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Unless otherwise indicated, all references to “\$”, “C\$” or “dollars” in this Offering Document refer to Canadian dollars, which is the Company’s functional currency. References to “US\$” in this Offering Document refer to United States dollars.

OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION

June 15, 2026



GRAYCLIFF EXPLORATION LIMITED
(the “Company”)

SUBSCRIPTION PRICE \$0.35 PER UNIT

What are we offering?

Offering	<p>The Company is completing a non-brokered private placement offering of up to 8,000,000 units of the Company (“Units”), with each Unit being comprised of one common share in the capital of the Company (a “Share”, and collectively, the “Shares”) and one-half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant will be exercisable to acquire one additional Share (a “Warrant Share”, and together with the Units, Shares and Warrants, the “Securities”) at an exercise price of \$0.55 for a period of twelve (12) months from the date of issuance, provided the Warrants may not be exercised for a period of 60 days from the date of issuance (the “Offering”).</p> <p>The Offering will be completed pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 <i>Prospectus Exemptions</i>, as amended by Coordinated Blanket Order 45-935 <i>Exemptions from Certain Conditions of the Listed Issuer Financing Exemption</i> (“NI 45-106”).</p>
Offering Price	\$0.35 per Unit
Offering Amount	Up to 8,000,000 Units, for gross proceeds of up to \$2,800,000. There is no minimum amount of Units to be offered under the Offering.
Closing Date	The Offering will close as soon as practicable on the date (the “Closing Date”) selected by the Company within 15 days of the date of this Offering Document. The Offering is not anticipated to close in tranches.

Exchanges	The Shares are listed on the Canadian Securities Exchange (the “ CSE ”) under the symbol “ GRAY ”, on the OTCQX Best Market (the “ OTCQX ”) under the symbol “ GRYCF ”, and on the Frankfurt Stock Exchange (the “ FSE ”) under the symbol “ GEO ”.
Last Closing Price:	On June 12, 2026, the last trading date prior to the date of this Offering Document, the closing price of the Shares on the CSE was \$0.425.
Resale Restrictions	<p>The Shares acquired in the Offering by investors resident in Canada will not be subject to a hold period pursuant to applicable Canadian securities laws.</p> <p>The Shares have not been and will not be registered under the U.S. Securities Act, or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. person or any person in the United States, absent an exemption from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. Shares issued to, or for the account or benefit of, a U.S. person or a person in the United States pursuant to exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws will be “restricted securities” within the meaning of Rule 144 under the U.S. Securities Act subject to certain restrictions on transfer set forth therein, and may be represented by definitive certificates or other instruments bearing a legend regarding such restrictions.</p>
Description of Shares	The holders of Shares are entitled to: (i) receive dividends as and when declared by the board of directors of the Company (the “ Board ”), out of the moneys properly applicable to the payment of dividends, in such amount and in such form as the Board may from time to time determine; (ii) in the event of the dissolution, liquidation or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs, receive the remaining property and assets of the Company; and (iii) receive notice of and to attend all meetings of the shareholders of the Company and to have one vote for each Share held at all meetings of the shareholders of the Company, except for meetings at which only holders of another specified class or series of shares of the Company are entitled to vote separately as a class or series.
Description of Warrants	<p>Each full Warrant will entitle the holder to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$0.55 until 5:00 p.m. (Vancouver time) on the date that is 12 months following the date of issuance, after which time the Warrants will be void and of no value, provided that the Warrants shall not be exercisable for a period of 60 days after the Closing Date.</p> <p>The Warrants will be governed by the terms and conditions set out in the certificate representing the Warrants (the “Warrant Certificates”) delivered at the closing of the Offering. The Warrant Certificates will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain customary events. Notwithstanding the foregoing, the terms and conditions governing the Warrants may, at the election of the Company, be provided in an indenture entered into between the Company and a trustee, pursuant to which subscribers will be provided Warrant Certificates.</p> <p>No fractional Warrant Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional shares. The holding of Warrants will not make the holder thereof a shareholder of the Company or entitle such holder to any right or interest in respect of the Warrants except as expressly provided in the Warrant Certificate. Holders of Warrants will not have any voting or pre-emptive rights or any other rights of a holder of Shares.</p>
Finders’ Fees	Subject to compliance with applicable securities laws and the approval of the Canadian Securities Exchange, the Company may pay to eligible finders a fee equal to 8% of the aggregate cash proceeds received from the sale of the Units payable in cash and issue a number of Warrants (the “ Finder Warrants ”) equal to 8% of the aggregate number of Units issued under the Offering.

The Company is conducting a listed issuer financing under section 5A.2 of NI 45-106. In connection with this Offering, the Company represents the following is true:

- The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.
- The Company has filed all periodic and timely disclosure documents that it is required to have filed.
- The Company is relying on the exemptions in Coordinated Blanket Order 45-935 Exemptions from Certain Conditions of the Listed Issuer Financing Exemption (the "Order") and is qualified to distribute securities in reliance on the exemptions included in the Order.
- The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption and the Order in the 12 months immediately before the date of this Offering Document, will not exceed \$25,000,000.
- The Company will not close this Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.
- The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact, information contained herein constitutes "forward-looking information" and "forward-looking statements", collectively referred to as forward-looking information within the meaning of applicable Canadian and United States securities legislation. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "estimate", "targeting", "intends", "believe", and similar expressions, or describes a "goal", or variation of such words and phrases or states that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information herein include, but are not limited to, those relating to: the Company's expectations with respect to the use of proceeds and the use of the available funds following completion of the Offering; the completion of the Offering and the expected Closing Date; the anticipated costs and timing of additional exploration programs on the Company's mineral properties, and the results therefrom; the funds from the Offering along with the Company's working capital being sufficient to complete its intended activities; expectations regarding ability to raise further capital, changes in project parameters as the Company receives additional information from its activities; the Company's ability to continue as a going concern; and the Company's going-forward strategy. There can be no assurances that the Offering will be completed on the terms stated or at all.

Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made. Such factors and assumptions may include, but are not limited to: the Company's ability to close the Offering on the terms disclosed herein, or at all; that proceeds from the Offering together with the Company's working capital will be sufficient to complete its short term objectives; that the Company will derive the benefits from ongoing exploration as currently expected by management; that the current programs will proceed as currently contemplated; that the Company will use the proceeds from the Offering as currently contemplated; the future prices of minerals and precious metals; the price of other commodities such as, fuel and electricity; currency exchange rates and interest rates; favourable operating conditions, political stability, timely receipt of governmental approvals, licences and permits (and renewals thereof); access to necessary financing; stability of labour markets and market conditions in general; availability of equipment; estimates of costs and expenditures to complete the Company's programs and achieve its stated goals; the Company's ability to raise sufficient capital to fund planned exploration activities and maintain corporate capacity; stability in financial and capital markets; and there being no significant disruptions affecting the development and operation of the Company's projects.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by forward-looking information. Such risks and other factors include, among others, and without limitation: that the Offering may not close within the timeframe anticipated or at all or may not close on the terms

and conditions currently anticipated by the Company for a number of reasons including, without limitation, as a result of the occurrence of a material adverse change, disaster, change of law or other failure to satisfy the conditions to closing of the Offering; the Company will not be able to raise sufficient funds to complete its planned exploration program; that the Company will not derive the expected benefits from its current program; the Company may not use the proceeds of the Offering as currently contemplated; the Company may fail to find a commercially viable deposit at any of its mineral properties; the Company's plans may be adversely affected by the Company's reliance on historical data compiled by previous parties involved with its mineral properties; mineral exploration and development are inherently risky industries; the mineral exploration industry is intensely competitive; additional financing may not be available to the Company when required or, if available, the terms of such financing may not be favourable to the Company; fluctuations in the demand for gold or gold prices generally; the Company may not be able to identify, negotiate or finance any future acquisitions successfully, or to integrate such acquisitions with its current business; the Company's exploration activities are dependent upon the grant of appropriate licenses, concessions, leases, permits and regulatory consents, which may be withdrawn or not granted; the Company's operations could be adversely affected by possible future government legislation, policies and controls or by changes in applicable laws and regulations; there is no guarantee that title to the properties in which the Company has a material interest will not be challenged or impugned; the Company faces various risks associated with mining exploration that are not insurable or may be the subject of insurance which is not commercially feasible for the Company; the volatility of global capital markets over the past several years has generally made the raising of capital more difficult; inflationary cost pressures may escalate the Company's operating costs; compliance with environmental regulations can be costly; social and environmental activism can negatively impact exploration, development and mining activities; the success of the Company is largely dependent on the performance of its directors and officers; the Company's operations may be adversely affected by First Nations land claims; the Company and/or its directors and officers may be subject to a variety of legal proceedings, the results of which may have a material adverse effect on the Company's business; the Company may be adversely affected if potential conflicts of interests involving its directors and officers are not resolved in favour of the Company; the Company's future profitability may depend upon the world market prices of metal prices including, but not limited to, copper, zinc, gold, and silver (among other metals); dilution from future equity financing could negatively impact holders of the Company's securities; failure to adequately meet infrastructure requirements could have a material adverse effect on the Company's business; the Company's projects now or in the future may be adversely affected by risks outside the control of the Company; the Company is subject to various risks associated with climate change; the Company is subject to general global risks arising from the ongoing conflicts in Ukraine and the Middle East, rising inflation and interest rates and the impact they will have on the Company's operations, supply chains, ability to access mining projects or procure equipment, supplies, contractors and other personnel on a timely basis or at all is uncertain; as well as other risk factors in the Company's other public filings available at www.sedarplus.ca ("**SEDAR+**"). Readers are cautioned that this list of risk factors should not be construed as exhaustive.

Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. The Company cannot guarantee future results, performance, or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. The Company undertakes no duty to update any forward-looking information to conform such information to actual results or to changes in the Company's expectations, except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information. The forward-looking information contained in this Offering Document is expressly qualified by this cautionary statement.

Scientific and Technical Information

The scientific and technical information contained in this Offering Document relating to the Company's mineral properties has been reviewed and approved by Bruce Durham, a "qualified person" within the meaning of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). Historical data contained in this Offering Document has not been verified.

SUMMARY DESCRIPTION OF BUSINESS

What Is Our Business?

The Company is incorporated under the laws of British Columbia, Canada and is engaged in the acquisition, exploration, development and extraction of natural resources, specifically precious metals. The Company's registered and records office is located at 1111 W Hastings St #1500, Vancouver, BC V6E 2J3, Canada. The Company is a reporting issuer in the provinces of British Columbia and Ontario.

The Company is a precious and base metals explorer and developer focused on opportunities in Ontario. The Company's flagship asset is the 100%-owned Shakespeare Project (the "**Project**"). It is located in the Sudbury Mining Division of Ontario and is approximately 88 km west of Sudbury, Ontario. The Project originally consisted of 24 mineral claims covering 516.8 ha in two contiguous blocks. The Project surrounds the historic Shakespeare gold mine, which operated from 1903 to 1907. A total of 2,959 oz of gold were produced from six underground levels (Gordon et al., 1979). Historic exploration was completed on the property intermittently between 1938 and 2014, including trenching, sampling and limited drilling. Between 2020 and 2023, the Company completed over 12,900 metres of drilling on the Project, with numerous anomalous gold intersections reported. Press releases regarding the drill program can be found on the Company's website. The Project now consists of one crown patented lease, two crown leases and 82 mineral claims covering 1,366 ha in one contiguous block.

Recent Developments

The following is a brief summary of key recent developments involving or affecting the Company since its most recent financial year end for which it has filed annual audited financial statements (being December 31, 2025):

- On January 21, 2026, the Company closed a private placement, raising gross proceeds of \$440,000 by issuing 4,400,000 Shares. The financing consisted of a mix of new equity financing of \$113,000 and debt settlements of \$327,000 for Shares.
- On March 5, 2026, the Company closed the acquisition of certain geologic data, core, pulp and material related to the Company's Shakespeare Project by issuing 2,300,000 Shares to the Vendor or its nominees.
- On April 1, 2026, the Company entered into a settlement and mutual release agreement (the "**Settlement Agreement**") with two shareholders and an Officer, to resolve a dispute relating to the shareholders' investments in the Company, without any admission of liability or wrongdoing. As settlement consideration, the Company agreed to pay an aggregate of \$5,000 in cash and issue 250,000 units of the Company, each unit comprised of one common share and one-half of one common share purchase warrant exercisable at C\$0.18 per share for one year from issuance. The parties exchanged mutual releases of all claims arising up to and including the effective date, and the shareholders agreed to indemnify and hold harmless the Company from any future claims arising out of the dispute or the Settlement Agreement.
- On April 8, 2026, the Company closed a non-brokered private placement of 5,416,308 units at \$0.12 per unit for aggregate gross proceeds of \$650,000. Each unit was comprised of one common share and one-half of one common share purchase warrant, each one whole warrant entitles the holder to purchase one Share at an exercise price of \$0.18 per Share until April 7, 2027. In connection with the financing, the Company paid \$31,576 in finder's fees.
- On May 1, 2026, Julio DiGirolamo resigned as CFO and director. On that same day the Company appointed Jason Baker as CFO, and Walter Henry was appointed as an independent director.
- On June 2, 2026, the Company announced results from the first of three metallurgical drill holes drilled using larger diameter HQ core. Hole A returned an extremely high grade 7.0 m interval grading 454.34 grams per tonne gold (g/t Au) at a depth of 123 m (equivalent to 13.25 ounces gold per ton over the 7.0 m interval).
- On June 12, 2026, the Company acquired a 100% legal and beneficial interest in 13 strategic mineral claims (the "**Claims**") that abut its Shakespeare Project. The Company issued 300,000 Shares and paid \$10,000 to the Vendor. These Claims brought the total number of claims at the Project to 82 claims.

Material Facts

There are no other material facts about the securities being distributed hereunder that have not been disclosed either in this Offering Document or in another document filed by the Company over the 12 months preceding the date of this Offering Document on the Company's profile at www.sedarplus.ca. Investors should read these documents prior to investing.

What are the business objectives that we expect to accomplish using the available funds?

The following table sets out the business objectives the Company expects to accomplish using its available funds following the Offering and lists the milestone events for each business objective, anticipated time period for completion, and estimated cost.

Business Objectives	Preceding Event	Period in which Event is Expected to Occur	Cost Related to Event
Ongoing exploration work in the area of the Project shaft	Permits are in place, requires mobilization of crews	6 - 9 months	\$750,000
Exploration work on other areas of the Project	Some permits needed, requires mobilization of crews	6 - 9 months	\$300,000
TOTAL:			\$1,050,000

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

The following table sets out information regarding the Company's available funds after completion of the Offering.

		Assuming 100% of the Offering ⁽¹⁾
A	Amount to be raised by the Offering	\$2,800,000
B	Selling commissions and fees ⁽²⁾	\$224,000
C	Estimated Offering costs (e.g., legal, filing fees, audit, filing)	\$50,000
D	Net proceeds of Offering: D = A - (B + C)	\$2,526,000
E	Working capital as at most recent months end (May 31, 2026)	\$272,000
F	Additional sources of funding	nil
G	Total available funds: G = D + E + F	\$2,798,000

Notes:

(1) There is no minimum to the Offering. The Company will not close the Offering unless it reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.

(2) See "Fees and Commissions" below.

How will we use the available funds?

The Company intends to use the net proceeds from this Offering to fund general working capital, further work towards development of, and conduct additional exploration and development activities on, the Shakespeare Project.

Description of Intended Use of Available Funds	Amount
Exploration and development of the area surrounding the Project shaft ⁽¹⁾	\$750,000
Exploration and development of other areas on the Project ⁽¹⁾	\$300,000
General and administrative costs ⁽²⁾	\$350,000
Unallocated working capital	\$1,398,000
Total:	\$2,798,000 ⁽³⁾

Notes:

(1) Estimated exploration expenditures are expected to consist of mapping, sampling, geological work, drilling, logging and assaying.

(2) Estimated general and administrative costs are expected to consist of (without limitation) consulting and professional fees, listing and filing fees, transfer agent and shareholder communication costs, insurance costs, information technology costs and other administrative costs.

(3) Assuming 100% of Offering.

The above-noted allocation of capital and anticipated timing represents the Company's current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. Although the Company intends to expend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan. The Company has generated negative cash flows from operating activities since inception and anticipates that it will continue to have negative operating cash flow beyond the 12 months after the final Closing Date of the Offering. As a result, certain of the net proceeds from this Offering may be used to fund such negative cash flow from operating activities in future periods. See the "Cautionary Note Regarding Forward-Looking Statements" section above.

The most recent unaudited interim financial statements of the Company for the three months ended March 31, 2026, included a going-concern note. The Company is still in the exploration stage and the Company has not yet generated positive cash flows from its operating activities, which may cast doubt on the Company's ability to continue as a going concern. The Offering is intended to permit the Company to continue to explore its properties and is not expected to affect the decision to include a going-concern note in the next financial statements of the Company.

How have we used the other funds we have raised in the past 12 months?

Previous Financing	Intended Use of Proceeds	Variances and Impact
January 2026 Private Placement	\$327,000 for debt reduction and \$113,000 for General & Administrative ("G&A") costs	No variance
March 2026 Private Placement	\$192,000 for debt reduction, \$100,000 for Exploration costs and \$326,000 for G&A costs	No variance
Total	\$1,058,000	

FEEs AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

The Company may pay a cash fee of up to 8.0% of the gross proceeds of the Offering to certain eligible finders who introduce investors to the Company. The Company may also issue to eligible finders that number Finder Warrants equal to 8.0% of the number of Units sold under the Offering. Each Finder Warrant will be exercisable to acquire one Share at an exercise price of \$0.55 for a period of 12 months from the date of issuance.

U.S. OFFERING RESTRICTIONS

The Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state in the United States and, subject to certain exemptions from registration under the U.S. Securities Act and applicable state securities laws, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States.

This Offering Document does not constitute an offer to sell or a solicitation of an offer to buy any Securities in the United States to, or for the account or benefit of, U.S. persons or persons in the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of Securities within the United States or, to or for the account or benefit of, U.S. persons or persons in the United States by any dealer (whether or not participating in the Offering) may violate the registration provisions of the U.S. Securities Act unless made otherwise than in accordance with an exemption from the registration requirements under the U.S. Securities Act and similar exemptions under applicable state securities laws.

PURCHASERS' RIGHTS

Rights of action in the Event of a Misrepresentation.

If there is a misrepresentation in this Offering Document, you have a right

- (a) to rescind your purchase of these securities with the Company, or**
- (b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.**

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

ADDITIONAL INFORMATION

Where can you find more information about us?

The Company's continuous disclosure filings with applicable securities regulatory authorities in the provinces and territories of Canada are available electronically under the Company's profile on the System for Electronic Document Analysis and Retrieval Plus (SEDAR+) at www.sedarplus.ca.

For further information regarding the Company, visit our website at: <https://graycliffexploration.com/>.

Investors should read this Offering Document and consult their own professional advisors to assess the income tax, legal, risk factors, and other aspects of their investment of the Units.

[Signature page follows]

DATE AND CERTIFICATE

Dated: June 15, 2026

This Offering Document, together with any document filed under Canadian securities legislation on or after June 15, 2025, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

(signed) "Arndt Roehlig"

Arndt Roehlig
Chief Executive Officer

(signed) "Jason Baker"

Jason Baker
Chief Financial Officer