

EARLY WARNING REPORT

PURSUANT TO NATIONAL INSTRUMENT 62-103

1. Name and address of the offeror:

Raymond Mongeau
1396 Birchwood Dr.
Mississauga, Ontario
(the “Offeror”)

2. The designation and number or principal amount of securities and the offeror’s security holding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the report, and whether it was ownership or control that was acquired in those circumstance:

In connection with the closing of Morgan Resources Corp.’s (“Morgan Resources” or the “Company”) three cornered amalgamation (the “Amalgamation”) among Gideon Capital Corp. (“Gideon Capital”), a wholly owned subsidiary of Gideon Capital and Bathurst Resources Corp. (“Bathurst Resources”), as previously announced by the Company on January 6, 2014, the Offeror, a Director of the Company, became a 10% shareholder of the Company. The Offeror acquired 3,583,334 common shares of the Company in exchange for 3,583,334 shares of Bathurst Resources, being 10.2% of the issued and outstanding shares of the Company.

3. The Designation and number or principal amount of securities and the offeror’s securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to obligation to file the report:

Following the issuance of 3,583,333 common shares of the Company to the Offeror on December 31, 2013, the Offeror now has ownership of 3,583,333 common shares of the Company. These common shares represent 10.2% of the issued and outstanding common shares of the Company.

4. The Designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph 3 over which:

(i) the offeror, either alone or together with any joint actors, has ownership and control:

Patricia Mongeau, Mongeau’s spouse, purchased 147,058 units of the Company on December 31, 2013 at a price of \$0.17 per unit, with each unit consisting of one flow through common share and one common share purchase warrant, with each warrant exercisable for two years at a price of \$0.30 per common share. Mongeau owns or controls 3,730,392 common shares of the Company, being 10.7% of the issued and outstanding shares of the Company. On a partially-diluted basis, Mongeau owns or controls 3,877,450 common shares (assuming the

full exercise of warrants) representing 11.0% of the Company's then issued and outstanding common shares.

- (ii) the offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor:**

Not Applicable

- (iii) the offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not Applicable

- 5. The name of the market in which the transaction or occurrence that gave rise to the news release took place:**

The common shares of the Company trade on the TSX Venture Exchange. However, the 3,583,333 common shares of the Company received by the Offeror on December 31, 2013 were acquired by the Offeror in connection with the Amalgamation.

- 6. The value, in Canadian dollars, of any consideration offered per security if the Offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release.**

3,583,333 common shares of the Company received by the Offeror on December 31, 2013 were acquired by the Offeror in connection with the Amalgamation. 147,058 units of the Company on December 31, 2013 at a price of \$0.17 per unit, with each unit consisting of one flow through common share and one common share purchase warrant, with each warrant exercisable for two years at a price of \$0.30 per common share.

- 7. The purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer.**

The Offeror completed the acquisition for investment purposes and may purchase additional securities of the Company on the open market, by private agreement or otherwise, subject to availability, market conditions, applicable laws and other relevant factors.

- 8. The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities.**

3,583,334 of the Common Shares issued to the Offeror are held in escrow pursuant to a TSX Venture Exchange Form 5D Tier 2 Value Escrow Agreement, pursuant to which the securities shall be released as to 10% immediately following the issuance of the Final Exchange Bulletin issued in connection with the Amalgamation (the Company's Qualifying Transaction), 15% six months following the initial release and 15% every six months thereafter.

- 9. The names of any joint actors in connection with the disclosure required by this form.**

Not Applicable

- 10. In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the offeror.**

See Item 6.

- 11. If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements or Part 4 in respect of the reporting issuer's securities.**

Not Applicable

- 12. If applicable, a description of the exemption from securities legislation being relied on by the offeror and the facts supporting that reliance.**

Not applicable.

DATED this 8th day of January, 2014.

Per: (signed Ray Mongeau)
Ray Mongeau