

Dear Shareholders and Subscribers,

We hope you all are keeping well – the second wave of COVID-19 infections, forecast to hit the world as economies ramped up after the second quarter shutdown, appear to be upon us. We trust that the world is in a better position to manage this wave, and that each of you are prepared to manage your personal and business lives as best as possible.

Rockcliff has made minor changes to its own COVID-19 protocols, limiting the number of people in the office and drill sites to manage required distancing. We remain free of any reported infections.

Drill Results on Tower Property

The most recent drill program on the Tower property is now complete. The drill program targeting below the Tower Deposit has been particularly successful. High grade, copper-bearing intersections have extended the mineralization across a strike length of approximately 150 metres and approximately 200 metres of depth below the existing Tower Deposit. The assay results received to date and shared in our last press release ([click here to access the Press Release](#)) are very encouraging. These results will now be included into an updated resource model that will be used for the mine plan under development in our PEA. This will delay publication of the PEA results, but we believe it has the potential to provide for a much more robust study.



Image: Drill core from TP20-101 (3.47m length averaging 5.35% CuEq).

TGR Ni-PGE Prospect

Follow-up drilling and down-hole geophysics of the TGR Ni-PGE Prospect was completed. While drilling to date failed to intersect significant nickel-PGE mineralization, it did identify geophysical anomalies to further test. The TGR Ni-PGE Prospect remains open to the north and at depth.

Hudbay Minerals Exercises Buy-back Option on Talbot Property

We recently shared the news that Hudbay Minerals had exercised their option to buy back a majority ownership in the Talbot property, well inside the 2-year window allowed for in the option agreement. This indicates to us the importance of the property and we look forward to reviewing shortly the JV agreement that is under preparation by Hudbay.

The essence of the option agreement that lays out the key terms on the JV is that if Rockcliff chooses to fund its share of the study costs up to a construction decision, that at the moment of construction getting underway, Hudbay would pay back to Rockcliff those amounts spent, up to an amount of gaining a 65% interest. Rockcliff would retain a 35% carried interest while Hudbay spends the necessary capital to bring the mine into production and would begin to receive its 35% of earnings once the initial capital has been paid back to Hudbay.

This clearly saves Rockcliff the necessity of raising the capital and is a good second outcome for us once Hudbay decided to buy back the controlling share of the project. There are also provisions that say Rockcliff can choose to not fund its share of the study costs and begin immediate dilution as study expenditures are made. Under various scenarios of this expenditure it is feasible that the ultimate outcome is a 2.5% royalty in the project with no ownership if we are diluted down to 10%.

Clearly there is a lot of optionality for Rockcliff in deciding where to end up in the JV and this is good news for shareholders!

Kinross Gold Continues to Drill at Laguna

On the gold front, Kinross intersected some very interesting drill results as they end the second year of the option agreement over the Laguna and Lucky Jack properties. A 20g/t Au intercept is very encouraging indeed from our perspective. As a reminder, pursuant to the July 2018 option agreement, Kinross may earn up to a 70% interest in Laguna and the Lucky Jack gold properties by spending \$5.5 million over the 6-year term of the option agreement.

The current drill program will follow-up on the high-grade intercepts encountered in the previous successful drill programs and will include focus on the Laguna area and the Kiski Vein area. Drilling will test along strike and at depth of the known gold mineralization.

Having a major gold producer continuing to commit exploration dollars on these properties is an endorsement to the prospective nature at Laguna and Lucky Jack with a view for a precious metal discovery.

PEA Update

In our August newsletter we promised to update you on some of the more interesting parts of our design that are focussed on eliminating or reducing fatal risks in underground mining, or that enhance our

environmental footprint. The one we have chosen to share this month is an integration of design choices that support each other and combine to deliver significant advantages.

Our study is using underground equipment that is battery or electrically powered. This on its own provides much cleaner air for underground workers through elimination of CO/CO₂ emissions and small particulate emissions from diesel engines that can be very harmful for humans to breathe. In addition to the health benefits, this design selection allows for a much lower operating and capital requirements. Ventilation is reduced by nearly 50%. As ventilation is the single largest energy requirement in an underground mine, this is very significant savings. Once the ventilation requirements drop, the size of the openings required to move this air also drops, allowing for smaller sized ramps to access the orebody, again saving on mine construction costs, while speeding up access to the ore body.

For haulage of ore out of the mine, we are studying the use of the electrified Rail-Veyor technology, which allows for smaller ramp sizes and eliminates the need for running large diesel trucks to move ore and waste. This design also eliminates a significant fatal risk by keeping people away from the ore and waste haulage system.

With the design decisions outlined above, fresh air is planned come down the personnel ramp, and return air to exhaust up the Rail-Veyor ramp where there are no people. This removes the requirement for vertical raises to exhaust the air, providing for additional capital cost savings, while also eliminating open holes in the mine that carry a high safety risk during construction, and remain as a risk for people to fall down during operation. We are planning a small raise of approximately 40 metres in height near the portal for final exit of the exhaust air, to provide the required second egress from the mine.

This combination of design decisions all integrate nicely to deliver a mining method that improves the safety and health of our future workers and an improved environmental footprint, while finding a way to unlock value from these narrow vein steeply dipping mineralized zones.

I look forward to sharing the results of the PEA with you once it has been finalized in the coming months.

Upcoming News Flow

Here is what you can expect from Rockcliff over the next few months:

- **Late 2020** – PEA economic results released.
- **Q1 2021** – Commencement of the drill program to advance the Feasibility Study (FS), assuming successful PEA economics.
- **Q1 2021** – Award the FS and appoint the contract miner.
- **Q2 2021**– Results of FS announced.
- **Q2 2021** – Permits for mine construction and mill alteration in hand.
- **Q3 2021** – Mobilization of mine construction work force, assuming positive FS and successful financing.
- **H1 2022** – First ore to the mill.

Keep well,
Alistair Ross
President & CEO
Rockcliff Metals Corporation (CSE: RCLF)