall of Fame inductee.</td>
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<td>Dr. Jean-Philippe Desrochers, P. Geo</td>
<td>&gt;20 years experience in mineral exploration; former VP Exploration at Eagle Hill; Osisko Mining Windfall discovery.</td>
</tr>
<tr>
<td>Hadyn Butler, Ph.D., P. Eng.</td>
<td>&gt;50 years experience with proven success in mineral exploration.</td>
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</table>
SPJ Project

- **18,340 hectares**, 40 km east of Sudbury, Ontario
- Close to infrastructure and labour force
- Year-long road access
- Past-producing mine on the Scadding Deposit
  - Produced 914 kg of gold from 127,000 tonnes of mineralized material grading 7.2 g/t (1984 to 1990) (OFR 5771)
Geological Setting

- Located in the **Southern Province**
- 20 km east of the **Sudbury Igneous Complex ("SIC")**
Several Tectonic and Thermal Events in the Sudbury Area

- Rifting, volcanism, sedimentation, meteorite impact, mountain building formed fluid pathways and traps for mineralization
- The metals concentrated during each events were available for remobilization and redistribution in subsequent regional hydrothermal systems
- Polymetallic mineralization with variable gold in the region

Modified and updated from Ames et al. (2008)
Preferential Zones of Gold Mineralization

- The hydrothermal event dated 1,700±2 Ma (Schandl and Gorton, 1994) was very intense and lead to regional sodic alteration (albitization).
- The alteration extends more than 340 km from Bruce Mines to Tamagami (Gates 1991).
- The greatest intensity of albitization, recognized so far, is east of the Sudbury Impact Crater, south and east of Lake Wanapitei and it corresponds to the area of highest intensity of polymetallic gold mineralization.
Gold Mineralization in the Sudbury Area

<table>
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<tr>
<th>Mines</th>
<th>On Property?</th>
<th>Status</th>
<th>Past Production (tonnes)</th>
<th>Au (ppm)</th>
<th>Cu (%)</th>
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<tr>
<td>Scadding</td>
<td>Yes</td>
<td>Closed</td>
<td>127,000</td>
<td>7.2</td>
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<td>Norstar</td>
<td>No</td>
<td>Closed</td>
<td>57,150</td>
<td>6.47</td>
<td>0.86</td>
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<td>Long Lake</td>
<td>No</td>
<td>Closed</td>
<td>200,488</td>
<td>8.13</td>
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<td>Crystal</td>
<td>No</td>
<td>Closed</td>
<td>662</td>
<td>16.56</td>
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<tr>
<td>Alwyn</td>
<td>Yes</td>
<td>Closed</td>
<td>Unknown</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Ashigami</td>
<td>Yes</td>
<td>Closed</td>
<td>Unknown</td>
<td>-</td>
<td>-</td>
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</table>
MacDonald Mines’ SPJ Project

- 18,340 hectares
- 40 km northeast of Sudbury
- Excellent access

Scadding Deposit

Legend

Geological Units
Phanerozoic (undivded)
- Undivided sedimentary rocks

Grenville Province
- Anorhotite and alkalic Igneous rocks
- Felsic Igneous rocks
- Gneisses of metasedimentary origin
- Mafic rocks
- Migmatitic rocks and gneisses of undetermined protolith

Southern Province
- Whitewater Group
- Sudbury Igneous Complex

Southern Province and Superior
- Felsic intrusive rocks - Undivided
- Nipissing Diabase

Huronian Supergroup (2.2 Ga to 2450 Ma)
- Cobalt Group,
- Elliot Lake Group
- Hough Lake Group,
- Quirke Lake Group,
- Mafic and ultramafic intrusive rocks

Superior Province
- Diorite-monzondiorite-granodiorite suite
- Tonalite suite
- Massive granodiorite to granite
- Mafic and ultramafic rocks
- Mafic to intermediate metavolcanic rocks
- Felsic to intermediate metavolcanic rocks
- Metasedimentary rocks
- Migmatized supracrustal rocks

Faults

Mafic dykes
- Sudbury dykes
- Matachewan dykes
- - - Biscotasing dykes

Mineral occurrences
- Au-Ag
- Au-Au polymetellic
- Au-U
- Au-Fe
- Au-polymetellic
- Ni-Au
- Zn-Au

Geology from Ontario Geological Survey (OGS) open file MRD 126;
Showing and deposit locations from the OGS Mineral Deposit Inventory
Scadding Deposit – Focus of 2019/20 Exploration Program

- **1973**: Discovered with a radiometric survey completed for Uranium exploration
- **1973-84**: Exploration and resource definition drilling
- **Mid 1980s**: Produced 29,386 ounces of gold from 127 kt grading 7.2 g/t from 3 shallow open cuts (20%) and an underground decline (80%)
- **1997-98, 2003-04 and 2009-11**: renewed exploration programs

Many factors hindered the successful development of the site:
- Atypical style of gold mineralization in a Canadian context
- Structural complexity of mineralized zones
- High uncertainty on the locations of historic collars
- Data processing and database mistakes
Scadding Gold Mineralization vs Orogenic Gold

**Scadding Deposit in the Sudbury Gold District**
Gold associated with Fe-rich chlorite with variable magnetite, pyrite and pyrrhotite and minor to accessory Ccp with (Fe-S alteration)

**Orogenic gold – Surluga Deposit in the Wawa Gold Camp, Ontario**
Gold associated with quartz veins with variable white mica and iron carbonate with pyrite and pyrrhotite (Si-K-CO$_2$-S alteration)
Scadding Deposit – Modified IOCG Deposit

- **Iron oxide copper gold deposits (IOCG)** are one of the deposit type formed in continental iron and alkali alteration systems.
- IOCG deposits are defined as:
  - Economic Cu with or without Au, as well as potentially other economic metals that includes cobalt, nickel, silver, rare earth elements and uranium.
  - Structurally controlled and formed in large hydrothermal alteration systems.
  - Mineralization zones contains \( \geq 15\% \) low-Ti iron oxides with secondary iron silicates.
- The Scadding Deposit shares key attributes with systems hosting IOCG deposits.
  - Zones of mineralization can contain over 15% iron, but iron is hosted in silicates with variable iron oxides and iron sulfides.
  - Gold is the main commodity.
  - Enrichments in silver, cobalt, copper, nickel, REE and uranium.
  - Structurally controlled and formed in an IOAA system.
- The **Scadding Deposit** was classified as a modified IOCG deposit (Schandl and Gorton, 2007).
- The IOCG potential of the Wanapitei area was recognized in 2007 by the Geological Survey of Canada.
2019/20 Drilling at Scadding

- 37 holes for a total of 6,033 metres
- **Discovery of multiple high-grade gold structures** - wider and of higher-grade than previously reported
- **Thick and stacked** high-grade gold zones within each structure.
- **Gold mineralization extends** beyond the footprint of historic Scadding Deposit
- **Large** gold mineralization corridor north of the historic Scadding Mine workings
Drilling in the North Pit Area

- Discovery of **high-grade gold** mineralization in North Pit area of the Scadding Deposit
- Extends **150 m laterally and 200 m downdip** and remains open in every direction
- The thickness of the mineralization appears consistent with depth
Scadding Deposit – Large Geophysical Footprint

- High-resolution 3D IP survey completed over the Scadding Deposit
- Identified structures (folds) that control the emplacement and geometry, to depth, of the gold-bearing iron/chlorite-rich zones
- Fold hinges appear to be sites of preferential gold mineralization
- Geophysical survey combined with other data currently used to optimize the 2020 drilling program

Brecciation in fold hinge infilled by mineralized chlorite

IP survey section - slice at 100 m depth
Potential for Large Deposit - Beyond Current Footprint

- **Gold-rich multi-element grab samples**\(^*\) indicative of an Iron-Oxide-Copper-Gold (IOCG) deposit
- Grab samples\(^*\) with anomalous **cobalt, copper, nickel and gold** indicate possible extension of **3.5 km** northeast of Scadding Deposit
- **Uranium anomaly** (up to 9 km trend) indicates potential large system

\(^*\)The reader is cautioned that grab samples are selective by nature and may not represent the true mineralization of the prospect. The reader is also cautioned that a qualified person has not done sufficient work to independently verify these values. These are historical values that may not be representative of the mineralization present at the Scadding Deposit.
Property-wide Potential

- Gold-rich multi-element grab samples were collected across the SPJ property in 2018.
- Geophysical anomalies that coincide with favourable structural trends, similar to Scadding, have been identified across the SPJ land package.
Potential beyond Scadding

Highlights of 2018 Grab Sample* Assays

<table>
<thead>
<tr>
<th>Sample No.</th>
<th>Gold (g/t)</th>
<th>Silver (g/t)</th>
<th>Cobalt (wt. %)</th>
<th>Copper (wt. %)</th>
<th>Nickel (wt. %)</th>
<th>AuEq (g/t)</th>
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<td>0.023</td>
<td>0.051</td>
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</table>

*The reader is cautioned that grab samples are selective by nature and do not represent the true metal content of the mineralized zone. The AuEq grade was calculated using metal prices from the London Metal Exchange on August 29th, 2018 – cobalt $64,500 US/tonne, copper $6,118 US/tonne, gold $1,208.3 US/oz, nickel $13,460 US/tonne and silver $14.88 US/oz.
Potential beyond Scadding

Highlights of 2018 Channel Sample* Assays

*Channel samples presented as sample length. True width estimation are not yet available for the mineralized zones. Additional surface work and possibly diamond drilling will be necessary to define the true width of the mineralized zones.

<table>
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<tr>
<th>Trench</th>
<th>From (m)</th>
<th>To (m)</th>
<th>Length * (m)</th>
<th>Gold (g/t)</th>
<th>Cobalt (wt. %)</th>
<th>Copper (wt. %)</th>
<th>Nickel (wt. %)</th>
<th>Silver (wt. %)</th>
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14.74 g/t gold, 4.70% copper over 0.8 m
2020 Exploration Program

- **2020 Drilling program:**
  - Delineate the high-grade gold zone of the *North Pit area*
  - Test the extension of the zone of high-grade mineralization south of the *E-W pit*

- **Field program:**
  - Mechanical stripping and prospecting of identified targets, outside of the Scadding Deposit, in the Spring and Summer 2020