

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.*

*A copy of this Preliminary Prospectus has been filed with the securities regulatory authorities in each of British Columbia, Alberta and Ontario but has not yet become final for the purpose of the sale of securities. Information contained in this Preliminary Prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the Prospectus is obtained from the securities regulatory authorities in British Columbia, Alberta and Ontario.*

*This Preliminary Prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended, and, subject to certain exceptions, may not be offered, sold or delivered, directly or indirectly, in the United States of America, its territories or possessions. See "Plan of Distribution".*

## PRELIMINARY PROSPECTUS

INITIAL PUBLIC OFFERING

April 3, 2013

### WEST POINT RESOURCES INC.

7934 Government Road  
Burnaby, B.C. V5A 2E2  
Telephone: (604) 551-7831  
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#### OFFERING:

MINIMUM OFFERING OF \$780,000  
(CONSISTING OF A MINIMUM OF 3,533,334 UNITS AND 1,000,000 FLOW-THROUGH UNITS)  
MAXIMUM OFFERING OF \$1,900,000  
(CONSISTING OF A MINIMUM OF 6,000,000 UNITS AND 4,000,000 FLOW-THROUGH UNITS)

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\$0.15 PER UNIT  
\$0.25 PER FLOW-THROUGH UNIT

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This Prospectus (as defined herein) is being filed by West Point Resources Inc. (the "**Company**") to qualify for distribution in British Columbia, Alberta and Ontario (the "**Selling Jurisdictions**") and to offer for sale by way of an initial public offering (the "**Offering**") through Macquarie Private Wealth Inc. (the "**Placement Agent**") as placement agent for a syndicate of agents (the "**Selling Group**") in connection with the sale on a commercially reasonable efforts basis of: (i) a minimum of 3,533,334 units of the Company (each, a "**Unit**") at a price of \$0.15 per Unit (the "**Unit Price**") and a minimum of 1,000,000 flow-through units of the Company (each, a "**FT Unit**") at a price of \$0.25 per FT Unit (the "**FT Unit Price**"), the common shares of which shall qualify as "flow-through shares" (each, a "**FT Share**" and the Units and FT Units collectively, the "**Offered Securities**") as defined in subsection 66(15) of the *Income Tax Act* (Canada) (the "**Tax Act**") for aggregate gross proceeds of \$780,000 (the "**Minimum Offering**"); and (ii) a maximum of up to 6,000,000 Units at the Unit Price and up to 4,000,000 FT Units at the FT Unit Price for aggregate gross proceeds of \$1,900,000 (the "**Maximum Offering**"), provided that under no circumstances shall more than \$250,000 of the Minimum Offering result from the sale of FT Units or more than \$1,000,000 of the Maximum Offering result from the sale of FT Units. Each Unit consists of one Common Share (as defined herein) of the Company (each, a "**Unit Share**") and one-half of one non-transferable Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant will entitle the holder to purchase one Common Share of the Company (each, a "**Warrant Share**") at an exercise price of \$0.25 per Warrant Share for a period of 60 months following the Closing Date (as defined herein). Each FT Unit consists of one FT Share and one-half of one non-transferable Common Share purchase warrant (each whole warrant, a "**FT Warrant**"). Each FT Warrant will entitle the holder to purchase one Common Share of the Company (each, a "**FT Warrant Share**") at an exercise price of \$0.35 per FT Warrant Share for a period of 60 months following the Closing Date. The price

of the Units and FT Units have been determined by negotiation between the Company and the Placement Agent. A purchaser may purchase Units, FT Units or a combination of both. See “Plan of Distribution”.

The Company will use an amount equal to the gross proceeds received from the sale of the FT Shares to incur Canadian exploration expenses (“**CEE**”, as defined herein) in the period that begins on the closing of the Offering and ends on December 31, 2014, which will be renounced by the Company to the initial purchasers of the FT Shares effective December 31, 2013. See “Certain Canadian Federal Income Tax Considerations”.

	NUMBER OF SECURITIES	PRICE TO PUBLIC	AGENT'S COMMISSION <sup>(1)</sup>	NET PROCEEDS TO COMPANY <sup>(2)</sup>
Unit	1	\$0.15	\$0.015	\$0.135
FT Unit	1	\$0.25	\$0.025	\$0.225
Total – Minimum Offering <sup>(3)</sup>	4,533,334	\$780,000	\$78,000	\$702,000
Total – Maximum Offering	10,000,000	\$1,900,000	\$190,000	\$1,710,000

**Notes:**

- <sup>(1)</sup> The Offering Price (as defined herein) and the terms of the Offering have been determined by negotiation between the Company and the Placement Agent. The Offered Securities are being sold on a commercially reasonable efforts basis and the distribution thereof will remain open until the earlier of the Closing Date (as defined herein) and the latest date permitted by applicable securities regulatory authorities. Pursuant to the terms and conditions of the Agency Agreement dated  $\blacklozenge$ , 2013 between the Company and the Placement Agent, the Company has agreed to pay a cash commission (the “**Agent's Commission**”) of ten percent (10%) of the gross proceeds of the Offering. In addition, the Placement Agent will also receive that number of common shares which is equal to ten percent (10%) of the number of Offered Securities sold in the Offering (the “**Agent's Shares**”). See “Plan of Distribution” for more information about the Agent's Shares. This Prospectus also qualifies the distribution of the Agent's Shares. See “Plan of Distribution” and “Description of the Securities Distributed”.
- <sup>(2)</sup> Before deduction of the expenses of the Offering not paid to date, estimated to be approximately \$86,000 upon consummation of the Minimum Offering or \$92,000 upon consummation of the Maximum Offering. The Company will pay all of the reasonable legal expenses of the Placement Agent plus taxes and disbursements and other costs of the Placement Agent. Pursuant to the terms of the Agency Agreement, the Company has agreed to pay the Placement Agent a corporate finance fee (the “**Corporate Finance Fee**”) of \$25,000 plus HST and \$5,000 payable in Common Shares (the “**Corporate Finance Shares**”) equal to 33,333 Corporate Finance Shares plus HST payable in cash. To date, the Company has paid \$12,500 of the Corporate Finance Fee and a \$15,000 deposit to pay reasonable legal and other costs that the Placement Agent incurs with respect to the Offering. See “Plan of Distribution” and “Description of the Securities Distributed”.

The following table summarizes the securities to be issued by the Company to the Placement Agent in connection with the Offering:

Placement Agent's Position	Maximum Number of Securities Available	Exercise Period	Exercise Price
Agent's Shares <sup>(1)</sup>	453,333 (Minimum Offering) 1,000,000 (Maximum Offering) <sup>(1)</sup>	Not Applicable	Not Applicable
Corporate Finance Shares <sup>(1)</sup>	33,333	Not Applicable	Not Applicable

**Notes:**

- <sup>(1)</sup> This Prospectus qualifies the issuance of the Agent's Shares and the Corporate Finance Shares to the Placement Agent to the extent permitted by applicable securities laws. National Instrument 41-101 – *General Prospectus Requirements* restricts the number of securities being issued to the Placement Agent as compensation that may be qualified under a prospectus (“**Qualified Compensation Shares**”), to a maximum of 10% of the Offered Securities. In the case of the Minimum Offering, the number of Qualified Compensation Shares will be limited to 453,333 and in the case of the Maximum Offering, the number of Qualified Compensation Shares will be limited to 1,000,000. For the purposes of this Offering, any combination of the Agent's Shares and the Corporate Finance Shares which exceed 10% of the Offered Securities sold, will not be Qualified Compensation Shares, will not be qualified for distribution under this Prospectus and will be subject to a four month hold period in accordance with applicable securities laws. See “Plan of Distribution”.

Subscriptions for the Offered Securities will be subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. On the Closing Date, global certificates representing the Offered Securities sold under the Offering (other than certificates representing the Unit Shares and Warrants comprising the Units in the Offering sold to Subscribers who were offered or sold the Units in the United States (as defined herein) or are U.S. Persons (as defined herein), which will be represented by individual certificates) will be available for delivery in book-based form through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee and will be deposited with CDS. A Subscriber for Offered Securities, other than Subscribers for Units in the Offering who were offered the Units in the United States or are U.S. Persons, will receive only a customer confirmation from the registered dealer who is a CDS participant and from or through

whom the Offered Securities are purchased. The Closing of the Offering is the date or such dates that the Company and the Placement Agent mutually determine to close the Offering which the Company and Placement Agent expect to be on or about ♦, 2013 (the “**Closing Date**”). Certificates representing the Offered Securities offered under this Prospectus will be issued in registered form to CDS or its nominee and will be deposited with CDS on the Closing Date of the Offering. Registrations and transfers of Offered Securities deposited with CDS will be effected only through the book-based system administered by CDS. At the discretion of the Company, in certain limited circumstances, physical certificates may be issued by the Company’s registrar and transfer agent to owners evidencing their ownership of Offered Securities. Until the Closing, all subscription proceeds will be held in a separate bank account of the Placement Agent in trust. If the Minimum Offering is not fully subscribed within ninety (90) days from the date a receipt is issued for the Final Prospectus, or such later date as the Company and the Placement Agent may agree and the securities regulatory authorities may approve, the Offering will be discontinued and all subscription funds received by the Placement Agent in connection with the Offering will be returned to Subscribers without interest, set-off or deduction.

The Offering will remain open until such date as may be agreed upon by the Company and the Placement Agent, but no later than the date that is ninety (90) days after a receipt is issued by the Principal Regulator pursuant to National Policy 11-202 (“**NP 11-202**”) *Process for Prospectus Review in Multiple Jurisdictions* for the Final Prospectus, unless an amendment to the Final Prospectus is filed and the Principal Regulator has issued a receipt for the amendment, in which case the Offering must cease within ninety (90) days after the date of the receipt for the amendment to the Final Prospectus. Notwithstanding the above, the total period of the Offering must not end more than one-hundred and eighty (180) days from the date of the initial receipt for the Final Prospectus.

The Company has applied to list its Common Shares on the TSX Venture Exchange. Listing will be subject to the Company fulfilling all of the listing requirements of the TSX Venture Exchange.

As at the date of this prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

**There is currently no market through which the Offered Securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation.**

**Investments in natural resource issuers involve a significant degree of risk. The degree of risk increases substantially where the issuer’s properties are in the exploration as opposed to the development stage. An investment in the Offered Securities should only be made by persons who can afford the total loss of their investment. See “Risk Factors”.**

Certain legal matters in connection with the Offering and this Prospectus were handled by Clark Wilson LLP, Vancouver, British Columbia, on behalf of the Company, and by Getz Prince Wells LLP, Vancouver, British Columbia, on behalf of the Placement Agent.

**Potential investors are advised to consult their own legal counsel and other professional advisers in order to assess income tax, legal and other aspects of this investment.**

**No person has been authorized to give any information other than that contained in this Prospectus, or to make any representations in connection with the Offering made hereby, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Company. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy securities in any jurisdiction or to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.**

**MACQUARIE PRIVATE WEALTH INC.**

Suite 500 – 550 Burrard Street  
 Vancouver, British Columbia V6C 2B5  
 Telephone : (604) 640-0400  
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## GLOSSARY OF TERMS

The following is a glossary of certain non-technical terms used in this Prospectus. Terms and abbreviations used in the financial statements of the Company may be defined separately and the terms defined below may not be used therein.

“**2013 Plan**” means the Company’s Stock Option Plan adopted on February 13, 2013 by the Board, and providing for the granting of incentive options to the Company’s directors, officers, employees and consultants.

“**Agency Agreement**” means the Agency Agreement dated ♦, 2013 between the Company and the Placement Agent relating to the Offering.

“**Agent’s Commission**” means the commission payable by the Company to the Placement Agent for assisting with the Offering in accordance with the terms of the Agency Agreement.

“**Agent’s Shares**” means that number of Common Shares equal to 10% of the total number of Offered Securities sold pursuant to the Offering.

“**Amended Rockhaven Option Agreement**” means the Rockhaven Option Agreement, as amended by the Rockhaven Amendments, among the Company, Rockhaven and Archer Cathro, whereby the Company was granted the Option subject to the Rockhaven NSR and the Ross NSR.

“**Archer Cathro**” means Archer, Cathro & Associates (1981) Limited.

“**Author**” means Jean Pautler, P.Geo., the author of the Technical Report and a Qualified Person.

“**Board**” means the Board of Directors of the Company.

“**Business Day**” means any day other than a Saturday, Sunday or statutory holiday on which Canadian chartered banks are open for business in Vancouver, British Columbia.

“**CEE**” means one or more expenses described in paragraph (f) of the definition of CEE in subsection 66.1(6) of the Tax Act, excluding amounts which are prescribed to be “Canadian exploration and development overhead expenses” (as defined in the regulations to the Tax Act for the purposes of paragraph 66(12.6)(b) of the Tax Act), the amount of any assistance described in paragraph 66(12.6)(a) of the Tax Act or amounts each of which is a cost of acquiring or obtaining the use of seismic data described in paragraph 66(12.6)(b.1) of the Tax Act, or any expenses for prepaid services or rent that do not qualify as outlays and expenses for the period as described in the definition of “expense” in paragraph 66(15) of the Tax Act.

“**Closing**” means the closing of the Offering.

“**Closing Date**” means the date that the Company and the Placement Agent mutually determine to complete the Offering pursuant to this Prospectus which the Company and Placement Agent expect to be on or about ♦, 2013.

“**Commissions**” means the securities commissions in each of the Selling Jurisdictions.

“**Common Share**” means a common share in the capital of the Company, including, for greater certainty, the common shares issued pursuant to the Offering.

“**Company**” means West Point Resources Inc.

“**Corporate Finance Fee**” means the \$25,000 plus HST payable in cash by the Company to the Placement agent as partial consideration for the Placement Agent’s services in connection with the Offering pursuant to the terms of the Agency Agreement, \$12,500 of which has been to date.

“**Corporate Finance Shares**” means the 33,333 Common Shares issuable to the Placement Agent for assisting with the Offering in accordance with the terms of the Agency Agreement.

“**Effective Date**” means the date on which the securities regulatory authority that is the principal regulator in accordance with MI 11-102 issues a final receipt for the Final Prospectus pursuant to NP 11-202.

“**Escrow Agent**” means Equity Financial Trust Company.

“**Escrow Agreement**” means the Escrow Agreement dated March 29, 2013 among the Company, the Escrow Agent, Bryan Loree, Ravinder Mlait, Alex Kanayev and VCC.

“**Final Prospectus**” means the final prospectus filed by the Company with the Regulatory Authorities in connection with the Offering.

“**FT Shares**” means the flow-through Common Shares which shall qualify as “flow-through shares” as defined in the Tax Act comprising part of the FT Units.

“**FT Share Subscription Agreement**” means a subscription agreement for subscriptions of FT Shares to be entered into between the Company and the Placement Agent, as agent for, on behalf of and in the name of, all Subscribers purchasing FT Units pursuant to the Offering attached as Schedule D to this Prospectus.

“**FT Units**” means the units of the Company offered for sale under this Prospectus, each unit being comprised of one FT Share and one-half of one FT Warrant.

“**FT Warrants**” means the non-transferable Common Share purchase warrants comprising the FT Units offered for sale under this Prospectus, each whole FT Warrant being exercisable into one FT Warrant Share at an exercise price of \$0.35 per FT Warrant Share for a period of 60 months from the Closing Date.

“**FT Warrant Shares**” means the Common Shares issuable upon exercise of the FT Warrants in accordance with the terms thereof.

“**Gladstone Property**” means the early stage mineral property consisting of 64 mineral claims totaling 1,296 hectares that forms part of the Ruby Range Project in the Whitehorse Mining District that is 20 kilometres west of the Kluane Property.

“**IFRS**” means International Financial Reporting Standards.

“**JPR Property**” means the early stage mineral property consisting of 84 mineral claims totaling 1,714 hectares that forms part of the Ruby Range Project in the Whitehorse Mining District that is 5 kilometres southwest of the Kluane Property.

“**Kluane Property**” means the mineral property consisting of 268 mineral claims totaling 5,414 hectares that forms part of the Ruby Range Project in the Whitehorse Mining District northwest of Killermun Lake in the Ruby Range of the Yukon Plateau of southwestern Yukon approximately 50 kilometres northwest of Haines Junction, Yukon that is the subject of the Technical Report.

“**Listing Date**” means the commencement of trading of the Common Shares on the TSXV.

“**Maximum Offering**” means, as part of the Offering, a maximum of up to 6,000,000 Units at the Unit Price and 4,000,000 FT Units at the FT Unit Price for gross maximum proceeds of \$1,900,000.

“**MI 11-102**” means Multilateral Instrument 11-102 *Passport System*.

“**Minimum Offering**” means, as part of the Offering, a minimum of 3,533,334 Units at the Unit Price and 1,000,000 FT Units at the FT Unit Price for gross minimum proceeds of \$780,000.

“**Named Executive Officers**” or “**NEO**” means the following individuals:

- (a) the Company’s Chief Executive Officer (CEO);

- (b) the Company's Chief Financial Officer (CFO);
- (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

“**NI 41-101**” means National Instrument 41-101 *General Prospectus Requirements* of the Canadian Securities Administrators.

“**NI 43-101**” means National Instrument 43-101 *Standards of Disclosure for Mineral Properties* of the Canadian Securities Administrators.

“**NI 45-102**” means National Instrument 45-102 *Resale of Securities*.

“**NI 45-106**” means National Instrument 45-106 *Prospectus and Registration Exemptions*.

“**NI 52-110**” means National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators.

“**NI 58-101**” means National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators.

“**NP 11-202**” means National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdiction*.

“**NP 46-201**” means National Policy 46-201 *Escrow for Initial Public Offerings* of the Canadian Securities Administrators.

“**NP 58-201**” means National Policy 58-201 *Corporate Governance Guidelines* of the Canadian Securities Administrators.

“**Offered Securities**” means, collectively, the Units and the FT Units offered for sale pursuant to this Prospectus.

“**Offering**” means the offering of the Units and the FT Units as described in this Prospectus.

“**Offering Price**” means \$0.15 per Unit and \$0.25 per FT Unit.

“**Option**” means the option granted to the Company by Rockhaven to acquire a 100% legal and beneficial interest in the Ruby Range Project in accordance with the Amended Rockhaven Option Agreement, subject to the Rockhaven NSR and the Ross NSR.

“**Options**” means the incentive stock options that may be granted pursuant to the 2013 Plan to directors, officers, employees and consultants of the Company and other designated persons to acquire Common Shares. See “Warrants and Options to Purchase Securities – 2013 Plan”.

“**Placement Agent**” means Macquarie Private Wealth Inc. who has agreed to assist the Company with respect to the Offering on a commercially reasonable efforts basis in accordance with the terms of the Agency Agreement.

“**Pooled Shares**” means the Common Shares held by the Pooling Agent in accordance with the terms of the Voluntary Pooling Agreement.

“**Pooling Agent**” means Equity Financial Trust Company.

“**Principal**” of the Company means:

- (a) a person or company who acted as a promoter of the Company within two years before the Prospectus;
- (b) a director or senior officer of the Company or any of its material operating subsidiaries at the time of the Prospectus;
- (c) a person or company that holds securities carrying more than 20% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's initial public offering;
- (d) a person or company that:
  - (i) holds securities carrying more than 10% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's initial public offering, and
  - (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company or any of its material operating subsidiaries; or
- (e) such other person or company designated as a "principal" under NP 46-201.

**"Principal Regulator"** means the securities regulatory authority or regulator determined in accordance with NP 11-102.

**"Prospectus"** means this preliminary prospectus filed by the Company with the Regulatory Authorities in connection with the Offering.

**"Qualified Compensation Shares"** means the number of securities being issued to the Placement Agent as compensation that may be qualified under a prospectus in accordance with NI 41-101 to a maximum of 10% of the Offered Securities sold under the Offering.

**"Qualified Person"** means an individual who:

- (a) is an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, relating to mineral exploration or mining;
- (b) has at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice;
- (c) has experience relevant to the subject matter of the mineral project and the technical report;
- (d) is in good standing with a professional association; and
- (e) in the case of a professional association in a foreign jurisdiction, has a membership designation that
  - (i) requires attainment of a position of responsibility in their profession that requires the exercise of independent judgment; and
  - (ii) requires
    - A. a favourable confidential peer evaluation of the individual's character, professional judgment, experience, and ethical fitness; or
    - B. a recommendation for membership by at least two peers, and demonstrated prominence or expertise in the field of mineral exploration or mining.



“**Regulatory Authorities**” means the Commissions and any applicable stock exchange.

“**Rockhaven**” means Rockhaven Resources Ltd.

“**Rockhaven Amendment**” means the letter agreement dated January 12, 2012 between the Company and Rockhaven amending the terms of the Rockhaven Option Agreement.

“**Rockhaven Amendments**” mean the Rockhaven Amendment, the Rockhaven Second Amendment, the Rockhaven Third Amendment and the Rockhaven Fourth Amendment.

“**Rockhaven Fourth Amendment**” means the Fourth Amending Agreement dated February 12, 2013 among the Company, Rockhaven and Archer Cathro amending the terms of the Rockhaven Option Agreement as amended by the Rockhaven Amendment, the Rockhaven Second Amendment and the Rockhaven Third Amendment.

“**Rockhaven NSR**” means the 1.5% net smelter returns royalty with respect to the Ruby Range Project payable by the Company to Rockhaven in accordance with the terms of the Amended Rockhaven Option Agreement.

“**Rockhaven Option Agreement**” means the Ruby Range Property Option Agreement dated November 9, 2011 among the Company, Rockhaven and Archer Cathro.

“**Rockhaven Release Date**” means the date within 10 days of the Listing Date that the Company is required to issue 2,200,000 Common Shares to Rockhaven in accordance with the terms of the Amended Rockhaven Option Agreement.

“**Rockhaven Second Amendment**” means the Second Amending Agreement dated April 25, 2012 among the Company, Rockhaven and Archer Cathro amending the terms of the Rockhaven Option Agreement as amended by the Rockhaven Amendment.

“**Rockhaven Third Amendment**” means the Third Amending Agreement dated December 6, 2012 among the Company, Rockhaven and Archer Cathro amending the terms of the Rockhaven Option Agreement as amended by the Rockhaven Amendment and the Rockhaven Second Amendment.

“**Ross Agreement**” means the Mining Claims Sales Agreement dated June 16, 2009 between Rockhaven and the estate of John Peter Ross, whereby Rockhaven purchased a 100% legal and beneficial interest in the Ruby Range Project subject to the Ross NSR.

“**Ross NSR**” means the 1% net smelter returns royalty with respect to the Ruby Range Project payable by the Company to the estate of John Peter Ross in accordance with the terms of the Ross Agreement.

“**Ruby Range Project**” means the 416 mineral claims covering an aggregate of 1,296 hectares beneficially owned by Rockhaven that have been optioned to the Company pursuant to the terms and conditions of the Rockhaven Option Agreement, which project is comprised of the Klwane Property, the Gladstone Property and the JPR Property.

“**Securities**” means, collectively, the Units, Shares, Warrants, FT Units, FT Shares and FT Warrants.

“**Securities Commissions**” means the securities commissions in each of the Selling Jurisdictions.

“**Selling Jurisdictions**” means British Columbia, Alberta and Ontario.

“**Shares**” means, collectively, the Unit Shares, FT Shares, Warrant Shares and FT Warrant Shares.

“**Subscriber**” means a person, company or other entity that subscribes for Offered Securities under the Offering.

“**Tax Act**” means the *Income Tax Act* (Canada), and the regulations thereunder, as amended, re-enacted or replaced from time to time.

“**Tax Proposals**” means all specific proposals to amend the Tax Act publicly announced by the Minister of Finance (Canada) prior to the date of this Prospectus.

“**Technical Report**” means the technical report on the Kluane Property entitled “Technical Report on the Kluane Property, Haines Junction area, Yukon Territory, Canada” dated February 12, 2013, prepared for the Company by the Author, in accordance with NI 43-101.

“**TSXV**” means the TSX Venture Exchange.

“**Units**” means the units of the Company offered for sale under this Prospectus, each unit being comprised of one Unit Share and one-half of one Warrant.

“**Unit Shares**” means the Common Shares comprising part of the Units.

“**United States**” means the United States of America.

“**U.S. Person**” has the meaning ascribed to it in section 902(k) of Regulation S promulgated under the US Securities Act, and includes, among other things, any natural person resident in the United States, any partnership or corporation organized or incorporated under the laws of the United States and any trust of which any trustee is a U.S. person.

“**US Securities Act**” means the United States *Securities Act of 1933*, as amended.

“**VCC**” means AIP Venture Capital Corporation, a private Ontario corporation wholly-owned by Alex Kanayev, a director of the Company.

“**Voluntary Pooling Agreement**” means the Voluntary Pooling Agreement to be entered into among the Company, the Pooling Agent and Rockhaven on or prior to the Closing Date.

“**Warrantholders**” means the registered holders of the Warrants and FT Warrants.

“**Warrants**” means the non-transferable Common Share purchase warrants comprising the Units offered for sale under this Prospectus, each whole Warrant being exercisable into one Warrant Share at an exercise price of \$0.25 per Warrant Share for a period of 60 months from the Closing Date.

“**Warrant Shares**” means the Common Shares issuable upon exercise of the Warrants in accordance with the terms thereof.

**GLOSSARY OF TECHNICAL TERMS**

Au	gold
Ag	silver
As	arsenic
°C	degree Celsius
cm	centimetre
gt Au	grams per tonne gold
g/t	gram per tonne
Hg	mercury
km	kilometre
m	metre
oz	troy ounce (31.1035g)
ppm	part per million
W	watt

## CURRENCY

In this Prospectus, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to \$ are to Canadian dollars.

### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains “forward-looking statements” within the meaning of applicable Canadian securities legislation. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements are only predictions. Management of the Company believes the expectations reflected in such forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in or incorporated by reference into this Prospectus should not be unduly relied upon. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur. These forward-looking statements are made as of the date of this Prospectus and, except as required under applicable securities legislation, the Company does not intend and does not assume any obligation to update these forward-looking statements if circumstances or management’s beliefs, expectations or opinions change.

In particular, this Prospectus contains forward-looking statements pertaining to the following:

- planned completion of the Offering and the timing and receipt of approvals and consents required;
- planned exploration and development of the Kluane Property;
- the timing of the recommended work programs contained in the Technical Report;
- satisfaction of obligations by the Company to Rockhaven under the Amended Rockhaven Option Agreement;
- costs, timing and results of exploration and development activities;
- information with respect to the Company’s future financial and operating performance;
- timing and receipt of approvals, consents and permits under applicable legislation;
- supply and demand for precious metals and anticipated economic market for gold; and
- expectations regarding the ability to raise capital and the availability of funds.

Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. In addition to any other assumptions identified in this Prospectus, assumptions have been made regarding, among other things:

- the timely receipt of required regulatory and exchange approvals and other necessary consents;
- the ability to obtain financing on acceptable terms;
- the price of gold and future gold prices;
- conditions in general economic and financial markets;
- availability of exploration equipment and skilled labour;
- timing and amount of capital expenditures;
- royalty rates;
- the Company’s ultimate ability to mine, process and sell minerals profitably;
- effects of regulation by governmental agencies; and
- future operating costs.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Prospectus:

- risks inherent in the mining business;
- the substantial capital requirements of the Company and ability to maintain adequate capital resources to carry out its business activities;
- the risk the Company is unable to exercise the Option for any reason;

- the risk that the Company is unable to complete the Offering or list its Common Shares on a stock exchange;
- the risk that, if the Company is unable to list its Common Shares on the TSXV on or prior to August 31, 2012, the Amended Option Agreement will terminate immediately;
- regulatory and environmental risks;
- regulatory, permit and license requirements;
- results of exploration activities and development of mineral properties;
- industry competition;
- operating hazards and limitations on insurance risk;
- fluctuations in commodity prices and marketability of minerals;
- the tax treatment of FT Shares;
- governmental regulation of the mineral resource industry, including environmental regulation;
- the Company's title and interest to its mineral properties may be subject to challenge;
- stock market volatility and capital market valuation;
- discretion in use of net proceeds of the Offering;
- funds may not be available to the Company on terms acceptable to the Company or at all;
- financing risks and dilution to shareholders resulting from future financing activities;
- reliance on management and dependence on key personnel;
- conflicts of interest; and
- general market and industry conditions.

See "Risk Factors".

The foregoing list is not exhaustive of the factors that may affect the Company's forward-looking statements. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements. The Company's forward-looking statements are based on beliefs, expectations and opinions of management on the date the statements are made. For the reasons set forth above, investors should not place undue reliance on any forward-looking statement.

Unless otherwise indicated, technical information in this Prospectus regarding the Kluane Property is derived from the Technical Report prepared by the Author who is a Qualified Person and is independent of the Company within the meaning of NI 43-101. Such information is based on assumptions, qualifications and procedures which are not fully described herein. Reference should be made to the full text of the Technical Report, which is available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). During the Offering, a copy of the Technical Report will be available at the office of the Company located at 7984 Government Road, Burnaby, British Columbia V5A 2E2, where it may be examined during normal business hours.

## PROSPECTUS SUMMARY

*The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.*

**Principal Business of the Company**      The Company is engaged in the exploration and development of mineral properties. The Company's sole material property interest is an option to acquire a 100% legal and beneficial interest in and to the Kluane Property located in the Yukon Territory, subject to the Rockhaven NSR and the Ross NSR.

The Company also holds an option to acquire a 100% legal and beneficial interest in two early stage and non-material exploration properties consisting of the Gladstone Property and the JPR Property located in the Yukon Territory, each subject to the Rockhaven NSR and the Ross NSR. The Company's objective is to explore and, if warranted, develop the Kluane Property. See "Description of the Business" and "Property Description and Location".

<b>Management, Directors &amp; Officers</b>	Ravinder S. Mlait	President, Chief Executive Officer and Director
	Bryan Loree	Corporate Secretary, Chief Financial Officer and Director
	Jayahari Balasubramaniam	Director
	Alex Kanayev	Director
	Thomas Clarke	Director

See "Directors and Executive Officers".

**Kluane Property**      The Kluane Property is an early stage exploration property that consists of 268 claims totaling 5,414 hectares that forms part of the Ruby Range Project in the Whitehorse Mining District northwest of Killermun Lake in the Ruby Range of the Yukon Plateau of southwestern Yukon approximately 50 kilometres northwest of Haines Junction, Yukon. Haines Junction is 150 kilometres west of Whitehorse, Yukon along the Alaska highway. The Company currently holds an option to acquire a 100% legal and beneficial interest in the Kluane Property subject to the Rockhaven NSR and the Ross NSR. See "Description of the Business – Three-Year History – Kluane Property".

**The Offering**      The Company, through the Placement Agent, is conducting the Offering which consists of no less than the Minimum Offering of a minimum of 3,533,334 Units at the Unit Price and 1,000,000 FT Units at the FT Unit Price for gross minimum proceeds of \$780,000 and no more than the Maximum Offering of a maximum of 6,000,000 Units and 4,000,000 FT Units for gross maximum proceeds of \$1,900,000 on a commercially reasonable efforts basis, provided that under no circumstances shall more than \$250,000 of the Minimum Offering result from the sale of FT Units or more than \$1,000,000 of the Maximum Offering result from the sale of FT Units. See "Plan of Distribution".

**Use of Proceeds**      The Company expects to receive aggregate gross proceeds of \$780,000 in respect of the Minimum Offering and \$1,900,000 in respect to the Maximum Offering. The net proceeds from the Offering, after deducting the Agent's Commission and the balance of estimated costs of the Offering not already paid of \$46,900 assuming the closing of the Minimum Offering or \$52,500 assuming the closing of the Maximum Offering, are anticipated to be approximately \$655,100 in respect of the Minimum Offering and \$1,657,500 in respect of the Maximum Offering. After combining this with available working capital as at February 28, 2013 of \$26,000, the Company will have \$681,100, in the case of the Minimum Offering, and \$1,683,500, in the case of the Maximum Offering, to be used for exploration activities, operating expenses and unallocated working capital. The principal purposes for which the funds available to the Company upon completion of the Offering will be used in the 12 months following the Closing of the Offering are as follows:

<b>Principal Purpose</b>	<b>Minimum Offering</b>	<b>Maximum Offering</b>
To pay for the Phase 1 exploration program expenditures on the Kluane Property <sup>(1)</sup>	\$250,000	\$250,000
To pay for the Phase 2 exploration program expenditures on the Kluane Property <sup>(1)</sup>	\$Nil	\$750,000
To pay amounts pursuant to Option Agreement <sup>(2)</sup>	\$150,000	\$150,000
Unallocated Working Capital	\$106,100	\$358,500
To provide working capital sufficient to meet administrative, legal, audit and office overhead costs for 12 months	<u>\$175,000</u>	<u>\$175,000</u>
<b>TOTAL:</b>	<u>\$681,100</u>	<u>\$1,683,500</u>

**Notes:**

<sup>(1)</sup> See "Property Description and Location".

<sup>(2)</sup> Pursuant to the terms of the Amended Rockhaven Option Agreement, the Company is required to pay Rockhaven \$100,000 upon the Listing Date and an additional payment of \$50,000 on or prior to November 9, 2013. See "Description of Business – Kluane Property".

The Company will use an amount equal to the gross proceeds from the sale of the FT Shares to incur CEE, which will be renounced to Subscribers for the FT Shares effective December 31, 2013. See "Use of Proceeds".

The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. See "Use of Proceeds".

**Risk Factors**

An investment in the Offered Securities of the Company should be considered highly speculative and investors may incur a loss on their investment. The following risk factors should be given special consideration when evaluating an investment in the Offered Securities:

- Mineral exploration is inherently risky and it is impossible to ensure that the Company's current or proposed exploration programs will result in commercially viable mining operations.
- The Company is subject to various regulatory and environmental risks.
- The Company's activities may require permits or licenses which may not be granted to the Company.
- The Company's mining and exploration activities involve significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate.
- The Company competes with other companies with greater financial, technical and other resources.
- Operations in which the Company may have a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious metals, any of which could result in work stoppages, damage to property, and possible environmental damage.
- In recent years, both metal prices and the prices of publicly traded securities have fluctuated widely.
- There is no guarantee of the Company's title to its properties.
- There is no assurance of a positive, or any, return on an investment in the Offered Securities.
- There is currently no market for the Offered Securities and no assurance that an active market will develop or be sustained after this Offering.

- A decline in the market price of the Shares could impair the ability of the Company to raise additional capital through the sale of securities.
- The Company may elect to allocate the net proceeds received from this Offering differently than what is described under “Use of Proceeds – Principal Purpose”.
- There is no guarantee that current federal and provincial tax laws will not be altered in a materially adverse manner and no guarantee that there will be differences between federal and provincial tax authorities with respect to the tax treatment of the FT Shares.
- The Company may not be able to complete the Offering. Additional Common Shares may be issued in the future which will cause dilution to the ownership interests of the Company’s shareholders.
- The directors and officers of the Company may be directors and officers of other natural resources companies and a conflict of interest may arise.
- The events in global financial markets recently have had a profound impact on the global economy.
- Current global financial conditions have been subject to increased volatility.
- The Company and its assets may become subject to uninsurable risks.
- The Company is currently largely dependent on the performance of its directors and there is no assurance the Company can maintain their services.
- The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit. See “Risk Factors”.

### Summary of Financial Information

The following selected financial information is subject to and more fully explained in the detailed information contained in the financial statements of the Company and notes thereto included in this Prospectus. The selected financial information set out below is derived from unaudited financial information for the Company as at and for the three and nine months ended January 31, 2013 and 2012 and audited financial information for the Company as at and for the financial year ended April 30, 2012 and as at April 30, 2011 and for the period from incorporation on April 5, 2011 to April 30, 2011.

	Three Months Ended January 31, 2013 \$ (unaudited) Under IFRS	Three Months Ended January 31, 2012 \$ (unaudited) Under IFRS	Nine Months Ended January 31, 2013 \$ (unaudited) Under IFRS	Nine Months Ended January 31, 2012 \$ (unaudited) Under IFRS
Revenue	Nil	Nil	Nil	Nil
Mineral Exploration and Acquisition/Development Costs	550	55,308	2,908	55,308
General and Administrative Expenses	4,070	98,466	18,037	99,847
Comprehensive loss for the period	(4,620)	(153,774)	(20,945)	(155,155)
Loss per Common Share	(0.00)	(0.05)	(0.00)	(0.05)



	<b>Year Ended April 30, 2012 \$ (audited) Under IFRS</b>	<b>Period from Incorporation on April 5, 2011 to April 30, 2011 \$ (audited) Under IFRS</b>
Revenue	Nil	Nil
Mineral exploration costs	126,298	Nil
General and administrative expenses	116,375	7
Comprehensive loss	(220,073)	(7)
Loss per share	(0.12)	(7.00)

	<b>As at January 31, 2013 \$ (unaudited) Under IFRS</b>	<b>As at April 30, 2012 \$ (audited) Under IFRS</b>	<b>As at April 30, 2011 \$ (audited) Under IFRS</b>
Current Assets	55,668	46,169	193
Total Assets	105,668	96,169	193
Current Liabilities	15,864	1,799	199
Long Term Debt	Nil	Nil	Nil
Equity	89,804	94,370	(6)
Cash Dividends per Common Share	Nil	Nil	Nil

## ELIGIBILITY FOR INVESTMENT

In the opinion of Clark Wilson LLP, counsel to the Company, based on the current provisions of the Tax Act and subject to the assumptions and qualifications in the section entitled “Certain Canadian Federal Income Tax Considerations” and “Risk Factors” contained in this Prospectus, provided that at the relevant time the Common Shares are listed on a “designated stock exchange” within the meaning of the Tax Act, (which currently includes Tiers 1 and 2 of the TSXV), the Common Shares, the Warrants and the FT Warrants will be “qualified investments” under the Tax Act for a trust governed by a registered retirement savings plan (“RRSP”), registered retirement income fund (“RRIF”), registered education savings plan, deferred profit sharing plan, registered disability savings plan and a tax free savings account (“TFSA”) (all as defined by the Tax Act) (collectively the “Deferred Plans”), provided that, in the case of the Warrants and FT Warrants, each person that is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, such a Deferred Plan, deals at arm’s length with the Company (within the meaning of the Tax Act).

The Common Shares are not currently listed on a “designated stock exchange”. However, the Company intends to apply to list the Common shares on the TSXV prior to the time of Closing.

Notwithstanding the foregoing, the annuitant of a RRSP or a RRIF or the holder of a TFSA, as the case may be, will be subject to a penalty tax if the Common Shares, Warrants or FT Warrants held in a RRSP, RRIF or TFSA are a “prohibited investment” for the purposes of the Tax Act. The Common Shares, Warrants and FT Warrants will generally be a “prohibited investment” if the annuitant or the holder, as the case may be, does not deal at arm’s length with the Company for the purposes of the Tax Act or has a “significant interest” (as defined in the Tax Act) in the Company or a corporation, partnership or trust with whom the Company does not deal at arm’s length for the purposes of the Tax Act. **Subscribers should consult their own tax advisors to ensure that the Common Shares, Warrants and FT Warrants would not be a “prohibited investment” for a trust governed by a RRSP, RRIF or TFSA in their particular circumstances.**

It is not anticipated that Deferred Plans will subscribe for FT Shares as Deferred Plans will not benefit from a deduction in respect of CEE as described below under “Certain Canadian Federal Income Tax Considerations”. However, Subscribers may wish to transfer their FT Shares to a Deferred Plan following the initial purchase. Such a transfer will be deemed for the purposes of the Tax Act to be a disposition for proceeds equal to the fair market value of the FT Shares on the date of the transfer. Subscribers who intend to transfer all or a portion of their FT Shares to a Deferred Plan should consult their own tax advisors as to the tax consequences of such a transfer, having regard to their own particular circumstances. See “Certain Canadian Federal Income Tax Considerations – Residents of Canada – Disposition of Common Shares, Warrants and FT Warrants”.

## CORPORATE STRUCTURE

### Name and Incorporation

West Point Resources Inc. was incorporated under the *Business Corporations Act* (British Columbia) on April 5, 2011 and is registered to do business in the Province of British Columbia. The Company was registered as an extra-territorial corporation in the Yukon Territory on February 21, 2013. The Company’s registered and records office and head office is located at 7934 Government Road, Burnaby, British Columbia, Canada V5A 2E2.

### Inter-corporate Relationships

The Company has no wholly-owned or partially owned subsidiaries.

## DESCRIPTION OF THE BUSINESS

The Company is engaged in the exploration and development of mineral properties. The Company’s sole material property is an option to acquire a 100% legal and beneficial interest in the early stage exploration property known as the Kluane Property located in the Yukon Territory, subject to the Rockhaven NSR and the Ross NSR. The Company also holds an option to acquire a 100% legal and beneficial interest in two early stage and non-material exploration properties that also form part of the Ruby Range Project consisting of the Gladstone Property and the JPR Property, each subject to the Rockhaven NSR and the Ross NSR. The Gladstone Property and the JPR Property

are not contiguous with the Kluane Property. The Company's objective is to explore and, if warranted, develop the Kluane Property.

The Kluane Property is an early stage exploration property that consists of 268 claims totaling 5,414 hectares that forms part of the Ruby Range Project in the Whitehorse Mining District northwest of Killermun Lake in the Ruby Range of the Yukon Plateau of southwestern Yukon approximately 50 kilometres northwest of Haines Junction, Yukon. Haines Junction is 150 kilometres west of Whitehorse, Yukon along the Alaska highway. The Company intends to use \$250,000 from the net proceeds raised through the issuance of FT Shares under the Offering to carry out the planned Phase 1 exploration program for the Kluane Property as recommended by the Technical Report. If Phase 1 is successful, and if the Company closes the Maximum Offering, the Company intends to use an additional \$750,000 from the net proceeds raised through the issuance of FT Shares under the Maximum Offering to carry out Phase 2 as recommended by the Technical Report.

The Kluane Property, Gladstone Property and JPR Property all form part of the Ruby Range Project which was granted as an option for the Company to acquire pursuant to the terms of the Amended Rockhaven Option Agreement. None of the three properties are contiguous. The Gladstone Property and JPR Property are very early stage exploration properties with only prospecting and reconnaissance surveying completed to date. The Company does not intend to conduct any exploration activities on the Gladstone Property and JPR Property until exploration is warranted and until funds are obtained to carry out such an exploration program. As of the date of this Prospectus, the Company does not consider the Gladstone Property and JPR Property to be material to its operations. Title to the 416 mineral claims that comprise the Ruby Range Project is registered in the name of the Company.

See "Property Description and Location" and "Use of Proceeds".

### **Employees**

As at the date of this Prospectus, the employees of the Company consisted of Ravinder Mlait, the Chief Executive Officer, President and director of the Company, and Bryan Loree, the Chief Financial Officer, Corporate Secretary and director of the Company.

### **Environmental Regulation**

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. See "Risk Factors". The Company maintains, and anticipates continuing to maintain, a policy of operating its business in compliance with all environmental regulations.

### **Three-Year History**

During the Company's history from incorporation on April 5, 2011 to date, it entered into the Amended Rockhaven Option Agreement to acquire the Option, carried out exploration activities on the Kluane Property and prepared for the proposed Offering. In January 2012, the Company contracted Geotech Ltd. of Aurora, Ontario to carry out a helicopter-borne Versatile Time Domain Electromagnetic survey (VTEM) and aero-magnetic survey over the Kluane Property. The survey consisted of a total 710 line-kilometres of flight lines flown in an east-west orientation with lines spaced at 100 metres. There were a total of 104 flight lines and nine tie-lines in the survey. The survey covered an area of 64 square kilometres.

### *Ruby Range Project*

On November 9, 2011, the Company entered into the Rockhaven Option Agreement with Rockhaven and Archer Cathro pursuant to which the Company acquired an option to acquire a 100% legal and beneficial interest in the Ruby Range Project in consideration for certain payments, property expenditures and issuances of Common Shares. Such amounts were extended pursuant to the Rockhaven Amendments. Pursuant to the Amended Rockhaven Option Agreement, the Company is required to effect the following payments, property expenditures and issuance of Common Shares:

- (a) payments to Rockhaven totalling \$525,000 in the aggregate as follows:
  - (i) \$25,000 upon execution of the Rockhaven Option Agreement, which has been paid,

- (ii) \$25,000 on or before 60 days following execution of the Rockhaven Option Agreement, which has been paid,
  - (iii) an additional \$100,000 on the Listing Date,
  - (iv) an additional \$50,000 on or before November 9, 2013,
  - (v) an additional \$250,000 on or before November 9, 2014, and
  - (vi) an additional \$75,000 on or before November 9, 2015;
- (b) property expenditures of not less than an aggregate of \$1,000,000 as follows:
- (i) \$100,000 on or before December 31, 2012, which has been satisfied,
  - (ii) an additional \$250,000 on or before December 31, 2013,
  - (iii) an additional \$350,000 on or before December 31, 2014, and
  - (iv) an additional \$300,000 on or before December 31, 2015;
- (c) issuances of Common Shares to Rockhaven as follows:
- (i) 2,200,000 Common Shares on the Rockhaven Release Date,
  - (ii) an additional 750,000 Common Shares on or before December 31, 2013, and
  - (iii) an additional 1,050,000 Common Shares on or before December 31, 2014.

Pursuant to the terms of the Amended Rockhaven Option Agreement, the Company has the right to accelerate the cash payments and the property expenditures in its sole discretion. The Common Shares issuable to Rockhaven under the Amended Rockhaven Option Agreement will be issued following the Closing. Such Common Shares will be issued pursuant to an exemption from the prospectus requirements under NI 45-106. The Common Shares will be subject to a restricted period in accordance with NI 45-102. The 2,200,000 Common Shares issuable to Rockhaven on the Rockhaven Release Date are required to be deposited with the Pooling Agent in accordance with the terms of the Voluntary Pooling Agreement. See "Pooled Shares".

Following the Listing Date, the Company has the right to issue additional Common Shares to Rockhaven in lieu of up to one half of any or all cash payments required under the Amended Rockhaven Option Agreement, provided that no such issuance can result in Rockhaven holding greater than 19.9% of the issued and outstanding Common Shares immediately following such issuance. The number of Common Shares to be issued in lieu of any cash payment is calculated using the average closing price of the Common Shares on the TSXV for the 20 trading days immediately prior to the issuance of such Common Shares.

If at any time during the term of the Amended Rockhaven Option Agreement, any party to the Amended Rockhaven Option Agreement acquires any interest in any mineral claim, lease, or other form of mineral interest which is located within 5 kilometres of the outer perimeter of any of the mineral claims comprising the Ruby Range Project, the acquiring party must give notice to the other party of the acquisition and the costs thereof and all information in the possession of the acquiring party with respect to such acquisition. Upon receipt, the other party may, within 30 days of receipt of such notice, require that the right or interest acquired be included in and thereafter form part of the Ruby Range Project for all purposes of the Amended Rockhaven Option Agreement. If the Company is the non-acquiring party and elects to have the interest acquired included as part of the Ruby Range Project, the Company has agreed to reimburse Rockhaven in respect of such acquisition costs although the Company may be permitted to apply such costs as credits against the expenditures it is required to make pursuant to the Amended Rockhaven Option Agreement. If Rockhaven is the non-acquiring party and elects to have the interest acquired included as part of the Ruby Range Project, the Company shall be entitled to apply all of its reasonable costs related to such acquisition against the expenditures it is required to make pursuant to the Amended Rockhaven Option Agreement.

Title to the 416 mineral claims that comprise the Ruby Range Project is registered in the name of the Company.

Under the terms of the Amended Rockhaven Option Agreement, the Company has agreed to act as operator of the Ruby Range Project and generally carry out all obligations related to the exploration and development of the mineral claims therein. The Company has agreed to maintain 416 mineral claims that comprise the Ruby Range Project by the completion and filing of assessment work or the making of payments in lieu thereof to keep such mineral claims in good standing. The Company is also required to obtain and maintain, and cause any contractor or subcontractor to obtain and maintain comprehensive general liability insurance with a limit that reflects industry standards in keeping with the level of activity undertaken.

Pursuant to the terms of the Amended Rockhaven Option Agreement, the Company has agreed to grant several indemnities to Rockhaven and, in certain circumstances, Archer Cathro. Firstly, the Company has agreed to indemnify Rockhaven and Archer Cathro from all costs, claims, liabilities and expenses that Rockhaven may incur or suffer as a result of any injury or death to any director, officer, employee, agent or designated consultant of Rockhaven that arises out of or is attributable to the gross negligence or willful misconduct of the Company while such person is on the Ruby Range Project. Secondly, the Company has agreed to indemnify Rockhaven and Archer Cathro in respect to any and all costs, claims, liabilities and expenses arising out of or attributable to the gross negligence or willful misconduct of the Company with respect to the Company's activities on the Ruby Range Project. Finally, the Company has agreed to indemnify Rockhaven from and against any environmental claim suffered or incurred by Rockhaven arising directly or indirectly from any operations or activities conducted in or on the Ruby Range Project whether by the Company, its employees or agents, after the date of the Amended Rockhaven Option Agreement, which indemnity shall survive the termination of such agreement.

The Company may, at any time prior to the exercise of the Option, terminate the Amended Rockhaven Option Agreement on 30 days' written notice to Rockhaven. Upon such termination, the Company will have no legal or beneficial interest in or to any lands or mineral rights with respect to the Ruby Range Project. The Amended Rockhaven Option Agreement will automatically terminate if the Company has not listed the Common Shares on the TSXV on or before July 31, 2013 or if the Company directly or indirectly carries out any form of drilling on the Ruby Range Project prior to the Listing Date. If the Amended Rockhaven Option Agreement is voluntarily terminated by the Company or automatically terminated under the agreement, such termination will not relieve the Company from the obligations to make the cash payments and issue the Common Shares as set out above.

The Amended Rockhaven Option Agreement may also be terminated by either the Company or Rockhaven if the other party fails to perform any obligation required to be performed by it or if it is in breach of a warranty given by it under the agreement, which failure or breach materially interferes with the implementation or operation of the Amended Rockhaven Option Agreement or if the Company does not make the cash payments, issue the Common Shares or incur the property expenditures as set out in the Amended Rockhaven Option Agreement. Under such circumstances, the non-defaulting party may terminate the agreement, but only if the non-defaulting party shall have first given written notice of default to the defaulting party and the defaulting party has not, within 30 business days following delivery of such notice of default cured such default, commenced proceedings to cure such default by appropriate performance or delivered to the non-defaulting party a notice contesting the notice of default and invoke the dispute resolution procedures as set out in the agreement, in which case the default provisions of the agreement will be suspended pending resolution of such dispute. Should the defaulting party fail to comply with the default provisions of the Amended Rockhaven Option Agreement, the non-defaulting party may thereafter terminate the agreement. Notwithstanding the foregoing, the preceding default provisions do not apply in a circumstance where the Company directly or indirectly carries out drilling activities on the Ruby Range Project prior to the Listing Date, which event shall result in the immediate termination of the agreement.

Under the terms of the Amended Rockhaven Option Agreement, the Company granted to Rockhaven NSR to Rockhaven. The Rockhaven NSR is equal to 1.5% of net smelter revenues which are calculated on a quarterly basis and are equal to gross revenue less permissible deductions for each quarter. Gross revenues are calculated in each quarterly period following commencement of commercial production on the revenue received by the Company with respect to the Ruby Range Project from arm's length purchasers of all minerals, the fair market value of all minerals sold by the Company in such periods to persons not dealing at arm's length with the Company and any proceeds of insurance of such minerals. Permissible deductions means the aggregate of certain charges that are incurred with respect to the Ruby Range Property in each quarterly period such as sales charges, transportation costs, all costs incurred in connection with refinement or beneficiation of minerals after leaving the Ruby Range Project and all insurance costs.

The Ruby Range Project is also subject to the Ross NSR which was granted to the Estate of John Peter Ross by Rockhaven pursuant to the Ross Agreement. Upon exercise of the Option, and pursuant to the terms of the Amended Rockhaven Option Agreement, the Company has agreed to pay the Ross NSR which is equal to 1% of net smelter revenues calculated on the same basis as the Rockhaven NSR.

### **Anticipated Changes in Current Financial Year**

At the date of this Prospectus, the Company does not anticipate any additional changes to its business with the exception of exploration activities to advance the Kluane Property in accordance with the recommended work programs as set out in the Technical Report. As a mineral exploration company, the Company may enter into additional property agreements in the ordinary course of business.

### **Trends**

There are significant uncertainties regarding the price of gold and other minerals and the availability of equity financing for the purposes of mineral exploration and development. The prices of gold and other minerals have historically experienced substantial volatility and during the past two years, financial markets have deteriorated to the point where it has become extremely difficult for companies to raise new capital. The Company's future performance is largely tied to the development of its current mineral property interests and the overall financial markets. Financial markets are likely to be volatile in Canada in the short term, reflecting ongoing concerns about the stability of the global economy and weakening global growth prospects. As well, concern about global growth has led to volatility in the commodity markets. Unprecedented uncertainty in the credit markets has also led to increased difficulties in borrowing/raising funds. Companies worldwide have been affected negatively by these trends. As a result, the Company may have difficulties raising equity financing for the purposes of mineral exploration and development, particularly without excessively diluting present shareholders of the Company and Subscribers in the Offering. With continued market volatility and slower worldwide economic growth, the Company's strategy is to continue exploring the Kluane Property, begin extraction of minerals, if exploration results confirm the viability of mineral deposits, and seek out other prospective resource properties to acquire until such time as the capital markets stabilize. The Company believes this focused strategy will enable it to meet the near-term challenges presented by the capital markets while maintaining the momentum on key initiatives. These trends may limit the Company's ability to develop and/or further explore the Kluane Property and/or other property interests acquired in the future.

## **PROPERTY DESCRIPTION AND LOCATION**

For an explanation of certain technical terms used in this Prospectus, see "Glossary of Technical Terms".

The Company's sole material property is the early exploration stage Kluane Property which is described in further detail below. The Company intends to use proceeds received from the Offering, among other things, on the recommended Phase 1 work program on the Kluane Property and, subject to satisfactory results from the Phase 1 work program and the closing of the Maximum Offering, the Phase 2 work program and for funding of the payments required to exercise the Option under the Amended Rockhaven Option Agreement. See "Use of Proceeds".

### **Technical Report on the Kluane Property**

Jean Pautler, P.Geo. was retained by the Company to prepare a NI 43-101 independent technical report on the Kluane Property. Information under the heading "Property Description and Location" that is of a scientific or technical nature in respect of the Kluane Property is based upon the Technical Report entitled "Technical Report on the Kluane Property, Haines Junction area, Yukon Territory, Canada" dated February 12, 2013. Jean Pautler, P.Geo. is a Qualified Person and is independent of the Company.

Reference should be made to the full text of the Technical Report. The Technical Report is available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). During the Offering, a copy of the Technical Report will be held at the office of the Company located at 7934 Government Road, Burnaby, British Columbia V5A 2E2, where it may be examined during normal business hours. Certain references in this section entitled "Property Description and Location" have been revised from the references contained in the Technical Report in order to ensure consistency with the defined terms contained in this Prospectus.

## Area and Location

The Kluane Property, NTS map sheet 115H/04, covers locally steep sided rolling hills just northwest of Killermun Lake in the Ruby Range of the Yukon Plateau of southwestern Yukon, approximately 50 kilometres northwest of Haines Junction. Haines Junction is 150 km via the paved Alaska Highway (Highway 1) west of Whitehorse, Yukon Territory (Figures 1 and 2). The Kluane Property is centered at a latitude of 61°12'N and a longitude of 137°43'W (Figure 2). The Kluane Property consists of 268 Yukon Quartz Mining claims covering an area of approximately 5,414 hectares in the Whitehorse Mining District (Figure 2). The area is approximate since claim boundaries have not been legally surveyed. The mineral claims were located by GPS and staked in accordance with the Yukon Quartz Mining Act on claim sheet 115H/04, available for viewing in the Whitehorse Mining Recorder's Office.

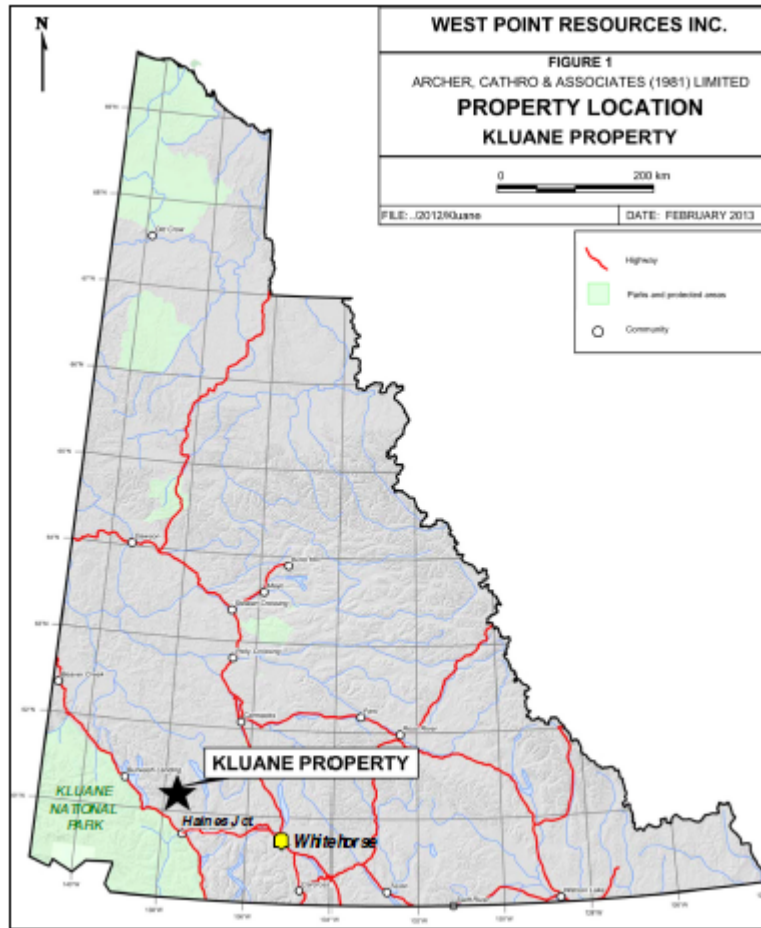


Figure 1 Property Location

## Nature and Extent of the Company's Title

The registered owner of the claims comprising the Kluane Property is the Company, which is the registered owner of a larger package of 3 properties (8,424 hectares in 416 mineral claims), including the Kluane Property, comprising the Ruby Range Project. The Ruby Range Project also includes the 64 claim (1,296 hectare) Gladstone Property, 20 kilometres west of the Kluane Property, and the 84 claim (1,714 hectare) JPR Property, five kilometres southwest of the Kluane Property (Figure 5). The Gladstone Property and the JPR Property are at a very early (“grass roots”) stage of exploration, with only prospecting and reconnaissance geochemical surveying completed, and are not the subject of the Technical Report. A table summarizing pertinent claim data follows.

**Table 1: List of claims comprising Ruby Range Project**

Claim Name	Grant Number	No.	Property	Expiry Date	Registered Owner
Delor 1 - 10	YB37735 – YB37744	10	Kluane	March 10, 2018	West Point Resources Inc.
Delor 11 - 24	YB38302 – YB38315	14	Kluane	March 10, 2018	West Point Resources Inc.
Delor 25 - 48	YB47116 – YB47139	24	Kluane	March 10, 2015	West Point Resources Inc.
Delor 49 - 129	YB54418 – YB54498	81	Kluane	March 10, 2015	West Point Resources Inc.
Malou 1 - 6	YB35901 – YB35906	6	Kluane	March 10, 2018	West Point Resources Inc.
Malou 7 - 14	YB37727 – YB37734	8	Kluane	March 10, 2018	West Point Resources Inc.
Malou 15 - 20	YB38136 – YB38141	6	Kluane	March 10, 2018	West Point Resources Inc.
Malou 21 - 26	YB38218 – YB38223	6	Kluane	March 10, 2018	West Point Resources Inc.
Malou 27 - 40	YB38316 – YB38329	14	Kluane	March 10, 2018	West Point Resources Inc.
Shut 5	YB38330	1	Kluane	March 10, 2017	West Point Resources Inc.
Malou 41 - 52	YB47140 – YB47151	12	Kluane	March 10, 2015	West Point Resources Inc.
Arc 1 - 74	YD09459 – YD09532	74	Kluane	Feb. 16, 2014	West Point Resources Inc.
Wasp 47 - 58	YD09447 – YD09458	12	Kluane	Feb. 16, 2014	West Point Resources Inc.
<b>SUBTOTAL</b>		<b>268</b>	<b>Kluane Property</b>		
Mom 1 - 64	YC53850 – YC53913	64	Gladstone	March 10, 2015	West Point Resources Inc.
JPR 1 - 80	YD05501 – YD05580	80	JPR	March 10, 2014	West Point Resources Inc.
JPR 81 - 84	YD09533 – YD09536	4	JPR	Feb. 16, 2014	West Point Resources Inc.
<b>TOTAL</b>		<b>416</b>	<b>Ruby Range Project</b>		

Claims in bold comprise the Kluane property

The Company has entered into the Amended Rockhaven Option Agreement with Rockhaven and Archer Cathro to acquire a 100% interest in the Ruby Range Project (consisting of the Kluane Property, the Gladstone Property and the JPR Property) by making aggregate payments totaling \$525,000 and issuing 4,000,000 Common Shares to Rockhaven, and incurring exploration expenditures of \$1,000,000 over a four year period. Rockhaven will retain the Rockhaven NSR on the properties. This will be added to the Ross NSR that is currently held on claims subject to the Ross Agreement. The initial \$50,000 payment and 2012 work commitment required under the Amended Rockhaven Option Agreement have been met. Assuming completion of the above payment and work schedules under the Option, the Company will own a 100% interest in the Ruby Range Project subject to the Rockhaven NSR and the Ross NSR, the latter of which one-half can be purchased for \$500,000. Payment of the Rockhaven NSR and the Ross NSR shall begin when the Ruby Range Project is deemed to be in commercial production.

The claim locations shown on Figure 2 are derived from government claim maps. The Kluane Property is not encumbered by First Nations Land Claims. Placer mining claims in the area (in Ruby and Granite Creeks and Gladstone drainages) do not compromise surface rights on the claims of the Kluane Property. The land in which the mineral claims are situated is Crown Land and the mineral claims fall under the jurisdiction of the Yukon Government. Surface rights would have to be obtained from the government if the Kluane Property were to go into development.

A mineral claim holder is required to perform assessment work and is required to document this work to maintain the title as outlined in the Mining Land Use Regulations (MLUR) of the Yukon Quartz Mining Act. The amount of work required is equivalent to \$100.00 of assessment work per quartz claim unit per year. Alternatively, the claim holder may pay the equivalent amount per claim unit per year to the Yukon Government as “Cash in Lieu” to maintain title to the claims.

Preliminary exploration activities do not require permitting, but significant drilling, trenching, blasting, cut lines, and excavating may require a Mining Land Use Permit that must be approved under the Yukon Environmental Socioeconomic Assessment Act (YESSA). A permit is not currently in place but will be applied for as needed. To the Author’s knowledge, the Kluane Property area is not subject to any environmental liability. There are no known mineral resources or reserves or tailings ponds on the Kluane Property.

The locations of mineralized zones are shown on Figures 3 and 6. The streams and topography of the Kluane Property are displayed on Figure 2.



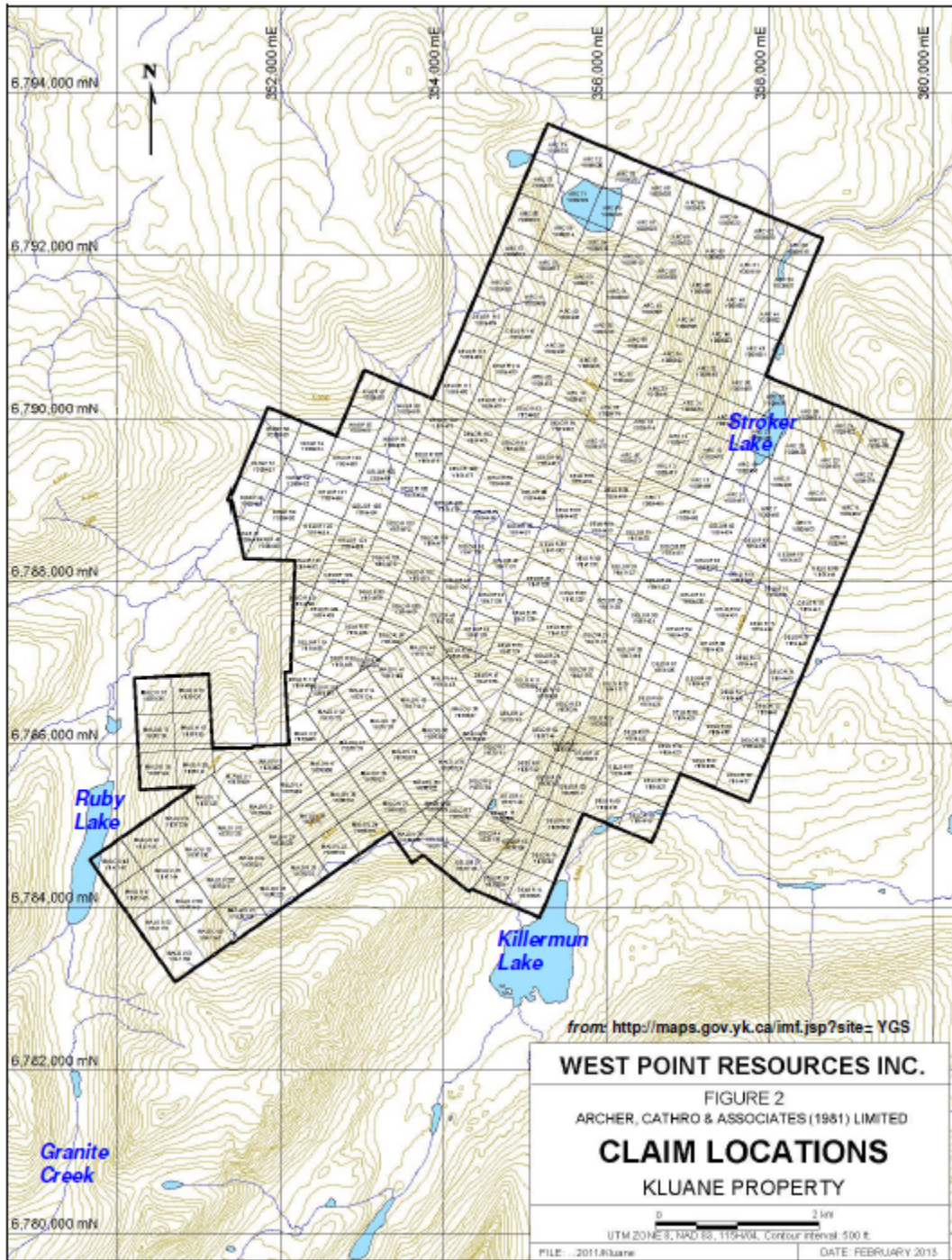


Figure 2 Claim Locations

## **Accessibility, Climate, Local Resources, Infrastructure and Physiography**

The Kluane Property is situated just northwest of Killermun Lake within the Ruby Range of the Yukon Plateau, in the Coast Belt of southwestern Yukon (Figures 1 and 2).

Access to the Kluane Property is by helicopter, with charter flights available from a permanent helicopter base at Haines Junction. Supplies can be ferried to the Kluane Property from a gravel pit located along the Alaska Highway, 27 kilometres west-northwest of Haines Junction and 30 kilometres south of the Kluane Property. Float plane access is also available from Haines Junction to Killermun Lake. There are local flying restrictions in the area during hunting season due to the interests of big game outfitters in the area. There is no direct road access to the Kluane Property, but a 19 kilometre long excavator trail extends southwesterly from the claims to the Cultus Creek road that connects to the Alaska Highway some 48 kilometres further to the south. Suitable camp sites exist on the Kluane Property.

Haines Junction is the closest town, with a population of approximately 800. Facilities include a grocery store, health centre, ambulance service, RCMP, service stations and restaurants. The town is on the power grid with diesel backup. Complete services are available in Whitehorse. Haines Junction is the gateway to Kluane National Park and lies 255 km via Highway 3 from the seaport of Haines, Alaska. At Whitehorse there is daily jet airplane service to Vancouver, British Columbia and other points south. Whitehorse is a major center of supplies, communications and has a skilled source of labour for construction and mining operations. The Aishihik hydroelectric dam of the Yukon Energy Corporation is located 30 kilometres due east of the Kluane Property.

The topography on the Kluane Property consists of locally steep sided high rounded hills with elevations ranging from 3400 feet along Killermun Lake to 6800 feet above sea level along the northeast trending ridge in the southern property area. The Kluane Property covers mostly alpine to sub-alpine uplands incised by creek valleys vegetated with alder and dwarf birch. The valley fill is unconsolidated glacial till and glaciofluvial deposits. Rock outcrop in the area is limited and restricted to ridges, cliffs and trench cuts. Exploration is hampered by the glacial till at lower elevations and unglaciated blocky felsenmeer boulder fields in the uplands. Soil development is poor. Water is available from Killermun Lake, smaller lakes and ponds, and easterly flowing tributaries of the West Aishihik River.

The climate is characterized by low precipitation and wide temperature variations ranging from -35° to -40°C in the extreme cold of winter to 10° to 25°C in summer. Average annual precipitation is less than 50 cm. The seasonal window for exploration is from late May to mid-September.

Although there do not appear to be any topographic or physiographic impediments, and suitable lands appear to be available for a potential mine, including mill, tailings storage, heap leach and waste disposal sites, engineering studies have not been undertaken and there is no guarantee that such areas will be available within the Kluane Property.

## **History**

The Kluane Property covers the Shut and Lib (Killer Gold) drilled prospects (Minfile Numbers 115H 047 and 055), and the Bowen (Arc) anomaly (Minfile Number 115H 053), documented mineral occurrences by the Yukon Geological Survey (*Deklerk, 2009*). Placer gold occurrences are documented on Ruby, Granite, Dixie, Fourth of July and Twelfth of July creeks located south and west of the Kluane Property. These creeks have been explored intermittently since the late 1800's. Gladstone Creek, which lies 30 km northwest of the Kluane Property, is the most productive creek in the area reportedly producing 25,690 ounces of gold from 1978 to 2003, and more than 10,208 oz of crude gold have been mined from Fourth of July Creek since 1978 (*LeBarge, 2007, LeBarge and Morison, 1990, Placer Mining Section, 1995 and Mining Inspection Division, 1998*). Complete production figures are not available.

Previous exploration, prior to the Company, has included prospecting, mapping, soil geochemistry (covering approximately 75% of the Kluane Property with only 200m line spacing in the northern property area), geophysics over approximately 25% of the Kluane Property, approximately 55 trenches, and 1874m diamond drill program in 14 holes.

The following is a summary of the known work history on the Kluane Property as documented in Yukon Minfile (*Deklerk, 2009*), various government publications of the Yukon Geological Survey or its predecessor (*Mineral Industry Reports and Yukon Exploration and Geology*) and company publications (primarily available as assessment reports filed with the government).

1986 Anomalous gold and arsenic values released from Geological Survey of Canada stream sediment survey of the Aishihik map sheet (*Hornbrook and Friske, 1985*) resulted in the staking of the area of the Shut zone in 1986 by Silverquest Resources Ltd. (name changed to Cash Resources Ltd. in 1991 and subsequently to Cash Minerals Ltd. (Cash)), and United Keno Hill Mines Ltd. (UKHM). Program of reconnaissance contour soil geochemical sampling, mapping and prospecting by Silverquest outlined gold and arsenic soil anomalies (*Eaton, 1987*).

1987 Discovery of the DalBianco zone by DalBianco Exploration Syndicate on the Lib claims with excavation of four hand trenches exposing an arsenopyrite rich quartz-carbonate vein system for a strike length of 30m (*Eaton, 1987*). Later reports indicate an original 40m strike length (*Eaton, 2003*). Samples returned an assay of 16.05 g/t Au from a grab sample and 2.95 g/t Au over 1m (*Eaton, 1987*). A selected specimen reportedly returned an assay of 89 g/t Au (*Eaton, 2003*). Programs of reconnaissance contour soil geochemical sampling, mapping and prospecting by Silverquest and UKHM outlined gold and arsenic soil anomalies in the Shut area (*Eaton, 1987 and Walton, 1988*). Quartz-carbonate float, assaying 122 g/t Au, was discovered on lower Shut Creek (*Eaton, 2003*).

1988 Grid soil geochemical surveys and prospecting in the DalBianco-Rikus and Shut areas by Pezgold Resource Corp. under option from Silverquest outlined coincident north trending gold and arsenic soil anomalies in both areas and located additional arsenopyrite rich veins at the DalBianco zone (*Main, 1988*). J. Peter Ross outlined gold, arsenic, silver and antimony soil anomalies in the Arc zone area and a grab sample assayed 10.94 g/t Au (*Ross, 1988a and b*). A specimen reportedly assayed 86 g/t Au (*Deklerk, 2009*).

1988-9 Grid soil geochemical surveys (Au, As, Ag and Hg), prospecting and geochemical sampling, and a 30 line km magnetic survey in the Arc area by Noranda Exploration Co. Ltd. under option from Ross outlined arsenic with spotty gold soil anomalies (maximum 1250 ppb Au, 10.9 ppm Ag) associated with linear magnetic highs and small quartz-carbonate-arsenopyrite veins with maximum values of 11.82 g/t Au; maximum values of 87.03 g/t Au were previously reported (*Galambos, 1989*). Magnetite rich skarn was also identified.

1991-2 Grid soil sampling by Ross outlined gold and arsenic anomalies in the Shut to Ross zone areas (*Ross, 1992 and 1993*). Prospecting by Ross reportedly discovered quartz-carbonate vein float grading 102 g/t Au (*Wengzynowski, 1995*).

1993-4 Grid soil sampling, experimental geophysical surveys, mapping, prospecting and hand and excavator trenching were completed by Cash; primarily under option from Ross. New discoveries included another vein at DalBianco, gold-quartz vein float at the Shut zone reportedly carrying 103 g/t Au, quartz stringer and disseminated gold-arsenopyrite mineralization along Shut Creek, and skarn mineralization carrying 0.6% WO<sub>3</sub> with 0.05 g/t Au near the Delour zone (*Eaton and Wengzynowski, 1994*). Average of chip samples from 5 trenches in the Rikus Zone, which consists of two parallel veins 60m apart, were 4.30 and 3.94 g/t Au over 3.2 and 3.65m, respectively, and an exposure of quartz stringered wallrock between the veins assayed 7.37 g/t Au over 9.5m (*Wengzynowski, 1995*). Two trenches were completed on the Arc zone but did not reach bedrock (*Becker, 1996*).

1995 Completion of 1874m diamond drill program in 14 holes, 934m of excavator trenching in 25 trenches, and 31.6 line km of grid geophysics funded by NDU Resources Ltd. under option (*Becker, 1996*). The Rikus Zone was tested by 8 holes, returning values up to 2.83 g/t Au across 6.8m and was traced for a strike length of 400m in drilling. A trench on the Ross zone returned 19.06 g/t Au over 1m, with a drill hole under the trench, returning 4.16 g/t Au over 1.44m (*Becker, 1996*). HLEM conductors were detected over veins and along northerly trends. See “Property Description and Location – Mineralization” and “Property Description and Location – Drilling”.

2002 Mapping, prospecting, soil geochemistry on the Sack zone, and hand trenching by Cash Resources Ltd., primarily under option from Ross, resulted in the discovery of the Switchback zone returning a maximum of 10.15 g/t Au in float (*Eaton, 2003*). A northwest trending cross fault was recognized through the Rikus that appeared to control ore shoots (*Eaton, 2003*).

2004 A 45.6 line km, Max-Min geophysical survey across the Malou to Switchback and north Shut areas by Cash, primarily under option from Ross, identified nine multi-line and three isolated anomalies that were interpreted to be caused by weakly conductive, steeply dipping tabular conductors, primarily coinciding with linear depressions associated with known veins or strong soil geochemical anomalies (*Eaton, 2004*). The interpreted results of the survey are displayed on Figure 3 with the gold soil geochemistry.

2009 Purchase of the Kluane Property from Ross estate by Rockhaven which funded a program of prospecting, grid soil sampling on the Switchback zone, hand trenching of the Delor zone and re-sampling of 7 old hand trenches from the Rikus (north of a significant cross fault) and DalBianco zones (*Turner, 2010*). Soil results are shown in Figure 3, with historical results for the southern property area. The Delor trenching failed to reach bedrock, but 7 samples of quartz-carbonate vein with scorodite and arsenopyrite returned between 8.61 and 50.2 g/t Au (*Turner, 2010*). Significant trench re-sampling results are tabulated in Table 3 on the following page (*Turner, 2010*).

2012 Completion of a 600 line km airborne VTEM and magnetic geophysical survey by the Company. (*Geotech, 2012*). See “Property Description and Location – Exploration”.

**Table 3: 2009 trench re-sampling results**

<b>Trench Name</b>	<b>Zone Name</b>	<b>From (m W)</b>	<b>To (m W)</b>	<b>Length (m)</b>	<b>Au (g/t)</b>
TR-KL-09-01	Rikus	1.70	2.88	1.18	9.49
including		1.70	1.89	0.19	25.60
TR-KL-09-02	Rikus	1.00	5.72	4.72	3.18
including		1.76	1.84	0.08	31.50
& including		4.90	5.11	0.21	38.40
TR-KL-09-03	Rikus	1.50	3.60	2.10	6.67
including		3.18	3.38	0.20	36.50
TR-KL-09-04	Rikus	0.00	2.29	2.29	3.72
including		1.00	1.29	0.29	13.05
TR-KL-09-06	DalBianco	0.00	2.07	2.07	1.16
including		1.00	1.41	0.41	3.76

vein intervals appear to represent true widths

Rock samples were collected by measured chip samples across mineralized zones in the 2009 trench re-sampling program. The samples are continuous across the vein structure exposures representing the horizontal length of the samples. Vein intervals represent true width of the veins. Rock sampling at surface showings is commonly strongly weathered with sulphides oxidized to limonite. This material could yield higher metal assays than unweathered mineralized samples. However, in the unglaciated portions of the Yukon, which include the upland portions of the Kluane Property, gold values appear to be lower in the surface environment due to mechanical breakdown by frost action and liberation of free gold into the soil.

Historic grid soil geochemical results have been compiled for the southern property area. Anomalous areas are best defined by gold and arsenic that closely correlate. Geochemical thresholds for gold and arsenic in soil samples were established visually after calculating and comparing thresholds by percentiles and natural breaks using ESRI ArcGIS software. Grid sample spacing is generally at 50m on lines spaced 100m apart. Results for gold in soil samples are presented on Figure 3.

Two relatively continuous anomalous north trending zones occur 3.5 km apart. Both trends are elongated along their north-south axis, parallel to the orientation of the veins. The eastern trend encompasses the DalBianco and Rikus zones while the western trend includes the Shut Zone. Most of the other zones are marked by weaker, more discontinuous anomalies. The Delor, Ross and Switchback Zones have very little geochemical expression. In some areas, notably the Delor and Switchback Zones, the weak geochemical response is caused by poor sample quality related to frozen, organic rich soil. In other areas the size, shape and intensity of the anomalies is influenced by down slope dispersion. Geochemical response in the vicinity of the Sack Zone differs somewhat from that elsewhere on the Property where nearly all samples are moderately to strongly anomalous for arsenic and there is little



correlation between arsenic and gold (Eaton, 2003). The strongest gold anomalies outside the two main trends on the grid are located about midway between the Sack veins and those at the Rikus Zone (see Eaton, 2003).

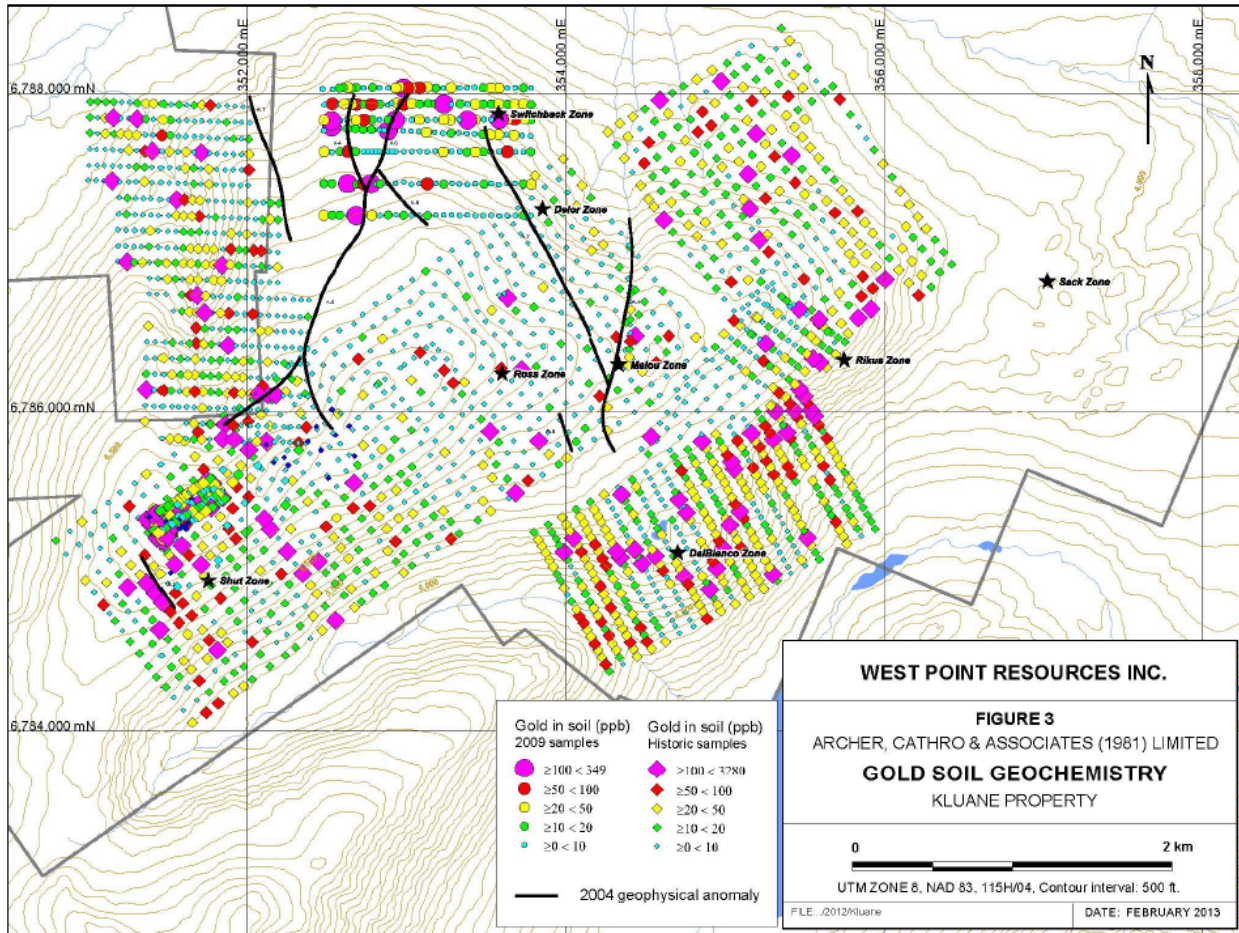


Figure 3 Results for gold in soil samples

### Regional Geology

The regional geology of the area has recently been mapped at a 1:50,000 scale by Israel, Cobbett et al. (2011) utilizing a 400m line-spaced aeromagnetic survey flown in the winter of 2010 (Kiss, 2010) for additional interpretation due to limited exposure in the region. Previous mapping was undertaken at a 1:250,000 scale by the Geological Survey of Canada in the early 1970's (Tempelman-Kluit, 1974). The following regional geology is summarized from Israel, Murphy et al. (2011).

The Ruby Range Project and the Kluane Property are situated at the boundary of metamorphic rocks of the Kluane Schist (Taku terrane analogue) in the southwest and the Yukon-Tanana terrane in the northeast. The Kluane Schist is bounded to the southwest by the Denali Fault Zone (Figure 4). Southwest of the Denali Fault Zone are Paleozoic sedimentary and volcanic rocks of the Alexander and Wrangellia terranes (Figure 4).

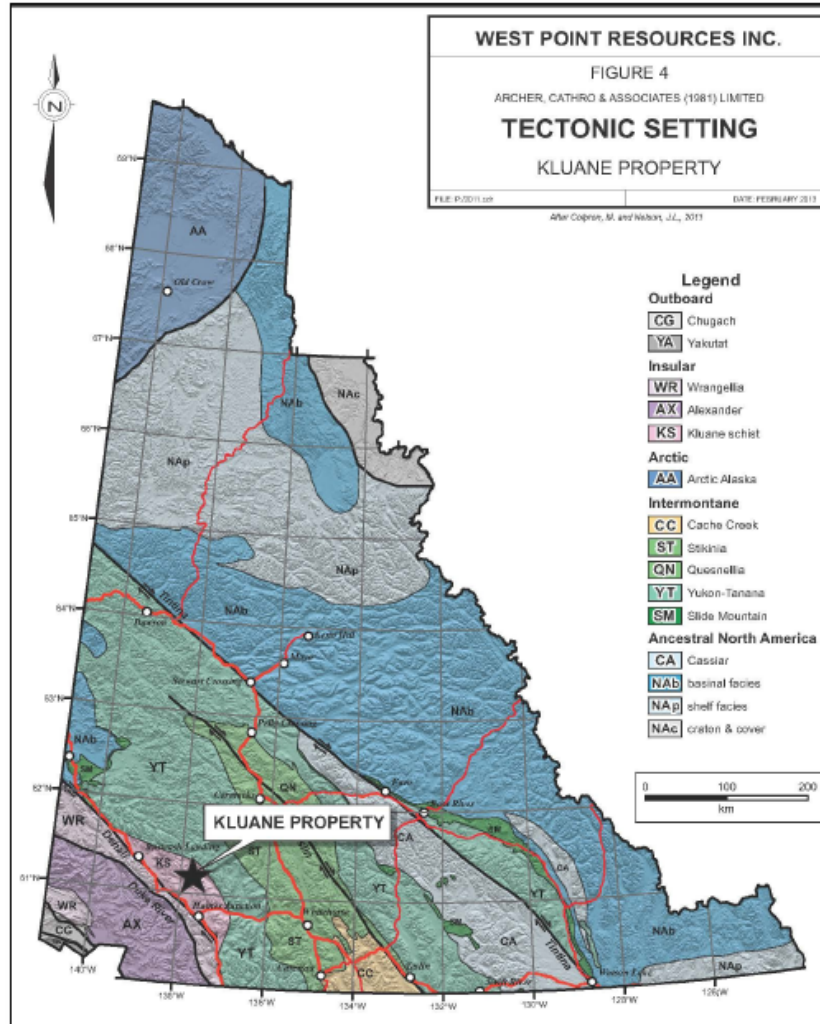


Figure 4 Tectonic Setting

The northeast-dipping contact between the Kluane Schist and the Yukon-Tanana terrane was intruded by the Paleocene (64-57 Ma) Ruby Range batholith (Figure 5), which was emplaced late in the deformation history. The Ruby Range batholith primarily consists of quartz diorite, tonalite and granodiorite with lesser amounts of diorite, gabbro and granite, with compositions generally becoming more felsic to the north. An orthogneiss/paragneiss unit (Gneiss) of unknown tectonic affinity occurs structurally between the Ruby Range and the Kluane Schist (Figure 5). The Gneiss unit may represent gneissic to migmatitic Kluane Schist, or alternatively part of, or basement to, the Yukon-Tanana terrane. Locally, deformed bodies of what may be the Ruby Range batholith, or alternatively deformed screens of the Mid Cretaceous aged Nisling Range granodiorite, are exposed within, or at the margins of, the batholith and stocks of diorite to quartz diorite of the Eocene Hayden Lake suite intrude the Kluane Schist.



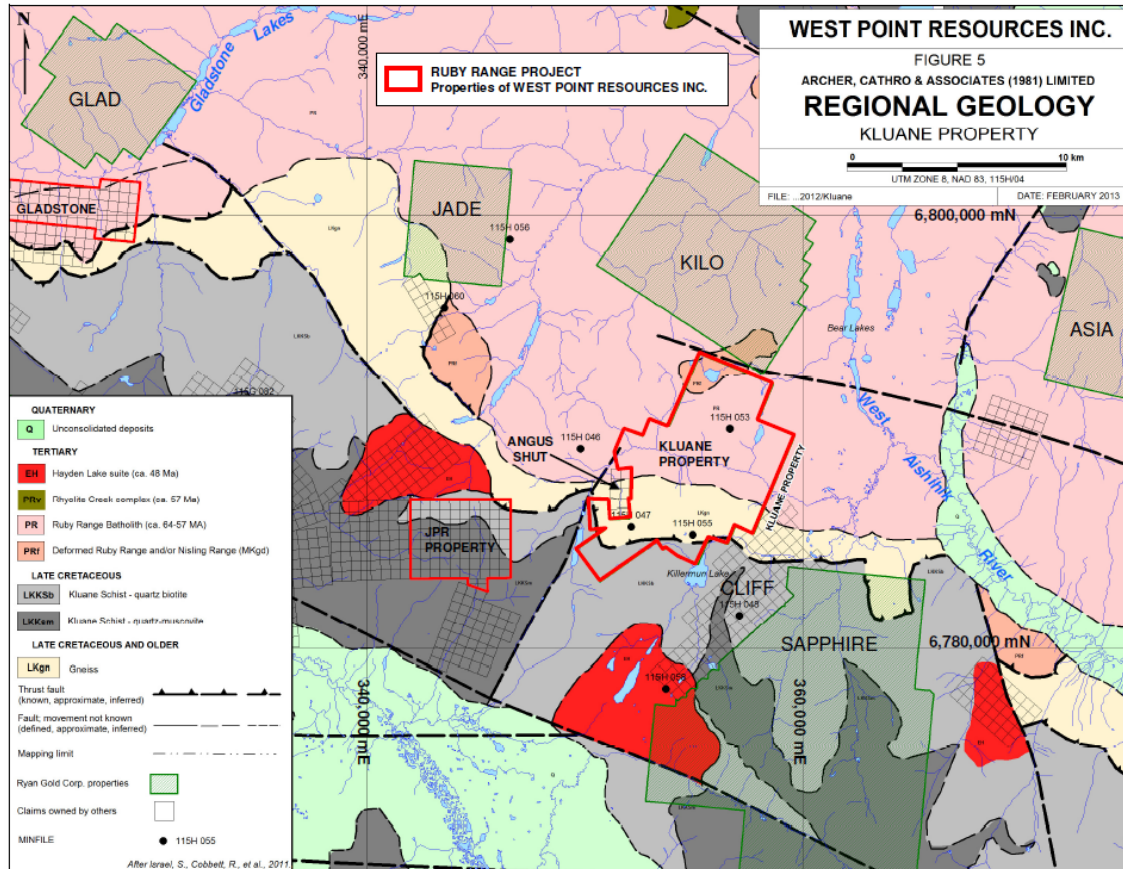


Figure 5 Regional Geology

The Kluane Schist primarily consists of monotonous metapelitic quartz-mica schist with rare bodies of ultramafic rocks and carbonate. Two separate mappable units of biotite schist and muscovite schist have been delineated. Biotite schist is the dominant unit on the Kluane Property. It is typically brown weathering with a purple hue and contains garnet and staurolite with lesser tourmaline. Locally lenses of marble, less than 100 metres in length, occur within the schist. These lenses often exhibit silicification and occasionally garnet-diopside skarnification.

The contact between the Kluane Schist and the Gneiss unit is interpreted as a north to northeast-dipping shear zone and the contact between the Gneiss unit and the Ruby Range batholith is interpreted as either a shear zone or an intrusive contact (Israel, Murphy et al., 2011). North to northeast and northwest trending faults, likely important for mineralization, are common in the region, many of which do not penetrate the base of the Ruby Range batholith and may be related to hangingwall damage during pluton emplacement over the Kluane Schist (Israel, Murphy et al., 2011). “The present day structural stacking and lithotectonic relationships are the result of southwestward (today’s coordinates) thrusting of Yukon-Tanana terrane over the Kluane Schist and syn to post-tectonic intrusion of the main phase of the Ruby Range batholith”, (Israel, Murphy et al., 2011).

### Property Geology

Systematic geological mapping on the Kluane Property is hampered by the relative lack of bedrock exposures. In most areas contacts are inferred from distribution of lithologies in talus and felsenmeer. Figure 6 shows the locations of the zones, historic drill hole locations, main outcrops and general geology for the southern property area. Very little exposure is evident in the northern property area, the geology of which is shown in Figure 5. The following discussion of the Kluane Property geology is primarily summarized from Turner, (2010).

The rock type underlying most of the Kluane Property is a relatively homogeneous, coarse grained, graphitic quartz-biotite schist to gneiss of the Kluane Schist and possibly related Gneiss package. This unit is blocky weathering and often rusty brown on fracture surfaces. Common accessory minerals include garnet and staurolite with lesser tourmaline. Foliations normally strike 90 to 145° and dip from 15 to 35° NE occasionally rolling to 30° SW. The

main exception occurs south of Shut Creek in the western part of the property, where strikes are about  $160^{\circ}$  and dips sub-horizontal.

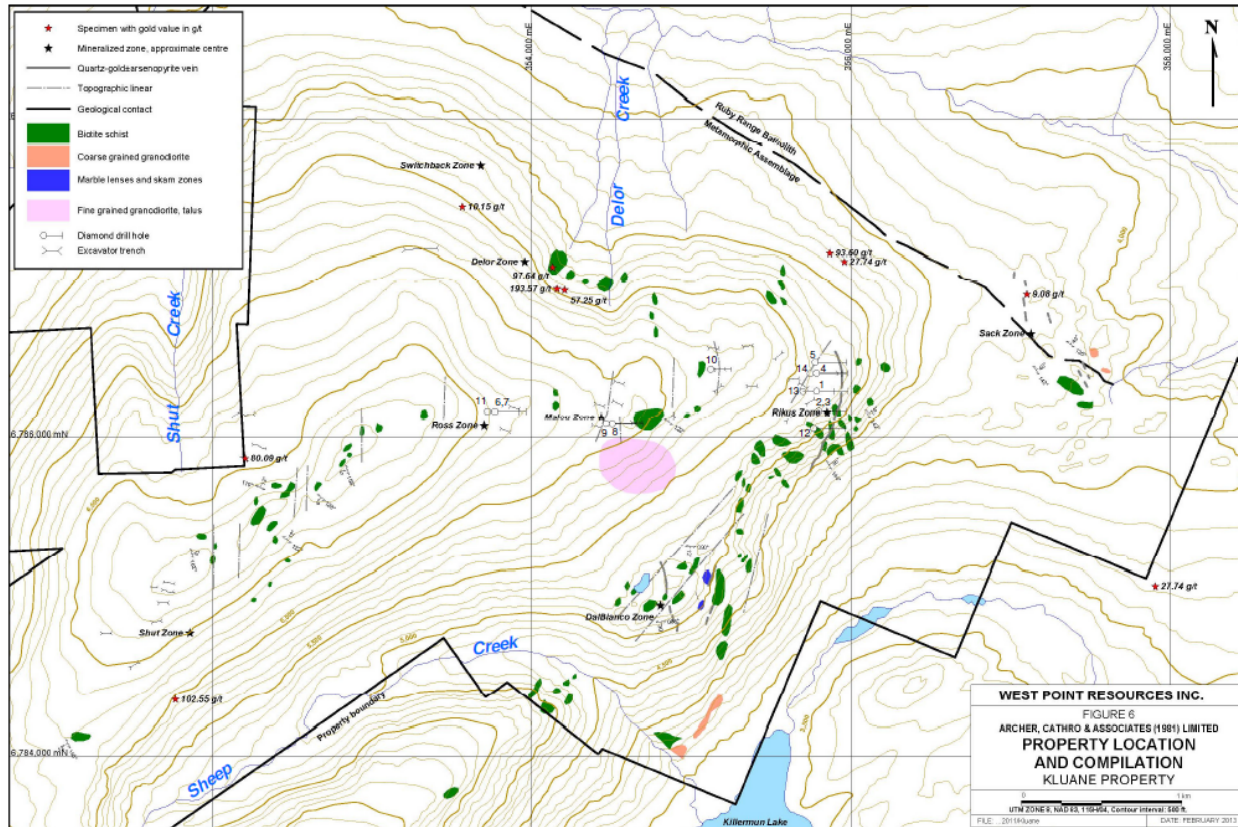


Figure 6 Property Location and Compilation

Marble lenses and occasional skarn zones are found within the schist on the east facing slope above Killermun Lake. Exposures of marble are typically white to pale green on both weathered and fresh surfaces, display weak silicification and range up to seven metres thick and 100 metres long. Skarn consists of medium to coarse grained garnet and diopside. They are often rusty weathering making them difficult to distinguish from schist until the rock is broken.

Coarse grained granodiorite of the Ruby Range Batholith underlies the northern property area. The intrusive contact is on the floor of a broad valley and is mostly obscured by glacial till and glaciofluvial outwash. Where observed, the contact is sharp and the border phase granodiorite exhibits well developed foliation that parallels the contact and metamorphic textures in the schists. The foliation in the granodiorite gradually diminishes away from the contact and at a distance of approximately 1.5 km the rocks are non-foliated.

Rare granodiorite outcrops have also been observed northeast of Killermun Lake and are believed to be part of a small plug. Another small plug (characterized by a magnetic low anomaly in Figures 8 and 9) is suggested by a 400 metre diameter area of foliated fine grained granodiorite talus approximately 1.6 km to the north, just south of the Malou zone.

In the extreme northern property area and extending off the claims to the north, a 2 by 5 km deformed body of what may be the Ruby Range batholith, or alternatively deformed screens of the Mid Cretaceous aged Nisling Range granodiorite, is exposed (Figure 5). The latter interpretation is favoured by the author, based on the magnetic high signature in the airborne magnetic survey over the northern property area (Figure 8).

Two sets of narrow (up to one metre wide) unfoliated dykes have been noted in several areas within the schist. They are best distinguished by grain size. The finer grained dykes are andesitic, tan to medium grey and microcrystalline. They strike  $160$  to  $190^{\circ}$ , dip  $60$  to  $70^{\circ}$  W and occasionally follow north trending shear zones. The other dyke set is



fine to medium grained and dioritic in composition. These dykes are pale green-grey, strike 080 to 100° and dip steeply to the south or north.

The age relationship between the various intrusive phases is uncertain as no crosscutting contacts have been observed.

The largest scale structure projected to cross the Kluane Property is a northeast dipping thrust fault that has been traced approximately 65 kilometres from an area southeast of the property to Granite Bay on Kluane Lake. This fault is paralleled by a second thrust 15 kilometres to the southwest. A number of strong northeast trending high angle faults can be inferred from irregular indentations along the contact of the Ruby Range Batholith but these structures do not appear to affect the thrust faults. If this observation is correct, the high angle faults would have to be older than the thrusts. The inferred high angle faults often coincide with large, linear creek valleys.

Air photo analysis and ground mapping have recognized numerous small, north and northeast trending recessive topographic lineaments cutting across the claims. Where exposed in outcrop or trenches, the lineaments contain one or more gouge zones surrounded by a few metres of weakly altered wallrock exhibiting moderate to strong fracturing paralleling the trend of the linear. Quartz veins or andesitic dykes have been emplaced along several of the lineaments.

Three sets of veins are found on the Kluane Property. Two sets are nearly conformable with foliation in the schist and appear to have been deposited from relatively high temperature metamorphic fluids. The third set that is often gold bearing, is discordant and interpreted to be derived from younger hydrothermal solutions. These age relationships and temperature assumptions are based primarily on crosscutting relationships and mineralogical observations.

The most common type of conformable veins contains a single assemblage of quartz-carbonate. They usually strike 110 to 125° dip 40 to 80° northeast and range up to 1.5 metres in width. The other conformable vein set exhibits a more complex assemblage including quartz, andalusite, amphibolite, garnet and/or tourmaline. They range up to 0.7 meters in width and sometimes cut foliation at a shallow angle. Most of the quartz in both of these sets forms glassy granular masses. Vein selvages often contain andalusite, muscovite and chlorite.

The discordant set of gold bearing veins consist of quartz with lesser carbonate and minor muscovite. The quartz is typically milky white, granular to massive and weakly to strongly fractured parallel to the vein walls. The carbonate mineral is tan to cream coloured where fresh and is often leached from surface samples leaving a white powdery residue in cavities. These veins cut foliation at a high angle, striking northerly and dipping moderately to steeply westward. In a few locations these veins cut the andesitic dyke set.

Several non-mineralized faults appear to cut and slightly offset all three of the vein sets. The best exposed of these late faults crosses one of the gold bearing zones (the Rikus Zone) in the eastern part of the Kluane Property. That fault strikes northwesterly, dips steeply and has produced about 25 metres of dextral offset.

### **Deposit Types**

The deposit model for the Kluane Property is the orogenic gold-quartz vein type. Examples include Bralorne-Pioneer, Cariboo Gold Quartz and Erickson in British Columbia, Alaska-Juneau, Jualin and Kensington in the Juneau Gold Belt of Alaska, and those in the Mother Lode and Grass Valley districts in California. The following characteristics of the gold-quartz vein deposit model are primarily summarized from Ash and Alldrick (1996).

This type of deposit typically occurs as gold bearing quartz-carbonate veins and veinlets with minor sulphide minerals crosscutting a wide variety of host rocks, usually of greenschist metamorphic grade, and localized along major regional faults and related splays. Deposits are of post to Middle Jurassic age in the Cordillera, and appear to form immediately after accretion of oceanic terrane to the continental margin. The wallrock is typically altered to silica, pyrite and muscovite within a broader carbonate alteration halo. Ore minerals primarily include native gold, pyrite and arsenopyrite. Gold-quartz veins are found within zones of intense and pervasive carbonate alteration along second order or later faults marginal to transcrustal breaks. Gold veins are more commonly economic where hosted by relatively large, competent units, such as intrusions or blocks of obducted oceanic crust.

Exploration guides include a geochemical signature of elevated values of gold, silver, arsenic, antimony, potassium, lithium, bismuth, tungsten, tellurium and boron,  $\pm$ (cadmium, copper, lead, zinc and mercury). Geophysics is useful in outlining faults indicated by linear magnetic anomalies and areas of carbonate alteration indicated by negative magnetic anomalies due to destruction of magnetite.

Typical grade and tonnage figures average 30,000 tonnes grading 16 g/t Au and 2.5 g/t Ag, but may be as large as 40 million tonnes. The largest gold-quartz vein deposit in the Canadian Cordillera is the Bralorne-Pioneer which produced in excess of 117,800 kilograms of Au from ore with an average grade of 9.3 g/t (Ash and Alldrick, 1996). The Juneau Gold Belt in Alaska produced 6.7 million ounces of gold from 1869 to 1983 (Redman, 1991). The newest mine in the belt, the Kensington, began production in 2010 with an NI 43-101 reserve of 4.99 million tonnes grading 8.64 g/t Au (Barry and Sims, 2010). The Author has not been able to independently verify the grade, tonnage, production, reserve and mineralization information discussed above, which are not necessarily indicative of the mineralization on the Kluane Property, which is the subject of the Technical Report.

Orogenic gold-quartz vein deposits are a major source of the world's gold production, however the veins are usually less than 2m wide and therefore only amenable to underground mining. Associated deposit types include gold bearing sulphide mantos, silica veins and placer gold.

Recent work by the Yukon Geological Survey in the Ruby Range has indicated a similar tectonic framework exists here to that of the Juneau Gold Belt in southeast Alaska, 350 km to the southeast, increasing the potential for the discovery of orogenic style gold deposits within the Ruby Range (Israel, Murphy, et al., 2011). The numerous deposits of the Juneau belt have been interpreted as orogenic gold systems directly related to the tectonic processes active in southeast Alaska during the latest Cretaceous to Eocene. In southwest Yukon, Yukon-Tanana terrane is thrust to the southwest over rocks of the Cretaceous Kluane Schist (Taku terrane analogue) and Gneiss, which is thrust to the southwest over Jura-Cretaceous rocks of the Dezadeash Formation. In the Juneau Gold Belt, Yukon-Tanana terrane is thrust to the southwest over rocks of the late Paleozoic Taku terrane, which is thrust over Jura-Cretaceous sedimentary rocks of the Gravina belt. The Ruby Range batholith is age-equivalent to the Cretaceous aged Jualin Diorite of the Coast plutonic complex in the Juneau Gold Belt, and occurs at the same structural level. Both intruded along the terrane boundary.

The vein systems on the Kluane Property share many of the characteristics of the orogenic type gold veins found in the Juneau Gold Belt with gold bearing quartz-carbonate  $\pm$  muscovite, arsenopyrite veins. The veins occur within north to northeast-striking structural zones apparently related to pluton emplacement, regional deformation and shearing. (Refer to Israel, Murphy, et al., 2011.)

## **Mineralization**

The Kluane Property covers the Shut and Lib (Killer Gold) drilled prospects (Minfile Numbers 115H 047 and 055), and the Bowen (Arc) anomaly (Minfile Number 115H 053), documented mineral occurrences by the Yukon Geological Survey (Deklerk, 2009). The following discussion of the mineralization is primarily summarized from Turner, (2010).

Prospecting, geochemical sampling, trenching and diamond drilling have identified eight named zones/showings over a 5.5 by 3.5 km area on the southern Kluane Property in the area of the Shut and Lib Minfile occurrences and one zone in the northern property area at the Bowen anomaly (Figures 5 and 6). Mineralization is hosted in discordant quartz-carbonate veins with scorodite staining. Arsenopyrite is the only sulphide present in most veins, but traces of galena, chalcopyrite and pyrite have also been noted. Sphalerite was noted in the northern property area in the Arc zone. Sulphides are generally one to four millimetres in diameter and occur as disseminations or in semi-massive to massive bands. Occasionally native gold grains have been found in veins. Individual veins range from 0.10 to 0.85 metres in width, and they can occur in swarms that are up to 9.5 metres across, where sub-parallel veins are separated by narrow gouge zones. The gold bearing veins rarely outcrop and are usually marked by northerly trending recessive topographic linear features. Mineralized veins strike between 330 and 020° and dip moderately to steeply west. The dominant host rock is biotite schist, but veins also occur within intrusive rocks.

The Rikus zone lies on a moderately steep, south-facing slope in the eastern part of the claim block. It is one of three zones that have been drilled. The zone consists of two sub-parallel veins located about 50 metres apart, with smaller veins and veinlets in the adjacent wallrock. The two main veins comprise massive milky white quartz bands with vein parallel microfractures. Quartz bands range in width from 0.08 to 0.75 metres and contain trace to 20% fine

grained arsenopyrite with minor pyrite and occasional native gold grains. Although the quartz bands are often narrow, they are generally high grade. At surface, veins are highly fractured and clay altered with scorodite and limonite after sulphides. Weakly clay altered halos up to two metres wide envelope well mineralized quartz veins. Mineralization has been traced over a 700 metre length and the zone is open in both directions along strike.

The DalBianco zone, located 1 km southwest of the Rikus zone, was tested with hand trenches between 1987 and 2000 but has not been drilled. Three sub-parallel veins, 100 metres apart have been traced by trenches and float for 350 metres along strike. Mineralized veins typically consist of 5 to 35 centimetres of semi-massive to massive, coarse grained arsenopyrite within barren or weakly mineralized quartz-carbonate gangue surrounded by one to three metre wide alteration halos containing minor amounts of fine grained arsenopyrite. The alteration halos are rusty weathering and weakly to moderately silicified. Gold assays from the halos are between 0.20 and 2.26 g/t Au. Chip samples of arsenopyrite rich quartz assayed from 1.16 g/t to 41.07 g/t Au across average true widths of 0.15 metres. Samples from seven trenches cut across the most westerly vein over a 63 metre strike length returned a weighted average of 2.03 g/t Au across a true width of 3.37 metres. Gold to arsenic ratios in this zone and the Sack Zone are the lowest on the property.

The Ross zone, located 2.1 km west of the Rikus zone, was explored with three diamond drill holes and two excavator trenches in 1995. Where exposed the mineralized structure consists of a one metre wide, light grey to dark brown clay gouge band containing small (<1 cm diameter) angular wallrock and quartz fragments. Two excavator trenches targeted this zone. The first trench returned 19.06 g/t Au across one metre. The other trench, 100 metres to the south, failed to intercept significant mineralization. It is unknown whether that trench was located off trend of the vein or if the vein lacks lateral continuity.

The three diamond drill holes tested down dip of the first trench. The first was abandoned short of the zone so a second was drilled from the same collar at a slightly steeper angle. It intersected a 1.2 metre true width interval of clay gouge with quartz fragments that assayed 4.16 g/t Au. Only 27% of the material from this interval was recovered. The third hole was collared 50 metres to the west and based on the assumed orientation of the vein should have intersected it 135 metres deeper. Although this hole did intersect weakly veined structures near the top of the hole which correlate with weak structures encountered in the first two holes, it failed to intersect the down dip extension of the main vein.

The Malou zone lies between the Ross and Rikus zones. In 1995 three diamond drill holes and nine excavator trenches tested three recessive topographic lineaments and two areas of gold in soil geochemical anomalies that define the zone. The most promising target is a north trending lineament exposed in a trench. It consists of a 0.3 metre wide band of strongly altered wallrock containing a stockwork of narrow quartz-arsenopyrite veinlets. At surface the altered wallrock is weathered to white clay gouge surrounding a one to five centimetre wide quartz bands containing 15% coarse grained arsenopyrite. The first excavator trench across the zone yielded an assay of 1.39 g/t Au over 0.3 metres (true width) two other trenches 105 metres and 250 metres north failed to intersect the mineralized structure.

Two diamond drill holes tested the down dip projection of the vein exposed in the trench. The first returned 2.74 g/t Au over a true width of 0.3 metres from strongly altered biotite schist hosting a stockwork of very fine quartz-arsenopyrite veinlets. The second diamond drill hole intersected quartz-arsenopyrite veins and stockwork veinlets within weakly altered wallrock that returned background gold values.

The second topographic lineament at the Malou zone is centred on a trench that is located 600 metres east of the first trench. Bedrock beneath this linear consists of a one metre true width band of altered and brecciated wallrock containing a stockwork zone of narrow quartz-arsenopyrite veinlets and a three to five centimetre wide quartz-arsenopyrite vein. Although a composite of five vein specimens collected during prospecting in the vicinity of the trench returned 5.31 g/t Au, a sample containing vein material exposed in that trench yielded slightly anomalous gold values. Two other trenches located 100 metres north and south of this trench on the same north trending recessive lineament failed to intersect mineralization. One diamond drill hole beneath the trench intersected altered and brecciated biotite schist containing a 3.5 centimetre wide quartz-arsenopyrite vein and minor narrow stringers, which returned 1.06 g/t Au over a true width of 1.1 metres.

The Shut zone, 4.3 km west of the Rikus zone, was explored by six widely spaced excavator trenches in 1995. Four of the trenches were excavated on the felsensmeer covered uplands northwest of Sheep Creek within an area of strongly anomalous gold and arsenic soil geochemical response and vein float. All four trenches encountered

permafrost at shallow depths and did not reach bedrock. Samples taken from rock fragments along the bottoms of the trenches did not explain the soil geochemical anomalies.

The other two trenches were cut into a mineralized float train in a north facing cirque at the head of Shut Creek. Vein specimens included scorodite and arsenopyrite bearing quartz-carbonate float which returned values ranging from detection limits to 80.1 g/t Au. Although both trenches reached bedrock, neither exposed the source of the float. Additional specimens of mineralized float were discovered downstream to the north. There are no outcrops in that area and no trenches were excavated. Four of 20 mineralized float specimens taken over a length of 2.3 km within the area of anomalous soil geochemical response assayed greater than 80 g/t Au and the average for the 20 samples was 21 g/t Au (Wengzynowski, 1995). Vein material is composed of milky white, glassy or grey quartz-carbonate containing 2 to 20% fine grained disseminated arsenopyrite and rare galena.

The Sack zone, the most easterly of the zones on the Kluane Property, is located on a broad hummock separating two glacial valleys 1.4 km northeast of the Rikus zone. Mineralized vein float was discovered along a series of poorly exposed lineaments. No mineralization has been observed in bedrock. On average, the Sack zone mineralization is more arsenopyrite rich than other zones. Mineralized specimens are less than 15 centimetres thick and have assayed in the range of 3 to 9 g/t Au.

The Delor zone is situated on a north trending slope 2 km west-northwest of the Rikus zone and 1 km north along strike from the Ross Zone. Specimens of mineralized vein float collected by various workers within a 300 by 200 metre area have returned encouraging gold assays. Two main types of material were sampled. The first type consists of scorodite or arsenopyrite bearing quartz-carbonate vein float, seven samples of which averaged 69.94 g/t Au, including values up to 193.57 g/t. The other type is biotite schist wallrock containing narrow quartz stringers and one to three percent disseminated arsenopyrite. Two samples of the material returned 1.41 and 5.26 g/t Au. The zone has not been exposed in bedrock.

The Switchback zone was discovered in 2002 on a vegetated north facing slope, about 700 metres north of the Delor zone. There is no outcrop in the area and hand pits bottomed at a shallow depth in frozen soil. Twelve samples of weakly mineralized quartz vein and altered wallrock were collected, returning values of 0.15 to 10.15 g/t Au and averaging 2.03 g/t Au.

There is an extreme lack of exposure in the northern half of the Kluane Property, but north-northwest trending lineaments are evident in areas of arsenic  $\pm$ gold  $\pm$ silver soil anomalies and quartz-carbonate vein float containing maximum reported values of 87.03 g/t Au (Galambos, 1989).

## **Exploration**

The Company funded a 600 line kilometre helicopter-borne versatile time domain electromagnetic (VTEM) and aeromagnetic geophysical survey over the Kluane Property, completed by Geotech Limited of Aurora, Ontario between January 12 and 27, 2012. The survey block covered an area of 62 square kilometres and was flown in an east-west orientation with lines spaced at 100 metres. (Refer to Geotech, 2012.)

Data quality control and quality assurance, and preliminary data processing were carried out on a daily basis during the acquisition phase of the project by Geotech Ltd. Matt Turner represented the Company during the data acquisition and data processing phases. Final data processing followed immediately after the end of the survey with final reporting, data presentation and archiving completed from the Aurora office of Geotech Ltd. in March, 2012. (Refer to Geotech, 2012.)

The VTEM system utilizes a proprietary receiver design using modern digital electronics and signal processing delivering low noise levels. Coupled with a high dipole moment transmitter the system delivers high resolution and depth penetration in precise electromagnetic measurements. The system is capable of penetrating to depths of 800 metres, has a low base frequency for penetration of conductive cover, has a spatial resolution of two to three metres, determines resistivity, and detects weak anomalies that are relatively easy to interpret and can be used directly to locate drill holes.

The aeromagnetic survey used a Geometrics optically pumped cesium vapour field magnetic sensor. The survey uses a real time differential GPS system that has a position accuracy of  $\pm 1.8$  metres, an altimeter interfaced with the

Geotech Ltd. data acquisition system provides an accuracy of 1.0 metres in the vertical dimension. (Refer to Geotech, 2012.)

The locations of the mineralized zones on the Kluane Property are shown with respect to the preliminary results of the VTEM survey in Figure 7 and with respect to the aeromagnetic survey results in Figures 8 and 9.

The VTEM survey results indicate a north trending conductive zone with multiple bifurcating conductors across the southern and central portion of the Kluane Property (Figure 7). The zone correlates with the multiple vein structures explored to date (Figure 6) and indicate the potential for additional structural target zones from south of the DalBianco zone to north of the Switchback zone. Significant structural intersections are suggested to the south and north of DalBianco, and in the Switchback-Delor area (Figure 7). The lack of response in the valley separating the southern and northern portions of the Kluane Property may be the result of the survey coverage. The survey results in the northern property area give a weaker indication of discontinuous anomalies on the projected extension of the strong southern anomalies. This may be due to lower contrast between the veins and the intrusion host rocks, which dominate in the northern property area.

The total magnetic intensity (TMI) and calculated vertical gradient (CVG) plots indicates very high magnetic intensity across the northern portion of the Kluane Property (Figures 8 and 9), and appears to be related to a deformed intrusive body mapped here (Figure 5), a probable screen of Mesozoic Nisling Range granodiorite. There is only minor conductivity displayed on the VTEM plot in the northern property area (Figure 7) but the moderately high magnetic response (Figure 8) in the central portion of the property corresponds to a strongly conductive zone; this area occurs on the northern flank of the mineralized zones and gold in soil geochemical anomalies. The third magnetic anomaly is of low response (possible carbonate alteration) in the area of the Shut zone in the southwestern property area (Figure 8).

The calculated vertical gradient (CVG) plot indicates distinct northerly trends across the Kluane Property with good continuity (Figure 9), which correlate with the 2004 geophysical conductors where geophysical data is available. The trends in the northern area are more distinct but similar to the VTEM survey results, suggestive of additional veins through this region.

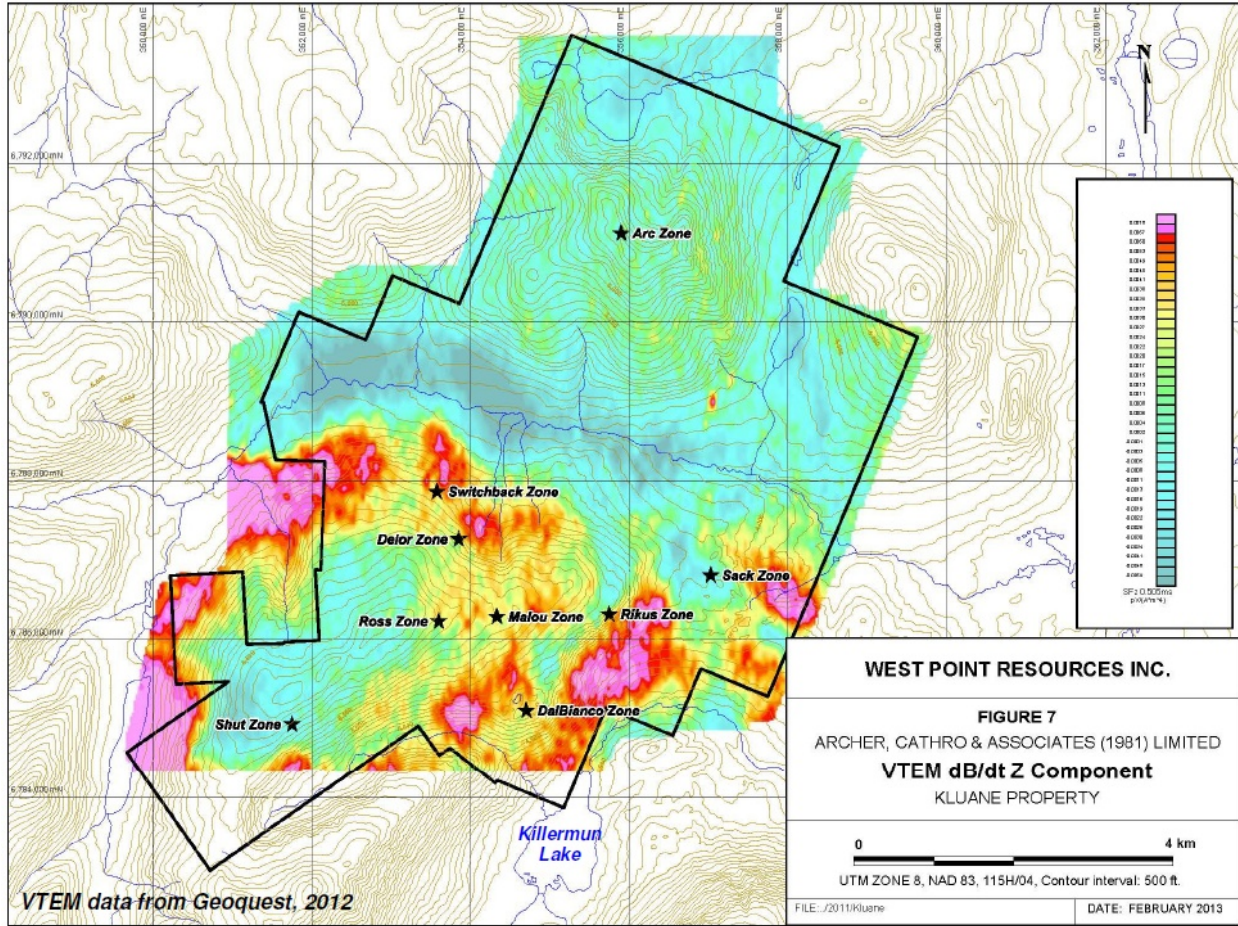


Figure 7 VTEM Plot



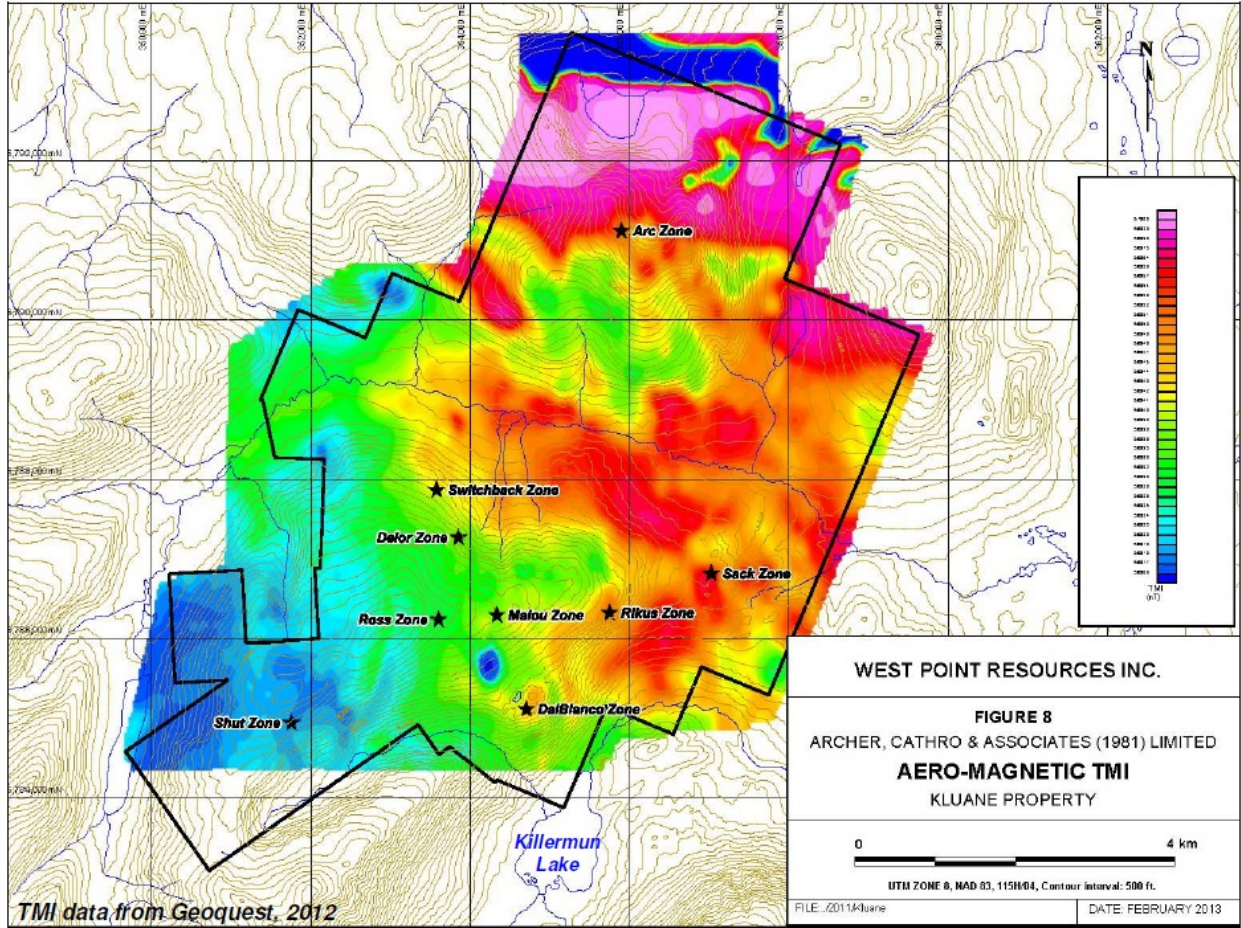


Figure 8 TMI plot

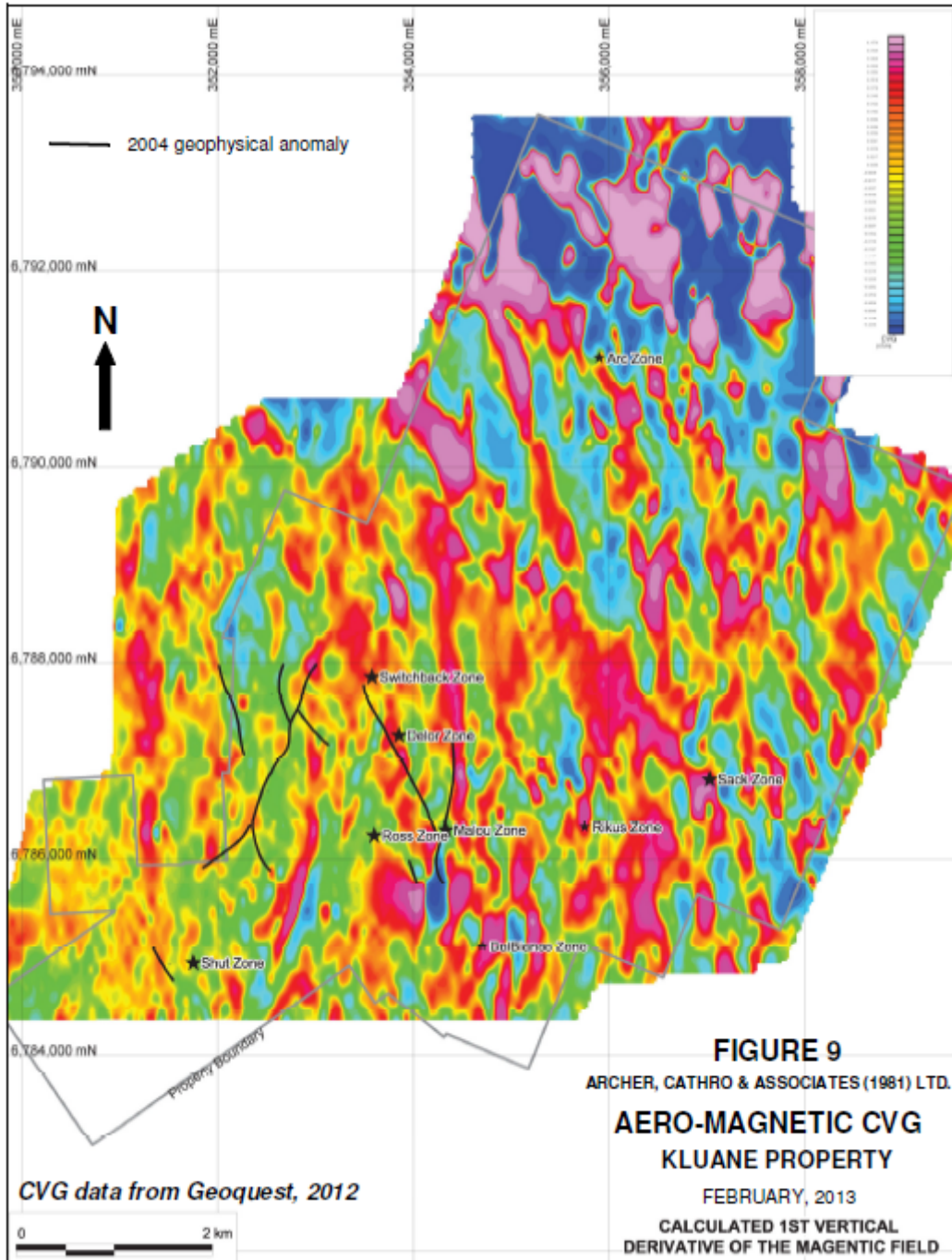


Figure 9 CVG Data from Geotech, 2012



## Drilling

The Company has not carried out any type of drilling on the Kluane Property, but 1,874 metres of diamond drilling in 14 holes was previously conducted in the southern property area in 1995 (*Becker, 1996*).

The 14 drill holes included eight holes on the Rikus zone, three holes on the Malou zone and three holes on the Ross zone. The three zones occur in multiple north trending structures that intermittently host gold bearing quartz veins and alteration zones. Results from the Ross and Malou drilling were inconclusive but the drill holes on the Rikus zone indicate potential to host a significant gold bearing zone in multiple structures. The eight drill holes are distributed along a 400 metre strike length and all holes intersected at least one mineralized structure. Hole 95-1 in the center of the zone intersected five zones that yielded significant gold values. Drill hole locations are displayed on Figure 6 and the drill hole specifications, and significant intersections with corresponding gold assays are summarized in Table 4.

In drill core, the veins range from 0.10 to 0.24 metres thick and contain up to 20% arsenopyrite. Altered wallrocks are bleached, chloritized and typically exhibit finely disseminated arsenopyrite and calcite. Intensity of alteration is directly proportional to the degree of fracturing and abundance of quartz veinlets.

The highest grade intercept was 80.00 g/t Au over 0.13 metres true width in Hole 95-1. Five other intervals graded between 9.26 and 54.00 g/t Au across widths of 0.08 to 0.20 metres. The thickest intervals were 2.83 g/t Au over 6.80 metres in Hole 95-3 and 1.03 g/t Au over 9.26 metres in Hole 95-1. Fourteen core samples of altered wallrock taken on either side of the quartz veins returned a weighted average of 0.93 g/t Au over 1.35 metres.

Drill core samples were collected using the following procedures. Core was lightly washed and measured, logged for geotechnical properties, then geologically logged and sample intervals designated. Sample intervals were set at geological boundaries, drill blocks or sharp changes in sulphide content and were based on veining, sulphide and clay content. Core recovery was calculated for each sample interval. Core was split in half with an impact core splitter. One-half was sent for analyses and one-half returned to the core box. Samples were double bagged in 6 millimetre plastic bags, a sample tag was placed in each sample bag, then two or three samples were placed in a fibreglass bag sealed with a metal clasp and sample numbers were written on the outside of that bag with permanent felt pen.

Core recovery was excellent averaging 98% except in some of the clay rich alteration zones surrounding the quartz veins. The mineralization is readily recognizable and sulphide content is reflected in assay grades, but higher gold grades do not necessarily reflect higher sulphide content. Care was taken to ensure that the sample split was not biased to sulphide content. The result is that the drill core sampling is reliable and is representative of the mineralization.

**Table 4: Significant diamond drill results**

Hole Number	Drill Section*	Length (m)	Az. (°)	Dip (°)	From (m)	To (m)	Width (m)	Uncut Au (g/t)
95-1	10+000N	162.76	090	-50	36.45	37.45	1.00	4.20
					45.94	49.99	4.05	2.92
including					46.94	47.07	0.13	80.00
					54.56	56.08	1.52	1.19
					79.44	80.44	1.00	1.89
					84.17	93.43	9.26	1.03
including					92.15	93.43	1.28	4.79
95-2	9+900N	141.43	090	-50	32.07	34.75	2.68	1.32
					39.32	40.23	0.91	4.49
					64.55	68.88	4.33	2.11
					81.99	82.99	1.00	1.50
95-3	9+900N	170.08	090	-75	32.92	35.96	3.04	1.05
					46.63	48.62	1.99	2.49

					68.27	75.07	6.80	2.83
including					71.32	74.07	2.75	5.32
& including					73.97	74.07	0.10	54.00
95-4	10+105N	148.44	090	-50	31.78	35.58	3.80	2.29
					61.87	65.19	3.32	2.72
including					65.11	65.19	0.08	48.60
95-5	10+192N	134.72			48.46	50.44	1.98	1.69
95-7	Ross				74.91	76.35	1.44	4.16
95-8	Malou				51.97	52.30	0.33	2.74
95-10	Malou	72.24	090	-50	41.15	42.28	1.13	1.06
95-12	9+785N	145.39	090	-50	32.38	33.57	1.19	4.56
including					32.38	32.57	0.19	29.19
					68.05	69.15	1.10	1.49
including					69.05	69.15	0.10	10.60
						72.89	1.20	1.87
including					71.69	71.89	0.20	9.26
95-13	10+001N	224.64	090	-50	99.27	100.44	1.17	2.01
					150.47	154.54	4.07	1.95
including					150.47	151.47	1.00	4.69
95-14	10+105N	156.36	090	-60	72.11	74.25	2.14	1.63
					142.64	144.12	1.48	3.06

\*zone or drill section if on Rikus zone

### Sample Preparation, Analysis and Security

This section describes the sample handling procedures followed during the 1995 drill program managed by Archer Cathro (Becker, 1996) and the 2009 exploration program by Rockhaven (Turner, 2010).

The samples collected from the project were controlled by employees of Archer Cathro until delivered to a commercial carrier for delivery to the laboratory facilities of Chemex, then ALS Chemex (now ALS Canada) in North Vancouver, British Columbia. Chemex, a reputable laboratory, was acquired by ALS Canada.

In 2009 all samples were sent to ALS Chemex in North Vancouver, British Columbia for analysis. The soil samples were dried, screened to -80 mesh, dissolved in aqua regia solution and then analyzed for 35 elements using the inductively coupled plasma with atomic emission spectroscopy technique (ME-ICP41) and for gold by fire assay with inductively coupled plasma-atomic emissions spectroscopy finish (Au-ICP21).

The multi-element analyses for rock samples were carried out at ALS Chemex at the laboratory in North Vancouver, British Columbia. Each sample was dried, fine crushed to better than 70% passing -2 millimetres and then a 250 gram split was pulverized to better than 85% passing 75 microns. The fine fraction was then analyzed for gold using fire assay followed by inductively coupled plasma-atomic emission spectroscopy analysis, and for 34 other elements using an aqua regia digestion and inductively coupled plasma-atomic emission spectroscopy analysis (Au-ICP21 and ME-ICP41). Over limit samples for gold were analyzed using Au-GRA21, a gravimetric finish.

The 1995 drill core samples were analyzed by Chemex Labs Ltd. (a reputable laboratory later acquired by ALS Canada) with sample preparation, assays and geochemical analyses completed in North Vancouver. All core samples were crushed then splits were ring pulverized to -150 mesh. Gold was analyzed by fire assay followed by atomic absorption (AA). Samples returning greater than 10 g/t Au were automatically re-assayed using gravimetric fire assay procedures. (Refer to Becker, 1996.)

The ALS Canada's Minerals Laboratory in Vancouver currently carries ISO 9001:2000 registration and is accredited to ISO 17025 by Standards Council of Canada for a number of specific test procedures including fire assay Au by AA, ICP and gravimetric finish, and multi-element ICP and AA assays for silver, copper, lead and zinc.

Quality control procedures were implemented at the laboratory, involving the regular insertion of blanks and standards and check repeat analyses and resplits (re-analyses on the original sample prior to splitting). There is no evidence of any tampering with or contamination of the samples during collection, shipping, analytical preparation or analysis. All sample preparation was conducted by the laboratory. The laboratory is entirely independent from the issuer.

### **Data Verification**

In examining and verifying the sample data for this report, the Author reviewed the original assay certificates, where available and checked reported trench and diamond drill core analyses against sample numbers on the trench maps, drill logs and the original assay certificates to ensure accurate reporting. Based on the analysis, there does not appear to have been any tampering with or contamination of the samples during collection, shipping, analytical preparation or analysis. In the Author's opinion, the data provided in the Technical Report is adequately reliable for its purposes.

Gold assays correlate with descriptions of mineralized samples. Comparable gold grades occur over historic sampling programs. The data presented in the Technical Report covers the known mineralized occurrences adequately. Sampling of all the drill core and rock sampling of outcrop in the explored areas is reliable except that some clay-rich vein intervals reportedly gave poor core recovery in the drill program; a factor in the drilling that could impact the reliability of sample results, usually resulting in lower reported gold values due to the loss of soft sulphide and/or clay rich intervals that may contain gold.

Lack of outcrop in local areas inhibits continuous sampling. Soil sampling provides an indirect indication of underlying mineralization that is adequate for regional scale exploration and detailed investigations and only hindered by local areas of permafrost or low marshy areas. The density of reconnaissance sampling has proven effective with the discovery of eight occurrences in the southern property area and extending the potential of known zones. Detailed sampling has led to extension of the mineralized exposures at the Rickus zone structures that were detected in the step out drill holes. The analytical data has been reliable at locating and outlining the mineralized zones. Although, geophysical surveys are not a direct indicator they are useful in defining parameters that may be associated with the mineralization, including structure and lithology. Previous geological mapping appears to be adequately reliable for the purposes of the Technical Report, based on similarity to regional government mapping.

Surface sampling from mineralized bedrock and float has yielded values similar to those from mineralized samples in drill core. Rock samples collected from the Kluane Property have confirmed the presence of gold bearing mineralization. Soil sampling has detected gold near known mineralization and in other areas where mineralization has not yet been confirmed. Sampling data has proven to be reproducible and is representative of the mineralization.

The initial evaluation of the Kluane Property has met the objectives of locating new mineralization and extending the potential of the previously discovered showings. The Author concludes that the Kluane Property is a property of merit with potential to host economically significant mineralization.

### **Adjacent properties**

The Cliff property, registered to 18526 Yukon Inc., Whitehorse, Yukon Territory, adjoins the Kluane Property to the southeast. The claims cover the Killermun anomaly (Minfile Number 115H 048), which covers gold in silt anomalies from a 1985 GSC survey (Walton, 1988). Discordant quartz veins reportedly cut the schist and two gold-arsenic soil anomalies were outlined by United Keno Hill Mines Ltd. (Walton, 1988). More detailed gold  $\pm$ arsenic in silt anomalies were obtained by Ross in 1987 (Ross, 1987). Results of recent exploration have not been reported by 18526 Yukon Inc.

The Shut 1-4 and the Angus 1-6 claims of Pitchblack Resources Ltd., Toronto Ontario, occur along Shut Creek, adjoining the west-central property area. Gold in soil anomalies and mineralized float has been found along Shut Creek, but the source may be from the Kluane Property.

The Kilo property of Ryan Gold Corp. does not directly adjoin but lies just to the north of the Kluane Property. The Sapphire property of Ryan Gold Corp. adjoins the Cliff property to the southeast. Ridge and spur gold in soil anomalies up to 1.39 g/t Au are reported from the Kilo and 0.57 g/t Au are reported from the Sapphire (Ryan Gold Corp. website at <http://www.ryangold.com>).

The Author is not able to verify the above information pertaining to these adjacent properties and the information is not necessarily indicative of the mineralization on the Kluane Property, which is the subject of the Technical Report.

### **Mineral Processing and Metallurgical Testing**

The Kluane Property is at an early exploration stage and no mineral processing or metallurgical testing of mineralization has been carried out.

### **Mineral Resource Estimates**

There has not been sufficient work on the Kluane Property to undertake a mineral resource estimate.

### **Interpretation and Conclusions**

The Kluane Property constitutes a property of merit based on the delineation of nine gold bearing zones with significant gold values in float, outcrop, trench and drill intercepts, favourable geological setting (Taku Terrane analogue), geology (Kluane schist and Gneiss intruded by a younger intrusion at the terrane boundary with Yukon-Tanana terrane), untested geophysical conductors and gold  $\pm$ arsenic soil anomalies suggestive of additional veins, and similarities to the orogenic gold deposits of the Juneau Gold Belt, 350 km to the southeast.

The 2004 geophysical survey better defines the extent and distribution of potential vein structures on the Kluane Property. The geophysics successfully identified known veins and extended them into overburden covered areas and identified what appears to be an extensive, previously unknown vein system and a number of structural junctions. These structural junctions are of particular interest because trenching and drilling at the Rikus Zone has shown that the thickest and highest grade mineralization is often located proximal to them.

The geological setting and style of mineralization at the Kluane Property suggests potential to produce numerous small but high grade ore shoots. Some gold mines where this type of structurally controlled mineralization occurs have had long production histories (Juneau Gold Belt), but identification of ore bodies requires close spaced drilling and detailed understanding of mineralizing controls. Previous drilling on the Kluane Property has only superficially tested a small percentage of the total area of interest.

The risk for future exploration is that the competent rock units, the favourable host rocks for development of persistent gold-quartz veins do not occur as thick consistent horizons for extensive veining to occur.

The Kluane Property is at an early stage of exploration, and as such considered a high risk. The above interpretations and the following recommendations for work are based on the results of geochemical and geophysical surveys, which are subject to a wide range of interpretation, with limited trenching and drilling. There are no specific risks that the Author foresees that would impact continued exploration and development of the property. Although the Author believes that the surveys on the Kluane Property are scientifically valid, evaluating the geological controls on mineralization is hampered by a lack of rock exposure. At the present time and for the foreseeable future, the project is not generating any cash flow.

### **Recommendations**

Additional exploration is recommended to test the trends of known mineralization along the length of the various conductors. Emphasis is recommended near suspected structural junctions, where HLEM response indicates wide (>10 metre) targets, and in areas that produced strongly anomalous soil geochemical results.

A Phase 1 trenching program is recommended for the Switchback to Delor zones using a CanDig mini-excavator to expose bedrock for sampling over a linear length of 1200 metres. Target areas are outlined on Figure 10 of the Technical Report. In areas with permafrost, a deep auger drill attachment can be fixed to the CanDig to allow for sampling below the permafrost at 5m intervals. Fill in soil sampling and detailed prospecting in the northern property area can also be completed at this time.

A Phase 2 exploration program, contingent on the results from Phase 1, should consist of several widely spaced, relatively shallow diamond drill holes with a small helicopter- or hand-portable drill. The purpose of the program is

to confirm the location of vein structures and then identify well mineralized zones for follow-up deep drilling on the most favourable vein intersections. Drill sites will be contingent on results from Phase 1, but current drill targets include three holes at the DalBianco zone at 125 metres each and at least one drill hole at 225 metres with holes situated to test the mineralized showing immediately beneath the trenched vein and at 50 metres to each side. The deep hole is recommended to test below the best intersection of the three shallow drill holes. A favourable drill target exists south of the DalBianco zone where the geophysics suggests an intersection between the DalBianco veins and the Rikus vein. An additional five drill holes at 125 metre lengths are recommended to test other showings and geochemical/structural anomalies (possibly Switchback, Delor, N Rikus), with one or two additional drill holes to follow up on the strongest mineralized intersections. (Refer to Figure 10 of the Technical Report). Good drilling conditions and careful management of the drilling program may allow for additional metreage within the contingency allowance.

Correlation of gold-quartz veins and competent host rock units to determine orientation is essential to define potential ore shoots to determine overall grades and tonnage for future development. It is also recommended to establish a sample quality control program that includes systematic standard, blank and duplicate samples for the trenching and subsequent diamond drill programs.

Based on the above recommendations, the following two phase exploration program with corresponding budget is proposed. Phase 2 is entirely contingent on the results from Phase 1.

#### **Phase 1 Budget – Trenching**

• room and board or camp	\$ 20,000
• soils (300 @ 65./sample all in including helicopter and assays)	19,500
• trenching/deep auger drilling (1200m @ \$50/m)	60,000
• helicopter, including fuel	35,000
• assay costs 150 rock samples @ \$50/sample	7,500
• personnel – geologist, sampler, supervision	35,000
• fuel and transportation – mob, demob and operations	25,000
• expediting, safety & accounting	3,000
• preparation, admin, independent reporting	20,000
• contingency	<u>25,000</u>
<b>Total estimated cost (excluding GST)</b>	<b>\$250,000</b>

#### **Phase 2 Budget – Diamond Drilling (contingent on Phase 1)**

• room and board or camp	\$ 30,000
• drilling (1500m @ \$150/m, includes fuel, core boxes, mob/demob)	225,000
• helicopter, including fuel	200,000
• fixed wing, including fuel	65,000
• assay costs 500 samples @ \$50/sample	25,000
• metallurgical and mineralogical studies	5,000
• personnel – geologist, sampler, supervision	50,000
• fuel and transportation – mob and demob and operations	40,000
• expediting, safety & accounting	5,000
• preparation, administration, independent reporting	30,000
• contingency	<u>75,000</u>
<b>Total estimated cost (excluding GST)</b>	<b>\$750,000</b>

## USE OF PROCEEDS

### Proceeds and Funds Available

The Company expects to receive aggregate gross proceeds from the Offering of \$780,000 assuming closing of the Minimum Offering and \$1,900,000 assuming closing of the Maximum Offering. The net proceeds from the Offering, after deducting the Agent's Commission and the balance of estimated offering expenses of the Offering not already paid of \$46,900 assuming the closing of the Minimum Offering or \$52,500 assuming the closing of the Maximum Offering, are anticipated to be approximately \$655,100 in respect of the Minimum Offering and \$1,657,500 in respect of the Maximum Offering. After combining this with available working capital as at February 28, 2013 of \$26,000, the Company anticipates it will have \$681,100 in the case of the Minimum Offering, and \$1,683,500, in the case of the Maximum Offering. The principal purposes for which the funds available to the Company upon completion of the Offering will be used in the next 12 months following the Closing of the Offering are as follows:

Funds Available	Minimum Offering (\$)	Maximum Offering (\$)
Working Capital as at February 28, 2013	26,000	26,000
Gross Proceeds of the Offering	780,000	1,900,000
Less: Agent's cash commission	(78,000)	(190,000)
Less: Offering Costs Not Already Paid	(46,900)	(52,500)
Net Proceeds of the Offering	655,100	1,657,500
<b>Total:</b>	<b><u>681,100</u></b>	<b><u>1,683,500</u></b>

### Principal Purposes

The Company expects to use the total available funds as set forth above for the purposes described below:

Use of Proceeds	Minimum Offering (\$)	Maximum Offering (\$)
To pay for the Phase 1 exploration program expenditures on the Kluane Property <sup>(1)</sup>	250,000	250,000
To pay for the Phase 2 exploration program expenditures on the Kluane Property <sup>(1)</sup>	Nil	750,000
To pay amounts pursuant to Option Agreement <sup>(2)</sup>	150,000	150,000
Unallocated Working Capital	106,100	358,500
To provide working capital sufficient to meet administrative, legal, audit and office overhead costs for 12 months	<u>175,000</u>	<u>175,000</u>
<b>Total:</b>	<b><u>681,100</u></b>	<b><u>1,683,500</u></b>

**Notes:**

<sup>(1)</sup> See "Property Description and Location".

<sup>(2)</sup> Pursuant to the terms of the Option Agreement, the Company is required to pay Rockhaven \$100,000 on the Listing Date and an additional \$50,000 on or before November 9, 2013. See "Description of Business – Kluane Property".

The Company will use an amount equal to the gross proceeds from the sale of the FT Shares to incur CEE, which will be renounced to Subscribers for the FT Shares effective December 31, 2013. See "Use of Proceeds". The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary.

### Principal Purpose – Asset Acquisition

The Company intends to use cash payments totaling \$150,000 and property expenditure payments of \$250,000 from the net proceeds of the Offering within the next 12 months following the Closing Date to settle obligations owed to Rockhaven with respect to the Company's obligations to keep its option in good standing with respect to the Kluane Property.

### *Kluane Property*

The Company currently holds an option to acquire a 100% legal and beneficial interest in the Ruby Range Project which includes the Kluane Property. The mineral claims that comprise the Ruby Range Project are registered in the name of the Company. Pursuant to the terms of the Amended Rockhaven Option Agreement, the Company must pay an aggregate of \$525,000, incur property expenditures in the aggregate of \$1,000,000 and issue an aggregate of 4,000,000 Common Shares to Rockhaven to satisfy the conditions necessary to exercise the Option and acquire a 100% legal and beneficial interest in the Ruby Range Project.

See “Description of Business – Three-Year History – Clarence Stream Property”.

### **Business Objectives and Milestones**

The Company’s intended business objectives and milestones following the Offering are to complete the Phase 1 and, subject to the Closing of the Maximum Offering, the contingent Phase 2 exploration programs on the Kluane Property. The Company must complete at least the Minimum Offering to have the funds necessary to complete the Phase 1 and must complete the Maximum Offering or obtain alternate financing to complete the contingent Phase 2 exploration programs on the Kluane Property. Based upon the recommendations of the Author in the Technical Report, the Company intends to carry out the Phase 1 and, subject to the Closing of the Maximum Offering, the Phase 2 exploration programs with respect to the Kluane Property as set out below. The two phase program includes soil sampling, trenching or deep auger drilling and diamond drilling. Phase 2 is dependent upon receipt of satisfactory exploration results from Phase 1 and further dependent upon the Company closing the Maximum Offering. The Company anticipates that Phase 1 exploration program will be completed on or prior to August 31, 2013 and, if Phase 1 is successful and the Company is able to close the Maximum Offering, the Company anticipates that the contingent Phase 2 exploration program will be completed on or prior to September 30, 2013.

#### **Phase 1 Budget – Trenching**

• room and board or camp	\$ 20,000
• soils (300 @ 65./sample all in including helicopter and assays)	19,500
• trenching/deep auger drilling (1200m @ \$50/m)	60,000
• helicopter, including fuel	35,000
• assay costs 150 rock samples @ \$50/sample	7,500
• personnel – geologist, sampler, supervision	35,000
• fuel and transportation – mob, demob and operations	25,000
• expediting, safety & accounting	3,000
• preparation, a dmin, independent reporting	20,000
• contingency	<u>25,000</u>
<b>Total estimated cost (excluding GST)</b>	<b>\$250,000</b>

#### **Phase 2 Budget – Diamond Drilling (contingent on Phase 1)**

• room and board or camp	\$ 30,000
• drilling (1500m @ \$150/m, includes fuel, core boxes, mob/demob)	225,000
• helicopter, including fuel	200,000
• fixed wing, including fuel	65,000
• assay costs 500 samples @ \$50/sample	25,000
• metallurgical and mineralogical studies	5,000
• personnel – geologist, sampler, supervision	50,000
• fuel and transportation – mob and demob and operations	40,000
• expediting, safety & accounting	5,000
• preparation, a dministration, independent reporting	30,000
• contingency	<u>75,000</u>
<b>Total estimated cost (excluding GST)</b>	<b>\$750,000</b>

## Other Sources of Funding

See “Proceeds and Funds Available”.

## DIVIDENDS OR DISTRIBUTIONS

### Dividends

The payment of dividends, if any, in the future, rests within the sole discretion of the Board. The payment of dividends will depend upon the Company’s earnings, its capital requirements and its financial condition, as well as other relevant factors. The Company has not declared any cash dividends since its inception and the Company intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares and other classes of shares in the foreseeable future.

There are no restrictions in the Company’s constating documents that prevent the Company from declaring dividends. The *Business Corporations Act* (British Columbia), however, does prohibit the Company from declaring dividends where, after giving effect to the distribution of the dividend the Company would not be able to pay its debts as they become due in the usual course of business; or the Company’s total assets would be less than the sum of its total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution.

## MANAGEMENT’S DISCUSSION AND ANALYSIS

The following management’s discussion and analysis (“**MD&A**”) of the operating results and financial position of the Company should be read in conjunction with the unaudited interim financial statements for the three and nine months ended January 31, 2013 and 2012 and the audited annual financial statements for the years ended April 30, 2012 and the period from incorporation on April 5, 2011 to April 30, 2011 included in and forming part of this Prospectus. The financial information in this MD&A is prepared in accordance with International Financial Reporting Standards (“**IFRS**”). The information below is as at the date of this Prospectus (unless otherwise specified below).

### Overview

The Company is engaged in the business of mineral exploration in Canada and its objective is to locate and, if warranted, develop economic mineral properties. The Company commenced operations in April of 2011 for the purpose of acquiring and advancing mineral properties. The Company holds an option to acquire a 100% legal and beneficial interest in the early exploration stage Kluane Property and has entered into the Amended Rockhaven Option Agreement which sets out the consideration payable and issuable to earn such interest. See “Description of Business – Three Year History – Kluane Property”. In addition, the Company has interests in two early exploration stage properties consisting of the Gladstone Property and the JPR Property that, together with the Kluane Property, comprise the Ruby Range Project. The Kluane Property is the sole material property of the Company at this time. At this time, the Company intends to hold the Gladstone Property and JPR Property and not conduct any exploration activities until circumstances warrant and additional funds are obtained to carry out an exploration program.

### Overall Performance

From incorporation on April 5, 2011 to January 31, 2013, the Company capitalized itself through the issuance of securities on a private placement basis. From incorporation until January 31, 2013, the Company raised gross proceeds of \$307,200 through the issuance of its securities pursuant to private placements and used an aggregate of approximately \$128,656 in exploration expenditures with respect to the Kluane Property. The Company has not generated revenues to date. Management anticipates that it will incur considerably more expenses following the Offering. These funds will include increased professional fees necessary to comply with applicable securities laws and increased exploration fees and acquisition costs in connection with the Kluane Property. Pursuant to the



Amended Rockhaven Option Agreement, the Company is required to pay cash of \$150,000 to Rockhaven and incur property expenditures of \$250,000 within 12 months following the Closing Date to keep the Option in good standing. See “Use of Proceeds – Principal Purpose – Asset Acquisition – Kluane Property”.

The Company expects to focus its efforts following completion of the Offering on exploring the Kluane Property as more particularly described in the Technical Report. The Company’s future performance is largely tied to the outcome of future exploration and the overall financial markets. The recoverability of minerals from the Company’s properties is dependent upon, among other things, the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to explore and develop its Kluane Property, and upon future profitable production. Uncertainty in credit markets has led to increased difficulties in raising and borrowing funds. As a result, the Company may have difficulties raising equity financing for the purposes of exploration and development of the Company’s current and any after acquired properties in the future without diluting the interests of current shareholders of the Company and the interests of Subscribers to the Offering who will become shareholders of the Company upon completion of the Offering.

The Company’s comprehensive loss decreased from \$153,774 for the three months ended January 31, 2012 to \$4,620 for the three months ended January 31, 2013 mainly due to decreased exploration and evaluation activity on the Kluane Property which were offset by lower general and administrative costs. The Company’s comprehensive loss decreased from \$155,155 during the nine months ended January 31, 2012 to \$20,945 during the nine months ended January 31, 2013 mainly resulting from \$80,246 in stock based compensation during the nine months ended January 31, 2012 (2013 – Nil), \$55,308 in mineral exploration costs (2013 – \$2,908) and \$14,000 in consulting fees (2013 – Nil). The Company’s comprehensive loss was \$220,073 for the year ended April 30, 2012 and was \$7 for the period from incorporation on April 5, 2011 to April 30, 2011. The increased comprehensive loss for the year ended April 30, 2012 was largely the result of the difference in reporting periods and because the Company did not actively commence business until after the period ended April 30, 2011.

The Company’s cash and cash equivalents increased from \$35,159 as at April 30, 2012 to \$53,626 as at January 31, 2013. The Company raised \$29,280 in financing activities during the nine months ended January 31, 2013, net of issue costs, and used cash in operating activities of \$10,813 during the same period in comparison to raising \$137,709 in financing activities during the nine months ended January 31, 2012 and using cash in operating activities of \$128,796 during the same period.

The Company’s current assets increased from \$46,169 as at April 30, 2012 to \$55,668 as at January 31, 2013. Total assets increased from \$96,169 as at April 30, 2012 to \$105,668 as at January 31, 2013.

The Company’s current liabilities increased from \$1,799 as at April 30, 2012 to \$15,864 as at January 31, 2013 mainly due to a deferred flow-through share premium of \$12,600.

### Selected Annual Financial Information

The following table sets out selected audited financial information for the Company for the period from incorporation on April 5, 2011 to April 30, 2011 and for the financial year ended April 30, 2012 prepared in accordance with IFRS. The selected audited financial information should only be read in conjunction with the Company’s audited financial statements, including the notes thereto, included elsewhere in this Prospectus.

	Year ended April 30, 2012 \$ (audited) (Under IFRS)	Period from incorporation on April 5, 2011 to April 30, 2011 \$ (audited) (Under IFRS)
Revenue	-	-
Mineral exploration costs	126,298	-
Total operating expenses	242,673	7
Comprehensive loss for the period	(220,073)	(7)
Loss per share, basic and diluted	(0.12)	(7.00)

	As at April 30, 2012 \$ (audited) (Under IFRS)	As at April 30, 2011 \$ (audited) (Under IFRS)
Current Assets	46,169	193
Total Assets	96,169	193
Current Liabilities	1,799	199
Total Liabilities	1,799	199
Cash Dividends per Common Share	-	-

Mineral exploration costs increased from the period from incorporation on April 5, 2011 to April 30, 2011 to the year ended April 30, 2012 mainly due to the difference in reporting periods but also to increased exploration expenditures incurred in connection with the Kluane Property. Current assets increased from \$193 as at April 30, 2011 to \$46,169 as at April 30, 2012 mainly due to increased cash following the closing of several private placements.

As an exploration stage Company, the Company has not generated revenue from its property interests and does not anticipate it will do so for the foreseeable future. The Company currently holds an option to acquire a 100% legal and beneficial interest in the early exploration stage Kluane Property and holds an option to acquire a 100% legal and beneficial interest in two non-material and early exploration stage properties consisting of the Gladstone Property and the JPR Property, which, together with the Kluane Property, comprise the Ruby Range Project. Management anticipates that expenses related to mineral exploration and administration of the Company will materially increase following Closing. Management anticipates that such expenses will include increased exploration expenditures with respect to the Kluane Property in accordance with the Amended Rockhaven Option Agreement, and increased professional fees, investor relations expenses and other costs associated with compliance with applicable securities laws following the Closing.

## Results of Operations

### *Three Months Ended January 31, 2013*

During the three months ended January 31, 2013, the Company generated no revenue and incurred total expenses of \$4,620 and during the three months ended January 31, 2012, the Company generated no revenue and incurred total expenses of \$153,774. The most significant expenses were as follows: exploration expenditures of \$550, which decreased by \$54,774 from the previous three month period due to reduced exploration and evaluation activity on the Kluane Property in 2013; and general and administrative expenses of \$4,070, which decreased by \$94,396 from the previous three month period due to no stock based compensation or consulting fees for such period. The comprehensive loss for the three months ended January 31, 2013 was \$4,620 as compared to comprehensive loss for the three months ended January 31, 2012 of \$153,774. Management anticipates that expenses will materially increase following completion of the Offering, including mineral exploration costs, administration costs and professional costs. Following the closing of the Offering, the Company intends to carry out the Phase 1 exploration program on the Kluane Property as set out in the Technical Report and anticipates incurring increased administrative costs and professional fees as the Company complies with applicable securities laws. See "Use of Proceeds" and "Principal Purposes – Asset Acquisition – Kluane Property".

### *Nine Months Ended January 31, 2013*

During the nine months ended January 31, 2013, the Company generated no revenue and incurred total expenses of \$20,945 and during the nine months ended January 31, 2012, the Company generated no revenue and incurred total expenses of \$155,155. The most significant expenses were as follows: exploration expenditures of \$2,908, which decreased by \$52,400 from the previous nine month period due to reduced exploration and evaluation activity on the Kluane Property in 2013; and general and administrative expenses of \$18,037, which decreased by \$81,810 from the previous nine month period due to no stock-based compensation or consulting fees. The comprehensive loss for the nine months ended January 31, 2013 was \$20,945 as compared to comprehensive loss for the nine months ended January 31, 2012 of \$155,155. Management anticipates that expenses will materially increase following completion of the Offering, including mineral exploration costs, administration costs and professional costs. Following the

closing of the Offering, the Company intends to carry out the Phase 1 exploration program on the Kluane Property as set out in the Technical Report and anticipates incurring increased administrative costs and professional fees as the Company complies with applicable securities laws. See “Use of Proceeds” and “Principal Purposes – Asset Acquisition – Kluane Property”.

#### *Year Ended April 30, 2012*

During the year ended April 30, 2012, the Company generated no revenue and incurred total operating expenses of \$242,673. The most significant expenses were as follows: mineral exploration costs of \$126,298; stock based compensation of \$80,246; and consulting fees of \$28,000. The comprehensive loss for the year ended April 30, 2012 was \$220,073. Management anticipates that expenses will materially increase following completion of the Offering, including mineral exploration costs, administration costs and professional costs. Following the closing of the Offering, the Company intends to carry out the Phase 1 exploration program on the Kluane Property as set out in the Technical Report and anticipates incurring increased administrative costs and professional fees as the Company complies with applicable securities laws. See “Use of Proceeds” and “Principal Purposes – Asset Acquisition – Kluane Property”.

#### *Period from Incorporation on April 5, 2011 to April 30, 2011*

During the period from incorporation on April 5, 2011 to April 30, 2011, the Company generated no revenue and incurred total operating expenses of \$7. Expenses consisted of \$7 in office and miscellaneous expenses which reflects the short period of less than 30 days from incorporation to the Company’s first year end on April 30, 2011 while the Company was relatively inactive.

### **Liquidity and Capital Resources**

As at January 31, 2013, the Company had cash and cash equivalents of \$53,626, compared to \$35,159 at April 30, 2012. The increase in cash and cash equivalents during the period was due to the issuance of securities and reduced operational expenditures during the nine months ended January 31, 2013. As the Company will not generate funds from operations for the foreseeable future, the Company is primarily reliant upon the sale of equity securities in order to fund operations. Since inception, the Company has funded its operations through the issuance of equity securities on a private placement basis and this has permitted the Company to carry out its exploration activities to date and to address preliminary costs associated with the Offering.

As set out under the heading “Use of Proceeds”, the Company anticipates spending \$250,000 to carry out the Phase 1 exploration program on the Kluane Property, \$150,000 within the next 12 month period to satisfy the payments to Rockhaven under the Amended Rockhaven Option Agreement and \$175,000 to cover anticipated administrative costs and working capital for the next 12 month period. The Company cannot offer any assurance that expenses will not exceed management’s expectations. The Company will require additional funds and will be dependent upon its ability to secure equity and/or debt financing, the availability of which cannot be assured, especially in light of the recent global financial crises.

Although the Company currently has limited capital resources, management currently believes that, following the closing of the Offering, the Company will not have to rely upon the sale of its equity and/or debt securities for cash required to fund operations for the next 12 month period, other than as disclosed in this Prospectus.

### **Off Balance Sheet Arrangements**

As at the date of this Prospectus, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial conditions of the Company including, without limitation, such considerations as liquidity and capital resources.

### **Transactions with Related Parties**

During the period from incorporation on April 5, 2011 to April 30, 2011, the year ended April 30, 2012, the nine months ended January 31, 2013 and 2012 and up to the date of this Prospectus, the Company entered into the following transactions with related parties:

As at January 31, 2013, the amount of \$1,800 (2012 - \$1,799) was owed to Ravinder Mlait, the Chief Executive Officer, President and a director of the Company, which is non-interest bearing, unsecured and due on demand.

During the nine months ended January 31, 2013, the Company incurred consulting fees of Nil (2012 - \$14,000) and stock based compensation of Nil (2012 - \$80,246) for a total of Nil (2012 - \$94,246) to Ravinder Mlait, Bryan Loree, Alex Kanayev and Jayahari Balasubramaniam, who are executive officers and/or directors of the Company.

During the year ended April 30, 2012, the Company incurred consulting fees of \$28,000 (2011 - Nil) and stock-based compensation expense of \$61,251 (2011 - Nil) for a total of \$89,251 to Ravinder Mlait, Bryan Loree, Alex Kanayev and Jayahari Balasubramaniam, who are executive officers and/or directors of the Company.

All of the above transactions have been in the normal course of operations and have been recorded at their exchange amounts, which are the amounts agreed upon by the transacting parties.

#### **Fourth Quarter**

During the three months ended April 30, 2012, total revenues were nil. Total expenses during the quarter were \$64,918 and were mainly attributed to professional fees and exploration expenditures on the mineral properties. Comprehensive loss during the quarter was \$64,918 and basic and diluted net loss per share was \$0.01. Expenses and comprehensive losses have increased in subsequent quarters and the Company anticipates that expenses and comprehensive losses will continue to increase as the Company conducts further exploration and development activities at its mineral properties.

#### **Change in Accounting Policy – Adoption of IFRS**

Nil.

#### **Financial Instruments and Other Instruments**

Financial instruments of the Company consist of cash, amounts receivable and amounts due to related parties. Unless otherwise noted, management believes that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The carrying amounts of cash, amounts receivable and amounts due to related parties approximate their fair values due to the short-term nature of these instruments.

#### **Disclosure of Outstanding Security Data**

##### *Common Shares*

As of the date of this Prospectus, the Company had 4,486,727 Common Shares issued and outstanding.

##### *Stock Options*

As of the date of this Prospectus, the Company did not have any Options outstanding.

##### *Share Purchase Warrants*

As of the date of this Prospectus, the Company had 527,443 share purchase warrants outstanding, each of which entitles the holder to acquire one Common Share. Of such amount, 380,250 warrants are exercisable at \$0.25 until expiry on January 27, 2017, 73,080 warrants are exercisable at \$0.35 until expiry on December 10, 2014 and 74,113 warrants are exercisable at \$0.25 until expiry on February 13, 2015.

#### **Additional Disclosure for Junior Issuers**

The net proceeds of the Offering, together with the other funds available to the Company, are expected to fund the operations of the Company for 12 months after Closing of the offering. See “Use of Proceeds”.

## DESCRIPTION OF SECURITIES DISTRIBUTED

This Prospectus qualifies the distribution of the Units, FT Units, Shares, FT Shares, Warrants, FT Warrants, Agent's Shares and Corporate Finance Shares. Details of these securities are set forth below.

### **Authorized Capital**

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value and an unlimited number of preferred shares without par value. See "Consolidated Capitalization". As of the date of this Prospectus, there were 4,486,727 Common Shares issued and outstanding and no preferred shares issued and outstanding.

### **Common Shares**

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company, except meetings at which only holders of a specified class of shares are entitled to vote, and each Common Share confers the right to one vote in person or by proxy at all such meetings of the shareholders of the Company. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or other distribution of the Company's assets among its shareholders by way of repayment of capital, the net equity of the Company shall be distributed among the holders of the Common Shares, without priority and on a share for share basis. There are no redemption or retraction rights associated with the Common Shares.

### **Warrants and FT Warrants**

The following is a summary of the material attributes and characteristics of the Warrants forming part of the Units and the FT Warrants forming part of the FT Units.

The Warrants and FT Warrants will be issued in registered form.

Each Warrant will entitle the holder to purchase one Warrant Share at a price of \$0.25 and each FT Warrant will entitle the holder to purchase one FT Warrant Share at a price of \$0.35, subject to adjustment as summarized below. Warrants and FT Warrants will be exercisable at any time prior to 5:00 p.m. (Vancouver time) on the date that is 60 months from the Closing Date, after which the Warrants and FT Warrants will expire and become null and void.

The certificates evidencing the Warrants and FT Warrants will provide for adjustment to the number of Warrant Shares and FT Warrant Shares, respectively, that are issuable upon the exercise of the Warrants and FT Warrants and/or the exercise price per Warrant Share or FT Warrant Share in the event of: (i) the subdivision or consolidation of the Common Shares or issuance of a stock dividend on the Common Shares or other distribution of Common Shares or securities convertible into Common Shares to the holders of Common Shares generally; (ii) the issuance to all but not less than all the holders of the Common Shares of rights, options or warrants to purchase Common Shares or securities convertible into Common Shares at less than 95% of the "fair market value" (as defined in the certificates evidencing the Warrants and FT Warrants) of the Common Shares; and (iii) the distribution to all or substantially all of the holders of Common Shares of shares of any other class or of rights, options or warrants to acquire Common Shares or securities convertible into Common Shares or property or other assets of the Company or of evidences of indebtedness or any property or other assets. The certificates evidencing the Warrants and FT Warrants will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and FT Warrants and/or exercise price per Warrant Share and FT Warrant Share in the event of: (i) any reclassification, subdivision, re-division, reduction, combination, consolidation or change of the Common Shares; (ii) an amalgamation, merger, plan of arrangement or consolidation of the Company with another entity; or (iii) the transfer of all or substantially all of the assets of the Company.

No adjustment of the exercise price of the Warrants or FT Warrants will be made if the amount of such adjustment is less than 1% of the exercise price in effect immediately prior to the event giving rise to the adjustment; provided, however, that in such case any adjustment that would otherwise be required then to be made will be carried forward

and made at the time of and together with the next subsequent adjustment which, together with any adjustment(s) so carried forward, amount to at least 1% of the exercise price.

The Company will covenant in the certificates evidencing the Warrants and FT Warrants that, during the period in which the Warrants and FT Warrants are exercisable, it will give notice to the holders of the Warrants and FT Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants and FT Warrants or the number of Warrant Shares and FT Warrant Shares issuable upon exercise of the Warrants and FT Warrants, at least five (5) Business Days prior to the record date or effective date, as the case may be, of such event.

No fractional Warrant Shares or FT Warrant Shares will be issuable upon the exercise of any Warrants or FT Warrants. Holders of the Warrants and FT Warrants will not have any voting or pre-emptive rights or any other rights which a holder of Common Shares would have.

The certificates evidencing the Warrants and FT Warrants will provide that, from time to time, the Company, without the consent of the holders of the Warrants or FT Warrants, as applicable, may amend or supplement the warrant certificates for certain purposes, including curing defects or inconsistencies or making any change that does not prejudice the rights of any holder of the Warrants or FT Warrants. Any amendment or supplement to the warrant certificates that would prejudice the interests of the holders of the Warrants or FT Warrants may only be made by “extraordinary resolution”, which will be defined in the warrant certificates as a resolution either (1) passed at a meeting of the holders of the Warrants and FT Warrants at which there are holders of the Warrants and FT Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants or FT Warrants (unless such meeting is adjourned to a prescribed later date due to a lack of quorum, at which adjourned meeting the holders of the Warrants and FT Warrants present in person or by proxy shall form a quorum) and passed by the affirmative vote of holders of Warrants and FT Warrants representing not less than 66 $\frac{2}{3}$ % of the aggregate number of all the then outstanding Warrants and FT Warrants represented at the meeting and voted on the poll upon such resolution, or (2) adopted by an instrument in writing signed by the holders of Warrants and FT Warrants representing not less than 66 $\frac{2}{3}$ % of the aggregate number of all the then outstanding Warrants and FT Warrants.

The Warrants, FT Warrants, Warrant Shares and FT Warrant Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws, and the Warrants and FT Warrants may not be exercised in the United States or by or on behalf of a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act) unless an exemption from such registration is available, and the holder of the Warrants and FT Warrants provides an opinion of counsel or other evidence of exemption in form and substance reasonably satisfactory to the Company to that effect.

The foregoing summary of certain provisions of the warrant certificates does not purport to be complete and is qualified in its entirety by reference to the provisions of the warrant certificates in the form to be agreed upon by the parties. The form of warrant certificate will be available on SEDAR under the Company’s profile at [www.sedar.com](http://www.sedar.com).

### **Flow-Through Shares**

The FT Shares will be Common Shares issued as “flow-through shares” under the Tax Act. The Company will incur on or before December 31, 2014, and renounce to each Subscriber for FT Shares, effective on or before December 31, 2013, CEE in an amount equal to the price for the FT Shares by such Subscriber. See “Certain Canadian Federal Income Tax Act Considerations”.

**A Subscriber who places an order to purchase FT Shares with the Placement Agent will be deemed to have authorized the Placement Agent to execute and deliver, on the Subscriber’s behalf, a FT Share Subscription Agreement attached to this Prospectus as Schedule D.** The execution and delivery of a FT Share Subscription Agreement by the Placement Agent, as agent on behalf of a Subscriber, will bind such Subscriber to the terms thereof as if such Subscriber had executed the FT Share Subscription Agreement personally. The Placement Agent acknowledges that it will have the authority to bind a Subscriber to the FT Share Subscription Agreement upon receipt of an order to purchase FT Shares from such Subscriber.

Pursuant to the FT Share Subscription Agreement, the Company will covenant and agree: (i) to incur on or before December 31, 2014 and renounce to the Subscriber effective on or before December 31, 2013 CEE in an amount equal to the price paid by such Subscriber for the FT Shares, (ii) that the CEE will qualify as a “flow-through mining expenditure” as defined in subsection 127(9) of the Tax Act for purposes of the 15% non-refundable federal tax credit in respect thereof under the Tax Act, provided that the Tax Proposals are enacted as proposed, and (iii) that if the Company does not renounce to such Subscriber CEE equal to such amount, or if there is a reduction in such amount renounced pursuant to the provisions of the Tax Act, the Company will indemnify the Subscriber in an amount equal to the amount of any tax payable under the Tax Act (and under any corresponding provincial legislation) by the Subscriber as a consequence of such failure or reduction. The FT Share Subscription Agreement will contain additional representations, warranties, covenants, and agreements by the Company in favour of Subscribers for FT Shares which are consistent with and supplement the Company’s obligations as described in this Prospectus.

The FT Share Subscription Agreement will also provide representations, warranties and agreements of the Subscriber, and by its purchase of FT Shares, each Subscriber for FT Shares offered under this Prospectus will be deemed to have represented, warranted and agreed, for the benefit of the Company and the Placement Agent that is signatory thereto, that: (i) the FT Share Subscription Agreement is subject to acceptance by the Company and is effective only upon such acceptance; (ii) neither the Subscriber for FT Shares nor any beneficial purchaser for whom it is acting is a non-resident of Canada for the purposes of the Tax Act; (iii) the Subscriber, and any beneficial purchaser for whom it is acting, deals, and until January 1, 2015 will continue to deal, at arm’s length with the Company for purposes of the Tax Act; (iv) the Subscriber has not entered into any agreement or arrangement with any person or partnership (other than the Company or a specified person in relation to the Company as defined in subsection 6202.1(5) of the regulations made under the Tax Act) which will cause the FT Shares to be “prescribed shares”, within the meaning of section 6202.1 of the regulations made under the Tax Act; (v) the Subscriber, if an individual, is of the full age of majority and otherwise is legally competent to enter into the FT Share Subscription Agreement; (vi) the Subscriber, if other than an individual, has the necessary capacity and authority to enter into the FT Share Subscription Agreement and has taken all necessary action in respect thereof; (vii) the liability of the Company to renounce CEE is limited to the extent specifically stated herein and in the FT Share Subscription Agreement; (viii) other than as provided herein and the FT Share Subscription Agreement, the Subscriber waives any right that it may have to any potential incentive grants, credits and similar or like payments or benefits which accrue as a result of the operations relating to CEE and acknowledges that all such grants, credits, payments or benefits accrue exclusively to the benefit of the Company; and (ix) the Subscriber has received and reviewed a copy of this Prospectus.

### **Agent’s Shares and Corporate Finance Shares**

On closing of the Offering, the Company will issue the Agent’s Shares to the Placement Agent equal to 10% of the number of Units and FT Units sold pursuant to the Offering. In addition to the Agent’s Shares, and on the Closing of the Offering, the Company will issue the Corporate Finance Shares to the Placement Agent resulting in the issuance of 33,333 Common Shares at a deemed price of \$0.15 per Common Share.

Holders of the Agent’s Shares and the Corporate Finance Shares will be entitled to voting rights and all other rights which a holder of Common Shares has (including, without limitation, the right to receive notice of and to attend meetings of shareholders or any right to receive dividends or other distributions). Holders of the Agent’s Shares and Corporate Finance Shares will have no pre-emptive rights to acquire securities of the Company.

### **CONSOLIDATED CAPITALIZATION**

There has been no material change to the Company’s share capital since the date of the most recently completed unaudited interim financial statements for the nine months ended January 31, 2013.

The following table sets out the capitalization of the Company as at the dates specified below:

Description	Authorized	Outstanding as at January 31, 2013	Outstanding as at the date of this Prospectus	Outstanding after giving effect to the Minimum Offering	Outstanding after giving effect to the Maximum Offering
Common Shares	Unlimited	4,486,727	4,486,727 <sup>(1)</sup>	9,506,727 <sup>(2)</sup>	15,520,060 <sup>(3)</sup>
Preferred shares	Unlimited	Nil	Nil	Nil	Nil
Warrants	527,443 <sup>(4)</sup>	63,000 <sup>(5)</sup>	527,443 <sup>(4)</sup>	2,794,110 <sup>(6)</sup>	5,527,443 <sup>(7)</sup>
Options	10%	Nil	Nil	Nil	Nil

**Notes:**

- <sup>(1)</sup> On an undiluted basis. Does not include any Common Shares issuable upon exercise of the warrants.
- <sup>(2)</sup> On an undiluted basis. Does not include any Common Shares issuable upon exercise of the warrants, Warrants or FT Warrants. Assumes that a total of 4,533,334 Units and FT Units are issued in the Minimum Offering, the Corporate Finance Shares are issued, and 453,333 Agent's Shares are issued. Does not include the 2,200,000 Common Shares that are issuable to Rockhaven on the Rockhaven Release Date, which, upon issuance, will be placed into pool and subject to the Voluntary Pooling Agreement. See "Pooled Shares".
- <sup>(3)</sup> On an undiluted basis. Does not include any Common Shares issuable upon exercise of the warrants, Warrants or FT Warrants. Assumes that a total of 10,000,000 Units and FT Units are issued in the Maximum Offering, the Corporate Finance Shares are issued, and 1,000,000 Agent's Shares are issued. Does not include the 2,200,000 Common Shares that are issuable to Rockhaven on the Rockhaven Release Date, which, upon issuance, will be placed into pool and subject to the Voluntary Pooling Agreement. See "Pooled Shares".
- <sup>(4)</sup> Warrants consist of 380,250 warrants exercisable at \$0.25 until expiry on January 27, 2017, 73,080 warrants exercisable at \$0.35 until expiry on December 10, 2014 and 74,113 warrants exercisable at \$0.25 until expiry on February 13, 2015.
- <sup>(5)</sup> Each warrant exercisable at \$0.35 until expiry on December 10, 2014.
- <sup>(6)</sup> Warrants consist of 380,250 warrants exercisable at \$0.25 until expiry on January 27, 2017, 73,080 warrants exercisable at \$0.35 until expiry on December 10, 2014 and 74,113 warrants exercisable at \$0.25 until expiry on February 13, 2015. Also consists of 500,000 FT Warrants and 1,766,667 Warrants.
- <sup>(7)</sup> Warrants consist of 380,250 warrants exercisable at \$0.25 until expiry on January 27, 2017, 73,080 warrants exercisable at \$0.35 until expiry on December 10, 2014 and 74,113 warrants exercisable at \$0.25 until expiry on February 13, 2015. Also consists of 2,000,000 FT Warrants and 3,000,000 Warrants.

**WARRANTS AND OPTIONS TO PURCHASE SECURITIES****Outstanding Warrants**

As at the date of this Prospectus, the Company had no Options outstanding. As at the date of this Prospectus, the following warrants of the Company were outstanding and are expected to be outstanding upon completion of the Offering:



Name of Optionee	Number of Persons	Designation of Securities under Option or warrant	Number of Common Shares under Option or Warrant	Exercise price per Common Share	Expiry Date
Executive officers of the Company as a group	Nil	Not Applicable	Nil	Not Applicable	Not Applicable
Directors and past directors of the Company who are not also executive officers as a group	Nil	Not Applicable	Nil	Not Applicable	Not Applicable
Consultants who are not also executive officers as a group	Nil	Not Applicable	Nil	Not Applicable	Not Applicable
Other persons holding warrants not included above	4	Common Shares	63,000 (warrants)	\$0.35	December 10, 2014
	1	Common Shares	10,080 (broker's warrants)	\$0.35	December 10, 2014
	10	Common Shares	343,750 (warrants)	\$0.25	January 27, 2017
	2	Common Shares	36,500 (broker's warrants)	\$0.25	January 27, 2017
	3	Common Shares	74,113 (warrants)	\$0.25	February 13, 2015
<b>Total Options</b>	<b>Nil</b>		<b>Nil</b>		
<b>Total warrants</b>	<b>20</b>		<b>527,443</b>		
<b>Total Options and warrants</b>	<b>20</b>		<b>527,443</b>		

As the Company was a private company at the time the warrants were granted, market value of the warrants is indeterminable. There are no assurances that the warrants described above will be exercised in whole or in part.

### 2013 Plan

The 2013 Plan provides for the grant of non-transferable Options for the purchase of Common Shares to eligible participants. Under the 2013 Plan, eligible participants include the directors, officers, employees of the Company and any person or company engaged to provide ongoing management or consulting services for the Company. Subject to the provisions of the 2013 Plan, the Committee (as defined in the 2013 Plan) has the authority to select those persons to whom Options will be granted, the number of Common Shares subject to Options which may be granted and the price at which Common Shares may be purchased pursuant to the exercise of Options.

The exercise price of any Option may not be less than the price permitted by any stock exchange on which the Common Shares are traded. Currently, the minimum exercise price as defined by the policies of the TSXV is not less than the Discount Market Price (as defined by the TSXV). Each Option, unless sooner terminated pursuant to the provisions of the 2013 Plan, will expire on a date to be determined by the Committee at the time the Option is granted, subject to amendment by an employment contract, which date cannot be later than ten years after the date the Option is granted.

If Options granted under the 2013 Plan are surrendered, terminated or expire without being exercised in whole or in part, new Options may be granted covering the Common Shares not purchased under the lapsed Options.

If an optionee ceases to be a director, officer, employee or consultant of the Company for any reason other than death, the optionee may, but only within 90 days following the cessation of such position, exercise the Options to the extent that the optionee was entitled to exercise such Options at the date of such cessation, provided that, if the case of an optionee who is engaged in investor relations activities on behalf of the Company, the 90 day period shall be shortened to 30 days. In the event of the death of an optionee, the Option previously granted to such optionee may be exercisable only within 12 months next succeeding such death and then only by the person to whom the optionee's rights under the Option shall pass by the optionee's will or the laws of descent and distribution and if and to the extent that the optionee was entitled to exercise the Option at the date of such optionee's death.

The Common Shares to be offered under the 2013 Plan shall consist of Options to acquire up to a maximum of 10% of the number of issued and outstanding Common Shares at the time of grant. The 2013 Plan is a “rolling” maximum share option plan, and any increase in the number of outstanding Common Shares will result in an increase in the number of Common Shares that are available to be issued under the 2013 Plan and, subject to the approval of any stock exchange on which the Common Shares of the Company are listed, any exercise of an Option previously issued under the 2013 Plan will result in an additional grant being available under the 2013 Plan.

### PRIOR SALES

The following table summarizes all sales of securities of the Company in the last 12 months from the date of this Prospectus:

Date of Issue	Price per Security/Exercise Price	Number and Type of Securities	Reason for Issuance
May 1, 2012	\$0.20	73,000 Common Shares	finder’s fee <sup>(1)</sup>
December 10, 2012	\$0.25	126,000 units <sup>(2)</sup>	private placement
February 1, 2013	\$0.35	10,080 warrants <sup>(3)</sup>	broker’s warrants in connection with December 10, 2012 financing <sup>(4)</sup>
February 13, 2013	\$0.15	148,227 units <sup>(5)</sup>	private placement
February 13, 2013	\$0.25	343,750 warrants <sup>(6)</sup>	private placement
February 13, 2013	\$0.25	36,500 warrants <sup>(6)</sup>	broker’s warrants in connection with January 4, 2012 financing <sup>(7)</sup>

**Notes:**

- (1) Shares issued to two finders as finder’s fees pursuant to finder’s fee agreements dated May 1, 2012 for services provided by such finders in connection with a private placement equity financing that closed December 30, 2011.
- (2) Each unit is comprised of one Common Share issued on a “flow-through basis” as defined in the Tax Act and one-half of one warrant, each whole warrant being exercisable into one Common Share at a price of \$0.35 per Common Share until December 10, 2014.
- (3) Each warrant expires on December 10, 2014.
- (4) Broker’s warrants issued to one finder as a finder’s fee pursuant to a finder’s fee agreement dated February 1, 2013 for services provided by such finder in connection with a private placement equity financing that closed December 10, 2012.
- (5) Each unit is comprised of one Common Share and one-half of one warrant, each warrant being exercisable into one Common Share at a price of \$0.25 per Common Share until February 13, 2015.
- (6) Each warrant expires on January 27, 2017.
- (7) Broker’s warrants issued to two finders as finder’s fees pursuant to a finder’s fee agreements dated May 1, 2012 for services provided by such finders in connection with a private placement equity financing that closed January 4, 2012.

### ESCROWED SECURITIES

As at the date of this Prospectus, the securities expected to be subject to escrow upon completion of the Offering are as shown in the following table:

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Common Shares	3,075,000	68.5% <sup>(1)</sup>

**Notes:**

- (1) Based on 4,486,727 Common Shares issued and outstanding as at the date of this Prospectus.

A detailed breakdown of the securities to be escrowed is shown in the following table:

Name	Designation of Security	Quantity	% Common Shares at the date of Prospectus <sup>(1)</sup>	% of Common Shares post-Minimum Offering <sup>(2)</sup>	Diluted % of Common Shares post-Maximum Offering <sup>(3)</sup>
Ravinder S. Mlait	Common Shares	775,000	17.3%	8.2% <sup>(4)</sup>	5.0% <sup>(4)</sup>
Bryan Loree	Common Shares	775,000	17.3%	8.2% <sup>(5)</sup>	5.0% <sup>(5)</sup>
Alex Kanayev <sup>(6)</sup>	Common Shares	1,525,000	34.0%	16.0% <sup>(6)</sup>	9.8% <sup>(6)</sup>

**Notes:**

- <sup>(1)</sup> Based on 4,486,727 Common Shares outstanding as at the date of this Prospectus.
- <sup>(2)</sup> Based on 9,506,727 Common Shares outstanding upon completion of the Minimum Offering. Does not include the 2,200,000 Common Shares issuable to Rockhaven on the Rockhaven Release Date which, upon issuance, will be placed into pool and subject to the Voluntary Pooling Agreement. See “Pooled Shares”.
- <sup>(3)</sup> Based on 15,520,060 Common Shares outstanding upon completion of the Maximum Offering. Does not include the 2,200,000 Common Shares issuable to Rockhaven on the Rockhaven Release Date, which, upon issuance, will be placed into pool and subject to the Voluntary Pooling Agreement. See “Pooled Shares”.
- <sup>(4)</sup> Does not include the approximately 33,333 Units and 20,000 FT Units that Ravinder S. Mlait intends to subscribe for in the Offering. If such Offered Securities are purchased, Ravinder S. Mlait will hold 9.0% of the Common Shares post-Minimum Offering on a diluted basis and will hold 5.5% of the Common Shares post-Maximum Offering on a diluted basis.
- <sup>(5)</sup> Does not include the approximately 33,333 Units and 20,000 FT Units that Bryan Loree intends to subscribe for in the Offering. If such Offered Securities are purchased, Bryan Loree will hold 9.0% of the Common Shares post-Minimum Offering on a diluted basis and will hold 5.5% of the Common Shares post-Maximum Offering on a diluted basis.
- <sup>(6)</sup> Consists of 25,000 Common Shares directly held by Alex Kanayev and 1,500,000 Common Shares indirectly held through VCC, a company wholly-owned by Alex Kanayev, a director of the Company. Does not include the approximately 33,333 Units and 20,000 FT Units that VCC intends to subscribe for in the Offering. If such Offered Securities are purchased, Alex Kanayev will directly and indirectly hold 16.8% of the Common Shares post-Minimum Offering on a diluted basis and will hold 10.3% of the Common Shares post-Maximum Offering on a diluted basis.

Section 3.5 of NP 46-201 provides that all shares of a company owned or controlled by principals will be escrowed at the time of the Company’s initial public offering, unless the shares held by the principal or issuable to the principal upon conversion of convertible securities held by the principal collectively represent less than 1% of the total issued and outstanding shares of the Company after giving effect to the initial public offering.

At the time of its initial public offering, an issuer will be classified for the purposes of escrow as either an “exempt issuer”, an “established issuer” or an “emerging issuer” as those terms are defined in NP 46-201.

Uniform terms of automatic timed release escrow apply to principals of exchange listed issuers, differing only according to the classification of the issuer. The Company anticipates that it will be classified as an “emerging issuer”. As such, the Company anticipates that the following automatic timed releases will apply to the securities held by the principals listed in the table above:

Date of Automatic Timed Release	Amount of Escrowed Securities Released
On the Listing Date	1/10 of the Escrowed Securities
6 months after the Listing Date	1/6 of the remaining Escrowed Securities
12 months after the Listing Date	1/5 of the remaining Escrowed Securities
18 months after the Listing Date	1/4 of the remaining Escrowed Securities
24 months after the Listing Date	1/3 of the remaining Escrowed Securities
30 months after the Listing Date	1/2 of the remaining Escrowed Securities
36 months after the Listing Date	the remaining Escrowed Securities

Assuming there are no changes to the escrowed securities initially deposited and no additional escrowed securities are deposited, automatic timed release escrow applicable to the Company will result in a 10% release on the Listing Date, with the remaining escrowed securities being released every six months thereafter in accordance with the table above.

Pursuant to the terms of the Escrow Agreement, Ravinder S. Mlait, Bryan Loree, Alex Kanayev and VCC have agreed to deposit in escrow their securities of the Company (the “**Escrowed Securities**”) with the Escrow Agent. Pursuant to the Escrow Agreement, 307,500 Common Shares will be released from escrow on the Listing Date.

### POOLED SHARES

On or prior to the Closing, and as a closing condition required under the Agency Agreement, the Company intends to enter into the Voluntary Pooling Agreement with the Pooling Agent and Rockhaven, whereby Rockhaven agrees to deliver the 2,200,000 Common Shares issuable by the Company to Rockhaven on the Rockhaven Release Date pursuant to the terms of the Amended Rockhaven Option Agreement to the Pooling Agent (the “**Pooled Shares**”). If Rockhaven receives other securities of the Company while the Voluntary Pooling Agreement remains effective: (i) as a dividend or other distribution on the Pooled Shares; (ii) on the exercise of a right of purchase, conversion or exchange attaching to the Pooled Shares; (iii) on a subdivision or compulsory or automatic conversion or exchange of Pooled Shares; or (iv) from a successor issuer in a business combination, then such additional securities will also be delivered to the Pooling Agent and held in pool subject to the terms of the Voluntary Pooling Agreement. The Pooling Agent has agreed to hold such Pooled Shares and release them on the following basis:

Date of Release	Amount of Pooled Shares to be released
On the Rockhaven Release Date	10%
4 months from the Rockhaven Release Date	22.5%
8 months from the Rockhaven Release Date	22.5%
12 months from the Rockhaven Release Date	22.5%
16 months from the Rockhaven Release Date	22.5%

### PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and officers of the Company, as of the date of this Prospectus, no person beneficially owns or exercises control or direction over, directly or indirectly, Common Shares carrying more than 10% of the votes attached to the Common Shares except for the following:

Name	Prior to the Offering		After Giving the Effect to the Offering		
	Number of Common Shares Held and Type of Ownership	Percentage of Common Shares Held <sup>(1)</sup>	Number of Common Shares Held	Percentage of Common Shares Held after giving effect to the Minimum Offering <sup>(2)</sup>	Percentage of Common Shares Held after giving effect to the Maximum Offering <sup>(3)</sup>
Ravinder S. Mlait	775,000	17.3%	828,333 <sup>(4)</sup>	8.7% <sup>(4)(8)</sup>	5.3% <sup>(4)(9)</sup>
Bryan Loree	775,000	17.3%	828,333 <sup>(5)</sup>	8.7% <sup>(5)(8)</sup>	5.3% <sup>(5)(9)</sup>
Alex Kanayev <sup>(6)</sup>	1,525,000	34.0%	1,578,333 <sup>(7)</sup>	16.6% <sup>(7)(8)</sup>	10.2% <sup>(7)(9)</sup>

**Notes:**

- <sup>(1)</sup> Based on 4,486,727 Common Shares issued and outstanding as at the date of this Prospectus.
- <sup>(2)</sup> Based on 9,506,727 Common Shares outstanding upon completion of the Minimum Offering. Does not include the 2,200,000 Common Shares issuable to Rockhaven on the Rockhaven Release Date, which, upon issuance, will be placed into pool and subject to the Voluntary Pooling Agreement. See “Pooled Shares”.
- <sup>(3)</sup> Based on 15,520,060 Common Shares outstanding upon completion of the Maximum Offering. Does not include the 2,200,000 Common Shares issuable to Rockhaven on the Rockhaven Release Date, which, upon issuance, will be placed into pool and subject to the Voluntary Pooling Agreement. See “Pooled Shares”.
- <sup>(4)</sup> Assumes and includes the approximately 33,333 Units and 20,000 FT Units that Ravinder S. Mlait intends to subscribe for in the Offering.
- <sup>(5)</sup> Assumes and includes the approximately 33,333 Units and 20,000 FT Units that Bryan Loree intends to subscribe for in the Offering.
- <sup>(6)</sup> Alex Kanayev currently holds 25,000 Common Shares directly and 1,500,000 Common Shares indirectly through VCC, a private company incorporated pursuant to the laws of Ontario that is wholly-owned by Alex Kanayev, a director of the Company.
- <sup>(7)</sup> Assumes and includes the approximately 33,333 Units and 20,000 FT Units that VCC intends to subscribe for in the Offering.
- <sup>(8)</sup> Assuming exercise of all outstanding warrants, Warrants and FT Warrants, Ravinder Mlait and Bryan Loree will each hold 854,999 Common Shares representing 7.0% of the issued and outstanding Common Shares on a fully-diluted basis on the Closing of the Minimum Offering and Alex Kanayev will directly and indirectly hold 1,604,999 Common Shares representing 13.0% of the issued and outstanding Common Shares on a fully-diluted basis on the Closing of the Minimum Offering.
- <sup>(9)</sup> Assuming exercise of all outstanding warrants, Warrants and FT Warrants, Ravinder Mlait and Bryan Loree will each hold 854,999 Common Shares representing 4.1% of the issued and outstanding Common Shares on a fully-diluted basis on the Closing of the Maximum Offering.

Offering and Alex Kanayev will directly and indirectly hold 1,604,999 Common Shares representing 7.6% of the issued and outstanding Common Shares on a fully-diluted basis on the Closing of the Maximum Offering.

## DIRECTORS AND EXECUTIVE OFFICERS

### Name, Occupation and Security Holdings

The following table provides the names, province of residence, position, principal occupations during the five preceding years and the number of voting securities of the Company that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date hereof:

Name and Province or State of Residence and Position with the Company	Date of Appointment <sup>(1)</sup>	Principal Occupations for the Past Five Years	Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly <sup>(2)</sup>
Ravinder S. Mlait <sup>(3)</sup> MBA Coquitlam, B.C. Canada <i>Chief Executive Officer, President and Director</i>	April 5, 2011	June 2010 to present, Chief Executive Officer of Rockland Minerals Corp.; January 2004 to May 2010, business development positions with Pacific Bay Minerals Ltd.; January 2004 to November 2007, corporate advisory consultant to Cusac Gold Mines Ltd.	775,000 <sup>(5)</sup>  17.3% <sup>(5)</sup>
Bryan E. Loree BA CMA Burnaby, B.C. Canada <i>Chief Financial Officer, Corporate Secretary and Director</i>	April 5, 2011	July 2010 to present, Chief Financial Officer of Rockland Minerals Corp.; June 2007 to May 2011, accountant position with Nechako Minerals Corp., a private mineral exploration company; January 2008 to May 2011, business development officer with Syntaris Power Corp., a private renewable energy company.	775,000 <sup>(6)</sup>  17.3% <sup>(6)</sup>
Alex Kanayev <sup>(3)(4)</sup> MBA, CGA Toronto, ON Canada <i>Director</i>	November 7, 2011	December 2011 to present, partner with VCC; January 2011 to December 2011, Chief Financial Officer and Managing Director with Alternative Investment Partners Inc.; December 2007 to June 2010, Senior Vice President with Sprott Asset Management and Third Eye Capital Corporation	1,525,000 <sup>(7)</sup>  34.0% <sup>(7)</sup>
Jayahari Balasubramaniam <sup>(3)(4)</sup> CFA Toronto, ON Canada <i>Director</i>	November 7, 2011	December 2009 to present, Vice President Kingsmont Investment Management Inc.; November 2007 to December 2009, Senior Investment Analyst with Sprott Asset Management/Third Eye Capital Corporation	25,000 <sup>(8)</sup>  0.6% <sup>(8)</sup>

Name and Province or State of Residence and Position with the Company	Date of Appointment <sup>(1)</sup>	Principal Occupations for the Past Five Years	Number and Percentage of Common Shares Beneficially Owned or Controlled, Directly or Indirectly <sup>(2)</sup>
Thomas Clarke <sup>(4)</sup> P.Geo Vancouver, B.C. Canada <i>Director</i>	March 4, 2013	May 2004 to present, President of Twillar Resources; July 2007 to present, President of Drakensberg Capital (formerly Drakensberg Diamonds); February 2007 to October 2010, President of Nanoose Gold; September 2009 to November 2009, geologist with ETK Inc.; January 2009 to February 2009, geological consultant with McLeay Geological Consultants; July 2008 to September 2008, geologist with Largo Resources	Nil

**Notes:**

- (1) The directors of the Company hold office until the next annual general meeting of the Company, unless they otherwise resign or are removed from this position. The officers of the Company hold office at the pleasure of the Board, unless they otherwise resign or are removed from this position.
- (2) Percentage is based on 4,486,727 Common Shares issued and outstanding as of the date of this Prospectus. See “Warrants and Options to Purchase Securities”. See “Escrowed Securities” and “Principal Securityholders”.
- (3) Denotes a member of the Audit Committee of the Company, member of the Compensation Committee and member of the Nominating and Corporate Governance Committee. See “Audit Committee” and “Corporate Governance”.
- (4) Denotes an independent director. See “Corporate Governance”.
- (5) Does not include the approximately 33,333 Units and 20,000 FT Units that Ravinder S. Mlait intends to subscribe for in the Offering. If such Offered Securities are purchased, Ravinder S. Mlait will hold 828,333 Common Shares or 8.7% of the Common Shares post-Minimum Offering and 5.3% of the Common Shares post-Maximum Offering on an undiluted basis.
- (6) Does not include the approximately 33,333 Units and 20,000 FT Units that Bryan Loree intends to subscribe for in the Offering. If such Offered Securities are purchased, Bryan Loree will hold 828,333 Common Shares or 8.7% of the Common Shares post-Minimum Offering and 5.3% of the Common Shares post-Maximum Offering on an undiluted basis.
- (7) Consists of 25,000 Common Shares directly held and 1,500,000 Common Shares indirectly held by VCC, a private company wholly-owned by Alex Kanayev. Does not include the approximately 33,333 Units that 20,000 FT Units that VCC intends to subscribe for in the Offering. If such Offered Securities are purchased, Alex Kanayev will directly and indirectly hold 1,578,333 Common Shares or 16.6% of the Common Shares post-Minimum Offering and 10.2% of the Common Shares post-Maximum Offering on an undiluted basis.
- (8) Does not include the approximately 33,333 Units that Jayahari Balasubramaniam intends to subscribe for in the Offering. If such Offered Securities are purchased, Jayahari Balasubramaniam will hold 58,333 Common Shares or 0.6% of the Common Shares post-Minimum Offering and 0.4% of the Common Shares post-Maximum Offering on an undiluted basis.

The term of office of the directors expires annually at the time of the Company’s annual general meeting. The term of office of the executive officers expires at the discretion of the Board. Ravinder S. Mlait, Chief Executive Officer President and a director of the Company, and Bryan Loree, Chief Financial Officer, Corporate Secretary and a director of the Company, have entered into employment agreements with the Company that include restrictions on such officers regarding the disclosure of confidential information relating to the Company. No executive officers of the Company have entered into non-competition agreements with the Company. See “Executive Compensation”.

As at the date of this Prospectus, the directors and executive officers of the Company as a group beneficially own, directly or indirectly, or exercised control or discretion over an aggregate of 3,100,000 Common Shares of the Company, which is equal to 69.1% of the Common Shares issued and outstanding as at the date hereof.

**Background**

The following is a brief description of each of the directors and executive officers of the Company, including their names, ages, positions and responsibilities with the Company, relevant educational background, principal occupations or employment during the five years preceding the date of this Prospectus, experience in the Company’s industry and the amount of time intended to be devoted to the affairs of the Company:

*Ravinder S. Mlait, MBA – Director, Chief Executive Officer and President 37 years old* – Mr. Mlait has served as a director, Chief Executive Officer and President of the Company from April 5, 2011. From June 2010 to present, Mr. Mlait has served as Chief Executive Officer and President of Rockland Minerals Corp., a mineral exploration company listed on the TSXV. From January 2004 to May 2010, Mr. Mlait performed business development

services for Pacific Bay Minerals Ltd., a mineral exploration company listed on the TSXV that carried out exploration activities in Argentina, Quebec and British Columbia. Initially, he was a corporate communications consultant from January 2004 to November 2007 and later was appointed Vice President Business Development from December 2007 to May 2010. Mr. Mlait also acted as a corporate advisory consultant to Cusac Gold Mines Ltd., a then mining issuer listed on the TSXV from January 2004 to November 2007. To the knowledge of Mr. Mlait, all organizations listed above are still carrying on business. Mr. Mlait obtained a Bachelor of Arts degree (Economics) from Simon Fraser University in 1999 and obtained his Masters of Business Administration from Royal Roads University in Victoria, British Columbia in 2010. Mr. Mlait expects to devote 50% of his time to the affairs of the Company.

*Bryan E. Loree, BA, CMA – Director, Chief Financial Officer, and Corporate Secretary, 36 years old* – Mr. Loree has served as a director, Chief Financial Officer and Corporate Secretary of the Company from April 5, 2011. From July 2010 to present, Mr. Loree has served as Chief Financial Officer of Rockland Minerals Corp., a mineral exploration issuer listed on the TSXV. From June 2007 to May 2011, Mr. Loree held an accountant position with Nechako Minerals Corp., a private mineral exploration company. From January 2008 to May 2011, Mr. Loree was a business development officer with Syntaris Power Corp., a private renewable energy company. Mr. Loree obtained a Diploma of Technology – Financial Management from the British Columbia Institute of Technology in 2002 and obtained a Certified Management Accountant designation from the Certified Management Accounts of British Columbia in 2008. Mr. Loree expects to devote 50% of his time to the affairs of the Company.

*Jayahari Balasubramaniam, CFA - Director, 36 years old* – Mr. Balasubramaniam has served as a director of the Company from November 7, 2011. From December 2009 to present, Mr. Balasubramaniam has held the position of Vice President with Kingsmont Investment Management Inc., a Toronto-based investment management firm. From November 2007 to December 2009, he was a Senior Investment Analyst with Sprott Asset Management, an investment fund, and Third Eye Capital Corporation, a private investment company. To the knowledge of Mr. Balasubramaniam, all organizations listed above are still carrying on business. Mr. Balasubramaniam obtained a Bachelor of Commerce degree from the University of Toronto in 2001 and obtained a Chartered Financial Analyst (CFA) designation from the CFA Institute in 2005 (Charlottesville, Virginia). Mr. Balasubramaniam expects to devote approximately 5% of his time to the affairs of the Company.

*Alex Kanayev, MBA, CGA – Director, 47 years old* – Mr. Kanayev has served as a director of the Company from November 7, 2011. Mr. Kanayev is the sole shareholder and a Partner of VCC, a private investing company. From January 2011 to December 2011, Mr. Kanayev was the Chief Financial Officer and Managing Partner of Alternative Investment Partners Inc., a division of Kingsmont Investment Management Inc., registered as a portfolio manager in British Columbia and Ontario and registered as an exempt market dealer in Ontario, Manitoba, Alberta, Nova Scotia and British Columbia. From December 2007 to June 2010, Mr. Kanayev was Senior Vice President with Sprott Asset Management, an investment fund, and Third Eye Capital Corporation, a private investment company. Prior to such date, Mr. Kanayev was a portfolio manager with BMO Financial Group from August 2005 to December 2007. To the knowledge of Mr. Kanayev, all organizations listed above are still carrying on business. Mr. Kanayev obtained a Master of Business Administration from the Schulich School of Business, York University in 2003 and obtained a Certified General Accountant (C.G.A.) from CGA of Canada in 2007. Mr. Kanayev expects to devote approximately 10% of his time to the affairs of the Company.

*Thomas W. Clarke, P.Geo. – Director, 38 years old* – Mr. Clarke has served as a director of the Company from March 4, 2013. Mr. Clarke is a professional geologist. From 2004 to current, Mr. Clarke has served as President and consulting geologist with Twillar Resources Limited, a private mineral exploration company. From May 2007 to current, Mr. Clarke has also served as director of Twillar Resources Limited. From September 2010 to present, Mr. Clarke has served as a director of Weststar Resources Corp., a mineral exploration issuer listed on the TSXV. From May 2010 to present, Mr. Clarke has served as a director of Clear Mountain Resources Corp., a mineral exploration issuer listed on the TSXV. From July 2007 to current, Mr. Clarke has been President and a director of Drakensberg Capital Inc., a private mineral exploration company. From May 2010 to October 2012, Mr. Clarke was a director with Bonterra Resources Inc., a mineral exploration issuer listed on the TSXV. From October 2010 to February 2011, Mr. Clarke was a director of Golden Share Mining Corporation, a mineral exploration issuer listed on the TSXV. From February 2007 to October 2010, Mr. Clarke served as President and director of Nanoose Gold Limited, a private mineral exploration company that was acquired by Golden Share Mining Corporation in October 2010. From September 2009 to November 2009, Mr. Clarke was a consulting geologist with ETK Inc., a private geological consulting company. From January 2009 to February 2009, Mr. Clarke was a consulting geologist with

McLeay Geological Consultants Ltd., a private geological consulting company. From July 2008 to September 2008, Mr. Clarke was a geologist with Largo Resources Ltd., a mining company listed on the TSXV. From February 2007 to March 2008, Mr. Clarke was a geologist with Gold Canyon Resources Inc., a mining issuer listed on the TSXV. To the knowledge of Mr. Clarke, all organizations listed above are still carrying on business. Mr. Clarke obtained a Bachelor of Science (Geology) from the University of Lethbridge, Alberta in 1997, a Bachelor of Science (Honours) Geography from the University of Witwatersrand, Johannesburg, South Africa in 2002 and a Master of Science (Geology) from the University of Witwatersrand in 2004. Mr. Clarke obtained his P.Geo. designation in 2013 from the Association of Professional Engineers & Geoscientists of British Columbia and his Pr.Sci.Nat. designation in 2007 from the South African Council for Natural & Scientific Professions. Mr. Clarke expects to devote approximately 5% of his time to the affairs of the Company as an independent director.

None of the executive officers of the Company have entered into non-competition agreements with the Company. Ravinder S. Mlait, Chief Executive Officer, President and a director of the Company, and Bryan Loree, Chief Financial Officer, Corporate Secretary and a director of the Company, have entered into employment agreements with the Company that include restrictions on such officers regarding the disclosure of confidential information relating to the Company. See “Executive Compensation”.

### **Corporate Cease Trade Orders**

No director or executive officer of the Company is, as at the date of this Prospectus, or was within ten years before the date hereof, a director, Chief Executive Officer or Chief Financial Officer of any company, including the Company, that:

- (i) was subject to a cease trade order, an order similar to cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period for more than thirty (30) consecutive days, that was issued while the director or executive officer was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer; or
- (ii) was subject to a cease trade order, an order similar to cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period for more than thirty (30) consecutive days, that was issued after the director or executive officer ceased to be a director, Chief Executive Officer or Chief Financial Officer and which resulted from an event that occurred while that person was acting in the capacity as director, Chief Executive Officer or Chief Financial Officer.

### **Penalties or Sanctions**

No director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

- (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement with a regulatory authority; or
- (ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

### **Bankruptcies**

No director or executive officer of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (i) is, as at the date of this Prospectus, or has been within the ten years before the date hereof, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was



subject to or instituted any proceedings, arrangements or compromises with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (ii) has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromises with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

### **Conflicts of Interest**

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Company's knowledge, and other than as disclosed herein, there are no known existing or potential conflicts of interest among the Company, its promoters, directors and officers or other members of management of the Company or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company. The directors and officers of the Company are directors and officers of other companies, some of which are in the same business as the Company. In particular, Messrs. Mlait and Loree each expects to spend 50% of their respective time to the affairs of the Company and the remaining directors each expects to spend between 5% and 10% of their respective time to the affairs of the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligations to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives. See "Risk Factors".

## **EXECUTIVE COMPENSATION**

### **Summary Compensation Table**

For the purposes hereof, the term Named Executive Officer, or NEO, means the Chief Executive Officer, the Chief Financial Officer, each of the Company's three most highly compensated executive officers, other than the Chief Executive Officer and the Chief Financial Officer, who were serving as executive officers as at the end of the Company's most recently completed financial year ended April 30, 2012 and whose total salary and bonus exceeds \$150,000 and any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the Company's most recently completed financial year.

The following table sets out information regarding compensation paid to or awarded to Ravinder S. Mlait, the Company's Chief Executive Officer, President and a director and Bryan Loree, the Company's Chief Financial Officer, Corporate Secretary and a director, who were the Company's NEOs as at the end of the prior two fiscal years following incorporation on April 5, 2011:

Name and principal position	Year	Salary	Share-based awards	Option-based awards	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
					Annual Incentive Plans	Long-term Incentive Plans			
Ravinder S. Mlait <sup>(1)</sup> CEO, President and Director	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	\$7,000 <sup>(1)</sup>	Nil	\$15,285 <sup>(2)</sup>	Nil	Nil	Nil	Nil	\$22,285 <sup>(2)</sup>
Bryan Loree <sup>(3)</sup> CFO, Corporate Secretary and Director	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	\$7,000 <sup>(3)</sup>	Nil	\$15,285 <sup>(4)</sup>	Nil	Nil	Nil	Nil	\$22,285 <sup>(4)</sup>

**Notes:**

- (1) Ravinder S. Mlait was appointed as Chief Executive Officer, President and a director on April 5, 2011. The \$7,000 payment to Ravinder Mlait during the year ended April 30, 2012 was a discretionary one-time payment. Pursuant to an employment agreement dated as of February 20, 2013, the Company has agreed to pay Mr. Mlait an annual salary of \$24,000 commencing upon the closing of the Offering. See “Directors and Executive Officers” and “Termination and Change of Control Benefits”.
- (2) On November 30, 2011, the Company granted Ravinder Mlait 80,000 stock options, each option of which entitled Mr. Mlait to acquire one Common Share at the exercisable price of \$0.20 per Common Share until expiry on the date that is 10 years from the Listing Date. Each option was valued at \$0.19 for an aggregate of \$15,285 using the Black-Scholes option pricing model. On May 31, 2012 and subsequent to the year ended April 30, 2012, such options were cancelled pursuant to a termination agreement dated May 31, 2012 between the Company and Mr. Mlait.
- (3) Bryan Loree was appointed Chief Financial Officer, Corporate Secretary and a director on April 5, 2011. The \$7,000 payment to Bryan Loree during the year ended April 30, 2012 was a discretionary one-time payment. Pursuant to an employment agreement dated as of February 20, 2013, the Company has agreed to pay Mr. Loree an annual salary of \$24,000 commencing upon the closing of the Offering. See “Directors and Executive Officers” and “Termination and Change of Control Benefits”.
- (4) On November 30, 2011, the Company granted Bryan Loree 80,000 stock options, each option of which entitled Mr. Loree to acquire one Common Share at the exercise price of \$0.20 per Common Share until expiry on the date that is 10 years from the Listing Date. Each option was valued at \$0.19 for an aggregate of \$15,285 using the Black-Scholes option pricing model. On May 31, 2012 and subsequent to the year ended April 30, 2012, such options were cancelled pursuant to a termination agreement dated May 31, 2012 between the Company and Mr. Loree.

**Compensation Discussion and Analysis and Compensation Governance**

The Company has a Compensation Committee comprised of Jayahari Balasubramaniam (Chair), Alex Kanayev and Ravinder Mlait. Mr. Mlait is not considered independent. The members of the Compensation Committee each have the skills and experience necessary to make decisions on executive compensation and the Company’s compensation policies and practices. Mr. Mlait’s experience has been developed through his experience and involvement in senior management positions for reporting issuers in the mineral exploration and development industry. Mr. Kanayev and Mr. Balasubramaniam’s experience has been obtained through their educational experience and their experience and involvement with registered entities. Previously the Company’s executive compensation decisions were based on Board discussion without reference to any format objectives, analysis or criteria. Since formation of the Compensation Committee and establishment of the Compensation Committee Charter, executive and director compensation decisions will be made based on Compensation Committee recommendations and Board discussions with reference to the Compensation Committee Charter. See “Corporate Governance” and “Schedule C – Compensation Committee Charter”. The role of the Compensation Committee is to: review and recommend to the Board the appropriate compensation level for the Company’s executive officers; oversee the Company’s compensation and benefit plans, policies and practices, including, its executive compensation plans and incentive-compensation and equity-based plans; monitor and evaluate, at the Committee’s sole discretion, matters relating to the compensation and benefits structure of the Company; and take such other actions within the scope of this Charter as the Board may assign to the Committee from time to time or as the Committee deems necessary or appropriate.

The Compensation Committee's primary responsibilities, among other things, are to: review the adequacy and form of compensation of the Company's executive officers and ensure that the compensation realistically reflects the risks and responsibilities of such positions; review and recommend to the Board for approval policies relating to compensation of the Company's executive officers and directors; review the performance of the Company's executive officers and recommend annually to the Board for approval the amount and composition of compensation to be paid to the Company's executive officers; review and make recommendations to the Board with respect to pension, stock option and other incentive plans, benefit plans, perquisites and other remuneration matters with respect to the Company's executive officers and review the adequacy and form of compensation of directors and ensure that the compensation realistically reflects the responsibilities and risks of such positions and fix the amount and composition of compensation to be paid to members of the Board and the committees thereof. See "Corporate Governance" for a description of the Compensation Committee's roles and responsibilities.

On February 20, 2013, the Company entered into an employment agreement with Bryan Loree and Ravinder Mlait. Pursuant to the terms of the agreement, Mr. Loree agreed to provide employment services as the Chief Financial Officer of the Company and Ravinder Mlait agreed to provide employment services as Chief Executive Officer of the Company. As compensation for such services, the Company agreed to pay each of Mr. Loree and Mr. Mlait an annual salary of \$24,000 per annum, subject to quarterly review plus regular employee benefits as may be set from time to time by the Board. Salaries payable under the respective employment agreements commence upon the closing of the Offering. Each employee is eligible to receive any annual performance bonus that the Company elects to adopt from time to time. Each employee is granted 21 days of paid vacation per year. Each officer is entitled to be reimbursed by the Company for all expenses incurred by such officer for business purposes. Each of the employment agreements may be terminated by either party at any time by giving at least one month advance written notice to the other party. In the event that the Company terminates either of the employment agreements for any reason, the Company must pay the applicable officer 4 month's salary for each year that the officer has been an employee with the Company, with a minimum 12 month's salary payable for any termination before the third anniversary of the commencement of the respective agreements. Notwithstanding the above, in the event that either employee's position changes for any reason, or if there is a change of control of the Company, the Company will pay the applicable employee a minimum of 18 month's salary if any such change occurs.

The Board reviewed the PWC Junior Mine 2012 publication which set out statistics for 58 of the top rated exploration issuers on the TSXV when it agreed with an annual sum of \$24,000 payable to each of Ravinder Mlait and Bryan Loree pursuant to the terms of their respective employment agreement dated February 20, 2013. Such publication stated that the average general and administration expense for such companies was \$236,452 during 2012 and \$197,282 during 2011 and the average stock-based compensation was \$48,335 during 2012 and \$107,559 during 2011. At this time, the Board has not established any benchmark or performance goals that the NEOs must achieve in order to maintain their respective positions as NEOs with the Company. However, the NEOs are expected to carry out their duties in an effective and efficient way and advance the exploration goals of the Company. If the Board determines that these duties are not being met, the Board has the ability to replace such NEOs in its discretion.

During the period from incorporation on April 5, 2011 to January 31, 2013, the Company did not make any payments to the NEOs for their services as executive officers of the Company other than as presented in the table above.

Following creation of the Compensation Committee on February 20, 2013, the Compensation Committee reviewed the Company's previous compensation policies and practices as determined by the Board and reviewed the terms of the employment agreements that was entered into with Ravinder Mlait and Bryan Loree on February 20, 2013. The Company's compensation policies and practices are designed to provide certain executive officers incentives for the achievement of both short-term and long-term objectives without motivating them to take unnecessary or excessive risk. As part of this review, the Compensation Committee noted the following factors which discourage the Company's executive officers from taking unnecessary or excessive risk:

- as a junior mineral exploration issuer with only two employment agreement with two executive officers, there is limited opportunity for the small management team to undertake unnecessary or excessive risk to maximize compensation at the expense of the Company;

- as a junior mineral exploration issuer, there are limited opportunities for executive officers to artificially inflate financial and operating performance of the Company to increase the value of equity awards to such persons;
- all of the directors, including the members of the Compensation Committee, are regularly apprised of the Company's financial position throughout the year;
- executive compensation or salaries for Ravinder Mlait and Bryan Loree are set amounts, with a discretionary bonus as determined by the Compensation Committee, which is tied to the overall results of the Company and not to the results of any one mineral property;
- with respect to Ravinder Mlait and Bryan Loree's compensation, there is an effective balance between cash and equity, near-term and long-term focus, corporate and individual performance, and financial and non-financial performance;
- with respect to Ravinder Mlait and Bryan Loree, the Company's approach to performance evaluation and compensation provides greater rewards to such persons achieving both short-term and long-term objectives; and
- incentive plan awards granted are not awarded upon the accomplishment of a task.

Based on this review, the Compensation Committee believes that the compensation policies and practices does not encourage executive officers to take unnecessary or excessive risk.

Under the Company's compensation policies and practices, NEOs and directors are not prevented from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### Option Based Awards

The Company has in effect the 2013 Plan in order to provide effective incentives to directors, officers, senior management personnel and employees of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company's shareholders. The Company has no equity incentive plans other than the 2013 Plan. The size of stock option grants to NEOs is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long-term contribution to the Company will be key to its long-term success. See "Warrants and Options to Purchase Securities".

### Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all option-based awards granted to NEOs that were outstanding as of April 30, 2012, including awards granted before the year-ended April 30, 2012. The Company has not granted any share-based awards.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)
Ravinder Mlait <sup>(1)</sup>	80,000 <sup>(3)</sup>	\$0.20	(4)	Nil <sup>(3)(5)</sup>
Bryan Loree <sup>(2)</sup>	80,000 <sup>(3)</sup>	\$0.20	(4)	Nil <sup>(3)(5)</sup>

<sup>(1)</sup> Ravinder Mlait was appointed Chief Executive Officer, President and director of the Company on April 5, 2011.

<sup>(2)</sup> Bryan Loree was appointed Chief Financial Officer, Corporate Secretary and director of the Company on April 5, 2011.

- (3) On May 31, 2012 and subsequent to the year ended April 30, 2012, such options were cancelled pursuant to a termination agreement dated May 31, 2012 between the Company and each of Mr. Loree and Mr. Mlait.
- (4) Prior to the stock options being cancelled, the option expiration date was set as the date that is 10 years from the Listing Date.
- (5) None of the options held by the NEOs were in-the-money as at April 30, 2012.

### Incentive Plan Awards – Value Vested Or Earned During The Year

As none of the options held by any of the NEOs were in-the-money at any point in the most recently completed financial year, none of the NEOs would have realized any value if the options underlying their respective option-based awards had been exercised.

### Defined Benefit Plans

The Company did not have any defined benefit or actuarial plan as at April 30, 2012.

### Termination And Change Of Control Benefits

During the period ended April 31, 2012, and other than the employment agreements dated February 20, 2013 with Ravinder Mlait and Bryan Loree as set out below, the Company did not have any contracts, agreements, plans or arrangements in place with any NEOs that provide for payment following or in connection with any termination (whether voluntary, involuntary or constructive) resignation, retirement, a change of control of the Company or a change in an NEOs responsibilities.

Each of the employment agreements dated February 20, 2013 may be terminated by either the respective officer or the Company at any time by giving at least one month advance written notice to the other party. In the event that the Company terminates either of the employment agreements for any reason, the Company must pay the applicable officer 4 month's salary for each year that the officer has been an employee with the Company, with a minimum 12 month's salary payable for any termination before the third anniversary of the commencement of the respective agreements. Notwithstanding the above, in the event that either employee's position changes for any reason, or if there is a change of control of the Company, the Company will pay the applicable employee a minimum of 18 month's salary if any such change occurs.

## DIRECTOR COMPENSATION

### Director Compensation Table

The following table sets forth particulars of all compensation paid to the Company's directors, other than the NEOs, during the financial year ended April 30, 2012:

Name <sup>(1)</sup>	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Jayahari Balasubramaniam	-	-	\$15,285 <sup>(1)</sup>	-	-	-	\$15,285
Alex Kanayev	-	-	\$15,285 <sup>(1)</sup>	-	-	-	\$15,285

- (1) On November 30, 2011, the Company granted each of the directors in the table above 80,000 stock options, each option of which entitles the holder to acquire one Common Share at the exercise price of \$0.20 per Common Share until expiry on the date that is 10 years from the Listing Date. Each option was valued at \$0.19 for an aggregate of \$15,285 attributable to each director using the Black-Scholes option pricing model. On May 31, 2012 and subsequent to the year ended April 30, 2012, such options were cancelled pursuant to a termination agreement dated May 31, 2012 entered into between the Company and each of the directors.

Following the year ended April 30, 2012, Thomas Clarke was appointed a director of the Company on March 4, 2013.

## Narrative Discussion

The Company does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. The Board intends to compensate directors primarily through the grant of stock options and reimbursement of expenses incurred by such persons acting as directors of the Company.

## Incentive Plan-Compensation for Directors

The following table sets forth all option-based awards granted to the Company's directors, other than the NEOs, that were outstanding as of April 30, 2012, including awards granted before the year ended April 30, 2012. The Company has not granted any share-based awards.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)
Jayahari Balasubramaniam	80,000 <sup>(1)</sup>	\$0.20	(2)	Nil <sup>(1)(3)</sup>
Alex Kanayev	80,000 <sup>(1)</sup>	\$0.20	(2)	Nil <sup>(1)(3)</sup>

<sup>(1)</sup> On May 31, 2012 and subsequent to the year ended April 30, 2012, such options were cancelled pursuant to a termination agreement dated May 31, 2012 between the Company and each of Mr. Balasubramaniam and Mr. Kanayev.

<sup>(2)</sup> Prior to the stock options being cancelled, the option expiration date was set as the date that is 10 years from the Listing Date.

<sup>(3)</sup> None of the options held by the Company's directors set out in the table above were in-the-money as at April 30, 2012.

## Incentive Plan Awards – Value Vested or Earned During the Year

As none of the options held by any of the Company's directors were in-the-money at any point in the most recently completed financial year, none of the directors would have realized any value if the options underlying their respective option-based awards had been exercised.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

### Aggregate Indebtedness

No directors, executive officers and employees and no former directors, executive officers and employees of the Company are or were indebted to the Company in connection with a purchase of securities or for any other reason as at the date of this Prospectus.

### Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

No directors or executive officers of the Company, and associates of such directors or executive officers, are or were indebted to the Company as at the date of this Prospectus.

## AUDIT COMMITTEE

### Audit Committee

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations. NI 52-110, NI 41-101 and Form 52-110F1 require the Company to disclose certain information relating to the Company's audit committee and its relationship with the Company's independent auditors.



## Audit Committee Charter

Pursuant to NI 52-110, the Company's Audit Committee is required to have a charter. The full text of the Company's Audit Committee Charter is attached as Schedule A to this Prospectus.

## Composition of Audit Committee

The members of the Company's Audit Committee are:

Jayahari Balasubramaniam (Chair)	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Alex Kanayev	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Ravinder Mlait	Not Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

### Notes:

- <sup>(1)</sup> A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.
- <sup>(2)</sup> An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

## Relevant Education and Experience

Each member of the Company's Audit Committee has adequate education and experience that is relevant to his performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

See "Directors and Executive Officers" for further details.

## Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

## Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary, and the Chairman will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration, and if thought fit, approval in writing.

### External Auditor Service Fees

The fees billed by the Company's external auditors during its financial period from the date of incorporation to April 30, 2011 and for its most recently completed year ended April 30, 2012 for audit and non-audit related services provided to the Company and its subsidiary are as follows:

Financial Year End	Audit Fees	Audit Related Fees <sup>(1)</sup>	Tax Fees <sup>(2)</sup>	All other Fees <sup>(3)</sup>
April 30, 2012	6,000	-	-	-
April 30, 2011 <sup>(4)</sup>	-	-	-	-

**Notes:**

- (1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.
- (4) Period from date of incorporation on April 5, 2011 to April 30, 2011.

### Exemption

The Company is relying upon an exemption from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of NI 52-110.

## CORPORATE GOVERNANCE

### General

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and take into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. NP 58-201 establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices and feels that the Company's corporate governance practices are appropriate and effective for the Company given its current size.

### Structure

The Board is currently composed of 5 directors, namely, Ravinder Mlait, Bryan Loree, Jayahari Balasubramaniam, Alex Kanayev and Thomas Clarke.

NP 58-201 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship, which could, or could reasonably be perceived to, interfere with the director's ability to act with a view to the best interests of the company, other than interests and relationships arising from shareholding.

Jayahari Balasubramaniam, Alex Kanayev and Thomas Clarke are not officers and are not involved in the day to day operations of the Company and as such are independent. Ravinder Mlait is Chief Executive Officer and President of the Company and Bryan Loree is Chief Financial Officer and Corporate Secretary of the Company, and accordingly, they are considered to be non-independent.

The Board facilitates its exercise of independent judgment in carrying out its responsibilities by causing the independent directors to take a lead role in ensuring the Company is acting in its best interests. Further, the non-independent directors defer to the judgment of the independent directors with respect to matters pertaining to corporate governance.

## Mandate of the Board

The Mandate for the Board defines the role of the Board and governs how the Board will operate to carry out its duties of stewardship and accountability. The Board must have the capacity, independently of management, to fulfill the Board's responsibilities and the structure and composition of the Board attempts to ensure such independence. The Board must also be able to make an objective assessment of management, approve management's strategy and monitor its implementation. Therefore, the Company is committed to the following practices:

- the recruitment of strong, independent directors who shall compose all of the members of the Audit Committee and at least one member of the Compensation Committee and Nominating and Corporate Governance Committee;
- the operation of an evaluation process of the Chief Executive Officer and President, conducted by the Compensation Committee; and
- the operation of a selection and evaluation process, conducted by the Nominating and Corporate Governance Committee.

## Directorships

The following members of the Board currently hold directorships in other reporting issuers as set forth below:

Name of Director	Name of Reporting Issuer	Exchange
Ravinder Mlait	Rockland Minerals Corp.	TSXV
Bryan Loree	Rockland Minerals Corp.	TSXV
Thomas Clarke	Weststar Resources Corp.	TSXV
Thomas Clarke	Clear Mountain Resources Corp.	TSXV

## Board Meetings

As a private company, the Company did not hold regularly scheduled meetings at which non-independent directors were excluded. However, the Company's independent directors do communicate outside of formal meetings of the Board. Ravinder Mlait, Bryan Loree and Thomas Clarke, an independent director of the Company, have a number of years of experience serving on the boards of other reporting issuers. Alex Kanayev and Jayahari Balasubramaniam, two independent directors of the Company, are experienced with the evaluation of financial issues and corporate governance requirements of reporting issuers. As a result, the Board is acutely aware of the important role that independent directors have.

While a private company, the Board approved all corporate actions by way of unanimous written consent resolution. During the fiscal year ended April 30, 2012, the Board did not hold any board meetings.

## Independent Directors

The Board provides leadership from its independent directors by giving the independent directors unrestricted access to the Company's auditors and external legal counsel and by having the Company's external legal counsel attend meetings of the Board to facilitate communication among independent and non-independent directors.

## Position Descriptions

The Board has developed written position descriptions for the Chief Executive Officer and the Chair of each committee of the Board.

## Orientation and Continuing Education of the Board

The Nominating and Corporate Governance Committee, in conjunction with the Chair, the Chief Executive Officer and the President, is responsible for ensuring that new directors are provided with an orientation program, which will include:

- information regarding the role of the Board, its committees and the duties and obligations of directors;
- the business and operations of the Company;
- documents from recent meetings of the Board; and
- opportunities for meetings and discussion with senior management and other directors.

The details of the orientation of each new director will be tailored to that director's individual needs and areas of interest. To facilitate ongoing education of the Company's directors, the Nominating and Corporate Governance Committee will:

- periodically canvas the directors to determine their training and education needs and interests;
- arrange ongoing visitation by directors to the Company's properties;
- arrange the funding for the attendance of directors at seminars or conferences of interest and relevance to their position as a director of the Company; and
- encourage and facilitate presentations by outside experts to the Board or committees on matters of particular import or emerging significance.

### **Ethical Business Conduct**

All directors, officers and employees are bound by the Company's Code of Business Conduct and Ethics. All who are affected by the Code of Business Conduct and Ethics review it and directors and officers acknowledge their support and understanding of the Code of Business Conduct and Ethics by signing it annually.

The Nominating and Corporate Governance Committee has responsibility for monitoring compliance with the Code of Business Conduct and Ethics.

The Code of Business Conduct and Ethics also contains the Company's policies on conflicts of interest.

A person may obtain a copy of the Code of Business Conduct and Ethics by contacting the Chief Executive Officer or President of the Company in writing. A copy of the Code of Business Conduct and Ethics is also available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

### **Nomination of Directors**

The Nominating and Corporate Governance Committee, operating pursuant to the Nominating and Corporate Governance Committee Charter, annually review the general and specific criteria applicable to candidates to be considered for nomination to the Board.

The Nominating and Corporate Governance Committee consists of Jayahari Balasubramaniam (Chair), Alex Kanayev and Ravinder Mlait. Mr. Balasubramaniam and Mr. Kanayev are independent directors and Ravinder Mlait is not an independent director. The Company undertakes the following steps to ensure an objective nomination process:

- when discussing the nomination process of the Chief Executive Officer, Ravinder Mlait is excluded from the discussion and process;
- Jayahari Balasubramaniam (Chair) takes the lead role in the nomination process; and
- the Nominating and Corporate Governance Committee routinely seeks input from other independent members of the Board who do not otherwise sit on the Nominating and Corporate Governance Committee.

The responsibilities, powers and operation of the Nominating and Corporate Governance Committee is set out in the Nominating and Corporate Governance Committee Charter which is attached to this Prospectus as Schedule B.

## **Compensation**

The Compensation Committee, operating pursuant to the Compensation Committee Charter, reviews director compensation annually. The Committee makes recommendations to the Board for consideration when it believes changes in compensation are warranted.

The Compensation Committee consists of Jayahari Balasubramaniam (Chair), Alex Kanayev and Ravinder Mlait. Mr. Balasubramaniam and Mr. Kanayev are independent directors. Ravinder Mlait is not independent. The Board does not believe that the non-independent director in any way compromises the objective process for determining the compensation of the executive officers or the general compensation programs for the Corporation.

The responsibilities, powers and operation of the Compensation Committee is set out in the Compensation Committee Charter which is attached to this Prospectus as Schedule C.

## **Other Board Committees**

The Board has no other standing committees other than the Audit Committee, Nominating and Corporate Governance Committee and Compensation Committee. See "Audit Committee".

## **Assessments**

The Board, together with the Nominating and Corporate Governance Committee, facilitates assessments of the performance of the Board, its committees and individual directors in accordance with the requirements set out in the Nominating and Corporate Governance Committee Charter and Compensation Committee Charter.

## **PLAN OF DISTRIBUTION**

### **The Offering**

Pursuant to the terms of the Agency Agreement, the Company, through the Placement Agent, is offering a minimum of 3,533,334 Units at a price of \$0.15 per Unit and a minimum of 1,000,000 FT Units at a price of \$0.25 per FT Unit in the Minimum Offering and a maximum of 6,000,000 Units at a price of \$0.15 per Unit and a maximum of 4,000,000 FT Units at a price of \$0.25 per FT Unit in the Maximum Offering for sale to the public under this Prospectus for gross proceeds of a minimum of \$780,000 and a maximum of \$1,900,000.

The Placement Agent for the Offering is Macquarie Private Wealth Inc. The Placement Agent, or members of the Selling Group, will conditionally offer the Offered Securities for sale on a commercially reasonable efforts basis, subject to prior sale, if, as and when issued by the Company and accepted by the Placement Agent in accordance with the Agency Agreement and subject to the approval of certain legal matters on behalf of the Company by Clark Wilson LLP and on behalf of the Placement Agent by Getz Prince Wells LLP. Subscriptions for the Offered Securities offered hereunder will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The Offering will remain open until such date as may be agreed upon by the Company and the Placement Agent, but no later than the date that is ninety (90) days after a receipt is issued by the Principal Regulator pursuant to NP 11-202 for the Final Prospectus, unless an amendment to the Final Prospectus is filed and the Principal Regulator has issued a receipt for the amendment, in which case the Offering must cease within ninety (90) days after the date of the receipt for the amendment to the Final Prospectus. Notwithstanding the above, the total period of the Offering must not end more than one-hundred and eighty (180) days from the date of the initial receipt for the Final Prospectus.

Pursuant to the Agency Agreement, the Placement Agent will be paid the Agent's Commission equal to 10% of the gross proceeds from the sale of the Offered Securities pursuant to the Offering. In addition, the Placement Agent will be granted the Agent's Shares equal to 10% of the number of Offered Securities sold pursuant to the Offering. The Company has also agreed to pay the Corporate Finance Fee of \$25,000 plus HST to the Placement Agent, \$12,500 of which has been paid to date, and issue the Corporate Finance Shares equal to 33,333 Common Shares at a deemed price of \$0.15 per Common Share plus \$600 HST calculated on the value of the Corporate Finance Shares which will be paid in cash. Regardless of whether or not the Offering is completed, the Company is responsible for all costs and expenses of the Placement Agent in connection with the Offering, including the

reasonable fees and disbursements of legal counsel to the Placement Agent and the reasonable disbursements of the Placement Agent, together with applicable taxes. To date, the Company has paid a \$15,000 deposit with the Placement Agent to pay the reasonable legal and other costs of the Placement Agent. The Company has agreed to indemnify the Placement Agent from any claims the Placement Agent may become subject to or otherwise involved in any capacity insofar as the claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, its engagement pursuant to the Agency Agreement and to reimburse the Placement Agent forthwith, upon demand, for any legal or other expenses reasonably incurred by the Placement Agent in connection with any claim. In no event shall the Placement Agent have any liability to the Company or any person asserting claims on the Company's behalf or in right for or in connection with the engagement pursuant to the Agency Agreement, except to the extent that any claims that have become non-appealable have resulted from gross negligence or willful misconduct of the Placement Agent. This Prospectus qualifies for distribution the Agent's Shares and the Corporate Finance Shares to the extent permitted by applicable securities legislation. NI 41-101 restricts the number of Qualified Compensation Shares being issued to the Placement Agent as compensation that may be qualified under a prospectus, to a maximum of 10% of the Offered Securities. In the case of the Minimum Offering, the number of Qualified Compensation Shares will be limited to 453,333 and in the case of the Maximum Offering, the number of Qualified Compensation Shares will be limited to 1,000,000. For the purposes of this Offering, any combination of the Agent's Shares and the Corporate Finance Shares which exceed 10% of the Offered Securities sold, will not be Qualified Compensation Shares, will not be qualified for distribution under this Prospectus and will be subject to a four month hold period in accordance with applicable securities laws.

The obligations of the Placement Agent under the Agency Agreement may be terminated prior to the Closing Date at the discretion of the Placement Agent based on its assessment of the state of the financial markets or upon the occurrence of certain other stated events (including the occurrence of a material adverse change with respect to the Company). In addition, the Agency Agreement may terminate if a receipt for the Final Prospectus is not issued on or before the date as may be agreed upon by the Company and the Placement Agent.

Pursuant to the terms of the Agency Agreement, the Company has agreed not to issue, sell or grant any equity or quasi-equity securities for a period of 140 days after the Closing of the Offering without the prior written consent of the Placement Agent, except in conjunction with:

- the grant or exercise of Options and other similar issuances pursuant to the 2013 Plan of the Company and other share compensation arrangements;
- outstanding warrants;
- obligations in respect of existing mineral property agreements; and
- issuance of securities in connection with property or share acquisitions in the normal course of business.

The Company has granted a right of first refusal to the Placement Agent, whereby, for a period of one year from the Closing Date, the Placement Agent has the right of first refusal to lead any offering of securities of the Company to be issued and sold to the public in Canada by private placement or public offering or to provide professional, sponsorship or advisory services performed by a broker or investment dealer.

Until August 13, 2013, if the Offering is not completed as a result of the Company's decision to pursue an alternate business transaction, the Company has agreed to pay the Placement Agent an amount equal to the Agent's Commission and Corporate Finance Fee that would otherwise have been earned by the Placement Agent assuming the entire Offering was completed together with the Placement Agent's costs and expenses incurred to date. An alternative business transaction includes a financing which has the effect of replacing the Offering or a business transaction involving a change of control of the Company including a merger, amalgamation, arrangement, take-over bid, insider bid, reorganization, joint venture, sale of all or substantially all assets, exchange of assets or similar transaction. In the event that the Placement Agent avails itself of the market out clause, the Company is free to pursue such financings and the Placement Agent will not be entitled to any payments by reason of the alternate business transaction.

The Placement Agent has agreed to provide its services with respect to the Offering on condition that the Company use its reasonable efforts to file the Prospectus on or before April 15, 2013 or at such date mutually agreed upon.

The Offered Securities offered under this Prospectus have not been, and will not be, registered under the U.S. Securities Act, or any state securities laws, and except pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws, may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. Person. This Prospectus does not constitute an offer to sell or solicitation of an offer to buy any of the securities offered hereby within the United States.

Subscriptions for Offered Securities will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. On the Closing Date, global certificates representing the Offered Securities sold under the Offering (other than certificates representing Units in the Offering sold to Subscribers who were offered or sold the Units in the United States or are U.S. Persons (within the meaning of Regulation S promulgated under the United States Securities Act of 1933, as amended), which will be represented by individual certificates) will be available for delivery in book-based form through CDS or its nominee and will be deposited with CDS. A Subscriber for Offered Securities, other than Subscribers for Units in the Offering who were offered or sold the Units in the United States or are U.S. Persons, will receive only a customer confirmation from the registered dealer who is a CDS participant and from or through whom the Shares are purchased. The Closing of the Offering is expected to occur on or about ♦, 2013 but no later than ♦, 2013.

The Placement Agent, pending Closing, will hold all subscription funds received in trust subject to and pursuant to the provisions of the Agency Agreement. If the Offering is not fully subscribed within ninety (90) days from the date a receipt is issued for the Final Prospectus, or such later date as the Company and the Placement Agent may agree and the securities regulatory authorities may approve, the Offering will be discontinued and all subscription funds received by the Placement Agent in connection with the Offering will be returned to Subscribers without interest, set-off or deduction.

None of the Offered Securities have been or will be registered under the U.S. Securities Act or the securities laws of any state of the United States, and the Offered Securities may not be offered or sold to, or for the account or benefit of, persons in the United States or U.S. Persons, except in transactions exempt from registration under the U.S. Securities Act and under the securities laws of any applicable state. The Placement Agent has agreed that it will not offer or sell the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons, except that the Placement Agent (through its respective U.S. affiliates) may offer and sell Units in accordance with Rule 144A under the U.S. Securities Act and may offer the Units to certain institutional “accredited investors” (within the meaning of Regulation D under the U.S. Securities Act (“**Regulation D**”), for sale directly thereto by the Company, in compliance with Rule 506 of Regulation D, and in either case, in compliance with applicable state securities laws. Moreover, the Agency Agreement provides that the Placement Agent will offer the Offered Securities to, or for the account or benefit of, persons outside the United States or non-U.S. Persons only in accordance with Regulation S. In addition, until forty (40) days after the commencement of the Offering, any offer or sale of the Offered Securities within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the U.S. Securities Act.

The Offered Securities offered, sold or issued to, or for the account or benefit of, persons in the United States or U.S. Persons will be “restricted securities” within the meaning of Rule 144(a)(3) of the U.S. Securities Act. Certificates representing any Units in the Offering that are offered, sold or issued to, or for the account or benefit of, persons in the United States or U.S. Persons will bear a legend to the effect that the securities represented thereby are not registered under the U.S. Securities Act or any applicable state securities laws and may only be offered, sold, pledged or otherwise transferred pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Terms used and not defined in the two preceding paragraphs shall have the meanings ascribed thereto by Regulation S under the U.S. Securities Act.

### **Determination of Price**

The price of the Offering was established through negotiation between the Company and the Placement Agent based upon several factors, including the history of, and prospects for, the Company’s business, and the industry in which it competes, and an assessment of the Company’s management, operations and financial results.



## CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

**Prospective investors should be aware that the purchase of Shares has tax consequences, which are not described in this Prospectus. Accordingly, prospective investors are advised to consult their own tax advisors with respect to the tax aspects of investing in the Offered Securities.**

In the opinion of Clark Wilson LLP, counsel to the Company, the following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to an investment pursuant to this Offering in Unit Shares and Warrants comprising Units, and in FT Shares and FT Warrants, by purchasers who for the purposes of the Tax Act hold such securities as capital property and deal at arm's length and are not affiliated with the Company or the Placement Agent ("**Holder**s"). Shares, Warrants and FT Warrants will generally be considered to be capital property to a Holder unless the Holder either holds such securities in the course of carrying on a business of buying and selling securities or has acquired such securities in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a "financial institution" as defined in the Tax Act for purposes of the mark-to-market rules; (ii) that is a "specified financial institution" as defined in the Tax Act; (iii) that is a "principal-business corporation" within the meaning of the Tax Act; (iv) whose business includes trading or dealing in rights, licences or privileges to explore for, drill or take minerals, oil, natural gas or other related hydrocarbons, all within the meaning of the Tax Act; (v) that at any time has an "at-risk adjustment", as defined in the Tax Act; (vi) that is a partnership or trust; (vii) that has made a functional currency reporting election for purposes of the Tax Act; or (viii) an investment in which would constitute a "tax shelter investment" within the meaning of the Tax Act. This summary does not address the deductibility of interest by a Holder who borrows money to acquire Units or FT Units. Such Holders should consult their own tax advisors.

This summary is based upon the current provisions of the Tax Act, counsels' understanding of the current published administrative practices and assessing policies of the CRA and all Tax Proposals publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof. This summary assumes that the Tax Proposals will be enacted as proposed but does not take into account or anticipate any other changes in law, whether by way of judicial, legislative or governmental decision or action, nor take into account provincial, territorial or foreign income tax considerations. No assurances can be given that the Tax Proposals will be enacted as proposed, if at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

This summary assumes that the Company will make all tax filings in respect of the issue of the FT Shares and the renunciation of CEE in the manner and within the time required by the Tax Act and that all renunciations will be validly made. While the Company has agreed to furnish each Holder of FT Shares with information relevant to the Holder's Canadian federal and provincial income tax returns, the preparation of filing of those returns will remain the responsibility of each Holder. This summary further assumes that the Company will incur (or will be deemed to have incurred) sufficient CEE to enable it to renounce to Holders of FT Shares all of the expenses covenanted to be renounced by the Company pursuant to FT Share Subscription Agreement effective on or before the dates set out therein. This summary is based on the representation of the Company that it is and will be a "principal-business corporation" for the purposes of the Tax Act at all material times. This summary also assumes that any FT Shares will not be "prescribed shares" within the meaning of the relevant provisions of the Tax Act when they are issued and that all expenses herein discussed are reasonable in amount. No opinion is expressed regarding any of the assumptions made in this discussion of income tax considerations. If any of the above assumptions are incorrect, the Company may be unable to renounce some or all of the CEE which it has agreed to renounce.

**The Canadian federal income tax consequences to a particular Holder will vary depending on a number of factors, including the province in which a particular Holder resides, carries on business or has a permanent establishment and the amount that would be the Holder's taxable income but for the subscription for FT Shares. The following discussion of the income tax consequences is, therefore, of a general nature only and is not exhaustive of all the income tax consequences and is not intended to constitute income tax advice to any particular Holder. Accordingly, Holders should consult their own income tax advisors.**

## Residents of Canada

The following discussion applies to a Holder who, at all relevant times, is or is deemed to be resident in Canada for the purposes of the Tax Act (a “**Resident Holder**”). Certain Resident Holders whose Unit Shares, Warrant Shares or FT Warrant Shares might not otherwise be capital property may, in certain circumstances, be entitled to have such shares and all other “Canadian securities”, as defined in the Tax Act, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This election does not apply to FT Shares, Warrants or FT Warrants. Resident Holders should consult their own tax advisors regarding this election.

### *Allocation of Purchase Price*

A Resident Holder who acquires Units will be required to allocate the purchase price of each Unit between the Unit Share and the Warrant comprising the Unit on a reasonable basis, in order to determine their respective costs for purposes of the Tax Act. Similarly, a Resident Holder who acquires FT Units will be required to allocate the purchase price of each FT Unit between the FT Share and the FT Warrant comprising the FT Unit on a reasonable basis, in order to determine their respective costs for purposes of the Tax Act. The Company estimated the fair value, as of a current date, of each Unit Share and each Warrant as \$0.149 and \$0.001, respectively, and of each FT Share and each FT Warrant as \$0.349 and \$0.001, respectively. Although the Company believes such allocation is reasonable, such allocation will not be binding on the CRA and counsel expresses no opinion with respect to such allocation. The adjusted cost base (“**ACB**”) to a Resident Holder of a Unit Share or FT Share acquired under this Offering will be determined by averaging the cost of that Unit Share or FT Share with the adjusted cost base (determined immediately before the acquisition of the Unit Share or FT Share as applicable) of all other Common Shares held as capital property at that time by the Resident Holder.

### *Exercise or Expiry Of Warrants or FT Warrants*

A Resident Holder will not realize a gain or loss upon the exercise of a Warrant to acquire a Warrant Share or a FT Warrant to acquire a FT Warrant Share. Where Warrants or FT Warrants are exercised, the Resident Holder’s cost of the Warrant Shares or FT Warrant Shares acquired as a result of the exercise will be equal to the aggregate of the Resident Holder’s ACB of the Warrants or FT Warrants so exercised plus the exercise price paid for the Warrant Shares or FT Warrant Shares. The Resident Holder’s ACB of the Warrant Shares or FT Warrant Shares so acquired will be determined by averaging the cost of those Warrant Shares or FT Warrant Shares with the ACB (determined immediately before the acquisition of the Warrant Shares or FT Warrant Shares) of all other Common Shares held as capital property by such Resident Holder at the time of acquisition. In the event of the expiry of an unexercised Warrant or FT Warrant, the Resident Holder will realize a capital loss equal to the Resident Holder’s adjusted cost base of such Warrant or FT Warrant. The tax treatment of capital losses is discussed in greater detail below under “Capital Gains and Capital Losses”.

### *Acquisition of FT Shares*

Each FT Share will be issued at a price of \$0.349. However, the initial cost of an FT Share for the purposes of the Tax Act is deemed to be nil. The Resident Holder’s ACB of a FT Share will be determined by averaging the ACB to the Resident Holder of all Common Shares of the Company owned by the Resident Holder (including Common Shares in the Offering and FT Shares).

### *Dividends*

Dividends received or deemed to be received on Common Shares of the Company will be included in computing the Resident Holder’s income. In the case of a Resident Holder who is an individual, such dividends will be subject to the gross-up and dividend tax credit rules normally applicable in respect of taxable dividends received from taxable Canadian corporations (as defined in the Tax Act). A dividend will be eligible for the enhanced gross-up and dividend tax credit provided that such dividend is designated by the Company as an “eligible dividend” in accordance with the provisions of the Tax Act. There may be limitations on the ability of the Company to designate dividends as eligible dividends. Dividends received or deemed to be received on the Common Shares of the Company by a corporation must be included in computing its income but generally will be deductible in computing its taxable income.

Private corporations (as defined in the Tax Act) and certain other corporations controlled by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts) generally will be liable to pay a 33<sup>1/3</sup>% refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on the Common Shares to the extent such dividends are deductible in computing taxable income for the year. This refundable tax generally will be refunded to a corporate Resident Holder at the rate of \$1 for every \$3 of taxable dividends paid while it is a private corporation.

#### *Dispositions of Common Shares, Warrants and FT Warrants*

A disposition or deemed disposition by a Resident Holder of Shares, Warrants or FT Warrants (other than a disposition arising on the exercise or expiry of a Warrant or FT Warrant) will generally give rise to a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or less) than such Resident Holder's ACB of such Shares, Warrants or FT Warrants. The tax treatment of capital gains and capital losses is discussed in greater detail below under "Capital Gains and Capital Losses".

A Resident Holder who disposes of FT Shares will retain the entitlement to receive renunciations of CEE from the Company as described below as well as the ability to deduct any CEE previously deemed to have been incurred by the Resident Holder (subject to the rules applicable to a corporate holder on an acquisition of control) and a subsequent purchaser of such shares will not be entitled to any renunciations of CEE.

#### *Capital Gains and Capital Losses*

Generally, one-half of any capital gain will be included in income as a taxable capital gain and one-half of any capital loss may normally be deducted as an allowable capital loss against taxable capital gains realized in the year of disposition. Any unused allowable capital losses may be applied to reduce net taxable capital gains realized in the three preceding taxation years or any subsequent taxation year, subject to the provisions of the Tax Act in that regard.

The amount of any capital loss realized on the disposition or deemed disposition of Shares by a Resident Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such shares or shares substituted for such shares to the extent and in the circumstances prescribed by the Tax Act. Similar rules may apply where a Resident Holder that is a corporation is a member of a partnership or beneficiary of a trust that owns such shares.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) also may be liable to pay an additional refundable tax of 6<sup>2/3</sup>% on its "aggregate investment income" for the year which will include taxable capital gains. This refundable tax generally will be refunded to a corporate Resident Holder at the rate of \$1 for every \$3 of taxable dividends paid while it is a private corporation.

Individuals (other than certain trusts) may be subject to alternative minimum tax in respect of realized capital gains. See "Alternative Minimum Tax" below.

#### *Renunciation of CEE in Respect of FT Shares*

Subject to certain limitations and restrictions contained in the Tax Act, a "principal-business corporation" (as defined in the Tax Act) that incurs CEE pursuant to an agreement for the issue of its "flow-through shares" will be entitled to renounce such CEE to the initial holder of the flow-through shares and the CEE so renounced will be deemed to have been incurred by such holder as CEE on the effective date of the renunciation.

The Tax Act contains a one-year "look-back" rule which, if certain conditions are satisfied, will permit the Company to renounce CEE incurred by it in 2014 to Resident Holders of FT Shares effective on December 31, 2013. In other words, Resident Holders of FT Shares would be deemed to have incurred the CEE on December 31, 2013 even though the Company would not have incurred the expenditures until 2014. For this rule to apply in respect of CEE incurred in 2014, (i) a FT Share Subscription Agreement must have been made in 2013, (ii) the Resident Holder must have paid the consideration in money for the FT Share before the end of the 2013 year, (iii) the Resident Holder must deal at arm's length with the Company at all relevant times, and (iv) the Company must renounce the CEE in either January, February, or March of the 2014 year. The Company has advised counsel that it will incur and

renounce to Subscribers of FT Shares expenses which qualify as CEE in accordance with these rules. In the event that the Company does not incur CEE during 2014 at least equal to the amounts renounced under the one-year “look-back” rule, the Company will be required to reduce the amount of CEE renounced to the Resident Holders and the Resident Holders’ income tax returns for the years in which the CEE was claimed will be reassessed accordingly. A Resident Holder will not be subject to any penalties for any such reassessment and will not be subject to any interest charges for any additional taxes payable if such taxes are paid by an individual Resident Holder on or prior to April 30, 2015.

The Company has undertaken to incur sufficient CEE prior to December 31, 2014 so as to enable the Company to renounce in favour of the Resident Holders of FT Shares effective December 31, 2013, an amount equal to the gross proceeds derived from the issuance of the FT Shares. The Company may not renounce to Subscribers of FT Shares an amount in excess of the amount paid by the Subscribers for the FT Shares. Further, the Company will not be entitled to renounce CEE to the extent that the amount so renounced exceeds the Company’s own cumulative Canadian exploration expense (as defined in the Tax Act) (“CCEE”).

CEE deemed to have been incurred by a Resident Holder will be added to the CCEE account of such Resident Holder. A Resident Holder may deduct in computing income from all sources for a taxation year such amount as may be claimed not exceeding 100% of the balance in the Resident Holder’s CCEE account at the end of a taxation year. To the extent that a Resident Holder does not deduct the balance of the Resident Holder’s CCEE account at the end of a taxation year, the balance will be carried forward and may be deducted by the Resident Holder in subsequent taxation years in accordance with the provisions of the Tax Act. The CCEE account of a Resident Holder is reduced by the amount deducted by him in prior years and by the amount of any assistance that the Resident Holder receives or is entitled to receive in respect of CEE included in the CCEE account. If the balance of the Resident Holder’s CCEE account is “negative” at the end of a taxation year, which may occur if the Resident Holder receives or becomes entitled to receive assistance payments which relate to CCEE incurred in a prior year or if there are other adjustments to that CCEE account, the “negative” amount must be included in the Resident Holder’s income for that taxation year, and the balance of the Resident Holder’s CCEE account then becomes nil. The right to deduct CCEE accrues to the initial purchaser of FT Shares and is not transferable. A Resident Holder’s CCEE account will be reduced by the amount of any assistance, including grants, that the Resident Holder has received or is entitled to receive in respect of CEE in the preceding year.

Certain restrictions apply in respect of the deductions of CCEE following an acquisition of control and on certain reorganizations of corporate Resident Holders of FT Shares. Corporate Resident Holders of FT Shares should consult their own tax advisors for advice with respect to the potential application of these rules to them having regard to their own particular circumstances.

In addition, a Resident Holder who is an individual (other than a trust) may be permitted to claim a 15% non-refundable investment tax credit (“ITC”). Such expenses must be incurred, or deemed to have been incurred before January 1, 2015. The ITC may be applied to offset federal income tax payable for a taxation year to the extent it exceeds the individual’s minimum tax for that year and may be applied in the year CEE is renounced to the individual, the following twenty years, or in the prior three years. The Company has advised counsel that the expenses will qualify for the ITC. The Resident Holder will be required to deduct the amount of any tax credit claimed in a taxation year from such Resident Holder’s cumulative CCEE account in the following taxation year, which may result in an income inclusion in that year as discussed above.

If a Deferred Plan (defined above under the heading “Eligibility for Investment”) subscribes for FT Shares, the tax benefits of the renunciation of the CEE will not be available for deduction and the associated tax benefits will be lost.

#### *Paid-Up Capital Adjustment*

The paid-up capital of the Company will be increased upon the issuance of the FT Shares. For purposes of the Tax Act, the Company must reduce the paid-up capital of all its issued Common Shares by an amount equal to 50% of the CEE renounced in respect of the FT Shares issued. As paid-up capital represents an amount that the Company may potentially return to its shareholders on a tax-free basis, the reduction in paid-up capital could result in increased tax payable if the Company returned capital to its shareholders.

### *Alternative Minimum Tax*

Under the Tax Act, taxes payable by an individual (other than certain trusts) will be the greater of the taxes otherwise determined and an alternative minimum tax computed by reference to such individual's adjusted taxable income for the taxation year in excess of a \$40,000 exemption and reduced by certain tax credits. The federal rate of minimum tax is 15%. In calculating adjusted taxable income for the purpose of computing the minimum tax, certain deductions and credits otherwise available are disallowed and certain amounts not otherwise included in income are included. The disallowed items include deductions claimed by the individual in respect of CEE in a particular taxation year to the extent such deductions exceed the individual's resource income (including income attributable to a disposition of Canadian resource properties) before deduction of such amounts in that year. Whether and to what extent the tax liability of a particular Resident Holder will be increased by the alternative minimum tax will depend on the amount of such Resident Holder's income, the sources from which it is derived, and the nature and amounts of any deductions such Resident Holder claims.

Any additional tax payable by an individual for the taxation year resulting from the application of the alternative minimum tax will be deductible in any of the seven immediately-following taxation years in computing the amount that would, but for the alternative minimum tax, be such individual's tax otherwise payable for any such year to the extent that such tax payable exceeds the individual's alternative minimum tax calculation for that particular year. Purchasers are urged to consult their tax advisors to determine the impact of alternative minimum tax.

### *Cumulative Net Investment Loss*

One-half of the amount of the CEE renounced to a Resident Holder will be added to the Resident holder's cumulative net investment loss ("CNIL") account, within the meaning of the Tax Act. A Resident Holder's CNIL account may impact a Resident Holder's ability to access the \$750,000 lifetime capital gains exemption available on the disposition of certain qualified small business corporation shares, farm property and fishing property.

### **Non-Residents of Canada**

The following portion of the summary applies to Holders who, at all relevant times, for purposes of the Tax Act and any applicable income tax convention, are not, and are not deemed to be, resident in Canada and do not use or hold, and will not be deemed to use or hold, the Shares or Warrants in a business carried on in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on an insurance business in Canada and elsewhere or to an authorized foreign bank (as defined in the Tax Act).

### *Taxation of Dividends*

Dividends paid or deemed to be paid or credited to a Non-Resident Holder on the Common Shares in the Offering will be subject to Canadian withholding tax under the Tax Act. The rate of withholding tax is 25% of the gross amount of the dividend, although such rate may be reduced under the provisions of an applicable income tax convention between Canada and the Non-Resident Holder's country of residence. In the case of a Non-Resident Holder who is a resident of the United States and entitled to benefits under the current provisions of the *Canada-United States Tax Convention* (1980), as amended, the rate of withholding tax on such dividends will generally be reduced to 15%.

### *Dispositions of Shares, Warrants and FT Warrants*

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a Share, Warrant or FT Warrant, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Share, Warrant or FT Warrant, as the case may be, constitutes "taxable Canadian property" to the Non-Resident Holder for purposes of the Tax Act, and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

As long as the Common Shares are listed on Tier 1 or 2 of the TSXV at the time of disposition, the Shares, Warrants and FT Warrants generally will not constitute taxable Canadian property of a Non-Resident Holder, unless at any time during the 60-month period immediately preceding the disposition: (i) the Non-Resident Holder, persons with

whom the Non-Resident Holder did not deal at arm's length, or the Non-Resident Holder together with all such persons, owned 25% or more of the issued shares of any class or series of shares of the Company; and (ii) more than 50% of the fair market value of the shares of the Company was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, Canadian resource properties (as defined in the Tax Act), timber resource properties (as defined in the Tax Act), or an option, an interest or right in such property, whether or not the property exists.

A Non-Resident Holder's capital gain (or capital loss) in respect of Shares, Warrants or FT Warrants that constitute or are deemed to constitute taxable Canadian property (and are not exempt from Canadian tax under an applicable income tax convention between Canada and the country in which the Non-Resident Holder is resident) will generally be computed in the manner described above under "Residents of Canada – Dispositions of Common Shares".

Non-Resident Holders whose Shares, Warrants or FT Warrants are taxable Canadian property should consult their own tax advisors.

**Because the tax consequences of acquiring, holding or disposing of the securities offered pursuant to this Prospectus may vary depending on the particular circumstances of each Holder and other factors, Holders are urged to consult with their own tax advisors to determine the particular tax consequences to them of acquiring, holding or disposing of the securities offered hereunder.**

## IPO VENTURE ISSUER

As at the date of this prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

## RISK FACTORS

The purchase of any Offered Securities offered hereby must be considered highly speculative due to the nature of the Company's business, stage of development, current financial position and lack of an earnings record. An investment in the Offered Securities should only be considered by those persons who can afford a total loss of their investment. An investment in these securities is not suited to investors who may need to dispose of their investment in a timely fashion. Investors should consult with their own professional advisors to assess the legal, financial and other aspects of an investment in the securities offered hereby. In addition to other information contained in this Prospectus, prospective Subscribers should carefully consider the following risk factors.

### **Risks Relating to the Nature of the Business of the Company**

#### *Risks Inherent in the Mining Business*

The mineral exploration business is inherently risky. Few properties that are explored are ultimately developed into producing mines. The Company's business involves significant financial risks over a significant period of time that even a combination of careful evaluation, experience and knowledge may not eliminate. It is impossible to ensure that the Company's current or proposed exploration programs will result in commercially viable mining operations.

Commercial viability of developing a mineral resource or mineral reserve depends on a number of factors, such as, size and grade of the deposit, proximity to infrastructure, financing costs and governmental regulations that include regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of precious metals and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Mineral properties are often non-productive for reasons that cannot be anticipated in advance. Even after the commencement of mining operations, such operations may be subject to risks and hazards, including availability of a suitably trained or trainable labour force, an effective working relationship between the Company and its labour

force, successful renegotiation of labour contracts when they expire, particularly with respect to its unionized labour force and related collective agreement, environmental hazards, industrial accidents, unusual or unexpected geological formations or conditions, unanticipated metallurgical difficulties, the ability to acquire on a timely basis the equipment and materials necessary to operate the mine at full planned capacity, weather conditions (including historically unforeseen and unpredictable changes in weather patterns such as significantly increased severity of adverse conditions that may be brought about by the phenomenon of global warming or climate change), rock bursts, cave-ins or other ground control problems, seismic activity, flooding, water conditions and mineral or concentrate losses. The occurrence of any of the foregoing could result in damage to or destruction of mineral properties or production facilities, personal injuries, environmental damage, delays or interruption of production, increases in production costs, monetary losses, legal liability and adverse government action.

#### *Substantial Capital Requirements and Liquidity*

Substantial additional funds for the establishment of the Company's current and planned mineral exploration and development will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and pursue only those projects that can be funded through cash flows generated from its existing operations, if any.

#### *Regulatory and Environmental Risks*

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment, exploration, development, waste disposal, toxic substances and other matters. New laws and regulations, amendments to existing laws and regulations or more stringent implementation of existing laws and regulations could have a material adverse impact on the Company, increase costs, cause a delay or prevent the development of new mineral properties.

Mining is subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. Environmental liability may result from mining activities conducted by others prior to the Company's ownership of a property. To the extent the Company is subject to uninsured environmental liabilities, the payment of such liabilities would reduce the Company's otherwise available earnings and could have a material adverse effect on the Company. Should the Company be unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy, which could have a material adverse effect on the Company. In addition, the Company does not have coverage for certain environmental losses and other risks as such coverage cannot be purchased at a commercially reasonable cost.

#### *Licenses and Permits*

The Company's operations require licenses and permits from various governmental authorities. The Company believes it holds all material licenses and permits required under applicable laws and regulations for its current operations and believes it is presently complying in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change in various circumstances. There can be no guarantee that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities and properties under exploration or development or to maintain continued operations that economically justify the cost.

#### *Qualified Investment Status*

If the Company does not list the Common Shares on the TSXV prior to the time of Closing in the manner contemplated under "Eligibility for Investment", the Shares, Warrants and FT Warrants will not be "qualified



investments” for Deferred Plans and adverse tax consequences will arise with respect to any Shares, Warrants or FT Warrants held in RRSPs, RRIFs, TFSA's or other deferred plans.

#### *Regulatory, Permit and License Requirements*

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development operations on the Kluane Property will be obtainable on reasonable terms, or that such laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

#### *Exploration and Development*

The Company's mining and exploration activities will involve significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. The figures presented for mineral resources in this document, if any, are only estimates. The estimating of mineral resources is a subjective process and the accuracy of mineral resource estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from the estimates, if any, contained in this Prospectus.

Estimated mineral resources may have to be re-estimated based on changes in mineral prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource estimates. Mineral resources are not mineral reserves and there is no assurance that any mineral resources will ultimately be reclassified as proven or probable reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Company's resource base.

Substantial expenditures are required to establish mineral resources and mineral reserves through drilling, to develop processes to mine the mineral resources and, in the case of new properties to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the definition of a mineral resource or mineral reserve, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis or on terms acceptable to the Company.

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as the proximity and capacity of processing facilities, commodities markets and processing equipment and governmental regulations including regulations relating to royalties, allowable production and importing and exporting of minerals.

#### *Competition*

The mineral exploration and development industry is highly competitive. The Company will have to compete with other mining companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

#### *Operating Hazards and Risks*

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company may have a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious metals, any of which could result in work stoppages, damage to property, and possible environmental damage. Although the Company currently maintains general liability insurance, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a materially adverse effect upon its financial condition.

#### *Fluctuating Mineral Prices and Marketability of Minerals*

The economics of mineral exploration are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the grade of minerals explored, fluctuations in the market price of minerals. Depending on the price of minerals, the Company may determine that it is impractical to continue a mineral exploration operation and international economic and political trends. Fluctuating mineral prices may also adversely affect the ability of the Company to obtain financing and complete the Offering.

Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Company's properties.

#### *No Assurance of Titles*

The Company's title to its mineral properties may be subject to challenge. While title to the properties has been investigated in the manner that is customary for a transaction of this type and, to the best of the Company's knowledge, title to all properties in which it has, or has the right to acquire, an interest is in good standing, this should not be construed as a guarantee of title.

Recent Canadian jurisprudence requires governments to consult with aboriginal peoples with respect to grants of mineral rights and the issuance or amendment of project authorizations. This may affect the Company's ability to acquire, either within a reasonable time frame or at all, effective mineral titles in Canada in which aboriginal title is claimed. The risk of unforeseen aboriginal title claims also exists in foreign jurisdictions and also could affect existing operations as well as development projects and future acquisitions. These legal requirements may affect the Company's ability to expand or transfer existing operations or to develop new projects.

#### *Tax Treatment of FT Shares*

The tax treatment of flow-through shares constitutes a major consideration for an investment in the FT Shares. There is no guarantee that the current tax laws and administrative practices of both the federal and provincial tax authorities will not be altered in a manner that is materially adverse to Subscribers for FT Shares, and there is no guarantee that there will be no material differences of opinion between the federal and provincial tax authorities with

respect to the tax treatment of the FT Shares, the status of the FT Shares and the activities contemplated by the Company's exploration and development programs. There is no guarantee that the CEE incurred by the Company, or the expected tax deductions claimed by Subscribers for FT Shares, will be accepted by the CRA. See "Certain Canadian Federal Income Tax Considerations – Residents of Canada – Renunciation of CEE in Respect of FT Shares". Notwithstanding its agreement to do so, as set out above under "Description of Securities Distributed – Flow-Through Shares", there is no guarantee that the Company will expend an amount equal to the total proceeds from the sale of the FT Shares to incur qualifying CEE on or prior to December 31, 2014. If the Company does not expend an amount equal to the total proceeds from the sale of the FT Shares to incur qualifying CEE prior to December 31, 2014, the Company will be required to reduce the amount of CEE that it has renounced in favour of the Subscribers for FT Shares and the Subscribers will be reassessed accordingly. The Company will indemnify the Subscribers for any such reassessments. Subscribers will not be subject to penalties for any such reassessment, but interest will be payable on such additional tax if such tax is not paid by April 30, 2015. See "Certain Canadian Federal Income Tax Considerations – Residents of Canada – Renunciation of CEE in Respect of FT Shares".

### **Risks Relating to the Nature of the Offering**

#### *Speculative Nature of Investment*

This is a highly speculative Offering. There is no assurance of a positive, or any, return on an investment in the Offered Securities. The purchase of the Offered Securities involves a number of significant risks and is suitable only for investors who are able to risk a total loss of their investment and who have no immediate need for liquidity. The Company strongly recommends that prospective investors review this Prospectus in its entirety and consult with their own independent legal, tax, investment and financial advisors to assess the appropriateness of an investment in the Shares given their particular financial circumstances and investment objectives prior to purchasing any Shares.

#### *Delay in Offering may result in the Termination of the Amended Rockhaven Option Agreement*

The Company has entered into the Amended Rockhaven Option Agreement, whereby the Company was granted an option to acquire a 100% legal and beneficial interest in and to the Kluane Property. Pursuant to the terms of the Amended Rockhaven Option Agreement, the Company has agreed to use reasonable commercial efforts to list the Common Shares on the TSXV on or before August 31, 2012, and if the Company fails to do so, the Amended Rockhaven Option Agreement will terminate immediately. Upon such termination, the Company will cease to hold any assets, and it will be unable to close the Offering or list on the TSXV without substantially reorganizing the Company.

#### *No Public Trading Market*

Currently there is no public market for the Offered Securities of the Company, and there can be no assurance that an active market for the Offered Securities will develop or be sustained after the Offering. The price of the Offered Securities was determined by negotiation between the Company and the Placement Agent based upon several factors, including the history of, and prospects for, the Company's business, and the industry in which it competes, and an assessment of the Company's management, operations and financial results, and may bear no relationship to the price that will prevail in the public market. If an active public market for the Offered Securities does not develop, the liquidity of an investor's investment may be limited and the share price may decline.

#### *Arbitrary Offering Price*

The Offering Price of the Offered Securities has been determined by the Company in consultation with the Placement Agent. The offering price is not an indication of the value of the Offered Securities or that the Offered Securities could be sold for an amount equal to the Offering Price.

#### *Risk of No Return on Investment*

There is no assurance that the business of the Company will be operated successfully, or that the business will generate sufficient income to allow Subscribers to recoup their investment. There is no assurance that an investment in the Offered Securities will earn a specified rate of return or any return over the life of the Company.

### *Price and Volume Fluctuations for the Common Shares*

In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations, which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of the Common Shares after this Offering, and the price may decline below the offering price. As a result of this volatility, investors may not be able to sell their Common Shares at or above the purchase price for the Offered Securities.

### *Discretion in Use of Net Proceeds from the Offering*

The Company currently intends to allocate the net proceeds received from this Offering as described above under “Use of Proceeds – Principal Purposes”. However, management will have discretion in the actual application of the net proceeds and may elect to allocate proceeds differently from that described in “Use of Proceeds – Principal Purposes” if management of the Company believes that it would be in the best interests of the Company to do so. The failure by management to apply these funds effectively could have a material adverse effect on the Company’s business.

### *Possible Adverse Effect of Offering of Securities on Market Price of Securities*

Sales of substantial amounts of securities of the Company, or the availability of such securities for sale, could adversely affect the prevailing market prices for the Common Shares. A decline in the market price of the Common Shares could impair the ability of the Company to raise additional capital through the sale of securities should it wish to do so.

## **Other Risks**

### *Financing Risks and Dilution to Shareholders*

The Company may not be able to close the Offering in whole or in part for any reason whatsoever. Even if the Company closes the Offering, the Company’s financial resources will be limited and the Company’s substantial financial resources and sources of operating cash flow will be required in order to complete the transactions contemplated by the Company, advance the exploration and development of the Kluane Property and the Company’s other mineral properties. There can be no assurance that the Company will be able to obtain adequate financing to bring the Kluane Property into production or that the terms of such financing will be favourable. It is likely that such additional capital will be raised through the issuance of additional equity which will result in dilution to the Company’s shareholders. Failure to obtain such financing could result in delay or indefinite postponement of further exploration and development of mineral exploration projects with the possible loss of such properties.

### *Reliance on Management and Dependence on Key Personnel*

The success of the Company is dependent upon the performance of its directors and officers, the services of its key executives, including the Chief Executive Officer and Chief Financial Officer of the Company, and the ability to attract and retain key personnel. The loss of the services of such key personnel could have a material adverse effect on the Company’s business and Prospectus. The number of persons skilled in the acquisition, exploration, development and operation of mineral properties is limited and competition for such persons is intense. If the Company is not able to attract, hire and retain qualified personnel, the efficiency of the Company’s operations could be impaired, which could have an adverse impact on the Company’s future operations. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business.

### *Conflicts of Interest*

Certain officers and directors of the Company are officers and/or directors of, or are associated with, other natural resource companies that acquire interests in mineral properties. Such associations may give rise to conflicts of interest from time to time. The directors are required by law, however, to act honestly and in good faith with a view

to the best interest of the Company and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a director for the approval of any such transaction.

In the event conflicts arise at a meeting of the Board, a director who has such a conflict will declare the conflict and abstain from voting. In appropriate cases, the Company may establish a special committee of independent non-executive directors (who must at all times be “independent” within the meaning of NI 52-110) to review a matter in which one or more directors or management may have a conflict.

To the best of the Company’s knowledge there are no known existing or potential conflicts of interest between the Company and any director or officer of the Company, except that certain of the directors of the Company serve as directors and officers of other companies and it is therefore possible that a conflict may arise between their duties as a director or officer of the Company and their duties as a director or officer of such other companies. Where such conflicts arise, they will be addressed as indicated above and in accordance with the *Business Corporations Act* (British Columbia).

#### *General Economic Conditions*

The events in global financial markets recently have had a profound impact on the global economy. Many industries, including the mineral resource industry, are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company’s growth.

#### *Global Financial Conditions*

Current global financial conditions have been subject to increased volatility and numerous financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities. Access to public financing has been negatively impacted by the broad lack of investor confidence. These factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company’s activities could be adversely impacted and the trading price of the Shares could be adversely affected.

#### *Uninsurable Risks*

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company’s results of operations and financial condition and could cause a decline in the value of the Company Common Shares.

#### *Litigation*

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

**Each prospective Subscriber of the Shares should carefully consider the foregoing risk factors and consult their own professional advisors to assess income tax, legal and other aspects of an investment in the Shares.**

## PROMOTERS

Ravinder Mlait may be considered to be the Promoter of the Company in that he took the initiative in founding and organizing the business of the Company. See “Directors and Executive Officers” and “Principal Securityholders” for a description of the number of Common Shares owned by the directors of the Company and “Executive Compensation” for a description of the compensation paid to Ravinder Mlait from inception to the year ended April 30, 2012. As at the date of this Prospectus, Ravinder Mlait directly and beneficially owns 775,000 Common Shares. Ravinder Mlait holds 17.3% of the Common Shares based on 4,486,727 Common Shares issued and outstanding as of the date of this Prospectus.

## LEGAL PROCEEDINGS

### Legal Proceedings

The Company is not currently a party to any legal proceedings, nor is the Company currently contemplating any legal proceedings, which are material to its business. Management of the Company is not currently aware of any legal proceedings contemplated against the Company.

### Regulatory Actions

From incorporation to the date of this Prospectus, management knows of no:

- (i) penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority;
- (ii) other penalties or sanctions imposed by a court or regulatory body against the Company necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and
- (iii) settlement agreements the Company entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, any person or company who owns of record, or is known by the Company to own beneficially, directly or indirectly, more than 10% of the Common Shares of the Company or any associate or affiliate of the foregoing persons or companies in any transaction since its incorporation or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Company.

## RELATIONSHIP BETWEEN THE COMPANY AND THE PLACEMENT AGENT

The Company is neither a “connected issuer” nor “related issuer” to the Placement Agent, as such terms are defined in National Instrument 33-105 *Underwriting Conflicts* of the Canadian Securities Administrators.

## AUDITORS, TRANSFER AGENT AND REGISTRAR

### Auditors

The auditors of the Company are Manning Elliott LLP, Chartered Accountants, located at 11th Floor, 1050 West Pender Street, Vancouver, British Columbia V6E 3S7.

### Registrar and Transfer Agent

The registrar and transfer agent of the Common Shares of the Company is Equity Financial Trust Company located at Suite 1620 – 1185 West Georgia Street, Vancouver, British Columbia V6E 4E6.

## **MATERIAL CONTRACTS**

The following are the only material contracts entered into by the Company from incorporation on April 5, 2011 to the date of this Prospectus which are currently in effect and considered to be currently material:

1. Rockhaven Option Agreement dated November 9, 2011. See “Description of Business – Three-Year History-Kluane Property”;
2. Rockhaven Amendment dated January 12, 2012. See “Description of Business – Three-Year History-Kluane Property”;
3. Rockhaven Second Amendment dated April 25, 2012. See “Description of Business – Three-Year History-Kluane Property”;
4. The Registrar and Transfer Agent Agreement dated May 14, 2012;
5. Rockhaven Third Amendment dated December 6, 2012. See “Description of Business – Three-Year History-Kluane Property”;
6. Rockhaven Fourth Amendment dated February 12, 2013. See “Description of Business – Three-Year History-Kluane Property”;
7. Employment Agreement dated February 20, 2013 between the Company and Ravinder S. Mlait;
8. Employment Agreement dated February 20, 2013 between the Company and Bryan Loree;
9. Escrow Agreement dated March 19, 2013;
10. Voluntary Pooling Agreement dated March 27, 2013; and
11. Agency Agreement dated ♦, 2013.

A copy of any material contract and the Technical Report may be inspected during distribution of the Offered Securities being offered under this Prospectus and for a period of thirty (30) days thereafter during normal business hours at the Company’s offices at 7934 Government Road, Burnaby, British Columbia V5A 2E2.

## **LEGAL MATTERS**

Certain legal matters related to the Offering have been passed upon on behalf of the Company by Clark Wilson LLP and on behalf of the Placement Agent by Getz Prince Wells LLP.

## **EXPERTS**

### **Names of Experts**

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company are named in this Prospectus as having prepared or certified a report, valuation, statement or opinion in this Prospectus:

Manning Elliott LLP, Chartered Accountants, auditors of the Company, who prepared the audit report on the Company’s audited financial statements included in and forming part of this Prospectus.

The Technical Report on the Kluane Property was prepared by Jean Pautler, P.Geo. Jean Pautler has no interest in the Company, the Company’s securities or the property interests held by the Company.

Certain legal matters relating to the Offering as discussed under the heading “Eligibility for Investment” and “Certain Canadian Federal Income Tax Considerations” have been provided by Clark Wilson LLP, counsel to the Company. At the date hereof, the partners and associates of Clark Wilson LLP do not own beneficially, directly or indirectly, any Common Shares or any securities exercisable or convertible into Common Shares.

### **Interests of Experts**

Other than as disclosed herein, none of the persons set out under the heading “Experts – Names of Experts” have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person prepared the report, valuation, statement or opinion aforementioned or thereafter.

### **OTHER MATERIAL FACTS**

Other than as disclosed in this Prospectus, there are no other material facts about the securities being distributed pursuant to this Offering that are not disclosed under any other items and are necessary in order for this Prospectus to contain full, true and plain disclosure of all material facts relating to the Shares to be distributed.

### **RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two (2) Business Days after receipt or deemed receipt of a Prospectus and any amendment. In some provinces, the securities legislation further provides a purchaser with remedies for rescission, revisions of the price, or damages if this Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal adviser.

### **FINANCIAL STATEMENTS**

Unaudited financial statements of the Company for the three and nine months ended January 31, 2013 and the audited financial statements of the Company for the period from the date of incorporation on April 5, 2011 to April 30, 2011, and for the year ended April 30, 2012 are included in this Prospectus.



**Schedule A**  
**Audit Committee Charter**

*[attached next page]*

**WEST POINT RESOURCES INC.**  
(the "Company")

**AUDIT COMMITTEE CHARTER**

(Adopted as of February 27, 2013)

**2. PURPOSE OF THE AUDIT COMMITTEE**

The Audit Committee (the "**Committee**") is a standing committee of the Board of Directors (the "**Board**") of the Company. The role of the Committee is to:

- (a) assist the Board in its oversight responsibilities by reviewing: (i) the Company's financial statements, the financial and internal controls and the accounting, audit and reporting activities, (ii) the Company's compliance with legal and regulatory requirements, (iii) the external auditors' qualifications and independence, and (iv) the scope, results and findings of the Company's external auditors' audit and non-audit services;
- (b) prepare any report of the Committee required to be included in the Company's annual report or proxy material;
- (c) report to the Board in respect of the Company's financial statements prior to the Board approving such statements; and
- (d) take such other actions within the scope of this Charter as the Board may assign to the Committee from time to time or as the Committee deems necessary or appropriate.

**3. COMPOSITION, OPERATIONS AND AUTHORITY**

*Composition*

The Committee shall be composed of a minimum of three members of the Board. Unless exempted by applicable securities laws and applicable stock exchange policies, all members of the Committee shall be independent as determined by the Board in accordance with the applicable requirements of the laws governing the Company, the applicable stock exchanges on which the Company's securities are listed and applicable securities regulatory authorities (collectively, the "**Applicable Law**"). Each member of the Committee shall be "financially literate" as such term is defined by the Applicable Law.

Members of the Committee shall be appointed by the Board and continue to be members until their successors are elected and qualified or until their earlier death, retirement, resignation or removal. Any member of the Committee may be removed by the Board in its discretion. However, a member of the Committee shall automatically cease to be a member of the Committee upon either ceasing to be a director of the Board or, if applicable, ceasing to be independent as required in this Section 2 of this Charter. Vacancies on the Committee will be filled by the Board.

*Authority*

The authority of the Committee is subject to the provisions of this Charter, the constating documents of the Company, such limitations as may be imposed by the Board from time to time and Applicable Law.

The Committee shall have the authority to: (i) retain (at the Company's expense) its own legal counsel and other advisors and experts that the Committee believes, in its sole discretion, are needed to carry out its duties and responsibilities; (ii) conduct investigations that it believes, in its sole discretion, are necessary to carry out its

responsibilities; and (iii) take whatever actions that it deems appropriate to foster an internal culture that is committed to maintaining quality financial reporting, sound business risk practices and ethical behavior within the Company. In addition, the Committee shall have the authority to request any officer, director or employee of the Company, or any other persons whose advice and counsel are sought by the Committee, such as members of the Company's management or the Company's outside legal counsel and external auditors, to meet with the Committee or any of its advisors and to respond to their inquiries. The Committee shall have full access to the books, records and facilities of the Company in carrying out its responsibilities.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

#### *Operations*

The Board may appoint one member of the Committee to serve as chair of the Committee (the "**Chair**"), but if it fails to do so, the members of the Committee shall designate a Chair by majority vote of the full Committee to serve at the pleasure of the majority of the full Committee. If the Chair of the Committee is not present at any meeting of the Committee, an acting Chair for the meeting shall be chosen by majority vote of the Committee from among the members present. In the case of a deadlock on any matter or vote, the Chair shall refer the matter to the Board. The Committee may appoint a secretary who need not be a member of the Board or Committee. A secretary who is not a member of the Committee shall not have the rights of a member of the Committee.

The Chair shall preside at each meeting of the Committee and set the agendas for the Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings as long as they are not inconsistent with any provisions of the Company's constating documents or this Charter.

The Committee shall meet (in person or by telephonic meeting) at least quarterly or more frequently as circumstances dictate. As a part of each meeting of the Committee at which the Committee recommends that the Board approve the annual audited financial statements, the Committee shall meet in a separate session with the external auditors and, if desired, with management and/or the internal auditor. In addition, the Committee or the Chair shall meet with management quarterly to review the Company's financial statements and the Committee or a designated member of the Committee shall meet with the external auditors to review the Company's financial statements on a regular basis as the Committee may deem appropriate. The Committee shall maintain written minutes or other records of its meetings and activities, which shall be duly filed in the Company's records.

Except as otherwise required by the Company's constating documents, a majority of the members of the Committee shall constitute a quorum for the transaction of business and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Committee. The Committee may also act by unanimous written consent in lieu of a meeting.

The Chair of the Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Board.

#### **4. RESPONSIBILITIES AND DUTIES**

The Committee's primary responsibilities are to:

##### *General*

- (a) review and assess the adequacy of this Charter on an annual basis and, where necessary or desirable, recommend changes to the Board;
- (b) report to the Board regularly at such times as the Chair may determine to be appropriate but not less frequently than four times per year;

- (c) follow the process established for all committees of the Board for assessing the Committee's performance;

*Review of Financial Statements, MD&A and other Documents*

- (d) review the Company's financial statements and related management's discussion and analysis and any other annual reports or other financial information to be submitted to any governmental body or the public, including any certification, report, opinion or review rendered by the external auditors before they are approved by the Board and publicly disclosed;
- (e) report to the Board in respect of the Company's financial statements prior to the Board approving such statements;
- (f) review with the Company's management and, if applicable, the external auditors, the Company's quarterly financial statements and related management's discussion and analysis, before they are released;
- (g) ensure that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements other than the disclosure referred to in the two immediately preceding paragraphs and periodically assess the adequacy of such procedures;
- (h) review the effects of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company;
- (i) review with the Company's management any press release of the Company which contains financial information;
- (j) review analyses prepared by management and/or the external auditors setting forth significant reporting issues and judgments made in connection with the preparation of the Company's financial statements;

*External Auditors*

- (k) recommend external auditors' nominations to the Board to be put before the shareholders for appointment and, as necessary, the removal of any external auditors in office from time to time;
- (l) approve the fees and other compensation to be paid to the external auditors;
- (m) pre-approve all significant non-audit engagements to be provided to the Company with the external auditors;
- (n) require the external auditors to submit to the Committee, on a regular basis (at least annually), a formal written statement delineating all relationships between the external auditors and the Company and discuss with the external auditors any relationships that might affect the external auditors' objectivity and independence;
- (o) recommend to the Board any action required to ensure the independence of the external auditors;
- (p) advise the external auditors of their ultimate accountability to the Board and the Committee;
- (q) oversee the work of the external auditors engaged for the purpose of preparing an audit report or performing other audit, review and attest services for the Company;

- (r) evaluate the qualifications, performance and independence of the external auditors which are to report directly to the Committee, including (i) reviewing and evaluating the lead partner on the external auditors' engagement with the Company, (ii) considering whether the auditors' quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditors' independence, (iii) determine the rotation of the lead audit partner and the audit firm, and (iv) take into account the opinions of management and the internal audit function in assessing the external auditors' qualifications, independence and performance;
- (s) present the Committee's conclusions with respect to its evaluation of external auditors to the Board and take such additional action to satisfy itself of the qualifications, performance and independence of external auditors and make further recommendations to the Board as it considers necessary;
- (t) obtain and review a report from the external auditors at least annually regarding the external auditors' internal quality-control procedures; material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more external audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the external auditors and the Company;
- (u) establish policies for the Company's hiring of employees or former employees of the external auditors;
- (v) monitor the relationship between management and the external auditors including reviewing any management letters or other reports of the external auditors and discussing any material differences of opinion between management and the external auditors;

*Financial Reporting Process*

- (w) periodically discuss the integrity, completeness and accuracy of the Company's internal controls and the financial statements with the external auditors in the absence of the Company's management;
- (x) in consultation with the external auditors, review the integrity of the Company's financial internal and external reporting processes;
- (y) consider the external auditors' assessment of the appropriateness of the Company's auditing and accounting principles as applied in its financial reporting;
- (z) review and discuss with management and the external auditors at least annually and approve, if appropriate, any material changes to the Company's auditing and accounting principles and practices suggested by the external auditors, internal audit personnel or management;
- (aa) review and discuss with the Chief Executive Officer ("**CEO**") and the Chief Financial Officer (the "**CFO**") the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the interim and annual filings with applicable securities regulatory authorities;
- (bb) review disclosures made by the CEO and CFO during their certification process for the annual and interim filings with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving management or other employees who have a significant role in the Company's internal controls;

- (cc) establish regular and separate systems of reporting to the Committee by management and the external auditors of any significant decision made in management's preparation of the financial statements, including the reporting of the view of management and the external auditors as to the appropriateness of such decisions;
- (dd) discuss during the annual audit, and review separately with each of management and the external auditors, any significant matters arising from the course of any audit, including any restrictions on the scope of work or access to required information; whether raised by management, the head of internal audit or the external auditors;
- (ee) resolve any disagreements between management and the external auditors regarding financial reporting;
- (ff) review with the external auditors and management the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented at an appropriate time subsequent to the implementation of such changes or improvements;
- (gg) retain and determine the compensation of any independent counsel, accountants or other advisors to assist in its oversight responsibilities (the Committee shall not be required to obtain the approval of the Board for such purposes);
- (hh) discuss any management or internal control letters or proposals to be issued by the external auditors of the Company;

#### *Corporate Controls and Procedures*

- (ii) receive confirmation from the CEO and CFO that reports to be filed with Canadian Securities commissions and any other applicable regulatory agency: (a) have been prepared in accordance with the Company's disclosure controls and procedures; and (b) contain no material misrepresentations or omissions and fairly presents, in all material respects, the financial condition, results of operations and cash flow as of and for the period covered by such reports;
- (jj) receive confirmation from the CEO and CFO that they have concluded that the disclosure controls and procedures are effective as of the end of the period covered by such reports;
- (kk) discuss with the CEO and CFO any reasons for which any of the confirmations referred to in the two preceding paragraphs cannot be given by the CEO and CFO;

#### *Code of Conduct and Ethics*

- (ll) review and discuss the Company's Code of Business Conduct and Ethics and the actions taken to monitor and enforce compliance with the Code;
- (mm) establish procedures for: i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters; and ii) the confidential, anonymous submission of concerns regarding questionable accounting, internal control and auditing matters;

#### *Legal Compliance*

- (nn) confirm that the Company's management has the proper review system in place to ensure that the Company's financial statements, reports, press releases and other financial information satisfy Applicable Law;
- (oo) review legal compliance matters with the Company's legal counsel;

- (pp) review with the Company's legal counsel any legal matter that the Committee understands could have a significant impact on the Company's financial statements;
- (qq) conduct or authorize investigations into matters within the Committee's scope of responsibilities;
- (rr) perform any other activities in accordance with the Charter, the Company's constating documents and Applicable Law the Committee or the Board deems necessary or appropriate;
- (ss) maintain minutes and other records of meetings and activities of the Committee;

*Related Party Transactions*

- (tt) review the financial reporting of any transaction between the Company and any officer, director or other "related party" (including any shareholder holding an interest greater than 5% in the Company) or any entity in which any such person has a financial interest;
- (uu) review policies and procedures with respect to directors' and officers' expense accounts and management perquisites and benefits, including their use of corporate assets and expenditures;

*Reporting and Powers*

- (vv) report to the Board following each meeting of the Committee and at such other times as the Board may consider appropriate; and
- (ww) exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board.

**5. LIMITATION OF RESPONSIBILITY**

While the Committee has the responsibilities and powers provided by this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management (with respect to whom the Committee performs an oversight function) and the external auditors.

**Schedule B**

**Nominating and Corporate Governance Committee Charter**

*[attached next page]*



**WEST POINT RESOURCES INC.**  
(the "Company")

**NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

(Adopted as of February 27, 2013)

**1. PURPOSE OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE**

The Nominating and Corporate Governance Committee (the "**Committee**") is a standing committee of the Board of Directors (the "**Board**") of the Company. The role of the Committee is to:

- (a) advise and make recommendations to the Board in its oversight role with respect to: (i) the development of the Company's corporate governance policies, principles, practices and processes; (ii) the effectiveness of the Board and its committees; (iii) the contributions of individual directors; (iv) the identification of individuals qualified to become board members; and (v) the selection of director nominees for election by the shareholders; and
- (b) take such other actions within the scope of this Charter as the Board may assign to the Committee from time to time or as the Committee deems necessary or appropriate.

**2. COMPOSITION, OPERATIONS AND AUTHORITY**

*Composition*

The Committee shall be composed of members of the Board, the number of which shall be fixed from time to time by resolution adopted by the Board. At least one member of the Committee shall be independent as determined by the Board in accordance with the applicable requirements of the laws governing the Company, the applicable stock exchanges on which the Company's securities are listed and applicable securities regulatory authorities (collectively, the "**Applicable Law**").

Members of the Committee shall be appointed by the Board and continue to be members until their successors are elected and qualified or until their earlier death, retirement, resignation or removal. Any member of the Committee may be removed by the Board in its discretion. However, a member of the Committee shall automatically cease to be a member of the Committee upon either ceasing to be a director of the Board or, if applicable, ceasing to be independent as required in this Section 2 of this Charter. Vacancies on the Committee will be filled by the Board.

*Authority*

The authority of the Committee is subject to the provisions of this Charter, the constating documents of the Company, such limitations as may be imposed by the Board from time to time and Applicable Law.

The Committee shall have the authority to: (i) retain (at the Company's expense) its own legal counsel and other advisors and experts that the Committee believes, in its sole discretion, are needed to carry out its duties and responsibilities; and (ii) conduct investigations that it believes, in its sole discretion, are necessary to carry out its responsibilities. In addition, the Committee shall have the authority to request any officer, director or employee of the Company, or any other persons whose advice and counsel are sought by the Committee, such as members of the Company's management or the Company's outside legal counsel and external auditors, to meet with the Committee or any of its advisors and to respond to their inquiries. The Committee shall have full access to the books, records and facilities of the Company in carrying out its responsibilities.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

### *Operations*

The Board may appoint one member of the Committee to serve as chair of the Committee (the "**Chair**"), but if it fails to do so, the members of the Committee shall designate a Chair by majority vote of the full Committee to serve at the pleasure of the majority of the full Committee. If the Chair of the Committee is not present at any meeting of the Committee, an acting Chair for the meeting shall be chosen by majority vote of the Committee from among the members present. In the case of a deadlock on any matter or vote, the Chair shall refer the matter to the Board. The Committee may appoint a secretary who need not be a member of the Board or Committee. A secretary who is not a member of the Committee shall not have the rights of a member of the Committee.

The Chair shall preside at each meeting of the Committee and set the agendas for the Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings as long as they are not inconsistent with any provisions of the Company's constating documents or this Charter.

The Committee shall have regular meetings (in person or by telephonic meeting) on at least a semi-annual basis or more frequently as circumstances dictate. The Committee shall maintain written minutes or other records of its meetings and activities, which shall be duly filed in the Company's records.

Except as otherwise required by the Company's constating documents, a majority of the members of the Committee shall constitute a quorum for the transaction of business and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Committee. The Committee may also act by unanimous written consent in lieu of a meeting.

The Chair of the Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Board.

### **3. RESPONSIBILITIES AND DUTIES**

The Committee's primary responsibilities are to:

- (a) review the Board committee structure on an annual basis and recommend to the Board any changes it considers necessary or desirable with respect to that committee structure, including (all in consultation with the Chair of the Board): (i) the mandates of each committee; (ii) the criteria for membership on any committee; (iii) the composition of each committee; (iv) the appointment and removal of members from any committee; (v) the operations of each committee, including the ability of any committee to delegate any or all of its responsibilities to a sub-committee of that committee; and (vi) the process for each committee reporting to the Board;
- (b) review the charters of each committee of the Board, and recommend such changes as are required or desirable;
- (c) review the Company's corporate governance practices at least annually and recommend appropriate policies, practices and procedures to the Board;
- (d) review the corporate governance sections to be included in the Company's annual report or proxy material, including the statement of corporate governance practices;
- (e) develop and recommend to the Board a process for assessing the effectiveness of the Board, as a whole, the committees of the Board and the contribution of individual directors and be responsible for overseeing the execution of the assessment process approved by the Board;
- (f) evaluate its effectiveness and the effectiveness of its members pursuant to the process for such evaluation approved by the Board;

- (g) review, as required, the skills, areas of expertise, backgrounds, independence and qualifications of the members of the Board;
- (h) review, as required, the size and composition of the Board to ensure that there remain an appropriate number of "unrelated" and "independent" directors;
- (i) serve as a forum for individual directors to voice any concerns on matters not readily discussed at regular meetings of the Board;
- (j) recommend to the Board a system which enables an individual director to engage outside advisers at the Company's expense in appropriate circumstances and with the approval of the Committee;
- (k) recommend to the Board appropriate criteria for the selection of new directors, periodically review the criteria adopted by the Board and, if deemed desirable, recommend to the Board changes to such criteria;
- (l) identify and recommend qualified candidates to the Board who meet the selection criteria approved by the Board, and recommend the slate of nominees for election by shareholders at the annual meeting (and in this regard the Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates or to otherwise assist the Committee in the discharge of its responsibilities, including the sole authority to approve the search firm's fees and other retention terms);
- (m) recommend to the Board structures and procedures to enable the Board to function independently of management and oversee the development and implementation of any structures and procedures approved by the Board;
- (n) review the relationship of the Board with management and recommend, where appropriate, limits on management's authority to act without the express approval of the Board;
- (o) assess shareholder proposals as necessary for inclusion in the management information circular and make appropriate recommendations to the Board;
- (p) oversee: (i) the development and implementation of orientation programs for new directors; and (ii) continuing education for all directors;
- (q) monitor and assess the Company's compliance with the requirements established by the Applicable Law;
- (r) exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board;
- (s) report to the Board on all other matters and recommendations made by the Committee;
- (t) report to the Board following each meeting of the Committee and at such other times as the Board may consider appropriate;
- (u) maintain minutes and other records of meetings and activities of the Committee;
- (v) follow the process established for all committees of the Board for assessing the Committee's performance; and
- (w) review and assess the adequacy of this Charter on an annual basis and, where necessary or desirable, recommend changes to the Board.

**Schedule C**

**Compensation Committee Charter**

*[attached next page]*

**WEST POINT RESOURCES INC.**  
(the “**Company**”)

**COMPENSATION COMMITTEE CHARTER**

(Adopted as of February 27, 2013)

**1. PURPOSE OF THE COMPENSATION COMMITTEE**

The Compensation Committee (the “**Committee**”) is a standing committee of the Board of Directors (the “**Board**”) of the Company. The role of the Committee is to:

- (a) review and recommend to the Board the appropriate compensation level for the Company’s executive officers;
- (b) oversee the Company’s compensation and benefit plans, policies and practices, including its executive compensation plans and incentive-compensation and equity-based plans;
- (c) monitor and evaluate, at the Committee’s sole discretion, matters relating to the compensation and benefits structure of the Company; and
- (d) take such other actions within the scope of this Charter as the Board may assign to the Committee from time to time or as the Committee deems necessary or appropriate.

**2. COMPOSITION, OPERATIONS AND AUTHORITY**

*Composition*

The Committee shall be composed of members of the Board, the number of which shall be fixed from time to time by resolution adopted by the Board. At least one member of the Committee shall be independent as determined by the Board in accordance with the applicable requirements of the laws governing the Company, the applicable stock exchanges on which the Company’s securities are listed and applicable securities regulatory authorities (collectively, the “**Applicable Law**”).

Members of the Committee shall be appointed by the Board and continue to be members until their successors are elected and qualified or until their earlier death, retirement, resignation or removal. Any member of the Committee may be removed by the Board in its discretion. However, a member of the Committee shall automatically cease to be a member of the Committee upon either ceasing to be a director of the Board or, if applicable, ceasing to be independent as required in this Section 2 of this Charter. Vacancies on the Committee will be filled by the Board.

*Authority*

The authority of the Committee is subject to the provisions of this Charter, the constating documents of the Company, such limitations as may be imposed by the Board from time to time and Applicable Law.

The Committee shall have the authority to (i) retain (at the Company’s expense) its own legal counsel and other advisors and experts that the Committee believes, in its sole discretion, are needed to carry out its duties and responsibilities, including, without limitation, the retention of a compensation consultant to assist the Committee in evaluating director and executive officer compensation; and (ii) conduct investigations that it believes, in its sole discretion, are necessary to carry out its responsibilities. In addition, the Committee shall have the authority to request any officer, director or employee of the Company, or any other persons whose advice and counsel are sought by the Committee, such as members of the Company’s management or the Company’s outside legal counsel and independent accountants, to meet with the Committee or any of its advisors and to respond to their inquiries. The

Committee shall have full access to the books, records and facilities of the Company in carrying out its responsibilities.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

### *Operations*

The Board may appoint one member of the Committee to serve as chair of the Committee (the “**Chair**”), but if it fails to do so, the members of the Committee shall designate a Chair by majority vote of the full Committee to serve at the pleasure of the majority of the full Committee. If the Chair of the Committee is not present at any meeting of the Committee, an acting Chair for the meeting shall be chosen by majority vote of the Committee from among the members present. In the case of a deadlock on any matter or vote, the Chair shall refer the matter to the Board. The Committee may appoint a secretary who need not be a member of the Board or Committee. A secretary who is not a member of the Committee shall not have the rights of a member of the Committee.

The Chair shall preside at each meeting of the Committee and set the agendas for the Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings as long as they are not inconsistent with any provisions of the Company’s constating documents or this Charter.

The Committee shall have regular meetings (in person or by telephonic meeting) on at least a semi-annual basis or more frequently as circumstances dictate. The Committee shall maintain written minutes or other records of its meetings and activities, which shall be duly filed in the Company’s records. The Committee shall meet separately, on at least an annual basis, with the Chief Executive Officer, the vice president of human resources (or similar position) and any other corporate officers as the Board and the Committee deem appropriate to discuss and review the performance criteria and compensation levels of key executive officers.

Except as otherwise required by the Company’s constating documents, a majority of the members of the Committee shall constitute a quorum for the transaction of business and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Committee. The Committee may also act by unanimous written consent in lieu of a meeting.

The Chair of the Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Board.

A member of the Committee who is in a conflict of interest in respect of a topic of Committee discussion shall:

- (a) disclose in writing to the Committee or request to have entered in the minutes of the meeting of the Committee the nature and extent of the conflict; and
- (b) abstain from voting on any resolution to the extent of the conflict, provided that such member shall be considered to be present for the purposes of determining whether quorum is present during such vote.

### **3. RESPONSIBILITIES AND DUTIES**

The Committee’s primary responsibilities are to:

- (a) review the adequacy and form of compensation of the Company’s executive officers and ensure that the compensation realistically reflects the risks and responsibilities of such positions;
- (b) review and recommend to the Board for approval policies relating to compensation of the Company’s executive officers and directors;

- (c) review the performance of the Company's executive officers and recommend annually to the Board for approval the amount and composition of compensation to be paid to the Company's executive officers;
- (d) review and make recommendations to the Board with respect to pension, stock option and other incentive plans, benefit plans, perquisites and other remuneration matters with respect to the Company's executive officers;
- (e) review the appointment or discharge of any of the Company's executive officers;
- (f) review and approve the corporate goals and objectives relevant to compensation of the Chief Executive Officer (the "CEO") and recommend them to the Board for approval, lead the evaluation of the CEO's performance in light of these goals and objectives and recommend the compensation of the CEO based on this evaluation;
- (g) review the adequacy and form of compensation of directors and ensure that the compensation realistically reflects the responsibilities and risks of such positions and fix the amount and composition of compensation to be paid to members of the Board and the committees thereof;
- (h) review and assess the Company's compensation and benefit policies programs relating to all employees;
- (i) review at least annually the corporate goals and objectives of the Company's executive compensation plans, incentive-compensation and equity based plans and other general compensation plans (collectively the "**Company Plans**"), and if appropriate, recommend that the Board amend these goals and objectives;
- (j) review at least annually the Company Plans in light of the Company's goals and objectives with respect to such plans, and, if the Committee deems it appropriate, recommend to the Board the adoption of new, or the amendment of existing, Company Plans;
- (k) monitor and assess the Company's compliance with the requirements established by the Applicable Law;
- (l) review executive compensation disclosure prior to public disclosure or filing with any securities regulatory authorities;
- (m) issue an annual report on executive compensation for inclusion in the Company's public filings, if required by Applicable Law;
- (n) administer and otherwise exercise the various authorities prescribed for the Committee by any of the Company Plans;
- (o) review, and if appropriate recommend for approval, any agreements between the Company and the CEO or the Company and its executive officers, including those assessing retirement, termination of employment or other special circumstances, as appropriate;
- (p) exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board;
- (q) report to the Board on all other matters and recommendations made by the Committee;
- (r) report to the Board following each meeting of the Committee and at such other times as the Board may consider appropriate;

- (s) maintain minutes and other records of meetings and activities of the Committee;
- (t) follow the process established for all committees of the Board for assessing the Committee's performance; and
- (u) review and assess the adequacy of this Charter on an annual basis and, where necessary or desirable, recommend changes to the Board.



**Schedule D**

**FT Share Subscription Agreement**

*[attached next page]*

**WEST POINT RESOURCES INC.**

**SUBSCRIPTION AND RENUNCIATION AGREEMENT FOR FLOW-THROUGH UNITS**

**TO: WEST POINT RESOURCES INC.**

Each of the persons listed on Appendix A attached hereto (the “**Subscribers**”), as represented by Macquarie Private Wealth Inc., as their respective duly authorized agent (the “**Agent**”), hereby irrevocably subscribes for and agrees to purchase from West Point Resources Inc. (the “**Corporation**”) the number of flow-through units of the Corporation (each, a “**FT Unit**”) set forth in Appendix A relating to such Subscriber at a price of \$0.25 per FT Unit (the “**Subscription Price**”), each FT Unit consisting of one common share of the Corporation issued on a “flow-through” basis as defined in subsection 66(15) of the Tax Act (as defined herein) (each, a “**FT Share**”) and one half of one non-flow-through and non-transferable common share purchase warrant (each whole warrant, a “**FT Warrant**”), each FT Warrant entitling the holder to purchase one common share of the Corporation (each, a “**FT Warrant Share**”) at an exercise price of \$0.35 per FT Warrant Share for a period of 60 months following the Closing Date (as defined herein) upon the terms and subject to the conditions set forth in the attached “Terms and Conditions of Subscription for FT Units”. The Agent represents and warrants to the Corporation that it has been authorized to enter into this Agreement on behalf of the Subscribers and to make the representation, warranties and statements contained herein on their behalf.

DATED the \_\_\_\_ day of \_\_\_\_\_, 2013.

**MACQUARIE PRIVATE WEALTH INC.**

Per: \_\_\_\_\_  
Authorized Signing Officer

**ACCEPTANCE**

The Corporation hereby accepts the subscription for FT Units as set forth above on the terms and conditions contained in this Agreement this \_\_\_\_ day of \_\_\_\_\_ 2013.

**WEST POINT RESOURCES INC.**

Per: \_\_\_\_\_  
Authorized Signing Officer

**TERMS AND CONDITIONS OF SUBSCRIPTION FOR FT UNITS****ARTICLE 1 - INTERPRETATION****1.1 Definitions**

Whenever used in this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following words and phrases shall have the respective meanings ascribed to them as follows:

“**Agency Agreement**” means the agency agreement dated \_\_\_\_\_, 2013 among the Corporation and the Agent.

“**Agent**” shall have the meaning ascribed to such term as set out on the face page of this Agreement.

“**Agreement**” means this subscription and renunciation agreement and any instrument amending this Agreement; “**hereof**”, “**hereto**”, “**hereunder**”, “**herein**” and similar expressions mean and refer to this Agreement and not to a particular Article or Section; and the expression “**Article**” or “**Section**” followed by a number means and refers to the specified Article or Section of this Agreement.

“**Business Day**” means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Vancouver (British Columbia) are not open for business.

“**Canadian Exploration Expense**” or “**CEE**” means an expense referred to in paragraph (f) of the definition of “Canadian exploration expense” in subsection 66.1(6) of the Tax Act, other than amounts which are prescribed to be “Canadian exploration and development overhead expenses” for the purposes of paragraph 66(12.6)(b) of the Tax Act, the cost of acquiring or obtaining the use of seismic data described in paragraph 66(12.6)(b.1) of the Tax Act, or any expense for prepaid services or rent that do not qualify as outlays and expenses for the period as described in the definition “expense” in subsection 66(15) of the Tax Act.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**Closing**” shall have the meaning ascribed to such term in Section 3.1.

“**Closing Date**” shall have the meaning ascribed to such term in Section 3.1.

“**Closing Time**” shall have the meaning ascribed to such term in Section 3.1.

“**Common Shares**” means the common shares in the capital of the Corporation.

“**Corporation**” means West Point Resources Inc. and includes any successor corporation to or of the Corporation.

“**CRA**” means the Canada Revenue Agency.

“**Flow-Through Mining Expenditure**” means an expense which is a “flow-through mining expenditure” as defined in subsection 127(9) of the Tax Act.

“**FT Shares**” shall have the meaning ascribed to such term as set out on the face page of this Agreement.

“**FT Units**” shall have the meaning ascribed to such term as set out on the face page of this Agreement.

“**FT Warrants**” shall have the meaning ascribed to such term as set out on the face page of this Agreement.

“**FT Warrant Shares**” shall have the meaning ascribed to such term as set out on the face page of this Agreement.

“**including**” means including without limitation.

“**Indemnified Person**” shall have the meaning ascribed to such term in Section 4.2.

“**Offering**” means the offering of up to 4,000,000 FT Units to be issued and sold by the Corporation pursuant to this Agreement and the Agency Agreement.

“**Person**” includes any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), corporation, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning.

“**Prescribed Forms**” means the forms prescribed from time to time under subsection 66(12.7) of the Tax Act filed or to be filed by the Corporation within the prescribed times renouncing to the Subscribers the Resource Expenses incurred pursuant to this Agreement and all parts or copies of such forms required by the Tax Act to be delivered to the Subscribers.

“**Property**” means the mineral claims and the interests, options or rights in mineral claims, licences or permits of the Corporation located in Canada.

“**Prospectus**” means the final prospectus of the Corporation dated \_\_\_\_\_, 2013.

“**Resource Expense**” means an expense which is a CEE and a Flow-Through Mining Expenditure which is incurred on or after the Closing Date and on or before the Termination Date which may be renounced by the Corporation pursuant to subsections 66(12.6) and 66(12.66) of the Tax Act with an effective date not later than December 31, 2013, and in respect of which, but for the renunciation, the Corporation would be entitled to a deduction from income for income tax purposes.

“**Securities Laws**” means, as applicable, the securities laws, regulations, rules, rulings and orders in each of the provinces of British Columbia, Alberta and Ontario, the applicable policy statements, notices, blanket rulings, orders and all other regulatory instruments of the securities regulators in each of the provinces of British Columbia, Alberta and Ontario and the policies of the TSXV.

“**Subscribers**” means the subscribers for the FT Units as set out on the face page of this Agreement.

“**Subscription Amount**” means an amount equal to \$0.2499 multiplied by the number of FT Shares subscribed for and paid for by the Subscribers pursuant to this Agreement.

“**Subscription Price**” shall have the meaning ascribed to such term on the face page of this Agreement.

“**Tax Act**” means the *Income Tax Act* (Canada) and all rules and regulations made pursuant thereto, all as may be amended, re-enacted or replaced from time to time and any proposed amendments thereto announced publicly from time to time.

“**Termination Date**” shall mean December 31, 2014.

“**TSXV**” means the TSX Venture Exchange.

“**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

“**U.S. Person**” has the meaning given to that term in Rule 902(k) of Regulation S under the U.S. Securities Act.

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended.

## 1.2 Gender and Number

Words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender and words importing persons shall include firms and corporations and vice versa.

### 1.3 Currency

Unless otherwise specified, all dollar amounts in this Agreement, including the symbol "\$", are expressed in Canadian dollars.

### 1.4 Subdivisions and Headings

The division of this Agreement into Articles, Sections, Schedules and other subdivisions and the inclusion of headings are for convenience of reference purposes only and shall not affect the construction or interpretation of this Agreement. The headings in this Agreement are not intended to be full or precise descriptions of the text to which they refer. Unless something in the subject matter or context is inconsistent therewith, references herein to an article, section, subsection, paragraph, clause or schedule are to the applicable article, section, subsection, paragraph, clause or schedule of this Agreement.

## ARTICLE 2 - SUBSCRIPTION AND DESCRIPTION OF FT UNITS

### 2.1 Subscription for the FT Units

The Agent, on behalf of each of the Subscribers, hereby confirms the irrevocable subscription for and offer to purchase the FT Units from the Corporation of each of the Subscribers by the Agent, on and subject to the terms and conditions set out in this Agreement and the Agency Agreement, for the Subscription Amount.

The Agent, on behalf of each of the Subscribers, acknowledges that the FT Units will be issued in connection with the issue and sale by the Corporation of: (i) a minimum of 3,533,334 units of the Corporation (each, a "Unit") at a price of \$0.15 per Unit (the "Unit Price") and a minimum of 1,000,000 FT Units at the Subscription Price; and (ii) a maximum of up to 6,000,000 Units at the Unit Price and up to 4,000,000 FT Units at the Subscription Price. Each Unit is comprised of one Common Share and one-half of one non-transferable common share purchase warrant (each whole warrant, a "Warrant"), with each Warrant entitling the holder thereof to acquire one Common Share at a price of \$0.25 for a period of 60 months from the Closing Date. The FT Units and Units will be issued pursuant to the Prospectus.

### 2.2 Terms of the FT Units

Upon issue, the FT Shares will be "flow-through shares" as defined in subsection 66(15) of the Tax Act and will not be "prescribed shares" within the meaning of section 6202.1 of the regulations to the Tax Act. The Corporation agrees to:

- (a) incur Resource Expenses in an amount equal to the Subscription Amount during the period from and after the Closing Date to and including the Termination Date; and
- (b) renounce Resource Expenses in an amount equal to the Subscription Amount to the Subscribers with an effective date no later than December 31, 2013.

## ARTICLE 3 - CLOSING

### 3.1 Closing

Delivery and sale of the FT Units and payment of the Subscription Amount will be completed on such date(s) (the "Closing") at the offices of Clark Wilson LLP, counsel to the Corporation, at 8:00 a.m. (Vancouver time) (the "Closing Time") on or about \_\_\_\_, 2013 and/or such other place or dates or time as the Corporation and the Agent may mutually agree (the "Closing Date"). If, on or prior to the Closing Time, the terms and conditions contained in this Agreement and the Agency Agreement have been complied with to the satisfaction of the Agent, or waived by the Agent, the Agent shall deliver to the Corporation this completed Agreement and payment of the Subscription Amount for all of the FT Units sold pursuant to this Agreement and the Agency Agreement against delivery by the Corporation of the FT Units, and such other documentation as may be required pursuant to this Agreement and the Agency Agreement.

The Agent, on behalf of each of the Subscribers, acknowledges that registration of the FT Shares will occur through the Non Certificated Inventory process (“NCI”) with Clearing and Depository Services Inc. (“CDS”).

### **3.2 Conditions of Closing**

The Agent, on behalf of each of the Subscribers, acknowledges and agrees that the obligations of the Corporation hereunder are conditional on the truth of the representations and warranties of the Agent and Subscribers contained in this Agreement as of the date of this Agreement, and as of the Closing Date as if made at and as of the Closing Date, and the fulfillment of the following additional conditions on the Closing Date:

- (a) payment by the Agent on behalf of the Subscribers of the Subscription Amount by electronic money transfer to Clark Wilson LLP, counsel for the Corporation, in trust for the Corporation; and
- (b) the Agent having properly completed, signed and delivered this Agreement.

### **3.3 Authorization of the Agent**

The Corporation acknowledges that the Subscribers who place orders to purchase FT Units with the Agent are deemed to have authorized the Agent to execute and deliver this Agreement, on behalf of such Subscribers. The execution and delivery of this Agreement by the Agent, as agent on behalf of the Subscribers, will bind the Subscribers to the terms hereof as if the Subscribers had executed this Agreement personally. The Agent acknowledges that it has the authority to bind the Subscribers to this Agreement upon receipt by the Agent of an order to purchase FT Units from the Subscribers.

## **ARTICLE 4 – REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE CORPORATION**

### **4.1 Representations, Warranties and Covenants of the Corporation**

The Corporation hereby represents and warrants to, and covenants with the Agent on its own behalf and on behalf of the Subscribers as follows and acknowledges that the Agent and the Subscribers are relying on such representations, warranties and covenants in connection with the transactions contemplated herein.

- (a) the Corporation has the full corporate right, power and authority to execute and deliver this Agreement and to issue the FT Units to the Subscribers;
- (b) the Corporation is licensed, registered or qualified as an extra-provincial or foreign corporation in all jurisdictions where the character of the property or assets thereof owned or leased or the nature of the activities conducted by it make licensing, registration or qualification necessary and is carrying on the business thereof in compliance with all applicable laws, rules and regulations of each such jurisdiction;
- (c) all corporate action on the part of the Corporation, its directors, and its shareholders necessary for the authorization, execution, delivery, and performance of this Agreement, by the Corporation will be taken prior to the Closing and this Agreement, when executed and delivered by the Corporation, will constitute a valid and binding obligation of the Corporation enforceable in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the enforcement of creditors’ rights generally and as limited by laws relating to the availability of equitable remedies;
- (d) the execution and delivery of, and the performance of the terms of, this Agreement by the Corporation, including the issue of the FT Units to the Subscribers pursuant hereto does not and will not constitute a breach of or default under the constating documents of the Corporation;

- (e) the Corporation has the full corporate right, power and authority to incur and renounce to the Subscribers, Resource Expenses in an amount equal to the Subscription Amount;
- (f) Upon issue, the FT Shares will be “flow-through shares” as defined in subsection 66(15) of the Tax Act and are not and will not be “prescribed shares” within the meaning of section 6202.1 of the regulations to the Tax Act;
- (g) The Corporation is a “principal-business corporation” as defined in subsection 66(15) of the Tax Act and will continue to be a “principal-business corporation” until such time as all of the Resource Expenses required to be renounced under this Agreement have been incurred and validly renounced pursuant to the Tax Act;
- (h) The Corporation has no reason to believe that it will be unable to incur, on or after the Closing Date and on or before the Termination Date or that it will be unable to renounce to the Subscribers effective on or before December 31, 2013, Resource Expenses in an amount equal to the Subscription Amount and the Corporation has no reason to expect any reduction of such amount by virtue of subsection 66(12.73) of the Tax Act;
- (i) The Corporation hereby agrees to incur Resource Expenses in an amount equal to the Subscription Amount on or before the Termination Date in accordance with this Agreement and agrees to renounce to the Subscribers, with an effective date no later than December 31, 2013, pursuant to subsection 66(12.6) and 66(12.66) of the Tax Act, Resource Expenses in an amount equal to the Subscription Amount;
- (j) The Corporation shall deliver to the Subscribers, on or before February 15, 2014, the relevant Prescribed Forms (including Form T101), fully completed and executed, renouncing to the Subscribers, Resource Expenses in an amount equal to the Subscription Amount with an effective date of no later than December 31, 2013, such delivery constituting the authorization of the Corporation to the Subscribers to file such Prescribed Forms with the relevant taxation authorities;
- (k) The Corporation shall incur and renounce Resource Expenses pursuant to this Agreement *pro rata* to the number of FT Shares issued or to be issued pursuant thereto before incurring and renouncing Resource Expenses pursuant to any other agreement which the Corporation may enter into with any Person with respect to the issue of flow-through Common Shares after the Closing Date. The Corporation shall not, without the prior written consent of the Agent (which consent may be withheld in the sole discretion of the Agent) enter into any other agreement which would prevent or restrict its ability to renounce Resource Expenses to the Subscribers in the amount of the Subscription Amount. If the Corporation is required under the Tax Act or otherwise to reduce Resource Expenses previously renounced to the Subscribers, the reduction shall be made *pro rata* to the number of FT Shares issued or to be issued pursuant to this Agreement only after it has first reduced to the extent possible all CEE renounced to Persons (other than the Subscribers) under any agreements relating to Common Shares which are flow-through Common Shares entered into after the Closing Date;
- (l) To the best knowledge of the Corporation, the Corporation deals, and will continue to deal until January 1, 2015, with each Subscriber (and for each Subscriber that is a partnership or a limited partnership, each partner and limited partner) at arm’s length for the purposes of the Tax Act;
- (m) The Resource Expenses to be renounced by the Corporation to the Subscribers:
  - (i) will constitute CEE that will qualify as Flow-Through Mining Expenditures on the effective date of the renunciation;
  - (ii) will not include expenses that are “Canadian exploration and development overhead expenses” (as defined in the regulations to the Tax Act for purposes of



paragraph 66(12.6)(b) of the Tax Act) of the Corporation, assistance as described in paragraph 66(12.6)(a) of the Tax Act, amounts which constitute specified expenses for seismic data described in paragraph 66(12.6)(b.1) of the Tax Act or any expenses for prepaid services or rent that do not qualify as outlays and expenses for the period as described in the definition of “expense” in subsection 66(15) of the Tax Act;

- (iii) will not include any amount that has previously been renounced by the Corporation to the Subscribers or to any other Person;
  - (iv) would be deductible by the Corporation in computing its income for the purposes of Part I of the Tax Act but for the renunciation to the Subscribers; and
  - (v) will not be subject to any reduction including under subsection 66(12.73) of the Tax Act.
- (n) The Corporation shall not reduce the amount renounced to the Subscribers pursuant to subsection 66(12.6) and 66(12.66) of the Tax Act;
  - (o) The Corporation shall not be subject to the provisions of subsection 66(12.67) of the Tax Act in a manner which impairs its ability to renounce Resource Expenses to the Subscribers in an amount equal to the Subscription Amount;
  - (p) If the Corporation receives, or becomes entitled to receive, any government assistance which is described in the definition of “excluded obligation” in subsection 6202.1(5) of the regulations made under the Tax Act and the receipt of or entitlement to receive such government assistance has or will have the effect of reducing the amount of CEE validly renounced to the Subscribers hereunder to less than the Subscription Amount, the Corporation shall incur additional CEE so that it will be able to renounce Resource Expenses in an amount not less than the Subscription Amount to the Subscribers with an effective date no later than December 31, 2013 in accordance with the terms of this Agreement;
  - (q) The Corporation shall file with the CRA within the time prescribed by subsection 66(12.68) of the Tax Act, the forms prescribed for the purposes of such legislation together with a copy of this Agreement and any “selling instrument” contemplated by such legislation or by this Agreement;
  - (r) The Corporation will maintain proper, complete and accurate accounting books and records relating to the Resource Expenses. The Corporation will retain all such books and records as may be required to support the renunciation of Resource Expenses contemplated by this Agreement and shall make such books and records available for inspection and audit by or on behalf of the Subscribers, the CRA or any governmental authority upon request;
  - (s) The Corporation shall provide, forthwith upon the request of any Subscriber, such publicly available information as such Subscriber requires concerning the mineral exploration program pursuant to which the Corporation has incurred or will incur Resource Expenses and the business affairs of the Corporation;
  - (t) The Corporation will file with the CRA, before March 31 of the year following a particular year, any return required to be filed under Part XII.6 of the Tax Act in respect of the particular year, and will pay any tax or other amount owing in respect of that return on a timely basis;
  - (u) If the Corporation amalgamates with any one or more companies, any shares issued to or held by the Subscribers as a replacement for the FT Shares as a result of such amalgamation will qualify, by virtue of subsection 87(4.4) of the Tax Act, as FT Shares

and in particular will not be “prescribed shares” as defined in section 6202.1 of the regulations to the Tax Act;

- (v) that the Corporation has not and will refrain from entering into transactions or taking deductions which would otherwise reduce its cumulative CEE to an extent where it would preclude a renunciation of Resource Expenses hereunder in an amount equal to the Subscription Amount as contemplated herein;
- (w) the Corporation shall not, without the prior written consent of the Agent (which consent may be withheld in the sole discretion of the Agent), (i) enter into any other agreement which would prevent or restrict its ability to renounce Resource Expenses to the Subscribers in the amount of the Subscription Amount of the FT Shares, or (ii) enter into any agreement in 2013 with any person which provides for the issue of flow-through shares or securities exchangeable or exercisable for, or convertible into, flow-through shares at an effective price per flow-through share which is less than the Subscription Price of the FT Shares;
- (x) if the Corporation is required under the Tax Act or otherwise to reduce Resource Expenses previously renounced to the Subscribers hereunder, such reduction shall, to the extent possible, be made pro rata based on the number of FT Shares beneficially owned by each of the Subscribers pursuant to the Offering, but only after it has first reduced to the extent possible all Resource Expenses renounced to persons under any subsequent agreement entered into after the Closing Date;
- (y) The Corporation shall perform and carry out all acts and things to be completed by it as provided in this Agreement; and
- (z) The representations, warranties, acknowledgments and covenants of the Corporation made in or pursuant to the Agreement shall be true as at the Closing Date with the same force and effect as if they had been made by the Corporation at the Closing Date.

## 4.2 Indemnification

If the Corporation does not incur and renounce to the Subscribers, effective on or before December 31, 2013, Resource Expenses equal to the Subscription Amount, or if such renunciation of Resource Expenses is denied or refused by the CRA, the Corporation shall indemnify and hold harmless the Subscribers and each of the partners thereof for any Subscriber that is a partnership or a limited partnership (for purposes of this paragraph, each an “**Indemnified Person**”), as to, and pay to the Indemnified Person on or before the twentieth Business Day following the Termination Date, an amount equal to the amount of any tax (within the meaning of paragraph 6202.1(5)(b) of the regulations to the Tax Act as subsection 6202.1(5) currently reads or paragraph 6202.1(5)(c) as subsection 6202.1(5) is proposed to be amended) payable under the Tax Act (and under any corresponding provincial legislation) by the Indemnified Person as a consequence of such failure. In the event that the CRA reduces the amount renounced by the Corporation to the Subscribers pursuant to subsection 66(12.73) of the Tax Act, the Corporation shall indemnify and hold harmless the Indemnified Person as to, and pay to the Indemnified Person, an amount equal to the amount of any tax (within the meaning of paragraph 6202.1(5)(b) of the regulations to the Tax Act as subsection 6202.1(5) currently reads or paragraph 6202.1(5)(c) as subsection 6202.1(5) is proposed to be amended) payable under the Tax Act (and under any corresponding provincial legislation) by the Indemnified Person as a consequence of such reduction, provided that nothing in this paragraph shall derogate from any rights or remedies the Subscribers may have at common law with respect to liabilities other than those payable under the Tax Act and any corresponding provincial legislation. For certainty, the foregoing indemnity shall have no force or effect to the extent that such indemnity would otherwise cause the FT Shares to be “prescribed shares” within the meaning of section 6202.1 of the regulations to the Tax Act.

## **ARTICLE 5 - ACKNOWLEDGEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE SUBSCRIBERS**

### **5.1 Acknowledgements, Representations, Warranties and Covenants of the Subscribers**

The Agent, on its own behalf and on behalf of the Subscribers for whom it is acting hereunder, hereby represents and warrants to, and covenants with, the Corporation as follows and acknowledges that the Corporation is relying on such representations and warranties in connection with the transactions contemplated herein:

- (a) Each Subscriber is aware that the FT Units have not been and will not be registered under the U.S. Securities Act or the securities laws of any state and that the FT Units may not be offered or sold, directly or indirectly, in the United States without registration under the U.S. Securities Act or compliance with the requirements of an exemption from registration and it acknowledges that the Corporation has no present intention of filing a registration statement under the U.S. Securities Act in respect of the FT Units.
- (b) Each Subscriber is not a U.S. Person and is not acquiring the FT Units for the account or benefit of a U.S. Person or a person in the United States.
- (c) The FT Units have not been offered to the Subscribers in the United States, and the individuals making the order to purchase the FT Units and executing and delivering this Agreement on behalf of the Subscribers were not in the United States when the order was placed and this Agreement was executed and delivered.
- (d) The Agent is subscribing for the FT Units as agent for Subscribers who have placed an order to purchase FT Units with the Agent under the Prospectus and, pursuant to the Prospectus, are deemed to have authorized the Agent to execute and deliver this Agreement on behalf of the Subscribers and the execution and delivery of this Agreement by the Agent, as agent on behalf of the Subscribers, will bind the Subscribers to the terms hereof as if the Subscribers had executed this Agreement personally.
- (e) The Agent acknowledges that it has the authority to bind the Subscribers to this Agreement upon receipt by the Agent of an order to purchase FT Units from the Subscribers.
- (f) This Agreement has been duly authorized, executed and delivered by, and constitutes a legal, valid and binding agreement of, the Agent and the Subscribers. This Agreement is enforceable in accordance with its terms against the Agent and the Subscribers.
- (g) Each Subscriber (and for each Subscriber that is a partnership or limited partnership, each partner and limited partner) is dealing at arm's length (within the meaning of the Tax Act) with the Corporation and is not a promoter of the Corporation. The Subscriber is not a party and will not enter into any agreement or arrangement with any person or partnership which will cause the FT Shares to be "prescribed shares" for the purposes of section 6202.1 of the regulation to the Act.
- (h) If required by applicable Securities Laws or the Corporation, the Agent and Subscribers will execute, deliver and file or assist the Corporation in filing such reports, undertakings and other documents with respect to the issue of the FT Units as may be required to permit the subscription for the FT Units by any securities commission or other regulatory authority.
- (i) The Agent will provide to the Corporation in respect of the Subscribers: (i) the name, address and telephone number of each of the Subscribers; (ii) the number of FT Units purchased by the Subscribers; and (iii) the Social Insurance Number or Business Number of the Subscribers, required by the Corporation for the purpose of completing the Prescribed Forms.

## **5.2 Acknowledgments and Covenants of the Subscribers**

The Agent, on behalf of the Subscribers, acknowledges, covenants and agrees as follows:

- (a) The Agent, on behalf of the Subscribers, acknowledges that this Agreement requires the Subscribers to provide certain personal information to the Corporation. Such information is being collected by the Corporation for the purposes of completing the Offering, which includes, without limitation, preparing and registering, through the Non-Certificated Inventory (NCI) process with CDS, the FT Units to be issued to the Subscribers completing filings required by any stock exchange or securities regulatory authority and completing and filing the Prescribed Forms. Certain securities commissions have been granted the authority to indirectly collect this personal information pursuant to securities legislation and this personal information is also being collected for the purpose of administration and enforcement of securities legislation. The Subscribers' personal information may be disclosed by the Corporation to: (a) stock exchanges or securities regulatory authorities, (b) the CRA or other taxing authorities, and (c) any of the other parties involved in the Offering, including legal counsel and may be included in record books in connection with the Offering. By executing this Agreement, the Agent, on behalf of the Subscribers, is deemed to be consenting to the foregoing collection, use and disclosure of the Subscribers' personal information. The Agent, on behalf of the Subscribers, also consents to the filing of copies or originals of any of the Subscribers' documents described herein as may be required to be filed with any stock exchange or securities regulatory authority in connection with the transactions contemplated hereby. The Agent represents and warrants that it has the authority to provide the consents and acknowledgements set out in this paragraph on behalf of each of the Subscribers.
- (b) The Agent, and each of the Subscribers for whom it is contracting hereunder, acknowledges that, from time to time, the Corporation may be required to disclose such personal information to securities regulatory authorities and stock exchanges and, by providing such personal information to the Corporation, the Agent and each of the Subscribers for whom it is contracting hereunder, hereby expressly consents to such disclosure and consent to the collection, use and disclosure of such personal information by the TSXV for the purposes described in Appendix 6A to the TSXV Corporate Finance Manual or as otherwise identified by the TSXV, from time to time.

## **5.3 Reliance on Representations, Warranties, Covenants and Acknowledgements**

The Agent, on its own behalf and on behalf of the Subscribers, acknowledges and agrees that the representations, warranties, covenants and acknowledgements made by the Agent and the Subscribers in this Agreement are made with the intention that they may be relied upon by the Corporation and its legal counsel. The Agent, on its own behalf and on behalf of each of the Subscribers, represents and warrants that such representations, warranties, acknowledgements and covenants will be true as at the Closing Date with the same force and effect as if they had been made by the Agent or Subscribers, as applicable, at the Closing Date.

## **ARTICLE 6- SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS**

### **6.1 Survival of Representations, Warranties and Covenants of the Corporation**

The representations, warranties and covenants of the Corporation contained in this Agreement shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Subscribers with respect thereto, shall continue in full force and effect for the benefit of the Subscribers in accordance with this Agreement.

### **6.2 Survival of Representations, Warranties and Covenants of the Agent and Subscribers**

The representations, warranties and covenants of the Agent and the Subscribers contained in this Agreement shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Corporation with respect thereto and notwithstanding any subsequent disposition by the Agent or any of the

Subscribers of any of the FT Units shall continue in full force and effect for the benefit of the Corporation for a period of two years following the Closing.

## **ARTICLE 7 - MISCELLANEOUS**

### **7.1 Further Assurances**

Each of the parties hereto upon the request of each of the other parties hereto, whether before or after the Closing Date, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may reasonably be necessary or desirable to complete the transactions contemplated herein.

### **7.3 Time of the Essence**

Time shall be of the essence of this Agreement and every part hereof.

### **7.5 Applicable Law**

This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Any and all disputes arising under this Agreement, whether as to interpretation, performance or otherwise, shall be subject to the exclusive jurisdiction of the courts of the Province of British Columbia and each of the parties hereto hereby irrevocably attorns to the jurisdiction of the courts of such Province.

### **7.7 Counterparts**

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same Agreement. Counterparts may be delivered either in original, faxed or PDF form and the parties adopt any signatures received by a receiving fax machine or via email as original signatures of the parties.

### **7.8 Assignment**

This Agreement may not be assigned by either party except with the prior written consent of the other party hereto.

### **7.9 Enurement**

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors (including any successor by reason of the amalgamation or merger of any party), administrators and permitted assigns.

### **7.10 Language**

It is the express wish of the Subscribers that the Agreement and any related documentation be drawn up in English only. Il est de la volonté expresse du souscripteur que la convention de souscription ainsi que tout document connexe soient rédigés en langue anglaise uniquement.

## **End of Terms and Conditions of Subscription for FT Units**

**APPENDIX A**

**See attached**

**WEST POINT RESOURCES INC.**

Condensed Interim Financial Statements

(Unaudited)

January 31, 2013

(Expressed in Canadian dollars)

**West Point Resources Inc.**Condensed interim statements of financial position  
(Expressed in Canadian dollars)

	January 31, 2013 \$ (unaudited)	April 30, 2012 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash	53,626	35,159
Amounts receivable	2,042	11,010
<b>Total current assets</b>	<b>55,668</b>	<b>46,169</b>
<b>Non-current assets</b>		
Mineral property costs (Note 3)	50,000	50,000
<b>Total non-current assets</b>	<b>50,000</b>	<b>50,000</b>
<b>Total assets</b>	<b>105,668</b>	<b>96,169</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Amounts payable	1,464	–
Due to related parties (Note 4)	1,800	1,799
Deferred flow through share premium	12,600	–
<b>Total liabilities</b>	<b>15,864</b>	<b>1,799</b>
<b>Equity</b>		
Share capital (Note 5)	250,583	233,904
Share subscriptions receivable	–	300
Contributed surplus	80,246	80,246
Deficit	(241,025)	(220,080)
<b>Total equity</b>	<b>89,804</b>	<b>94,370</b>
<b>Total liabilities and equity</b>	<b>105,668</b>	<b>96,169</b>

Nature of operations and continuance of business (Note 1)

Commitments (Notes 3 and 11)

Subsequent events (Note 12)

Approved on behalf of the Board on February 28, 2013:

/s/ "Ravinder Mlait"

Ravinder Mlait, Director

/s/ "Bryan Loree"

Bryan Loree, Director

(The accompanying notes are an integral part of these financial statements)



**WEST POINT RESOURCES INC.**Condensed interim statements of operations and comprehensive loss (unaudited)  
(Expressed in Canadian dollars)

	Three months ended January 31, 2013 \$	Three months ended January 31, 2012 \$	Nine months ended January 31, 2013 \$	Nine months ended January 31, 2012 \$
Revenue	–	–	–	–
Operating expenses				
Consulting fees	–	14,000	–	14,000
Investor relations	584	1,277	945	1,602
Mineral exploration costs (Note 3)	550	55,308	2,908	55,308
Office and miscellaneous	1,067	1,159	1,216	870
Professional fees	1,443	1,784	11,427	3,129
Stock-based compensation	–	80,246	–	80,246
Travel	976	–	4,449	–
Total operating expenses	4,620	153,774	20,945	155,155
Net loss and comprehensive loss	(4,620)	(153,774)	(20,945)	(155,155)
Loss per share, basic and diluted	(0.00)	(0.05)	(0.00)	(0.05)
Weighted average shares outstanding	4,258,957	3,032,897	4,230,373	3,119,661

(The accompanying notes are an integral part of these financial statements)

**WEST POINT RESOURCES INC.**

Condensed interim statement of changes in equity (unaudited)  
(Expressed in Canadian dollars)

	Share capital		Share subscriptions receivable \$	Contributed surplus \$	Deficit \$	Total \$
	Number of shares	Amount \$				
Balance, April 5, 2011	–	–	–	–	–	–
Share issued on incorporation	1	1	–	–	–	1
Net loss	–	–	–	–	(7)	(7)
Balance, April 30, 2011	1	1	–	–	(7)	(6)
Share issued pursuant to private placement – Founder’s shares	3,000,000	25,200	–	–	–	25,200
Shares issued pursuant to private placement - non flow-through	687,500	137,200	300	–	–	137,500
Shares issued pursuant to private placement – flow-through	452,000	113,000	–	–	–	113,000
Reduction for flow-through share premium	–	(22,600)	–	–	–	(22,600)
Share issuance costs	–	(18,897)	–	–	–	(18,897)
Fair value of stock options	–	–	–	80,246	–	80,246
Net loss	–	–	–	–	(155,155)	(155,155)
Balance, January 31, 2012	4,139,501	233,904	300	80,246	(155,162)	159,288
Net Loss	–	–	–	–	(64,918)	(64,918)
Balance, April 30, 2012	4,139,501	233,904	300	80,246	(220,080)	94,370
Shares issued pursuant to private placement – flow through	126,000	31,500	–	–	–	31,500
Reduction for flow-through share premium	–	(12,600)	–	–	–	(12,600)
Subscription receivable	–	300	(300)	–	–	–
Shares issued as commission on private placements	73,000	14,600	–	–	–	14,600
Share issuance costs	–	(17,120)	–	–	–	(17,120)
Cancel share issued on incorporation	(1)	(1)	–	–	–	(1)
Net Loss	–	–	–	–	(20,945)	(20,945)
Balance, January 31, 2013	4,338,500	250,583	–	80,246	(241,025)	89,804

(The accompanying notes are an integral part of these financial statements)

**WEST POINT RESOURCES INC.**Condensed interim statements of cash flows (unaudited)  
(Expressed in Canadian dollars)

	Three months ended January 31, 2013 \$	Three months ended January 31, 2012 \$	Nine months ended January 31, 2013 \$	Nine months ended January 31, 2012 \$
<b>Operating activities</b>				
Net loss	(4,620)	(153,774)	(20,945)	(155,155)
Item not involving cash:				
Stock-based compensation	–	80,246	–	80,246
Changes in non-cash operating working capital:				
Amounts receivable	(387)	(6,184)	8,668	(6,288)
Accounts payable and accrued liabilities	1,374	(49,339)	1,464	(49,199)
Due to related parties	–	–	–	1,600
Net cash used in operating activities	(3,633)	(129,051)	(10,813)	(128,796)
<b>Investing activities</b>				
Mineral property acquisition costs	–	(50,000)	–	(50,000)
Net cash used in investing activities	–	(50,000)	–	(50,000)
<b>Financing activities</b>				
Proceeds from issuance of shares	31,800	155,200	31,800	155,200
Share issuance costs	(2,520)	(17,491)	(2,520)	(17,491)
Net cash provided by financing activities	29,280	137,709	29,280	137,709
Increase (decrease) in cash	25,647	(41,342)	18,467	(41,087)
Cash, beginning of period	27,979	448	35,159	193
Cash, end of period	53,626	(40,894)	53,626	(40,894)
<b>Supplemental disclosures:</b>				
Interest paid			–	–
Income taxes paid			–	–

(The accompanying notes are an integral part of these financial statements)

## WEST POINT RESOURCES INC.

Notes to the condensed interim financial statements (unaudited)

January 31, 2013

(Expressed in Canadian dollars)

### 1. Nature of Operations

The Company was incorporated on April 5, 2011 under the Business Corporations Act (BC). The Company's corporate office and its principal place of business is in Burnaby, BC. The Company is an exploration stage company currently focused on the exploration of mineral property projects in Yukon, Canada. It has not yet been determined whether the properties contain mineral reserves that are economically recoverable. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at January 31, 2013, the Company has no source of revenue, generates negative cash flows from operating activities, and has an accumulated deficit of \$241,025. These factors raise substantial doubt about the Company's ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

### 2. Basis of Preparation

These condensed interim financial statements are prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* under International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). These condensed interim financial statements follow the same accounting policies and methods of application as the Company's most recent annual financial statements but do not contain all of the information required for full annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the Company's most recent annual financial statements, which were prepared in accordance with IFRS as issued by the IASB.

### 3. Mineral Property Costs

*Mineral property acquisition costs capitalized:*

	Ruby Range \$	Total \$
Balance, January 31, 2011	–	–
Additions	50,000	50,000
Balance January 31, 2012	50,000	50,000
Balance, April 30, 2012 & January 31, 2013	50,000	50,000

## WEST POINT RESOURCES INC.

Notes to the condensed interim financial statements (unaudited)

January 31, 2013

(Expressed in Canadian dollars)

### 3. Mineral Property Costs (continued)

*Mineral exploration cost expensed:*

Year ended April 30, 2012 and nine month period ended January 31, 2013

	Ruby Range \$
Claims maintenance fees	9,450
Equipment rental, field supplies, and other	6,602
Geophysics	110,246
Balance, April 30, 2012	126,298
Claim maintenance	2,358
Balance, January 31, 2013	128,656

#### *Ruby Range Property*

On November 9, 2011 (amended January 16, 2012, April 25, 2012, and December 6, 2012) the Company entered into an option agreement to acquire a 100% interest in the Kluane, JPR and Gladstone Properties (collectively the Ruby Range Properties) located in the Whitehorse Mining District of southern Yukon, Canada.

The Company can earn 100% interest in the three properties by making aggregate payments totalling \$525,000, issuing four million shares of West Point to the vendor Rockhaven and incurring exploration expenditures of \$1,000,000 over a four year period. The payments of cash and shares and work commitments are to be completed as follows:

	Cash \$	Number of Shares	Exploration Expenditures \$
<i>Cash payments</i>			
Upon signing (paid)	25,000	-	-
On or before 60 days following the signing (paid)	25,000	-	-
On or before the earlier of May 31, 2013 or Exchange Acceptance	100,000	-	-
On or before November 9, 2013	125,000	-	-
On or before November 9, 2014	250,000	-	-
<i>Common share issuances</i>			
Within 10 days of Exchange Acceptance	-	2,500,000	-
On or before December 31, 2013	-	750,000	-
On or before December 31, 2014	-	750,000	-
<i>Exploration expenditures</i>			
On or before December 31, 2012 (completed)	-	-	100,000
On or before December 31, 2013	-	-	350,000
On or before December 31, 2014	-	-	250,000
On or before December 31, 2015	-	-	300,000
<b>TOTAL</b>	<b>525,000</b>	<b>4,000,000</b>	<b>1,000,000</b>

In the event that the Company terminates the Agreement for any reason, it shall issue Rockhaven 1,500,000 common shares within 5 days of such termination. The Agreement is also subject to the Company's completion of an IPO by May 31, 2013, and failure to do so would effectively terminate the Agreement.

## WEST POINT RESOURCES INC.

Notes to the condensed interim financial statements (unaudited)

January 31, 2013

(Expressed in Canadian dollars)

### 3. Mineral Property Costs (continued)

#### *Ruby Range Property (continued)*

The Ruby Range property is subject to two royalties totaling 2.5%. The Rockhaven Royalty provides for one-half percent (1.5%) of net smelter returns (NSR) payable by West Point to Rockhaven. The Ross Royalty provides for one percent (1%) of net smelter returns payable by West Point to the estate of John Peter Ross. Payments of the NSR interests shall begin when the Property is deemed to be in commercial production.

Subsequent to January 31, 2013, the terms of the Ruby Range property agreement were amended as described in Note 12(a).

### 4. Key Management Compensation and Related Party Transactions

The Company incurred the following transactions with directors/officers of the Company and corporations with principals that are directors of the Company. The Company has identified these directors/officers as its key management personnel. The compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties.

	Nine months ended January 31,	
	2013	2012
Consulting fees	- \$	14,000
Stock-based compensation	- \$	80,246
	- \$	94,246

As at January 31, 2013, the amount of \$1,800 (2012 - \$1,799) was owed to directors of the Company, which is non-interest bearing, unsecured, and due on demand. There were no key management compensation and related party transactions during the period ended January 31, 2013.

### 5. Share Capital

Authorized: Unlimited common shares without par value

Unlimited preferred shares without par value

Share issuances for the period ended January 31, 2013:

- On December 10, 2012, the Company issued 126,000 flow-through units at \$0.25 per unit for gross proceeds of \$31,500. Each unit consisted of one flow-through share and one-half share purchase warrant. Each whole share purchase warrant entitles the holder to acquire one additional common share at an exercise price of \$0.35 for a period of two years. No consideration was allocated to the warrants as they had no intrinsic value at the time the units were issued. The Company paid finder's fees and commission of \$2,520.
- On May 1, 2012, the company issued 73,000 common shares a deemed price of \$0.20 per share as a finder's fee in connection with the December 30, 2011 and the January 4, 2012 private placements.
- On April 5, 2011, the one share issued on incorporation was returned to treasury and cancelled and an additional 200 shares were issued to directors of the Company. On July 4, 2011, these 200 shares were returned to treasury and cancelled. The one share returned to treasury is recorded in the financial statements for the quarter ended January 31, 2013 as it was not included in the April 30, 2012 statements in error.

## WEST POINT RESOURCES INC.

Notes to the condensed interim financial statements (unaudited)

January 31, 2013

(Expressed in Canadian dollars)

### 5. Share Capital (continued)

Share issuances for the year ended April 30, 2012:

- (a) On January 4, 2012, the Company issued 687,500 units at \$0.20 per unit for gross proceeds of \$137,200. Each unit consisted of one common share and one-half share purchase warrant. Each whole share purchase warrant entitles the holder to acquire one additional common share at an exercise price of \$0.25 for a period of sixty months. No consideration was allocated to the warrants as they had no intrinsic value at the time the units were issued.
- (b) On December 30, 2011, the Company issued 452,000 flow-through shares at \$0.25 per share for gross proceeds of 113,000. The Company paid finder's fees and commission of \$18,897.
- (c) On July 4, 2011, the Company issued 3,000,000 founders' shares at \$0.0084 per share for proceeds of \$25,200.

### 6. Stock Options

The following table summarizes the continuity of the Company's stock options:

	Number of options	Weighted average exercise price \$
Outstanding, July 31, 2011	–	–
Granted	420,000	0.20
Outstanding, April 30, 2012	420,000	0.20
Cancelled	(420,000)	0.20
Outstanding, January 31, 2013	–	–

### 7. Share Purchase Warrants

The following table summarizes the continuity of share purchase warrants:

	Number of warrants	Weighted average exercise price \$
Balance, April 30, 2011 & 2012	–	–
Issued	63,000	0.35
Balance, January 31, 2013	63,000	0.35

As at January 31, 2013, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price \$	Expiry date
63,000	0.35	December 10, 2014
63,000		

## WEST POINT RESOURCES INC.

Notes to the condensed interim financial statements (unaudited)

January 31, 2013

(Expressed in Canadian dollars)

### 8. Financial Instruments and Risks

#### (a) Fair Values

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as at January 31, 2013 as follows:

	Fair Value Measurements Using			Balance, January 31, 2013 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash	53,626	–	–	53,626

The fair values of other financial instruments, which include amounts receivable and due to related party approximate their carrying values due to the short-term maturity of these instruments.

#### (b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Amounts receivable consists of GST/HST receivables which are due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.

#### (c) Foreign Exchange Rate and Interest Rate Risk

The Company is not exposed to any significant foreign exchange rate or interest rate risk.

#### (d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

#### (e) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

### 9. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of all components of shareholders' equity comprised of issued share capital, contributed surplus and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.



## **WEST POINT RESOURCES INC.**

Notes to the condensed interim financial statements (unaudited)

January 31, 2013

(Expressed in Canadian dollars)

### **10. Segmented Information**

The Company operates in one industry and geographic segment, the mineral resource industry with all current exploration activities conducted in Canada.

### **11. Commitments**

The Company closed a flow through private placement on December 31, 2012 and is committed to spending approximately \$31,500 by December 31, 2013, as part of the flow through funding agreements related to mineral properties. The Company indemnifies the subscribers of flow-through shares from any tax consequences arising from the failure of the Company to meet its commitments under the flow-through subscription agreements.

### **12. Subsequent Events**

- (a) On February 1, 2013, the Company issued 10,080 warrants exercisable at \$0.35 until December 10, 2014 to Macquarie Private Wealth in connection with the December 10, 2012 private placement.
- (b) On February 12, 2013, the Company amended the Ruby Range Option Agreement with Rockhaven Resources Ltd., whereas the Company has been granted the exclusive right and option to acquire an undivided 100% right, title and interest in and to the Ruby Range Property by issuing 4,000,000 Common Shares to Rockhaven Resources Ltd, paying \$525,000 in cash, and by incurring aggregate cumulative expenditures on the Property of \$1,000,000 by December 31, 2015 in accordance with the following schedule:
  - (a) Paying Rockhaven not less than an aggregate \$525,000 as follows:
    - (i) \$50,000 upon execution of the option agreement (paid)
    - (ii) An additional \$100,000 upon Exchange Acceptance;
    - (iii) An additional \$50,000 on or before November 9, 2013;
    - (iv) An additional \$250,000 on or before November 9, 2014; and
    - (v) An additional \$75,000 on or before November 9, 2015.
  - (b) Incurring expenditures of not less than an aggregate \$1,000,000 as follows:
    - (i) \$100,000 on or before December 31, 2012 (incurred);
    - (ii) An additional \$250,000 on or before December 31, 2013;
    - (iii) An additional \$350,000 on or before December 31, 2014; and
    - (iv) An additional \$300,000 on or before December 31, 2015.
  - (c) Issuing to Rockhaven, 4,000,000 shares in the capital of West Point as follows:
    - (i) 2,200,000 common shares within in 10 days of Exchange Acceptance;
    - (ii) An additional 750,000 common shares on or before December 31, 2013; and
    - (iii) An additional 1,050,000 common shares on or before December 31, 2014.
- (c) On February 13, 2013, the Company issued 148,227 units at \$0.15 per share for gross proceeds of \$22,234. Each unit consisted of one common share and one-half share purchase warrant. Each whole share purchase warrant entitles the holder to acquire one additional common share at an exercise price of \$0.25 for a period of two years.
- (d) On February 13, 2013, the Company granted 343,750 warrants to certain shareholders and 36,500 warrants as a finder's fee for an aggregate amount of 380,250 warrants exercisable at \$0.25 until January 27, 2017.

## **WEST POINT RESOURCES INC.**

Notes to the condensed interim financial statements (unaudited)

January 31, 2013

(Expressed in Canadian dollars)

### **12. Subsequent Events** (continued)

- (e) On February 20, 2013, the Company signed and accepted an engagement agreement dated February 13, 2013 with Macquarie Private Wealth Inc. (the “Agent”) to raise the aggregate minimum proceeds of \$780,000 through a combination of flow-through units at \$0.15 per unit and non flow-through units at \$0.25 per unit by way of an initial public offering. Of the total proceeds, a maximum of \$250,000 can be raised through flow-through unit issuances, each consisting of one flow through common share and one-half of one common share purchase warrant. As of February 28, 2013 none of these units have been subscribed to and the initial public offering has not been completed.
- (f) In consideration of services to be performed by the Agent, the Company agreed to pay a cash commission of 10% of gross proceeds raised from the offering and a corporate finance fee of \$25,000 and \$5,000 payable in the form of 33,333 common shares. The Company will also issue a number of common shares to the Agent equal to 10% of the total number of units and flow-through units placed by the Agent at a deemed price of \$0.15 per share. Upon execution of the Agreement, the Company paid the Agent a \$29,000 retainer toward legal and other expenses - associated with the Offering.

**WEST POINT RESOURCES INC.**

Financial Statements

April 30, 2012

(Expressed in Canadian dollars)



**MANNING ELLIOTT**  
CHARTERED ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT

To the Shareholders of  
West Point Resources Inc.

We have audited the accompanying financial statements of West Point Resources Inc. which comprise the statements of financial position as at April 30, 2012 and 2011, and the statements of operations and comprehensive loss, changes in equity and cash flows for the year ended April 30, 2012 and for the period from incorporation on April 5, 2011 to April 30, 2011, and the related notes comprising a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of West Point Resources Inc. as at April 30, 2012 and 2011, and the results of its operations and its cash flows for the year ended April 30, 2012 and for the period from incorporation on April 5, 2011 to April 30, 2011, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### **Emphasis of Matter**

We draw attention to Note 1 to these financial statements which describes the uncertainty related to the ability of West Point Resources Inc. to continue as a going concern in the future. Our opinion is not qualified in respect of this matter.

*/s/ Manning Elliott LLP*  
CHARTERED ACCOUNTANTS  
Vancouver, British Columbia  
July 5, 2012

**WEST POINT RESOURCES INC.**Statement of financial position  
(Expressed in Canadian dollars)

	April 30, 2012	April 30, 2011
	\$	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash	35,159	193
Amounts receivable	11,010	–
<b>Total current assets</b>	<b>46,169</b>	<b>193</b>
<b>Non-current assets</b>		
Mineral property costs (Note 3)	50,000	–
<b>Total non-current assets</b>	<b>50,000</b>	<b>–</b>
<b>Total assets</b>	<b>96,169</b>	<b>193</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Due to related parties (Note 4)	1,799	199
<b>Total liabilities</b>	<b>1,799</b>	<b>199</b>
<b>Equity</b>		
Share capital	233,904	1
Share subscriptions receivable	300	–
Contributed surplus	80,246	–
Deficit	(220,080)	(7)
<b>Total equity</b>	<b>94,370</b>	<b>(6)</b>
<b>Total liabilities and equity</b>	<b>96,169</b>	<b>193</b>

Nature of operations and continuance of business (Note 1)  
Commitments (Note 3)

Approved on behalf of the Board on July 5 2012:

/s/ "Ravinder Mlait"

/s/ "Bryan Loree"

Ravinder Mlait, Director

Bryan Loree, Director

(The accompanying notes are an integral part of these financial statements)

**WEST POINT RESOURCES INC.**

Statements of operations and comprehensive loss

For the period from incorporation on April 5, 2011 to April 30, 2011 and year ended April 30, 2012

(Expressed in Canadian dollars)

	Year ended April 30, 2012 \$	Period ended April 30, 2011 \$
Revenue	–	–
Operating expenses		
Consulting fees	28,000	–
Investor relations	1,352	–
Mineral exploration costs (Note 3)	126,298	–
Office and miscellaneous	1,663	7
Professional fees	5,114	–
Stock-based compensation	80,246	–
Total operating expenses	242,673	7
Net loss before other income	(242,673)	(7)
Other income		
Flow-through share premium	22,600	–
Net loss and comprehensive loss	(220,073)	(7)
Loss per share, basic and diluted	(0.12)	(7.00)
Weighted average shares outstanding	1,780,278	1

(The accompanying notes are an integral part of these financial statements)

**WEST POINT RESOURCES INC.**

Statement of changes in equity

For the period from incorporation on April 5, 2011 to April 30, 2011 and year ended April 30, 2012

(Expressed in Canadian dollars)

	Share capital		Share subscriptions receivable \$	Contributed surplus \$	Deficit \$	Total \$
	Number of shares	Amount \$				
Balance, April 5, 2011	–	–	–	–	–	–
Share issued on incorporation	1	1	–	–	–	1
Net loss	–	–	–	–	(7)	(7)
Balance, April 30, 2011	1	1	–	–	(7)	(6)
Share issued pursuant to private placement – Founder’s shares	3,000,000	25,200	–	–	–	25,200
Shares issued pursuant to private placement - non flow-through	687,500	137,200	300	–	–	137,500
Shares issued pursuant to private placement – flow-through	452,000	113,000	–	–	–	113,000
Reduction for flow-through share premium	–	(22,600)	–	–	–	(22,600)
Share issuance costs	–	(18,897)	–	–	–	(18,897)
Fair value of stock options	–	–	–	80,246	–	80,246
Net loss	–	–	–	–	(220,073)	(220,073)
Balance, April 30, 2012	4,139,501	233,904	300	80,246	(220,080)	94,370

(The accompanying notes are an integral part of these financial statements)

**WEST POINT RESOURCES INC.**

Statements of cash flows

For the period from incorporation on April 5, 2011 to April 30, 2011 and year ended April 30, 2012

(Expressed in Canadian dollars)

	Year ended April 30, 2012 \$	Period ended April 30, 2011 \$
<b>Operating activities</b>		
Net loss	(220,073)	(7)
Item not involving cash:		
Stock-based compensation	80,246	–
Changes in non-cash operating working capital:		
Amounts receivable	(10,710)	–
Accounts payable and accrued liabilities	–	–
Due to related parties	1,600	199
Net cash used in operating activities	(148,937)	192
<b>Investing activities</b>		
Mineral property acquisition costs	(50,000)	–
Net cash used in investing activities	(50,000)	–
<b>Financing activities</b>		
Proceeds from issuance of common shares	252,800	1
Share issuance costs	(18,897)	–
Net cash provided by financing activities	233,903	1
Increase in cash	34,966	193
Cash, beginning of period	193	–
Cash, end of period	35,159	193
<b>Supplemental disclosures:</b>		
Interest paid	–	–
Income taxes paid	–	–

(The accompanying notes are an integral part of these financial statements)



## **1. Nature of Operations**

The Company was incorporated on April 5, 2011 under the Business Corporations Act (BC). The address of the Company's corporate office and its principal place of business is 7934 Government Road, Burnaby, BC. The Company is an exploration stage company currently focused on the exploration of mineral property projects in Yukon, Canada. It has not yet been determined whether the properties contain mineral reserves that are economically recoverable. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at April 30, 2012, the Company has no source of revenue, generates negative cash flows from operating activities, and has an accumulated deficit of \$220,080 and has no source of revenues. These factors raise substantial doubt about the Company's ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

## **2. Significant Accounting Policies**

### **(a) Statement of Compliance and Basis of Preparation**

These financial statements have been prepared in accordance International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value as explained in Note 2(h). The financial statements are presented in Canadian dollars, which is the Company's functional currency.

### **(b) Use of Estimates**

The preparation of the financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Significant areas requiring the use of estimates include the useful life and recoverability of impairment of mineral property costs, determination of reclamation provisions, measurement of share-based payments, fair values of financial instruments, and deferred income tax asset valuation allowances.

## 2. Significant Accounting Policies (continued)

### (c) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents.

### (d) Mineral Property Costs

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs related to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be an impairment in value. These costs will be depleted using the unit-of-production method based on the estimated proven and probable reserves available on the related property following commencement of production.

The amounts shown for mineral properties represent costs, net of write-offs, option proceeds and recoveries, and do not necessarily reflect present or future value. Recoverability of these amounts will depend upon the existence of economically recoverable reserves, the ability of the Company to obtain financing necessary to complete development, and future profitable production. The Company reviews the carrying values of mineral properties when there are any events or change in circumstances that may indicate impairment. Where estimates of future cash flows are available, an impairment charge is recorded if the estimated undiscounted future net cash flows expected to be generated by the property is less than the carrying amount. An impairment charge is recognized by the amount by which the carrying amount of the property exceeds the fair value of the property.

### (e) Mineral Exploration and Development Costs

Exploration costs are charged to operations as incurred. When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), the costs subsequently incurred to develop the mine on the property prior to the start of the mining operations are capitalized.

### (f) Foreign Currency Translation

The functional and reporting currency is the Canadian dollar. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in profit or loss.

### (g) Income Taxes

#### *Current income tax*

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## 2. Significant Accounting Policies (continued)

### (g) Income Taxes (continued)

#### *Deferred income tax*

Deferred income tax is provided using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

### (h) Financial Instruments

The Company classifies all financial instruments as either held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities. Financial instruments are required to be measured at fair value on initial recognition. Measurement in subsequent periods depends on the financial instruments classification. Held-for-trading instruments are measured at fair value with unrealized gains and losses recognized in results of operations. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments held-to-maturity, loans and receivables and other financial liabilities are measured at amortized cost.

The Company has classified its cash as held-for-trading. Amounts receivable is classified as loans and receivables. Accounts payable and accrued liabilities and amounts due to related parties are classified as other financial liabilities.

### (i) Flow-through Shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the deferred income tax liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

### (j) Loss Per Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted loss per share, whereby all “in the money” stock options and share purchase warrants are assumed to have been exercised at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When a loss is incurred during the period, basic and diluted loss per share are the same as the exercise of stock options and share purchase warrants is considered to be anti-dilutive.

## 2. Significant Accounting Policies (continued)

### (k) Stock-based Compensation

The Company grants share-based awards to employees, directors and consultants providing similar services as an element of compensation. The fair value of the awards is recognized over the vesting period as share-based compensation expense and contributed surplus. The fair value of share-based payments is determined using the Black-Scholes option pricing model using estimates at the date of the grant. At each reporting date prior to vesting, the cumulative expense representing the extent to which the vesting period has expired and management's best estimate of the awards that are ultimately expected to vest is computed. The movement in cumulative expense is recognized in the statement of income with a corresponding entry within equity, against contributed surplus. No expense is recognized for awards that do not ultimately vest. When stock options are exercised, the proceeds received, together with any related amount in contributed surplus, are credited to share capital.

Share-based payments arrangements with non-employees in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, unless the fair value cannot be estimated reliably. If the Company cannot reliably estimate the fair value of the goods or services received, the Company will measure their value by reference to the fair value of the equity instruments granted.

### (l) Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended April 30, 2012, and have not been applied in preparing these financial statements.

Amendments to IFRS 7, "Financial Instruments: Disclosures"

New standard IFRS 9, "Financial Instruments"

New standard IFRS 10, "Consolidated Financial Statements" and IFRS 12 "Disclosure of interests in Other Entities"

New standard IFRS 11, "Joint Arrangements"

New standard IFRS 13, "Fair Value Measurement"

Amendments to IAS 1, "Presentation of Financial Statements"

IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine"

The Company has not early-adopted these new and revised standards and is currently assessing the impact that these standards will have on its financial statements.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

### 3. Mineral Property Costs

*Mineral property acquisition costs capitalized:*

	Ruby Range \$	Total \$
Balance, April 30, 2011	–	–
Additions	50,000	50,000
Balance, April 30, 2012	50,000	50,000

*Mineral exploration cost expensed:*

Year ended April 30, 2012

	Ruby Range \$
Claims maintenance fees	9,450
Equipment rental, field supplies, and other	6,602
Geophysics	110,246
	126,298

There were no mineral exploration costs during the period ended April 30, 2011.

#### *Ruby Range Property*

On November 9, 2011 the Company entered into option agreement to acquire a 100% interest in the Kluane, JPR and Gladstone Properties (collectively the Ruby Range Properties) located in the Whitehorse Mining District of southern Yukon, Canada.

### 3. Mineral Property Costs (continued)

#### *Ruby Range Property (continued)*

#### *Ruby Range Property (continued)*

The Company can earn 100% interest in the three properties by making aggregate payments totalling \$525,000, issuing four million shares of West Point to the vendor Rockhaven and incurring exploration expenditures of \$1,000,000 over a four year period. The payments of cash and shares and work commitments are to be completed as follows:

	Cash \$	Number of Shares	Exploration Expenditures \$
<i>Cash payments</i>			
Upon signing (paid)	25,000	-	-
On or before 60 days following the signing (paid)	25,000	-	-
On or before November 9, 2012	100,000	-	-
On or before November 9, 2013	125,000	-	-
On or before November 9, 2014	250,000	-	-
<i>Common share issuances</i>			
Within 10 days of completion of IPO	-	1,500,000	-
On or before January 31, 2013	-	1,000,000	-
On or before December 31, 2013	-	750,000	-
On or before December 31, 2014	-	750,000	-
<i>Exploration expenditures</i>			
On or before December 31, 2012 (completed)	-	-	100,000
On or before December 31, 2013	-	-	350,000
On or before December 31, 2014	-	-	250,000
On or before December 31, 2015	-	-	300,000
<b>TOTAL</b>	<b>525,000</b>	<b>4,000,000</b>	<b>1,000,000</b>

In the event that the Company terminates the Agreement for any reason, it shall issue Rockhaven 1,500,000 common shares within 5 days of such termination. The Agreement is also subject to the Company's completion of an IPO by July 31, 2013, and failure to do so would effectively terminate the Agreement.

The Ruby Range property is subject to two royalties totaling 2.5%. The Rockhaven Royalty provides for one-half percent (1.5%) of net smelter returns (NSR) payable by West Point to Rockhaven. The Ross Royalty provides for one percent (1%) of net smelter returns payable by West Point to the estate of John Peter Ross. Payments of the NSR interests shall begin when the Property is deemed to be in commercial production.

In January 2012 West Point Resources Inc. contracted Geotech Ltd. of Aurora, Ontario to carry out a helicopter-borne Versatile Time Domain Electromagnetic survey (VTEM) and aero-magnetic survey over the Kluane Property. The survey consisted of a total 710 line-kilometres of flight lines flown in an east-west orientation with lines spaced at 100 metres. There were a total of 104 flight lines and nine tie-lines in the survey. The survey covered an area of 64 square kilometres.

#### 4. Key Management Compensation and Related Party Transactions

The Company incurred the following transactions with directors/officers of the Company and corporations with principals that are directors of the Company. The Company has identified these directors/officers as its key management personnel. The compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties and on terms and conditions similar to non-related parties.

	2012	Periods ended April 30, 2011
Consulting fees	\$28,000	\$ -
Stock-based compensation	61,251	-
	<u>\$89,251</u>	<u>\$ -</u>

As at April 30, 2012, the amount of \$1,799 (2011 - \$199) was owed to directors of the Company, which is non-interest bearing, unsecured, and due on demand.

#### 5. Share Capital

Authorized: Unlimited common shares without par value  
Unlimited preferred shares without par value

Share issuances for the year ended April 30, 2012:

- On January 4, 2012, the Company issued 687,500 shares at \$0.20 per share for gross proceeds of \$137,200, and \$300 in share subscriptions are receivable.
- On December 30, 2011, the Company issued 452,000 flow-through shares at \$0.25 per share for gross proceeds of 113,000. The Company paid finder's fees and commission of \$18,897.
- On November 10, 2011, the Company issued 3,000,000 founders' shares at \$0.0084 per share for proceeds of \$25,200.

#### 6. Stock Options

The following table summarizes the continuity of the Company's stock options:

	Number of options	Weighted average exercise price \$
Outstanding, April 5, 2011 and April 30, 2011	-	-
Granted	420,000	0.20
Outstanding, April 30, 2012	<u>420,000</u>	<u>0.20</u>

## 6. Stock Options (continued)

Additional information regarding stock options outstanding as at April 30, 2012 is as follows:

Range of exercise prices \$	Outstanding and exercisable		
	Number shares	Weighted average remaining of contractual (years)	Weighted average exercise price \$
0.20	420,000	9.6	0.20
	420,000	9.6	0.20

The fair value of stock options granted during the year ended April 30, 2012 was \$80,246 (2011 - \$nil), which was charged to operations.

The fair values for stock options granted have been estimated using the Black-Scholes option pricing model assuming no expected dividends and the following weighted average assumptions:

	2012
Risk-free interest rate	2.26%
Expected life (in years)	10
Expected volatility	125%

The weighted average fair value of stock options granted during the year ended April 30, 2012 was \$0.20 per stock option.

## 7. Financial Instruments and Risks

### Fair Values

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as at April 30, 2012 as follows:

	Fair Value Measurements Using			Balance, April 30, 2012 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Cash	35,159	–	–	35,159

The fair values of other financial instruments, which include amounts receivable and due to related party approximate their carrying values due to the short-term maturity of these instruments.

### (b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. Amounts receivable consists of GST/HST receivables which are due from the Government of Canada. The carrying amount of financial assets represents the maximum credit exposure.



## 7. Financial Instruments and Risks (continued)

### (c) Foreign Exchange Rate and Interest Rate Risk

The Company is not exposed to any significant foreign exchange rate or interest rate risk.

#### Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

#### Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

## 8. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of all components of shareholders' equity comprised of issued share capital, contributed surplus and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

## 9. Segmented Information

The Company operates in one industry and geographic segment, the mineral resource industry with all current exploration activities conducted in Canada.

## 10. Income Taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise future tax assets and liabilities, are as follows:

	2012	2011
	\$	\$
Combined statutory income tax rate	25%	26.5%
Income tax recovery at combined statutory rate	(55,018)	(2)
Tax effect of:		
Non-deductible expenses	43,587	–
Change in enacted tax rates	–	–
Change in tax benefit not recognized	11,431	2
Income tax provision	–	–

**10. Income Taxes** (continued)

The significant components of unrecognized deferred income tax assets (liabilities) are as follows:

	2012	2011
	\$	\$
Deferred income tax assets		
Non-capital losses carried forward	6,691	2
Resource pools	962	–
Share issuance costs	3,780	–
Total gross deferred income tax assets	11,433	2
Tax benefit not recognized	(11,433)	(2)
Net deferred income tax asset	–	–

As at April 30, 2012, the Company has non-capital losses carried forward of approximately \$27,000, which are available to offset future years' taxable income. These losses expire as follows:

	\$
2031	–
2032	27,000
	27,000

The Company also has available mineral resource related expenditure pools totaling \$53,848 which may be deducted against future taxable income on a discretionary basis.

**CERTIFICATE OF THE COMPANY AND PROMOTER**

**Dated: April 3, 2013**

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

*/s/ Ravinder S. Mlait*

**RAVINDER S. MLAIT**

Chief Executive Officer, President and Director

*/s/ Bryan Loree*

**BRYAN LOREE**

Chief Financial Officer, Corporate Secretary and Director

**ON BEHALF OF THE BOARD OF DIRECTORS**

*/s/ Alex Kanayev*

**ALEX KANAYEV**

Director

*/s/ Jayahari Balasubramaniam*

**JAYAHARI BALASUBRAMANIAM**

Director

*/s/ Thomas Clarke*

**THOMAS CLARKE**

Director

**PROMOTER**

*/s/ Ravinder S. Mlait*

**RAVINDER S. MLAIT**

**CERTIFICATE OF THE PLACEMENT AGENT**

**Dated: April 3, 2013**

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by securities legislation in British Columbia, Alberta and Ontario.

**MACQUARIE PRIVATE WEALTH INC.**

Per: /s/ Nargis Sunderji  
Name: Nargis Sunderji  
Title: Vice President, PVC Corporate Finance

Per: /s/ Brent Larkan  
Name: Brent Larkan  
Title: Head of Syndication and PVC