

May 12, 2022

Report to Shareholders

Dear Shareholder:

2021 was a transformative year for your company as Pacific Ridge continued its pursuit of becoming British Columbia's leading copper-gold exploration company. During the year, we raised \$2.6M which allowed Pacific Ridge to complete its first ever drill program at the flagship Kliyul copper-gold porphyry project. The results from the 2021 drill program returned the longest and highest-grade intersections ever recorded at Kliyul and set the stage for an expanded drill program in 2022. In addition to positive exploration results, we also strengthened our management team and board with the appointment of Blaine Monaghan as President, CEO, and director, and Borden Putnam III and Gary Baschuk as independent directors.

Pacific Ridge's many successes in 2021 did not go unnoticed by the market. Our share price was \$0.05 at the beginning of 2021 and \$0.41 at the end of the year; a gain of 720%. Pacific Ridge's market capitalization was \$1.7M at the beginning of 2021 and was \$22.1M at the end of year; a gain of 1,200%.

Under the able direction of VP Exploration, Danette Schwab, Pacific Ridge successfully completed 1,544 m of diamond drilling in three holes during August and September of 2021. All three holes encountered porphyry-style mineralization consisting of pyrite, chalcopyrite and lesser bornite in veins and as disseminations. The presence of bornite is an indication of proximity to the higher temperature core of a porphyry system and may be a positive vector towards the core of Kliyul Main Zone. Highlights are shown in the table below:

Hole	From(m)	To(m)	Width(m)	Cu(%)	Au(gpt)	CuEq(%)	AuEq(gpt)
KLI-21-036	12.0	449.0*	437.0	0.22	0.60	0.61	0.96
including	12.0	33.0	21.0	0.34	1.30	1.17	1.84
including	294.0	435.0	141.0	0.36	1.11	1.07	1.68
KLI-21-037	12.3	579.0*	566.7	0.20	0.44	0.48	0.76
including	12.3	329.0	316.7	0.30	0.70	0.75	1.17
including	243.9	268.0	24.1	1.09	2.21	2.50	3.92
KLI-21-038	9.0	516.0*	507.0	0.15	0.39	0.40	0.63
including	9.0	351.0	342.0	0.17	0.50	0.50	0.78

*CuEq = ((Cu%) x \$Cu x 22.0462) + (Au(g/t) x \$Au x 0.032151) / (\$Cu x 22.0462)

AuEq = ((Cu%) x \$Cu x 22.0462) + (Au(g/t) x \$Au x 0.032151) / (\$Au x 0.032151)

Commodity prices: \$Cu = US\$4.00/lb and \$Au = US\$1,750/oz.

Factors: 22.0462 = Cu% to lbs per tonne, and 0.032151 = Au g/t to oz per tonne

Recovery for Cu and Au is assumed to be 100%

During 2021, we reached an agreement to acquire a 100% interest in the RDP porphyry copper-gold project, located 40 km west of Kliyul and with similar geology and mineralization. Earlier this year, we announced that Pacific Ridge had signed an agreement with Chilean miner Antofagasta Minerals S.A. whereby Antofagasta has the option to earn a 75% interest in RDP by spending \$10.0M on exploration over eight years and delivering a PEA. Antofagasta has plans to drill RDP this year.

These outstanding results, from both an exploration and market performance standpoint, were achieved thanks to a decision we made several years ago to focus on copper and gold exploration in British Columbia and to the talent and commitment of our exploration team and Technical Committee, which was formalized last year. Under the leadership of Borden Putnam III, the Technical Committee comprises Craig Hart, BC porphyry expert Jim Logan, geophysicist Dan Core, and geologist and independent director, Gary Baschuk.

We continue to strengthen our ties with local First Nations, including Takla and Tsay Keh Dene, not only through our exploration agreements, but also through numerous consultations and hiring local employees for field work and contractors for services.

The results from last year's drill program at Kliyul gave us and the financial community the confidence to raise over \$7.0M this year for a planned 6,000 m drill program at Kliyul. This will be the single largest drill program ever conducted at Kliyul and will be focused on expanding mineralization at the Kliyul Main Zone, just one of five targets at Kliyul, laterally and to depth.

On behalf of the Board of Directors, I wish to thank you for your continued loyal support of Pacific Ridge. With a strong treasury, a committed management team and board, and a robust portfolio of copper-gold projects in B.C., we are poised and ready for another exciting and successful exploration season.

Yours very truly,

Gerald G. (Gerry) Carlson
Executive Chairman

The technical information contained herein has been reviewed and approved by Gerald Carlson, Ph.D., P.Eng., Executive Chairman of Pacific Ridge Exploration Ltd., and Qualified Person as defined by National Instrument 43-101.

Forward-Looking Information: This document includes certain statements that may be deemed "forward-looking statements". All statements in this document, other than statements of historical facts, that address exploration drilling and other activities and events or developments that Pacific Ridge Exploration Ltd. ("Pacific Ridge") expects to occur, are forward-looking statements. Forward-looking statements in this document include statements regarding the placements and future exploration plans and expenditures. Although Pacific Ridge believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploration successes, and continued availability of capital and financing and general economic, market or business conditions. These statements are based on a number of assumptions including, among other things, assumptions regarding general business and economic conditions, the timing and receipt of regulatory and governmental approvals for the transactions described herein, the ability of Pacific Ridge and other parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for Pacific Ridge's proposed transactions and programs on reasonable terms, and the ability of third party service providers to deliver services in a timely manner. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Pacific Ridge does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.