

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Moonbound Mining Ltd. (the "Issuer").

Trading Symbol: MML

Number of Outstanding Listed Securities: 8,137,000

Date: February 3, 2023 (for the month of January 2023)

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Issuer is a mineral exploration company focused on the Yak Property in Northwestern British Columbia, Canada.

2. Provide a general overview and discussion of the activities of management.

Management's principal activities consisted of, but were not limited to:

(a) In December management completed a non-offering final prospectus for the purposes of the Issuer becoming a reporting issuer pursuant to applicable securities legislation in the province of British Columbia and in January completed the listing of the Issuer's securities on the CSE.

(b) General management and administrative matters.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

None

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

None

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None

8. Describe the acquisition of new customers or loss of customers.

None

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

None

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

The Issuer has no employees at present.

11. Report on any labour disputes and resolutions of those disputes if applicable.

None

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

None

14. Provide details of any securities issued and options or warrants granted.

None

15. Provide details of any loans to or by Related Persons.

None

16. Provide details of any changes in directors, officers or committee members.

None

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

See attached Schedule A. The information in Schedule A is a summary only of certain risk factors and is qualified in its entirety by reference to, and should be read in conjunction with detailed information appearing elsewhere. These risks and uncertainties are not the only ones the Issuer is facing. Additional risks and uncertainties not presently known to the Issuer, or that it currently deems immaterial, may also impair its operations. If any such risks actually occur, the business, financial condition, liquidity and results of the Issuer's operations could be materially adversely affected. The risk factors described in Schedule A should be carefully considered by readers, including investors considering a purchase of securities of the Issuer, along with all other information set forth elsewhere. An investment in securities of the Issuer should only be made by persons who can afford a significant or total loss of their investment.

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated February 3, 2023

Ann Fehr
Name of Director or Senior
Officer

"Ann Fehr"
Signature

CEO
Official Capacity

Issuer Details	For Month End	Date of Report
Name of Issuer	January 31,	YY/MM/DD
Moonbound Mining Ltd.	2023	23/01/03
Issuer Address		
Suite 2820 – 200 Granville St.		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, BC V6C 1S4	()	(604) 375 5578
Contact Name	Contact Position	Contact Telephone No.
Ann Fehr	CEO	(604) 375 5578
Contact Email Address	Web Site Address	
afehr@facpa.ca		

Schedule A - Risk Related to Moonbound Mining Ltd. Business

The Issuer is in the business of exploring and developing mineral properties, which is a highly speculative endeavour and subject to significant risks. Risk factors include, but are not limited to the followings.

Limited Operating History

The Issuer has no history of earnings. There are no known commercial quantities of mineral reserves on any properties optioned by the Issuer. There is no guarantee that economic quantities of mineral reserves will be discovered on the Property by the Issuer in the near future or at all. If the Issuer does not generate revenue, it may be unable to sustain its operations in which case it may become insolvent and investors may lose their investment.

Uncertain Liquidity and Capital Resources

The Issuer may need to raise additional capital by way of an offering of equity securities, an offering of debt securities, or by obtaining financing through a bank or other entity. In particular, the Issuer may not have sufficient funds to complete the recommended exploration program on the Property. The Issuer has not established a limit as to the amount of debt it may incur nor has it adopted a ratio of its equity to debt allowance. If the Issuer needs to obtain additional financing, there is no assurance that financing will be available from any source, that it will be available on terms acceptable to the Issuer, or that any future offering of securities will be successful. If additional funds are raised through the issuance of equity securities, there may be a significant dilution in the value of the Issuer's common shares. The Issuer could suffer adverse consequences if it is unable to obtain additional capital which would cast substantial doubt on its ability to continue its operations and growth.

Dilution

Common Shares, including rights, warrants, special warrants, subscription receipts and other securities to purchase, to convert into or to exchange into common shares, may be created, issued, sold and delivered on such terms and conditions and at such times as the Board may determine. In addition, the Issuer will issue additional common shares from time to time pursuant to the options to purchase common shares issued from time to time by the Board. The issuance of these common shares will result in dilution to holders of Common Shares.

Speculative Nature of Mineral Exploration

Resource exploration is a speculative business, characterized by several significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Issuer may be affected by numerous factors which are beyond the control of the Issuer and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Issuer not receiving an adequate return of investment capital. There is no assurance that the Issuer's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Issuer's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by several factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Acquisition of Additional Mineral Properties

If the Issuer abandons the exploration and development of the Property, there is no assurance that it will be able to acquire another mineral property of merit or that such an acquisition would be approved by the securities exchange. There is also no guarantee that the securities exchange will approve the acquisition of any additional properties by the Issuer, whether by way of option or otherwise, should the Issuer wish to acquire any additional properties.

Mineral Deposits

The Property is in the exploration stage only and is without known mineral resources or reserves which could constitute deposits. Development of this Property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Issuer may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Issuer.

Permits and Government Regulations

The future operations of the Issuer may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Issuer will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Property.

Environmental and Safety Regulations and Risks

Environmental laws and regulations may affect the operations of the Issuer. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Issuer for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, the Issuer generally relies on recognized designers and development contractors from which the Issuer will, in the first instance, seek indemnities. The Issuer intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Issuer's operations more expensive.

Key Person Insurance

The Issuer does not maintain key person insurance on any of its directors or officers, and as result the Issuer would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by the Issuer from such loss of any director or officer.

Mineral Titles

The Issuer is satisfied that evidence of title to the Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Property. The Issuer may face challenges to the title of the Property or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Issuer's business plan.

Loss of Interest in Properties

The Issuer's ability to maintain an interest in the properties owned by the Issuer will be dependent on its ability to raise additional funds by equity financing. Failure to obtain additional financing may result in the Issuer being unable to make the periodic payments required to keep the Property in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Issuer's interest in the properties transferred to or optioned by the Issuer.

Failure to obtain additional financing may result in the Issuer being unable to complete the required work required to keep the Property interests in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Issuer's interest in the Property.

Option Agreement Obligations

The Option Agreement provides that the Issuer must fulfil certain option obligations over specified time periods in order to earn an interest in the properties that are the subject of the agreement. If the Issuer fails to fulfil these obligations in a timely fashion, the Issuer could lose its interest in the Property.

First Nations Title

The Property or other properties owned or optioned by the Issuer may in the future be the subject of First Nations land claims. The legal nature of First Nations land claims is a matter of considerable complexity. The impact of any such claim on the Issuer's ownership interest in the properties optioned or owned by the Issuer cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of First Nations rights in the area in which the properties optioned or purchased by the Issuer are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Issuer's activities. Even in the absence of such recognition, the Issuer may at some point be required to negotiate with First Nations in order to facilitate exploration and development work on the properties optioned or owned by the Issuer. The Supreme Court of Canada's 2014 decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared First Nations title to lands outside of a reserve. The Issuer is not aware of any First Nations land claims having been asserted or any legal actions relating to first nation issues having been instituted with respect to any of the land which is covered by the Property.

Fluctuating Mineral Prices

The Issuer's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of minerals, which in turn depend on the results of the Issuer's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Issuer may affect the marketability of the commodities discovered, if any. Commodity prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Issuer's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

Competition

The mining industry is intensely competitive in all its phases. The Issuer competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Issuer. The competition in the mineral exploration and development business could have an adverse effect on the Issuer's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

Management

The success of the Issuer is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Issuer's business and prospects. There is no assurance the Issuer can maintain the services of its directors, officers or other qualified personnel required to operate its business.

Financing Risks

The Issuer has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Issuer will be profitable. The Issuer has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Issuer is through the sale of its securities. Even if the results of exploration are encouraging, the Issuer may not have sufficient funds to conduct the further exploration that may be necessary to determine whether a commercially mineable deposit exists on the properties owned by the Issuer. While the Issuer may generate additional working capital through further equity offerings or through the sale or possible syndication of the Property, there is no assurance that any such funds will be available. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Going Concern and Requirement to Generate Cash Flow for Financial Obligations

While the information in this Prospectus has been prepared in accordance with IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future, there are conditions and events that cast significant doubt on the validity of this presumption. The Issuer's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Issuer is making its best efforts in this regard, the outcome of these matters cannot be predicted at this time. The Issuer's ability to generate sufficient cash flow from operations to make scheduled payments to its contractors, service providers and merchants will depend on future financial performance, which will be affected by a range of economic, competitive, regulatory, legislative and business factors, many of which are outside of its control. If the Issuer does not generate sufficient cash flow from operations to satisfy its contractual obligations, it may have to undertake alternative financing plans. The Issuer's inability to generate sufficient cash flow from operations or undertake alternative financing plans would have an adverse effect on its business, financial condition and results of operations, as well as its ability to satisfy its contractual obligations. Any failure to meet its financial obligations could result in termination of key contracts, which could harm the Issuer's ability to provide its products and services.

Negative Cash Flows from Operations

For the period ended October 31, 2022, the Issuer sustained net losses from operations of \$31,516. The Issuer continues to have negative operating cash flow. It is highly likely the Issuer may have negative cash flow in any future period and as a result, the Issuer will need to use available cash, including proceeds to fund any such negative cash flow.

Resale of Common Shares

The continued operation of the Issuer will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Issuer is unable to generate such revenues or obtain such additional financing, any investment in the Issuer may be lost. In such event, the probability of resale of the Common Shares purchased would be diminished.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the common shares will be subject to market trends generally, notwithstanding any potential success of the Issuer in creating revenues, cash flows or earnings. If an active public market for the common shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the initial purchase price.

COVID-19

In March 2020, there was a global outbreak of coronavirus (COVID-19). The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in

which the Issuer operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Issuer's shares and its ability to raise new capital.

Conflict in Ukraine

The Issuer's business financial condition and results of operations may be negatively affected by economic and other consequences from the conflict in the Ukraine and the sanctions imposed in response to that action in late February 2022. While the Issuer expects any direct impacts of the conflict in Ukraine to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing. There can be no assurance that the Issuer will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.

Other Risks

The level of demand for the Issuer's exploration is increasingly affected by regional and global demographic and macroeconomic conditions, including population growth rates and changes in standards of living. A significant downturn in global economic growth, or recessionary conditions in major geographic regions, may lead to reduced demand for commodities, which could adversely affect the Issuer's business and results of operations.

Additionally, weak global economic conditions and turmoil in global financial markets, including constraints on the availability of credit, have in the past adversely affected, and may in the future continue to adversely affect, the financial condition and creditworthiness of some of the Issuer's customers, suppliers and other counterparties, which in turn may negatively impact the Issuer's business. Any deterioration in economic conditions due to the current coronavirus concerns could negatively impact the Issuer's exploration.