A copy of this preliminary prospectus has been filed with the securities regulatory authority in British Columbia but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.

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

PRELIMINARY PROSPECTUS

Non-Offering Prospectus **MAY 1, 2017**

PROVENANCE GOLD CORP.

No securities are being offered or sold pursuant to this long form prospectus (this "**Prospectus**"). This Prospectus is being filed with the British Columbia Securities Commission solely for the purpose of allowing Provenance Gold Corp. (the "**Corporation**") to list its securities on the Canadian Securities Exchange ("**CSE**"). Since no securities are being sold pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Corporation.

An investment in securities of the Corporation should only be made by persons who can afford the total loss of their investment. See "*Risk Factors*".

No underwriter has been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.

The Corporation's head office and registered office are located at 2200-885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

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ABOUT THIS PROSPECTUS

The Corporation is not offering to sell securities under this Prospectus. An investor should rely only on the information contained in this Prospectus and is not entitled to rely on parts of the information contained in this Prospectus to the exclusion of others. The Corporation has not authorized anyone to provide investors with additional or different information. The information contained in this Prospectus is accurate only as of the date of this Prospectus or the date indicated, regardless of the time of delivery of this Prospectus.

Unless otherwise noted or the context otherwise indicates, the "Corporation", "we", "us" and "our" refer to Provenance Gold Corp. and its subsidiaries. Certain capitalized terms and phrases used in this Prospectus are defined in the "Glossary of Terms".

Third Party Information

This Prospectus includes market, industry and economic data which was obtained from various publicly available sources and other sources believed by the Corporation to be true. Although the Corporation believes it to be reliable, the Corporation has not independently verified any of the data from third party sources referred to in this Prospectus, or analyzed or verified the underlying reports relied upon or referred to by such sources, or ascertained the underlying economic and other assumptions relied upon by such sources. The Corporation believes that its market, industry, and economic data are accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market, industry, and economic data used throughout this Prospectus are not guaranteed and the Corporation does not make any representation as to the accuracy of such information.

CURRENCY PRESENTATION

References in this Prospectus to "$" are to Canadian dollars. The financial statements included herein are reported in Canadian dollars.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements or information (collectively "**forward-looking statements**") that relate to the Corporation's management's current expectations and views of future events. The forward-looking statements are contained principally in the sections titled "*Prospectus Summary*", "*Description of the Business*", "*Management's Discussion and Analysis*", "*Audit Committee and Corporate Governance*", and "*Risk Factors*".

In some cases, these forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "anticipate", "aim", "estimate", "intend", "plan", "seek", "believe", "potential", "continue", "is/are likely to" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The Corporation has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- proposed expenditures for exploration work and general administrative expenses;
- expectations generally regarding the completion of future financings and the ability to raise further capital;

- permitting, permitting timelines and government regulation of exploration activities and mining operations;
- working capital requirements and the ability to obtain financing on acceptable terms or at all; and
- the timing and amount of future exploration including the timing and performance of the recommendations provided in the Technical Report.

Forward-looking statements are based on certain assumptions and analysis made by the Corporation in light of its experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate, and are subject to risks and uncertainties. Although the Corporation's management believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, prospective purchasers of the Corporation's securities should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Corporation's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "*Risk Factors*", which include, among others, risks related to:

- Insufficient Capital;
- Property Interests;
- Financing Risks;
- Exploration and Development;
- Acquisition of Mineral Properties;
- Uninsurable Risks;
- Permits and Government Regulations;
- Environmental and Safety Regulations and Risks;
- Mineral Titles;
- Competition; and
- Management.

Although the forward-looking statements contained in this Prospectus are based upon what the Corporation's management believes are reasonable assumptions, these risks, uncertainties, assumptions and other factors could cause the Corporation's actual results, performance, achievements, and experience to differ materially from its expectations, future results, performances, or achievements expressed or implied by the forward-looking statements.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Corporation undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the Corporation's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "*Risk Factors*". Potential investors should read this Prospectus with the understanding that the Corporation's actual future results may be materially different from what it expects.

PROSPECTUS SUMMARY

The following is a summary of the principal features of the Corporation and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Please refer to the ''*Glossary of Terms*'' of this Prospectus for a list of defined terms used herein.

The Corporation

Overview

The Corporation is a company involved in mineral exploration activities in Canada. Most recently, the Corporation has been involved in the exploration and evaluation of the Property, located in the Moosehorn Range in the western Yukon. Subco holds the rights to acquire the Property pursuant to the Option Agreement. The Corporation is headquartered in Vancouver, British Columbia.

2016 Field Work Program – 2K Gold Property

In the summer and fall of 2016, Subco initiated and completed an exploration, drilling and evaluation program on the Property. The program consisted of trenching, rock sampling and limited geological mapping. A total of 79 samples were taken from these trenches, as well as 4 from bedrock outside the trenches. The program included a field visit by Carl Schulze, an experienced Yukon geologist. Results from the program confirm that the Property merits additional exploration activity, and has the potential to host a large gold system.

Recent Financing

On January 31, 2017, the Corporation completed a non-brokered private placement of units (the "Units") at a price of $0.10 per Unit for gross proceeds of $75,000. Each Unit was comprised of one Common Share and one Warrant. Each Warrant entitles the holder thereof to acquire an additional Common Share at a price of $0.15 until January 31, 2019.

The Corporation's authorized share capital consists of an unlimited number of Common Shares without par value. As of the date of this Prospectus, the outstanding capital of the Corporation consists of:

a) 24,861,431 Common Shares;
b) 12,000,000 share purchase warrants exercisable at $0.10 until April 8, 2018;
c) 3,500,000 share purchase warrants exercisable at $0.15 until October 19, 2018; and
d) 750,000 share purchase warrants exercisable at $0.15 until January 31, 2019.

Acquisition of Subco

On November 25, 2016, the Corporation entered into the Purchase Agreement. Pursuant to the terms of the Purchase Agreement, on January 16, 2017, the Corporation acquired all of the outstanding share capital of Subco. In consideration for the acquisition of Subco, the Corporation issued 11,000,000 Common Shares and 3,500,000 Warrants.

Subco holds the rights to acquire the Property pursuant to the terms of the Option Agreement. Subco can acquire the Property, subject to a two percent (2.0%) net smelter returns royalty to be retained by the vendors, in consideration for the following cash payments and exploration expenditures:

Date	Cash Payment	Exploration Expenditure (by October 10th of year)
Within 60 days of entering into the Option Agreement	50,000 (Paid)	Nil
June 10, 2017	50,000	100,000
June 10, 2018	130,000	100,000
June 10, 2019	130,000	100,000
June 10, 2020	250,000	100,000
June 10, 2021	3,000,000	100,000

See "*Description of Business*" for additional information.

Risk Factors

There are certain risks associated with the business of the Corporation and with an investment in its securities including the following: the Corporation does not currently have any revenue producing operations and may, from time to time, report a working capital deficit; the Corporation does not own the mineral rights pertaining to the Property; the Corporation has no history of earnings and, due to the nature of its business, there can be no assurance that the Corporation will be profitable; resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production; if the Corporation loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit; in the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur; the future operations of the Corporation may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters environmental laws and regulations may affect the operations of the Corporation; the Corporation has not yet obtained a title opinion in respect of the Property; the mining industry is intensely competitive in all its phases; and the success of the Corporation is currently largely dependent on the performance of its directors and officers.

See "*Risk Factors*".

Prospective investors should carefully consider the information set forth under the heading "*Risk Factors*", "*Description of the Business*" and the other information included in this Prospectus before deciding to invest in the securities of the Corporation.

CORPORATE STRUCTURE

Name, Address, and Incorporation

The Corporation's full legal name is "Provenance Gold Corp." and was originally incorporated as "Sparx Energy Corp.", pursuant to the Business Corporations Act (British Columbia) (the "**BCBCA**"), on October 5, 2012. On January 16, 2017, the Corporation amended its articles to change its name from "Sparx Energy Corp." to "Provenance Gold Corp." The Corporation is a reporting issuer in the Provinces of British Columbia and Alberta.

The head office and the registered office of the Corporation are located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

Inter-corporate Relationships

The Corporation has one wholly-owned subsidiary, 1084160 B.C. Ltd. ("**Subco**"). Subco was originally incorporated as "Provenance Gold Corp." pursuant to the BCBCA, on July 26, 2016. On January 16, 2017, Subco amended its articles to change its name to "1084160 B.C. Ltd." On October 12, 2016, Subco was extra-territorially registered with the Government of the Yukon. The Corporation owns 100% of the voting securities of Subco.

DESCRIPTION OF THE BUSINESS

The Corporation

The Corporation is a company involved in mineral exploration activities in Canada. Most recently, the Corporation has been involved in the exploration and evaluation of a series of one-hundred-forty-nine (149) quartz claims located in the Moosehorn Range in the western Yukon, and which are commonly referred to as the "2K Gold Property" (the "**Property**" or the "**2K Gold Property**"). Subco holds the rights to acquire the Property pursuant to a certain property option agreement, dated January 31, 2017, entered into between the Corporation, Ian Warrick, Colin Warrick, and Rauno Perttu, pursuant to which the Corporation has the right to acquire the Property in consideration for completing certain cash payments and exploration expenditures (the "**Option Agreement**"). The Corporation is headquartered in Vancouver, British Columbia.

History

2016 Field Work Program – 2K Gold Property

In the summer and fall of 2016, Subco initiated and completed an exploration, drilling and evaluation program on the Property. The program consisted of trenching, rock sampling and limited geological mapping. A total of seventy-nine (79) samples were taken from these trenches, as well as four (4) from bedrock outside the trenches. The program included a field visit by Carl Schulze, an experienced Yukon geologist. Results from the program confirm that the Property merits additional exploration activity, and has the potential to host a large gold system.

Acquisition of Subco

On November 25, 2016, the Corporation entered into a purchase agreement (the "**Purchase Agreement**") dated November 25, 2016, entered into among the Corporation, Subco, and certain shareholders of Subco pursuant to which the Corporation acquired all of the outstanding share capital of Subco.

Pursuant to the terms of the Purchase Agreement, on January 16, 2017, the Corporation acquired all of the outstanding share capital of Subco. In consideration for the acquisition of Subco, the Corporation issued 11,000,000 Common Shares and 3,500,000 Warrants, with each Warrant exercisable into one Common Share at an exercise price of $0.15 per share until October 19, 2018.

Subco holds the rights to acquire the Property pursuant to the terms of the Option Agreement. Subco can acquire the Property, subject to a two percent (2.0%) net smelter returns royalty to be retained by the vendors, in consideration for the following cash payments and exploration expenditures:

Date	Cash Payment	Exploration Expenditure (by October 10th of year)
Within 60 days of entering into of the Option Agreement	50,000 (Paid)	Nil
June 10, 2017	50,000	100,000
June 10, 2018	130,000	100,000
June 10, 2019	130,000	100,000
June 10, 2020	250,000	100,000
June 10, 2021	3,000,000	100,000

Recent Financing

On January 31, 2017, the Corporation completed a non-brokered private placement of units (the "**Units**") at a price of $0.10 per Unit for gross proceeds of $75,000. Each Unit was comprised of one Common Share and one Warrant. Each Warrant entitles the holder thereof to acquire an additional Common Share at a price of $0.15 until January 31, 2019.

Changes to the Corporation's Business

The following changes to the Corporation's business which are expected to occur during its current financial year includes raising additional capital to complete the drilling program on the Property and the hiring of a third party contractor to coordinate these drilling activities.

2K Gold Property

The Corporation's technical report in connection with the Property entitled "Technical Report on the 2K Gold Property" dated February 16, 2017 was prepared by Carl Schulze, B.Sc., P.Geo. (the "**Technical Report**"). The following disclosure in connection with the Property are excerpts taken directly from the Technical Report.

Property Description, Location and Access

The 2K Gold Property consists of 149 Yukon quartz mining claims occurring as two closely spaced blocks: the Northeast Block, comprised of the ANTLER and COLIN claims; and the Southwest Block, comprised of the REEF, MAR and PIA claims. The claims are shown on claim tenure map 115N02 produced by the Whitehorse Mining Recorder. The properties cover roughly 2,825 hectares (6,978 acres), centered at Latitude 63'05'36" N, Longitude 140'53'15" W Longitude (UTM NAD 83 coordinates: 505850E, 6996000N, Zone 7) in the Moosehorn Range area roughly 133 km SSW of Dawson City. Yukon (Figure 1). None of the claims have undergone a legal survey. The claim status information is shown in Table 1, and claim locations are shown in Figure 2.

Table 1: Claim Tenure Status

Claim Name	Grant Numbers	Date Recorded	Expiry Date	Registered Owner
ANTLER 1-12	YC94510-YC94521	2009-10-23	2018-12-30	Colin Warrick
ANTLER 13-16	YC94506-YC94509	2009-10-23	2018-12-31	Colin Warrick
ANTLER 17-31	YD59885-YD59899	2010-05-31	2019-12-31	Colin Warrick
ANTLER 32-34	YD95880-YD95882	2010-05-31	2017-12-31	Colin Warrick
ANTLER 35-41	YD59900-YD59906	2010-05-31	2017-12-31	Colin Warrick
ANTLER 42-67	YD59910-YD59936	2010-05-31	2017-12-31	Colin Warrick
ANTLER 68-73	YF45748-YF45753	2013-07-24	2017-12-24	Colin Warrick
COLIN 1-4	YB54730-YB54733	1994-10-06	2019-12-24	Ian Warrick
COLIN 5-20	YC40935-YC40950	2005-10-31	2019-12-24	Ian Warrick
COLIN 21-29	YC46878-YC46886	2006-05-16	2019-12-24	Ian Warrick
COLIN 30-31	YD59883-YD59884	2010-05-31	2019-12-24	Ian Warrick
MAR 1-2	YB54519-YB54520	1994-09-06	2023-12-24	Ian Warrick
PIA 1-6	YB54513-YB54518	1994-09-06	2023-12-24	Ian Warrick
REEF 1-4	YA78081-YA78084	1983-08-01	2023-12-24	Ian Warrick
REEF 5-10	YA82517-YA82522	1984-06-29	2023-12-24	Ian Warrick
REEF 11-15	YA97444-YA97448	1987-06-04	2023-12-24	Ian Warrick
REEF 16-20	YB08092-YB08096	1987-09-24	2023-12-24	Ian Warrick
REEF 21	YB55284	1994-10-06	2023-12-24	Ian Warrick
REEF 22-23	YC14456-YC14557	1999-04-06	2023-12-24	Ian Warrick
REEF 25-38	YC18702-YC18715	2000-06-23	2023-12-23	Ian Warrick

Note: The vendors state that the Southwest Block extends roughly 350 metres further to the northeast than indicated on Claim Tenure Map 115N02. This was confirmed by this author (Carl Schulze), following a comprehensive review of original recording documents at the Whitehorse Mining Recorder's office. The author (Carl Schulze) has signed a Statutory Declaration declaring that the claim tenure map shows the Southwest Block as offset to the southwest. The review also confirmed that the MAR 1-2 and PIA 1-6 claims along the southern margin were staked and recorded prior to adjacent claims held by a separate interest, and are thus full claims held by the vendors. The Whitehorse Mining Recorder's office will update the claim tenure map shortly. Figure 2 shows the Southwest (REEF-MAR-PIA) block as indicated on the claim tenure map but with the true northeast boundary added as a dashed line.

In June, 2016, Mr. Rauno Perttu entered into an agreement to option a 100% interest in the 149 claims comprising the 2K Gold Property from Mr. Ian Warrick, doing business as Moosehorn Exploration, and Mr. Colin Warrick doing business as Antler Exploration. To obtain this interest, Mr. Perttu must pay to the Warricks a total of CAD$3,610,000.00 and complete certain exploration expenditures. The Warricks may also grant Mr. Perttu a 100% interest in the property upon payment of $3,000,000.00.

Shortly after this agreement was signed, Mr. Perttu assigned the option agreement to Provenance Gold Corp. The Warricks retain a 2% NSR royalty, which may be purchased by Provenance Gold Corp. for an additional CAD$2,000,000.00. On January 31st, 2017, Provenance Gold Corp. entered into a revised option agreement with Moosehorn Exploration and Antler Exploration. The details of the annual payments under this revised agreement are summarized in Table 2.

Table 2: Terms of Option Agreement

Date	Cash Payment	Work Commitment (by October 10th of year)
Within 60 days of signing	$33,500 to Ian Warrick	
	$16,500 to Colin Warrick	
June 10, 2017	$33,500 to Ian Warrick	$100,000
	$16,500 to Colin Warrick	
June 10, 2018	$88,750 to Ian Warrick	$100,000
	$41,250 to Colin Warrick	
June 10, 2019	$88,750 to Ian Warrick	$100,000
	$41,250 to Colin Warrick	
June 10, 2020	$167,500 to Ian Warrick	$100,000
	$82,500 to Colin Warrick	
June 10, 2021	$2,010,000 to Ian Warrick	$100,000
	$990,000 to Colin Warrick	

No significant environmental liabilities are known to occur on the property. The Northeast (ANTLER, COLIN) block covers present and past placer mining activities, focusing on a 2.5-km section of Great Bear Creek and a 0.4-km section of Kate Creek (local names). The Southwest (REEF, MAR, PIA) block covers placer operations along Kenyon Creek extending roughly 1.3

km from its headwaters to the western claim boundary. A camp, including fuel storage areas, is located along the active placer operations at Kate Creek, and a 0.7-km long airstrip suitable for small aircraft occurs northeast of the camp. The Kenyon Creek operations are accessible in summer from the camp by a seasonal road suitable for 4x4 light trucks. Minor access roads occur at some other property locations. No other significant disturbances are known to this author (Carl Schulze).

The placer mining activity on Kenyon, Great Bear and Kate creeks is operated by the holders of the hard rock "quartz" claims, Ian Warrick and Colin Warrick. Therefore, no conflict exists between placer mine operators and hard-rock exploration operators.

At present, no exploration permits for hard rock exploration are in place on the property. "Class 1" exploration, consisting of rock, soil and silt geochemical sampling, geological mapping, trenching to a limit of 400m^3 per claim, temporary trail construction to a maximum of 3.0 km, and a maximum of 250 person-days in camp for a total of all activities, does not require a permit. A gradation of permits, for Class 2 through Class 4 activities, is required for more significant programs, including diamond drilling programs. Most larger exploration programs require a "Class 3 Permit", in place for five years and obtainable through the Mining Recorder, Department of Energy, Mines and Resources (EMR), Government of Yukon. A Class 3 permit will allow for sizable diamond drilling programs (depending on numbers of clearings per claim), up to 5,000 m^3 of trenching per claim per year, establishment of up to 15 km of new roads and 40 km of new trails, and up to 200,000 tonnes of underground excavation during the length of the exploration program. A "Yukon Water Licence" is required if water usage exceeds 300m^3/day. Additional licences may be required for "Disposal of Special Waste," and a "Consolidated Environmental Act Permit" is required for proper disposal of camp waste, ash resulting from incineration, etc. Also, a "Fuel Spill Contingency Plan" will be required. All applications for Class 2 through Class 4 applications require review by the Yukon Environmental and Socioeconomic Board (YESAB), which will provide recommendations on whether the project may proceed, proceed with modifications, or not proceed. Following submission by YESAB, a Decision Body will decide whether to accept the recommendations, and whether a permit will be awarded and, if so, the conditions of the permit.

The property is located in the traditional territory of the Tr'ondek Hwech'in (TH) First Nation, which has a settled land claim with the Government of Yukon. No effort has been made by Provenance towards securing a positive relationship regarding socioeconomic issues. However, Ian and Colin Warrick have established a positive relationship with the TH First Nation pertaining to placer operations, ongoing since the 1970s.

The west property boundary is roughly 2.2 km east of the Yukon-Alaska international border. Kenyon Creek and some other drainages flow west from Yukon to Alaska, eventually into the Ladue River which flows eastward, returning to the Yukon north of the Moosehorn Range. No environmental issues related to placer operations in Yukon are known on the Alaskan side. However, any hard rock and placer operations along its watercourse have potential to adversely affect downstream environmental integrity within Alaska.

This author (Carl Schulze) is not aware of any other significant factors or risks potentially affecting access, title, or the right or ability to perform exploration on the property.

History

The first discovery of gold in the Moosehorn Range was made in 1970 when prospectors employed by Quintana Minerals Corporation discovered gold in rock “float” during a regional porphyry copper exploration program. In 1972 the discovery area was staked as the DEA claims (now REEF-A claims). Limited hand trenching was done later that year, but the property was subsequently allowed to lapse (Casselman, 1999).

In 1974 prospectors I. Warrick and K. Robertson discovered auriferous quartz veins in bedrock along the crest of the Moosehorn Range. They named this discovery the “M-Zone”, staked the REEF 1 to 4 claims to cover it, and subsequently enlarged the REEF claim block to cover prospective ground.

In 1974, Great Bear Mining Ltd. (Great Bear) re-staked the DEA claims and conducted trenching, soil geochemical surveys, ground magnetometer and EM-16 (electromagnetic) surveys. This took place along the main ridgeline near the M-Zone. Highly encouraging results from the trench sampling led to a staking rush during the winter and spring of 1975. Also in 1974, high gold values obtained by M. Kenyon along the summit of the Moosehorn Range led to staking of 58 LORI claims immediately northwest of the DEA block (Casselman, 1999).

In 1975, Great Bear conducted an extensive program on the DEA claims consisting of prospecting, soil geochemical surveying, bulldozer trenching, and a diamond drilling program of 696 m (2,284 feet) in 19 holes. The drilling returned numerous intercepts of arsenopyrite-galena-sphalerite bearing quartz veins with highly variable gold values. The best intercept was 256.8 g/t Au across 0.15 m (Casselman, 1999).

Also in 1975, Claymore Resources Ltd. purchased the LORI block from M. Kenyon, and conducted an exploration program consisting of geophysical surveying across the "M vein", a soil geochemical survey over most of the property, a diamond drilling of 624.84 metres (2,050 ft.) in 18 holes of BQ wireline, and geological mapping along the ridgetop. The geophysical, geochemical, and diamond drilling phases failed to return any significant responses or anomalies near the sub-cropping M-vein, although quartz-arsenopyrite float exhibited significant visible gold returning values of 325.7 g/t and 3,017.2 g/t Au from grab sampling. However, due to the highly localized occurrences and discouraging results overall, coupled with low gold prices, no further work was done, and the claims were allowed to lapse after eight years.

During this program placer gold was discovered on Discovery Creek (now Kenyon Creek) on the west flank of the Moosehorn Range, sparking a placer claim staking rush in the area. Since then placer mining operations have been ongoing along Kenyon Creek and Swamp Creek on the west side of the mountain, and on Kate, Great Bear and Claymore creeks on the east side. By 2002, roughly 54,000 ounces of placer gold had been extracted from the Moosehorn area.

In 1986 and 1987, Warrick and Robertson, operating as Moosehorn Exploration Ltd., conducted a prospecting, trenching and bulk sampling program on quartz veins at the "M-Zone” area to determine a representative grade of the erratic gold mineralization. In 1986, a total of 1.22 tonnes (1.35 tons) of vein material was processed, yielding a grade of 4.06 oz./ton. In 1987, a further 5.13 tonnes (5.65 tons) of "M" vein material processed to produce 9.69 oz. gold at a grade of 1.72 oz./ton. Warrick and Robertson also discovered several other gold-bearing quartz veins in the M-Zone area (Warrick, 1987). Following this program, the operators focused on placer mining along Great Bear and Kate creeks along the eastern flank of the ridge (Map 1).

In 1974, on land currently held by Hartley and Associates adjoining the south boundary of the REEF claims, Great Bear Mining Ltd. conducted surface exploration followed by a diamond drilling program of 625 metres in 19 holes. The claims were sold to Claymore Resources Ltd. (Claymore) in 1975, which conducted soil sampling, trenching and a further diamond drilling program of 696 metres in 18 holes. Results were disappointing and the focus shifted back to placer exploration (Joyce, 2002).

In the 1980s and early 1990s G. S. Hartley conducted percussion drilling, soil sampling and prospecting (Hartley and Almberg, 1994) as part of ongoing placer mining operations. In the late 1980s the Canada Tungsten Mining Corporation conducted placer mining along Swamp and Soya creeks. In the early 1990s Sikanni Oilfield Construction Limited (Sikanni) conducted placer mining across Swamp, Soya and Kenyon creeks. From 1990 to 1996 Sikanni also conducted surface exploration and a small open pit mining operation at “Swede’s Pit”, extracting 3,200 oz. gold (Joyce, 2002).

In 1995 Barrimundi Gold Ltd. (Barrimundi) entered into an option agreement on the Hartley property, subsequently adding to the initial claim block and eventually holding a land package of 783 claims called the Longline Property. Between 1996 and 2000 Barrimundi conducted surface exploration and a diamond drilling program of 4,616.4 metres in 44 holes (Joyce). These included a 1999 program of 34 holes, 22 holes targeting Swede’s Pit and 12 on other targets within the property. The best result from drilling of “Swede’s Pit” was 386.6 g/t Au across 0.66m (2.2 feet); the best result from drilling elsewhere was 45.70 g/t Au across 0.2 metres (0.66 feet) (Casselman, 1999). In 1999 Barrimundi entered into an option agreement with Newmont Exploration of Canada Ltd, which conducted an airborne survey and a diamond drilling program of 2,100 metres in 12-holes, before returning the property to Hartley and Associates.

In March 1999 Troymin Resources Ltd. staked the LAD property, consisting of 294 quartz mining claims, and conducted reconnaissance soil and silt geochemical surveying across this land package later that year. Although the LAD claims covered areas mainly north of the present Northeast Block extending to the Yukon-Alaska border, it also covered portions of the Great Bear and Aggie Creek drainages currently held by Moosehorn Exploration. Soil sampling along the north flank of Kate Creek returned anomalous gold values to 136.9 and 83.9 ppb Au respectively from two separate sites, although gold values returned from elsewhere along the traverse were low. The LAD claims were allowed to lapse in 2003 (Yukon Minfile, 2016).

No further records of hard rock exploration after 1987 across most of the 2K Gold Property are known. Records compiled by the Department of Energy, Mines and Resources, Government of Yukon state that a total of 65,640 oz. gold have been produced by placer mining across the Moosehorn Range from 1978 to 2015; this excludes production prior to 1978.

Geological Setting, Mineralization and Deposit Types

Regional Geology

The 2K Gold Property is underlain by the 100-112Ma Dawson Range Batholith (mKgW, formerly known as the Klotassin Batholith), a northwest – southeast trending elongate intrusion 300 km in length located wholly within the Yukon-Tanana Terrane (YTT). The YTT consists of mid-Paleozoic to mid-Mesozoic continental arc assemblages emplaced upon a neo-Proterozoic to Lower Paleozoic continental basement (Joyce, 2002, after Mortenson, 1992, Selby et al, 1999).

The YTT is comprised of variably deformed metaigneous and metasedimentary rocks, consisting of felsic orthogneiss, pelitic and quartzofeldspathic paragneiss, quartzofeldspathic schist, and mafic to felsic metaplutonic to metavolcanics rock (Joyce, 2002, after Templeman-Kluit, 1974, Mortenson, 1992, Hart and Langton, 1998). The YTT underwent accretion onto the North American Craton from mid-Permian to Late Triassic time, with the northeast boundary currently marked by the northwest – southeast extending Tintina Fault Zone.

Several arc-related intrusive suites range in age from late Triassic to early Tertiary. The best known is the 110 – 70 Ma Tintina Gold Belt, occurring as an arcuate band of monzonitic, granitic to dioritic intrusions extending from southwest Alaska through the Fairbanks, Alaska and Dawson City, Yukon areas, then southeast to the Yukon-British Columbia border near Watson Lake, Yukon. Individual intrusions of this suite form the host or loci of the majority of intrusion-related mineralization within central Yukon and Alaska.

The Dawson Range Batholith, part of the Whitehorse-Coffee Creek intrusive suite (WCCS) is roughly orogen-parallel and may also be arc-related, although crustal contamination has prevented a definitive understanding of its tectonic setting (Joyce, 2002, after Mortenson, 1992, Selby et al, 1999, Alinikoff et al, 2000 and Mortenson, 2000). Casselman (1999) states that three phases have been recognized: 1. an early foliated hornblende (+/- biotite) granodiorite to quartz-dioritic phase; 2. a phase of massive, equigranular to porphyritic biotite-hornblende granodiorite and quartz-monzonite plutons; and 3. late granodiorite and quartz-diorite porphyry dykes and plugs (Casselman, 1999).

The Dawson Range Batholith roughly marks the northern boundary of a large assemblage of Devonian metaclastic to migmatitic paragneiss of the Scottie Creek Formation (OSD1) with the southwestern boundary of a large package of intermontane Carboniferous to Permian Klondike Schist (PK1), consisting of pelitic and volcanic rocks marked by chloritic quartzite and quartz-muscovite-chlorite schist (Gordey and Makepeace, 2001) (Figure 7). The Klondike Schist assemblage is intercalated with Neoproterozoic to Devonian Snowcap Assemblage (PDS1) metaclastics and quartzites, as well as Permian Sulphur Creek Group (PqS) K-spar augen orthogneiss and granitic orthogneiss. Large fault-bounded packages of Upper Cretaceous Carmacks Group (uKC3) rhyolite to dacite and local basal clastic strata occur within the YTT stratigraphy northeast of the Dawson Range Batholith.

The southern boundary of the Dawson Range Batholith is in contact with quartzose psammites (ODS) of the Scottie Creek Formation, and Devonian – Mississippian White River Formation (DMW2) felsic meta-igneous rocks. Somewhat southeast of the 2K Gold Property, the Dawson Range Batholith is overlain by small units of Paleocene to Eocene Rhyolite Creek Group (PrC2) intermediate to mafic volcanic rocks. The property itself is entirely underlain by various phases of the Dawson Range Batholith (Casselman, 1999).

Table of Formations

The following Table of Formations outlines the major lithologies in the district-scale area, including the Moosehorn Range. These are included in Figure 7, Regional Geology Map.

Table 3: Table of Formations, West-central Yukon*

Abbreviation	Name	Age	Description
PRC2	Rhyolite Creek	Paleocene – Lower Eocene	Andesitic Volcanics
mKgW	Whitehorse Suite (Dawson Range Batholith)	Mid-Cretaceous	Biotite-hornblende granodiorite, hornblende quartz diorite and hornblende diorite
PgS	Sulphur Creek	Middle Permian	Mod – strongly foliated biotite-quartz-monzonite gneiss
PK3	Klondike Schist	Carboniferous - Permian	Silvery-grey muscovite-chlorite-quartz phyllite
PK1	Klondike Schist	Carboniferous - Permian	Tan to rusty and black-weathering muscovite and/or chloritic quartzite and quartz-muscovite-chlorite schist
PDS1	Snowcap Assemblage	Neoproterozoic – Devonian?	Metaclastics, quartzites
ODS1	Scottie Creek	Ordovician – Lower Devonian	Metaclastics, paragneiss, migmatites

* Adapted from Yukon Geological Survey (2016). Yukon Digital Bedrock Geology.

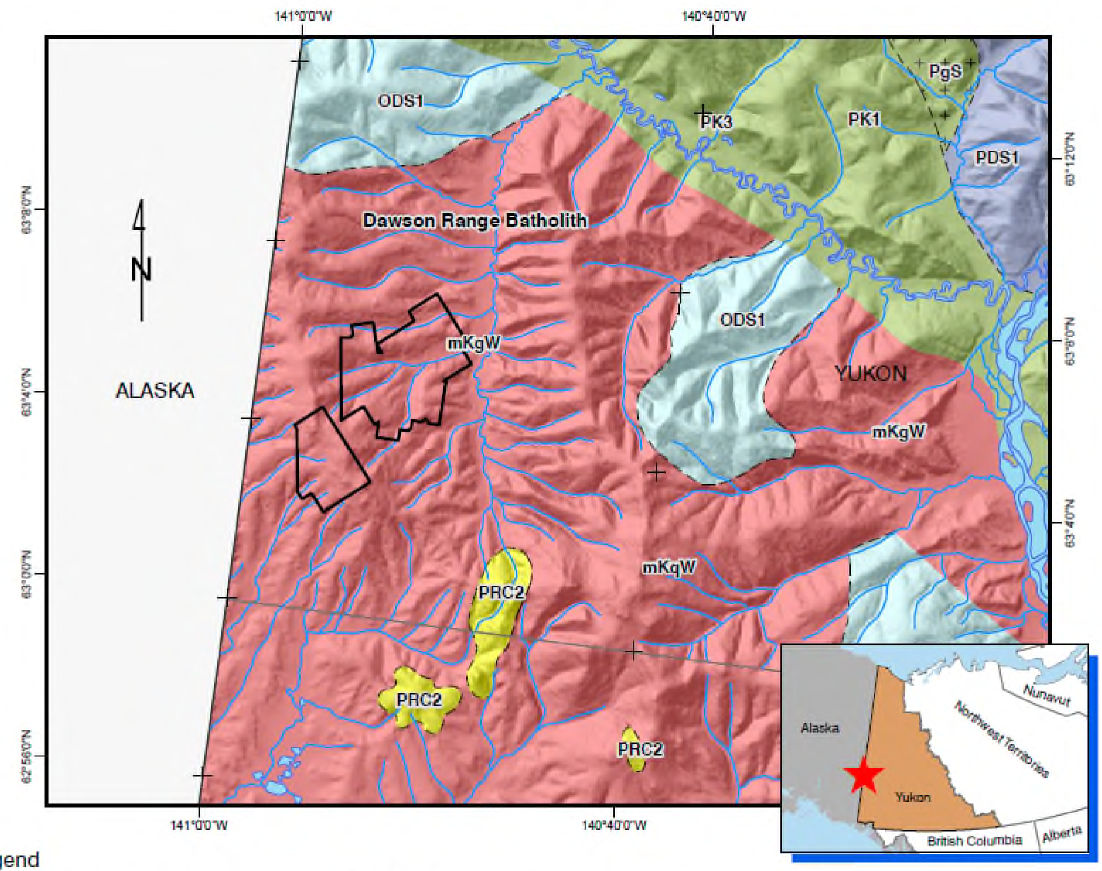
Regional Structural Setting

On a regional scale, the dominant structural orientation is northwest-southeast, indicated by major transpressional fault zones that mark the boundaries of accreted terranes. The most notable of these is the Tintina Fault Zone, with a 450-km dextral offset and marking the boundary between the YTT accreted terrane to the southwest with the Ancient North American Craton to the northeast. Roughly 110 km south of the Moosehorn Range, the Shakwak Fault, also known as the Denali Fault, marks the southwestern boundary of the YTT with another accreted terrane, the Windy-McKinley Terrane, which was emplaced along the YTT. The YTT and Windy-McKinley are the oldest of several accreted terranes extending southwest towards the Alaskan shoreline, each separated by a major transpressional fault. Seismic activity increases towards the southwest, related to successively more recent collisional events of accreted terranes.

Regional stratigraphic orientation tends to be subparallel to this fault lineation. The orientation of the Dawson Range Batholith, combined with many of the larger YTT assemblages, is northwest-southeast. This orientation may be arc-related, a setting supported by the NNW – SSE trend of the Tintina Gold Belt intrusions in Yukon and southeast Alaska.

On a district scale, two other lineations become apparent, marked by orientation of drainages and visible from regional airborne surveys, air photo interpretation and satellite imagery. One is a roughly north-south orientation, indicated by several local drainages, particularly Lesaux (Claymore) Creek directly east of the Moosehorn Range, and the North Ladue River north of the range. The other is a northeast-southwest orientation marked by smaller local drainages, including Kate Creek and Great Bear Creek. Casselman (1999) identified the north-south faults as the dominant linears, and stated that the northeast-southwest and northwest-southeast structures may be splays related to these (Casselman, 1999). Joyce (2002) describes the presence of two north-south trending magnetic anomalies derived from regional aeromagnetic surveying: a linear magnetic high interpreted as a dyke extending north from Kate Creek, and a linear magnetic low, suggesting a fault, extending north from the headwaters of Kenyon Creek. Joyce also states that east-central Alaska hosts northeast-southwest striking, steeply dipping sinistral faults exceeding 100 km in length (Joyce, 2002, after Page et al, 1995, McCoy et al, 1997 and Newberry et al, 1998).

Plotting of the "First Vertical Derivative" derived from government regional airborne magnetometer surveys also indicates a strong NNW – SSE trending lineation, with individual linears extending northward from the Kenyon Creek headwaters and Kate Creek drainage respectively (Figure 8).



Legend

Yukon Bedrock Geology

PALEOCENE TO LOWER EOCENE

PRC2: RHYOLITE CREEK: andesite

LATE CRETACEOUS TO TERTIARY

LKgP: PROSPECTOR MOUNTAIN SUITE: hornblende-biotite granodiorite, hornblende diorite, quartz diorite (Wheaton Valley Granodiorite)

MID-CRETACEOUS

mKgW: Dawson Range Batholith: WHITEHORSE SUITE: biotite-hornblende granodiorite, hornblende quartz diorite and hornblende diorite; leucocratic, biotite hornblende granodiorite locally with sparse grey and pink potassium feldspar phenocrysts (Whitehorse Suite, Casino granodiorite, McClintock granodiodrite, Nisling Range granodiorite)

mKqW: WHITEHORSE SUITE: biotite quartz-monzonite, biotite granite and leucogranite, pink granophyric quartz monzonite, porphyritic biotite leucogranite, locally porphyritic (K-feldspar) hornblende monzonite to syenite, and locally porphyritic leucocratic quartz monzonite (Mt. McIntyre Suite, Whitehorse Suite, Casino Intrusions, Mt. Ward Granite, Coffee Creek Granite)

MIDDLE PERMIAN

PgS: SULPHUR CREEK: moderately to strongly foliated biotite quartz monzonite gneiss

CARBONIFEROUS AND PERMIAN

PK3: KLONDIKE SCHIST: silvery grey muscovite chlorite quartz phyllite

PK1: KLONDIKE SCHIST: tan to rusty and black weathering muscovitic and/or chloritic quartzite and quartz-muscovite-chlorite schist; quartz and/or feldspar augen-bearing quartz-muscovite (chlorite) schist; includes augen gneiss and amphibolite (Klondike Schist)

LATE PROTEROZOIC AND PALEOZOIC

PDS1: Snowcap Assemblage: metaclastics, quartzite

ORDOVICIAN TO LOWER DEVONIAN

ODSmm: SCOTTIE CREEK: Metaclastics, paragneiss, migmatite

2K Gold Property Claims

★ 2K Gold Property Location

0 2.5 5 10 15 km

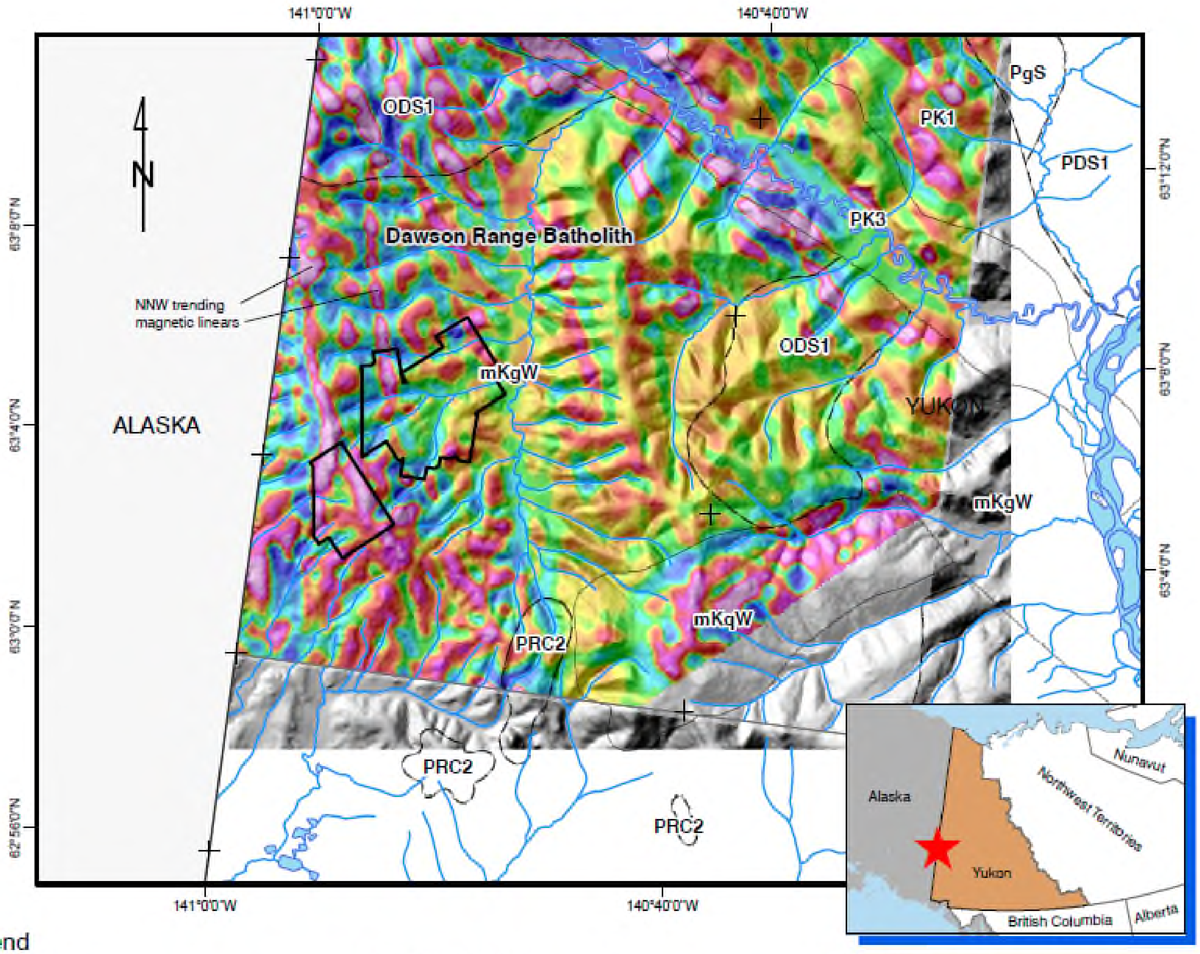
1:250,000

Figure 7, Regional Geology Map
Provenance Gold Corp.
2K Gold Property

NTS 115N, K
NAD 83 Yukon Albers

Date: 2/14/2017

Citation: Modified from: Yukon Geological Survey, [2016]. Yukon Digital Bedrock Geology. http://www.geology.gov.yk.ca/update_yukon_bedrock_geology_map.html, accessed: [Jan. 22, 2016]



Legend

Yukon Bedrock Geology

PALEOCENE TO LOWER EOCENE

PRC2: RHYOLITE CREEK: andesite

LATE CRETACEOUS TO TERTIARY

LKgP: PROSPECTOR MOUNTAIN SUITE: hornblende-biotite granodiorite, hornblende diorite, quartz diorite (Wheaton Valley Granodiorite)

MID-CRETACEOUS

mKgW: Dawson Range Batholith: WHITEHORSE SUITE: biotite-hornblende granodiorite, hornblende quartz diorite and hornblende diorite; leucocratic, biotite hornblende granodiorite locally with sparse grey and pink potassium feldspar phenocrysts (Whitehorse Suite, Casino granodiorite, McClintock granodiodrite, Nisling Range granodiorite)

mKqW: WHITEHORSE SUITE: biotite quartz-monzonite, biotite granite and leucogranite, pink granophyric quartz monzonite, porphyritic biotite leucogranite, locally porphyritic (K-feldspar) hornblende monzonite to syenite, and locally porphyritic leucocratic quartz monzonite (Mt. McIntyre Suite, Whitehorse Suite, Casino Intrusions, Mt. Ward Granite, Coffee Creek Granite)

MIDDLE PERMIAN

PgS: SULPHUR CREEK: moderately to strongly foliated biotite quartz monzonite gneiss

CARBONIFEROUS AND PERMIAN

PK3: KLONDIKE SCHIST: silvery grey muscovite chlorite quartz phyllite

PK1: KLONDIKE SCHIST: tan to rusty and black weathering muscovitic and/or chloritic quartzite and quartz-muscovite-chlorite schist; quartz and/or feldspar augen-bearing quartz-muscovite (chlorite) schist; includes augen gneiss and amphibolite (Klondike Schist)

LATE PROTEROZOIC AND PALEOZOIC

PDS1: Snowcap Assemblage: metaclastics, quartzite

ORDOVICIAN TO LOWER DEVONIAN

ODSmm: SCOTTIE CREEK: Metaclastics, paragneiss, migmatite

2K Gold Property Claims

★ 2K Gold Property Location

0 2.5 5 10 15 km

1:250,000

Citation: Geology modified from Yukon Geological Survey, [2016]. Yukon Digital Bedrock Geology.
http://www.geology.gov.yk.ca/update_yukon_bedrock_geology_map.html, accessed: [Jan. 22, 2016]
Airborne Geophysics modified from Geoscience Canada online data.

Figure 8
Stewart River I - 63.5m -
MAG - 1st Vertical Derivative
Provenance Gold Corp.
2K Gold Property

NTS 115N, K
NAD 83 Yukon Albers
Date: 2/14/2017

Property Geology

Due to the paucity of outcrop on the property, little formal geological mapping was done in 2016. The following description is based on the 2002 Masters Thesis by Joyce on the former Longline property area directly south of the 2K Gold Property.

The 2K Gold Property and surrounding area is underlain mainly by the dominant phase of massive, equigranular to porphyritic hornblende-biotite granodiorite, referred to as the Moosehorn Range Granodiorite (MRG). Joyce states that this includes sub-phases of massive to foliated biotite +/- hornblende granodiorite. Joyce determined an average modal mineralogy from thin section analysis of the undeformed portions of the MRG as 20-35% quartz, 25-45% plagioclase, 10-20% K-feldspar, 10% hornblende and minor magnetite, pyrite, titanite, epidote, allanite and chlorite. Along the Moosehorn Range ridgeline, mafic porphyritic enclaves and xenoliths of amphibolite, metapelite and gneiss suggest this portion of the MRG formed near the roof of the magma chamber (Joyce, 2002). Foliation orientation, where present, strikes NNW-SSE, and dips from 50^{o} - 90^{o} to the east. A unit of mylonitic granodiorite identified west of Kenyon Creek has a similar modal mineralogy, but with significantly more sericite, chlorite, allanite and epidote, but lacking titanite.

The MRG is crosscut by mafic and felsic dykes at several locations in the Moosehorn Range. Southwest of the main ridgeline, strongly foliated porphyritic biotite granodiorite dykes are common, whereas southeastern portions of the range are marked by massive to strongly foliated mafic and felsic porphyritic quartz diorite dykes. Granodiorite dykes are typically less than 15 metres thick, whereas porphyritic quartz diorite dykes, which tend to be somewhat more mafic, range from a few metres to 300 metres in thickness. All porphyritic dykes have a similar rare earth elemental signature, suggesting they may be comagmatic. Dyke orientations are variable, but tend to strike roughly SW-NE, dipping moderately to steeply northwest.

Fine grained siliceous felsite dykes to 5 metres in thickness and containing up to 10% phenocrysts, also occur in the project area. Hydrothermally altered phases are pervasively sericitized and pyritized, and locally contain abundant carbonate and minor muscovite. These steeply dipping dykes have been mapped as striking N-S, E-W and NE-SW.

Aplite dykes having variable orientations crosscut all granodioritic and porphyry units, although no contacts between these and the felsite dykes have been observed. These pink to cream-coloured dykes range in thickness from 2 cm to several metres, and commonly include pegmatitic zones, particularly along dyke margins. White and pink dykes and plugs of quartz monzonite and alaskite are common in northwestern areas of the Moosehorn Range and may be related to aplites and pegmatites elsewhere but have a significantly higher plagioclase content.

Mafic dykes, typically fine grained and consisting of black to grey-green basalt and andesite, are the youngest dykes in the Moosehorn Range. These range from 1 cm to tens of metres in thickness; the thicker units tend to strike south-southwest, dipping moderately to steeply to the north-northwest. Spatial relationships between these and felsite dykes indicate both were emplaced along the same fracture sets. The majority are in turn cut by quartz-carbonate veinlets (Joyce, 2002).

During the September property visit, this author identified an exposure of decrepitated coarse grained equigranular quartz diorite along several hundred metres of roadcut directly east (uphill) of the Kenyon Creek placers. Although this material can be easily removed by hand, original textures are locally preserved, and include centimetre-scale felsite dykes, as well as a tightly spaced joint foliation oriented west-northwest and dipping steeply northward (Map 1). The decrepitated quartz diorite is exposed in the majority of Trench 2 extending WSW from the road to the upstream limit of placer workings. Somewhat downstream, at the site of Sample #5668678 (Section 7.3, Mineralization), the quartz diorite is somewhat more competent and moderately to strongly limonitic with manganese staining along joint planes.

Mapping during the main field program led to identification of a single narrow north-northwest striking, vertically dipping mafic dyke striking parallel to local jointing.

Figure 9: Decrepitated Granodiorite in roadcut, small dyke preserved. Kenyon Creek area

Figure 10: Fine fracture foliation in decrepitated quartz diorite

Mineralization

To date, two significant mineralized prospects have been identified within the Southwest (Reef) Block of the 2K Gold Property: the M-Zone prospect near the northeastern boundary; and the Kenyon Creek prospect at the headwaters of Kenyon Creek. The “M-Zone” area, centered on the “M Vein” discovered in 1974 along the ridgeline of the Moosehorn Range, consists of several narrow quartz veins, ranging from 1 cm to 1.0 m in width, and marked by banded galena, arsenopyrite, stibnite and galena. Visible gold is abundant and locally coarse. The host rock is a coarse grained, roughly equigranular granodiorite belonging to the main phase of massive biotite granodiorite (Phase 2) described by Casselman. In 1986 and 1987 two small bulk-sampling operations targeting the M Vein were conducted by Moosehorn Exploration. The 1986 program resulted in excavation of 1.35 tons of material grading 4.76 oz. gold for a grade of 3.53 oz./ton gold. Combined with roughly 0.2 oz. gold in tailings, the overall grade was reported at 4.06 oz./ton. In 1987, 5.65 tons of material yielded 9.69 oz. gold, for a grade of 1.72 oz./ton. Combined with 1.0 oz. of gold in tailings, the grade was reported at 2.515 oz./ton (Warrick and Robertson, 1987). Note: These results were provided prior to modern standards of disclosure under National Instrument 43-101, have not been independently verified by this author, and cannot be relied upon.

A 1987 sketch map indicates the “M Vein” extends north-south and is somewhat sigmoidal. Several other veins, including the “A, B, and O” veins near the M Vein and comprising the “M-Zone” target area, and the “R Vein” roughly 1.5 km to the NNW, are plotted with a NNW – SSE orientation. Pit excavation on the “M Vein” also included limited shaft excavation at a decline of -30^{o} to the east, following four narrow auriferous quartz veins. The 1986 and 1987 programs also identified several other occurrences of similar narrow auriferous quartz veins along the Moosehorn Range ridgeline.

In 1986, Moosehorn Exploration also discovered quartz veins hosting visible gold at the headwaters of the Kenyon Creek placer operation. Visible gold was discovered in placer along the creek in the early 1970s, and the creek has been the focus of continuous placer mining to the present day. Sampling in 2016 of decrepitated massive granodiorite, likely representing the same massive phase hosting the “M Zone”, showed that the intrusive rocks host 2-3% centimetre-scale galena and visible gold-bearing quartz veins. A pan of this material revealed abundant coarse and fine visible gold. Several vein orientations were measured by Mr. LaPeare, showing a consistent north-northeast striking, gently east-southeast dipping orientation (Map 1). Decrepitated granodiorite with abundant microfractures and centimetre-scale resistant dyke-associated horizons is visible along a roadcut directly east (uphill) of the placer operations. The headwater area of Kenyon Creek, extending to the roadcut, is the main exploration target of the 2K Gold Property.

The Northeast Block covers the Kate Creek and Great Bear Creek placer operations, active since the 1970s. The operators report that, heading upstream along both drainages, gold values spike, then abruptly decline and rise again, suggesting the streams extend across auriferous zones at specific locations. A zone of vertical mylonitic fabric and quartz veining has been exposed by placer operations. The placer operators also report the presence of very gently east-dipping quartz veins in this area, a setting similar to that of Kenyon Creek (Perttu, pers comm). To date, no in-situ mineralization has been delineated. These features have not been verified by Provenance Resources during the 2016 exploration program, and should not be relied upon.

The Southwest Block of the 2K Gold Property is contiguous with the former Longline Property, which shares a similar initial exploration history to the former. From 1990 to 1996 Sikanni Oilfield Construction Limited conducted placer mining on sections of Swamp, Kenyon and Soda creeks, and also conducted small-scale open pit mining targeting two quartz veins, the V1 and V2 veins at “Swede’s Pit” near Swamp Creek. Here, roughly 3,200 oz. gold were extracted from Swede’s Pit utilizing a gravity mill (Joyce, 2002, after Ritcey et al, 2000). The quartz veins are described as being milky white, with ribboned and/or banded textures (Joyce, 2002, after Grieg, 1975; Morin, 1977). Vein mineralogy, although somewhat variable, typically consists of galena, arsenopyrite, sphalerite, boulangerite, jamiesonite, pyrite, tetrahedrite, calcite and visible gold (Joyce, 2002). Diamond drilling by Barrimundi Gold from 1996 to 2000 intersected a set of parallel NNW – SSE striking veins and fracture sets dipping from 20^{o} to 40^{o} to the east. This area was not visited during the 2016 field season; therefore, this data has not been verified by Provenance Resources. However, it was visited by this author in 1995, who can confirm the orientation and auriferous nature of the quartz veins.

By 2002, an estimated 54,000 oz. of placer gold had been extracted from streams draining the Moosehorn Range, including Kenyon, Swamp and Soya creeks along its western flank (Joyce, 2002). Records compiled by the Department of Energy, Mines and Resources, Government of Yukon, state that 65,640 oz. gold have been mined from the Moosehorn Range from 1978 to 2015; this excludes production prior to 1978.

Deposit Types

Two possible deposit settings may be applicable to mineralization along the Moosehorn Range: that of “Intrusion-Related Gold”, associated with plutons or stocks and which may be manifested as a number of distinct sub-settings; and “Orogenic Gold”, where mineralization is sourced from deep-seated “crustal” faults in the absence of an intrusive centre. In the Intrusion-Related Gold setting, mineralization is associated with a core intrusion, typically varying in composition from monzonite, quartz monzonite, granite, granodiorite to syenite. The intrusion is typically associated with dykes or apophyses, commonly occurring as multiple pulses with varying compositions that become more felsic with progressive cooling and solidification of the intrusion. Intrusion-related settings include vein and stockwork lode settings, skarn, replacement-style and sheeted, “Fort Knox”-style deposits.

In the project area, the main settings typically associated with Intrusion-Related Gold are vein-style and Fort Knox-style settings. Vein-style deposits occur as vein, stringer and stockwork zones. Veins are typically planar structures, formed when siliceous metal-rich fluids pass through an open area, such as a fault zone. Silica is gradually emplaced from vein margins to the centre; specific fluid pulses may result in metal-rich layers, including precious metal-rich layers, within the vein. Stringer and stockwork zones occur when metal-rich siliceous fluids pass through brecciated or strongly fractured areas, most typically fault zones, within the host rock. Vein deposits tend to be high grade and of small tonnage; stringer and stockwork deposits tend to be of lower grade but higher tonnage, due to incorporation of unmineralized country rock.

Gold +/- silver vein mineralization is typically associated with a suite of “pathfinder elements”, particularly arsenic, and also antimony, mercury, and, if proximal to the intrusion, bismuth. Arsenic is a particularly strong indicator of gold, as this element tends to precipitate from solution at the same temperature and pressure as gold.

A “Fort Knox”-style gold deposit consists of sheeted centimetre-scale quartz veins within a felsic, commonly monzonitic to quartz monzonitic intrusion. This setting forms where cooling and contraction of a solidifying magmatic intrusion result in parallel narrow joint planes across large peripheral portions of the intrusion. Late metal-enriched hydrothermal fluids infill the joints, creating sheeted veins which contain the vast majority of the gold within the entire deposit. The individual veins host high-grade gold; however, incorporation of very low-grade wall rock results in overall large bulk-tonnage, low grade gold deposits. These can host sizable gold resources; the namesake Fort Knox deposit near Fairbanks, Alaska has produced more than 6 million ounces of gold (Wikipedia, 2016). The centimetre-scale veins at the headwaters of Kenyon Creek suggest this is a potential deposit setting for the Kenyon Creek target.

The “Orogenic Gold” setting is characterized by larger auriferous quartz veins, potentially more than 1.0 km in length and multiple metres in width, associated with a similar pathfinder element suite as that within hydrothermal or hydromagmatic intrusion-related veining. Although mineralized quartz veining may be abundant, there is no evidence of intrusive activity, such as hornfels aureoles or contact metamorphic minerals, skarn or replacement-style mineralization (Hart and Lewis, 2005). Rather, the conduits are district-scale deep-seated “crustal” faults that allow for hydrothermal fluid movement from a typically unknown source. The mechanism for emplacement in local structures is similar to that of intrusion-related veining, whereby mineralized zones develop from fluid movement from the main fault conduit into splays or other areas of “structural preparation”. Although three intrusive phases have been identified within the Dawson Range Batholith, none have been identified as typical Tintina Gold Belt-style intrusions, suggesting a lack of plutonic activity. The north-south trending linears, and multi-kilometric scale aeromagnetic anomalies, may represent crustal fault zones.

Exploration

2016 Program

The 2016 exploration program consisted of a main exploration phase of trenching and trench chip sampling, rock sampling and limited geological mapping, mainly on the Kenyon Creek prospect in the Southwest Block, from August 10 – 24, 2016, by Mr. Brett LaPeare, BSc, of Smithers, British Columbia, Canada. A total of four trenches were excavated by mechanical means: Trenches 1a and 1b, located at the head of the Kenyon Creek placer operation; Trench 2, extending upslope from this area, and Trench 3, about 100 metres south of the western end of Trench 2. All samples were 2.0-metre chip samples. In Trenches 1A and 1B, sampling consisted of one contiguous chip separated into 2m intervals. However, in Trenches 2 and 3, the centres of the 2.0-metre samples were spaced 10 metres apart, resulting in an 8-metre spacing between samples. A total of 79 samples were taken from these trenches, as well as 4 from bedrock at the Kenyon Creek headwaters, and 2 from the "M Vein".

This phase also included re-analysis of two batches of these trench samples. One involved "Metallic Screen Fire Assay" (MSFA) analysis of ten 1,000-gram samples to test for gold content in coarse and fine fractions respectively. The purpose of this was to mitigate somewhat the "coarse gold effect" and obtain more accurate gold values. The program also included re-analysis of a separate batch of seven trench samples, with somewhat lesser weights of analyzed material, by MSFA. Results will be discussed in Section 9.2, and more thoroughly in Section 12, Data Verification.

The final phase of field exploration consisted of a one-day field visit on September 1, 2016, by this author, Carl Schulze, BSc, PGeo, and Qualified Person for this project. During this visit, the "M-Zone" and Kenyon Creek sites were visited, as well as Trench 2 and the roadcut exposing decrepitated granodiorite. The author also visited the main camp site and travelled along the main connecting road between the sites, to gain an understanding of the infrastructure of the project. A total of seven samples was taken: three from the M-Vein showing, and four from the Kenyon Creek area including one from Trench 1a and one from Trench 2. The Property Geology is shown in Map 1, sample locations in Maps 2, 2a and 2b, and gold geochemical values in Maps 3, 3a and 3b.

Exploration Results, Main 2016 Field Program

Trench Samples

The systematic trench chip sampling program was designed to test for bulk tonnage mineralization uphill of the source of the Kenyon Creek placers. The majority returned background gold values (<0.05 g/t by gravimetric analysis), with seven samples returning values from 0.06 to 0.26 g/t gold (Appendix 3b). An eighth sample, #22533 from Trench 1a, returned a value of 2.67 g/t gold (Au) with 0.2 g/t silver (Ag) and weakly elevated arsenic (As) and antimony (Sb) values. Two of the elevated chip sample values were taken contiguous to this from samples #22534 and #22535, returning values of 0.08 and 0.06 g/t Au respectively. A grab sample, #22780, of a 3 cm-wide aphanitic quartz vein from sample in Trench 2 returned a value of 17.95 g/t Au with 12.3 g/t Ag, 692 ppb lead (Pb), and moderately anomalous As and Sb.

Rock grab sampling in the headwaters of the Kenyon Creek placer operation returned high gold values. Sample #22782, a grab sample of a 2-cm wide quartz vein with visible gold, returned a value of 803 g/t Au, 479 g/t Ag, 1.52% Pb, 1,285 ppm As, 77 ppm bismuth (Bi) and 63 ppm Sb. Sample #22783, a grab sample of the altered, oxidized wallrock, returned 47.5 g/t Au, 12.2 g/t Ag, 2,340 ppm As, 935 ppm Pb and anomalous zinc (Zn) and Sb values. A separate sample of a quartz vein less than 1 cm in width returned a value of 16.7 g/t Au, 2.1 g/t Ag and 544 ppb Pb, although another nearby sample also less than 1 cm wide returned 0.14 g/t Au with background Ag and pathfinder metal values.

Sample #22759, a grab sample of M-Vein trench "push", not in place, returned a value of 48.6 g/t Au with 38.1 g/t Ag, >1.0% As, 324 ppm Cd, 0.437% Pb, 364 ppm Sb and 1.325% Zn. A separate grab sample of quartz vein trench push, sample #22790, returned 1.51 g/t Au with 16.9 g/t Ag, 0.423% As, 1.14% Pb and 0.471% Sb.

1,000-gram Sample Re-analysis

Of the ten samples re-analyzed by MSFA as 1,000-gram samples, six were of chip samples initially returning elevated gold values, two were from grab samples of trenched material, and two were of the samples from the M Vein. Of the six trenched samples, the three aforementioned contiguous samples, #22533 through #22535, returned values of 0.69, 1.13 and 0.86 g/t Au respectively, for a combined value of 0.89 g/t Au across 6.0m (Table 4, Appendix 3c). Although the MSFA value for the higher-grade sample was lower than the initial value, those of the other two rose significantly. The ratios of plus: minus fraction grades ranged from 52 to 87, indicating a very strong nugget effect (Table 5). Results from the other three trench chip samples decreased or remained fairly constant, although initial values were too low to suggest economic viability. MSFA re-analysis of grab sample #22780, originally returning 17.95 g/t Au returned 7.72 g/t Au, showing an initial value: total MSFA value of 0.43 (Table 4), again with a very high plus: minus fraction ratio of 43 (Table 5).

MSFA re-analysis of both samples, #22789 and #22790 from the M Vein returned higher gold values than initial results, increasing from 48.6 to 64.3 g/t Au and from 1.51 to 2.12 g/t Au respectively. The initial value: MSFA value ratios stand at 1.32 and 1.34 respectively (Table 4). The plus: minus fraction gold ratios for these two samples are also very high, at 80 and 38 respectively (Table 5).

Other MSFA Analysis

Two other trench chip samples and two grab samples initially returning background gold values also did so in both the plus and minus fractions from MSFA analysis. However, Sample #22782, initially grading 803 g/t Au, returned a value of 590 g/t Au, with a plus: minus fraction ratio of 292. Sample #22784, initially grading 15.6 g/t Au, returned 16.7 g/t Au from MSFA analysis, with a plus: minus fraction ratio of 67. Sample 22785, initially returning a value of 0.14 g/t Au, returned a value of 0.12 g/t Au from MSFA analysis, with a plus: minus fraction ratio of 2.8 (Appendix 3d). The analytical methods for these samples were identical to those undergoing 1,000-gram MSFA analysis (Section 9.2.2) with the exception of somewhat smaller initial sample weights.

Samples from September Field Visit

The seven samples taken during the field visit by this author, Carl Schulze, of the series commencing with Sample No #E5668674, are essentially due-diligence samples of those from the main 2016 program by Mr. LaPeare, commencing with Sample No. #22526. Grab and composite grab sampling by Mr. Schulze of three samples of trench "push" at the M-Zone returned values ranging from 9.45 g/t Au with 89.5 g/t Ag, 0.666% As, 30.8 ppm Cd, 5.11% Pb, >1.0% Sb and 971 ppm Zn; to 420 g/t Au with 65.8 Ag, >1.0% As, 107.5 ppm Cd, 1.06% Pb, 0.415% Sb and 0.408% Zn (Appendix 3a). All samples confirmed the presence of high grade gold at the M-Zone, although base and pathfinder metal values do not necessarily vary proportionately with gold.

Figure 11: Sample E5668674, M-Zone. 420 g/t Au, 65.8 g/t Ag

The site of sample #22782, taken during the main field program and returning a value of 803 g/t Au, was re-sampled by Mr. Schulze as Sample #E5668678, a 1.8-metre chip sample, which returned a value of 122.5 g/t Au with 12.7 g/t Ag, 1,450 ppm As, 1,890 ppm Pb, 22 ppm Sb and 389 ppm Zn. The sample contained 2-3% centimetre-scale quartz +/- visible gold and galena fragments within strongly limonitic, weakly clay-altered, moderately decrepitated granodiorite bedrock. A composite grab sample of strongly limonitic, weakly silicified and clay-altered bedrock with 4-5% quartz fragments returned 1.3 g/t Au with 0.9 g/t Ag, 2,670 ppm As, 1,050 ppm Pb, 8 ppm Sb and 253 ppm Zn. This sample was taken to test gold content in altered wallrock, although results are inconclusive due to the presence of some quartz fragments. The base metal and pathfinder element geochemistry is distinct from that of the M Zone. However, these results confirm the presence of high grade gold at this site of the Kenyon Creek headwaters.

The only sample that is not considered as a due-diligence sample is Sample #E5668677, of scoroditic quartz vein material in Trench 2. This was taken to test for gold within sparse vein float within the trench. The sample returned a value of 49.3 g/t Au, 35.9 g/t Ag, 2,270 ppm (0.227%) As, 4,360 ppm (0.436%) Pb and 986 ppm Sb.

Figure 12: Site of Sample E5668678, quartz diorite. 122.5 g/t Au across 1.8m

A sample of scoroditic quartz vein float in Trench 2 returned a value of 49.3 g/t Au with 35.9 g/t Ag, 0.436% Pb and 986 ppm Sb, with anomalous As and Zn values. This is located between the Kenyon Creek placer and the M Zone.

Figure 13: Sample 5668677, Trench 2. 49.3 g/t Au, 35.9 g/t Ag.

Drilling

No drilling programs took place during 2016, or at any other time by Provenance Gold Corp.

Sampling, Analysis and Data Verification

Sampling during Field Program

During the main 2016 field program a total of 70 chip samples and 15 grab samples were obtained by Mr. Brett LaPeare, Project Manager of the 2K Gold Property. All chip samples were taken utilizing an Estwing rock hammer as 2.0-metre linear samples 5 cm wide by 5 cm deep. The average sample weight was roughly 4 kg. Samples were placed in clear 12” by 20” plastic bags with a sample tag having a unique number placed in the bag and written in indelible ink on the outside of the bag. The sample bag was then wrapped tightly and bound using flagging tape and/or duct tape.

All sample locations were recorded by Global Positioning System (GPS) utilizing Universal Transverse Mercator (UTM) 1983 North American Datum (NAD-83) at the midpoint of the sample. In Trenches 1a and 1b the sample locations were marked using wooden pickets spray-painted orange and then wrapped with blue flagging, with the sample number written on the flagging tape. Samples from Trenches 2 and 3 were marked similarly but utilizing a large cobble instead of a picket. Notes on sample type, UTM locations, including elevation, and any distinguishing features were recorded in a field book, then transferred to an Excel spreadsheet, where they were matched with analytical results (Appendices 2 and 3).

Note: In Trenches 1a and 1b, sampling consisted of one contiguous chip separated into 2.0-metre intervals. However, in Trenches 2 and 3, the centres of the 2.0-metre samples were spaced 10 metres apart, resulting in an 8-metre spacing between samples.

All sampling was done under the visual supervision of Mr. LaPeare, with samples transported by all-terrain vehicle (ATV) back to camp in a secure plastic box, and stored at his accommodations at camp. At the close of the program, the samples were placed in rice bags and sealed with flagging tape. Mr. LaPeare accompanied the samples during the demobilization flight to Dawson City, Yukon. The samples remained overnight on a pallet in the hangar of Great River Air Services. Mr. LaPeare can confirm no tampering took place. He then drove the rice bags to Whitehorse and personally submitted these to personnel at the Whitehorse preparatory facility of ALS Minerals Ltd. There, a ‘Sample Chain of Custody’ Form was completed and signed by both Mr. LaPeare and a representative of ALS.

At the prep facility, all rock samples underwent crushing so that a minimum of 90% of the sample size was passed through a 2.0mm screen. The resulting material was then thoroughly mixed, and a 250-gram portion of this underwent pulverization ensuring that a minimum of 95% of material was less than 106 microns in length. These pulp samples were then shipped to the ALS analytical laboratory in North Vancouver, British Columbia. ALS Minerals is an analytical laboratory with ISO 9001:2008 certification**.** Here, a 50-gram sample of each pulp underwent analysis by 35-element ICP-AES and gold by 50-gram fire assay with gravimetric finish.

During ICP analysis, a 0.5g sample within 10 ml of solution was submitted for analysis. All samples were analyzed by 35-element ICP to test for abundances of Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, Hg, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W, and Zn. Three samples returning values exceeding 10,000 ppm (1.0%) Pb were reanalyzed by “Ore Grade, Aqua Regia” to determine percentage values of lead.

Sampling during September Field Visit

All rock geochemical sampling was subject to rigorous parameters, including detailed descriptions of each sample. Rock samples were obtained using an Estwing rock hammer, and located in the field using a non-differential Global Positioning System (GPS) instrument. Samples were placed in plastic bags designed specifically for rock sampling. A tag with the unique sample number, supplied by ALS Minerals, was placed in the bag; the sample number was written on both sides of the bag using “Magic Markers” and the sample bag was sealed with a “Zap Strap” cable tie. The sample numbers were also written on flagging tape marking the sample locations in the field. All samples were photographed prior to placement in the bag, some accompanied by a photograph of the sample site.

Rock samples were recorded as to location (UTM - NAD 83), sample type (grab, composite grab, chip, etc.), exposure type (outcrop, rubblecrop, float, etc.), formation, lithology, modifier (for textural or structural descriptions), colour, degrees of carbonate presence and silicification, other alteration if applicable, mineralization including estimated amounts, date, sampler and comments (Appendix 3). Minimum sample weight was 0.5 kg, although samples tend to be larger than this. Care was taken during rock sampling to obtain as representative a sample as possible, including a comprehensive description of sample types. Chip samples are most representative of true grades, followed by composite grabs, then by single-piece grab samples.

These samples were placed in a rice bag, also sealed with a cable tie, and personally transported and handed to the Whitehorse preparatory facility of ALS Minerals by this author. At the prep facility, all rock samples underwent crushing so that a minimum of 90% of the sample size was passed through a 2.0mm screen. The resulting material was then thoroughly mixed, and a 250-gram portion of this underwent pulverization ensuring that a minimum of 95% of material was less than 106 microns in length. These pulp samples were then shipped to the ALS analytical laboratory in North Vancouver, British Columbia. ALS Minerals is an analytical laboratory with minimum ISO 9001:2000 certification**.** Here, a 50-gram sample of each pulp underwent analysis by 35-element ICP-AES and gold by 50-gram fire assay with gravimetric finish.

During ICP analysis, a 0.5g sample within 10 ml of solution was submitted for analysis. All samples were also analyzed by 35-element ICP to test for abundances of Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, Hg, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W, and Zn. Three samples returning values exceeding 10,000 ppm (1.0%) Pb were reanalyzed by “Ore Grade, Aqua Regia” to determine percentage values of lead.

Field data were entered into Microsoft Excel spreadsheet format, and later matched with analytical results. This process was continually re-checked to ensure the correct results are associated with the particular descriptions.

Data Verification

Quality Control Procedures by ALS Minerals

Due to the fairly limited sampling during these programs, no standards or blank samples were inserted into the data stream by the operators.

ALS Minerals (ALS) provides comprehensive in-house quality-control (QC) of analysis, using numerous blanks to test for any potential contamination, confirming that no detectable contamination has occurred. ALS also conducts repeated in-house standard sampling for all 35 elements involved in ICP-AES analysis, for gold by Fire Assay, and for "Ore grade" Pb, Zn and Ag by Aqua Regia digestion to determine accuracy of these analytical techniques. ALS also performs duplicate analysis for gold by fire assay of the 35-element package by ICP-AES and for "Ore grade" Pb, Zn and Ag by Aqua Regia digestion. The following sections describe QC results for each sample submission.

Quality Control (QC) of Batch WH16141567

This is the main batch of 85 samples obtained and submitted to ALS Minerals by Mr. LaPeare on Aug 25, 2016, and includes initial values for samples subsequently re-analyzed by 1,000-gram Metallic Screen Fire Assay (MSFA). ALS provided a total of 6 gold standards, 4 35-element ICP standards (ME-ICP41) and 4 Ore Grade standards for Ag, Pb and Zn. ALS also inserted three blank samples into the 35-element ICP stream and two into the 50-gram gold Fire Assay stream. Also, ALS conducted 3 duplicate analyses for Au, 3 for 35-element ICP-AES and one "Prep Duplicate".

Analysis by 50-gram Au by Fire Assay with Gravimetric Finish (Au-GRA22) of four separate gold standards with known mean values ranging from 2.17 g/t to 30.3 g/t Au all returned values within their target ranges, varying from 0.9% to 2.1% from the respective means (Appendix 4a). These results indicate a high degree of accuracy of analysis for moderate to high grade samples. However, re-analysis of the other two gold standards, analyzed by "Ore Grade Au Cyanide AA, 1,000g" (Au-AA14) provided unsatisfactory results. One returned a value of 0.86 g/t Au, 75.5% higher than the known mean value of 0.49 g/t Au and well outside of the target range, with the high variability possibly partially influenced by greater inherent error at lower gold contents. The other returned a value of 21.3 g/t Au, 18.2% above its known mean value and outside of its target range.

All four standard samples analyzed by 35-element ICP-AES returned values for all elements within their respective target ranges, although one value for Sb and one for S were at or near their respective upper limits. These indicate satisfactory to high levels of accuracy of analysis. Two of these underwent dual analyses, further supporting high levels of accuracy by ICP-AES analysis.

All four Ag standards analyzed by Ore Grade Ag – Aqua Regia (Ag-OG46) returned values from 0.2% to 4.2% of known mean values, and all within their target ranges. Known mean values ranged from 24 g/t to 492 g/t Ag, indicating high levels of accuracy for medium to high grade silver values. Analysis of Pb standards by PB-OG46 returned values from 0.0 to 1.5% of known values, ranging from 0.262% to 2.15% Pb, and all within their respective target ranges. Analysis of Zn standards by ZN-OG46 returned values from 1.1% to 2.0% of known mean values, which ranged from 0.254 to 5.17% Zn. This shows results of Ore Grade Analysis for Ag, Pb and Zn by aqua regia digestion to have a high degree of reliability.

All blank samples, including those analyzed by Au-GRA22, Au-AA14, and ME-OG46 returned sub-detection values, indicating a process essentially free of contamination.

Two of the samples chosen for duplicate gold analysis by Au-GRA22 had initial sub-detection (<0.05 g/t) Au values, with duplicate analysis returning the same values. The third, Sample #22783, had an initial value of 47.5 g/t Au and a duplicate value of 53.3 g/t, a variance of 12.2% which is just outside the target range. Duplicate ICP-AES analysis of three samples returned values for all elements within respective target ranges, although none returned elevated initial values for Ag, Pb or Zn.

A "Prep Duplicate", taken once per roughly 50 samples, is a sample preparation duplicate of the coarse crushed material. This undergoes the same post-crushing preparatory and analytical process as the main sample stream. The prep duplicate of Sample #22576, with an initial background Au value, returned a value of 0.22 g/t Au. Duplicate values for the suite of elements analyzed by 35-element ICP-AES returned values similar to original values, except for As (duplicate value of 50 ppm vs. 31 ppm), Pb (duplicate value of 24 ppm vs. 5 ppm) and Sb (duplicate value of 5 ppm vs <2 ppm).

Quality Control (QC) of Batch WH16163440

This is the batch of 10 samples selected from the 85-sample batch (Batch WH16141567) originally assayed for gold by 50-gram fire assay (Au-GRA22). These 10 samples were each re-analyzed as a 1,000-gram sample by Metallic Screen Fire Assay (MSFA). Two different gold standards and one blank sample were placed in the sample stream. Also, three samples underwent duplicate analysis for gold.

The standards were analyzed by "Ore Grade Au 30g Fire Assay with Atomic Absorption finish" (Au-AA25). The standards returned values differing from the known target mean by 0.6% and 4.1% respectively, well within their target ranges (Appendix 4b). Duplicate analysis of these produced identical Au values, indicating a high level of analytical accuracy. The blank sample returned background values, indicating no significant contamination. Duplicate analysis for two of the three samples showed good repeatability, within the target ranges. However, a sample of high grade material grading ">100 g/t" returned the same duplicate value; this is a meaningless result.

Quality Control (QC) of Batch WH16149058

This batch of 7 samples selected from the main 85-sample batch (Batch WH16141567) was analyzed by the same methodology as Batch WH16163440, although the sample weights for re-analysis were slightly less. Three different gold standards and one blank sample were inserted into the sample stream. Also, three samples underwent duplicate analysis.

The three standard samples returned values varying from 0.0% to 2.4% of their known mean values, and identical values from duplicate analysis, indicating a very high degree of accuracy. The blank sample returned background values, indicating no significant contamination. Duplicate analysis of two samples returned values differing from known means by 0.0% and 2.1% respectively, although the former had a background gold value. The third, with an original value of 0.09 g/t Au, returned a duplicate value 22% higher, at 0.11 g/t. This degree of variability may be expected at such low initial gold values.

Quality Control (QC) of Batch WH16165893

This is the sample batch taken by this author, Carl Schulze, for due-diligence purposes. Two standards were inserted into the sample stream for each of Au-GRA22 analysis, 35-element ICP analysis and PB-OG46 analysis. One blank was inserted, and one duplicate analysis was done for each of Au-GRA22 and 35-element ICP-AES analysis.

Analysis of two separate gold standards with mean known values of 6.66 g/t and 30.3 g/t provided values within 1.8% and 0.0% of these respectively, indicating a high degree of accuracy. Analysis of standard samples by 35-element ICP-AES returned values within the target range for all elements, with the exception of Sb in one of these, which returned a value of 10 ppm compared to a target range of <2 to 8 ppm. However, one of these included initial and duplicate Ag values of ">100 ppm Ag", rendering quantification of these results impossible.

Comparison of Field Program Results

The 1,000-g re-analysis of 10 trench samples by Metallic Screen Fire Assay (MSFA) and the MSFA analysis of a separate batch of 7 samples may be considered forms of data verification.

The 1,000-gram re-assaying program was designed to mitigate the coarse gold "nugget" effect suspected to occur during initial analytical procedures. The coarse gold effect is indicated by a skewing of analytical results either significantly higher or significantly lower than true gold content of the sample material, depending on whether the 50-gram pulp to be analyzed is relatively enriched or depleted in coarse gold fragments, or "nuggets". Analysis of a much larger sample amount (1,000g vs. 50g) provides a much more reliable result, although still unlikely to be truly representative of actual gold grades. In many cases during this program, values returned from MSFA analysis differed significantly from initial values.

Table 4 provides a comparison of initial versus MSFA gold values.

Table 4: Comparison of Initial vs. MSFA Values, 2K Gold Property

Sample ID	Weight (g)	Initial Value (g/t Au)	MSFA Value (g/t Au)	Ratio MSFA:Initial
22533	997.98	2.67	0.69	0.26
22534	988.10	0.08	1.13	14.13
22535	1025.51	0.06	0.86	14.33
22539	1007.19	0.19	0.12	0.63
22567	992.26	0.26	0.07	0.27
22579	863.68	0.06	0.07	1.17
22776	1009.67	0.18	<0.05	Not calculable
22780	992.36	17.95	7.72	0.43
22789	984.91	48.6	64.3	1.32
22790	983.85	1.51	2.02	1.34

NB: MSFA value is for combined plus (+) and minus (-) fractions.

The results indicate a strong coarse gold effect for most of the reanalyzed samples. Samples #22533 through #22535 are continuous chip samples from Trench 1a which show a tendency towards uniformity from MSFA analysis (see Section 9.2.2), and indicating the effect of both relative enrichment and depletion of coarse gold particles in the initial 50-gram samples.
Sample #22780, of a narrow auriferous quartz vein, returned a lower, though still fairly high grade gold value from MSFA analysis, confirming the presence of significant gold content.

Samples #22789 and #22790, taken from the M vein, show a moderate and almost equal percentage enrichment of gold upon MSFA re-analysis, despite a large difference in initial values. These were taken from quartz vein boulders with banded sulphides and coarse visible gold from the “M-Zone”. Although results suggest true values are higher than those from a 50-gram fire assay, further analysis may be warranted due to the known coarse gold content.

Table 5 shows the ratio of gold values of the coarse (+) fraction (>2 mm) to the fine (-) fraction (<2.0 mm).

Table 5: Comparison of Coarse and Fine Fractions, MSFA.

Sample ID	Au (+) F, ppm	Au (-) F (ppm)	Ratio of + F: - F
22533	11.35	0.13	87.31
22534	22.5	0.28	80.36
22535	12.45	0.24	51.88
22539	0.24	0.11	2.18
22567	0.28	0.06	4.67
22579	0.15	0.07	2.14
22776	0.3	<.05	Not calculable
22780	167.5	3.93	42.62
22789	1580	18.05	87.53
22790	39.1	1.02	38.33

This comparison confirms that the vast majority of gold occurs as the coarse fraction, indicating that the coarse gold effect is an important issue here. The coarse gold effect is less pronounced for samples with very low total gold values, likely due to the lack of any coarse gold in the sampled material.

Discussion of Quality Control

“Standard” samples test for analytical accuracy; blank samples test for degree of contamination. Duplicate samples also test for analytical accuracy, particularly for the suite of 35 elements analyzed by ICP-AES. Duplicate analysis also tests for the evenness of distribution of an element, particularly gold. For projects having a notable “coarse gold effect”, duplicate Au analysis may return notably different values despite a high degree of accuracy, depending on whether it was relatively enriched or depleted compared to the original value.

The percentage of quality control (QC) samples within the total sample stream is sufficient to determine that an adequate amount of Quality Assurance (QA) and QC samples and procedures were employed by ALS Minerals during this program. Reliability of QA-QC results is enhanced here by the analysis of the four sample batches submitted. Analysis of standards by "Au-GRA22" returned very similar values to known means, indicating a high degree of confidence in this procedure. Analysis of standards by Au-AA14 showed a significant variation from known means, indicating poor confidence in this procedure, and that it should not be employed on this project. Fortunately, only one sample, having an initial background Au value, underwent this analytical procedure in 2016.

Blank sample values indicate the analytical process is free of significant contamination.

Strong repeatability of values through duplicate analysis also supports high confidence in results. The high variability of one sample is more likely to result from the coarse gold effect than unreliable analytical procedures. The 1000-gram MSFA analysis shows the coarse gold effect to be very pronounced, although mitigated somewhat by larger sample size. The coarse gold effect will be a major factor to consider for future exploration programs on the 2K Gold Property.

Mineral Resource and Mineral Reserve Estimates

No mineral processing or metallurgical testing on mineralized material from the 2K Gold Property has been done.

No mineral resource estimates, either historic or in compliance with current standards of the Canadian Institute of Mining, Metallurgy and Petroleum have been made.

Exploration, Development, and Production

Recommendations

A two-phased exploration program is recommended for the 2017 field season at the 2K Gold Property. The first phase will consist of surface exploration comprised of detailed geological mapping, grid soil sampling, geophysical surveying and rock sampling. The results of this will be used to determine targets and collar locations for a Phase 2 program of diamond drilling.

Although detailed geological mapping is recommended for the entire property, the main areas of focus is the headwaters area of Kenyon Creek extending eastwards (uphill) to the M-Zone area. Although outcrop is sparse, mapping of rubblecrop, felsenmeer and roadcuts exposing decrepitated bedrock should still yield information on alteration (if any), variations in vein density, etc. The other area of interest is the exposed placer workings along Kate and Great Bear creeks, focusing on any areas of shearing, alteration, etc., to determine the sources of "spikes" in placer gold content. Intensive rock sampling, including rock chip sampling, should be done across prospective areas.

Grid soil sampling is recommended to cover the Kenyon Creek headwaters, also extending eastward to cover the M Zone area. Grid lines should be oriented NNE – SSW, at right angles to the NNW-SSE trending lineation. The grid should have a 100-metre line spacing and 50-metre station spacing.

"Ridge and spur" soil lines, also with a 50-metre station spacing, are recommended for the northeast-trending ridgelines between streams draining the eastern flank of the Moosehorn

Range. Additional lines are recommended for the northwest flanks of Kate and Great Bear creeks as well.

The Phase 1 activities, with an estimated 37-day duration, are recommended to commence in late May. Results from this will lead to identification of diamond drill targets, provisionally focusing on the Kenyon Creek area, with at least one hole targeting the M Zone. A diamond drilling program of 1,500m in 15 sites is recommended, utilizing HQ or NTW sized core, commencing by early August. Other targets may be drill-tested depending on Phase 1 results.

The following Phase 2 recommended budget is based on a single drill with two shifts per day, with the ability to access drill sites by road or trail, including new access construction. Some accommodation and transportation facilities are available at the placer camp site; however, some additional camping gear may need to be flown in. Phase 1 expenditures, including permitting and report writing, are projected at approximately **$236,000**; with a roughly 10% contingency this figure stands at **$260,000**. Phase 2 expenditures, including report writing, stand at approximately **$765,000;** with a roughly 10% contingency, this figure stands at **$840,000**. The total figure for both phases is **$1,100,000**.

Recommended Budget, Phase 1

Permitting: 12 days @ $600/day:		$ 7,200
Personnel: Project Geologist: 31 days @ $600/day:		$ 28,200
Field Geologist: 37 days @ $500/day:		$ 18,500
Field Technicians: 37 days @ $350 for two technicians:		$ 25,900
Geochemical Samples, Rocks: 324 @ $51.10/sample:		$ 16,556
Geochemical Samples, Soils: 1,620 @ $43.50/soil:		$ 70,470
Fixed Wing air service:		$ 7,700
Expediting:		$ 6,400
Mileage (geology, technician crew): $1,160 km @ $0.62/km:		$ 719
Room and Board (supplied at camp): 143 person/days @ $125/day:		$ 17,875
Other accommodations:		$ 1,600
Truck rental (camp): 35 days @ $200/day:		$ 7,000
ATV rental (camp): 35 days @ $200/day:		$ 7,000
Generator rental: 35 days @ $75/day:		$ 2,625
Satellite Telephone rental: 33 days @ $20/day:		$ 660
Hand-held radios: 33 days @ $30/day:		$ 990
Fuel (for truck, ATV on site):		$ 660
Field supplies:		$ 1,200
Documents, supplies:		$ 1,200
	Field Total:	**$222,455**
Digitization, GIS, map production:		$ 3,000
Data compilation, report writing:		$ 10,500
	Program total:	**$235,955**
	Contingency:	$ 24,045
	Phase 1 Total:	**$260,000**

Recommended Budget, Phase 2: Drilling

Personnel: Project Geologist: 51 days @ $600/day:	$ 30,600
Personnel: Geological Technicians: 43 days @ $350/day x 2:	$ 30,100
Personnel: Cook: 43 days @ $500/day:	$ 21,500
Pad Building: Personnel: 108 person-days @ $400/day:	$ 43,200
Drill road building:	$ 21,000
Drilling: 1,500m @$200/m, all-in, except equipment rental:	$300,000
Drilling: Mobe and De-mob (excludes fixed wing access):	$ 11,000
Drill equipment rental:	$ 1,550
Fixed wing support:	$ 61,600
Pad building supplies:	$ 6,000
Down-hole testing:	$ 1,000
Drill survey tool rental:	$ 2,000
Core sampling:	$ 50,490
MSFA analysis:	$ 560
Sample “standards”:	$ 275
Room and Board (supplied at camp): 385 person/days @ $125/day:	$ 48,125
Other accommodations:	$ 2,600
Groceries: 389 person-days @ $50/day:	$ 19,450
Rental, 4 x 4 pickup trucks: 66 rental-days @ $200/day:	$ 13,200
Rental, ATVs: 66 rental-days @ $200/day:	$ 13,200
Rental, 5-ton truck: 80 hours @ $150/hr:	$ 12,000
Expediting:	$ 11,200
Drilling fuel, including pump:	$ 23,250
Gasoline (trucks, ATVs):	$ 1,830
Gear purchase (rock saws, camp supplies):	$ 6,000
Generator rental: 39 days @ $75/day:	$ 2,925
Mileage: 2,320 km @ $0.62/km:	$ 1,438
Camp gear rental: 39 days @ $50/day:	$ 1,950
Satellite dish rental:	$ 4,000
Camp office supplies:	$ 1,250
Field supplies (including expendables):	$ 1,500
Hand-held radios:	$ 820
Core boxes:	$ 5,925
Field Total:	**$751,538**
Digitization, GIS, map production:	$ 3,300
Data compilation, report writing:	$ 10,100
Project Total:	**$764,938**
Contingency:	$ 75,062
Phase 2 Total:	**$840,000**
Phase 1 and 2 total:	**$1,100,000**

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FUNDS AVAILABLE AND USE OF AVAILABLE RESOURCES

This is a non-offering Prospectus. The Corporation is not raising any funds in conjunction with this Prospectus, and accordingly there are no distributions of securities or resulting offering proceeds.

The Corporation's estimated working capital as at March 31, 2017 was approximately $150,000. The Corporation may however, raise additional capital in the future in order to accelerate its growth and to pursue available business opportunities.

The Corporation is in the process of securing additional funds to meet working capital requirements, ongoing property initiatives and commitments to meet its 2017 business objectives. Concurrently, upon the Corporation's listing on the CSE, the Corporation intends to complete a non-brokered private placement financing of units raising gross proceeds of up to $210,000. The price per unit has yet to be finalized but will be at a price equal to or greater than $0.10 per unit. Each Unit will comprise one Common Share and one-half (1/2) of one share purchase warrant. Each whole share purchase warrant shall entitle the holder to acquire one additional Common Share at a price to be determined for a two year period.

The estimated funds available to the Corporation for the next 12 months of operations and the expected principal purposes for which such funds will be used are described below:

Funds Available	
Estimated working capital as of March 31, 2017	$150,000
Net Funds Available (unaudited)	**$150,000**

The estimated net funds available are intended to be used as follows:

Principal Purpose	
Estimated expenses of application for Exchange listing	$20,000
Fixed general & administrative expenses	$80,000
Property payments under the Option Agreement	$50,000
Total:	**$150,000**

The Corporation also intends to complete the following field program in connection with the Property within the next 12 months:

2017 Field Program[1] on the Property; comprising of geological mapping, soil sampling, geophysical surveying, analyzing of data, assaying, permitting and diamond drilling.			
May, 2017	Permitting and fees associated with a small staking program on the property in addition to deposits on machinery and supplies	$50,000	
June, 2017	Phase one costs (mapping, limited trenching and soil sampling)	$100,000	
July, 2017	Phase one costs (mapping, limited trenching and soil sampling)	$100,000	
August, 2017	Phase two costs (drilling)	$500,000	
September, 2017	Phase two costs (drilling)	$250,000	
Total for 2017 Field Program			$1,000,000[2]
Working capital: administrative expenses, legal fees, accounting, and reports through 2017			$250,000
Total			**$1,250,000**

[1] The Corporation must raise additional capital to carry out its 2017 field program. Please see Risk Factor: "Insufficient Capital"
[2] As at the date of the Prospectus, the Corporation has paid approximately $100,000 in expenditures in connection with its 2017 field program.

Business Objectives and Milestones

Business Objectives

The principal business of the Corporation is the exploration, evaluation and development of the Property. The Corporation has recently retained Aurora Geosciences to complete a Class 3 Quartz Mining Land Use Permit Application with the Government of the Yukon in respect of the Property. The Corporation has planned an aggressive soil geochemistry survey and subsequent drilling and exploration program on the Property commencing in the spring of 2017.

In the twelve (12) months following the date of this Prospectus, the Corporation expects to:

a) complete a surface exploration program on the Property, consisting of detailed geological mapping, grid soil sampling, geophysical surveying and rock sampling;

b) continue to analyze and evaluate existing and new data on the Property to determine targets for a proposed diamond drilling program;
c) raise additional working capital to complete a diamond drilling program on the Property;

d) receive a quartz mining land use permit from the Government of the Yukon in respect of the Property; and

e) commence a diamond drilling program on the Property.

Milestones

The principal milestones that must occur during the twelve (12) months following the date of this Prospectus for the business objectives described above to be accomplished are as follows:

a) raise additional working capital to allow for completion of diamond drilling program on the Property; and

b) retain a third-party contractor to coordinate completion of drilling activities on the Property.

Total Funds Available

The working capital position of the Corporation as at March 31, 2017, was approximately $150,000. This figure includes approximately $75,000 of working capital received by the Corporation in connection with the acquisition of Subco pursuant to the Purchase Agreement.

The Corporation has historically relied upon equity financings to satisfy its capital requirements and will continue to depend upon equity capital to finance its activities moving forward. The Corporation will continue to fund exploration and development work on the Property through its existing working capital, but will require additional financing in order to complete the recommend work program set forth in the Technical Report.

Purpose of Funds

In the twelve (12) months following the date of this Prospectus, the Corporation intends to spend the funds available to it for the principal purpose of advancing the development of the Property, satisfying its obligations owing under the Option Agreement and for general corporate purposes. Notwithstanding the foregoing, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Corporation to achieve its objectives. The Corporation may also require additional funds in order to fulfill its expenditure requirements to meet existing and any new business objectives and expects to either issue additional securities or incur debt to do so. There can be no assurance that additional funding required by the Corporation will be available if required.

The actual amount that the Corporation spends in connection with each of the intended uses of proceeds may vary significantly from the amounts specified above, and will depend on a number of factors, including those listed under the heading “Risk Factors”.

DIVIDENDS OR DISTRIBUTIONS

The future payment of dividends will be dependent upon the financial requirements of the Corporation to fund further growth, the financial condition of the Corporation and other factors which the Corporation's Board of Directors may consider in the circumstances. It is not contemplated that any dividends will be paid in the immediate or foreseeable future if at all.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management discussion and analysis ("MD&A") for the year ended December 31, 2016 attached to this Prospectus as Schedule "B" should be read in conjunction with the historical financial statements of the Corporation and the related notes thereto included in this Prospectus. This discussion is current as at the date of this Prospectus. The financial statements of the Corporation and the financial information contained in this MD&A were prepared in accordance with IFRS for the years ended December 31, 2016, 2015 and 2014. All amounts in this discussion are expressed in Canadian dollars unless otherwise identified.

The MD&A contains forward-looking statements that involve numerous risks and uncertainties. Actual results of the Corporation could differ materially from those discussed in such forward-looking statements as a result of these risks and uncertainties, including those set forth in this Prospectus under "*Cautionary Statement Regarding Forward-Looking Information*" and under "*Risk Factors*".

DESCRIPTION OF THE SECURITIES

The following is a summary of the more significant rights, privileges and restrictions attaching to the securities of the Corporation. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of shareholders of the Corporation. Full details of the rights attaching to the securities of the Corporation are set out in the Corporation's articles, a copy of which is available under the Corporation's profile on SEDAR at www.sedar.com.

The Corporation is authorized to issue an unlimited number of Common Shares without par value. As at the date of this Prospectus, there are 24,861,431 Common Shares issued and outstanding as fully paid and non-assessable shares. A further 16,250,000 Common Shares have been reserved and allotted for issuance upon the due and proper exercise of the Corporation's outstanding share purchase warrants.

There are no pre-emptive rights, no conversion or exchange rights, no redemption, retraction, purchase for cancellation or surrender provisions. There are no sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring a security holder to contribute additional capital.

CONSOLIDATED CAPITALIZATION

As of the date of this Prospectus, the outstanding capital of the Corporation consists of:

a) 24,861,431 Common Shares;
b) 12,000,000 share purchase warrants exercisable at $0.10 until April 8, 2018;
c) 3,500,000 share purchase warrants exercisable at $0.15 until October 19, 2018; and
d) 750,000 share purchase warrants exercisable at $0.15 until January 31, 2019.

PRIOR SALES

The following tables set forth the issuances of Common Shares of the Corporation within the last twelve (12) months before the date of this Prospectus.

Date Issued	Number of Common Shares	Issue Price per Share ($)	Aggregate Issue Price ($)	Nature of Consideration
January 31, 2017	750,000(1)	$0.10	$75,000	Cash
January 16, 2017	11,000,000(2)	$0.10	$1,100,000	Acquisition of Subco

Notes:

(1) These Common Shares were issued in connection with an offering of units conducted by the Corporation.

(2) These Common Shares were issued as partial consideration for all of the outstanding share capital of Subco.

TRADING PRICE AND VOLUME

The Corporation's securities are not traded or quoted on a Canadian or foreign marketplace.

SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As of the date of this Prospectus, none of the Corporation's securities are subject to contractual restrictions on transfer however, CSE policies provide that all securities issued to Related Persons (as defined by in the policies of the CSE) are required to be subject to an escrow agreement pursuant to National Policy 46-201 prior to Listing, and that the CSE may impose escrow arrangements that are in addition to those required by National Policy 46-201, or consider different proposals such as an "earn-out" escrow, on a case-by-case basis..

Upon the listing of its shares on the CSE, an aggregate of 6,500,000 Common Shares will be held in escrow as required by CSE Policy 2 – *Qualifications for Listing*.

Such escrowed shares are subject to the release schedule set out in the form of escrow required by CSE pursuant to National Policy 46-201. Ten (10%) percent of the escrowed shares are to be released upon the date of listing on the CSE and an additional 15% are to be released every 6 months thereafter until all the escrowed shares have been released (36) months following the date of listing on the CSE.

The escrow agreement that will be entered into provides that the escrowed shares are held in escrow pursuant to its terms and the beneficial ownership thereof may not be sold, assigned, hypothecated, or transferred within escrow or otherwise dealt with in any manner without the prior written consent of the CSE. In the event of the bankruptcy of an escrow shareholder, provided the CSE does not object, the escrowed shares held by such escrow shareholder may be transferred to the trustees in the bankruptcy or such person legally entitled to the escrowed shares which shares will remain in escrow subject to the escrow agreement. In the event of the death of an escrow shareholder, provided the CSE does not object, the escrowed shares held by the escrow shareholder will be released from escrow.

Designation of Class	**Number of securities to be held in escrow or that are subject to a contractual restriction on transfer upon the listing of Corporation's shares on the CSE**(1)	**Percentage of Class**(2)
Common Shares	6,500,000	26.1%

(1) TSX Trust Company is the depository for these shares.
(2) Based on 24,861,431 issued and outstanding Common Shares.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Corporation, no Persons beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holdings

The following table sets out the name, state/province and country of residence, position or offices
held with the Corporation, date appointed, principal occupation, number and percentage of voting securities of the Corporation that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as at the date of this Prospectus:

Name, Municipality of Residence and Position Held	**Principal Occupation for Past Five Years**	**Position Held Since**(1)	**Number and Percentage**(2) **of Common Shares Beneficially Owned or Controlled**
Rauno Perttu Silverton, Oregon	Professional Geologist	January 16,	1,875,000 7.5%

Chairman, Chief Executive Officer and Director		2017	
Robert Clark[3] Victoria, British Columbia President, Chief Financial Officer and Director	Venture Capital Financier; President of RBM Financial Inc.	January 16, 2017	1,875,000 7.5%
Thomas Martin[3] Victoria, British Columbia Independent Director	Venture Capital Financier; Independent Business Owner	January 16, 2017	1,875,000 7.5%
Thomas L. Crom III[3] Star Valley, Arizona Independent Director	Professional Accountant; President of Eureka Ventures	January 16, 2017	875,000 3.5%

Note:

(1) The term of office of each director of the Corporation will expire at the next annual general meeting of the shareholders of the Corporation.

(2) Percentages shown are based on 24,861,431 issued and outstanding Common Shares.

(3) Members of Audit Committee.

As at the date of this Prospectus, the directors and officers of the Corporation as a group beneficially own, directly or indirectly, an aggregate of 6,500,000 Common Shares, representing 26.1% of the issued and outstanding Common Shares of the Corporation on a non-diluted basis.

Management – Directors and Officers of the Corporation

Below is a brief description of each Director and member of management of the Corporation, including their names, ages, positions, and responsibilities with the Corporation, relevant educational background, principal occupations or employment during the five years preceding the date of this Prospectus and experience in the Corporation's industry. As of the date of this Prospectus and other than as set out below, the Corporation has not entered into any other management, consulting or employment agreements with any of its management team. Except as described below, none of the persons on the management team have entered into either a non-competition or non-disclosure agreement with the Corporation.

Rauno Perttu – Chairman, Chief Executive Officer and Director: Mr. Perttu is a registered professional geologist whose experience spans more than 40 years covering all aspects of mineral development throughout North, Central and South America, and Australia. He has worked for and with large and small companies involved with gold, uranium and coal projects. Mr. Perttu has participated in all phases of project development from initial concept through exploration, feasibility, development and operations at senior management levels. He holds B.A. and MSc degrees in geology and is a registered engineering geologist in Oregon.

Robert Clark – President, Chief Financial Officer and Director: Mr. Clark is a driven entrepreneur and venture capitalist who has been the President of RBM Financial Inc. for the past twenty years. Mr. Clark has extensive experience within both the private equity markets, and domestic and international equity markets, having been a part of numerous transactions including mergers, acquisitions, company buyouts and corporate restructuring. Because of his past successes in selecting and selling critical mining properties and his experience with joint ventures, he brings valuable expertise and insight to the Corporation. The British Columbia Institute of Technology (BCIT) provided Mr. Clark with the valuable tools needed to implement his entrepreneurial vision.

Thomas Martin – Independent Director: Mr. Martin has been an athlete all his life and was awarded a full ride scholarship to the University of Denver where he continued his hockey career. He was a member of the Calder Cup champions, the Sherbrooke Canadians, and was a first team all star in the AHL. He continued his hockey career playing in the National Hockey League (NHL) where he played for Winnipeg, Hartford and Minnesota in addition to playing professionally in Europe. After his hockey career wound down he ventured into business and finance where he has managed and invested in several successful businesses over the years. Mr. Martin has also utilized his sports and media ties domestically and internationally to raise substantial capital for both private and public corporate entities. Mr. Martin's solid work ethic and his ability to be a team player are invaluable components for our company. During his downtime he is an avid fisherman and golfer.

Thomas L. Crom III – Independent Director: Mr. Crom is the President and founder of Eureka Ventures which has for the past 30 years been providing financial services primarily within the natural resource industry on corporate restructuring, debt financing, operational and financial reviews in addition to strategic planning. Mr. Crom has been involved in numerous mining joint ventures, acquisitions, and divestures with small, mid and large cap mining companies both private and public. He received both Certified Professional Accountants (CPA) and Certified Management Accountant (CMA) licenses (both inactive), as well as an undergraduate and master's degree in accounting. When he is not working Mr. Crom has been a leader in the Boy Scouts of America while raising his six children. He brings a wealth of knowledge and experience to the company.

The term of office of the directors expires annually at the time of the Corporation's annual general meeting of shareholders. The term of office of the executive officers expires at the discretion of the Board of Directors.

Cease Trade Orders and Bankruptcies

Other than as disclosed below, to the Corporation's knowledge, no director or executive officer of the Corporation is, as at the date of this Prospectus, or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any person or company, including the Corporation, that:

(i) was subject to (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "**order**") that was issued while the director or executive officer was acting in the capacity of a director, the chief executive officer or the chief financial officer thereof; or

(ii) was subject to an order that was issued after the director or executive officer ceased to be a director, the chief executive officer or the chief financial officer thereof and which resulted from an event that occurred while that person was acting in such capacity.

- Thomas L. Crom III is the CFO and director of Kansai Mining Corporation ("**Kansai**"). On February 2, 2009, while Mr. Crom was the CFO and director of Kansai, Kansai was subject to a cease trade order from the British Columbia Securities Commission (the "**BCSC**") and a cease trade order from the Alberta Securities Commission (the "**ASC**") (on May 12, 2009) for failure to file the required continuous disclosure documents for the financial year ended September 30, 2008. On February 18, 2011 the BCSC, and the ASC (on March 10, 2011) each issued a partial revocation order in connection with the transferring of 29,629,000 common shares of Kansai to Red Rock Resources plc. The cease trade orders remain in effect.
- Thomas L. Crom III is the President, CFO and director of Midwest Oil & Gas Inc. ("**Midwest Oil** & **Gas**"). On May 9, 2016, while Mr. Crom was the he President, CFO and director of Midwest Oil & Gas, the United States of America Securities and Exchange Commission (the "**SEC**") issued an order of suspension of trading for unusual market activity in the company's stock during a promotional campaign. The trading of securities of Midwest Oil & Gas was suspended from May 9, 2016 through May 20, 2016.

To the Corporation's knowledge, no director or executive officer of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation:

(i) is, as at the date of this Prospectus, or has been within the 10 years before the date hereof, a director or executive officer of any person or company, including the Corporation, 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, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(ii) has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

To the Corporation's knowledge and other than as disclosed herein, no director or executive officer of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, has been subject to:

(iii) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(iv) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Corporation also holding positions as directors or officers of other companies. Some of the individuals who are directors and officers of the Corporation have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers of the Corporation will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies provided under Business Corporations Act (British Columbia).

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Board of Directors of the Corporation does not have a compensation committee at this time. Currently, the Board of Directors as a whole is responsible for determining all forms of compensation, including short and long-term incentive compensation in the form of bonuses, to be granted to the officers and the directors, and for reviewing the Chief Executive Officer's recommendations respecting compensation of the other officers of the Corporation. In its review and determination of executive compensation, the Board of Directors strives to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board of Directors considers: i) recruiting and retaining executives critical to the success of the Corporation and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Corporation’s shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general.

Summary Compensation Table

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to each NEO in any capacity, and each Director who is not a NEO, for the financial years ended December 31, 2016 and 2015.

Table of Compensation Excluding Compensation Securities							
Name & position	**Year**	**Salary, Consulting Fee, Retainer or Commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of Perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Richard Grayston(1)	2016	$6,000	Nil	Nil	Nil	Nil	$6,000

Former President, Chief Executive Officer and Director	2015	$6,000	Nil	Nil	Nil	Nil	$6,000
Anita Algie[1] Former Chief Financial Officer and Director	2016	$1,260	Nil	Nil	Nil	Nil	$1,260[2]
	2015	$1,260	Nil	Nil	Nil	Nil	$1,260
Samantha Stewart[1] Former Director	2016	$1,260	Nil	Nil	Nil	Nil	$1,260[2]
	2015	$1,260	Nil	Nil	Nil	Nil	$1,260

(1) Mr. Grayston, Ms. Algie and Ms. Stewart each resigned from their respective positions on January 16, 2017.

(2) Ms. Algie and Ms. Stewart each received a bonus of $1,500 upon their respective resignation on January 16, 2017.

Stock Options and Other Compensation Securities

The Corporation does not have a stock option plan or any other long term incentive plan, and the Corporation does not currently have any outstanding options to purchase its Common Shares. The determination of director and NEO compensation and how and when such compensation is to be determined is subject to the consideration of the Corporation's Board of Directors.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At any time since the beginning of the most recently completed financial year of the Corporation or has within 30 days before the date of this Prospectus, no director, executive officer or other senior officer of the Corporation or person who acted in such capacity in the last financial year of the Corporation is, or has been, indebted to the Corporation.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

The primary purpose of the Audit Committee is to assist the Board of Directors in discharging its oversight and evaluation responsibilities. In particular, the Audit Committee oversees the financial reporting process to ensure the balance, transparency and integrity of our published financial information. The Audit Committee also reviews and reports to the Board of Directors on the quality and integrity of our consolidated financial statements and other financial information; compliance with legal and regulatory requirements related to financial reporting; the effectiveness of the systems of control (including risk management) established by management to safeguard the assets (real and intangible) of the Corporation and its subsidiaries; the proper maintenance of accounting and other records; annual and quarterly interim financial information; the independent audit process, including recommending the appointment and compensation of the external auditor, and assessing the qualifications, performance and independence of the external auditor; the performance and objectivity of our internal audit function; all non-audit services; the development and maintenance of procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters and the confidential anonymous submission by employees of the Corporation and its subsidiaries of concerns regarding questionable accounting or auditing matters; the review of environment, insurance and other liability exposure issues relevant to the affairs of the Corporation; and any additional matters delegated to the committee by the Board of Directors.

The Audit Committee has the right, for the purposes of performing its duties, to maintain direct communication with the Corporation's external auditors and Board of Directors, to inspect all books and records of the Corporation and its affiliates, to seek any information it requires from any employee of the Corporation and its affiliates and to retain outside counsel or other experts.

The Audit Committee is required to meet at least once per quarter and is comprised of three directors, each of whom are independent (as defined in NI 52-110) and all "financially literate" within the meaning of applicable Canadian securities laws. Currently, Robert Clark, Thomas Martin, and Thomas L. Crom III are the members of the Audit Committee. The Corporation is relying on an exemption provided in section 6.1 of NI 52-110 from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Composition of Audit Committee and Independence

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with a company, which could, in the view of that company's board of directors, reasonably interfere with the exercise of the member's independent judgment. Two of the members of the Corporation's audit committee meet the definition of "independence" provided in NI 52-110.

Relevant Education and Experience

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level 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 Corporation's financial statements. All of the members of the Corporation's audit committee are financially literate.

For details regarding the education, experience and financial literacy of the members of the Audit Committee, see "*Management – Directors and Officers of the Corporation*", above.

Pre-approval Policies and Procedures for Audit Services

It is intended that the Audit Committee will establish a practice of approving audit and non-audit services provided by the external auditor. The Audit Committee intends to delegate to its Chair the authority, to be exercised between regularly scheduled meetings of the Audit Committee, to pre-approve audit and non-audit services provided by the independent auditor. All such pre-approvals would be reported by the Chair at the meeting of the Audit Committee next following the pre-approval.

External Auditor Service Fees

For each of the financial years ended December 31, 2016 and December 31, 2015, the Corporation incurred fees to its external auditors, DeVisser Gray LLP, Chartered Professional Accountants, as follows:

Description	2016	2015
Audit Fees[(1)]	$5,000	$2,500
Audit – Related Fees[(2)]	Nil	Nil
Tax Fees[(3)]	$500	$500
All Other Fees[(4)]	Nil	Nil

(1) "Audit Fees" means the aggregate fees billed by the external auditor(s) for the last fiscal year for audit services.

(2) "Audit-Related Fees" means the aggregate fees billed for the last fiscal year for assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the financial statements and are not reported under clause (1) above, including assistance with specific audit procedures on interim financial information.

(3) "Tax Fees" means the aggregate fees billed in the last fiscal year for professional services rendered by the external auditor for tax compliance, tax advice and tax planning.

(4) "All Other Fees" means the aggregate fees billed in the last fiscal year for products and services provided by the external auditor, other than the services reported under clauses (1), (2) and (3), above.

Audit Committee Charter

The Board of Directors has adopted an Audit Committee charter that sets out the roles and responsibilities of the Audit Committee. A copy of the charter is attached hereto as Schedule "C".

Corporate Governance

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with day-to-day management of the Corporation.

The Corporation intends to propose for adoption by the Board of Directors certain practices and procedures to ensure that effective corporate governance practices are followed and to ensure that the Board of Directors functions independently of management. The following sets forth the Corporation's disclosure of its proposed corporate governance practices as they relate to the corporate governance guidelines set forth in National Policy 58-201 – *Corporate Governance Guidelines* (“NP 58-201”).

The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making. The Board of Directors will monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

Board of Directors

NP 58-101 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 materially 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 holding shares or securities in the company. In addition, where a company has a significant shareholder, NP 58-101 suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder. The independent directors would exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary.

Currently, the Board of Directors is comprised of four directors, namely Rauno Perttu, Robert Clark, Thomas Martin, and Thomas L. Crom III, of which Thomas Martin and Thomas L. Crom III are considered independent for the purposes of NP 58-201. The Board of Directors may meet independently of management as needed.

Directorships

The following director of the Corporation also serves as a director of another reporting issuer:

Name of Director	Other Reporting Issuers	Name of Exchange or Market
Thomas L. Crom III	Kansai Mining Corporation	TSXV
Thomas L. Crom III	Eco Emissions Solutions, Inc.	OTC
Thomas L. Crom III	Midwest Oil & Gas Inc.	OTC

Position Descriptions

The Corporation does not currently have written position descriptions for the Chairman of the Board of Directors, or for the Chair of each of the committees. The Corporation intends to propose to the Board of Directors the adoption of written position descriptions for the Chairman of the Board of Directors and the Chair of each committee.

Orientation and Continuing Education

The Corporation intends to develop a comprehensive orientation program for the Corporation's directors to assist new directors with understanding the role of the Board of Directors and its committees, the contribution that directors are expected to make to the Board of Directors and the nature and operation of the Corporation's business. The Corporation also intends to develop a continuing education program for all directors to enable directors to maintain or enhance their skills and abilities as directors and ensure that their knowledge and understanding of the Corporation's business remains current.

Ethical Business Conduct

The Corporation intends to propose that the Board of Directors adopt a written code of business conduct and ethics (the "Code") for the Corporation's directors, officers and employees. As contemplated by the Corporation, the Code will constitute written standards that are designed to deter wrongdoing and promote: (i) honest and ethical conduct, including the handling of actual or apparent conflicts of interest between personal and professional relationships; (ii) avoidance of conflicts of interest, including disclosure to a director or officer of the Corporation of any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest; (iii) full, fair, accurate, timely and understandable disclosure in reports and documents that the Corporation files with, or submits to, the securities regulatory authorities and in other public communications made by the Corporation; (iv) compliance with applicable governmental laws, rules and regulations; (v) the prompt reporting to a director or officer (or if appropriate, to the British Columbia Securities Commission) of violations of the Code; and (vi) accountability and responsibility by all directors, officers and employees for adherence to the Code.

The Corporation also intends to propose that, following the Closing, the Board of Directors direct the Audit Committee to monitor compliance with the Code and recommend disclosures with respect thereto. Accordingly, the Audit Committee will be responsible for, among other things, reviewing the Code with a view to complying with all applicable rules and regulations, receiving regular reports from management with respect to compliance with the Code, and satisfying itself that management has established a system to disclose the Code (and any amendments thereto) to the extent required.

Other Board Committees

Other than as disclosed herein, there are no committees of the Board of Directors as of the date of this Prospectus.

Assessments

Neither the Corporation nor the Board of Directors has developed a formal review system to assess the performance of the directors or the Board of Directors as a whole. The contributions of individual directors are monitored by other members of the Board of Directors on an informal basis through observation.

RISK FACTORS

An investment in the Corporation’s shares, in the event that such shares are offered for sale at some time in the future, should be considered highly speculative due to the nature of the Corporation’s business and the present stage of development. An investment in the Corporation’s shares should only be made by knowledgeable and sophisticated investors who are willing to risk and can afford the loss of their entire investment. Potential investors should consult with their professional advisors to assess an investment in the Corporation. In evaluating the Corporation and its business, investors should carefully consider, in addition to other information contained in this Prospectus, the risk factors below. These risk factors are not a definitive list of all risk factors associated with an investment in the Corporation or in connection with its operations and other risks and uncertainties affecting the Corporation’s business could potentially arise or become material in the future.

General

The Corporation is in the business of exploring mineral properties, which is a highly speculative endeavor. A purchase of any of the securities of the Corporation involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment.

Insufficient Capital

The Corporation does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Corporation will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Corporation will be successful in obtaining such additional financing; failure to do so could result in the loss or substantial dilution of the Corporation’s interest in the Property.

The Corporation also requires additional financing in order to fund its ongoing exploration program on the Property. The ability of the Corporation to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as the business success of the Corporation. There can be no assurance that the Corporation will be successful in its efforts to arrange additional financing on terms satisfactory to the Corporation. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration and development or forfeiture of some rights in the Corporation's mineral properties.

Property Interests

The Corporation does not own the mineral rights pertaining to the Property. Rather, it holds an option to acquire the mineral rights. There is no guarantee the Corporation will be able to raise sufficient funding in the future to explore and develop the Property so as to maintain its interests therein. If the Corporation loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit.

Financing Risks

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

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Corporation may be affected by numerous factors which are beyond the control of the Corporation and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Corporation not receiving an adequate return of investment capital.

There is no assurance that the Corporation's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Corporation's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Acquisition of Additional Mineral Properties

If the Corporation loses or abandons its interest in the Property, there is no assurance that it will be able to acquire another mineral property of merit.

Uninsurable Risks

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

Permits and Government Regulations

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

Environmental and Safety Regulations and Risks

Environmental laws and regulations may affect the operations of the Corporation. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Corporation for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations.

Mineral Titles

The Corporation has not yet obtained a title opinion in respect of the Property. The claims on the Property have not been legally surveyed. The Property may be subject to prior unregistered agreements, transfers or claims and title may be affected by undetected defects. The Corporation is satisfied, however, that evidence of title to the Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Property.

Competition

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

Management

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

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

To the knowledge of the management of the Corporation, there are no actual or contemplated material legal proceedings to which the Corporation is a party.

Regulatory Actions

The Corporation is not subject to any penalties or sanctions imposed by any court or regulatory authority relating to securities legislation or by a securities regulatory authority, nor has the Corporation entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that are necessary to provide full, true and plain disclosure of all material facts relating to the Corporation's securities or would be likely to be considered important to a reasonable investor making an investment decision.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed below and elsewhere in this Prospectus, within the last three years, no director, executive officer or person that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of the outstanding voting securities of the Corporation or any associate or affiliate of the foregoing has, or has had, any material interest, direct or indirect, in any transaction prior to the date of this Prospectus or any proposed transaction that has materially affected, or is reasonably expected to materially affect, the Corporation or any of its affiliates.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

The auditor of the Corporation is DeVissor Gray, LLP, Chartered Professional Accountants with an office located at 401-905 West Pender Street, Vancouver, British Columbia V6C 1L6.

The transfer agent and registrar of the Corporation is TSX Trust Company, at its office located at Suite 2700, 650 West Georgia Street, Vancouver, British Columbia, V6B 4N9.

MATERIAL CONTRACTS

During the course of the two years prior to the date of the Prospectus, the Corporation has entered into the following material contracts, other than contracts entered into in the ordinary course of business:

(a) the Purchase Agreement (see *section entitled "Description of the Business"*);
(b) the Option Agreement (see *section entitled "Description of the Business"*); and
(c) the escrow agreement (see section entitled *"Securities Subject to Contractual Restriction on Transfer"*).

EXPERTS

No person or corporation whose profession or business gives authority to a statement made by the person or corporation and who is named as having prepared or certified a part of this Prospectus or as having prepared or certified a report or valuation described or included in this Prospectus the Corporation or of an Associate or Affiliate of the Corporation and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Corporation or of an Associate or Affiliate of the Corporation and no such person is a promoter of the Corporation or an Associate or Affiliate of the Corporation. DeVisser Gray LLP, Chartered Professional Accountants is independent of the corporation in accordance with the rules of professional conduct of the Institute of Chartered Professional Accountants of British Columbia.

GLOSSARY OF TERMS

The following is a glossary of certain general terms used in this Prospectus including the summary hereof. Terms and abbreviations used in the financial statements included in, or appended to this Prospectus are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

"**Affiliate**" means a corporation that is affiliated with another corporation as described below. A corporation is an "**Affiliate**" of another corporation if:

a) one of them is the subsidiary of the other; or
b) each of them is controlled by the same Person.

A corporation is "**controlled**" by a Person if:

a) voting securities of the corporation are held, other than by way of security only, by or for the benefit of that Person; and
b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the corporation.

A Person beneficially owns securities that are beneficially owned by:

a) a corporation controlled by that Person; or
b) an Affiliate of that Person or an Affiliate of any corporation controlled by that Person.

"**Associate**" when used to indicate a relationship with a Person, means:

a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer;

b) any partner of the Person;

c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity; or

d) in the case of a Person who is an individual:

   (i) that Person's spouse or child, or
   (ii) any relative of the Person or of his spouse who has the same residence as that Person.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Board of Directors**" means the board of directors of the Corporation.

"**Common Shares**" means the issued and outstanding common shares in the capital of the Corporation as presently constituted.

"**Corporation**" means Provenance Gold Corp., a corporation existing under the BCBCA.

"**CSE**" means the Canadian Securities Exchange.

"**CSE Policies**" means the rules and policies of the CSE in effect as of the date hereof.

"**NP 46-201**" means National Policy 46-201 – *Escrow for Initial Public Offerings*.

"**Option Agreement**" means the property option agreement, dated January 31, 2017, entered into between the Corporation, Ian Warrick, Colin Warrick, and Rauno Perttu, pursuant to which the Corporation has the right to acquire the Property in consideration for completing certain cash payments and exploration expenditures.

"**Person**" means any individual, corporation, company, partnership, unincorporated association, trust, joint venture, governmental body or any other legal entity whatsoever.

"**Property**" means a series of one-hundred-forty-nine (149) quartz claims located in the Yukon, and which are commonly referred to as the “2K Gold Property”.

"**Prospectus**" means this prospectus of the Corporation, including the schedules hereto.

"**Purchase Agreement**" means the securities purchase agreement, dated November 25, 2016, entered into between the Corporation, Subco, and certain shareholders of Subco, pursuant to which the Corporation acquired all of the outstanding share capital of Subco.

"**Shareholders**" means shareholders of the Corporation.

"**Subco**" means 1084160 B.C. Ltd., a wholly-owned subsidiary of the Corporation.

"**Technical Report**" means the technical report prepared Carl Schulze, B.Sc., P.Geo., in respect of the Property, titled "Technical Report on the 2K Gold Property”, and dated February 16, 2017.

SCHEDULE "A"
AUDITED ANNUAL FINANCIAL STATEMENTS OF THE CORPORATION FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

PROVENANCE GOLD CORP.

(FORMERLY SPARX ENERGY CORP.)

FINANCIAL STATEMENTS

DECEMBER 31, 2016 and 2015

DeVISSER GRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

401-905 West Pender St
Vancouver BC V6C 1L6
t 604.687.5447
f 604.687.6737

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Provenance Gold Corp. (formerly Sparx Energy Corp.),

We have audited the accompanying financial statements of Provenance Gold Corp. (formerly Sparx Energy Corp.) which comprise the statements of financial position as at December 31, 2016 and 2015 and the statements of comprehensive loss, cash flows and changes in deficiency for the years then ended, and 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 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 the auditor's 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, the auditor considers 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 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 Provenance Gold Corp. (formerly Sparx Energy Corp.) as at December 31, 2016 and 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 of the financial statements which indicates that the Company has limited working capital, no sources of revenue, and is dependent upon its ability to secure new sources of financing. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC
April 7, 2017

PROVENANCE GOLD CORP. (FORMERLY SPARX ENERGY CORP.)
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31,

		2016		2015
ASSETS				
Current assets				
Cash	$	724	$	40
Amounts receivable		160		309
	$	884	$	349
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	$	70,064	$	55,187
Loan payable (note 3)		168,811		155,705
		238,875		210,892
SHAREHOLDERS' DEFICIENCY				
Share capital (note 4)		52,500		52,500
Deficit		(290,491)		(263,043)
		(237,991)		(210,543)
	$	884	$	349

Nature and continuance of operations (note 1)
Events after the reporting period (note 10)

Approved on behalf of the Board

Director *"Rauno Perttu"*
Rauno Perttu

Director *"Robert Clark"*
Robert Clark

The accompanying notes are an integral part of these financial statements

PROVENANCE GOLD CORP. (FORMERLY SPARX ENERGY CORP.)
STATEMENTS OF COMPREHENSIVE LOSS
YEARS ENDED DECEMBER 31,

		2016		2015
EXPENSES				
Bank charges	$	177	$	153
Consulting fees (note 7)		7,900		8,400
Interest		13,067		11,875
Office		102		10
Professional fees		11,604		6,194
Regulatory and transfer agent fees		5,648		7,398
Loss from operations		38,498		34,030
Other income				
Gain on debt settlement (note 7)		11,050		-
Net and comprehensive loss for the year	$	27,448	$	34,030
Basic and diluted loss per share (note 8)	$	-	$	-
Weighted average number of common shares outstanding		13,111,431		13,111,431

The accompanying notes are an integral part of these financial statements

PROVENANCE GOLD CORP. (FORMERLY SPARX ENERGY CORP.)
STATEMENTS OF CHANGES IN DEFICIENCY
YEARS ENDED DECEMBER 31,

	Number of Shares		Share Capital		Deficit		Total Shareholders' Deficiency
Balance at January 1, 2015	13,111,431	$	52,500	$	(229,013)	$	(176,513)
Net and comprehensive loss for the year	-		-		(34,030)		(34,030)
Balance at December 31, 2015	13,111,431		52,500		(263,043)		(210,543)
Balance at January 1, 2016	13,111,431		52,500		(263,043)		(210,543)
Net and comprehensive loss for the year	-		-		(27,448)		(27,448)
Balance at December 31, 2016	13,111,431	$	52,500	$	(290,491)	$	(237,991)

The accompanying notes are an integral part of these financial statements

PROVENANCE GOLD CORP. (FORMERLY SPARX ENERGY CORP.)
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	2016	2015
Cash provided by (used for):		
Operating activities		
Net loss for the year	$ (27,448)	$ (34,030)
Adjustment for item which does not involve cash:		
Gain on debt settlement (note 7)	(11,050)	-
Change in non-cash working capital:		
Amounts receivable	149	(309)
Prepaid expenses	-	2,040
Accounts payable and accrued liabilities	25,927	18,818
Cash used in operating activities	(12,422)	(13,481)
Financing activity		
Loan payable (note 3)	13,106	13,205
Cash provided by investing activity	13,106	13,205
Change in cash during the year	684	(276)
Cash, beginning of the year	40	316
Cash, end of the year	$ 724	$ 40

The accompanying notes are an integral part of the financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Provenance Gold Corp. (formerly Sparx Energy Corp.) ("Provenance" or the "Company") was incorporated in the Province of British Columbia on October 5, 2012. For the period October 5, 2012 to May 31, 2013, the Company was a wholly-owned subsidiary of Aldever Resources Inc. (formerly Glenmark Capital Corp.) ("Aldever"), which is a junior exploration company engaged in the business of identification, acquisition and exploration of mineral interests.

During October 2012, Aldever's board of directors approved a plan of arrangement (the "Arrangement") between Aldever and its four wholly-owned subsidiaries, including Provenance. As a result of the completion of the Arrangement on May 31, 2013, Aldever ceased to be a shareholder of Provenance and the Company became a reporting issuer in its own right. Provenance is a junior exploration company engaged in the business of identification, acquisition and exploration of mineral interests.

On January 16, 2017, the Company changed its name to Provenance Gold Corp. See note 10.

The Company's principal office and registered and records office is located at 2200-885 West Georgia Street, Vancouver, BC V6C 3E8.

These financial statements have been prepared on a going concern basis which presumes the realization of assets and settlement of liabilities in the normal course of operations in the foreseeable future. The Company has no source of operating revenue, has incurred operating losses and at December 31, 2016 had a deficit of $290,491 (2015 - $263,043) and a working capital deficiency of $237,991 (2015 - $210,543). The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Further discussion of liquidity risk is included in notes 5 and 6.

These financial statements were authorized for issue on April 7, 2017 by the directors of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). The presentation and functional currency of the Company is the Canadian dollar. These financial statements have, in management's opinion, been properly prepared within the framework of the accounting policies summarized as follows:

Use of Estimates and Assumptions

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Significant Judgments

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category involves financial instruments held for the purpose of selling them in the short term. All of the financial instruments in this category meet the definition of financial assets held for trading and include cash.

The financial instruments included in this category are initially recognized at fair value and the transaction costs are expensed to the statement of comprehensive income (loss).

Subsequently, financial assets at fair value through profit or loss are measured at fair value and all gains and losses, realized and unrealized, measured on the basis of market transactions, are recognized directly in the statement of comprehensive income (loss).

Loans and receivables – These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. The Company's financial assets classified as loans and receivables consist of amounts receivable (excluding GST).

Held-to-maturity investments – These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of comprehensive income (loss). The Company has no financial assets classified as held-to-maturity investments

Available-for-sale – Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the statement of comprehensive income (loss). The Company has no financial assets classified as available-for-sale assets.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial assets (continued)

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost. The Company's non-derivative liabilities consist of accounts payable and accrued liabilities and loan payable.

Derivative liabilities are classified as fair value through profit or loss. The Company has no derivative assets or liabilities.

Asset retirement obligations

The fair value of a liability for an asset retirement or environmental obligation is recognized when a reasonable estimate of fair value can be made. The asset retirement or environmental obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement or environmental cost is charged to operations using a systematic and rational method and the resulting liability is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and revisions to either the timing or the amount of the original estimate of undiscounted cash flow. As of December 31, 2016, the Company did not have any asset retirement or environmental obligations.

Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income is also recognized directly in equity or other comprehensive income.

Current tax is expected tax payable on the taxable income for the period, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Income taxes *(continued)*

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

New accounting standards issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee ("IFRIC") but not yet effective as at December 31, 2016. The Company intends to adopt these standards and interpretations when they become effective. The Company does not expect these standards to have an impact on its financial statements.

Standard	Title	Applicable for financial years beginning on/after
IFRS 7	Financial Instruments: Disclosures	January 1, 2016
IFRS 9	Financial Instruments	January 1, 2018
IAS 1	Presentation of Financial Statements (amendments)	January 1, 2017
IAS 7	Statement of Cash Flows (amendments)	January 1, 2017
IAS 34	Interim Financial Reporting (amendments)	January 1, 2016

3. LOAN PAYABLE

This loan represents funds advanced by investors who were assisting in the implementation of the Company's business plan. The funds received provided the working capital required to prepare financial statements and for corporate registrations. On March 1, 2016, these investors assigned their loans ($157,205) plus accrued interest ($40,656) to a private company that became a related party as a result of the Securities Purchase Agreement executed subsequent to year end. Subsequent to March 1, 2016, the private company advanced $11,606 to the Company. This loan is unsecured and bears interest at 10% per annum. As at December 31, 2016, $41,779 (2015 - $28,712) in accrued interest was included in accounts payable and accrued liabilities.

Subsequent to year end, the Company executed a Debt Settlement Agreement in respect of this indebtedness.

See note 10.

4. SHARE CAPITAL

Authorized

Unlimited number of common shares, without par value.
Unlimited number of preferred shares, without par value.

Issued

No shares were issued during the years ended December 31, 2016 and 2015.

Warrants

Details of common share purchase warrants outstanding at December 31, 2016 and 2015 are as follows:

	2016 Outstanding Warrants	2015 Outstanding Warrants	Exercise price	Expiry
Share purchase warrants				
Issued pursuant to amended Arrangement	12,000,000	12,100,000	$ 0.10	April 8, 2018

Common share purchase warrant transactions during the years ended December 31, 2016 and 2015 are as follows:

	2016			2015		
	Number of Warrants	Weighted average exercise price	Fair Value	Number of Warrants	Weighted average exercise price	Fair Value
Outstanding - beginning of year	12,100,000	$ 0.10	$ -	12,100,000	$ 0.10	$ -
Cancelled	(100,000)	0.10	-	-	-	-
Outstanding - end of year	12,000,000	$ 0.10	$ -	12,100,000	$ 0.10	$ -

On March 1, 2016, 100,000 share purchase warrants were cancelled.

The weighted average remaining contractual life of the issued and outstanding warrants as at December 31, 2016 was 1.27 years.

5. FINANCIAL INSTRUMENTS

Fair Values

As at December 31, 2016, the Company's financial instruments consist of cash, accounts payable and accrued liabilities, and loan payable.

5. FINANCIAL INSTRUMENTS *(continued)*

Fair Values *(continued)*

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The fair value of cash, accounts payable and accrued liabilities, and loan payable is determined on level 1 inputs and the carrying amounts approximate the fair values due to the short-term maturities of these items.

Credit Risk

The Company is not exposed to any significant credit risk as it had limited cash balances at December 31, 2016.

Interest Rate and Foreign Exchange Risks

Provenance has cash balances and only fixed interest-bearing debt. The Company is not exposed to any significant interest rate or foreign exchange risks.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company's only liquidity risk from financial instruments is its need to meet accounts payable and accrued liabilities and loan payable requirements. The Company did not maintain sufficient cash balances to meet its needs at December 31, 2016.

Price Risk

The Company is not exposed to price risk.

6. CAPITAL MANAGEMENT

The Company's capital currently consists of common shares. Its principal source of cash is from the issuance of common shares and funds advanced by investors. The Company's capital management objectives are to safeguard its ability to continue as a going-concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets. The Company does not have any externally imposed capital requirements to which it is subject. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

7. RELATED PARTY TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations and are measured at their fair value as determined by management. Unless otherwise indicated, the balances are unsecured, non-interest bearing, without specific terms of repayment and have arisen from advances or the provision of services and fees described.

During the year ended December 31, 2016, the Company incurred $7,100 plus GST (2015 - $7,200 plus GST) in consulting fees paid to a director and a company in which a director is a principal.

During the year ended December 31, 2016, the Company settled $22,050 of debt due to a director, through debtor forgiveness with a fair value of $11,000. As a result, a gain on debt settlement of $11,050 was recognized in the statement of comprehensive loss. The $11,000 settlement amount was secured by a non-interest bearing promissory note and was paid on January 4, 2017.

At December 31, 2016, the Company also owed the director and a company in which a director is a principal $210 (December 31, 2015 - $16,450) in respect of fees and out of pocket expenses.

8. LOSS PER SHARE

Basic loss per share is calculated using the weighted average number of shares outstanding during the year. The warrants outstanding as at December 31, 2016 have not been included in the calculation of diluted loss per share as the effect of their inclusion would be anti-dilutive. Loss per share is calculated as follows:

		2016		2015
Net loss for the year	$	(25,648)	$	(34,030)
Weighted average number of shares outstanding		13,111,431		13,111,431
Basic and diluted loss per share	$	-	$	-

9. DEFERRED TAX

The reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is as follows:

		2016		2015
Net loss for the year	$	(25,648)	$	(34,030)
Expected income tax recovery	$	(6,668)	$	(8,848)
Change in deferred tax assets not recognized		6,668		8,848
Total income tax recovery	$	-	$	-

9. DEFERRED TAX *(continued)*

Unused tax losses and resource pools for which no deferred tax assets have been recognized are attributable to the following:

	2016	2015
Deferred income tax assets:		
Non-capital loss carryforwards (1)	$ 159,000	$ 133,000
Mineral properties	35,000	35,000
	$ 194,000	$ 168,000

(1) These losses are available to be utilized as deductions against future years' Canadian taxable income from Canadian operations and capital gains. These non-capital losses, if not utilized, will expire between 2033 and 2036.

10. EVENTS AFTER THE REPORTING PERIOD

On January 16, 2017, the Company closed a Securities Purchase Agreement ("the Agreement") with the shareholders of Provenance Gold Corp. ("PGC"). PGC is the beneficial owner of the right to earn up to a 100% interest in and to a series of quartz claims located in the Moosehorn Range in the Yukon Territory. This interest is subject to certain royalty rights pursuant to a property option agreement dated June 10, 2016. Pursuant to the Agreement, the Company acquired all of the outstanding share capital of PGC by issuing 11,000,000 common shares and 3,500,000 common share purchase warrants to the shareholders of PGC. Each warrant is exercisable to acquire an additional common share of the Company at a price of $0.15 per share until October 19, 2018. In connection with the closing of the Agreement, the Company changed its name to "Provenance Gold Corp." and PGC will continue as a wholly-owned subsidiary of the Company.

On January 31, 2017, the Company executed a Debt Settlement Agreement ("the Agreement") to settle debt totaling $209,467 ($168,811 (principal) plus $40,656 (accrued interest)). Pursuant to the Agreement, the debt was settled by issuing a promissory note in the amount of $209,467. This balance is non-interest bearing and is due on or before August 1, 2018. See note 3.

On January 31, 2017, the Company completed a non-brokered private placement of 750,000 units at a price of $0.10 per unit for gross proceeds of $75,000. Each unit consists of one common share of the Company and one common share purchase warrant entitling the holder to purchase an additional common share at a price of $0.15 per share for a period of two years.

SPARX ENERGY CORP.

FINANCIAL STATEMENTS

DECEMBER 31, 2015

DeVISSER GRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

401-905 West Pender St
Vancouver BC V6C 1L6
t 604.687.5447
f 604.687.6737

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Sparx Energy Corp.,

We have audited the accompanying financial statements of Sparx Energy Corp. which comprise the statements of financial position as at December 31, 2015 and 2014, the statements of comprehensive loss, cash flows and changes in deficiency for the years then ended, and 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 whether the financial statements are free of 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 the auditor's 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, the auditor considers 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 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 Sparx Energy Corp. as at December 31, 2015 and 2014, and its financial performance and its cash flows for the years then ended, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company has limited working capital, no sources of revenue, and is dependent upon its ability to secure new sources of financing. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

De Visser Gray LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
April 29, 2016

SPARX ENERGY CORP.
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31,

	2015	2014
ASSETS		
Current assets		
Cash	$ 40	$ 316
Amounts receivable	309	-
Prepaid expenses	-	2,040
	$ 349	$ 2,356
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	$ 87,687	$ 68,869
Loans payable (note 3)	123,205	110,000
	210,892	178,869
SHAREHOLDERS' DEFICIENCY		
Share capital (note 4)	52,500	52,500
Deficit	(263,043)	(229,013)
	(210,543)	(176,513)
	$ 349	$ 2,356

Nature and continuance of operations (note 1)
Event after the reporting period (note 10)

Approved on behalf of the Board

Director *"Richard W. Grayston"*
Richard W. Grayston

Director *"Anita Algie"*
Anita Algie

The accompanying notes are an integral part of these financial statements

SPARX ENERGY CORP.
STATEMENTS OF COMPREHENSIVE LOSS
YEARS ENDED DECEMBER 31,

		2015		2014
EXPENSES				
Bank charges	$	153	$	179
Consulting and management fees (note 7)		8,400		8,400
Interest		11,875		10,472
Office		10		85
Professional fees		6,194		(1,105)
Regulatory and transfer agent fees		7,398		5,664
Net and comprehensive loss for the year	$	34,030	$	23,695
Basic and diluted loss per share (note 8)	$	0.00	$	0.00
Weighted average number of common shares outstanding		13,111,431		13,111,431

The accompanying notes are an integral part of these financial statements

SPARX ENERGY CORP.
STATEMENTS OF CHANGES IN DEFICIENCY
YEARS ENDED DECEMBER 31,

	Number of Shares	Share Capital	Deficit	Total Shareholders' Deficiency
Balance at January 1, 2014	13,111,431	$ 52,500	$ (205,318)	$ (152,818)
Net and comprehensive loss for the year	-	-	(23,695)	(23,695)
Balance at December 31, 2014	13,111,431	52,500	(229,013)	(176,513)
Balance at January 1, 2015	13,111,431	52,500	(229,013)	(176,513)
Net and comprehensive loss for the year	-	-	(34,030)	(34,030)
Balance at December 31, 2015	13,111,431	$ 52,500	$ (263,043)	$ (210,543)

The accompanying notes are an integral part of these financial statements

SPARX ENERGY CORP.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

		2015		2014
Cash provided by (used for):				
Operating activities				
Net and comprehensive loss	$	(34,030)	$	(23,695)
Change in non-cash working capital:				
Amounts receivable		(309)		464
Prepaid expenses		2,040		(2,040)
Accounts payable and accrued liabilities		18,818		15,278
		(13,481)		(9,993)
Financing activities				
Loan advances (note 3)		13,205		9,500
		13,205		9,500
Change in cash during the year		(276)		(493)
Cash, beginning of the year		316		809
Cash, end of the year	$	40	$	316

The accompanying notes are an integral part of these financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Sparx Energy Corp. ("Sparx" or the "Corporation") was incorporated in the Province of British Columbia on October 5, 2012. For the period October 5, 2012 to May 31, 2013, the Corporation was a wholly owned subsidiary of Aldever Resources Inc. (formerly Glenmark Capital Corp.) ("Aldever"), which is a junior exploration company engaged in the business of identification, acquisition and exploration of mineral interests.

During October, 2012, Aldever's board of directors approved a plan of arrangement (the "Arrangement") between Aldever and its four wholly-owned subsidiaries, including Sparx. As a result of the completion of the Arrangement on May 31, 2013, Aldever ceased to be a shareholder of Sparx and the Corporation became a reporting issuer in its own right. Sparx is a junior exploration company engaged in the business of identification, acquisition and exploration of mineral interests.

The Corporation's principal office and registered and records office is located at 2200-885 West Georgia Street, Vancouver, BC V6C 3E8.

These financial statements have been prepared on a going concern basis which presumes the realization of assets and settlement of liabilities in the normal course of operations in the foreseeable future. The Corporation has no source of operating revenue, has incurred operating losses and at December 31, 2015 had a deficit of $263,043 and net negative working capital of $210,543. The continuing operations of the Corporation are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Corporation be unable to continue in existence. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Corporation's ability to continue as a going concern. Further discussion of liquidity risk is included in notes 5 and 6.

These financial statements were authorized for issue on April 29, 2016 by the directors of the Corporation.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). The presentation and functional currency of the Corporation is the Canadian dollar. These financial statements have, in management's opinion, been properly prepared within the framework of the accounting policies summarized as follows:

Use of Estimates and Assumptions

The preparation of the Corporation's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Significant Judgments

The preparation of financial statements in accordance with IFRS requires the Corporation to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Corporation's financial statements include:

- the assessment of the Corporation's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the classification/allocation of expenditures as exploration and evaluation expenditures or operating expenses; and
- the classification of financial instruments.

Financial instruments

Financial assets

The Corporation classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Corporation's accounting policy for each category is as follows:

Fair value through profit or loss – This category involves financial instruments held for the purpose of selling them in the short term. All of the financial instruments in this category meet the definition of financial assets held for trading and include cash.

The financial instruments included in this category are initially recognized at fair value and the transaction costs are expensed to the statement of comprehensive income (loss).

Subsequently, financial assets at fair value through profit or loss are measured at fair value and all gains and losses, realized and unrealized, measured on the basis of market transactions, are recognized directly in the statement of comprehensive income (loss).

Loans and receivables – These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. The Corporation's financial assets classified as loans and receivables consist of amounts receivable.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial assets (continued)

Held-to-maturity investments – These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Corporation's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of comprehensive income (loss). The Corporation has no financial assets classified as held-to-maturity investments

Available-for-sale – Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the statement of comprehensive income (loss). The Corporation has no financial assets classified as available-for-sale assets.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Corporation has transferred substantially all risks and rewards of ownership.

At each reporting date, the Corporation assesses whether there is objective evidence that a financial instrument has been impaired.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost. The Corporation's non-derivative liabilities consist of accounts payable and accrued liabilities and loans payable.

Derivative liabilities are classified as fair value through profit or loss. The Corporation has no derivative assets or liabilities.

Asset retirement obligations

The fair value of a liability for an asset retirement or environmental obligation is recognized when a reasonable estimate of fair value can be made. The asset retirement or environmental obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement or environmental cost is charged to operations using a systematic and rational method and the resulting liability is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and revisions to either the timing or the amount of the original estimate of undiscounted cash flow. As of December 31, 2015, the Corporation does not have any asset retirement or environmental obligations.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case the income tax is also recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted, or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and current tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Corporation intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognized in respect of all qualifying temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

New standards, amendments and interpretations to existing standards adopted by the Corporation

The Corporation has applied the following new and revised IFRS in these audited financial statements:

- IFRS 9, *Financial Instruments*

New accounting standards issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee ("IFRIC") but not yet effective as at December 31, 2015. The Corporation intends to adopt these standards and interpretations when they become effective. The Corporation does not expect these standards to have an impact on its financial statements.

3. LOANS PAYABLE

These loans represent funds advanced by an investor who is assisting in implementing the Corporation's business plan. It is not presently known what business, organizational or management changes may be necessary to complete this plan. Receipt of these loans is providing the working capital for the Corporation to prepare financial statements and for corporate registrations. As a result, the Corporation has gained further time in which to implement its intended business plan.

Loans payable in the amount of $123,205 (December 31, 2014 - $110,000) are unsecured, bear interest at 10% per annum and will be repaid once the Corporation's business plan is implemented. The lender has the option to be repaid in cash or shares of the Corporation.

4. SHARE CAPITAL

Authorized

Unlimited number of common shares, without par value.

Issued

On April 24, 2013, the Corporation issued 2 common shares at a price of $0.05 per share to two officers of Sparx for gross proceeds of $0.10. On May 7, 2013, these shares were redeemed and cancelled for $95,000 in cash.

On May 31, 2013, the Corporation cancelled its 1 incorporating share and issued 13,111,431 common shares for $17,500 in cash and an assignment of the Doran mineral property interest, valued at $35,000, under a plan of arrangement.

Warrants

Details of common share purchase warrants outstanding at December 31, 2015 and 2014 are as follows:

	Number of Warrants	Exercise price	Expiry
Share purchase warrants			
Issued pursuant to amended Arrangement	12,100,000	$ 0.10	April 8, 2018

There were no common share purchase warrant transactions during the years ended December 31, 2015 and 2014.

The weighted average remaining contractual life of the issued and outstanding warrants as at December 31, 2015 was 2.27 years.

Effective July 10, 2013, the plan of arrangement between the Corporation and Aldever was amended. Under the original plan the Corporation was required to issue one common share to warrant holders of Aldever for each Aldever warrant exercised in return for a portion of the proceeds received by Aldever. The exact amount to be paid would be determined by the fair market value of the assets received by Sparx under the arrangement compared to the total fair market value of the assets of Aldever as of May 31, 2013 immediately prior to the completion of the arrangement.

4. SHARE CAPITAL *(continued)*

Under the amended plan of arrangement, Aldever warrant holders received an equal number of Sparx warrants exercisable on the same terms as the Aldever warrants. Upon exercise of any current outstanding Aldever share purchase warrants, Aldever will not be required to remit any portion of the exercise price of these warrants to Sparx.

In connection with this amendment, Sparx completed the issuance of 12,100,000 share purchase warrants on August 12, 2013. Each warrant entitles the holder to acquire common shares of Sparx at a price of $0.10 per share until April 8, 2018.

5. FINANCIAL INSTRUMENTS

Fair Values

As at December 31, 2015, the Corporation's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities, and loans payable.

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Corporation classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The fair value of cash, amounts receivable, accounts payable and accrued liabilities, and loans payable is determined on level 1 inputs and the carrying amounts approximate the fair values due to the short-term maturities of these items.

Credit Risk

The Corporation is not exposed to any significant credit risk as it has limited cash balances at December 31, 2015.

Interest Rate and Foreign Exchange Risks

Sparx has cash balances and only fixed interest-bearing debt. The Corporation is not exposed to any significant interest rate or foreign exchange risks.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to pay financial instrument liabilities as they come due. The Corporation's only liquidity risk from financial instruments is its need to meet accounts payable and accrued liabilities and loans payable requirements. The Corporation did not maintain sufficient cash balances to meet its needs at December 31, 2015.

5. FINANCIAL INSTRUMENTS *(continued)*

Price Risk

The Corporation is not exposed to price risk.

6. CAPITAL MANAGEMENT

The Corporation's capital currently consists of common shares. Its principal source of cash is from the issuance of common shares. The Corporation's capital management objectives are to safeguard its ability to continue as a going-concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in a business or assets. The Corporation does not have any externally imposed capital requirements to which it is subject. The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares.

7. RELATED PARTY TRANSACTION

All transactions with related parties have occurred in the normal course of operations and are measured at their fair value as determined by management. Unless otherwise indicated, the balances are unsecured, non-interest bearing, without specific terms of repayment and have arisen from advances or the provision of services and fees described.

During the year ended December 31, 2015, the Corporation incurred $7,200 plus GST (2014 - $6,100 plus GST) in consulting fees paid to a director and a company in which a director is a principal. At December 31, 2015, the Corporation owed the director and a company in which a director is a principal $16,450 (December 31, 2014 - $9,995) in respect of these fees and out of pocket expenses.

There were no other transactions with related parties and no remuneration was paid to key management personnel during the year ended December 31, 2015.

8. LOSS PER SHARE

Basic loss per share is calculated using the weighted average number of shares outstanding during the year. The warrants outstanding as at December 31, 2015 have not been included in the calculation of diluted earnings per share as the effect of their inclusion would be anti-dilutive. Loss per share is calculated as follows:

	2015	2014
Loss for the year	$ (34,030)	$ (23,695)
Weighted average number of shares outstanding	13,111,431	13,111,431
Basic and diluted loss per share	$ (0.00)	$ (0.00)

9. DEFERRED TAX

The net income tax provision differs from that expected by applying the combined federal and provincial tax rate to loss before income taxes for the following reasons:

	2015	2014
Loss before income tax	$ 34,030	$ 23,695
Combined federal and provincial income tax rate	26.00%	26.00%
Expected tax recovery	(8,848)	(6,161)
Unrecognized benefit of current non-capital loss	8,848	6,161
Total income tax expense (recovery)	-	-

There are no deferred tax assets presented in the statement of financial position.

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognized are attributable to the following:

	2015	2014
Exploration and evaluation assets	$ 35,000	$ 35,000
Non-capital losses	133,000	99,000
	168,000	134,000

The Corporation has non-capital loss carry forwards of $133,000 which begin to expire in 2033.

10. EVENT AFTER THE REPORTING PERIOD

On March 1, 2016, the Corporation cancelled 100,000 share purchase warrants previously exercisable at a price of $0.10 per share until April 8, 2018.

SCHEDULE "B"
MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE CORPORATION FOR THE YEARS ENDED DECEMBER 31, 2016, 2015, AND 2014

PROVENANCE GOLD CORP.
(FORMERLY, SPARX ENERGY CORP.)
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE THREE MONTHS AND YEAR ENDED DECEMBER 31, 2016

This management's discussion and analysis ("**MD&A**") presents an analysis of the financial position of Provenance Gold Corp., (formerly, Sparx Energy Corp.),("**Provenance**" or the "**Corporation**") for the three months and year ended December 31, 2016. The following information should be read in conjunction with the December 31, 2016 audited financial statements of the Corporation, including the accompanying notes, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

Date of Report

This MD&A is dated April 7, 2016 and presents material information up to this date.

Forward-Looking Statements

This MD&A may contain forward-looking statements relating to future events. In some cases, forward-looking statements can be identified by words such as "anticipate", "continue", "estimate", "expect", "forecast", "may", "will", "project", "should", "believe", or similar expressions. These forward-looking statements by their nature involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements, including the "Risks and Uncertainties" discussed in this MD&A. The Corporation considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but cautions the reader that these assumptions regarding future events, many of which are beyond the control of management, may ultimately prove to be incorrect.

Description of Business

Provenance Gold Corp., formerly Sparx Energy, is classified as a reporting issuer in the jurisdictions of British Columbia and Alberta. As a reporting issuer, the Corporation's business is to comply with all reporting requirements while endeavoring to find, acquire and finance suitable and favorable resource related projects. During its latest fiscal year the corporation did not conduct significant commercial operations other than to meet filing requirements. On January 16th, 2017 the Corporation acquired 1084160 B.C. Ltd. and was renamed "Provenance Gold Corp.". The Corporation holds an option on 149 Quartz claims in Yukon, Canada consisting of approximately 7000 acres.

The Corporation will primarily focus on expanding on its strong initial exploration results on the 2K property that were achieved in 2016. The 2017 program will focus on defining and expanding the gold mineralization at the property utilizing a program of progressively staged systematic geological mapping, soil sampling, core drilling and assaying of the sites identified during the 2016 exploration, and of new known and postulated targets. The Corporation will also evaluate any new mineral targets it identifies, with a focus on the Yukon and other politically stable, safe regions.

Strategy

During October, 2012, Aldever Resources Inc.'s (formerly "Glenmark Capital Corp.") ("Aldever") Board of Directors approved a plan of arrangement (the "Arrangement") between Aldever and its four wholly-owned subsidiaries: Anacott Resources Corp. ("Anacott"), Linqster Technologies Inc. (formerly "Brunello Resources Corp.") ("Linqster"), Sparx Energy Corp. ("Sparx") and Teldar Resources Corp.

("Teldar"). The Arrangement was approved by shareholders of Aldever on November 30, 2012, by the Supreme Court of British Columbia on December 5, 2012 and by the TSX Venture Exchange on January 14, 2013.

On the closing of the Arrangement on May 31, 2013, Aldever transferred the following to Sparx: $17,500 in cash and the Doran Mineral Interest (described below) in exchange for the same number of Sparx shares as the number of Aldever shares that are issued on the distribution record date multiplied by the conversion factor.

The Doran Mineral Interest was subsequently allowed to lapse by the Corporation.

As of January 16th 2017, the Corporation acquired an option on 149 Quartz claims in Yukon, Canada. Subsequently, the Corporation has mobilized a team of consultants for daily management of the project and on the ground support. Significant work has been done to date on the property including infrastructure development, sampling, assaying and key target area evaluation. The Corporation plans a more detailed work program throughout 2017 that will include but not be limited to soil sampling, geological mapping, further trenching and mineral sampling, as well as a comprehensive drill program consisting of up to 29 exploration holes over the course of approximately six weeks in the late summer.

History of the Corporation and Overall Performance

Provenance (formerly "Sparx") was incorporated October 5, 2012 in the Province of British Columbia and December 31 is the date of its fiscal year end.

The Corporation does not currently have operations or assets capable of generating ongoing revenue or cash flows and there is no certainty that it will be successful in acquiring a suitable opportunity. Although these financial statements have been prepared and presented on a going concern basis, there is significant risk that the Corporation will not become a going concern, in which case this basis of presentation will not be appropriate.

Selected Annual Information

Selected financial data for the Corporation for the three most recently completed financial years is presented below. It has been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). The presentation and functional currency of the Company is the Canadian dollar

	31-Dec-16	31-Dec-15	31-Dec-14
	$	$	$
Total revenue	Nil	Nil	Nil
Net loss	27,448	34,030	23,695
Net loss per share, basic and diluted	0.00	0.00	0.00
Total assets	884	349	2,356
Non-current financial liabilities	Nil	Nil	Nil

Provenance (formerly Sparx) was incorporated in 2012 and had no operations during that year. During 2014, 2015 and 2016 the Corporation received loans and share capital while it investigated potential business opportunities for acquisition. This activity has led to consulting and professional costs as well as the costs of maintaining the Corporation as a reporting issuer. The Corporation has reported no discontinued operations and has paid no dividends and is unlikely to pay dividends for the foreseeable future.

Selected Quarterly Financial Information

The following selected financial data is derived from the financial statements of the Corporation prepared within acceptable limits of materiality and is in accordance with International Financial Reporting Standards.

	3 Months ended Dec 31, 2016 $	3 Months ended Sept 30, 2016 $	3 Months ended June 30, 2016 $	3 Months ended Mar 31, 2016 $	3 Months ended Dec 31, 2015 $	3 Months ended Sept 30, 2015 $	3 Months ended June 30, 2015 $	3 Months ended Mar 31, 2015 $
Total revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss	3,064	6,934	9,537	7,913	9,287	6,356	8,567	9,820
Net loss per share, basic and diluted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total assets	884	245	599	4,000	349	1,526	531	386
Total liabilities	238,875	235,172	228,592	222,456	210,892	202,782	195,432	186,719
Total shareholders' deficiency	(237,991)	(234,927)	(227,953)	(218,456)	(210,543)	(201,256)	(194,901)	(186,333)

Operating Results for the Three Months Ended December 31, 2016

During the three month period ended December 31, 2016, the Corporation incurred bank charges of $22 (2015 - $26), consulting fees of $1,600 (2015 - $2,100) and interest expense of $3,384 (2015 - $3,089). Professional fees (legal and accounting costs) were $8,136 in the 2016 quarter (2015 - $3,248), as fees were incurred in reorganizing the Corporation. Lastly, regulatory and transfer agent fees were $972 in the fourth quarter of 2016 compared to $825 in the 2015 period. Management negotiated debt settlements with vendors which resulted in a gain of $11,050 in the fourth quarter of 2016 (2015 - $Nil). As a result, the Corporation incurred a loss of $3,064 ($0.00 per share) in the three months ended December 31, 2016 versus a loss of $9,287 ($0.00 per share) in the fourth quarter of 2015.

Operating Results for the Year Ended December 31, 2016

During the year ended December 31, 2016, Provenance (formerly Sparx) incurred bank charges of $177 (2015 - $153), incurred consulting fees of $7,900 (2015 - $8,400) and incurred interest expense of $13,067 (2015 - $11,875). Professional fees for the 2016 year totalled $11,604 due to the reorganization of the Corporation (2015 - $6,194). Lastly, regulatory and transfer agent fees totalled $5,648 in 2016 (2015 - $7,398). Management negotiated debt settlements with vendors which resulted in a gain of $11,050 (2015 - $Nil). As a result, Provenance (formerly Sparx) incurred a loss of $27,448 ($0.00 per share) in 2016 versus a loss of $34,030 ($0.00 per share) in 2015.

Liquidity, Capital Resources and Outlook

As at December 31, 2016, the Corporation had cash of $724, amounts receivable of $160 and current liabilities of $238,875. As at December 31, 2016, the Corporation has a working capital deficiency of $237,991. Additional equity or debt financing will be required to implement its business plan. There can be no assurance that the Corporation will be able to obtain adequate financing to achieve its objectives.

During the year ended December 31, 2016, Provenance (formerly Sparx) used $12,422 of cash in operating activities (2015 - $13,481) and raised $13,106 in financing activities (2015 - $13,205). The Corporation invested no cash in either 2016 or 2015.

Loans payable in the amount of $168,811 (December 31, 2015 - $155,705) are unsecured, bear interest at 10% per annum and will be repaid once the Corporation's business plan is implemented. Such loans represent funds advanced by investors who were assisting in the implementation of the Corporation's business plan..

The funds received from these loans provide working capital for the Corporation to prepare and file financial statements, pay regulatory and transfer agent fees, for corporate registrations and to redeem the two shares held by previous directors. On March 1, 2016, these investors assigned their loans ($157,205) plus accrued interest ($40,656) to a private company that became a related party as a result of the securities purchase agreement executed subsequent to year end. Subsequent to March 1, 2016, the private company advanced $11,606 to the Corporation. As at December 31, 2016, $41,779 (2015 - $28,712) in accrued interest was included in accounts payable and accrued liabilities.

Subsequent to December 31, 2016, the Corporation executed a debt settlement agreement in respect of this indebtedness. Pursuant to the debt settlement agreement, the debt was settled by issuing a promissory note in the amount of $209,467. This balance is non-interest bearing and is due on or before August 1, 2018.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at December 31, 2016.

Financial Instruments and Other Instruments

The Corporation's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities and loans payable. It is management's opinion that the Corporation is not exposed to significant interest (the interest on the loans payable is at a fixed 10% per annum), currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values, as applicable.

Transactions with Related Parties

During the year ended December 31, 2016 the Corporation incurred $7,100 (2015 - $7,200), in consulting fees paid to an existing director, Richard Grayston, and a company in which a director is a principal. At December 31, 2016 the Corporation owed the existing director (Richard W. Grayston) and a company in which a director is a principal $11,000 (2015 - $16,450) in respect of these fees. The purpose of this transaction was to settle debt owed to a director of the Corporation. The Corporation has an ongoing contractual commitment resulting from this transaction by way of a non-interest bearing promissory note in the sum of $11,000 which matures on February 1, 2018.

Significant Accounting Judgments and Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

The Corporation’s significant judgments and estimates are disclosed in the financial statements as at and for the period ended December 31, 2016.

Disclosure of Outstanding Share Data

The Corporation is authorized to issue an unlimited number of common shares of which 24,861,431 common shares are issued and outstanding as at the date of this MD&A.

As at the date of this MD&A, the following is a description of the outstanding equity securities previously issued by the Corporation:

	Authorized	**Outstanding**
Voting or equity securities issued and outstanding	Unlimited Common Shares	24,861,431 Common Shares

On January 16th, 2017 the Corporation acquired all of the outstanding share capital of Provenance Gold and subsequently in consideration issued 11,000,000 common shares and 3,500,000 common share purchase warrants to the existing shareholders of Provenance.

On January 31st, 2017 the Corporation completed a non-brokered private placement of 750,000 units of the Corporation, at a price of $0.10 per Unit, for gross proceeds of $75,000.00. Each unit consists of one common share of the Corporation, and one common share purchase warrant entitling the holder to acquire an additional common share at a price of $0.15 per share for a period of twenty-four months.

Warrants

As of the date of this MD&A 16,250,000 warrants were outstanding. 12,000,000 warrants are exercisable to acquire a common share of the Corporation for $0.10 per share until April 8, 2018; the warrants were issued pursuant to the amended Arrangement previously discussed. 3,500,000 warrants are exercisable to acquire a common share of the Corporation for $0.10 per share until October 19, 2018. 750,000 warrants are exercisable to acquire a common share of the Corporation for $0.15 per share expiring January 31st, 2019.

Changes in Internal Controls over Financial Reporting

There have been no changes in the Corporation's internal control over financial reporting during the year ended December 31, 2016, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Risks and Uncertainties

The Corporation has a limited history of existence. Equity or debt financing may be required to complete the implementation of its business plan and exploration programs. There can be no assurance that the Corporation will be able to obtain adequate financing to continue. The securities of the Corporation should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Corporation's securities:

a) the Corporation does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends in the foreseeable future;

b) the business or project may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation; and

c) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares.

Events After the Reporting Period

On January 16, 2017, the Corporation closed a Securities Purchase Agreement ("the Agreement") with the shareholders of Provenance Gold Corp. ("PGC"). PGC is the beneficial owner of the right to earn up to a 100% interest in and to a series of quartz claims located in the Moosehorn Range in the Yukon Territory. This interest is subject to certain royalty rights pursuant to a property option agreement dated June 10, 2016. Pursuant to the Agreement, the Corporation acquired all of the outstanding share capital of PGC by issuing 11,000,000 common shares and 3,500,000 common share purchase warrants to the shareholders of PGC. Each warrant is exercisable to acquire an additional common share of the Corporation at a price of $0.15 per share until October 19, 2018. In connection with the closing of the Agreement, the Corporation changed its name to "Provenance Gold Corp." and PGC will continue as a wholly-owned subsidiary of the Corporation.

On January 31, 2017, the Corporation executed a Debt Settlement Agreement ("the Debt Agreement") to settle debt totaling $209,467 ($168,811 (principal) plus $40,656 (accrued interest). Pursuant to the Debt Agreement, the debt was settled by issuing a promissory note in the amount of $209,467. This balance is non-interest bearing and is due on or before August 1, 2018.

On January 31, 2017, the Corporation completed a non-brokered private placement of 750,000 units at a price of $0.10 per unit for gross proceeds of $75,000. Each unit consists of one common share of the Corporation and one common share purchase warrant entitling the holder to purchase an additional common share at a price of $0.15 per share for a period of two years.

Approval

The Board of Directors of the Corporation has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

SPARX ENERGY CORP.
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE THREE MONTHS AND YEAR ENDED DECEMBER 31, 2015

This management's discussion and analysis ("**MD&A**") presents an analysis of the financial position of Sparx Energy Corp. ("**Sparx**" or the "**Corporation**") for the three months and year ended December 31, 2015. The following information should be read in conjunction with the December 31, 2015 audited financial statements of the Corporation, including the accompanying notes, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

Date of Report

This MD&A is dated April 29, 2016 and presents material information up to this date.

Forward-Looking Statements

This MD&A may contain forward-looking statements relating to future events. In some cases, forward-looking statements can be identified by words such as "anticipate", "continue", "estimate", "expect", "forecast", "may", "will", "project", "should", "believe", or similar expressions. These forward-looking statements by their nature involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements, including the "Risks and Uncertainties" discussed in this MD&A. The Corporation considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but cautions the reader that these assumptions regarding future events, many of which are beyond the control of management, may ultimately prove to be incorrect.

Description of Business

Sparx is classified as a reporting issuer for purposes of the British Columbia Securities Commission. As a reporting issuer, the Corporation's current business is to comply with all reporting requirements while endeavouring to find, acquire and finance a suitable business or project. The Corporation has not conducted commercial operations other than to meet filing requirements.

Although the Corporation believes it will have enough capital resources to meet filing requirements until a suitable opportunity is identified and financing arranged, there is no guarantee that the Corporation will be able to do so, or to secure additional financing in the future on terms that are acceptable to it or at all.

Strategy

During October, 2012, Aldever Resources Inc.'s (formerly Glenmark Capital Corp.) ("Aldever") board of directors approved a plan of arrangement ("the Arrangement") between Aldever and its four wholly-owned subsidiaries: Anacott Resources Corp. ("Anacott"), Linqster Technologies Inc. (formerly Brunello Resources Corp.) ("Linqster"), Sparx Energy Corp. ("Sparx") and Teldar Resources Corp. ("Teldar"). The Arrangement was approved by shareholders of Aldever on November 30, 2012, by the Supreme Court of British Columbia on December 5, 2012 and by the TSX Venture Exchange on January 14, 2013.

On the closing of the Arrangement on May 31, 2013, Aldever transferred the following to Sparx: $17,500 in cash and the Doran Mineral Interest (described below) in exchange for the same number of

Sparx shares as the number of Aldever shares that are issued on the distribution record date multiplied by the conversion factor.

The Doran Mineral Interest was subsequently allowed to lapse by the Corporation.

History of the Corporation and Overall Performance

Sparx was incorporated October 5, 2012 in the Province of British Columbia and December 31 is the date of its fiscal year end.

The Corporation does not currently have operations or assets capable of generating ongoing revenue or cash flows and there is no certainty that it will be successful in acquiring a suitable opportunity. Although these financial statements have been prepared and presented on a going concern basis, there is significant risk that the Corporation will not become a going concern, in which case this basis of presentation will not be appropriate.

Selected Annual Information

The following financial data are selected for the Corporation for the three most recently completed financial years:

	31-Dec-15	31-Dec-14	31-Dec-13
	$	$	$
Total revenue	Nil	Nil	Nil
Net loss	34,030	23,695	100,319
Net loss per share, basic and diluted	0.00	0.00	0.01
Total assets	349	2,356	1,273
Non-current financial liabilities	Nil	Nil	Nil

Sparx was incorporated in 2012 and had no operations during that year. During 2013, 2014 and 2015 the Corporation received loans and share capital while it investigated potential business opportunities for acquisition. This activity has lead to consulting and professional costs as well as the costs of maintaining the Corporation as a reporting issuer. The Corporation has reported no discontinued operations and has paid no dividends and is unlikely to pay dividends for the foreseeable future.

Selected Quarterly Financial Information

The following selected financial data is derived from the financial statements of the Corporation prepared within acceptable limits of materiality and is in accordance with International Financial Reporting Standards.

	3 Months ended Dec 31, 2015 $	3 Months ended Sept 30, 2015 $	3 Months ended June 30, 2015 $	3 Months ended Mar 31, 2015 $	3 Months ended Dec 31, 2014 $	3 Months ended Sept 30, 2014 $	3 Months ended June 30, 2014 $	3 Months ended Mar 31, 2014 $
Total revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss	9,287	6,356	8,567	9,820	4,860	6,868	7,404	4,563
Net loss per share, basic and diluted	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total assets	349	1,526	531	386	2,356	2,371	866	382
Total liabilities	210,892	202,782	195,432	186,719	178,869	174,023	165,650	157,763
Total shareholders' deficiency	(210,543)	(201,256)	(194,901)	(186,333)	(176,513)	(171,652)	(164,784)	(157,381)

Operating Results for the Three Months Ended December 31, 2015

During the three month period ended December 31, 2015, the Corporation incurred bank charges of $26 (2014 - $42), consulting fees of $2,100 (2014 - $2,100) and interest expense of $3,089 (2014 - $2,723). Professional fees (legal and accounting costs) were $3,248 in the 2015 quarter and a recovery of $2,213 in the 2014 period, as fees incurred in evaluating a potential acquisition were reimbursed by the prospective vendor. Lastly, regulatory and transfer agent fees were $825 in the fourth quarter of 2015 compared to $988 in the 2014 period. As a result the Corporation incurred a loss of $9,288 ($0.00 per share) in the three months ended December 31, 2015 versus a loss of $4,860 ($0.00 per share) in the fourth quarter of 2014.

Operating Results for the Year Ended December 31, 2015

During the year ended December 31, 2015 Sparx incurred bank charges of $153 (2014 - $179), incurred consulting fees of $8,400 (2014 - $8,400) and incurred interest expense of $11,875 (2014 - $10,472). Professional fees for the 2015 year totalled $6,194 while, as a result of a credit for legal costs, professional fees were a credit of $1,105 in 2014. Lastly, regulatory and transfer agent fees totalled $7,398 in 2015 (2014 - $5,664). As a result Sparx incurred a loss of $34,030 ($0.00 per share) in 2015 versus a loss of $23,695 ($0.00 per share) in 2014.

Loans Payable

Loans payable in the amount of $123,205 (December 31, 2014 - $110,000) are unsecured, bear interest at 10% per annum and will be repaid once the Corporation's business plan is implemented. The lender has the option to be repaid in cash or shares of the Corporation. This loan represents funds advanced by an investor who is assisting the Corporation in implementing its business plan. It is not presently known what business, organizational or management changes may be necessary to complete its efforts.

Receipt of these loans is providing the working capital for the Corporation to prepare and file financial statements, pay regulatory and transfer agent fees, for corporate registrations and to redeem the two shares held by previous directors. As a result, the Corporation has gained further time in which to implement its intended business plan. In the year ended December 31, 2015, $13,205 in loans were advanced to the Corporation.

Liquidity, Capital Resources and Outlook

As at December 31, 2015, the Corporation had cash of $40, amounts receivable of $309 and current liabilities of $210,892. As at December 31, 2015 the Corporation has a working capital deficiency of $210,543. Additional equity or debt financing will be required to implement its business plan. There can be no assurance that the Corporation will be able to obtain adequate financing to achieve its objectives.

During the twelve months ended December 31, 2015 Sparx used $13,481 of cash in operating activities (2014 - $9,993) and raised $13,205 in financing activities (2014 - $9,500). The Corporation invested no cash in the first half of either 2015 or 2014.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at December 31, 2015.

Financial Instruments and Other Instruments

The Corporation's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities and loans payable. It is management's opinion that the Corporation is not exposed to significant interest (the interest on the Loans payable is at a fixed 10% per annum), currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values, as applicable.

Transactions with Related Parties

During the year ended December 31, 2015 the Corporation incurred $7,200 plus GST (2014 - $6,100 plus GST), in Consulting fees paid to an existing director, Richard Grayston, and a company in which a director is a principal. At December 31, 2015 the Corporation owed the existing director (Richard W. Grayston) and a company in which a director is a principal $16,450 (2014 - $9,995) in respect of these fees.

Significant Accounting Judgments and Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

The Corporation's significant judgments and estimates are disclosed in the financial statements as at and for the period ended December 31, 2015.

Disclosure of Outstanding Share Data

The Corporation is authorized to issue an unlimited number of common shares of which 13,111,431 common shares are issued and outstanding as at the date of this MD&A.

As at the date of this MD&A, the following is a description of the outstanding equity securities previously issued by the Corporation:

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited Common Shares	13,111,431 Common Shares

On April 24, 2013, the Corporation issued 2 common shares at a price of $0.05 per share to two officers of the Corporation for gross proceeds of $0.10. On May 7, 2013, these shares were redeemed and cancelled for $95,000 in cash.

On May 31, 2013, the Corporation cancelled its 1 incorporating share and issued 13,111,431 common shares for $17,500 in cash and an assignment of the Doran Mineral Interest (which then was valued at $35,000) under the Arrangement.

Warrants

As of the date of this MD&A 12,000,000 warrants were outstanding. Each warrant is exercisable to acquire a common share of the Corporation for $0.10 per share until April 8, 2018. The warrants were issued pursuant to the amended plan of arrangement previously discussed.

Changes in Internal Controls over Financial Reporting

There have been no changes in the Corporation's internal control over financial reporting during the year ended December 31, 2015, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Risks and Uncertainties

The Corporation has a limited history of existence. There can be no assurance that it will be successful in acquiring a suitable business or project. Equity or debt financing may be required to complete the implementation of its business plan. There can be no assurance that the Corporation will be able to obtain adequate financing to continue. The securities of the Corporation should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Corporation's securities:

a) the Corporation has had no business activity and has not acquired any material assets since its incorporation other than cash;

b) the Corporation does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends in the foreseeable future;

c) the Corporation has only limited funds with which to identify and evaluate potential opportunities and there can be no assurance that the Corporation will be able to identify a suitable business or project;

d) the business or project may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation;

e) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares; and

f) if the Corporation fails to complete the acquisition of a suitable business or project, an interim cease trade order may be issued against the Corporation's securities by an applicable securities commission.

Events After the Reporting Period

On March 1, 2016 the Corporation cancelled 100,000 share purchase warrants previously exercisable at a price of $0.10 per share until April 8, 2018.

Approval

The board of directors of the Corporation has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

SPARX ENERGY CORP.
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE THREE MONTHS AND YEAR ENDED DECEMBER 31, 2014

This management's discussion and analysis ("**MD&A**") presents an analysis of the financial position of Sparx Energy Corp. ("**Sparx**" or the "**Corporation**") for the three months and year ended December 31, 2014. The following information should be read in conjunction with the December 31, 2014 audited financial statements of the Corporation, including the accompanying notes, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

Date of Report

This MD&A is dated April 30, 2015 and presents material information up to this date.

Forward-Looking Statements

This MD&A may contain forward-looking statements relating to future events. In some cases, forward-looking statements can be identified by words such as "anticipate", "continue", "estimate", "expect", "forecast", "may", "will", "project", "should", "believe", or similar expressions. These forward-looking statements by their nature involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements, including the "Risks and Uncertainties" discussed in this MD&A. The Corporation considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but cautions the reader that these assumptions regarding future events, many of which are beyond the control of management, may ultimately prove to be incorrect.

Description of Business

Sparx is classified as a reporting issuer for purposes of the British Columbia Securities Commission. As a reporting issuer, the Corporation's current business is to comply with all reporting requirements while endeavouring to find, acquire and finance a suitable business or project. The Corporation has not conducted commercial operations other than to meet filing requirements.

Although the Corporation believes it will have enough capital resources to meet filing requirements until a suitable opportunity is identified and financing arranged, there is no guarantee that the Corporation will be able to do so, or to secure additional financing in the future on terms that are acceptable to it or at all.

Strategy

During October, 2012, Glenmark Capital Corp.'s (formerly Abbastar Resources Corp.) ("Glenmark") board of directors approved a Plan of Arrangement ("the Arrangement") between Glenmark and its four wholly-owned subsidiaries: Anacott Resources Corp ("Anacott"), Brunello Resources Corp. ("Brunello"), Sparx Energy Corp. ("Sparx") and Teldar Resources Corp. ("Teldar"). The Arrangement was approved by shareholders of Glenmark on November 30, 2012, by the Supreme Court of British Columbia on December 5, 2012 and by the TSX Venture Exchange on January 14, 2013.

On the closing of the Arrangement on May 31, 2013, Glenmark transferred the following to Sparx: $17,500 in cash and the Doran Interest (described below) in exchange for the same number of Sparx shares as the number of Glenmark shares that are issued on the distribution record date multiplied by the conversion factor.

Doran Interest

In 2007 Glenmark and Entourage Mining Ltd. (“Entourage”) entered into an option agreement (the “Doran Agreement”) wherein Glenmark was granted the sole option and right to acquire up to 70% of Entourage’s interest in the Doran uranium property (the “Doran Property”) situated in Costebelle Township, on the north shore of the Gulf of St. Lawrence in southeastern Quebec. Glenmark paid Entourage the $100,000 required pursuant to the Doran Agreement in order to exercise and acquire the interest in the Doran Property.

To March 31, 2013, Glenmark has incurred $1,520,190 in mineral property exploration expenditures as defined in the Doran Agreement and earned a 35% interest in the property. Glenmark elected not to make the necessary mineral exploration expenditures on the Doran Property during the third year of the agreement and may, pursuant to the Doran Agreement, proceed on a joint venture basis with Entourage.

During the year ended December 31, 2012, Glenmark wrote down the property to $35,000. As a result of certain claims lapsing in 2013 Sparx wrote-down the property to $NIL.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from potential aboriginal claims and frequently ambiguous conveyancing history characteristic of many mineral properties. At the time of the acquisition, Glenmark had investigated title to all properties and, to its knowledge, titles to all properties are in good standing.

Potential Acquisition

On October 18, 2013, Sparx entered into a letter of intent ("LOI") to acquire the Mankota Helium project, located in southern Saskatchewan, and a right of first refusal on certain U.S. projects, from Weil Group Resources, LLC (see News release dated October 24, 2013). In the event that the acquisition was completed, the Corporation would consolidate its current share capital on the basis of 1 new share for every 1.61 old shares and change its name to "Weil Helium One Inc.". Subsequently the Corporation must complete a private placement of not less than $5,000,000 and obtain a listing on the TSX Venture Exchange. The vendors, Weil Group Resources, LLC, would receive 29,000,000 post-consolidation common shares of the Corporation in consideration for the property. The transaction also contemplates inclusion of other customary closing conditions.

On November 19, 2013 the parties signed a letter agreement extending the period to sign a definitive agreement, under the terms of the LOI period, to 60 days from the period agreed under the LOI of 30 days.

The parties have since allowed this LOI to lapse.

History of the Corporation and Overall Performance

Sparx was incorporated October 5, 2012 in the Province of British Columbia and December 31 is the date of its fiscal year end.

The Corporation does not currently have operations or assets capable of generating ongoing revenue or cash flows and there is no certainty that it will be successful in acquiring a suitable opportunity. Although these financial statements have been prepared and presented on a going concern basis, there is significant risk that the Corporation will not become a going concern, in which case this basis of presentation will not be appropriate.

Selected Quarterly Financial Information

The following selected financial data is derived from the financial statements of the Corporation prepared within acceptable limits of materiality and is in accordance with International Financial Reporting Standards.

	3 Months ended Dec 31, 2014 $	3 Months ended Sept 30, 2014 $	3 Months ended June 30, 2014 $	3 Months ended Mar 31, 2014 $	3 Months ended Dec 31, 2013 $	3 Months ended Sept 30, 2013 $	3 Months ended June 30, 2013 $	3 Months ended Mar 31, 2013 $
Total revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss	4,860	6,868	7,404	4,563	48,786	16,172	12,361	23,000
Net loss per share, basic and diluted	0.00	0.00	0.00	0.00	0.01	0.00	0.00	(23,000.00)
Total assets	2,356	2,371	866	382	1,273	37,978	45,044	1
Total liabilities	178,869	174,023	165,650	157,763	154,091	139,510	130,404	33,000
Total shareholders' deficit	(176,513)	(171,652)	(164,784)	(157,381)	(152,818)	(101,532)	(85,360)	(32,999)

For the year ended December 31, 2014, the Corporation reported no discontinued operations and did not declare any cash dividends. As the Corporation was incorporated on October 5, 2012, no material financial information for periods prior to December 31, 2012 is available.

Results of Operations and Additional Disclosure for Venture Corporations without Significant Revenue

During the three month period ended December 31, 2014, the Corporation incurred bank charges of $42 (2013 - $40), consulting fees of $2,100 (2013 - $2,100), interest expense of $2,723 (2013 - $2,533), a recovery of professional fees of $2,213 (2013 - an expense of $8,235) and regulatory and transfer agent fees of $2,208 (2013 - $833). Professional fees were substantially lower in the 2014 period, in fact a recovery of $2,213, as Weil Group Resources, LLC had paid certain legal fees incurred by the Corporation in evaluating the LOI. Finally, Sparx wrote off its $35,000 investment in the Doran property in the fourth quarter of 2013. As a result the Corporation incurred a loss of $4,860 ($0.00 per share) in the fourth quarter of 2014 versus a loss of $48,786 ($0.00 per share) in the fourth q uarter of 2013.

For the year ended December 31, 2014 Sparx incurred a loss of $23,695 ($0.00 per share) versus a loss of $100,319 ($0.01 per share) in 2013. Consulting and management fees were substantially lower in 2014 ($8,400) than in 2013 ($35,219) as previous management was replaced midyear 2013 resulting in substantial savings. Interest expense was higher in 2014 ($10,472) versus $6,364 in 2013, as further loans were received to allow the Corporation to continue in existence. In 2014 there was a recovery of professional fees of $1,105 versus an expense of $18,038 in 2013. This difference is explained by two factors: Legal costs incurred dealing with previous management in 2013and the recovery of legal costs pursuant to the LOI with the Weil Group Resources, LLC in 2014. Finally, in 2013 the Corporation wrote down its investment in the Doran property in the amount of $35,000.

Loans Payable

Loans payable in the amount of $110,000 (December 31, 2013 - $100,500) are unsecured, bear interest at 10% per annum and will be repaid once the Corporation's business plan is implemented. The lender has the option to be repaid in cash or shares of the Corporation. This loan represents funds advanced by an investor who is assisting the Corporation implement its business plan. It is not presently known what business, organizational or management changes may be necessary to complete its efforts.

Receipt of these loans is providing the working capital for the Corporation to prepare and file financial statements, pay regulatory and transfer agent fees, for corporate registrations and to redeem the two shares held by previous directors. As a result, the Corporation has gained further time in which to implement its intended business plan. In the year ended December 31, 2014, $9,500 in loans were advanced to the Corporation.

Liquidity, Capital Resources and Outlook

As at December 31, 2014, the Corporation had cash of $316, amounts receivable of $2,040 and current liabilities of $178,869. As at December 31, 2014 the Corporation has a working capital deficiency of $176,513. Additional equity or debt financing will be required to implement its business plan. There can be no assurance that the Corporation will be able to obtain adequate financing to achieve its objectives.

During the year ended December 31, 2014 Sparx used $9,993 of cash in operating activities (2013 - $22,192) and raised $9,500 in financing activities (2013 - $23,000). The Corporation invested no cash in either 2014 or 2013.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at December 31, 2014.

Financial Instruments and Other Instruments

The Corporation's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities and loans payable. It is management's opinion that the Corporation is not exposed to significant interest (the interest on the Loans payable is at a fixed 10% per annum), currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values, as applicable.

Transactions with Related Parties

During the year ended December 31, 2014 the Corporation incurred $8,400 plus GST (2013 - $26,000 plus GST), in Consulting fees paid to an existing director, Richard Grayston, and a company in which a director is a principal (2013 - an existing director and two former directors). At December 31, 2014 the Corporation owed the existing director (Richard W. Grayston) $9,995 (2013 - $3,675) in respect of these fees.

Significant Accounting Judgments and Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

The Corporation's significant judgments and estimates are disclosed in the financial statements as at and for the period ended December 31, 2014.

Disclosure of Outstanding Share Data

The Corporation is authorized to issue an unlimited number of common shares of which 13,111,431 common shares are issued and outstanding as at the date of this MD&A.

As at the date of this MD&A, the following is a description of the outstanding equity securities previously issued by the Corporation:

	Authorized	**Outstanding**
Voting or equity securities issued and outstanding	Unlimited Common Shares	13,111,431 Common Shares

On April 24, 2013, the Corporation issued 2 common shares at a price of $0.05 per share to two officers of the Corporation for gross proceeds of $0.10. On May 7, 2013, these shares were redeemed and cancelled for $95,000 in cash.

On May 31, 2013, the Corporation cancelled its 1 incorporating share and issued 13,111,431 common shares for $17,500 in cash and an assignment of the Doran mineral property interest (which then was valued at $35,000) under the Arrangement.

Warrants

As of the date of this MD&A 12,100,000 warrants were outstanding. Each warrant is exercisable to acquire a common share of the Corporation for $0.10 per share until April 8, 2018. The warrants were issued pursuant to the amended plan of arrangement previously discussed.

Changes in Internal Controls over Financial Reporting

There have been no changes in the Corporation's internal control over financial reporting during the year ended December 31, 2014, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Risks and Uncertainties

The Corporation has a limited history of existence. There can be no assurance that it will be successful in acquiring a suitable business or project. Equity or debt financing may be required to complete the implementation of its business plan. There can be no assurance that the Corporation will be able to obtain adequate financing to continue. The securities of the Corporation should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Corporation's securities:

a) the Corporation has had no business activity and has not acquired any material assets since its incorporation other than cash;

b) the Corporation does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends in the foreseeable future;

c) the Corporation has only limited funds with which to identify and evaluate potential opportunities and there can be no assurance that the Corporation will be able to identify a suitable business or project;

d) the business or project may be financed in all or part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation;

e) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares; and

f) if the Corporation fails to complete the acquisition of a suitable business or project, an interim cease trade order may be issued against the Corporation's securities by an applicable securities commission.

Events After the Reporting Period

There were no material events after December 31, 2014 to the date hereof.

Approval

The board of directors of the Corporation has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

SCHEDULE "C"
AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee will assist the board of directors (the "**Board**") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well and the company's business, operations and risks.

2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Corporation. The audit committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the audit committee must not be officers, employees or control persons of the Corporation. If the Corporation ceases to be a "venture issuer" as that term is defined in Multilateral Instrument 52-110 entitled "Audit Committees" ("MI 52-110"), then all of the members of the audit committee shall be free from any material relationship with the Corporation within the meaning of MI 52-110.

2.2 Financial Literacy of Committee Members

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. A person is generally considered "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level 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 Corporation's financial statements.

3. Meetings

The audit committee shall meet at least annually with the Corporation's Chief Financial Officer and external auditors in separate executive sessions.

4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

(a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation;

(b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;

(c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

(d) review and recommend to the Board the compensation to be paid to the external auditors; and

(e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Corporation. In carrying out this duty, the audit committee shall:

(a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Corporation; and

(b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

(a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and

(b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

(a) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

(b) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and

(c) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

(a) review and approve the interim financial statements prior to their release to the public; and

(b) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

(a) where reasonably possible, review and approve all public disclosure, including

news releases, containing financial information, prior to its release to the public.

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Corporation or any subsidiary of the Corporation shall be subject to the prior approval of the audit committee.

Delegation of Authority

(a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

(a) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:

(i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

(ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

(a) The audit committee may also satisfy the requirement for the pre-approval of non-

audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

(i) the pre-approval policies and procedures are detailed as to the particular service;

(ii) the audit committee is informed of each non-audit service; and

(iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

(a) establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters;

(b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;

(c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;

(d) review the policies and procedures in effect for considering officers' expenses and perquisites;

(e) perform other oversight functions as requested by the Board; and

(f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

CERTIFICATE OF PROVENANCE GOLD CORP.

May 1st, 2017

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Corporation as required by the securities legislation of the province of British Columbia.

"Rauno Perttu"	*"Robert Clark"*
Rauno Perttu	**Robert Clark**
Chief Executive Officer	Chief Financial Officer

On behalf of the Board of Directors

"Thomas Martin"	*"Thomas L. Crom III"*
Thomas Martin	**Thomas L. Crom III**
Director	Director