

## RIGHTS OFFERING NOTICE

Filed pursuant to National Instrument 45-106

*The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States. This rights offering notice does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States, and the securities offered herein may not be offered or sold in or into the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws, or pursuant to an exemption from such registration requirements. "United States" and "U.S. person" are as defined in Regulation S under the U.S. Securities Act.*

### GREAT BEAR ROYALTIES CORP.

Notice to security holders – October 7, 2020

The purpose of this notice is to advise holders of common shares ("**Common Shares**") of Great Bear Royalties Corp. (the "**Company**" or "**GBRC**") of a proposed offering of Rights (as defined herein) of the Company (the "**Rights Offering**").

References in this notice to "we", "our", "us" and similar terms mean to the Company. References in this notice to you, your and similar terms mean to the Company's shareholders.

**We currently have sufficient working capital to last 8 months. We require 10% of the rights offered to be subscribed for in order to raise sufficient funds to last 12 months.**

#### 1. **Who can participate in the Rights Offering?**

We are issuing to the holders of our outstanding Common Shares of record ("**Eligible Holders**") at the close of business (5:00 p.m. Toronto time) on October 19, 2020 (the "**Record Date**") resident in the provinces and territories of Canada (the "**Eligible Jurisdictions**") rights to subscribe for Common Shares ("**Rights**") on the terms described in the Company's rights offering circular (the "**Circular**").

#### 2. **Who is eligible to receive Rights?**

The Rights will be offered to Eligible Holders resident in the Eligible Jurisdictions. You will be presumed to be resident in the place shown in our records as your registered address, unless the contrary is shown to our satisfaction.

This notice is not to be construed as an offering of the Rights, nor are the Common Shares issuable upon exercise of the Rights offered for sale in any jurisdiction outside the Eligible Jurisdictions or to shareholders who are residents of any jurisdiction other than the Eligible Jurisdictions (the "**Ineligible Holders**").

Ineligible Holders will not receive a Rights Certificate (as defined below), but will be sent a letter describing how Ineligible Holders may, in the Company's sole discretion, participate in the Rights Offering, provided such Ineligible Holders satisfy the Company that the receipt by such Ineligible Holder of the Rights in the Rights Offering and subscription by such Ineligible Holder and issuance to it of the Common Shares on exercise of the Rights (i) is lawful and will not violate the laws of their jurisdiction of residence or other applicable jurisdiction; and (ii) will not impose any requirement on the Company to comply with legal requirements in the Ineligible Holder's jurisdiction of residence or other applicable jurisdiction other than those being complied with for the Rights Offering in the Eligible Jurisdictions.

#### 3. **How many Rights are we offering?**

We are offering a total of 13,646,290 Rights to Eligible Holders.

#### 4. How many Rights will you receive?

We are offering each Eligible Holder one Right for each Common Share held as at the close of business on the Record Date.

#### 5. What does one Right entitle you to receive?

Each Right entitles an Eligible Holder to purchase one Common Share at a subscription price of \$0.15 per Common Share (the “**Basic Subscription Privilege**”) until 5:00 p.m. (Toronto time) on November 27, 2020 (the “**Rights Expiry Date**”). As of the date hereof, the Common Shares are not listed on any stock exchange.

Any Eligible Holder who exercises all of their Rights under the Basic Subscription Privilege will also have the additional privilege of subscribing, pro rata, for additional Common Shares at the subscription price (the “**Additional Subscription Privilege**”). The Common Shares available under the Additional Subscription Privilege will be those Common Shares issuable under the Rights Offering that have not been subscribed and paid for under the Basic Subscription Privilege by the Rights Expiry Date.

Any Eligible Holder who exercises their Rights must enclose payment in Canadian funds by certified cheque, bank draft or money order payable to the order of Computershare Investor Services Inc.

#### 6. How will you receive your Rights?

**Registered Eligible Holders** – If you are a registered holder of Common Shares, a certificate (the “**Rights Certificate**”) representing the total number of Rights which you are entitled to as at the Record Date is enclosed with this notice.

**Beneficial Eligible Holders** – You are a beneficial holder of Common Shares if you hold your shares through a securities broker or dealer, bank or trust company or other participant (a “**Participant**”) in the book-based system administered by CDS Clearing and Depository Services Inc. (“**CDS**”). The total number of Rights to which all beneficial Eligible Holders as at the Record Date are entitled will be issued to and deposited with CDS following the Record Date. If you are a beneficial Eligible Holder, we expect you will receive a confirmation of the number of Rights issued to you from the applicable Participant in accordance with the practices and procedures of that Participant. CDS will be responsible for establishing and maintaining book-entry accounts for Participants holding Rights.

#### 7. When and how can you exercise your Rights?

If you are a registered Eligible Holder who receives a Rights Certificate, you must complete and deliver your Rights Certificate on or before 5:00 p.m. (Toronto time) on the Rights Expiry Date.

If you are a beneficial Eligible Holder, you must arrange exercises, transfers or purchases of Rights through your Participant on or before 5:00 p.m. (Toronto time) on the Rights Expiry Date or such earlier time as required by your Participant. We expect that each beneficial Eligible Holder will receive a customer confirmation of issuance or purchase, as applicable, from their Participant through which the Rights are issued in accordance with the practices and policies of such Participant.

#### 8. What are the next steps?

*This notice contains key information that you should know about the Company. You can find more details in our Rights Offering Circular, a copy of which can be obtained on the Company's profile at [www.SEDAR.com](http://www.SEDAR.com), or you can ask your dealer representative for a copy or contact Calum Morrison at (604) 646-8354 or [cmorrison@greatbearresources.ca](mailto:cmorrison@greatbearresources.ca). You should read the Rights Offering Circular, along with the Company's continuous disclosure record, to make an informed decision.*

DATED October 7, 2020.

(signed) "Calum Morrison"

Name: Calum Morrison

Title: Chief Financial Officer

**GREAT BEAR ROYALTIES CORP.**