



# CLOUDBREAK

## DISCOVERY PLC

**LSE: CDL**

[cloudbreakdiscovery.com](https://cloudbreakdiscovery.com)

**A PROJECT AND ROYALTY GENERATOR  
FOR THE NATURAL RESOURCE SECTORS**

ENERGY ROYALTY PRESENTATION • NOVEMBER 2022



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## Definitions:

**Qualified Person** – Technical information contained in this presentation has been reviewed and approved by Rory Kutluoglu, P. Geo., a "Qualified Person" as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

**Proved Developed Producing (PDP)** – the estimated remaining quantities of oil and gas anticipated to be economically producible, as of a given date, by application of development projects to known accumulations under existing economic and operating conditions


**Proved Reserves (1P)** – 90% chance of reserve being produced over the lifetime of the field. In this sense, these proved (1P) reserves are a conservative estimate of future cumulative production from a field.

**Probable Reserves (2P)** – variously designated as 'indicated' or 2P reserves, the latter referring to reserves which are estimated to have a better than 50% chance of being technically and economically producible.

**Probable Reserves (2P)** – volumes include reserves which, at present, cannot be regarded as 'probable', but are estimated to have a significant (albeit less than 50%) chance of being technically and economically producible. Frequently, a 10% cut-off is used for 3P reserves.







# Cloudbreak is a Dynamic Royalty and Project Generator For The Natural Resource Sectors





## GROWING ENERGY ROYALTY BUSINESS SEGMENT

### Currently:

Ongoing mineral project generation business

Focus on early to mid stage projects that can be acquired, packaged and partnered with operators

Experienced team having completed in excess of 80 project transactions as principals

Metals portfolio exhibits high degree of price correlation among underlying commodities

Project generation business has been setup to operate independently of Cloudbreak

### Opportunity:

Deploy our project generator & partnership methodology into the energy sector

Focus on brownfield projects with a rapid return to cashflow through re-entries

Top of the capital stack using senior secured debt & attached royalties & equity kickers

Hydrocarbon prices currently extremely strong despite weakening metals prices

Leverage network to partner with seasoned industry leaders with a strong operational background





## GROWTH STRATEGY

### Partner Model:

Build long term relationships with a select group of vetted management teams

Be the capital to grow the asset and production profile of the pre-vetted teams

Compressed deal execution timeline primarily focused on technical due diligence

Area of interest and influence create natural deal flow & growth potential

Utilize senior secured debt with attached royalties & equity kickers to fund projects

### Acquisition Model:

Focus on conventional plays onshore USA

Existing production profile with potential drilling upside

Be the mineral buyer of choice through a well planned due diligence & documentation process

Conventional minerals / royalty sector is not crowded as most acquirors have focused on unconventional

Target an average 48 month return on capital





## THE PARTNERSHIP MODEL

Cloudbreak's partnership strategy is to back management teams from inception through their growth phase with an aim to rapidly build cashflow and deliver attractive returns on investment



### CLOUSBREAK EXCLUSIVE OPPORTUNITIES

- Acquisition & development capital
- Flexible financing structures
- Entrepreneurial by nature

### VETTED OPERATION TEAMS

- Proprietary deal flow
- Regional focus & operational excellence
- Experienced & known

### EXECUTION

- Quick-to-cashflow assets yielding strong IRRs and payback <3 years
- Strong project pipeline enabling growth in the medium-long term





## CURRENT PARTNERSHIPS & ROYALTIES



**LEGADO**  
OIL & GAS LTD.

**Cloudbreak is financing the acquisition of the Butte Project**

- **Proven Reservoirs**
- **Capital-efficient redevelopment**



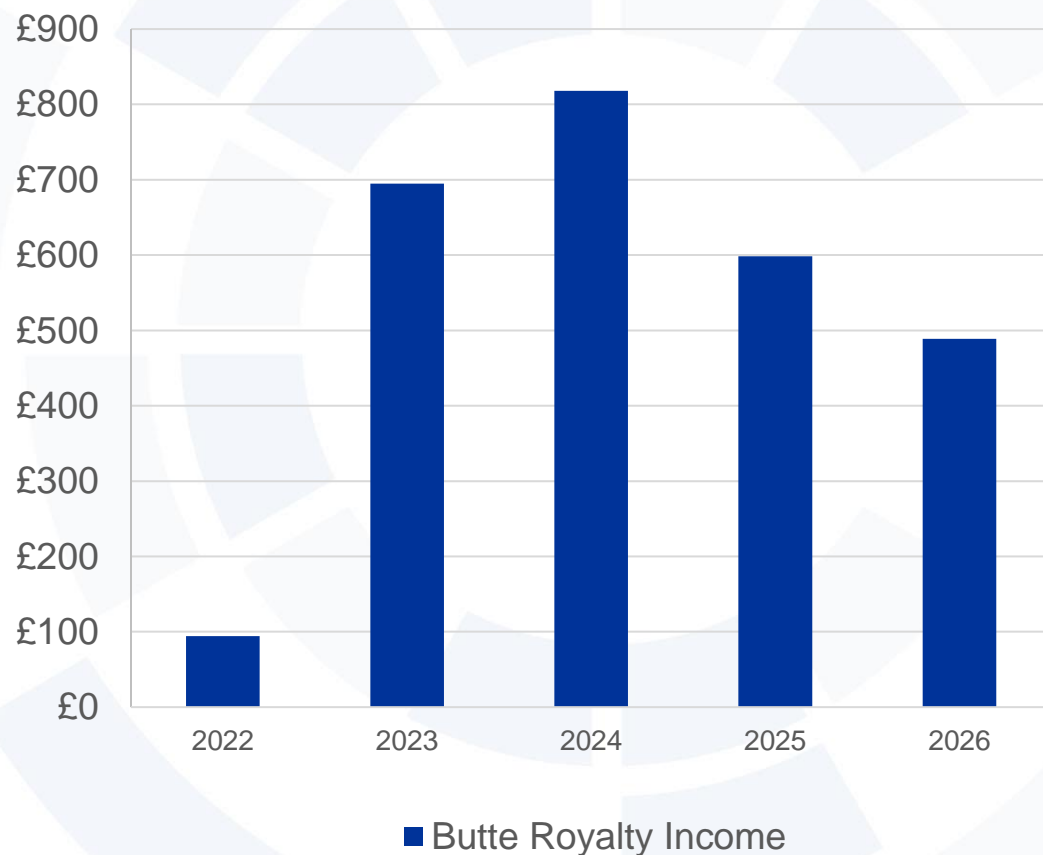
**Cloudbreak financed the acquisition of the Masten Project**

- **ROI in 24 months**
- **Cashflow positive from day one**





## BUTTE PROJECT - OVERVIEW



**LEGADO**  
OIL & GAS LTD.

**Structure:** Convertible debenture into royalty

**Investment:** US\$1.5m (£1.25m) (US\$500k paid & US\$1m due Q4 2022)

**Coupon / Term:** 12.5% / 24 months

**Security:** 1<sup>st</sup> lien

**Warrants:** 6million @ \$0.35 CAD strike – 2 year term

**Royalty:** 6.0% gross overriding

**First Production:** Q4/22

**Peak Annual Royalty Cashflow:** £0.82m

**Area of Interest / Influence:** 2 mile / 5 mile





## MASTEN UNIT - OVERVIEW



**Structure:** Debenture + royalty

**Investment:** US\$2m (£1.67m)

**Coupon / Term:** 12% / 48 months

**Security:** 2<sup>nd</sup> lien

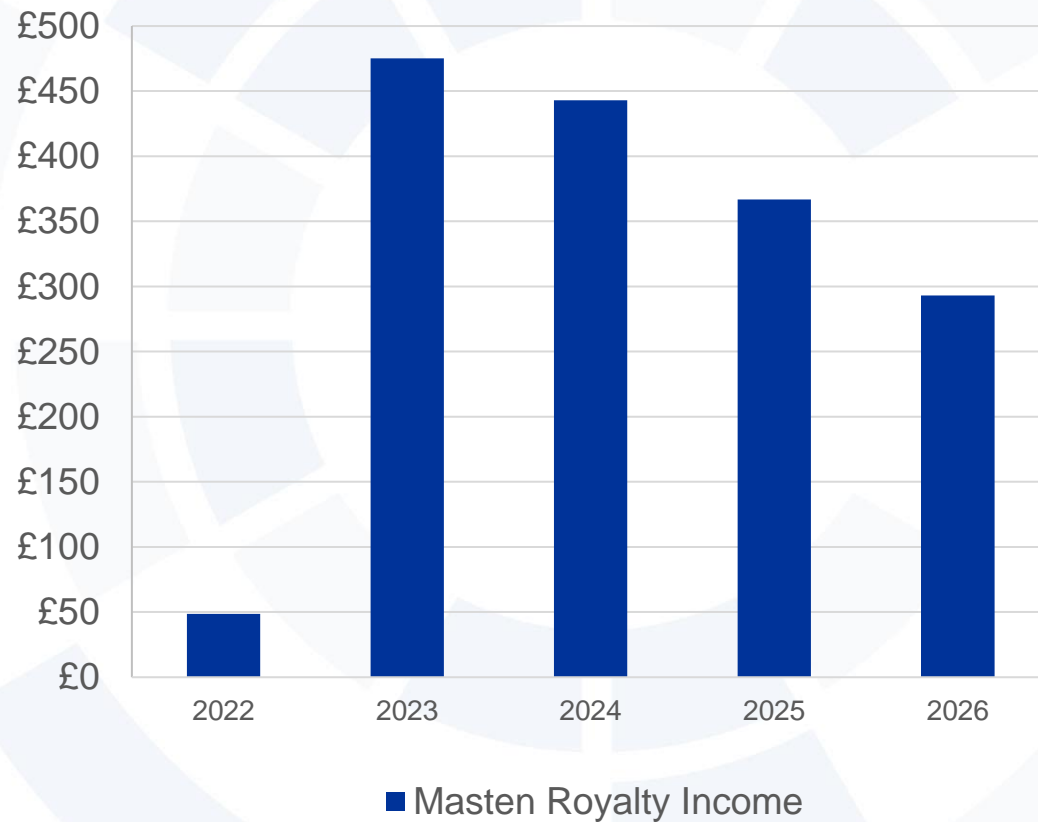
**Warrants:** 6.5 million @ \$0.30 CAD strike – 2 year term

**Royalty:** 3.25% gross overriding

**First Production:** Currently producing

**Peak Annual Royalty Cashflow:** £0.48m

**Area of Interest / Influence:** 2 mile / 5 mile





# MANAGEMENT TEAM – CLOUDBREAK DISCOVERY PLC



**Kyler Hardy** Chief Executive Officer, Director

Mr. Hardy has 20 years of experience in the global natural resource sectors. He has worked with venture capital, private equity funds and has introduced strategic partners to advance projects. Mr. Hardy has founded, managed and successfully sold several resource sector businesses. Mr. Hardy is currently the CEO of Cronin Capital Corp, Director of Temas Resources Corp, and a Director of Hexa Resources.



**Dave Robinson** Chief Financial Officer

Mr. Robinson has over 10 years of accounting and capital markets experience. He provided audit, tax and consulting services to private and public companies at MNP LLP. He joined Telus Pension Fund as a senior analyst, where he gained significant exposure to equity portfolio management and commercial lending. Mr. Robinson is currently the CFO and a partner of Cronin Capital Corp, a natural resource focused merchant bank based in Vancouver, British Columbia, Canada.



**Mike Sullivan** Technical Advisor - Energy

Mr. Sullivan has a Bachelor of Science in Geology from Bloomsburg University of Pennsylvania and Masters of Geological Sciences from Ohio University. He has over 14 years of technical subsurface exploration and development experience. His previous experience includes Geologist and Petrophysicist for Baker Hughes, Lead Production Geologist for BHP Billiton Petroleum (~105 wells drilled), Exploration Geologist/Geophysicist for BHP (3 Deepwater wells drilled). He currently heads up review and implementation of technical aspects of Cronin Capital's energy investments





# BOARD OF DIRECTORS – CLOUDBREAK DISCOVERY PLC

## **Kyler Hardy** Director

Mr. Hardy has over 16 years of experience in the global resource sectors. He has worked with venture capital, private equity funds and has introduced strategic partners to advance projects. Mr. Hardy has founded, managed and successfully sold several resource sector businesses. Mr. Hardy is currently the CEO of Cronin Capital Corp, Director of Tamas Resources Corp, Director of Royal Helium Ltd., Director of Hexa Resources Limited., and CEO of Buscando Resources Corp.

## **Andrew Male** Executive Director

Mr. Male has over 15 years of executive and consultancy experience in North America and UK, with public and private companies in the natural resource sectors. Mr. Male has acquired projects, managed exploration and development programs and exited via sale to Private Equity. Mr. Male presently advises several North American and European Family Offices on resources and technology opportunities. Mr. Male is a director of a number of public and private companies including Clarity Gold Corp., Love Hemp Group plc, (formerly World High Life Plc), and Global UAV Technologies.

## **Emma Priestley** Non-Executive Director

Ms. Priestley is a Chartered Mining Engineer and Chartered Surveyor with over 20 years executive, consultancy and analytical experience in mining and financial services. Ms. Priestley is currently the CEO of Goldstone Resources and was previously an Executive Director of Lonrho Plc. She has previously worked at IMC Mackay & Schnellmann, CSFB, VSA Resources and Ambrian Partners.

## **Paul Gurney** Non-Executive Director

Mr. Gurney has over 15 years of capital markets experience in Canada and the United Kingdom raising capital for the resources sector at the Bank of Montreal (BMO). He began his career at BMO as a Mining Research Analyst. Recently, He was a Managing Director on the equity desk in London covering large institutional mining investors across the globe. Mr. Gurney is currently the CEO of CBD of Denver, an OTC listed company with operations in Switzerland.





# MANAGEMENT TEAM – CLOUDBREAK EXPLORATION



**Kyler Hardy** Executive Chairman

Mr. Hardy has 20 years of experience in the global natural resource sectors. He has worked with venture capital, private equity funds and has introduced strategic partners to advance projects. Mr. Hardy has founded, managed and successfully sold several resource sector businesses. Mr. Hardy is currently the CEO of Cronin Capital Corp, Director of Temas Resources Corp, and a Director of Hexa Resources.



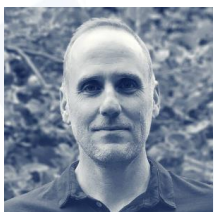
**Rory Kutluoglu** Chief Executive Officer

Mr. Kutluoglu is a professional geologist with over 15 years of mineral exploration experience and executive management roles in North American and European companies. He has designed and executed multiple exploration programs and managed comprehensive environmental baseline and feasibility study programs. Mr. Kutluoglu is a registered professional geologist with Engineers and Geoscientists British Columbia and a Fellow of the Society of Economic Geologists.



**Dave Robinson** Chief Financial Officer

Mr. Robinson has over 10 years of accounting and capital markets experience. He provided audit, tax and consulting services to private and public companies at MNP LLP. He joined Telus Pension Fund as a senior analyst, where he gained significant exposure to equity portfolio management and commercial lending. Mr. Robinson is currently the CFO and a partner of Cronin Capital Corp, a natural resource focused merchant bank based in Vancouver, British Columbia, Canada.



**Cam Bartsch** VP Exploration

Mr. Bartsch is a Professional Geologist with over 20 years of industry experience from grassroots through to production, focused on structural and economic geology across the globe. He has evaluated and completed structural assessments for clients including Kinross, Newmont, and Teck as a Senior Structural Geologist with Terrane Geoscience Inc., worked as a project manager with Equity Exploration Consultants, the British Columbia Securities Commission, Dundee Precious Metals and Sabina Gold and Silver Corp. He is currently a Senior Geologist with Cronin Capital Corp.





## CAPITAL STRUCTURE

Issued and Outstanding	562,001,976
Warrants (Avg. Strike Price £0.04)	25,771,692
Options (Avg. Strike Price £0.03)	21,750,000
<b>Fully Diluted</b>	<b>609,523,668</b>

As of October 20, 2022

- **Top 25 shareholders control 88% of shares outstanding**
- **Insiders represent approximately ~30% of shares outstanding**
- **CAD \$3.5m in listed equity holdings**
- **£300k cash**
- **£8.3m undrawn equity line with Crescita Capital LLC**

## MAJOR SHAREHOLDERS

<b>Major shareholders (&gt;3%) - undiluted</b>	
	<b>% Holding</b>
Kyler Hardy (CEO)	20.06
Campbell Smyth	4.44
Cronin Services	2.38
Insider Total	29.58







## Cloudbreak Discovery PLC

Director and Chief Executive Officer

**Kyler Hardy**

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The background of the slide is a photograph of a rock face. The rock is dark grey and black with numerous lighter, greyish-white mineral veins and patches. A prominent horizontal band of dark blue-grey material runs across the center of the image. The text "Appendix – Mineral Portfolio" is written in white, bold, sans-serif font on the right side of this blue band.

## Appendix – Mineral Portfolio



## PROJECT PORTFOLIO - PARTNERED

Partner	Ticker	Asset	Equity Position (Securities)	Royalty	% Holding
<b>Temas Resources Corp</b> <b>La Blache</b>					
<ul style="list-style-type: none"> <li>Advancing PEA on La Blache</li> <li>Earning into 50% on the Piskanja boron project</li> <li>Holds a 50% interest in a portfolio of metallurgical patents focused on Ti, Fe separation</li> </ul>	CSE: TMAS	<ul style="list-style-type: none"> <li>A keystone regional <i>Ti, Fe, V</i> consolidation play</li> </ul>	10,000,000	2% NSR <sup>1</sup>	15.75%
<b>Norseman Silver Corp</b> <b>Caribou • Silver Switchback • Silver Vista</b>					
<ul style="list-style-type: none"> <li>Silver and copper exploration in British Columbia</li> </ul>	TSX-V: NOC	<ul style="list-style-type: none"> <li>Projects were staked or acquired as a portfolio focusing on Cu, Ag porphyry targets in British Columbia</li> <li>Extensive historic data sets</li> <li>known regional mineralization</li> </ul>	6,750,000	2% NSR <sup>2</sup> , 1% NSR <sup>3</sup> , 1% NSR <sup>4</sup> 2% NSR <sup>8</sup>	14.52%
<b>Power Group Projects</b> <b>Rizz</b>					
<ul style="list-style-type: none"> <li>Resource issuer listed in Canada</li> <li>Backed by strong capital markets and technical team</li> </ul>	TSX-V: PGP	<ul style="list-style-type: none"> <li>Claim Size: 5,415 ha</li> <li>Target: VMS, Porphyry, Skarn</li> <li>Sulphide-rich felsite boulders, assays up to 27.6g/t Au, 562.9 g/t Ag, 8.25% Pb and 15.9% Zn – source not identified and never followed up</li> </ul>	3,000,000	25% Carried	13.7%
<b>Buscando Resources</b> <b>Rupert</b>					
<ul style="list-style-type: none"> <li>Targets advanced gold exploration projects in Canada and Australia for acquisition</li> </ul>	CSE: BRCO	<ul style="list-style-type: none"> <li>Adjacent to BHP's historic North Island mine</li> <li>Project covers several copper porphyry anomalies</li> <li>Project is along trend from 2 known copper deposits</li> </ul>	1,000,000	2% NSR <sup>6</sup>	8.7%





## PROJECT PORTFOLIO - PARTNERED

Partner	Ticker	Asset	Equity Position (Securities)	Royalty	% Holding
<b>Linceo Media Group</b>		<b>Apple Bay</b>			
<ul style="list-style-type: none"> <li>Advancing the PEM 100 quarry into production</li> <li>Set to supply Pacific Northwest concrete producers</li> </ul>	Private	<ul style="list-style-type: none"> <li>High grade Alumina and Silica deposit</li> <li>Tide water access</li> <li>6 known deposits on property</li> <li>Large contiguous land position</li> </ul>	13,000	1.5% NSR <sup>7</sup>	11.5%
<b>Power Group Project Corp.</b>		<b>Atlin West</b>			
<ul style="list-style-type: none"> <li>Signed LOI to be acquired by Power Group Projects (PGP: TSX-v)</li> <li>Backed by a team of capital markets and technical experts</li> </ul>	TSX-V: PGP	<ul style="list-style-type: none"> <li>Claim Size: 3,125 ha</li> <li>Target: Structurally controlled Au-Ag, intrusion related gold, poly metallic vein systems</li> <li>Assays up to 2.58 oz/t Ag, 26% Pb, 13.9% Cu</li> <li>Several small audits</li> <li>No systematic regional exploration has been completed</li> </ul>	5,350,000	2.5% NSR <sup>9</sup>	22.29%
<b>Castlebar Capital Corp.</b>		<b>Spectrum</b>			
<ul style="list-style-type: none"> <li>Currently undergoing a qualifying transaction</li> <li>Developing a multi commodity explorer</li> </ul>	TSX-V: CBAR.P	<ul style="list-style-type: none"> <li>Widespread Cu, Ag, Au mineralization</li> <li>Cu, Ag porphyry project</li> <li>Staked of numerous historic showings</li> </ul>	500,000		21.46%
<b>North American Performance Resources</b>		<b>South Timmins</b>			
<ul style="list-style-type: none"> <li>Backed by a team of Canadian and Australian capital markets experts</li> </ul>	Private	<ul style="list-style-type: none"> <li>Project located in the prolific Abitibi Greenstone belt</li> <li>Under explored portion of the belt previously overlooked for being off the main breaks</li> <li>High resolution magnetic gradiometer survey recently completed with interpretation pending</li> <li>Targeting mafic-felsic contacts and ironstone identified regionally</li> </ul>	1,000,000	1% NSR <sup>10</sup>	





## PROJECT PORTFOLIO - PARTNERED

Partner	Ticker	Asset	Equity Position (Securities)	Royalty	% Holding
<b>Moonbound Mining Ltd. Yak</b>					
<ul style="list-style-type: none"> <li>New Resource issuer seeking a listing in Canada</li> <li>Backed by strong capital markets team</li> </ul>	Private	<ul style="list-style-type: none"> <li>Target: High grade Low sulphidation Epithermal Ag-Au, Mesothermal Lode Gold</li> <li>Assays returned up to 1.3 oz/t Au, and 418 oz/t Ag</li> <li>Source never identified</li> <li>Significant glacier pull back in recent years</li> </ul>	<b>700,000</b>	2% NSR <sup>11</sup>	<b>9.9%</b>
<b>Allied Copper Corp Klondike</b>					
<ul style="list-style-type: none"> <li>Western USA focused copper explorer</li> <li>Backed by strong capital markets and technical group</li> <li>Focused on acquiring and developing world class copper deposits</li> </ul>	TSX-V: CPR	<ul style="list-style-type: none"> <li>Sedimentary hosted copper mineralization in the paradox Basin</li> <li>Multiple formations favorable for and observed to contain copper, where outcropping at surface</li> <li>Cu samples &gt;6% in grabs and between 1.2% and 3.5% in chip sampling</li> </ul>	<b>1,000,000</b>	1% NSR <sup>12</sup>	<b>2.6%</b>
<b>Allied Copper Corp Stateline</b>					
<ul style="list-style-type: none"> <li>Western USA focused copper explorer</li> <li>Backed by strong capital markets and technical group</li> <li>Focused on acquiring and developing world class copper deposits</li> </ul>	TSX-V: CPR	<ul style="list-style-type: none"> <li>Sedimentary hosted copper mineralization in the paradox Basin</li> <li>Multiple formations favorable for and observed to contain copper, where outcropping at surface</li> <li>On strike from the Lisbon Valley Mine.</li> <li>Major regional play &gt;6km anticline strike to be explored</li> </ul>	<b>250,000</b>	1% NSR	<b>2.6%</b>
<b>Power Group Projects Corp. Icefall</b>					
<ul style="list-style-type: none"> <li>Resource issuer listed in Canada</li> <li>Backed by strong capital markets and technical team</li> </ul>	TSX-V: PGP	<ul style="list-style-type: none"> <li>Claim Size: 8,704 ha</li> <li>Target: Porphyry, Skarn, VMS</li> <li>Historic sampling just off claims returned up to 35.5 g/t Ag, 0.5% Cu, 0.1%Pb and Zn 100m long Cu-Pb-Zn-Ag, skarn mineralized zone continues under cover on claim block</li> <li>Very little work and follow up completed</li> </ul>	<b>2,000,000</b>	25% Carried	<b>13.7%</b>





# PROJECT PORTFOLIO – SEEKING PARTNERS

Asset	Development Stage	Ownership	Jurisdiction	Proposed Work Program
<b>Northern Treasure NE &amp; SW</b>				
<ul style="list-style-type: none"> <li>• Claim Size: 29,580 ha</li> <li>• Target: Porphyry (Cu-Au-Ag-Mo); Sed-hosted (Au-Ag); High Sulphidation (Cu-Au-Ag); Stockwork (Au-Ag); VMS (Cu-Au-Ag-Zn)</li> <li>• Significant historic work, glaciers have receded considerably in recent years opening opportunity for new discoveries</li> </ul>	Grassroots	100%	British Columbia, Northwest Portfolio	<ul style="list-style-type: none"> <li>• Multispectral/ Aster image analysis</li> <li>• Mapping and Prospecting</li> <li>• Geochemical Sampling – soils</li> </ul>
<b>Foggy Mountain</b>				
<ul style="list-style-type: none"> <li>• A new lithium exploration and development business 4,830 ha project located east of historic Kemess Cu mine complex</li> <li>• Target: Calc-alkalic Porphyry (Cu-Au-Ag-Mo); Alkalic Cu-Au Porphyry; High and Low Sulphidation Epithermal (Au-Ag)</li> <li>• 2022 program confirmed surface mineralization with several grab sample assay results &gt;1% Cu</li> </ul>	Grassroots	100%	British Columbia, Toodoggone Mineral District	<ul style="list-style-type: none"> <li>• Airborne magnetic survey</li> <li>• Mapping / Prospecting</li> <li>• Geochemical Sampling - soils</li> <li>• Focus to refine targets to drill ready</li> </ul>





## CORPORATE INTERESTS

Partner	Ticker	Asset	Equity Position (Securities)	% Holding
<b>Royal Helium Ltd..</b>				
<ul style="list-style-type: none"> <li>Developing established Alberta and Saskatchewan Helium Projects</li> <li>First Helium production expected 2022</li> <li>Partnered with an EPC group and Offtake partner</li> </ul>	TSX-V: IHC		629,820	
<b>Alchemist Mining Ltd.</b>				
<ul style="list-style-type: none"> <li>A new lithium exploration and development business</li> </ul>	CSE: AMS		1,250,000 Shares + 625,000 Warrants	6.7%

