

ValOre Metals Corp. (formerly Kivalliq Energy Corp.)

July 4, 2018

By Email

Tara Arko
Director, Technical Services
Nunavut Impact Review Board
P.O. Box 1360 (29 Mitik)
Cambridge Bay, NU, X0B 0C0

Dear Ms. Arko,

**RE: Corporate Update, Reduced 2018 Baffin Gold Program, Commencement Notice
NIRB File Number 125133/04EN022**

This letter provides an update to the Nunavut Impact Review Board ("NIRB") on recent Kivalliq Energy Corp. ("Kivalliq") corporate restructuring events and gives notification of a reduced field program for the Baffin Gold Project in 2018.

Name Change - Kivalliq Energy Corp. to ValOre Metals Corp.

Kivalliq recognized the need to change its name to better reflect its varied and multi-commodity projects across Nunavut and elsewhere. On June 28, 2018 Kivalliq's name was officially changed to ValOre Metals Corp. ("ValOre"). ValOre's shares will trade on the Toronto Venture Exchange under the ticker symbol ("VO") on the basis of consolidation of ten Kivalliq shares for one ValOre share (see Kivalliq news release on June 26, 2018 for more details). As part of this corporate restructuring, ValOre has been reviewing potential financing alternatives and the impact on its 2018 field operations.

Reduced 2018 Baffin Gold Program

In the summer of 2017, Kivalliq focussed its exploration efforts on IOL BI-35 to get a better understanding of geology and historic work (see 2018 Annual Work Plan dated December 21, 2017). Our plan for 2018 was to follow-up with a larger program on IOL-35 and gather new data on 15 INAC Prospecting Permits that surround this IOL. However due to the corporate restructuring and finance limitations, we are not able to carry out the program as proposed in our 2018 Work Plan.

Unfortunately, the company can only proceed with a much smaller, low-cost program this year that will focus on acquiring airborne geophysical data on surrounding Prospecting Permits to keep some of them in good standing. To do this a lightweight fixed-wing aircraft is available to survey for about 10 days, starting on or about July 12. Roughly 75% of the survey will be on INAC Prospecting Permits south of IOL BI-35, with some overlap filling data gaps on the IOL. Most other field work in our 2018 Work Plan must be deferred until 2019. The Dewar Lakes Camp at the Fox 3 airstrip will be re-opened and staffed for the survey duration to facilitate re-fuelling, for safety and to accommodate INAC inspections. Since camp will be open, we may elect put a few geologists on site for some prospecting and mapping as timing permits.

Due to staff working elsewhere, financial constraints and now work in 2018 basically limited to an airborne survey less than half originally proposed, ValOre is unable do the ground work it initially planned, nor visit communities and offer employment like last year. Instead we hope to give a more

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complete update to communities at a later date, once we have combined the 2017 results with the 2018 airborne data and have formulated plans for the property as a whole. We also hope to secure funding for what we hope will be a larger 2019 Program, as was initially planned for this year.

Commencement Notice

As noted above, ValOre's airborne surveying on the Baffin Gold Property will begin on or about July 12, with operations based out of the Dewar Lakes Camp; under the terms and conditions of existing authorizations and with permission to use the Fox 3 airstrip by Raytheon Canada Ltd. Surveying is expected to be completed in 10-12 days. Geotechnical staff may carry out some low impact prospecting and mapping while the camp is open and if time permits. The Dewar Camp will be seasonally closed afterward.

- 2018 Dewar Lakes Camp co-ordinates: 68°37'59" N, 71°06'38" W
- General company and staff contact information:

ValOre Metals Corporation

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Please use old Kivalliq email addresses until we formerly switch over to ValOre email addresses.

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Feel free to call Andrew Berry or myself if you have any questions or concerns
Regards,

Jeff Ward
President
ValOre Metals Corp.